

## Particulars

### About Your Organisation

#### 1.1 Member Name

UNILEVER PLC

#### 1.2 Membership Number

4-0001-04-000-00

#### 1.3 Membership Sector

Consumer Goods Manufacturers

#### 1.4 Membership Category

Ordinary

#### 1.5 Country

United Kingdom

### 2.0 Does your company or organisation produce, process, consume or sell any palm oil or any products containing derivatives of palm oil?

Yes

### 2.1 Please select all description(s) that describe the palm oil-related activities of your company or organisation. Multiple selections are allowed, and not limited to the primary sector of the member's RSPO membership. You will be required to complete the relevant ACOP section based on your selection(s).

- I own and operate oil palm estate(s) and/or palm oil mill(s)
- I represent a palm oil Independent Smallholder farmer Group
- I own and operate independent palm oil mills
- I own and operate independent palm kernel crushing plants - Processors and/or Traders
- I trade or broker palm oil, palm kernel oil or related products - Processors and/or Traders
- I am a refiner of palm oil or palm kernel oil - Processors and/or Traders
- I am a processor of intermediate (B2B) palm oil, palm kernel oil or related fractions/derivatives - Processors and/or Traders
- I am a B2B distributor or wholesaler of palm oil, palm kernel oil or related products - Processors and/or Traders
- I manufacture final consumer (B2C) products containing palm oil, palm kernel oil or related products. This includes products manufactured by 3rd party contractors - Consumer Goods Manufacturers
- I retail final consumer (B2C) products containing palm oil, palm kernel oil or related products - Retailers
- I operate food retail outlets that use palm oil, palm kernel oil or related products - Retailers
- I am a conservation and environmental NGO supporting the sustainable development of the palm oil industry
- I am a social and human development NGO supporting the sustainable development of the palm oil industry

## Consumer Goods Manufacturers

### 1. Operational Profile

#### 1.1 Please state your company's main activity within the palm oil supply chain.

- Food Good Manufacturer - own brand
- Food Good Manufacturer - third-party brand
- Home & Personal Care Good Manufacturer - own brand
- Home & Personal Care Good Manufacturer - third-party brand
- Ingredient Manufacturers
- Biofuels
- Other

Other

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## 2. Palm Oil and Certified Sustainable Palm Oil Consumption

*Information in Section 2.0 - Palm Oil and Certified Sustainable Palm Oil Consumption - is a mandatory declaration in your ACOP. This includes volume data on palm oil, palm kernel oil and related products consumed, to enable the RSPO to accurately calculate uptake of individual members, sectors and RSPO members as a whole. ACOP reports without reported volume data will be considered as incomplete and will not be accepted. Incomplete ACOP reports may lead to suspension or termination of RSPO membership.*

**2.1 Please list down all operations and subsidiaries using palm oil, palm kernel oil and related products that are owned and/or managed by the member, including those under Group Membership**

The scope of communications concerns all relevant Unilever operations as defined as those Supply Chain entities listed on the RSPO Company profile and updated from time to time.

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**2.1.1 In which markets does your company sell goods with palm oil and oil palm products?**

Europe °,North America °,China,India,Malaysia,Indonesia,Africa °,Latin America °,Rest of the World °

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**DL.2.0 In order to facilitate ease of reporting and transparency, RSPO members operating within the palm oil demand supply chain can now choose to report palm oil and palm oil product volumes on:**

an aggregate level (as in previous ACOP reporting cycles)

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**2.2 Total volume of uncertified and certified palm oil, palm kernel oil and related products purchased for use in your company's own-brand and third-party brand products**

<b>Description</b>	<b>Tonnes</b>
Total volume of crude palm oil (tonnes)	262292.00
Total volume of crude palm kernel oil (tonnes)	34190.00
Total volume of palm kernel expeller (tonnes)	0.00
Total volume of crude palm oil/palm kernel oil-based derivatives and fractions (tonnes)	481937.00
Total	778419.00

**2.2.1 Please estimate the percentage of derivatives and fractions (reported in Question CG.2.2) derived from palm oil or from palm kernel oil. The default split for volumes is assumed to be 80% palm oil-based derivatives and 20% palm kernel oil-based derivatives.**

<b>Description</b>	<b>Percentage</b>
Palm oil-based derivatives and fractions	23
Palm kernel oil-based derivatives and fractions	77

**2.3 Please estimate the regional distribution of your company's uncertified and certified palm oil, palm kernel oil and related products sales (as declared in Question 2.2) in the following countries/regions.**

<b>Countries/Regions</b>	<b>Percentage</b>
Europe	19
North America	5
Malaysia	0
Indonesia	10
China	6
India	13
Latin America	7
Africa	15
Rest of World	25

**2.4 Volume of RSPO-certified palm oil, palm kernel oil and related products purchased for use in your company's own-brand and third-party brand products in the year:**

<b>Description</b>	<b>Crude/Refined Palm Oil (CSPO)</b>	<b>Crude/Refined Palm Kernel Oil (CSPKO)</b>	<b>Palm Kernel Expeller (CSPKE)</b>	<b>Certified Derivatives and Fractions</b>
RSPO Credits from Mill / Crusher	0.00	0.00	0.00	0.00
RSPO Credits from Independent Smallholder	58311.00	1456.00	0.00	0.00
Mass Balance (MB)	194180.00	14639.00	0.00	437820.00
Segregated (SG)	25072.00	0.00	0.00	0.00
Identity Preserved (IP)	0.00	0.00	0.00	0.00
<b>Total</b>	<b>277563.00</b>	<b>16095.00</b>	<b>0.00</b>	<b>437820.00</b>

**2.4.1 Please estimate the percentage of RSPO-certified derivatives and fractions (reported in Question CG.2.4) derived from RSPO-certified palm oil or from RSPO-certified palm kernel oil. The default split for volumes is assumed to be 80% palm oil-based derivatives and 20% palm kernel oil-based**

<b>Description</b>	<b>Percentage</b>
Certified Palm oil-based derivatives and fractions	21
Certified Palm kernel oil-based derivatives and fractions	79

**2.5 According to the volume information you have provided in Question 2.2 and Question 2.4, your company's certified palm oil and palm oil products uptake is:**

93.97%

**2.5.1 Please provide additional information on your certified palm oil, palm kernel oil and related products uptake. This may include your usage of RSPO Credits to cover gaps in certified uptake, changes due to business environment, variations due to stock positions or efforts to support independent smallholders beyond volume commitments.**

In 2022, Unilever sustainably sourced 100% of our core volumes of palm oil through a mixture of RSPO physically sustainable certified palm oil (Mass Balance or Segregated) and RSPO independent smallholder credits. Unilever remains one of the largest buyers of independent smallholder credits. Together with palm kernel oil (refined and derivatives) in 2022, Unilever reached 94% sustainable sourcing of our core volumes. This gap in our percentage of sustainably sourced palm kernel oil comes from an ever-more challenging palm kernel oil (and its derivatives) market, where supply and availability issues have been acute. We have also found that there is a lack of supply of RSPO Independent Smallholder palm kernel oil credits in the market to cover gaps needed to meet our requirements. While supply issues have been challenging the results also reflects our strategy to engage more of the non-certified independent mills and suppliers to drive further change in the industry.

We have realized that to drive impact on the ground we need to go further than relying on the certified supply base and where mass balance supply chains do not give us the traceability we require. Our strategy in particular focuses on smallholder farmers who make up 40% of the supply base of major palm oil producing countries. No credible plan for transformation of the palm oil industry can afford to ignore the pivotal role of this group.

We are investing in smallholder hubs which will lead programmes to engage independent mills to help them improve their capabilities to eventually become certified but with a core focus of delivering positive impacts for the farms and livelihoods of smallholders connected to them as well as the eco-systems surrounding them. We know that this will also help to increase the number of certified farmers, farmer groups and the volume of sustainable palm oil in the global market.

Note that we have applied a change in method from our previous year of reporting that is reflected in this baseline volume. We believe this method provides a more accurate account on the palm oil and palm kernel oil material (including their derivative materials) that we purchase for our factories that produce our finished goods and brands.

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**2.6 Please estimate the regional sales volume distribution of your company's RSPO certified palm oil, palm kernel oil and related products (as declared in Question 2.4) in the following countries/regions:**

<b>Countries/Regions</b>	<b>Percentage</b>
Europe	19
North America	5
Malaysia	0
Indonesia	10
China	6
India	13
Latin America	7
Africa	15
Rest of World	25

**3. TimeBound Plan**

**3.1 Which year did your company achieve (or expects to achieve) the RSPO supply chain certification?**

2011

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**3.2 Which year did your company begin (or expects to begin) using RSPO-certified sustainable palm oil and palm oil products in own-brand products**

2009

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**3.2.1 If the previous target year has not been met, please explain why.**

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**3.3 Which year did your company begin (or expects to begin) using only RSPO-certified sustainable palm oil and palm oil products from any supply chain option in own-brand products.**

2012

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**3.3.1 If the previous target year has not been met, please explain why.**

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**3.4 Which year did your company begin (or expects to begin) using only RSPO-certified sustainable palm oil and palm oil products from physical supply chain options (Identity Preserved, Segregated and/or Mass Balance) in own-brand products.**

2019

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**3.4.1 If the previous target year has not been met, please explain why.**

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#### 4. Trademark Use

##### 4.1 Does your company use or plan to use the RSPO Trademark in own-brand products?

No

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##### 4.3 Please explain why your company does not plan to use the RSPO Trademark in own-brand products

- Challenging reputation of palm oil
- Confusion among end-consumers
- Costs of changing labels
- Difficulty of applying for RSPO Trademark
- Lack of customer demand
- Limited label space
- Low consumer awareness
- Low usage of palm oil
- Risk of supply disruption
- Others

Others

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## 5. Actions for Next Reporting Period

### 5.1 Please outline activities that your company will take in the coming year to promote the production or consumption of certified sustainable palm oil (CSPO)

- Participation in RSPO Working Group or Task Forces
- Support Independent Smallholders (ISH)
- Contribute to the RSPO Smallholder Trainer Academy
- Financial contribution to the RSPO Smallholder Support Fund
- Direct investments in Smallholder Certification projects
- Involvement/direct investments in Jurisdictional/Landscape approach
- Direct/collective investments in conservation and restoration initiatives
- Financial contribution to support members with Remediation and Compensation (RaCP) process, direct/collective investments in conservation and restoration initiatives
- Allocating FTE to promote the production or consumption of certified sustainable oil palm products
- Specific policies and action plans by the member to promote CSPO production or consumption in the upstream or downstream supply chain, including target dates or broader policies that include such efforts
- No activities planned
- Others

Other

Unilever is committed to the sustainable sourcing of key crops and achieving a deforestation-free supply chain. Unilever has been purchasing RSPO certified palm oil and palm kernel oil (and their derivatives) since 2009 and continues to contribute towards the sustainable production and consumption of certified sustainable palm oil materials.

We remain to be one of the largest buyers of RSPO physically certified sustainable palm oil and RSPO independent smallholder credits and are committed to advancing the RSPO as a consumer goods company and buyer. We will continue to work with several targeted suppliers to increase plantations and mills to become RSPO certified. Our programs with independent smallholder farmers in Indonesia and Malaysia are prioritized for delivering positive impacts and for them to eventually become RSPO certified. We are also investing in various landscape and jurisdictional approach programs with partners that embed workstreams to increase the production of physically certified palm oil at scale with the involvement of local governments, civil society organizations, and local private sector actors.

Unilever recognizes that certification alone will not be enough to deliver the positive environmental and social impact we seek, which is why Unilever has developed additional sustainability policies for our suppliers and creating various programmes with our partners to drive the transformation we see required in the sector.

The Unilever People and Nature Policy (2020) applies to Unilever's own operations, suppliers' own group operations and supply chains. Our actions towards the goal of achieving a deforestation-free supply chain can be summarized into the following categories:

1) Focused sourcing – Our suppliers are required to comply with Unilever's People and Nature Policy. We work in partnership with our suppliers who share our values to build capability with them to implement this policy. Suppliers are required to source from areas where no deforestation, no conversion of natural ecosystems, no burning policies and protects natural ecosystems; this must be demonstrated through traceability. Contractual agreements include policy compliance. For example, Unilever's direct suppliers must act and implement policies that support their compliance with Unilever's initiatives. For suppliers that are not certified, we require them to share with Unilever their traceability data to determine material origination and to ensure compliance can be monitored and assured. We are also launching a management systems process to ensure due diligence is in place to detect and prevent environmental and social issues.

2) Traceability and transparency – We understand the importance of traceability and transparency in the supply chain as a critical pathway towards achieving greater sustainability. We have various traceability requirements for our suppliers and have been partnering with technology firms, start-ups, and industry partners to understand the impact of our sourcing. Through these traceability efforts supported by innovative technology, we can identify risks, monitor what happens on the ground and act when issues arise.

3) Smallholders – Unilever is dedicated to ensuring a sustainable and deforestation-free supply chain including with smallholder farmers. This is achieved through our requirements in traceability of our suppliers and investments we are making with independent smallholders through our smallholder hubs in oil palm production landscapes. Through our smallholder hubs, we are supporting efforts in mapping, obtaining appropriate land titles and business documents, and various trainings on sustainability, regenerative agriculture, and deforestation-free requirements.

## Shared Responsibility

*The Board of Governors of the Roundtable on Sustainable Palm Oil approved new Shared Responsibility rules on 31 October 2019, requiring all members to share sustainability requirements and obligations. Reporting of Shared Responsibility (SR) requirements will be done through ACOP and MyRSPO. As the process of verification of the reports is in development, the Shared Responsibility section in ACOP may change in future ACOP cycles. Evidence to show compliance to the SR requirements shall be uploaded via your membership profile in MyRSPO. Please login to your MyRSPO account and upload the relevant policies, plans and relevant reports there. If you do not have a policy or your policy does not cover all items, you will be required to provide a Declaration of Support for the relevant policy items in your MyRSPO profile. Additional information on the required policies and plans applicable to all sectors as well as the annual uptake targets for supply chain actors can be found on <https://rspo.org/members/shared-responsibility> or email the Shared Responsibility team at [sharedresponsibility@rspo.org](mailto:sharedresponsibility@rspo.org).*

### Information & Public Availability

**1.1 Does your organisation have organisational management documents publicly-available?**

Yes

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### Ethical Conduct & Human Rights

**1.2 Does your organisation have a publicly-available Policy covering Ethical Conduct & Human Rights?**

Yes

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**1.2.1 Does the policy cover:**

- Ethical conduct for contractors
- Ethical conduct for recruitment
- Respect of human rights, including for suppliers and sub-Contractors

### Legal Compliance

**1.3 Does your organisation comply with all applicable legal requirements?**

Yes

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**1.4 Does your organisation require its third party contractors to comply with legal requirements, i.e. including a clause on legal compliance in the contracts?**

Yes

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### Complaints & Grievances

**1.5 Does your organisation have a Grievance Mechanism that is accessible to all affected parties?**

Yes

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**1.5.1 Is your Grievance mechanism in line with the principles of the RSPO's Complaints System?**

Yes

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**Land Use & FPIC**

**1.6 Does your organisation have a publicly-available policy covering Commitment to respect Free Prior and Informed Consent (FPIC) in the Palm Oil Supply chain?**

Yes

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**1.6.1 Does your organisation have a procedure in place to identify legal, customary or user rights, and people entitled to compensation?**

Yes

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**Smallholders**

**1.7 Does your organisation support oil palm smallholders (groups)?**

Yes

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**1.7.1 Does your organisation report on the actions to support the inclusion of smallholders?**

Yes

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**Labour & Labour Rights**

**1.8 Does your organisation have a publicly-available policy covering Labour & Labour Rights?**

Yes

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**1.8.1 Does the policy cover:**

- No discrimination and equal opportunities
- Pay and working conditions at least at legal or industry minimum standards and are sufficient to provide decent living wages (DLW)
- Freedom of association and Collective bargaining
- Protection of children, as well as the workforce of suppliers and third-party contractors
- Prevention of all forms of harassment, including sexual harassment
- No forced or trafficked labour

**Occupational Health & Safety**

**1.9 Does your organisation have a publicly-available Policy covering Occupational Health & Safety?**

Yes

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**1.9.1 Does your organisation have a Standard Operating Procedure (SOP) for Occupational Health & Safety?**

Yes

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**Waste Management**

**1.10a Does your organisation have a waste management plan that includes reduction, recycling, reusing and disposal based on the hazardous characteristics?**

Yes

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**1.10a.1 Is this plan implemented?**

Yes

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**Water Management**

**1.11 Does your organisation have a water management plan to promote efficient use and continued availability of water sources?**

Yes

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**1.11.1 Is this plan implemented?**

Yes

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**Energy Use**

**1.12 Does your organisation have an energy use plan to improve the efficiency of the fossil fuels used and to optimise renewable energy?**

Yes

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**1.12.1 Are there records of implementation of the plan ie. monitoring and reporting?**

Yes

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**Climate Change & Greenhouse Gas (GHG)**

**1.13 Does your organisation have a publicly-available policy covering Climate Change & Greenhouse Gas (GHG) including identification and assessment of GHG emissions and implementation of a plan to reduce or minimise them?**

Yes

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**Claims and labels**

**1.15 Does your organisation promote the use of off-product RSPO claims and labels?**

Yes \_\_\_\_\_

## Challenges and Support

### 1.1 What significant obstacles or challenges has your company encountered in the promotion of certified sustainable palm oil (CSPO)? What efforts has your company taken to address these obstacles or challenges?

- Awareness of RSPO in the market
- Difficulties in the certification process
- Certification of smallholders
- Competition with non-RSPO members
- High costs in achieving or adhering to certification
- Human rights issues
- Insufficient demand for RSPO-certified palm oil
- Low usage of palm oil
- Reputation of palm oil in the market
- Reputation of RSPO in the market
- Supply issues
- Traceability issues
- No challenges faced
- Others

#### Others

The palm oil industry is extremely complex and has many challenges that require collaborative industry participation - from the farmers and suppliers who provide our palm oil, to governments, businesses, civil society and NGOs. No single organization can deliver sustainability alone, so it is essential for the entire palm oil sector to work together.

Unilever is committed to working with our suppliers and with partners to drive industry transformation and address the challenges we have identified below:

#### 1) Supply Issues

In 2022, Unilever sustainably sourced 100% of our core volumes of crude palm oil (CPO) through a mixture of RSPO physically sustainable certified palm oil (Mass Balance or Segregated) and RSPO independent smallholder credits. Unilever remains one of the largest buyers of independent smallholder credits. Together with palm kernel oil (refined and derivatives) in 2022, Unilever reached 94% sustainable sourcing of our core volumes. Despite our efforts in achieving this, there was a decrease from previous years partly due to the shortage in supply of palm kernel oil in the market. This created an imbalance and short supply in the physically certified RSPO market and RSPO independent smallholder credit market.

#### 2) Traceability and transparency issues

The complexity of supply chains remains a challenge for the industry due to factors such as commodity trading, government- controlled trade, and the number of refined oleochemicals and derivatives. To address such challenges with transparency and traceability, we have partnered with several technology partners to help us understand our supply chain. As highlighted in our People and Nature Policy, investments into traceability are one of the key components at Unilever. We have partnered with organisations such as EarthQualizer and 3Keel to help understand and monitor our supplier's compliance whilst allowing us to gather traceability data across our supply chain. As part of our initiatives towards transparency, we are also the first major consumer goods company to publish our supplier and mill data on our website.

#### 3) Human rights Issues

Unilever is committed to respecting human rights. In our Human Rights Progress Report, we highlighted a couple of examples of working with industry groups to drive forward impact collectively. We believe our continued participation with RSPO, Palm Oil Collaboration Group, Consumer Goods Forum (CGF) Human Rights and other working groups, we can strengthen and ensure human rights issues can be prevented and resolved.

#### 4) Reputation of palm oil in the market

There is a greater demand for transparency from consumers who associate palm oil with environmental degradation; as part of Unilever's engagement, we are committed to sourcing sustainable palm oil to provide consumer confidence in the products they purchase. Our sustainable sourcing commitments along with our drive towards a deforestation free supply chain by 2023, are commitments shared with the community to showcase that sustainable living is a key agenda in Unilever's initiatives.

## 5) Certification of smallholders

Smallholder programs are part of Unilever strategy to improve traceability. Therefore, Unilever has developed partnership programs with various partners, such as: Fortasbi, SNV, Conservation International, WRI, IDH, Daemeter, Kaleka and WWF to provide Good Agricultural Practices training and support RSPO certification. Smallholder integration into sustainable supply chains is a significant challenge, particularly for independent growers. Factors that prevent farmer inclusion are a lack of farmer aggregation, a lack of adequate support and incentives for certification, unclear land rights and a lack of replanting support. We continue our partnerships with Conservation International, Daemeter, IDH, Kaleka, WWF, along with our mill partners for continuous implementation and monitoring of our programmes. Our investment into partnerships increases the scale of our projects with farmers with the provision of training on good agricultural practices and NDPE. This creates avenues for increase RSPO certification and provide further support to smallholders through the purchase of RSPO smallholder credits.

We are investing in smallholder hubs across Sumatra, Indonesia and are excited by the prospect of much deeper engagement with smallholders through our partnerships on the ground. We are working through these hubs to put smallholders on the map and in 2022 launched a partnership with Meridia Land to geospatially map the smallholders that will be served by these hubs. By the end of 2022 we had mapped and generated baseline assessments of over 20,000 smallholders.

Our current programmes include:

a. PTPN III Sei Mangkei | UD Lestari Smallholder Farmer Group | Lead implementing partner: FORTASBI | 949 smallholders, Simalungun District, North Sumatera

Unilever in collaboration with Fortasbi in 2019 began working to certify 800 farmers in the UD Lestari group, with a goal for them to be fully RSPO certified. This builds off a previous program that we collaborated with IDH and DeGuru originally RSPO certifying 63 smallholders in 2017. The programme has now supported the RSPO certification of 949 independent smallholder farmers on more than 1,406 hectares.

b. PTPN III Hapesong | Batang Toru, North Sumatera | Lead implementing partner: Conservation International (implemented by Konservasi Indonesia) | 1,000 smallholders

Unilever in collaboration with Conservation International and Konservasi Indonesia, began training 1,000 farmers supplying PTPN III in 2019. A sub-set of 800 farmers will be supported to attain RSPO certification during this program. Currently 196 smallholders have received RSPO certification in 2022, while 402 have passed all RSPO audits and are awaiting their certificates to be issued in 2023. The remaining smallholders (204 smallholders) are expected to obtain RSPO certification by the end of 2023.

c. PTPN III Hapesong | Batang Toru, North Sumatera | Lead implementing partner: Kompasioo Enviroo | 279 smallholders

Unilever began working with Kompasioo Enviroo to support 268 smallholders in 2019, who aimed to become RSPO certified and supply to PTPN III Hapesong. During smallholder program, number of smallholders grow into 279 independent smallholder farmers were RSPO certified in 2021, and we continue to facilitate meetings between the smallholders of UD Samin and PTPN III Hapesong for closer commercial collaboration.

d. PTPN III Sei Mangkei | Simalungun, North Sumatera | Lead implementing partner: SNV | 500 smallholders

Unilever in collaboration with SNV in 2019 began working with PTPN III Sei Mangkei to provide 500 independent smallholder farmers in Koperasi Gaharu 100 with various training with the aim to attain RSPO certification. Unilever has managed to certify 214 smallholders and established the Gaharu 100 cooperative that will allow smallholders to develop a second stream of income. Currently, Koperasi Gaharu 100 has added 1,460 smallholders into training program in 2022 and mapped additional 834 smallholders. Supported by Kompasioo Enviroo 2,294 smallholders are targeted to be certified in 2023.

e. PTPN V | Rokan Hulu, Kampar and Siak, Riau | Lead implementing partner: World Resources Institute (WRI) | 756 SHF Building on ongoing activities since 2016, 756 farmers in Siak and Pelalawan, Riau joined this programme in 2019. There are 3 farmer groups joining this programme: Beringin Jaya, Sawit Jaya, Semarak Mudo and Tayo Barokah. Unilever and WRI has managed to facilitate the certification of 756 independent smallholders and linked these farmer groups to our supplier, PTPN V. In 2022, WRI has sensitized 10,000 independent smallholders and has mapped 6,227 smallholders represents 12,863 Ha. Training program will be started in 2023.

f. KUD Tani Subur | Lead implementing partner: Kaleka (formerly Inobu) | Kotawaringin Barat and Seruyan Districts, Central Kalimantan | 3,500 smallholders

Unilever began supporting a jurisdictional project managed by Yayasan Inobu (known known as Kaleka) in 2016. By the end of 2019, over 1,000 farmers were RSPO certified. In the next phase of this partnership, Kaleka is supporting us in the RSPO certification process of an additional 2,500 farmers on more than 5,000 hectares of land targeted to be completed by the end of 2023.

g. Farmer Association: Karya Serumpun, Tunas Karya Mandiri, Asagri (Asosiasi Sawit Gemilang Riau Indragiri) | Daemeter, World Education International, PT SKIP Mill, Seberida, Riau | 500 smallholders

Unilever continues to support project activities with the Karya Serumpun (KS) Farmers Association to help certify a sub-set of the Association's members. In 2020, Unilever supported PT Sumber Kencana Indo Palma (PT SKIP) to attain RSPO certification, making PT SKIP the only independent palm oil mill that has been RSPO certified in 2020.



All 304 eligible independent smallholder farmers have now been RSPO certified – Milestone B, with a total of 584 ha in 2012. The KS Farmers Association signed the Surat Tanda Daftar Budidaya (STDB), a commitment from independent smallholders to protect the environment. There are 60 members of the KS Farmers Association participating in government replanting programmes, and 100 KS farmer member has managed to obtain and upgrade their land legal status from SKT to SHM.

KS has scaled up the number of its member becoming RSPO certified in 2022 with an additional 240 independent smallholder farmers now certified on 460 ha of land. This makes the KS having 544 RSPO certified independent smallholder farmers on a total of 1,043 hectares of land (passing Milestone B).

Through the years, Unilever program, has succeeded in developing and providing sustainable effect to surrounding communities not only for communities in Indragiri Hulu where Unilever started the program but now to the area of Indragiri Hilir. KS help and support the expansion of Unilever Farmer Intervention Program to established farmers association in Indragiri Hilir, namely Tunas Karya Mandiri and Asosiasi Sawit Gemilang Riau Indragiri (ASAGRI). There are currently 300 Indragiri Hilir Farmers passed RSPO certification at eligible stage. There are also 126 Farmers from TKM that will advance the certification to Milestone B as well as 220 farmers from ASAGRI in 2023.

As an association, KS seeks to create independency of the Association, Karya Serumpun has now have five businesses unit , from the FFB trading, organic fertilizer, cattle breeding, palm stick for export market to UMKM (Small &Medium scale business Unit) under 11 women farmer groups managed marketing various types of product variation from food, beverage and handicraft.

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## 1.2 In addition to the actions already reported in this ACOP report, what other ways has your company supported the vision of the RSPO to transform markets to make sustainable palm oil the norm?

- Communication and/or engagement to transform the negative perception of palm oil
- Engagement with business partners or consumers on the use of CSPO
- Engagement with government agencies
- Engagement with peers and clients
- Promotion of CSPO through off product claims
- Promotion of CSPO outside of RSPO venues such as trade workshops or industry associations
- Promotion of physical CSPO
- Providing funding or support for CSPO development efforts
- Research & Development support
- Stakeholder engagement
- No actions taken
- Others

### Others

Unilever's commitment towards driving sustainable change in the palm oil industry is achieved through various strategies including the palm oil sourcing with our suppliers for a sustainable and deforestation-free supply chain, as well as various multi-stakeholder engagements, partnerships, and investments with smallholders and through landscape or jurisdictional approaches to achieve industry transformation. Many of our programmes and strategies are developed through a holistic approach of multi-level collaboration and support to tackle the challenges found in the sustainable palm oil market.

Unilever funds and supports certified sustainable palm oil development efforts through our: (1) commitment to and sizable demand for physically certified palm materials; (2) consistent purchase of smallholder credits; (3) investment in projects to certify an increasing number of smallholders; (4) supporting activities that lead to the certification of an increased number of suppliers' mills and plantations; (5) investment in jurisdictional and landscape projects; and (6) active involvement in and support for the RSPO Board of Governors and RSPO working groups, and in other multi-stakeholder forums.

We partner with stakeholders including suppliers, NGOs and governments to ensure the long-term sustainability of our palm oil sourcing and to support transformation within the community and environment that is part of a diverse oil palm growing landscape. Collaboration and partnership are essential to transform the industry and bring innovation to scale. This participative approach has been our policy from the start, and with our scale, we see this as an opportunity for us to positively influence the rest of the industry on the issues of deforestation and human rights. We are committed to driving systematic change in the palm oil industry through our involvement with coalitions and partners.

We recognize that the private sector must work in partnership to tackle challenging, often systemic, issues like deforestation and land conversion. Landscape and jurisdictional approaches provide a mechanism in which we can work with a diversity of stakeholders that go beyond our own supply chain. A project that takes a landscape or jurisdictional approach usually includes representatives from the local government, smallholder farmers, civil society organizations and the private sector. This approach offers the potential to drive significant changes towards sustainable commodity production as we work together to accelerate and scale initiatives. Partnerships like these can overcome challenges that no one entity – be it government, NGO or business – could solve alone. Some of the activities which we support in a landscape and jurisdictional approach programme include: multistakeholder platforms, land-use planning, policy advocacy, mapping services, land titling mechanisms for smallholders, training and support on good agricultural practices, certification of independent smallholders, protection and restoration of forests and ecological corridors.

In 2022, we invested in and became a founding partner of the Rimba Collective, an initiative that seeks to protect and restore 500,000 hectares of forests across Southeast Asia. In the first year of full operations, 73,000 ha of forest conservation projects were brought into the Rimba Collective, and the initiative aims to protect and restore 200,000 hectares of landscape by the end of 2023. The level of finance contributed by Unilever to the objectives of the collective is directly linked to our procurement volumes of palm oil.  
<https://rimbacollective.com/>

Additionally, our five current landscape and jurisdictional programmes are:

#### 1) IDH in Aceh | Aceh Tamiang and Aceh Timur Districts

Unilever and the IDH Sustainable Trade Initiative are supporting the Aceh Tamiang and Aceh Timur district governments in Indonesia along with other industry players to accelerate efforts to achieve a successful production-protection-inclusion model surrounding the fragile forests of the Leuser Ecosystem. With various local partners, such as Leuser Conservation Forum(FKL), the project includes the development of a deforestation monitoring tool for the local government and stakeholders, construction of an indicative High Conservation Value (HCV) and High Carbon Stock (HCS) assessment at a landscape level, construction of a database of land and labor conflict due to agriculture development, training programs for

1,500 independent smallholder farmers, in which 500 of them would be targeted for RSPO and ISPO certification, support for 2 mills and associated estates to be RSPO and ISPO certified, and 500 hectares of forest rehabilitated through an agroforestry-based livelihood model by 2023.

<https://www.idhsustainabletrade.com/news/unilever-and-idh-commit-1-5m-euro-for-sustainable-sourcing-in-indonesia/>

#### 2) Konservasi Indonesia in North Sumatra, Indonesia | Tapanuli Selatan District

Unilever, Conservation International, and Tapanuli Selatan District Government are partnering to support our ambition in making sustainable palm oil commonplace. Since 2019, we have teamed up to strengthen a multi-stakeholder initiative known as the Coalition for Sustainable Livelihoods (CSL). Unilever's more specific engagement is taken at the landscape level, supporting the local government in Tapanuli Selatan in the province of North Sumatera to help create district-level green growth development plans, strengthen forest governance of Forest Management Units (FMU), as well as to map out and pilot forest restoration of 150 hectares in the region. At the same time, the partnership together with PT Perkebunan Nusantara (PTPN) III is building the capacity of at least 1,000 independent oil palm smallholders, to play a key role in conservation, sustainable development, and sustainable commodity production. At least 800 of these farmers will be supported to obtain RSPO certification. Together with Conservation International, we support the protection of 127,000 hectares through various training for forest rangers and monitoring of forests with the local Forest Management Units. This project delivered by Konservasi Indonesia as Conservation International's main partner in the country.

<https://www.conservation.org/corporate-engagements/unilever>

#### 3) Proforest and Daemeter and the Coalition in Riau, Indonesia | Siak and Pelalawan Districts

Unilever with a coalition of seven other private sector companies facilitated by Proforest and Daemeter (CORE) have come together to support neighboring Siak and Pelalawan districts in Riau in moving towards a sustainable palm oil region that is more forest and people positive. The members, constituting the Siak-Pelalawan Landscape Program (SPLP) Coalition, aim to pursue its objective through coordinated action in support of the government-led Green Siak District (Siak Hijau) and the Pelalawan District Action Plan for Sustainable Palm Oil. The goal of the programme is to transition large parts of both districts to becoming sustainable landscapes by collaborating with local organisations including LTKL, Sedagho Siak, a coalition of civil society organizations as well as local offices of Winrock and the World Resources Institute (WRI) through (1) developing scalable solutions for common problems and pilot multi-stakeholder approaches to deliver deforestation free supply sheds and protect remaining forests and peat lands, (2) developing scalable tools and approaches to improve smallholder and community livelihoods, (3) supporting and empowering local organizations to enable the longevity of these efforts. Through the collective effort of the SPLP Coalition, 400 independent oil palm smallholder farmers have been trained in good agricultural practices, nature positive farming or regenerative agriculture. There were 3,433 hectares that the coalition supported in protected, building on and further strengthening earlier efforts of local organizations that have put in place the foundations for forest conservation at the village level.

<https://www.siakpelalawan.net/>

#### 4) Kaleka in Central Kalimantan | Kotawaringin and Seruyan Districts

Unilever and Kaleka (formally known as Inobu) are collaborating to support the provincial government of Central Kalimantan, the district governments of Kotawaringin Barat and Seruyan through a jurisdictional approach for sustainable commodity production. Seruyan is one of the jurisdictional certification pilots being supported by the RSPO. The landscape is home to endangered and critically endangered species such as the orangutan and the "production and protection" model can help prevent encroachment into natural forests and enable sustainable economic development for communities and businesses. The project includes restoring 200 hectares of degraded peatland, riparian, and dry lowland areas with local communities by the end of 2022. We are working with the governments to improve the yields, livelihoods, and sustainability practices of independent smallholder farmers including through direct support for independent smallholder farmers to be RSPO certified. Since 2017, we have RSPO certified over 1,000 farmers. In this next phase of the partnership, we aim to certify an additional 2,500 farmers on more than 5,000 hectares. We are also supporting the development of a comprehensive jurisdictional human rights assessment in both districts, registration of social and human rights conflicts in at least 20 villages, and the mapping of customary village boundaries in collaboration with the local office of Aliansi Masyarakat Adat Nusantara (AMAN).

<https://kaleka.id/strategic-initiative/the-mosaik-initiative>

#### 5) WWF in Sabah, Malaysia | Tawau, Kinabatangan, and Lower Sugut Landscapes

Unilever and WWF are working together on the Sabah Landscape Programme to protect and restore forest ecosystems in Malaysia. This is part of our wider strategy to achieve sustainable transformation and reduction of greenhouse gas emissions in the palm oil industry. This project contributes to the RSPO jurisdictional certification process that is being piloted in Sabah and is supported by the RSPO. Through our partner, Forever Sabah, we are supporting the establishment of a permanent Secretariat for Sabah's Jurisdictional Certification Steering Committee. The programme directly supports the RSPO certification of at least 70,000 hectares of oil palm plantations, most of which are farmed by 'out growers' – these are larger than smallholders but not as big as commercial estates with palm oil mills. Through this collaboration, we also aim to protect forested conservation areas, and restore more than 1,500 hectares of forest including in ecological corridors between forest patches that are critical for connectivity of elephants and orangutan species by end of 2023. In this case, the corridors link the Ulu Kalumpang Forest Reserve and Tawau Hills Park to the Ulu Segama Forest, which is part of the larger central forest complex covering almost 250,000 hectares. We are also supporting the Bornean Rhino Alliance (BORA) on restoration projects within oil palm landscapes in the Kinabatangan area.

<https://www.wwf.org.my/sabahlandscapes/>

**1.3 If your company has any other publicly-available reports or information regarding its palm oil-related policies and activities, please provide the links here**

## Business Principles:

<https://assets.unilever.com/files/92ui5egz/production/7c3bc597d68e665bbd4974f7e3636e20e70bb2c8.pdf>

## Grievance Mechanisms:

<https://assets.unilever.com/files/92ui5egz/production/564966a883e6160aeee155d8b6a47b3562c78bfc.pdf/palm-oil-grievance-procedure.pdf>

<https://www.unilever.com/files/73ee99fa-70a6-49e2-a253-75f55438a5ff/unilever-palm-oil-grievance-tracker.pdf>

## Responsible Sourcing:

<https://www.unilever.com/files/92ui5egz/production/7ee90f260faed25e11e1c4bbad207ecc205b42d0.pdf>

## People And Nature Policy:

<https://www.unilever.com/files/origin/feb620cbd18c28406b9093144f24648a695874e5.pdf/unilever-people-and-nature-policy.pdf>

## Unilever Compass Strategy:

<https://assets.unilever.com/files/92ui5egz/production/ebc4f41bd9e39901ea4ae5bec7519d1b606adf8b.pdf/Compass-Strategy.pdf>

## Smallholders Empowerment:

<https://www.unilever.com/planet-and-society/protect-and-regenerate-nature/empowering-smallholder-farmers/>

## Human Rights:

<https://www.unilever.com/files/origin/6298a11c3f341dc135ce6d55561be85191b66d6d.pdf/unilever-human-rights-policy-statement.pdf>

<https://www.unilever.com/files/cefcd733-4f03-4cc3-b30a-a5bb5242d3c6/unilever-human-rights-progress-report-2021.pdf>

## Occupational Health &amp; Safety:

<https://www.unilever.com/planet-and-society/responsible-business/safety-at-work/>

## Environmental and Occupational Safety

<https://view.officeapps.live.com/op/view.aspx?src=https%3A%2F%2Fwww.unilever.com%2Ffiles%2F206b1cf5-0df1-43c3-8766-62ce44c559c8%2Funilever-sustainability-performance-data-eos.xlsx&wdOrigin=BROWSELINK>  
<https://www.unilever.com/planet-and-society/protect-and-regenerate-nature/water-stewardship/>

## Climate &amp; Energy &amp; Sustainability

<https://assets.unilever.com/files/92ui5egz/production/e9b9909cdc75cc67f8614af1c6accaba92e361e5.pdf>

[unilever-s-basis-of-preparation-2022.pdf](#)

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