# Unilever 2025 Statement to meet Canada's Fighting Against Forced Labour and Child Labour in Supply Chains Act

Unilever's sustainability strategy is focused on four big priorities: Climate, Plastics, Nature and Livelihoods. Our Livelihoods ambition aims to address the impacts of inequality, many of which are a root cause of forced labour and child labour. This includes through supporting smallholder farmers to access livelihoods programmes; helping small- and medium sized retailers grow their business; and encouraging suppliers to sign Unilever's Living Wage Promise, whereby they commit to create a plan to address wage gaps and to report on their progress. Paying a living wage is a future mandatory requirement of the <u>Unilever Responsible Partner Policy</u> (or RPP). Further details about our Livelihoods ambition and goals can be found on <u>Unilever.com</u>.

Underpinning this strategy is respect for human rights, the non-negotiable foundation of Unilever's business. Our human rights strategy is grounded in the principles of effective <u>human rights due diligence</u> laid out in the <u>United Nations Guiding Principles on Business</u> <u>and Human Rights</u> (UNGPs) and OECD Guidelines.

This statement summarises the actions we have taken to prevent, detect and respond to child labour risks and issues in our business and value chain, including our engagement in regional and commodity-specific initiatives where the risk is high, such as in cocoa-producing regions of Western Africa and communities growing vanilla in Madagascar.

This document serves as an addendum to our <u>2025 Modern Slavery Statement</u> and covers Unilever PLC and its group companies. It covers the period of 12 months ending on 31 December 2024.

"In accordance with the requirements of the Act, and in particular section 11 thereof, I attest that I have reviewed the information contained in the report for the entity or entities listed above. Based on my knowledge, and having exercised reasonable diligence, I attest that the information in the report is true, accurate and complete in all material respects for the purposes of the Act, for the reporting year listed above."

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Gary Wade President May 27, 2025

I have the authority to bind Unilever Canada Inc.

# **Commitment and governance**

Unilever has a clear policy framework which integrates respect for human rights into how we operate. Our policies help us to set consistent expectations and standards for our business, our workers, and the business partners we work with, and to drive action enabled by clear responsibility and accountability. These include:

- Our <u>Human Rights Policy Statement</u>, which sets out our overarching commitments relating to respect for human rights.
- Our <u>Code of Business Principles</u> and its 24 code policies, which set out how we seek to ensure compliance with laws and regulations, protect our brands and reputation, and prevent harm to people and the environment. The Code of Business Principles clearly states that 'we will not use any form of forced, compulsory, trafficked or child labour' and our Respect, Dignity and Fair Treatment Policy states that Line Managers must not 'use child labour, i.e. individuals under the age of 15 or under the local legal minimum working age or mandatory schooling age, whichever is the higher'.
- Our Responsible Partner Policy (RPP), which details our expectations of our partners in relation to Business Integrity & Ethics, Human Rights and Planet. Fundamental Principle 8 of the RPP requires that 'all workers are of an appropriate age and young workers are protected'. Fundamental Principle 8 outlines our expectation that remedial measures are implemented where workers under the age of 15 are identified, and the mandatory management systems that all business partners must have in place.

Unilever also expects business partners to cascade equivalent requirements within their own supply chains and to carry out their own human rights due diligence, which helps to prevent child labour from entering the supply chain.

# Identifying risks and impacts

We strive to effectively identify and assess potential and actual impacts to people, and the root causes of these. We also work to prevent the risk from becoming an issue, while monitoring for new and emerging risks.

## **Our own operations**

Our <u>Business Integrity</u> programme brings our values to life for all employees and helps them to apply our ethical standards in their day-to-day work. The programme includes robust procedures and controls to help us detect and respond to potential and actual human rights impacts, including processes for line managers to follow when onboarding new employees to ensure appropriate age and right to work eligibility are verified.

We constantly seek to improve the analytics capabilities of our Business Integrity programme so that trends, hotspots and root causes of potential and actual impacts are rapidly identified and addressed. This analysis is shared across the business and development needs are addressed through local and (where appropriate) global plans. Further information about our Business Integrity programme can be found on <u>Unilever.com</u>.

## Our value chain

Rightsholder engagement is a key component in our human rights due diligence approach, including in the identification of potential and actual human rights impacts. We gather insights about the experiences and issues that people in our value chain face including through partnerships that use technology solutions such as mobile apps and survey platforms. These views help to inform the approach we follow in taking action to address the impacts. Examples of our work can be found in our 2025 Modern Slavery Statement.

Unilever requires all high-risk business production item suppliers to undergo independent audit verification, using our preferred audit methodology - <u>SMETA</u>. More information on our due diligence requirements for business partners can be found <u>here</u>. We have also published audit findings related to indicators of modern slavery and child labour identified in 2023 at business partner sites in our <u>Responsible Partner Policy Audit update</u>.

### Act to prevent, mitigate and remedy

Unilever responds to identified adverse human rights risks and/or impacts with consideration given to a variety of factors, including the location of the issue (whether it be in our own operations or in our value chain), the scale of the risk and our leverage. Our work to address potential and actual human rights impacts includes training and capability building to prevent and mitigate impacts, as well as remediating, including through collaboration, the impacts that have been identified.

#### **Our own operations**

All Unilever employees are expected to know our Code and Code Policies, including on respecting human rights, and understand how to apply them in their work. Mandatory training on our Code and Code Policies is assigned to all employees. Our Business Integrity team and subject matter experts also support operational teams to develop additional materials tailored to meet local needs where required and seek to provide advanced guidance on specific areas covered by our Code Policies for employees in higher risk positions.

Our market-based Business Integrity Committees oversee investigations of potential breaches of our Code and Code Policies. Business Integrity Committees are responsible for ensuring the timely investigation of all alleged or suspected Code breaches by an individual employee – with a view to reaching a final determination within 60 days. Further information about this programme can be found on <u>Unilever.com</u>.

#### Our value chain

Business partners are expected to create a time-bound corrective action plan to address any issues identified. Where child labour has been identified, this could include, for example, providing financial support to the child's family to cover school fees and living costs until the child reaches the end of compulsory schooling or the minimum age for work. Auditors carry out a review to verify that the issue has been satisfactorily resolved.

Unilever's <u>RPP Implementation Guidance</u> provides additional information on identifying indicators of child labour, particularly where risks are greater such as when labour agents, subcontractors or service providers are used. The Implementation Guide also includes remediation steps where child labour is identified.

## Commodity focus: Cocoa

Cocoa is a vital ingredient for a number of our ice-cream brands. Cocoa is a key commodity and we are committed to sourcing 95% verified sustainable by 2030. We source our cocoa through two established certification schemes: Rainforest Alliance and Fairtrade. Unilever procures cocoa from Cote d'Ivoire and Ghana. Cultivating cocoa provides livelihoods for millions of people, but it is also associated with deforestation and human rights risks including child labour, which we want to play our part in eliminating. We engage with cocoa farmers in our supply chain through tailored impact programmes that have three key aims: supporting sustainable livelihoods; eliminating child labour; and deforestation-free cocoa. We deliver these programmes in collaboration with industry bodies, certification schemes and implementation partners including the <u>International</u> <u>Cocoa Initiative</u> (ICI) and <u>Afrique Secours et Assistance</u> (ASA).

Where child labour cases arise in our cocoa supply chain, we support remediation interventions with our suppliers and expert partners. Through our partnership with Cargill, Rainforest Alliance, Afrique Secours Assistance (ASA), 820 school kits were distributed to children and their families, enabling them to attend school regularly. The kits reduce the financial burden on families and encourage school attendance, both of which are critical for preventing child labour. This partnership also supported 282 children with birth certificate applications so that they have a legal identity and have access to education and other social services.

By the end of the project in 2024, we also trained 9 cooperatives to improve their awareness of child labour detection, remediation and referral mechanisms, strengthening coordination between the cooperatives and regional child protection structures. Participants also received training on crop diversification to improve their income potential.

Promotion of women's and girl's rights is key to reducing inequality, fighting discriminatory practices and reducing the prevalence and reliance on child labour. As part of Magnum's strategy to empower 5,000 women by 2025, we have partnered with Barry Callebaut and CARE to promote entrepreneurial education for women in cocoa-producing communities. This programme also included investment in revolving funds for members of 30 Village Savings and Loan Associations (VSLAs) to stimulate both individual and collective income generating activities.

The MoussoBara digital app hosts entrepreneurship training modules, which were adapted for the unique needs of users within our value chain. From October 2023 to September 2024, these modules were accessed by 1,096 women via smartphone. Individual participants in the programme reported earning more and managing their income generating activities more effectively. They also reported a boost in independence and self-esteem. VLSAs that participated in the MoussoBara training and the revolving fund programme increased savings by an average of 23%.

In 2024 we also continued to support smallholder cocoa farmers to formalise the rights to their land through an affordable land tenure documentation process. This work is being carried out by the Cote d'Ivoire Land Partnership (CLAP), bringing together Unilever, other organisations and industry bodies, the Ivorian and German governments, and agri - technology company Meridia.

## **Commodity focus: Vanilla**

Unilever sources vanilla from Madagascar, where many communities rely on vanilla farming to earn a living and boost the local economy. Due to the unstable international vanilla prices and climate change making livelihoods in farming more challenging, young people are in a highly vulnerable position in their communities.

Our partnership with <u>Save the Children</u> and <u>Symrise</u> aims to support vanilla farming communities to become more resilient and regenerate nature to build a sustainable supply of vanilla for the future. The partnership works with 69 villages across the SAVA region and in 2024 the project supported the election of 140 community champions to facilitate intergenerational dialogue sessions and carry out child protection awareness-raising activities within their villages. Over the next four years, the project aims to improve financial literacy skills and enable access to small loans and grants that will improve individuals' and communities earning potential.

# **Monitoring effectiveness and impact**

We monitor the effectiveness of our strategy and report regularly on our progress on <u>Unilever.com</u>. Data demonstrating the impact of our efforts to address child labour risks and impacts is included throughout this statement.

We reported our progress in delivering the goals that will help us achieve our Livelihoods ambition in our <u>2024 Annual Report and Accounts</u>. We continue to focus on working to drive collaborative systemic change across the industry that supports a sustainable and responsible future for farmers and their communities.