What are the goals of the Unilever Sustainable Living Plan (USLP), and how is Unilever engaging other companies and stakeholders to make transformational change?

Our Plan sets out three big goals:

1) Improving Health and Well-Being: By 2020 we will help more than a billion people take action to improve their health and wellbeing.

2) Reducing Environmental Impact: By 2020 our goal is to halve the environmental footprint of the making and use of our products as we grow our business.

3) Enhancing Livelihoods: By 2020 we will enhance the livelihoods of millions of people as we grow our business.

I am responsible for the third goal – Enhancing Livelihoods – under which are three separate pillars: Fairness in the Workplace (all about human rights); Opportunities for Women (focusing on rights and economic empowerment) and Inclusive Business (improving the livelihoods of smallholder farmers, supporting small-scale retailers, and helping young entrepreneurs).

We know that to really make progress we need to work in partnership with others and create fundamental systems change. We are deepening our efforts in three areas where we have the scale, influence and resources to create ‘transformational change’: eliminating deforestation, making sustainable agriculture the mainstream and working towards universal access to safe drinking water, sanitation and hygiene.

Human rights are the foundation of sustainable business and that is the reason why we are focused on embedding respect for, and promotion of, human rights throughout our business, addressing salient issues and focusing on key commodities and geographies. We also know that empowering women is critical to eradicating poverty and accelerating global development and this is a vital thread which runs through all our work.

A collective response to the root causes of the issues we are facing is critical. I co-chair the WEF GAC on Human Rights and we recently published a paper detailing what we call “A Shared Responsibility” – a concept that combines: systemic approaches involving public and private stakeholders; increased visibility of the complexity of human rights risks; commitments addressing most material issues, and equitable sharing of the responsibility for action and real costs.

An example of this would be the recent announcement by the Consumer Goods Forum (CGF) of their new social mission, a collective approach between retailers and manufacturers to eradicate forced labour from extended supply chains.

As a consumer goods company, Unilever is one of the world’s biggest buyers of palm oil. How is the company’s recent commitment to buy sustainably-sourced palm oil a measurable and profitable way to help mitigate climate change risks?

I am pleased with how the debate around climate change has evolved recently to focus on the human face of climate change and its consequences. This is critical. In COP21 and recently in Davos, there was much discussion about climate and fundamental rights. So although this is about climate change risks, it is also about social risks. Palm oil is one of the key commodities that we are focusing on in terms of human rights risk. We know that poor working conditions, including abusive conditions for migrant labourers is prevalent in this sector and others, so we are working with industry organisations, with civil society and with our suppliers.

Traceability is absolutely key to this debate – we need to know where the palm oil is coming from. As of last November, 20% of our palm oil already came from physically certified sources and we are implementing a robust traceability and risk verification system on the ground with the Global Forest Watch tool in partnership with the World Resources Institute, as well as our other partners Proforest and Daemeter. This has not been an easy journey. There are a number of staging posts towards the highest level of sustainability and we need the whole industry to move towards this.

100% of the palm oil for our new Sei Mangkei factory is traceable to mills and potentially links to 25,000 independent smallholders in the surrounding area. Our
ambition is to make this a replicable model in Indonesia and Malaysia, not only for us but for others in the industry also in order to work towards ensuring that the palm oil is socially, environmentally and economically sustainable.

The company has taken strong, public leadership in support of the Sustainable Development Goals (SDGs). What is the role of business in taking concrete steps to realize the 17 ambitious goals by 2030?

Business has a vital role in this. The goals simply will not be achieved without business. In fact our CEO Paul Polman and former UN Deputy Secretary General, Mark Malloch-Brown just launched in Davos the Global Commission on Business and Sustainable Development. This will work over the next year to articulate and quantify the compelling economic case for businesses to engage in achieving the SDGs. Doing so will result in significant economic and social rewards. Not doing so will result in further instability and inequality amongst other things.

The UN Guiding Principles on Business and Human Rights (UNGP) call on companies to respect human rights and to assess the impact of their operations, supply chains and communities. How does Unilever measure its impacts on people and communities?

Unilever was the first company to comprehensively use the UN Guiding Principles Reporting Framework when we published our first human rights report in June last year. This sets out our 360 degree approach to the respect — and promotion — of human rights. It lists 8 salient issues which we believe are at risk of the most severe negative impacts through our activities or business relationships and describes our approach - including human rights impact assessments and risk mapping on both country and commodity level. Measuring impact — both negative and positive — is difficult and building frameworks for better data collection, verification and analysis and moving from qualitative to quantitative metrics are key priorities for us.

Grievance mechanisms are a key element of understanding and addressing critical issues to the communities that matter most, employees and workers and those we impact through our businesses. We are focused on strengthening them. This is where working with civil society and trade unions is so important to ensure that we have the mechanisms in place for the voices of workers and communities to be heard. We know we have more work to do on this.

What is the value of human rights reporting for the company itself and for rights-holders?

Transparency is critical for the upholding of human rights. And human rights reporting has both external and internal value. Externally of course it is a crucial way for companies to be held accountable to rights-holders and how this affects the purchasing decisions of consumers — and investors. Internally, it is the mirror that we should use to hold up to ourselves to ask whether our practices and procedures are enabling us to deliver our social sustainability ambitions. The preparation of our Human Rights Report led to extremely valuable conversations with different functions from across our business. It was also a great way to engage with our employees — both being proud where we are making progress but also being honest about the challenges. Finally, transparency has a multiplier effect because it brings to the forefront critical issues that must first be recognized by all actors. Only then, we can effectively address root causes to achieve systemic change.

Modern slavery is found in every sector, including food and agriculture. What is Unilever doing to prevent slavery and support ethical recruitment so that workers never have to pay fees to obtain employment?

We have identified forced labour as one of our key salient human rights issues. To respond to this we strengthened our Policy Framework and I have set up an internal cross-functional working group to map the requirements of reporting obligations, such as the UK Modern Slavery Act, against our current due diligence and practices. This will assess the effectiveness of what we have in place and establish an action plan to make improvements if necessary. We will also review and where needed strengthen our awareness raising and capacity building programmes. Again, appropriate grievance and reporting mechanisms are vital elements of this. Importantly, we have promoted industry action and were very involved in the construction of the Consumer Goods Forum’s new social ambition to help eradicate forced labor. I believe that only by working together we will have a real impact.

What role has ICCR played through its shareholder engagement of Unilever?

I have had the privilege to know ICCR for many years now, prior to my arrival to Unilever and recognize its impact as a pioneer of the socially responsible investment movement in U.S. In my experience, each engagement has provided an insightful perspective on shareholder view and priorities. ICCR has also pioneered shareholder resolutions that spotlighted necessary changes in many companies. However, I value most the ongoing dialogue. And I couldn’t conclude this interview without mentioning ICCR Sr. Program Director David Schilling, who has been a trusted voice and contributor over many years.