



Unilever Responsible Sourcing Policy - Audit Requirements

At Unilever, we launched our Responsible Sourcing Policy (RSP) in 2014. In 2017 we refreshed the RSP and its implementation incorporating feedback from our own procurement teams, suppliers, and other external stakeholders. All suppliers regardless of size, type or risk, are required to go through initial and then re-registration on a 1, 2 or 3-year basis in the Unilever Supplier Qualification System (USQS) database. The registration consists of three elements:

1. **Declaration** – made by suppliers confirming that they have read the RSP and commit that they have their own codes, policies, procedures and practices in place to ensure that they can meet or exceed the mandatory requirements contained in the RSP's fundamental principles.
2. **Self-Assessment Questionnaire (SAQ)** – suppliers are asked to complete a SAQ providing further information about the supplier's business and relationship with Unilever.
3. **Audit** – a risk analysis will be performed based on the responses provided in the SAQ and audits by 3rd party auditor may be required for certain types of suppliers.

Unilever currently uses two types of audits based on the type of product or service delivered by the supplier. In general:

- **Suppliers handling or supplying raw material and finished goods:** will need to register their sites and all sites meeting certain criteria will be required to conduct an on-site social compliance audit. Two types of on-site audits (see note* below for agricultural suppliers) are currently recognised:
 - Unilever's own **Understanding Responsible Sourcing Audit (URSA)**
 - **SEDEX SMETA 6.0 (4 Pillar)** audit
- **Suppliers providing equipment or services to Unilever:** suppliers meeting certain criteria will be required to conduct a remote/desk-top social compliance audit.
 - Unilever recognises the **EcoVadis** CSR assessment for remote/desk-top audits

In 2017, SEDEX launched the SMETA 6 (4 Pillar) audit; the most current and holistic version of the SEDEX audit tool. Unilever worked with SEDEX on the development of this version to close the gaps between previous versions of SMETA (which are not accepted by Unilever) and URSA. For any new on-site audits, suppliers will be able to choose between URSA or SMETA 6 when conducted by one of the currently approved audit companies (see list below). EcoVadis is regarded as an industry leader in remote/desk-top audits.

Suppliers are expected to cover the cost of the audit and may use the output of the audit for the requirements of any of their other customers. The transactional and financial relationship is between the supplier and the audit company; however, Unilever must have access to the full audit report and supporting documentation from the audit. **Please note:** SMETA audits will require conversion to the URSA format for upload to our USQS system, which audit companies may charge separately.



Audits have a validity of 1, 2 or 3 years based on the outcome of the audit, with a new audit required prior to the expiry of the previous validity period. Any non-conformances found during an initial on-site audit must be remediated by the supplier and closed out through a follow-up audit conducted within 90 days of the initial audit. Please take the potential need for a follow-up audit into account when contracting the services of an audit company. Any serious 'Key Incidents' that are found will require a corrective action plan to be submitted to Unilever via USQS within 7 days.

Both audit companies and suppliers have responsibilities to input and update the USQS system to provide Unilever with the outcome of the audit. Audit companies need to upload audit documentation and the outcome of the follow-up audits, while suppliers are required to input corrective actions against each non-conformance identified; both within specified timeframes.

For questions regarding the Unilever's Responsible Sourcing Policy or any elements of our supplier qualification program please contact: Social.Sustainability@unilever.com or through our Help Desk at USQS.helpdesk1@unilever.com.

Further details can also be found on www.unilever.com at [Human Rights In Our Extended Value Chain](#). Our [Supplier center](#) also details our approach.

Unilever has made a commitment to only source from suppliers that are compliant with the requirements of the RSP. Please note: Unilever will check compliance with the RSP every time we create new vendors or initiate new Purchase Orders (PO) in our procurement systems. Failure to maintain your compliance to the requirements of our RSP program may risk our ability to do business with you.

Approved Audit Companies (in alphabetical order only):

- Bureau Veritas (BV)
- Control Union (CU)
- Det Norske Veritas (DNV GL)
- Elevate
- Intertek
- Partner Africa - **for use in Africa only**
- SGS
- Social Compliance Service Asia Ltd. (SCSA) – **for use in Asia only**

N.B. This list is valid as of March 2021 and subject to change

*Agricultural raw material suppliers that conform to the requirements of Unilever's Sustainable Agriculture Code (2017) and the 2017 Sustainable Agriculture Code Scheme Rules, are also considered compliant to the RSP requirements, while their certification according to these rules are valid and current. For details, please see [Sustainable sourcing](#) on our website or our [Sustainable Agriculture Code](#). Such suppliers can submit their current and valid certification in place of the audit requirements in USQS.