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Response by Unilever to the paper written by Libby Abbott relating to our tea plantation in Kericho, Kenya.

We welcome the opportunity to respond to the paper written by Libby Abbott relating to our tea plantation in Kericho, Kenya. We are pleased that the paper highlights the positive living and working conditions of our employees – access to housing, health care (including the Unilever Tea Kenya Hospital in Kericho) and education (primary/secondary schools/nurseries and our full scholarship program for university applicants in both neighbouring communities and for the children of our employees).

Our Kericho plantation is certified by the Rainforest Alliance in compliance with the Sustainable Agriculture Network (SAN) standards and by 2015 we aim to have the tea in all our Lipton tea bags sourced from Rainforest Alliance certified estates and by 2020 100% of our tea, including loose tea, will be sustainably sourced. We believe that certification is a process of continuous improvement and that it does drive improvement in overall welfare, in addition to raising consumer awareness and recognition (we fully comply with almost 100 environmental, social and economic standards on an on-going basis.). However, we do not believe that this in itself is a panacea for addressing human rights within a business or a supply chain.

Following previous serious allegations raised in relation to sexual harassment and abuse at our Kericho plantation, we have as the paper by Libby Abbott states, taken extra preventative measures including the rolling-out of human rights training with the Kenya National Human Rights Commission to a total of 151 managers and 491 unionised employees comprising of team leaders, shop stewards and workers' committees representatives. In August 2011, a human rights training seminar for senior managers was moderated by the UK based Institute for Human Rights and Business. The Kenya National Human Rights Commission has also trained a team of 30 trainers to further rollout this training and we aim to reach 8,000 of our employees by the end of this year (2012). A dedicated welfare manager for Kericho has been appointed and she has reached out to over 5,000 people. We also regularly rotate our plantation unit leaders and have initiated a welfare committee with at least 30% female representation to improve liaison between employees and management. However, although we have made substantial improvements, we accept that there is always more that can be done. The nature of such sensitive allegations makes it harder to prove that the reported behaviour has taken place but we recognise that this should not be a reason for inaction.

A new organisational structure has been initiated with 149 new positions established for tea leaf quality inspectors, composed of 57% female and 43% male employees. A new Human Resources Business Partner and Industrial Relations Manager (both female) have also been appointed and we will continue to improve gender diversity by increasing the number of women in our leadership teams.

We continue to work to ensure that each of our employees are made aware of the resources open to them to report concerns, including greater visibility of the confidential employee hotline (available both in English and Kiswahili) and increased monitoring/evaluation of the use of this and of the issues raised with the site Welfare and Industrial Relations Managers (respecting confidentiality). We are promoting both new channels of communication and also the use of existing communication methods for example employee suggestion boxes (ensuring that the inclusion of contact details is not mandatory) so that our employees feel confident about reporting any matters of concern. Our recommendation is that sensitive issues should be raised via the hotline or with the Welfare or Industrial Relations Managers.

We have also established closer working relations and a partnership with the Kenya Plantation Agricultural Workers Union through regular shop stewards meetings, a channel which has helped to escalate any issues from our employees directly to the human resources department. Estate managers are now fully in-charge of both recruitment and house allocation in their units (previously supervisors would assist with this). The Welfare Manager regularly visits the estates and employee villages as another way of interaction with our employees. The Global People Survey (GPS) is a Unilever Employees' feedback survey and we are now extending this to over 10,000 employees at our Kericho plantation.

With regards to the use of seasonal workers, tea picking is an inherently seasonal business, depending on weather and crop-growing patterns and like many other agricultural organisations we rely on seasonal workers as part of our labour force when there is an unexpected surge in crop peaks and volume. We are currently re-planting the old tea in most of our tea estates in Kericho and this is resulting in increased local employment. Following discussions with local trade unions and the Kenyan Government, we have given our seasonal workers term contracts which run for a period of six months, which has been seen positively as job creation.

As we work to ensure that our global business conforms to the UN (United Nations) "Protect, Respect and Remedy" Framework and the Guiding Principles on Business and Human Rights that implement the Framework, we recognise that we need to continually evaluate our due diligence procedures and grievance mechanisms and to re-examine our audit practices. As mentioned in the paper, a review of all policies relating to our Code of Business Principles was undertaken during 2010. As a result a new, streamlined framework of 24 Code Policies that underpin our Code of Business Principles was published. Two of the Code Policies are dedicated to human rights. In 2012 we started to deliver training to all our employees on these two human rights-related policies - we plan to complete this training by year end (2012).

Our products are sold in more than 190 countries and we have over 10,000 top tier suppliers. Many businesses – including ourselves - are still grappling with how best to ensure that we know and show that we respect human and labour rights across our value chains. We recognise that we are in the learning phase in this area and we will continue to engage with various stakeholders including the UN Global Compact, the Global Business Initiative on Human Rights and the Institute for Human Rights and Business, in addition to other organisations, as we continue on this journey.

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