

UNILEVER STATEMENT ON PRODUCT FORMULATION AND INNOVATION

As one of the world's largest food manufacturers, we are playing our part in helping to tackle some of the biggest public health challenges.

Our approach is a very simple one: we aim to provide food that tastes good, does good and doesn't cost the earth. That's why offering great tasting products made with good ingredients, providing choice across our range with products lower in calories, and improved nutritional profiles without compromising on taste and quality is part of our heritage.

We committed to reformulating products to improve their nutritional profile as part of the Unilever Sustainable Living Plan (USLP). This approach is firmly embedded in our business and R&D strategy.

Changing consumer habits is a journey that requires more than product reformulation or effective and clear nutritional information. We work with retailers, governmental bodies, NGOs and nutritional experts in running (branded and unbranded) campaigns to drive behavioural change for better diets and lives.

We have a long heritage in product formulation and innovation to address nutrition challenges. In 2003 we developed our Nutrition Enhancement Programme as a response to the World Health Organization's call to reduce levels of four key nutrients: saturated and trans fat, salt and sugar.

Since we started our Nutrition Enhancement Programme in 2003, 100% of products that we sell around the globe are routinely screened and reformulated where desirable and possible. In scope is our total range of Foods and Refreshment products sold in every geography and includes our joint ventures as well as our food service products that are consumed in schools, hospitals and restaurants.

Our methodology to review the nutritional quality of our entire Foods and Refreshment portfolio has been published in peer-reviewed scientific journalsⁱ and resulted in significant reductions in all of these nutrients. Already the majority of our products met, or were better than, benchmarks based on national nutritional recommendations.

Our commitment – as part of the Unilever Sustainable Living Plan launched in 2010 – goes further: by 2020, we will double the proportion of our portfolioⁱⁱ that meets the *highest nutritional standards*, based on globally recognised dietary guidelines.

Many more of our products are improved per year than that indicated by our progress reporting of highest nutritional standards, as we also have set category specific targetsⁱⁱ:

- 75% of our Foods portfolio to meet salt levels equivalent to 5g per day by 2020
- 90% of our soft vegetable oil spreads to contain no more than 33% saturated fat and at least 67% as good unsaturated fat by 2017ⁱⁱⁱ
- 25% reduction in sugar in iced teas by 2020. In 2014 we extended this target to include our powdered ice tea and milk tea products^{iv}.
- 100% of children's ice cream containing 110 kilocalories or fewer per portion since 2014. 80% of our packaged ice cream products to not exceed 250 kilocalories per portion^v by 2015 with a further commitment to achieve this in every market.
- 100% of our portfolio by volume did not contain trans fats originating from partially hydrogenated vegetable oil by 2012^{vi}.
- By 2022 we will provide more than 200 billion servings with at least one of five key micronutrients (iodine, vitamin A, vitamin D, zinc and iron).

To match consumer's expectations for taste and quality, we make nutritional improvements in small steps. We annually report on progress made against these targets on our corporate website^{vii}.

i Nijman et al. EJCN.

2007;61(4):<https://www.ncbi.nlm.nih.gov/m/pubmed/17119547/?i=1&from=/17119547/related> and Dötsch-Klerk, et al. FST 2015;29(1): <http://fstjournal.org/features/29-1/sustainable-diets>

ii We report progress towards our nutritional targets on a volume rather than SKU basis, as this is a better estimate of what people actually eat. Setting our targets based on volumes is an illustration of how responsible our targets are in the context of the total business operations. Additionally, this puts the onus on us to grow sales of healthy products over and above that of others.

iii In tropical areas, without chilled distribution, the maximum saturated fat content will be set at 38%, as a slightly higher saturated fat level is required to maintain stability of the spreads. For all other products in our spreads portfolio, including our mélanges, we strive for the lowest saturated fat level possible without compromising on product performance and consumer and customer expectations.

iv Our sugar reduction target applies to all ready-to-drink teas, powdered ice tea and milk tea products, liquid concentrates, retail and foodservice and any new formats that are sweetened for the total time period of 2010 to 2020.

v A portion is defined as: a pre-packed single-serve ice cream products meant to be consumed in one go or 100 ml when sold in packaging aimed at multi-consumption moments such as tubs.

vi We have published our definition and approach to removing trans fats from partially hydrogenated vegetable oil. See: Melnikov S & Zevenbergen H. "Implementation of removing trans fatty acids originating from partially hydrogenated vegetable oils". New Food 2012; 5: 44-46. This approach focuses on main ingredients in our recipes and does not include traces of trans fats from partially hydrogenated vegetable oil that may be found in some flavours or emulsifiers.

vii <https://www.unilever.com/sustainable-living/improving-health-and-well-being/improving-nutrition/>