



PROCES-VERBAAL VAN DE ALGEMENE VERGADERING VAN
AANDEELHOUDERS UNILEVER N.V., GEHOUDEN OP 30 APRIL 2020
OM 10.00 UUR

Mr M.R. Meijer
Mr C. Hagendijk
notarissen

Keizersgracht 695-699
1017 DW Amsterdam
T +31 (0)20-531 70 70
info@meijernotarissen.nl

Op dertig april tweeduizend twintig, om tien uur, heb ik mr Irma Catharina Maria—
Kroon, kandidaat-notaris, hierna te noemen: notaris, als waarnemer van mr Cornelia—
Hagendijk, notaris te Amsterdam, mij – ten verzoeke van de Raad van Bestuur van—
Unilever N.V., een naamloze vennootschap, met zetel te Rotterdam, kantoorhoudende—
te Weena 455, 3013 AL Rotterdam, NV-nummer 37326, ingeschreven in het—
Handelsregister van de Kamer van Koophandel onder nummer 24051830 —
bevonden op het kantoor van Mr M.J. Meijer Notarissen N.V. te Amsterdam ten einde—
te constateren hetgeen zou worden behandeld en besloten in de virtuele algemene—
vergadering van aandeelhouders van Unilever N.V., hierna ook te noemen "Unilever"—
en/of "vennootschap".

Overeenkomstig artikel 31.1 van de statuten van de vennootschap is de voorzitter van—
de vergadering de heer Nils Andersen, voorzitter van de Raad van Bestuur.

Het navolgende is besloten en behandeld:

Nils Andersen:

Good morning ladies and gentlemen. My name is Nils Andersen and I'm chairman of—
Unilever, and it's a pleasure for me to welcome you to this virtual Annual General—
Meeting of Unilever NV. As you'll appreciate we are having a different meeting than—
normal due to the coronavirus. Because we don't want to take any risks with the health—
of our staff or you, our shareholders, we have chosen to make this meeting a virtual one—
only. You can view this meeting online, see or/and hear our presentations and listen to—
our responses to questions that were submitted ahead of the meeting hopefully this—
gives you a reasonable alternative to a physical meeting. I'm afraid we cannot offer the—
possibility to ask live questions because this is an open webcast. This means that we—
simply don't know who is watching and would be asking questions. We therefore—
decided to concentrate on answering the pre submitted questions, and we received a lot,
and thanks for that. I'm pleased you have taken the time to join us, and of course, I—
sincerely hope the pandemic will be under control so we can have a normal AGM next—
year. Let me now go through today's proceeding and formally declare that this meeting—
was properly convened by publishing the Notice of Meeting on our website on the—
nineteenth day of March two thousand and twenty. On the twentieth day of April two—
thousand and twenty we announced that we would hold a virtual general meeting only.—
The deadline to submit voting instructions was extended to Monday the twenty-seventh—
day of April two thousand and twenty, and shareholders had the possibility to submit—
questions up to that date as well. On the screen you can see my fellow directors, and I'm



very proud to be chairing such a high quality and diverse board. Of these directors I'm—
joined today by Alan Jope, our Chief Executive Officer, Graeme Pitkethly, our Chief—
Financial Officer, John Rishton, Chair of the Audit Committee, and Vittorio Colao,—
chair of the Compensation Committee. Ritva Sotamaa, our Chief Legal Officer and—
Group Secretary also joined this AGM. We have confirmation from our auditors,—
KPMG accountants of the Netherlands, that lead partner, Jurgen te Nijenhuis, is joining—
this AGM online, and so does Miss Irma Kroon, our independent notary who supervises
the voting process. In a moment Alan will update you on the progress of the business—
followed by a question and answer session. In this session we will respond to the—
questions that, as I said before, were sent to us before the deadline that was set on—
Monday the twenty-seventh day of April two thousand and twenty at 10am. Following—
the questions and answer session we'll give you the outcome of the voting on the—
resolutions that we put to you. Only the timely submitted proxy votes have been taken—
into account to calculate the voting results. That means that voting during the meeting—
is not possible and the numbers I will give you at the end of the meeting are final.—
First let me share a few personal observations before, starting with the situation created-
by the current coronavirus pandemic. Clearly, we are all deeply saddened by the impact-
this outbreak shaving on people's lives and livelihoods. The world is facing its greatest-
trial for many, many years, Governments, companies, investors and all our stakeholders-
are really navigating uncharted waters. As a board we have been immensely proud of-
the way the company has responded to events. Alan and his team moved quickly, not—
only to safeguard the well-being of the company and its people, but also in contributing,
significantly, to the wider societal effort. While this is nothing new for Unilever, that is-
part of our DNA, it has been inspiring for the board to see. I know Alan will say more—
about the company's response in a minute, but on behalf of the board, let me just pay—
tribute to everyone at Unilever who is working so hard to help overcome the effects of-
this terrible pandemic. Over the recent months we have seen many Unilever qualities—
come to the fore, including, a strong financial position, trusted brands, a great—
management team. And we trust that these will stand Unilever in good stead and well—
into the future. And, of course, also hoping that the qualities and what we are doing and-
the results of it will become evident in 2020, so we can deliver continued good results—
for the shareholders. They certainly did give us good results in 2019, when the—
company delivered another year of positive value creation for shareholders. That was—
driven by a continuing balance of underlying sales growth, improved profitability and—
strong cash generation. 2019 also marked Alan's appointment to the role of CEO.—
During that time he has brought energy and fresh thinking to the role. Everybody on the-
board has certainly enjoyed working with him, including in the development of a new—
Purpose Led, Future Fit strategy that Alan will come back to during his part of the—
presentation. The strategy is anchored in the belief that sustainable business drives—



superior performance and long-term value creation for stakeholders. Arguably it is a strategy that is more relevant today than ever before. In November we announced that Marijn Dekkers had chosen to stand down as chairman in order to focus on the growing responsibilities and activities associated with running his own investment and advisory firm. I was very pleased to have been asked to succeed Marijn, and on behalf of all of my board colleagues, I'd like to thank Marijn once again for his strong leadership and for the contribution he made to the company and to us as a team as chairman. Finally, my thanks to the Unilever Leadership Executive and all of Unilever's employees across the world for their work in 2019, and, for the tremendous effort they are making right now to ensure Unilever emerges from this current crisis as a strong and healthy business, to the benefit of all stakeholders. Before handing over to Alan, I just want to make clear that if I should experience technical difficulties with this webcast, Alan or Graeme will continue to lead the session so we should, under all circumstances, get through it in a good way. With that I hand over to Alan. Alan the word is yours.

Alan Jope: Thank you Nils and hello everyone. I'm very sorry that the circumstances mean it's not possible for us to meet and engage direct with you, our shareholders, this year. Though I also know you will understand the reasons why. I'm very pleased to have the opportunity to speak to you about Unilever and about its performance. Let me begin by saying a few words first about 2019. Then I will spend time with the rest of my remarks, as you would expect, on how we are responding to the extraordinary situation we find ourselves in as a result of this coronavirus pandemic. First, 2019. It was a good year for Unilever. Although underlying sales growth was slightly below expectations, at 2.9%, our profitability was good, with healthy improvement in Underlying Operating Margin, and we delivered strong free cash flow of 6.1 billion euros. This is important because Unilever's financial model is based on being able to reinvest in the long-term health of the business, while also paying out a competitive dividend. There were many highlights to our performance in 2019. Let me mention just a few. We saw a strong performance across our emerging markets business. Up by more than 5% in total. These markets now make up 60% of Unilever's turnover, and reaffirm our standing as one of the world's most geographically diverse businesses. Among our three global divisions it was a particularly good year for Home Care, which grew by over 6%, thanks to some great innovation, like Omo Perfect Wash, and an intensifying focus around green cleaning and green chemistry. We also reached an important milestone on our journey of becoming a fully gender balanced organisation, with women now accounting for 51% of Unilever's management population. This was doubtless a factor in the decision to award Unilever the prestigious Catalyst Award for the company which has done most to accelerate the progress of women through workplace inclusion. It is a great achievement, but we know we have more to do, especially at the most senior levels in the company. Our enduring commitment to a



multi stakeholder led model and responsible growth was also recognised last year, when, among many other awards, Unilever was named the top company in the Globescan Sustainability Leaders Survey, for the ninth consecutive year! Now, we intend that the leadership Unilever has shown over many years on sustainability, under our Sustainable Living Plan, should not only continue, but, in future, become an even more integral part of Unilever's overall business strategy. We are calling this new strategy the Compass, Purpose Led, Future Fit, and founded on the three core beliefs that brands with purpose grow, companies with purpose last, and people with purpose thrive. A key element of this will be to make our product brands even more prominent vehicles for driving positive social and environmental change in what they say and, importantly, in what they do. You are going to see a lot more of this from Unilever in the future. You will also see a continuation of the kind of bold measures that we announced in 2019. Including, for example, our commitment to halving the use of virgin plastic in our packaging, and collecting and processing more plastic packaging than we sell, both by just 2025, which seems right around the corner. And last year we delivered a year early on 100% of our grid electricity across the world, on all continents, coming from renewable resources. As part of keeping our portfolio under regular review, we made a number of smaller acquisitions in 2019, including in the area of Prestige, where we acquired Garancia, a French derma cosmetic brand, and Tatcha, a modern skincare brand rooted in classical Japanese beauty rituals. At the same time we also announced, towards the end of the year, a strategic global review of our tea business. We have an entirely open mind and are considering all options as we look to determine the best long-term future for our wonderful tea brands.

In 2019 we also set out some very clear priorities for accelerating growth. And we call these our Five Growth Fundamentals. These are proven means of driving growth in the consumer goods industry, through an unrelenting focus on, first, improving penetration, in other words, deeper and wider usage of our products in more homes around the world. Secondly, more impactful innovation, leveraging the deep consumer understanding and world class R&D capability that Unilever has access to. Thirdly, ensuring our brands show up, in the right way, in the most important, fastest growing retail channels that consumers are choosing today, including, of course, online. Fourthly, continuing our mission to put purpose at the heart of all Unilever brands. And finally, driving our efficiency programme hard so that we generate the funds and the fuel needed to invest behind the many growth opportunities that we have. Already, by the early stages of 2020, it was clear this refocusing of the business behind these Five Growth Fundamentals was working. We were seeing growing household penetration of our brands, and steadily increasing competitiveness in our market shares. So the growth fundamentals will remain a key element of building an even stronger Unilever. However, over the last few months we have had to face a very distinct and immediate



set of challenges posed by the spread of coronavirus and the Covid-19 disease. Before I say something about our response, let me first be clear that this is, above all, a humanitarian crisis. Our hearts, therefore, go out to everyone who is caught up in this terrible ordeal. And tragically that includes some of our own Unilever family. I regret to report that we have lost a small number of our Unilever team mates around the world to Covid-19. Now our response to this crisis, I believe, will be seen to have been swift and decisive. We have moved to quickly structure our response around five critical areas. People, community, supply, cash and demand. I will say just a few words on each. First, people, whose safety and welfare has been our first and highest priority. We were one of the first companies, for example, to announce a global, indefinite, mandatory, work from home policy for all of our office staff. And, we moved quickly to put in place new protective procedures for our factories and our field sales operations. Within days, we also guaranteed jobs and incomes for our entire workforce for a minimum of three months, including extending that commitment to those not directly on our payroll, but who are an important part of our operation, such as our much valued facilities workers. When it comes to people, we will go on doing everything we can to protect lives and livelihoods. In our community action, we have been guided very much by our multi stakeholder model and our instinct to use Unilever's scale as a force for good. In addition to making 100 million euros of hygiene and other products available to help in the fight against Covid-19, we have also partnered with the UK's Department for International Development in rolling out hand washing campaigns to some of the most impoverished parts of the world, drawing on Unilever's unmatched insights into hand washing and how to drive positive behaviour change. Significantly, as part of our broader effort, we have also made 500 million euros of short-term cash flow relief available to support the livelihoods across our extended value chain. This is primarily directed for our most vulnerable small and medium sized suppliers. On supply, our focus has been on maintaining the supply and distribution of our essential hygiene and food products. And here our teams have done an incredible job keeping our factories running. There have been times when some of our factories have had to close, but only a few, and none for more than a few days. Thank you to our frontline heroes in the factories, some of whom you can see here. On cash, even though we entered the crisis with a robust balance sheet and strong liquidity, we have nevertheless taken the opportunity to make sure we are managing our sources and uses of cash in the most disciplined way possible. This has included accessing the bond market earlier this year, and interestingly our offering was heavily oversubscribed, a sign of what an attractive repository Unilever is in these difficult times. And finally, in responding to rapidly changing demand patterns, our teams have equally done a good job and demonstrated a level of speed and responsiveness that we hope will remain a hallmark of Unilever going forward.



In Home & Hygiene, for example, we accelerated the launch of a new brand, Botanical-Hygiene, in China, which combines advanced technology with the wisdom of nature to give reassurance on killing germs. In Italy, we created and launched a new Professionals cleaning range, under the much loved Lysoform brand, especially targeted for professional channels, including medical facilities. In Brazil we teamed up with Heineken, who were able to provide the necessary alcohol as a by-product from their alcohol free beer, to produce a special Cif hand sanitiser, which was distributed in 210 favelas throughout Sao Paulo. Many of our categories and brands have moved quickly to re-plan their innovation, adjust to consumers buying different channels and rework their brand communication to make sure that it remains relevant for today's changed circumstances. Lipton, for example, has encouraged everyone to stay connected by enjoying a cuppa together, but to do it virtually. Now these five areas have continued to guide our approach throughout the crisis and they have served us well. Sorry, although the course of the impact has varied considerably across the world, are we going to run the video? No, let's push on. Although the impact of coronavirus has varied considerably across the world, depending on how far it has spread and the differing approaches of Governments, some Governments have moved faster than others. Some of them have imposed severe restrictions at the outset. Others have taken a more gradual approach. And we have seen consumers reacting in very different ways. While there has been enormous panic buying in the United States and in parts of Europe, including the UK, we have not seen the equivalent behaviour in the developing world. All of this has required a very high level of agility and responsiveness on the part of our teams on the ground. And I want to pay tribute today to the many women and men of Unilever, especially in our factories, in logistics and in field sales, who have worked so hard to ensure our products reach the shelves. Although often operating under significant constraints and massively enhanced safety protocols, their actions have been, quite frankly, nothing less than heroic. I have seen some of this first hand. The efforts of our people have included opening up new capacity where it's needed most. Let me give you just one example. Prior to the coronavirus outbreak, hand sanitiser was a small part of Unilever's portfolio. Yet over the last two months we have opened up more than 30 new production lines to produce hand sanitisers and in the UK, we converted one of our plants in just three days to support this effort. Our first priority has been to serve frontline healthcare facilities, to whom we have been donating bulk product. Now the very varied nature of the way in which the pandemic is hitting, both across the world and across our categories, we saw that in our first quarter results for 2020, which we announced last week. Overall, flat underlying sales growth for the quarter, which I think represents a solid performance in such uniquely challenging circumstances. We were badly impacted by a decline in the Global Foods solutions business as restaurants, cafeterias and cafes, that that business serves closed worldwide.



We saw steep decline in out of home consumption ice cream as many leisure locations—and tourist destinations were also closed. The significantly slowdown in the Chinese—market during Q1 and the complete lockdown in India at the end of March which——stopped production and shipping for a number of days also impacted us. Now on the——other hand our hand wash and Home & Hygiene businesses grew double digit as a——result of increased demand for household cleaning brands like Cif and Domestos. And——an increase in in home eating saw Hellman's, one of Unilever's billion Euro brands also-grow double digits, and we saw a steep rise in our e-commerce business as many——households shifted to doing their grocery shopping online. So all in all a decent start to—the year in some very challenging conditions. I'm delighted to say earlier in the month——we also completed the acquisition of the health and nutrition brands, Horlicks and——Boost in India and other parts of Asia. This is a wonderful, on trend acquisition with——fantastic growth potential. As we look ahead to the remainder of the year and beyond,——the only thing that seems certain right now is how uncertain the world will remain. We——are not fazed by that, we are well prepared. We have already shown in recent months——just how agile and responsive Unilever can be. Moreover, we are able to draw on some—of our inherent strengths, the experience of having lived through many crises, in many—countries in the past. Crises from which Unilever has generally emerged as a stronger——business. We're blessed with a portfolio of essential brands, arguably more relevant——today than ever before. Our financial stability is solid and a source of great strength for—the business. And above all, the resilience of our people and the quality of our——management teams. For all these reasons and more, I'm very confident about Unilever's—future. That confidence was reflected in our decision to maintain our quarterly dividend—payment, something that many others have chosen not to, or been unable to execute.——We see this as an important element of our multi stakeholder model. To one very——important group of stakeholders, our shareholders. Thank you for your continuing——support and for your trust in Unilever. It's something we value more than ever at this——time. And finally, to the Unilever Board of Directors, my thanks for all the support,——encouragement and wise counsel, which has been absolutely invaluable. And a special——thanks to Nils, and before him to Marijn, for their very steady hands as chairmen in——guiding me, as still a relatively new, Chief Executive Officer. Thank you back to you——Nils.

Nils Andersen: Thank you Alan. We now move on to the formal part of the agenda,——and we start with the agenda item one. And as usual, during this agenda item, we will——have a full Q&A session on all matters related to any of the agenda items. We'll answer—the questions that were submitted ahead of the meeting. In our website we explained the—questions needed to be submitted by 10.00am on Monday the twenty-seventh day of——April two thousand and twenty. As I said before. And , once again, I want to thank——everyone who did submit questions. Because some shareholders asked questions of a——



similar theme, I will try to cluster these questions where possible. I will start by summarising the first set of questions and state the name of the shareholder or shareholder representative that asked the question. I will then hand over to Alan, Graeme or any of my fellow directors to respond to these questions, depending on who is the natural choice. We will start with the Covid-19 related questions. As this is very much top on mind for all our shareholders and everybody in and around the company. This will be followed by remuneration related questions, and we will then move to sustainability, followed by financial performance. We will then discuss specific business related matters before finally hearing questions and responses regarding audit-related matters. So let's start and first have Alan address Covid-19 related questions, and there are several of those.

First we have a question from Eumedion, who are appreciative for the awareness of the broader societal and economic responsibility that Unilever has shown in the response to the outbreak of the coronavirus crisis. But would like to understand the following relating to consumer behaviour, e-commerce and targets. So there are three questions here. Firstly, you indicated that you expect to see consumers turning to bigger, more familiar brands in crisis time. Would that be of influence in the longer term strategy of Unilever? Also, can you share something on the influence of the outbreak on the shift to e-commerce as a possibly higher strategic priority for now and in the future, and how well Unilever is positioned for this? And finally, would the current crisis lead to adjusted targets for Unilever's management team? Alan would you take these questions?

Alan Jope: Thanks Nils. Well, look, the expansion of Purposeful Brands, that consumers can connect with on many levels is an absolutely core part of Unilever's strategy. And the impact of Covid-19 on consumer behaviour is showing that in times like these, times of crisis, consumers do indeed turn to the brands that they trust. Purpose is one of our five fundamental drivers of growth, and we absolutely intend to keep this as part of our long-term strategy, ensuring that all our brands have purpose, communicate this purpose to consumers and take action accordingly. To your second point, e-commerce grew very well in quarter 1 by 36% globally, as we have seen a pick-up with consumers moving to online grocery shopping during the Covid-19 pandemic. Of interest, China grew by 34% and the US grew by 100%. Now a focus on growth channels, as I mentioned, is one of the Five Growth Fundamentals, e-commerce is certainly one of them and we intend to keep prioritising that channel. I'm only going to make a short comment on targets, which is that depending on how long and how deep the Covid-19 pandemic impact is on the business, our Compensation Committee will use its ability to exercise discretion to decide if any vesting of the bonus is appropriate. And with that I will hand back to you Nils.

Nils Andersen: Thank you Alan. The next set of questions related to Covid-19 come



from VEB, who refer to the Q1 2020 results presentation and that during that presentation Unilever stated that it expected customers to shift to more value priced brands during the economic downturn. They ask whether Unilever believes this downtrading to be only a temporary effect, or will it have longer term impact as a result of less spending power by consumers and new habit formation? And also, that should this downtrading indeed persist for a longer period of time, what action plans can Unilever put in place to mitigate the impact on the company's financial performance? VEB would also like to understand that apart from capex, brand and marketing investments, as well as research and development spend have been trading down over the past years, although BMI was slightly up again in 2019. Does Unilever foresee that due to Covid-19 and a longer term consequences these investments will decline further? Alan would you answer these please?

Alan Jope: Sure, well look, it does seem like a global economic an economic downturn seems absolutely inevitable. The depth and length of the crisis and which countries are hit the hardest remains unknown. However, our mass portfolio in Unilever is very well positioned, and our products capture a full spectrum of price points. This is a strength of Unilever's portfolio. We have been through recessions before in many countries, for example in the last recession in Brazil, which was only in 2017, 2018, we launched several new brands to allow consumers to trade down if they wished, and actually they have been very successful. A couple of examples, Brilhante in laundry cleaning and Home Care, and Suave in personal care, particularly Deos. This way of offering products at lower price points is a repeatable model for the business. In relation to brand and marketing investment, yes, we are dynamically reallocating that money in response to the crisis. As you might expect, we are reducing our spend in, for example, out of home ice cream, or Food Solutions, but we have also been identifying key businesses where is we need to ensure that resourcing is strong to support consumer demand right now. And at the moment, that includes all of our hygiene categories, hand wash and surface cleaning and resource for brands like Lifebuoy, Domestos and Cif. Also in in home eating, more people are eating at home, so brands like Knorr, we're making sure are well resourced. One thing that may not be clear to everyone, is that media rates have been dropping quite significantly in the last few months. So we are very often able to secure more media weight for the same amount of investment. I should also add that we are 100% committed to competitive investment in R&D, and in the last year, actually, we have opened our latest state of the art, R&D facility at Wageningen in the Netherlands itself. With that, back to you Nils.

Nils Andersen: Thank you once again, Alan, and we have another Covid related questions from Dutch Shareholders' Association VEB, who ask a question related to our capital expenditures, and they note that Unilever's capital expenditures have gradually declined over the past years. In light of Covid-19 Unilever recently stated that capex—



spend will be re-evaluated. Could you be more specific on this, also given the fact that— cost savings have been and are expected to be significant, potentially freeing up— resources. Shouldn't that provide room for additional investments? They would also— like to understand more around risk assessment in the Covid-19 environment. They say— that in the 2019 Annual Report, Unilever states that for the 14 principal risks, worst— case possible scenarios have been performed. They assume that a global pandemic has— not been part of those such worst case scenario, therefore the questions are, firstly, — should Unilever elaborate on scenarios and stress tests that have recently been— performed as a result of the outbreak of the Covid-19 pandemic. For example with— respect to changing consumer behaviours and preferences, the impact on Unilever's— pricing strategy going forward, a disrupted Supply Chain and their respective impact on— Unilever's financial performance. Secondly, could Unilever also assess whether the 14— principal risks have changed compared to previous years. Should this assessment be— made again today, for what principal risk factors would the risk trend change and why?— Thirdly, Unilever has stated that it's accustomed to operating through downturns.— Consensus, however, by now, is that this downturn cannot be compared to previous— downturns. What gives Unilever the comfort that it will be both be able to perform— satisfactorily during this period as well as emerge stronger from it? Alan would you— please respond to these questions as well?—

Alan Jope: That is a comprehensive set of questions, I will try to give a comprehensive answer. I will start with the question on capex. Certainly since the crisis began we have been re-evaluating all of our capital spending to ensure that it's both relevant and— appropriate to the times. This includes our entire cost base, all of our capex and— restructuring spends. Shareholders may be interested to know we currently have a— hiring freeze, we have a worldwide travel freeze and our consultancy spending has been cut. We are also making savings in some elements of brand and marketing investment,— where things like advertising production has been dramatically reduced and there has— been a decline in media rates. In addition to this our regular savings programmes— continue to operate. So on an on going basis it is important that we keep finding fuel for growth in the business, so that we can put the necessary investment behind our brands,— and also help to cover any commodity cost increases. I will answer the second question— in three parts. This is about risk, certainly plausible worst case scenarios in our risk— matrix don't specifically call out a global health pandemic, but it does include risks that— have got a sizeable reduction in sales as a result of changes in consumer habits, and we— also considered significant disruption in our supply chains. Now, Covid-19 is having a— multitude of impacts on all parts of the business, and so we are continually planning— and replanning for the future as this situation evolves. As I mentioned earlier, the plans— are being run across five areas, people, communities, supply chain, cash and meeting— new demand patterns. And we are continuously developing scenarios and plans that—



cater to the different plausible eventualities. Including potentially permanent changes in consumer behaviour and customer preferences, as well as permanent changes on how—our supply chain might work. Now, you may have noted that in quarter 1, we withdrew our outlook for the year. That is precisely because there are many unknowns, including—the severity and the duration of the pandemic, as well as how individual Governments—and regulators will respond. And we simply cannot reliably assess the impact across the business. And so we do have a number of scenarios, but honestly they change on daily—basis. To the second point of the question, we do continually assess the risks and we—will be updating our view on the principal risks to the business regularly. The pandemic is not fundamentally changing the purpose or nature of Unilever's business. In fact, the—key risks remain very much the same. But the severity and likelihood of some risks has—increased in the last couple of months. And in times like these the principle that we—work to is that agility and responsiveness in the company is more important than—predictive ability and locking in on one scenario. And so, to the final part of the—question about what gives us comfort, well, our multi stakeholder model, purpose and—our commitment to sustainability, we feel, are even more relevant for managing through a human crisis than in normal times. The quality of our Leadership Teams is a huge—asset and allows us to make decisions close to the ground. I sleep well at night knowing—we have experienced leaders, leading our businesses in the markets around the world.—We have a broad portfolio of essential goods and trusted brands across a spectrum of—price points. Financially, we are extremely stable and we have taken appropriate—measures to preserve cash and to ensure that we are able to pay our dividends. We have—an experienced base that shows that crisis in emerging markets usually favours—Unilever's business and we're working to our five fundamentals, important principles,—which we have seen remain relevant throughout this crisis and beyond it. And so those—are the ways that we are dealing with this enhanced level of risk and uncertainty. And—with that back to you Nils.

Nils Andersen: Thank you Alan, we now come to the final Covid-19 related questions—and it comes from Henk Rienks, and is as follows. He points out that the press release—of the twenty-third day of April two thousand and twenty states that now that the—hospitality industry has closed in large parts of the world, sales of our ice cream have—shrunk enormously. How do you assess the impact on your ice cream plants. Are you—applying for Government support for these factories if that is possible. Finally, are you—taking this opportunity for reorganisation of ice cream production, fewer, but bigger—factories? Over to Alan again please.

Alan Jope: Actually I would like to respond by addressing the second point of the—question first. Which is we are not applying for Government support for our factories or—workers at this time. In relation to the impact on our ice cream factories specifically,—whilst we have seen negative impact on our out of home business, we have seen—



positive signs of growth on our in home consumption parts of the ice cream portfolio.— Now the overall positive impact is around 15%, but we have seen 25% plus decreases— in out of home. Now the situation is very different in different markets. And while we— haven't seen a major impact in North America, we are seeing a huge impact in Europe.— So we are continually balancing supply to the forward demand signals so that we can— meet consumer requirements as consumption behaviour changes. We have also been— creating considerable flexibility in our manufacturing operations for some years.— Almost all of our ice cream factories produce for both in home and out of home, and— although the current change is more dramatic than in previous years, we are used to that— type of flexibility. Now having said that, it is worth considering that the high season for— ice cream in the Northern Hemisphere is July and August, and it's still to come. Right— now we are preparing for a higher proportion of volume to come from our in home— business, we are seeing people still want to enjoy ice cream at home, and we are— making the necessary changes to adapt. So, to your final point around would we be— looking to reorganise our factories, the short answer is that it's way too early to be— making decisions around changing our strategic manufacturing footprint. Back to you— Nils.—

Nils Andersen: Thank you Alan, and let's hope that people really want ice cream when— we come out of this crisis so we can sell lots and lots out of home. So this concludes the— section on Covid-19 and we'll move next to remuneration related questions. Vittorio— Colao, chair of Unilever's Compensation Committee will take these questions. Because— these questions are around a similar topic, let me read them both to you first, and then— you will hear the answer from Vittorio. First from Eumedion, Unilever will propose a— new remuneration policy at the AGM of 2021. As you are aware that the revisited— Shareholders' Rights Directive and its implementation in the Dutch context require 75%— approval of the AGM and requires companies to incorporate how they take societal— considerations into account. So a) could you reflect on how Unilever plans to organise— the needed support? And two, is the total height of the executive compensation,— sometimes referred to as quantum, something that Unilever considers part of the— societal consideration? The second question asked is by the VEB, it's similar, namely— that this year's AGM agenda does not include an agenda item with respect to a binding— vote on the director's remuneration policy. However the recently implemented— Shareholders' Rights Directive in the Netherlands, requires companies to put their— remuneration policy to vote at the 2020 AGM. Unilever is the only Dutch listed— company that has not included this item on the AGM agenda, indicating it wants to— maintain the three year cycle for renewal of the remuneration policy. Why would this— three year cycle, as referred to, prevent Unilever from putting the remuneration policy— to a vote already this year? Also in the VEB's view, enabling shareholders to vote on— the current remuneration policy this year does not prevent Unilever from putting a—



potentially revised policy to vote next year. The Compensation Committee refers to an extensive consultation with investors and representative bodies. Could the committee elaborate on the feedback received by investors, among others, with respect to the performance measures and a vote on the remuneration policy in the 2020 AGM. Vittorio, it's several questions, two questions, with some variations to it, could you please respond?

Vittorio Colao: Thank you Nils, let me try to respond to the main blocks of the questions. I will start with the Eumedion one. Later this year we will reach out to our stakeholders for future guidance in light of the remuneration policy renewal that we have to pass in 2021. And I would say, as always, we welcome further input into this process, including on the matter, the quantum matter, that Eumedion refers to. We will further investigate how we can best approach the level of support in society for our policy renewal. We will also look at what is best practice in the Netherlands, specifically, and how other companies have approached this topic in light of their own policy renewals. In general as I said in many meetings with investors, we look at all aspects of our policy to see what works in the context of where we are and what doesn't. Therefore, what needs to be amended and of course in reply to the Eumedion question, we will look at all elements of the policy. Now you need to take into consideration that all our policies not only apply to the Executive Directors but to all 14,000 managing employees. Therefore the societal considerations are deeply embedded into the process of setting up a new remuneration policy. For example, from the lower work levels we received some concerns that the current long term plan, the MCIP is linked to the annual bonus, and solely linked to it. Therefore we are now looking if delinking would be a possibility for such work levels. In response to the VEB question. The Netherlands has implemented the Shareholders' Rights Directive with effect from 2020. The new reporting requirements actually more closely align with the Dutch regulations than what we already report under the UK regulations and UK Corporate Governance code. Therefore the key provisions of the SRD were already in place at Unilever, including the annual advisory vote on the implementation of our remuneration policy for the NV shareholders. Our policy already complies with the SRD, and we have taken into account the views of our employees and the level of support in society in our current remuneration policy. For example, the Unilever Sustainable Living Plan is an integral part of our corporate purpose, as set out in the governance of Unilever. Through the USLP, which I remind you was established in 2010, and our values of integrity, respect, responsibility and pioneering, Unilever has established a strong multi stakeholder model and a track record of taking societal considerations into account in everything we do. So not just in remuneration. The cornerstone USLP, the Unilever Fair Compensation Framework, which forms part thereof, are explicitly reflected in the remuneration policy. Views of the employees are



captured through the USLP living wage level goals, the internal UniVoice survey and— through the new reward framework consultation. The sustainability progress index— strengthens the link between the remuneration policy and Unilever identity strategy and— value, as it has been made a key performance metric of our MCIP plan, the weight is— 25%. In our view, the element of societal support forms part and parcel of the current— remuneration policy so there is no need to table the policy for a vote to the 2020 AGM.— But it is important we maintain a three year cycle in both NV and PLC so the— shareholders will have an opportunity to a vote at the 2021 AGM, for both companies.— To the second part of the VEB question, I consulted with shareholders representing— around 14.45% of the combined share capital of Unilever NV and Unilever PLC.— Investors were invited based on the size of their position in Unilever and their level of— focus on remuneration. The consultation process also included the proxy advisory— agencies. In terms of feedback the investors were positive about the consultation,— appreciated and supported the topics being raised, among others the change in— measurement of performance measures and the vote on the remuneration policy in the— 2020 AGM. Over to you Nils.—

Nils Andersen: Thank you very much Vittorio. We will now move to sustainability— related questions and we will also have Gender Pay Gap related questions we'll cluster— here. The first comes from Eumedion and the remainder of the questions come from— VBDO. Through the last years there is a high variability to the extent to which— Unilever's non-financial performance targets were met. The targets that Unilever has— more influence on are being met quite well, like the target on, for example, nutrition,— where other targets more outside of your influence stay behind, like the target on GHG— per consumer use. What does Unilever do to increase influence on the sustainability— targets that you have set? Do you consider your current non financial targets as logical— and feasible? Do you see a need to change the targets next year? For example, by— changing the nature of the targets to targets that are more within your influence? Alan— can you please explain or respond to these questions.—

Alan Jope: With pleasure Nils. So it's a good question. And it's true that we have some— targets that are directly in our control, and some that we only have indirect control on.— Where a target falls outside of our direct control we do work together with others to try— to accelerate action. This can take the form of direct advocacy to Governments, through— coalitions like We Mean Business on climate change, and also partnerships where we— develop and deploy solutions to specific problems, such as the Tropical Forest— Alliance's work on deforestation. On the second part of the question, the USLP— included a number of targets, such as the target to halve greenhouse gases use per— consumer use of our products, and those cut right across the value chain. And delivery— there is not entirely within Unilever's control. This was deliberate. We believe in— several areas like climate change the world needs to see transformational change at total



systems level. And a characteristic of systems change is that no single actor in the economy or society can drive that change alone. The UN global compact, together with the World Resources Institute, and the We Mean Business Coalition, have developed this concept of Ambition Loops, where different stakeholders combine ambitious targets and public policy advocacy that will help Government to raise their own climate action. So, yes, sometimes this means we don't show as much progress on targets like greenhouse gas emissions as we would like. But it is also a reflection of the fact that the world has been slow to act on climate change over the last decade. Our belief is that we must all take collective responsibility for that, lean in and address it. There's no point being a successful business in a failing world. Of course, we have subsidiary targets that support our headline targets, such as the per cent of our palm oil bought through sustainable sourcing and the per cent of electricity bought for our factories from renewable sources. Not all of these are reported in the Annual Report and accounts, but rather through our online Sustainable Living Report. Retaining targets that span our whole value chain has allowed us to remain connected to the bigger picture, to prioritise our advocacy efforts, such as supporting the UN COP negotiations and to make calls for faster climate action. So we believe in aggregate that our targets are more or less the right ones and that over the longer term they are feasible, recognising that systematic issues often move a bit more slowly and the connection between advocacy actions and real world results, sometimes, is not immediately visible, it is not immediately visible in the year on year reporting of say the decarbonisation of the energy grid, but we have no plans to change our approach of having targets that are within our control and targets that require system change at the present time. Nils back to you.

Nils Andersen: Thank you Alan, and let me add that environmental and social responsibility is really part of the Unilever identity and the board, the supervisory board spend significant time on working with the targets and working with how the targets are measured and how the reporting can be audited best possibly. It is a really overarching part of our work. To begin the questions from VBDO, we have the following, in 2019 Unilever procured 70% of its products in line with a provision under the Responsible Sourcing Policy. Important features in that policy are that suppliers are not only audited, but capacity development and continuous improvement is strived for together with Unilever. In the Corporate Responsibility Committee's report in the Annual Report, it can be understood that Unilever began preparation for a new approach, Responsible Sourcing Policy before purchase order. Meaning that a supplier must first be compliant with the RSP before Unilever can purchase goods. While this would ensure Unilever reaches its target to source 100% responsible. It could mean that suppliers with a large potential to change are now left without a buyer for their products. Did Unilever assess how many suppliers will not be purchased from? And how will Unilever continue to build the capacity of suppliers who fail to comply with—



its Responsible Sourcing Policy, to ensure better working conditions for all? Alan could you please respond to this?_____

Alan Jope: I think that is a very responsible question, if I may say, about our_____ responsibility policies. We have embarked on a sourcing journey and we certainly_____ never saw our Responsible Sourcing Policy as the end of that journey. We are going to_____ continue to work with all of our suppliers, to find new and improved approaches to_____ existing challenges that arise within our supply chain. We are going to respond to the_____ ever changing and ever challenging environment that we operate in. This RSP, or_____ Responsible Sourcing Policy, before a purchase order approach, does make our_____ suppliers aware of some of the non-negotiable and preliminary requirements that they_____ need to meet in order to do business with Unilever. It also allows us to identify gaps_____ and where capacity building is needed, in what is a cooperative and proactive way. So_____ we are always monitoring the performance of our suppliers against the requirements of_____ our Responsible Sourcing Policy, through a dashboard. That dashboard is available to_____ all of our procurement managers, it can be analysed at a global level, or right down to_____ an individual supplier at a local level. We also provide suppliers themselves with a_____ console that shows their Responsible Sourcing Policy status alongside their_____ performance on other metrics like quality, value and service delivery. To answer the_____ question bluntly, we do work collaboratively with our suppliers on this issue. Actually_____ it's in both Unilever's and the suppliers' interests to work towards remediating issues_____ that will lead to any purchase order being blocked and to continue to work with existing_____ suppliers to make sure we have both better working conditions for their employees and_____ a better on going business relationship. So it's our opinion that improving working_____ conditions for employees in our suppliers, does lead actually to a more profitable and_____ sustainable business for them. So the short answer is it's not binary, we don't shut_____ suppliers off immediately, we give them continuous feedback and we have an_____ intelligent and collaborative approach to helping our suppliers meet our responsibility_____ code. Back to you Nils._____

Nils Andersen: Thank you Alan, on the gender pay gap, VBDO asks, or actually notes_____ we would like to congratulate Unilever with reaching the gender balance in_____ management positions. They also recognise Mr Alan Jope's words in the Annual Report_____ that this is a job still half done. The note among others, gender balance is not reached in_____ higher management and executive level, in addition Unilever does not publish its_____ Gender Pay Gap nor has it equal paternity leave for parents. These are all actions to_____ ensure the parity between man and women. Here is the question. Is Unilever willing to_____ assess and publish its gender gap pay on three levels, workforce, management and_____ executive level, in the Annual Report or sustainability report of 2020? Alan, could you_____ please answer these questions, well it is one, but three levels?_____

Alan Jope: First, thanks for recognising the progress we have made on ensuring that_____



women are properly represented throughout Unilever. I'm sure it won't have escaped— your attention that of the ten Non-Executives that are up for election at this AGM, it's— five men and five women. The Gender Pay Gap measure is largely a matter of female— representation and we know that there's work to be done on increasing female— representation at the most senior management levels inside the business. That is my— priority. On the flip side, we also have many countries where we've got a very positive— pay gap in favour of women, because they are underrepresented at the lower paid— manufacturing roles. What we know from our own internal study of the matter is that— the Gender Pay Gap tends to neutralise when we get equal representation of men and— women across the workforce. And that's really the primary goal that we have been— working to for many years. In terms of publishing our figures in the way you suggest,— actually the numbers are impossible to compare across countries. Each has a discrete— labour and pay market and organisational unit within Unilever, but it's something we— are actively reviewing for our top ten or 15 countries, because we want to address and— be open on the more equal representation of men and women in our workforce at all— levels. Back to you Nils.

Nils Andersen: Thank you very much, the next question from VBDO relates to climate— change. And I look to Graeme to answer this one. And they start by complimenting— Unilever, thanks for that. Here it comes. It continued to implement the TCFD's— recommendations, by conducting a climate change scenario analysis for black tea under— 2C and 4C global warming scenarios. In addition to the already published soybean— analysis, in both scenarios, sourcing prices go down for Europe, and there are no impact— identified for product availability by 2030. While price impact and product availability— are interesting from a financial point of view, they are not from a sustainable point of— view. Is Unilever, here comes the question, is Unilever willing to start analysing next to— the financial impact of climate change, a real time world impact of climate change, e.g.— the impact on livelihoods for its small holder suppliers under various scenarios and add— this information to the TCFD disclosures? Graeme could you respond to this please?—

Graeme Pitkethly: Certainly, Nils, and thanks to VBDO for the question, in the— important area of TCFD reporting and indeed scenario analysis. The intended purpose— of Unilever's TCFD reporting is to provide climate related financial disclosures to— Unilever's stakeholders. And it is of course possible that climate change under any— temperature scenario could have impacts, including adverse effects on small holder— farmers. But unless those impacts also result in a financial impact for Unilever, for— example through a risk to our continuity of supply, they would not necessarily be— picked up in our TCFD analysis. And that is really just the feature of the way in which— the TCFD requirements are structured. But, as your question implies, this does not, of— course, mean that these impacts are unimportant, and shouldn't therefore be better— understood. However, challenges to farmers, including small holder farmers, from—



rising global temperatures, are unlikely to be specific to Unilever's own value chain.—
Therefore, we may well seek to rely on independent third party assessments of this—
generic risk, for example the IPCC assessment reports on climate impacts would help.—
And we would use those to inform both our policy and our practise. Back to you Nils.—
Nils Andersen: Thank you Graeme, here's a little a bit more for you. The next two—
questions are from VEB and also directed to Graeme. Firstly, in the risk paragraph—
included in the 2019 Annual Report, Unilever no longer mentioned its pension—
liabilities with respect to the defined pension benefit plan as part of its principal risk—
factors. Current market turbulence with lower investment returns as well as lower—
expected returns on plan assets changed Unilever's opinion on this risk factor? Please—
explain. That was the first one. Secondly, does Unilever expect the pension deficit to—
increase further this year compared to year end 2019? What measures can Unilever take
to mitigate this risk and stabilise the defined benefit plan? Could this be in form of—
additional cash funding provided to the pension plans? Graeme could you please—
respond to these questions._____

Graeme Pitkethly: Certainly, Nils, and thanks to VEB for picking up the important—
subject of our pensions. Ensuring that appropriate funding is available to meet pension—
cash funding requirements is indeed a risk, given the movements in pension assets and—
liabilities can be quite volatile. So this needs to be carefully managed and that's what—
we do. In the past the potential amounts of funding that might have been needed were—
significant and so at that time we highlighted the pension risk as one of our principal—
risks. Over the last few years, however, a combination of sound management of our—
pension plans and economic returns have meant that this situation has improved._____
Therefore, there were other business risks that were more significant and so pension—
liabilities were effectively downgraded from being one of our principal risks. Now, of—
course, markets have been extremely turbulent recently and we have seen significant—
ups and downs since just the year end. As of today, for example, the pension assets—
have decreased in value, but the estimate of the pension liability has also decreased._____
Our defined benefit funds are very long-term investors and short term market—
fluctuations do not immediately impact the long term investment strategies that we and—
our Trustees of the plans have set. Now we have agreement with most of our funds and—
that provides for periodic reviews of the cash funding, they are generally yearly or three
yearly reviews, and the timing of those are not impacted by market movements._____
Therefore, as we stand today, we would not regard the current situation as needing us to
upgrade our pension risk to one of our principal risks, but obviously that situation can—
change and so we will be keeping this matter under close review. Now we are unable to
forecast what the market will do and what investment performance will be. That means—
that we cannot really estimate what the deficit or surplus for pensions will be at the end—
of the year. None of our big funds are due to be valued for cash contributions payable—



this year, so it's unlikely that there will be any unforeseen cash contributions during 2020. Back to you Nils.

Nils Andersen: Thank you Graeme. And secondly, Graeme, and also from VEB is the following. In its report the Audit Committee mentions that during this year the UK, Financial Reporting Council, the Netherlands, through Autoriteit Financiële Markten and the US (SEC, Securities and Exchange Commission) regulators asked Unilever to respond to a number of technical disclosure questions. Could Unilever provide some more details into the specific enquiries made by these regulators, as an example, what technical disclosure did these regulators have. The AFM inquiry has not yet been closed. This is the Netherlands authorities, what does this enquiry relate to? Graeme over to you again?

Graeme Pitkethly: Thanks Nils, I think the first thing to say is we have a very, very constructive relationship with all three of the regulators, such as the FCA, the AFM and the SEC, and as part of their usual procedures these regulators they periodically review the Annual Reports of all listed companies, including those of Unilever. During 2019 we received comment letters from all three of the regulators. None were particularly long, but they inquired about certain technical disclosure matters, for example, our segmental reporting choices and the rationale behind those choices. The specific AFM inquiry that the VEB question references, also related to segmental reporting. And I'm pleased to note that the AFM enquiry has recently been closed. Examples of the disclosure examples that we will make are to provide a turnover split between developed and emerging markets, and to split our Americas segment turnover out between North and Latin America. Back to you Nils.

Nils Andersen: Moving on to business performance, we have further questions from VEB and I will ask Alan to respond to these. The Prestige beauty portfolio is predominantly exposed to the US. What has hindered Unilever so far from extending the footprint of the Prestige business more into Europe, China and North Asia and what are the growth opportunities in these regions. What actions need to be taken so that Prestige beauty products can be increasingly sold through e-commerce channels. Alan, can you please respond?

Alan Jope: Sure, thanks Nils. First of all a reminder that our Prestige beauty business is still a young business for Unilever. We have only been in this segment for a few years. And it has been very successful. About a third of the Prestige portfolio currently is outside the US, and for some brands it's much more than that. At the moment we have made the decision not to fully enter China, because of the animal testing rules that are currently in place. That's in line with the principles and cruelty free status of many of the Prestige brands and Unilever overall. Therefore, we only use the cross-border e-commerce route into China which these rules do not apply to. There is some draft legislation which has been published in China on changing the animal testing rules,



when that change is made, we can operate our brands in China as truly Cruelty-Free, then we will, of course, re-evaluate those opportunities. I think it is not insignificant that the two examples of portfolio acquisition that I made earlier in the presentation are Garancia, a French based Prestige luxury beauty brand, and Tatcha, which is Japanese inspired beauty. Now e-commerce is already a very, very strong channel for our Prestige brands, and during the current coronavirus times we have already seen improved sales and actually a marked shift in that business towards e-commerce consumption. So good question, and I hope I give you a sense of the direction of travel both geographically and channel wise for our Prestige business. Back to you Nils.

Nils Andersen: Thank you Alan, another question from VEB is the following. It's, well a lot of questions related to the specific area of the wellness, our new focus area of the wellness and personalised nutrition segment (meaning vitamin, minerals and supplements). Here come the questions: (a) Unilever is one of the FMCG companies that is actively pursuing M&A in this segment. At the same time one might argue that Unilever is somewhat late in identifying the attractiveness of this segment. Could you please comment on this timing aspect? (b) could Unilever elaborate on the progress made and possibly setbacks in encountered since Equilibra and Olly were acquired? (c) what does Unilever consider to be the critical success factors for acquisitions in this segment in order to deliver attractive returns on our investment? (d) what is the critical mass Unilever expects to need in this segment in order to be able to realise economic profit. And finally, does Unilever expect valuations in the personalised nutrition segment to become more attractive in the coming period. Quite a number of questions related to this segment. Alan, over to you?

Alan Jope: Thanks Nils, let me try to put parts of the question together and give a holistic answer. We were very public on the criteria we were using to evaluate our portfolio. Those criteria cover whether there is a potential for high growth, secondly, is it big enough, as a category for Unilever to play in. Thirdly, is it future facing is there emerging market growth potential, and is it technology and marketing sensitive, uncommoditised. And lastly, is it unconsolidated where Unilever might have a right to play in the space. Now vitamin, minerals and supplements really fits the criteria of the type of business that we are looking at, in that it's high growth, it's technology and market sensitive and it's a very, very large category. Having made some initial moves to learn through the Olly acquisition in the United States and Equilibra in Italy, we do believe the time is right to look in a wider way at vitamins minerals and supplements and I should that add in contrast to the question asking about what setbacks we have had, actually we are absolutely delighted with the progress that Olly and Equilibra have been making. And that only goes further in the current crisis situation where the nutrition and wellness benefits of these brands seem to be particularly relevant for people. So we are thinking about the potential of VMS in the same way we were



thinking about Prestige a few years ago. Of course we will assess all potential acquisitions through our lenses of strategy and our disciplined valuation models when we put together the business case. So, thanks for the question and back to you Nils.

Nils Andersen: Thank you again Alan, and VEB's final question in this segment is as follows. Portfolio changes form an important part of Unilever's growth strategy, however, according to the Annual Report some acquisitions in recent years haven't performed as well as expected. Could Unilever elaborate on the root causes why several acquisitions, like Blueair and Murad have fallen short of expectations. And more, Unilever also recently mentioned that several interventions were needed to improve performance at certain acquired businesses. Could you provide some more details on this. In what specific ways has Unilever applied the lessons learnt from less successful acquisitions, both with respect to its acquisition process and framework for evaluating potential acquisition candidates. As well as for unlocking companies' potential after the acquisition has been completed. Alan could you please respond.

Alan Jope: Well, we certainly welcome this question from VEB, but let's just step back a moment. We have made 35 acquisitions since 2015 and 11 disposals. That's an overall portfolio change of around 22 billion euros, which of course is quite significant. At our capital markets way our investor event in November we said there would be a slower pace of acquisitions and we that would be more active and strategic in making disposals, where we find ourselves operating in structurally lower growth segments. Our evolving portfolio has been taking us into higher growth segments. In making 35 acquisitions, of course it's no surprise that we have had some absolute standout successes and others that have been at the other end of the spectrum and been less successful. So Blueair, our air purification business was negatively impacted by actually a positive thing, the improving air quality in China, and of course we wholly support the Chinese authorities' actions to improve air quality. We had to adapt our business model, and I'm pleased to report that actually Blueair is now back in rude good growth. Murad was very dependent in the United States on selling through the infomercial television channels and that's turned out to be a slower growth channel, but Murad by contrast is doing well in big retailers like Ulta and Sephora. And let me make the point about interventions we make when we acquire a business. Sometimes we fully integrate them, other times we leave the businesses to run as more stand alone or separate units. But we always have strong oversight mechanisms for our acquisitions. As with any business, sometimes these oversight mechanisms, the people who are keeping an eye on the acquisitions, need to play a bigger role in helping the acquired business to define its strategy for the future. Now, in terms of lessons learned, we are clear on which types of businesses, what business models, and what acquisition integration strategies work and which ones work less well. But there are multiple models, so for example, Prestige which, is not integrated into our mass market



operating companies, but which has an overall layer of management looking all over—our Prestige brands, has been working really, really well, the other end of the spectrum, Quala which we acquired in Latin America, but was fully integrated especially into our Latin America business, that full integration model has worked well. It is not one size—fits all, we will take an intelligent and nuanced approach as to how we acquire and—integrate businesses. Back to you Nils.

Nils Andersen: Thank you Alan, we have another performance related question, this—time from Henk Rienks. He starts with pointing out that we say in our press release of—the thirtieth day of January two thousand and twenty that growth was weak in hair care,—with high competitive intensity in the growth hot spot of the US. Furthermore there was—continued pressure from local players in China. That's the context and here comes the—question. Is it a solution to try to take over one or more of these local players in China?—Or could a significant price cut help to win the battle in that country? Or is it perhaps—wiser to leave the market for hair care in China? The problems in it the United States,—what solutions do you think they are? And third, how is your hair care in Europe doing,—do you have the desired growth there? These are all questions for you Alan please give—your best shot?

Alan Jope: Thanks Henk, of course this is the excitement of consumer products, that—things ebb and flow. In China, there was one particular local brand that had been——gaining share from Unilever and from other multi nationals, however I want to——underscore that we remain a very, very strong player in the Chinese hair care market.—We have no intention of backing down. We are focused on building and supporting our—big brands there such as Lux and Clear, and of course Dove hair care. And we're also—supporting actually the launch of a new brand, Love Beauty & Planet into the market.—In the US we remain the market leader in hair care. We have seen a tremendous——competitive intensity in this market, with more investment and innovation in the last——nine months or so. The market share losses that we were seeing in the middle of 2019——have stabilised. We have even started to see market share gains across our portfolio of—great brands like Suave, Tresemme, Dove hair care again and Sundial. Now Europe,—actually has been one of the smaller markets for hair care, where brands like Tresemme, VO5 Styling, Tigi, Dove and Sunsilk are doing fine, we are satisfied with the progress—there. It is a small business but did deliver good volume growth in 2019. Back to you—Nils.

Nils Andersen: Thank you Alan. Henk Rienks has also submitted a question relating to—The Vegetarian Butcher. He starts with quoting us. He says you are proud to report the—collaboration between the Unilever teams for the development and sale of products and—this company, acquired last year, has already led to success in a short period of time.—Here comes the question, does this also apply to Unox vegetarian products? Do you——keep selling these? How is the Breda factory doing? Will it remain open, will it be——



expanded or do you opt for production in other Unilever factories or outsourcing, for example to Zwanenberg. How big do you consider the opportunities for these products—outside Europe? Is the United States and key emerging markets such as China and—India, are they potentials. And also Alan question for you.—————

Alan Jope: May I answer the first part of the question directly, yes, this does apply to—Unox's vegetarian products. We have 11 of these on the market, including things like a—smoked pork sausage, pates, stews, vegetarian meatballs, the Unox Knaks, they are—successful and we will continue to sell them. In relation to Breda, this is a beautiful—factory where a significant part of our Vegetarian Butcher products are made.—————Fortunately, the strict measures that we have imposed in the current coronavirus context have proven to be effective. All our people there are healthy and safe and the factory—continues to run safe and well. For the Rebel Whopper, which we began selling in—Burger King last year, we do use a third party manufacturer in Europe. Just to add it's—now being sold in 26 European countries, and we're more than happy with the—performance of the Rebel Whopper. To the last part of the question. You know more— and more people are acknowledging the health and environmental benefits of a more—plant based diet. And we can see, if you pardon the pun, that there's an appetite for our—products in many countries outside of The Vegetarian Butcher's home market in—Europe. But also many countries even outside Europe, like Korea and Japan. Now Jaap—Korteweg, the founder of The Vegetarian Butcher has always said that he has this—wonderful huge ambition to become the biggest butcher in the world. And I'm happy— that we at Unilever can now help him make his wish come true step by step. Nils?—

Nils Andersen: That would be great. For the next couple of questions I would like to—hand over to the chair of Unilever's Audit Committee, John Rishton. He will ask the—questions and discuss with KPMG as well. Over to you John.—————

John Rishton: Thank you Nils. We now have two final questions from the VEB, which—were intended for KPMG. We have invited Jurgen te Nijenhuis, partner at KPMG to—respond. The first question relates to how management override of controls as a fraud—risk was addressed by KPMG in its audit procedures. Jurgen, can you please respond?—

Jurgen te Nijenhuis: Thank you John. Good morning ladies and gentlemen, my name— is Jurgen te Nijenhuis, and I am the independent external auditor who signed the—auditor's report on the 2019 financial statements on behalf of KPMG. First of all, I—would like to thank you for the questions you raised. In accordance with the Dutch—auditing standards we are responsible for obtaining reasonable assurance that the—financial statements taken as a whole are free from material misstatements, whether—caused by fraud or error. We do note that the audit is based on procedures described in—line with the applicable auditing standards and are not primarily designed to detect—fraud. Based on the auditing standards we addressed two fraud risks that were relevant—to our audit. The first one is revenue recognition and the second one is management—



override of controls. Based on our analysis of fraud risk factors, we have not identified any additional fraud risks. Our procedures included an evaluation of the design, implementation as well as the operating effectiveness, of internal controls, relevant to mitigate these risks. We also performed substantive audit procedures, these include detailed testing of high risk journal entries and the procedures included, within our response to revenue recognition. Examples of these high risk journal entries are journal entries posted by or on behalf of management, and journal entries at the consolidated level. As described in our key audit matter on revenue recognition, we also critically assessed manual journals posted to revenue. And we do that to identify unusual or irregular items and we obtained underlying documentation for those journal entries. Through these procedures we did not identify any material, actual or suspected incidences of fraud. In determining the audit procedures, we made use of the Group's evaluations, relations to fraud risk management, including the set up of ethical starts to create a culture of honesty. As part of our audit, and specifically as part of the assessment of Unilever's control environment, we also have considered tone at the top. Amongst others we observe the interaction between the Audit Committee and the Executive Management Team and between the Executive Management Team with other layers of management and we do that with respect to culture, values, Code of Conduct and actions if violations of the afore mentioned occur. If considered necessary, any findings in this regard would be included in our reports to the board and to the Audit Committee. Back to you John.

John Rishton: Thank you. And to conclude the Q&A, the VEB's second question relates to whether KPMG thinks that Unilever would benefit from implementing additional controls following the Covid-19 pandemic, as this might put additional pressure on management to achieve certain performance targets? Jurgen?

Jurgen te Nijenhuis: Thank you John. KPMG was engaged to perform an audit of Unilever's internal controls over financial reporting as of the the thirty-first day of December two thousand and nineteen. That is integrated with the audit of Unilever's consolidated financial statements as of and for the end of year ended the thirty-first day of December two thousand and nineteen. This is referred to as an integrated audit. During the 2019 audit we did not identify any material weaknesses. With respect to 2020 management and we will certainly evaluate the effect of Covid-19 on the internal control environment. Back to you Mr Chairman.

Nils Andersen: Thank you very much. These were really all the questions we are covering today. Once again, thank you to those of you who sent in questions. We hope we have answered them to your satisfaction. And to those, or anyone who has any questions after the meeting, please feel free to submit them in writing and we will endeavor to answer them to the extent we are able. We will now show the result us of the voting based on the proxy votes that were submitted before the deadline as I said



earlier on Monday. And Miss Irma Kroon, the notary, supervises the voting process as an independent notary. Our Group Secretary, Ritva Sotamaa will now give you an overview of how many votes have been passed. Ritva over to you.

Ritva Sotamaa: Thank you Nils. And the shares represented today have a total nominal value of one hundred and forty-three million eight hundred and thirty-nine thousand seven hundred and fifty-two euro (€ 143,839,752.00) euro, which is good for eight hundred and ninety-eight million nine hundred and ninety-eight thousand four hundred and fifty-three (898,998,453) votes and this represents sixty-one and twenty-eight/hundredths percent (61.28%) of our share capital. Back to you Nils.

Nils Andersen: Thank you I and I will now walk you through the resolutions and tell you whether they have been carried. They will come up on the screen. Here they are. Resolutions 2 to 5, relating to the approval of the annual accounts 2019, the remuneration report and the discharge of Executive and Non-Executive Directors are carried.

Agenda item 2 - To adopt the Annual Accounts and appropriation of the profit for the 2019 financial year.

For: 881,913,225

Against: 15,129,865

Vote withheld: 1,955,363

Agenda item 3 - To consider, and if thought fit, approve the Directors' Remuneration Report.

For: 865,857,507

Against: 32,001,595

Vote withheld: 1,139,351

Agenda item 4 - To discharge the Executive Directors.

For: 874,799,309

Against: 16,298,606

Vote withheld: 7,900,538

Agenda item 5 - To discharge the Non-Executive Directors.

For: 874,793,291

Against: 16,303,541

Vote withheld: 7,901,621

Resolutions 6 to 9, related to the reappointment of myself, Laura Cha, Vittorio Colao and Judith Hartmann, are also carried.

Agenda item 6 - To reappoint Mr N Andersen as a Non-Executive Director

For: 883,889,708

Against: 13,613,405

Vote withheld: 1,495,340

Agenda item 7 - To reappoint Mrs L Cha as a Non-Executive Director



For: 896,398,182

Against: 1,134,692

Vote withheld: 1,465,579

Agenda item 8 - To reappoint Mr V Colao as a Non-Executive Director

For: 890,379,735

Against: 7,123,121

Vote withheld: 1,495,597

Agenda item 9 - To reappoint Dr J Hartmann as a Non-Executive Director

For: 851,518,122

Against: 45,998,550

Vote withheld: 1,481,781

The resolutions 10 to 13 relating to the reappointment of Alan Jope, Andrea Jung, Susan Kilsby and Strive Masiyiwa are carried.

Agenda item 10 - To reappoint Mr A Jope as an Executive Director

For: 897,112,540

Against: 785,582

Vote withheld: 1,100,331

Agenda item 11 - To reappoint Ms A Jung as a Non-Executive Director

For: 887,413,535

Against: 6,498,942

Vote withheld: 5,085,976

Agenda item 12 - To reappoint Ms S Kilsby as a Non-Executive Director

For: 891,661,573

Against: 5,865,185

Vote withheld: 1,471,695

Agenda item 13 - To reappoint Mr S Masiyiwa as a Non-Executive Director

For: 896,029,733

Against: 1,471,859

Vote withheld: 1,496,861

Resolutions 14 to 17 relating to the reappointment of Youngme Moon, Graeme Pitkethly, John Rishton and Feike Sijbesma are carried.

Agenda item 14 - To reappoint Professor Y Moon as a Non-Executive Director

For: 897,161,501

Against: 345,763

Vote withheld: 1,491,189

Agenda item 15 - To reappoint Mr G Pitkethly as an Executive Director

For: 896,345,820

Against: 1,525,457

Vote withheld: 1,127,176



Agenda item 16 - To reappoint Mr J Rishton as a Non-Executive Director

For: 857,698,183

Against: 39,790,473

Vote withheld: 1,509,797

Agenda item 17 - To reappoint Mr F Sijbesma as a Non-Executive Director

For: 896,330,091

Against: 1,175,343

Vote withheld: 1,493,019

Resolution 18 to 21 relating to the reappointment of KPMG as auditors of the company, the authorisation of the board to issue shares, to authorise the board to restrict or exclude pre-emption rights for general corporate purposes and for acquisition purposes are carried.

Agenda item 18 - To appoint the Auditor charged with the auditing of the Annual Accounts for the 2020 financial year

For: 890,643,850

Against: 4,702,956

Vote withheld: 3,651,647

Agenda item 19 - To designate the Board of Directors as the company body to authorise to issue shares

For: 857,449,063

Against: 40,970,483

Vote withheld: 578,907

Agenda item 20- To designate the Board of Directors as the company body authorised to restrict or exclude the statutory pre-emption rights for general corporate purposes

For: 883,707,008

Against: 14,630,499

Vote withheld: 660,946

Agenda item 21 - To designate the Board of Directors as the company body authorised to restrict or exclude the statutory pre-emption rights for acquisition purposes

For: 885,622,264

Against: 12,685,348

Vote withheld: 690,841

And the final resolutions 22 and 23 to authorise the board to have the company purchase its own shares and to authorise the board to reduce its share capital are also carried.

Agenda item 22 - To authorise the Board of Directors to purchase ordinary shares in the share capital of the Company

For: 873,937,903

Against: 24,195,651



Vote withheld: 864,899

Agenda item 23 - To reduce the capital with respect to ordinary shares held by the Company in its own share capital

For: 890,429,606

Against: 7,949,543

Vote withheld: 619,304

I confirm that these results are final and they will be announced to Euronext Amsterdam and displayed on our website. This concludes our meeting today. I want to thank everybody participating and everybody preparing for the meeting very much for being here. Thank you for your attendances and goodbye. We look forward to seeing you physically next year. Thank you very much.

Vervolgens heb ik, notaris, een concept van de notulen laten plaatsen op de website van Unilever N.V. en welk concept overeenkomstig artikel 4.1.10. van de Corporate Governance Code sedert vijftien juni tweeduizend twintig meer dan drie maanden terinzage heeft gelegen. De vennootschap heeft op vijftien september tweeduizend twintig blijkens aangehechte e-mail verklaart dat geen aandeelhouder of certificaathouder opmerkingen hebben gemaakt.

Van al hetwelk is opgemaakt dit proces-verbaal te Hoorn op zestien september tweeduizend twintig.

(Volgt ondertekening door notaris)

UITGEGEVEN VOOR AFSCHRIFT

