

Unilever PLC. Annual General Meeting 2025

Type of meeting	AGM
Date	11:30 BST, 30 April 2025
Location	The Queen Elizabeth II Centre, Westminster, London SW1P 3EE.
Speaker	Michiel van Esch (Robeco)
Opt-in members	ABP, BPFBouw, Stichting pensioenfonds voor de woningcorporaties, Van Lanschot Kempen and Aegon Investment Management BV and Aegon Asset Management UK, and MN on behalf of PME and PMT.
Attendance AGM	74%

Agenda items	Result (%)		
	Vote	V	T O
1. Accounts and Reports	F	99,23	
2 Remuneration Report	F	72,29	
3 To elect Benoît Potier as a Director	F	99,87	
4 To elect Zoe Yujnovich as a Director	F	99,82	
5 To re-elect Fernando Fernandez as a Director	F	99,88	
6 To re-elect Adrian Hennah as a Director	F	92,91	
7 To re-elect Susan Kilsby as a Director	F	99,96	
8 To re-elect Ruby Lu as a Director.	F	99,89	
9 To re-elect Judith McKenna as a Director	F	99,39	
10 To re-elect Ian Meakins as a Director	F	94,85	
11 To re-elect Nelson Peltz as a Director	F	98,03	
12 Appointment of Auditor	F	94,61	
13 Authority to Set Auditor's Fees	F	98,07	
14 Authorisation of Political Donations	F	98,10	
15 Authority to Issue Shares w Preemptive Rights	F	94,07	
16 Authority to Issue Shares w/o Preemptive Rights	F	98,03	
17 Authority to Issue Shares w/o Preemptive Rights (Specified Capital Investment)	F	97,65	
18 Authority to Repurchase Shares	F	99,86	
19 Authority to Set General Meeting Notice Period at 14 Days	F	94,09	

1. Accounts and Reports

My name is Michiel van Esch, I work for Robeco and today I also speak on behalf of ABP BPFBouw, Stichting pensioenfonds voor de woningcorporaties, Van Lanschot Kempen and Aegon Investment Management BV and Aegon Asset Management UK, and MN on behalf of PME and PMT.

Thank you for your presentations and compliments for the annual report.

First of all, congratulations to Mr. Fernandez on his new role as the CEO, we wish him the best of luck. Our understanding is that his appointment aligns with Unilever's ambition to further increase the pace of the execution of its strategy. With the previous CEO change (2 years ago), a change of strategy also led to the re-orientation of the sustainability strategy, including recalibration and lowering of several targets and smaller weight of ESG in the incentive program. Can you confirm that Unilever's sustainability strategy and targets will remain unchanged? Will a higher speed in execution in the business strategy also lead to a change in pace of the sustainability ambitions? For many of us, Unilever's sustainability profile is also an important consideration for our investment in the company. Can you confirm that an increased pace in execution, will not be at the expense of your sustainability strategy for such as cancellation or adjustment of targets?

The CEO explains that Unilever will not change its sustainability plan, it was set in agreement with the entire Exco and Supervisory board. The CEO thinks Unilever has a strong plan and Unilever remains committed to delivering on its targets. He continues to explain the 4 components of the sustainability plan. The associated targets are translated to actionable expectations for management and are part of the Exco's variable pay. The CEO also mentions that we should not see business execution or financial results and sustainability as a trade-off. Sustainability is part of how Unilever functions.

My second question under this agenda item is about Unilever's approach to reducing virgin plastics. We understand that there is not a one-size-fits-all approach across the globe, as the infrastructure and regulations in relation to recycling differ per region. Unilever addresses the issue, via either 1) recycling, 2) re-use or 3) shifting to more compostable materials. The annual report (page 259) describes that most progress is driven in markets like Brazil, India, Indonesia, Thailand and Vietnam. Can you explain the nature of the progress in these markets and provide an estimate of where the company stands in terms of meeting your targets for these markets?

Unilever explains the difficulty of the assignment they have set themselves in terms of reducing plastics. The company currently (on aggregate) is at 93% plastic recycling. For many key markets that number is already close to a hundred. The markets that are mentioned in the report are not at that level yet, but the rates of collecting, and processing have increased. In these markets Unilever has been able to increase plastic collection and processing and are they catching up compared to other markets.

And on the same topic, a year ago Unilever reduced the previous 50% virgin plastic reduction target by 2025 to a 30% reduction by 2026. Can you explain if that provides significant cost savings? The United Nations Environmental Assembly are currently in the process of agreeing on a Global Plastics Treaty, which will likely make plastic pollution more expensive. If there are no substantial near-term cost savings, would you consider raising the levels of ambition again to avoid potential future regulatory and reputational challenges?

The CEO explains the context of the change of the targets last year. Initially, when Unilever started setting targets on plastics, they wanted to set something ambitious and industry leading. When they started working on these ambitious targets it became clear that some of them would not be achievable. Thus experience and insight led the company to change the plastic targets into something that is still ambitious and also still realistic. Unilever remains committed to reducing plastics, as that is one of its four key sustainability areas. Progress will have to result from collaboration in the industry and a technological leap on the issue.

My next question is about the developments in the brand portfolio. Over the recent past we've noted several disposals in the nutrition area, and several acquisitions in the prestige beauty and wellbeing area and high growth personal care brand, Wild being one of the newer additions. We understand that the new brands are expected to facilitate higher growth. Can you elaborate more on your returns expectations for these new acquisitions? Additional guidance would also be appreciated going forward.

Returns for new businesses are expected to be in the high teens. Our Return on Invested Capital is top 3 in our peer group and Unilever will also target that for the new acquisitions. The CEO points to the update Unilever provided during their November Update, which explains more about the growth strategy. He also underlines that the company has a very diligent process for capital management and maintaining the brand portfolio.

In relation to the tariffs set by the US government, Unilever mentions they are already taking action. The CEO explains that the first quarter for Unilever still had strong results despite the tariff dynamics. Additionally, most of Unilever's supply chains are set up locally, at least where possible. In Indonesia and China, Unilever might have to take specific additional measures. The main threat for Unilever is not necessarily cost increases in supply chains, but rather a drop in consumer confidence.