

## CORPORATE GOVERNANCE STATEMENT

For the year ended 31 December 2020, under The Companies (Miscellaneous Reporting) Regulations 2018, the Company has not applied any Corporate Governance Code. Although no specific Corporate Governance Code has been adopted by the Company, it is believed that the policies of the Unilever Group adopted by the Company ensures strong Corporate Governance.

Although no Corporate Governance Code has been adopted by the Company, the titles from the Wates Principles have been used in the Corporate Governance Statement to ensure that the Company is following the same corporate governance themes of all companies that adopt the Wates Principles.

### **Purpose and leadership**

The Company was incorporated in 1937 and manufactures and sells consumer goods. The Company makes some of the world's best-known brands – all of which are on a journey to reducing their environmental footprint and increasing their positive social impact, as part of Unilever's Compass strategy, and at the heart of the Company's purpose.

The Company has adopted the Unilever Groups purpose and in turn our shareholders vision to grow our business, whilst decoupling our environmental footprint from our growth and increasing our positive social impact delivered through the Compass. Our purpose is to deliver long-term growth and sustainable value creation.

This last year COVID-19 has challenged the business in many ways, as it has the world more broadly. As a purpose led business, the leadership team focused on supporting employees, consumers, government, the NHS and others to meet the many challenges of COVID-19, while also meeting unprecedented demand for some of our products, expanding supply chain capacity and ensuring we were future fit in our operations.

In April 2020 Unilever UK and Ireland committed £3.3 million worth of food donations and essential products (this includes £2.9 million worth of Unilever products and £0.4 million worth of charitable donations) to existing charity partners, working especially closely with FareShare, InKind Direct and Community Shop, to support vulnerable people and those most in need across the UK, as well as supporting the hospitals and local charities in the communities in which it operates.

The Company showed that it could adapt its business in order meet the needs of the UK as a whole. The Company adapted manufacturing lines at our deodorants factory in Leeds to produce much needed supplies of hand sanitiser which we donated to local NHS hospitals and to our charity partner QEF, who work with and support disabled people and their families. Furthermore, Unilever is proud to be one of the companies who are part of the Ventilator Consortium UK. They have shared their technical expertise and helped to engage their own partner network with the consortium, as well as providing PPE, essential food, surface cleaners and hygiene products to support those who are manufacturing the ventilators and parts.

Supporting employees' health, safety and wellbeing has been an absolute priority for the Company. The Company has taken a safety-first approach across its laboratories, factories and offices, with enhanced safety measures at our sites. For employees who have been working from home, the Company has put in place enhanced measures to ensure effective communications including a weekly broadcast with the UK & Ireland General Manager, a dedicated Coronavirus portal on our Intranet and a regular employee email update with information on COVID-19 lockdown measures, the vaccination programme and updates on returning to the office.

Reflecting the urgency of the debate around Equality, Diversity and Inclusion, the Company has continued to focus on these issues with the launch of Count Me In to encourage employees to self-identify along a number of diversity measures such as sexuality, gender, race and disability. This data will be used to build a picture of where the Company is today to improve policies and culture.

## **Board of Directors composition**

The Chairman of the Company reports to the Chief Operating Officer of the Unilever Group. The Board of Directors composition is made up of Directors who specialise in the core areas of business, this includes Marketing, Human Resources, Finance, Customer Development, Food Solutions and Supply Chain. The Directors have an extensive knowledge of their respective fields and bring a wealth of background and expertise with regards to their respective fields.

The Board of Directors discuss geography subjects with other operating UK Unilever boards which creates a constructive discussion in relation to the subjects which are brought to these meetings. This facilitates and helps effective decision making due to different viewpoints being discussed.

## **Directors Responsibilities**

There are clear lines of accountability and responsibility when there is a decision made by the Company. All decisions are made in line with the Unilever Group internal authorities. The Directors also consider their Directors duties; details of the stakeholder engagement under section 172 of the Companies Act can be found on our website.

The Board of Directors has subdelegated corporate governance to a sub-committee, called the Governance Forum, made up of the Board of Directors and other Directors of Unilever UK subsidiaries. There are quarterly meetings of the Governance Forum to review issues and processes to ensure that the governance remains fit for purpose by regularly challenging the status quo. The Governance Forum adheres to terms of reference which have been approved by the Board of Directors of the Company.

## **Opportunity and risk**

The Company has an embedded risk management approach with clear roles, responsibilities and authorities to ensure that all opportunities are robustly reviewed and to ensure there are no gaps. Through this approach the Company ensures that it is prepared for any risks that it might face in the short, medium and long term. This provides confidence that there is good corporate governance within the Company. Unilever's Code of Business Principles ensures that the Company's principles are followed by all employees of the Company.

## **Remuneration**

The Company follows the remuneration policy of the Unilever Group. Director and employee remuneration is based on clear structures and policies which are available for all employees to see.

## **Stakeholder relationships and engagement**

With every decision that the Company makes, the Directors acknowledge their duties under section 172 of the Companies Act and give consideration to the stakeholders of the Company.