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**Unilever Pension Plan – Defined Benefit Ireland Compartment – YE 2023 Annual Reports**

This document contains two Annual Reports in relation to the financial year ending 31 December 2023:

1. A report containing the closing Irish accounts for the UPP ASSEP (Luxembourg)
2. A reporting containing the Irish accounts for the UPP OFP (Belgium) for a period of 2 months. This is reflect that the assets and liabilities of the Defined Benefit Ireland Compartment of the ASSEP were transferred to the OFP effective 1 November 2023

# Annual Report for the year ended 31 December 2023
# Unilever Pension Plan
# - DB Ireland Compartment

Mercer (Ireland) Limited

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# Associate Report

## Introduction

The Associates of the Unilever Pension Plan Defined Benefit Ireland Compartment “The Compartment” present the final annual report on the operation of the Compartment for the year ended 31 December 2023 following dissolution of the Plan in Luxembourg and the transfer of assets and liabilities into the UPP OFP DB Ireland Compartment in Belgium. The content of this report is for information purposes only and is intended for Irish members of the Compartment. The content of this report conforms as much as possible to the Occupational Pension Schemes (Disclosure of Information) Regulations 2006 (as amended) prescribed by the Minister for Social Protection under the Pensions Act 1990.The report outlines the constitution and structure of the Plan together with details of financial developments for the year, investment matters and membership movements.

Queries in relation to Unilever Pension Plan benefits or related matters should be addressed, in the first instance to The Unilever Pension Plan Defined Benefit Ireland Compartment, 20 Riverwalk, National Digital Park, Citywest Business Campus, Dublin 24.

## Wind up of the Scheme

Unilever Ireland Limited and the Directors of the UPP have completed the relocation of the UPP from Luxembourg to Belgium. The UPP ASSEP Ireland DB compartment has now been liquidated and all assets and liabilities transferred to the UPP OFP DB Ireland Compartment.

## The Compartment

The Unilever Pension Plan Defined Benefit Compartment (The Compartment), operates on a defined benefit basis, was established to provide retirement and life assurance benefits for its members and is a distinct legal entity, separate in every respect from the principal employer, Unilever Ireland Limited.

The Unilever Pension Plan Defined Benefit Compartment is governed by the Compartment rules dated 10 June 2014 (amended 2018); members are entitled to inspect these documents or, on payment of a small charge, receive a copy of them. Details of members’ benefits are also provided in the explanatory booklet which has been distributed to all members and individual details appear on each member’s benefit statement.

The Compartment has been approved by the Revenue Commissioners as an “exempt approved scheme” under Section 774 of the Taxes Consolidation Act 1997 and as such its assets are generally allowed to accumulate free of income and capital gains taxes. In addition, tax relief is given on employer and member contributions to the Fund and certain lump sum payments to members can be paid free of tax.

The Plan has been registered with the Commission de Surveillance du Secteur Financier (CSSF), the Luxembourg pension scheme regulator. The Plan is now registered with the Financial Services and Markets Authority (FSMA) in Belgium.

The Compartment was financed by contributions from the employer and members. Details of contributions and other financial developments during the year are set out herein.

The Plan has diversified investment portfolios with a very limited exposure to Russian stocks and bonds at the time of invasion. The impact on investments and other risks have been examined together with our investment advisors and risk manager. The asset managers have subsequently written down the value of the Russian Investments and will sell these holdings when the markets re-open to overseas traders and these holdings can be sensibly transacted to recoup some value. All asset managers have confirmed compliance with European sanctions. The increased volatility of the financial markets has no immediate consequences and the Plan can continue to meet all of its obligations. The longer-term consequences are still unknown and we are monitoring the situation closely.

The Directors and Associates

Stewardship of Unilever Pension Plan assets is in the hands of its Directors. The Directors delegate, via a Board resolution, certain functions to the Compartment Associates Committee including monitoring and reviewing all aspects of the Compartments investments.

Unless otherwise indicated the Board of Directors and the Associates served for the entire year and are still serving at the date of approval of the Report.

## Condition of the Plan

The financial condition of the Compartment is dealt with in the Financial Developments, Actuarial Position and Investment Management sections of this report.

## Statement of Risks

The Employer Contribution rate was agreed based on actuarial advice at the commencement of the Compartment and is reviewed at each annual valuation date. The Employer Contribution rate is now Nil.

## Internal Dispute Resolution (IDR)

A procedure has been put in place to facilitate IDR. Details of the IDR process are set out below.

- The complainant discusses their potential complaint with the Unilever Pension Plan secretary in email via Chris.Middleton@unilever.com, The Unilever Pension Plan Defined Benefit Ireland Compartment, 20 Riverwalk, National Digital Park, Citywest Business Campus, Dublin 24. The nominated contact helps the complainant to understand whether the complaint qualifies for IDR. The nominated contact may be able to resolve the issue to the satisfaction of the complainant.
- If it does not qualify for IDR and IDR is not recommended as an appropriate means of resolving the complaint, the nominated contact will report the complaint and details of any resolution that was reached, at the next Associates meeting.
- If the complaint qualifies for IDR (or if it does not qualify for IDR but the nominated contact recommends IDR be used to resolve the complaint), the nominated contact will assist the complainant with gathering supporting evidence and putting their case to the Associates.
- The Associates consider the complaint. It consults with an employer representative, expert advisors if appropriate and any other relevant parties and considers the recommendation of these parties before making a decision.
- If the case is reasonably clear, whether for or against the complainant, the Associates issue their conclusions to the complainant by a 'notice of determination'. The complainant either accepts the finding or reverts to the Irish Financial Services and Pensions Ombudsman or the Financial Services and Markets Authority (FSMA) in Belgium.
- If the facts of the case are unusually complex, the case can be put to an independent person. The Associates consider whether using an independent person is appropriate or will bring additional value to the process.
- If the Associates decide that reference to an independent person is unlikely to be useful, the Associates issue its conclusions to the complainant by a 'notice of determination'. The complainant either accepts the finding or reverts to the Irish Financial Services and Pensions Ombudsman or the Financial Services and Markets Authority (FSMA) in Belgium.
- If the Associates decide that reference to an independent person is likely to be useful, the Associates consider who an appropriate independent person might be and the case is referred to the independent person with supporting documents.
- The independent person makes a recommendation to the Associates. The Associates consider the recommendation of the independent person and issues its conclusions to the complainant by a 'notice of determination'. The complainant either accepts the finding or reverts to the Irish Financial Services and Pensions Ombudsman or the Financial Services and Markets Authority (FSMA) in Belgium.

- Financial Developments

The value of the Compartment's net assets decreased from €306,463,647 at the start of the year to €10,489 at the year end. This decrease was accounted for by the net negative returns on the Compartment's investments of €3,633,152, the transfer to the UPP OFP of €290,147,163 and the net decreases from dealings with members of €12,672,843. However, despite the fall in the value of assets the compartments funding level increased due to a larger fall in the value of liabilities – see actuarial position below. Pension increases in the calendar year 2023 were as follows:

- A discretionary increase of 2.67% for pensioners with Knorr Bestfoods pension benefits.

- An increase of 4.0% for all other pensioners.

Benefits and payments to leavers amounted to €12,244,877 and administration costs amounted to €893,042.

## Contributions

Contributions for the year amounted to €76,444. Contributions were paid in accordance with the rules of the Plan and the recommendations of the Liability Manager and were received in full within 30 days of the year end.

The Associates are satisfied that appropriate procedures have been put in place to ensure that contributions payable are received in accordance with the legislative requirements as set out under Section 58A of the Pensions Act 1990. This legislation sets out the following requirements:

- Member contributions must be received within 21 days from the end of the month in which they were deducted from pay.

- Employer contributions must be received in accordance with the timings noted by the Liability Manager or stated in the Compartment rules or otherwise within 30 days of the end of the Compartment year.

The above details have been extracted from the accounts of the Compartment which form part of this report.

## Pensions

Pensions in payment relating to Unilever service are subject to increases each year in September in line with increases in the Consumer Price Index (reviewed in May), subject to a maximum increase of 4% in any year. The pension increase for 2023 was 4.0%.

Pensions in payment relating to Knorr Bestfoods Service are increased at the discretion of the Associates, with the agreement of the company.

A discretionary increase of 2.67% was granted for pensioners in Knorr Bestfoods.

The deferred benefits of former active members of the Compartment are revalued annually in accordance with the Pension Act, 1990.

## Membership Movements

| Movements: | Active Members | Life Insurance Only Members | Pensioners | Deferred Pensioners |
|---|---|---|---|---|
| As at 1 January 2023 | 36 | 65 | 830 | 664 |
| New members during the year* | - | - | 33 | 2 |
| Leavers during the year | (4) | (10) | (38) | (22) |
| Transitioned to UPP OFP | (32) | (55) | (825) | (644) |

*New pensioners includes spouse's pensions commencing during the period

## Actuarial Position

The actuarial position of the Plan is monitored by the Board of Directors and reported in the UPP Annual Report (Appendix) - there are no specific additional requirements for the Irish Section of the Fund.

The Plan's Liability Manager produces an annual actuarial valuation. The latest valuation, following the transfer of assets and liabilities was completed for the UPP OFP DB Ireland compartment, with an effective date of 31 December 2023, confirmed that the Plan was fully funded at that effective date with a ratio of assets to long term funding target liabilities (Projected Benefit Obligation) of 124% excluding solvency margin (130% at 31 December 2022). Including the solvency margin the ratio at 31 December 2023 was 121% (known as the Long Term Funding Target in the UPP OFP). The decrease in funding level was due in part to the fall in interest rates during 2023 and consequent increase in liabilities – the discount rate used decreased from 3.45% at 31 December 2022 to 3.00% at 31 December 2023. A reduction in inflation expectations offset increases in liabilities as long term expectations reduced from 2.2% at 31 December 2022 to 2.1% at 31 December 2023. The discount rate is capped to maximum of the net expected return of the Plan assets at that date. The assets also rose in value over the year, but not to the same extent as the liabilities.

## Investment Management

It is the policy of the Associates to delegate the management of the Compartment's assets to professional external investment managers. The investment portfolio is managed by:

- Northern Trust Luxembourg Management Company SA who govern the Univest Sub funds (outlined below); and
- Blackrock Investment Management (Netherlands) BV who invest the Liability Driven Investment (LDI) portfolio.

The Univest sub funds are multi-manager pooled vehicles, where the managers are independent and external to Unilever. These sub funds were developed to allow Unilever pension funds to simplify the implementation of their investment strategies at a reasonable cost. The governance of the sub funds is outlined in the Univest, Univest III and IV prospectus. Investment manager monitoring is delegated to Univest Company (Unilever's Pensions Investment team) by the Management Company and the Univest III and IV Boards. Univest Sub fund mandates:

- Global Equity: (Global Sustainable Edge and Sustainable World Equity)
- Univest Global Sovereign Bond Fund
- Global Credit (Univest III) and
- Diversified Income Fund (Univest IV)

Blackrock Investment Management (Netherlands) BV were appointed to manage a bond portfolio and swap overlay programme for the Scheme.

**Derisking Strategy**

As a result of the improved funding position a review of the investment strategy was carried out in 2022

- The scheme's liability matching asset allocation was increased to 85%.
- The remaining portfolio consists of 5% equities and 10% other income generating assets.
- Both the interest rate and inflation hedge ratios were increased to 90%.

**Sustainable Finance Disclosure Regulations (SFDR) Disclosures**

Under SFDR, the Associates are viewed as financial market participants, whilst the Plan is considered to be the financial product offered by the Associates. Products under SFDR can be classified as those that have sustainable investment as its investment objective (Article 9) or those products that promote social or environmental characteristics, among other characteristics (Article 8). As the Plan has not been classified under Article 8 or Article 9 of Regulation (EU) 2019/2088 (SFDR), the Associates must therefore make the following disclosures:

- The investments underlying this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

The Associates continue to review the Plan's approach to sustainability risk considerations. ESG factors are incorporated into the process for selecting and monitoring investment managers and consequently many of underlying investment funds are classed as SFDR article 8. The Plan's full sustainability statement can be found on its website: https://theunileverpensionplan.com/.

## Subsequent Events

There have been no other significant events that would require amendment to or disclosure in the Annual Report.

Unilever Ireland Limited and the Directors of the UPP have completed the relocation of the UPP from Luxembourg to Belgium. UPP ASSEP Ireland DB compartment has been liquidated in Luxembourg and the Plan is now managed by Unilever Pension Plan OFP in Belgium since 1 November 2023.

## In Conclusion

We trust that members find this report informative and we are pleased to acknowledge the assistance received from the principal employer and its staff during the year as well as from our various professional advisers.

Signed for and on behalf of the Associate:

Associate: DocuSigned by: Shay Leonard F9EB972FFF244CC... Associate: DocuSigned by: 9873BB93B099461...

Date: 25-09-2024

## Associates& Advisers

| | |
|---|---|
| Associates | Mr L Mulcahy<br>Mr T McGowan (retired 26/04/2023)<br>Mr J Foley (retired 31/12/2023)<br>Mr Shay Leonard<br>Mr John McGinley (appointed 26/04/2023)<br>Mr J Reeves |
| Sponsoring Employer | Unilever Ireland Limited<br>20 Riverwalk<br>National Digital Park<br>Citywest Business Campus<br>Dublin 12 |
| Administrator | Mercer (Ireland) Limited<br>Charlotte House<br>Charlemont Street<br>Dublin 2 |
| Consultant | Mercer (Ireland) Limited |
| Liability Manager | Liam Quigley F.S.A.I.<br>Mercer (Ireland) Limited |
| Investment Manager | Univest<br>Northern Trust<br>10 Rue du Chateau d'Eau<br>L-3364 Leudelange<br>RCSLuxembourg<br><br>Blackrock Investment Management<br>(Netherlands) BV<br>Amstelplein 1 17 hoog<br>Amsterdam 1096HA<br>Netherlands |
| Custodian | Northern Trust Luxembourg Management<br>Company SA<br>10 Rue du Chateau d'Eau<br>L-3364 Leudelange<br>RCS Luxembourg |

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# Ireland compartment

# Fund Account for the Year Ended 31 December 2023

| | Notes | 31 Dec 23<br>€ | 31 Dec 22<br>€ |
|---|---|---|---|
| **CONTRIBUTIONS AND BENEFITS** | | | |
| Contributions | 6 | 76,444 | 102,134 |
| Other income | 7 | 388,632 | 341,311 |
| | | 465,076 | 443,445 |
| Benefits paid or payable | 8 | (10,428,943) | (10,255,807) |
| Group transfer out to the UPP OFP | 9 | (290,147,163) | - |
| Payments to and on account of leavers | 9 | (1,815,934) | (4,826,678) |
| Administrative expenses | 10 | (893,042) | (1,166,218) |
| | | (303,285,082) | (16,248,703) |
| ***Net decrease from dealings with members*** | | **(302,820,006)** | **(15,805,258)** |
| **RETURNS ON INVESTMENTS** | | | |
| Investment income | 11 | 6,303,322 | 4,925,889 |
| Change in market value of investments | 12 | (9,936,474) | (67,063,035) |
| ***Net returns on investments*** | | **(3,633,152)** | **(62,137,146)** |
| **Net(decrease) in fund during the year** | | **(306,453,158)** | **(77,942,404)** |
| **Net assets of the Fund at start of year** | | **306,463,647** | **384,406,051** |
| **Net assets of the Fund at end of year** | | **10,489** | **306,463,647** |

The notes on page 13 to 18 form part of the accounts.

# Statement of Net Assets (available for benefits) as at 31 December 2023

| | | 31 December 2023 | | 31 December 2022 | |
|---|---|---|---|---|---|
| | **Notes** | **€** | **€** | **€** | **€** |
| Investment assets | 12 | | - | | 303,676,239 |
| **Current assets** | 13 | 60,489 | | 3,185,945 | |
| **Current liabilities** | 14 | (50,000) | | (398,537) | |
| **Net Current Assets** | | | 10,489 | | 2,787,408 |
| **Net assets of the Fund** | | | **10,489** | | **306,463,647** |

The notes on page 13 to 18 form part of the accounts.

The financial statements summarise the transactions of the Compartment and deal with the net assets at the disposal of the Associates and Board of Directors. They do not take account of obligations to pay pensions and other benefits which fall due after the end of the Compartment year.

# Notes to the Accounts

Basis of Preparation

The financial statements have been prepared in accordance with the Occupational Pension Schemes (Disclosure of Information) Regulations 2006 (as amended), Financial Reporting Standard 102 - The Financial Reporting Standard applicable in the UK and Republic of Ireland ("FRS 102") and the guidelines set out in the Statement of Recommended Practice, Financial Reports of Pension Schemes (Revised 2018)"SORP").

The financial statements have been prepared on the going concern basis. In making this assessment, the Associates have assessed the ability of the Plan to meet its future obligations to pay member benefits as they fall due and the ability of the principal employer to continue to meet their obligations to the Plan. The Associates believe that the Plan remains well positioned to manage its risks successfully and expects that the Plan will continue in operational existence for the foreseeable future with the relocation of the UPP from Luxembourg to Belgium.

Accounting Policies:

The significant accounting policies adopted by the Associates which have been applied consistently in dealing with items which are considered material in relation to the Fund's accounts are as follows:

A. Investments: Quoted investments are stated at market value. Unquoted investments are stated at values arrived at by external independent advisers and accepted by the Associates. The market value of unitised investments is taken as the bid price of units at the year end. Acquisition costs are included in the purchase cost of investments.

B. Investment Income: Income from equities and fixed interest securities is accounted for as it falls due with the associated tax recoveries accounted for as they are received. Investment income and interest on bank deposits is accounted for on the accruals basis.

C. Investment Management Fees: Investment management fees are calculated as a percentage of the assets under management and on the derivative instruments used to hedge the interest and inflation risk on the liabilities. These fees are borne by the Fund. Fees relating to unitised funds are levied indirectly and are reflected in unit prices. Investment management fees are accounted for on the accruals basis.

D. Contributions: Normal contributions, both from the members and from the employer, are accounted for on an accruals basis in the month member contributions are deducted from the payroll. Employers' augmentation contributions are accounted for in accordance with the agreement under which they are paid, or in the absence of such an agreement, when received. Additional voluntary contributions from the members are accounted for, on an accruals basis, in the month deducted from the payroll. Employers' deficit funding contributions are accounted for in accordance with the agreement under which they are being paid, or in the absence of an agreement on a receipt basis.

E. Payments to members: Regular benefit payments to members are accounted for on an accruals basis. New benefits are accounted for in the year in which the member notifies the Associates of their decision on the type or amount of benefit to be taken or, if there is no member choice, on the date of retirement or leaving. Where the Associates are required to settle tax liabilities on behalf of a member (such as when lifetime or annual allowances are exceeded) with a consequent reduction in that member's benefits receivable from the Fund, this is shown separately within benefits."

F. Transfers to and from other schemes: Transfer values represent the capital sums either receivable in respect of newly joined members from the pension arrangements of their previous employers or payable to the pension arrangements of new employers of members who have left the service of the Group. Provision is made for asset transfers when the Fund's actuary has advised the Associates of the assets to be transferred to satisfy an agreed transfer value.

G. Foreign currencies: Financial asset and liabilities denominated in foreign currencies are translated at the rate ruling at the net assets statement date. Transactions denominated in foreign currencies are translated at the rate ruling at the date of the transaction. Differences arising on translation of investment balances are accounted for in the change in market value of investments during the year.

H. Pension payments: Pension payments represent pensions payable under the terms of the Rules of the Fund and are accounted for in the year in which they fall due.

I. Transaction costs: Transaction costs include costs charged directly to the Fund such as fees, commissions, stamp duty and other fees.

J. Expenses: Expenses are accounted for on an accruals basis.

2. Taxation

The Fund has been approved as an "exempt approved scheme" for the purposes of Section 774 of the Taxes Consolidation Act 1997 and thus Fund income and gains are generally exempt from taxation.

## 3. Constitution of the Fund

The Fund was established as a Defined Benefit Fund with effect from 10 June 2014, as a Compartment of the Unilever Pension Plan, a multi-compartmental ASSEP established in Luxembourg under Luxembourg Pension Law on 3 May 2000. The Fund registered with the Pensions Authority in Ireland. The address for enquiries to the Fund is included in the Compartment Report.

## 4. Benefits

Pension benefits under the Compartment are provided for by direct investment.

## 5. Actuarial valuation

The outcome of the Actuarial Valuation of the Compartment is included in the UPP accounts included in the Appendix.

## 6. Contributions

| | 2023<br>€ | 2022<br>€ |
|---|---|---|
| **Members** | | |
| Normal | 76,444 | 102,134 |
| | **76,444** | **102,134** |

## 7. Other income

| | 2023<br>€ | 2022<br>€ |
|---|---|---|
| AVC maturity values | 388,632 | 341,311 |
| | **388,632** | **341,311** |

## 8. Benefits paid or payable

| | 2023<br>€ | 2022<br>€ |
|---|---|---|
| Pensions | 10,041,381 | 10,029,871 |
| Commutation of pensions and lump sum retirement benefits | 387,562 | 225,936 |
| | **10,428,943** | **10,255,807** |

## 9. Payments to and on account of leavers

| | 2023 € | 2022 € |
|---|---|---|
| Individual transfers out to other schemes | 1,815,934 | 4,826,678 |
| Group transfer out to the UPP OFP | 290,147,163 | - |
| | **291,963,097** | **4,826,678** |

## 10. Administrative expenses

| | 2023 € | 2022 € |
|---|---|---|
| Administration & Consultancy fees | 722,636 | 840,331 |
| Investment management fees | 114,580 | 211,344 |
| Custodian fees | 50,961 | 110,877 |
| Regulatory fees | 4,865 | 3,666 |
| | **893,042** | **1,166,218** |

## 11. Investment income

| | 2023 € | 2022 € |
|---|---|---|
| Fixed interest income | 2,173,455 | 1,988,116 |
| Cash & Swaps interest payable | (475,986) | (22,803) |
| Dividends income | 4,605,853 | 2,960,576 |
| | **6,303,322** | **4,925,889** |

## 12. Reconciliation of investments held at beginning and end of year

| | Value at 31 December 2022 € | Purchases payments € | Sales Proceeds/ Derivative receipts € | Change in market value € | Value at 31 December 2023 € |
|---|---|---|---|---|---|
| Investment assets | 306,676,239 | - | (296,739,765) | (9,936,474) | - |
| Investment assets | **306,676,239** | - | **(296,739,765)** | **(9,936,474)** | - |

Note: Sales proceeds include an amount of €290,147,163 being transfer from UPP ASSEP Luxembourg to UPP OFP Belgium.

Note: Change in Market Value Income includes investment income that has been received through Northern Trust.

The change in market value of investments during the year comprises all increases and decreases in the market value of investments held at any time during the year, including profits and losses realised on sales of investments during the year.

Transaction costs are included in the cost of purchases and sales proceeds. Transaction costs include costs charged directly to the Compartment such as fees, commissions, stamp duty and other fees. In addition to the transaction costs disclosed above, indirect transaction costs are incurred through the bid-offer spread on investments within pooled investment vehicles. The amounts of indirect transaction costs are not separately provided to the Compartment.

## 13. Current assets

| | 2023<br>€ | 2022<br>€ |
|---|---|---|
| Cash balance | 60,489 | 2,330,935 |
| Contributions due from employer in respect of | | |
| - Member | - | 8,367 |
| Pension funding prepaid | - | 846,643 |
| | **60,489** | **3,185,945** |

## 14. Current liabilities

| | 2023<br>€ | 2022<br>€ |
|---|---|---|
| Retirement benefits payable | - | 62,786 |
| Administrative expenses | 50,000 | 335,751 |
| | **50,000** | **398,537** |

## 15. Contingent liabilities

As stated on page 12 of these accounts, liabilities to pay pensions and other benefits in the future have not been taken into account. On that basis, in the opinion of the Associates, the Compartment had no contingent liabilities at the year end.

16. Related parties

A. Remuneration of the Associates: Remuneration for professional Trusteeship was met by the Fund. Neither the other Associates nor any of the remaining Directors received nor are due any remuneration from the Fund, or any related party, in connection with the management of the Fund.

B. Principal employer: Unilever Ireland Limited is the principal employer. The employer contributions to the Fund are made in accordance with the Rules and recommendations of the Liability Manager. Companies in the employer group provide certain administration services to the Fund which are provided at no cost to the Compartment.

C. The registered administrator: Mercer (Ireland) Limited is appointed by the Associates to provide certain administration and consultancy services to the Fund. Fees payable to the registered administrator in respect of the services it provides are borne by the Compartment. The cash held by the administrator at the yearend on behalf of the Fund was €60,489 (2022: €1,692,901).

D. The investment managers: Univest and Blackrock Investment Management (Netherlands) BV were appointed by the Associates to manage the Fund's assets. The managers are remunerated on a fee basis calculated as a percentage of the assets under management and these fees are borne by the Fund.

17. Employer related investments

There were no employer related investments at any time during the year.

18. Subsequent events

There have been no significant events that would require amendment to or disclosure in the financial statements.

Unilever Ireland Limited and the Directors of the UPP have completed the relocation of the UPP from Luxembourg to Belgium. UPP ASSEP Ireland DB compartment has been liquidated in Luxembourg and the Plan is now managed by Unilever Pension Plan OFP in Belgium since 1 November 2023.

19. Approval of financial statements

The financial statements were approved by the Associates on 25-09-2024

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# Appendices

## Statement of Risks

**Statement concerning the condition of the Fund, in particular concerning the financial, technical and other risks associated with the Fund and their distribution.**

Under Irish law, the Directors and Associates are required to describe the condition of the Fund and the risks associated with the Fund and disclose these to members.

In a "defined benefit" scheme, the main risk is that there will be a shortfall in the assets (for whatever reason) and the employer will not be willing or able to pay the necessary contributions to make up the shortfall. If that occurs, members may not get their anticipated benefit entitlements. Some of the reasons why a shortfall could arise are as follows (this list may not be exhaustive):

- The assets may grow more slowly than expected, or even fall in value, depending on the performance of underlying markets and the securities chosen.
- Similarly, the liabilities may grow faster than expected due to higher salary or pension increases, or due to unfavourable movements in interest rates, or due to mortality and other elements of the Compartment's experience varying from the assumptions made.
- The administration of the Compartment may fail to meet acceptable standards. The Compartment could fall out of statutory compliance, the fund could fall victim to fraud or negligence or the benefits communicated to members could differ from the liabilities valued by the Liability Manager.

The Directors and Associates are satisfied that it is taking all reasonable steps to protect the members from the effects of these risks, including:

- Professional investment managers have been appointed to manage the Compartment's investments, the Compartment holds a range of diversified assets and there is regular monitoring of how these investments are performing.
- A valuation of the Compartment is carried out each year to assess the financial condition of the Compartment and determine the rate of contributions likely to be required to meet the future liabilities of the Compartment. If the Fund is found to be insolvent, the Associates and the employer are required to complete a funding recovery plan for submission to the Belgium Regulator with the objective of returning the Compartment to solvency.

The Directors and Associates have access to experienced professional advisers and administrators to assist with the proper running of the Compartment.

# DEFINED BENEFIT IRELAND COMPARTMENT
# FINANCIAL STATEMENTS & NOTE

## The Unilever Pension Plan - Defined Benefit Ireland Compartment
## Statement of Net Assets Available for Benefits
## As of 16 December 2023 (date of beginning of liquidation period

(expressed in EUR)

| | Note | Period ended 16 December 2023 | Year ended 31 December 2022 |
|---|---|---|---|
| **Assets** | | | |
| Investments at market value | 2a | | 322,085,470 |
| Swaps at market value | | | 16,149,754 |
| Cash and cash equivalents | 2c | 60,418 | 5,724,665 |
| Cash interest receivable | | 71 | |
| Dividends receivable | | | 764,052 |
| Contribution receivable | | | 8,367 |
| Interests receivable | | | 1,029,415 |
| Interests receivable on swaps, (net) | | | 721,803 |
| Prepaid Pension funding | | | 846,643 |
| Securities sold receivable | | | 66,936 |
| Unrealised appreciation on futures contracts | | | 2,904,151 |
| **Total Assets** | | **60,489** | **350,301,256** |
| | | | |
| **Liabilities** | | | |
| Cash owed to bank | 2c | | (10,945,640) |
| Accrued actuarial and member administration fees | | | (70,167) |
| Accrued ASSEP costs including Director's expenses | | | (9,013) |
| Accrued custody fees | | | (35,675) |
| Accrued fund audit fees | | | (9,818) |
| Accrued internal audit fees | | | (3,550) |
| Accrued Investment manager fees | | | (105,000) |
| Accrued tax and tax advisor fees | | | (9,387) |
| Accrued liquidation fees | 2c | (50,000) | |
| Accrued other professional fees | | | (93,141) |
| Benefits payable | | | (62,786) |
| Cash collateral payable, (net) | | | (10,413,000) |
| Cash interest payable | | | (37) |
| Payable on repurchase agreements | | | (21,994,003) |
| Other payables | | | (86,392) |
| **Total Liabilities** | | **(50,000)** | **(43,837,609)** |
| | | | |
| **Net Asset Value** | | **10,489** | **306,463,647** |
| | | | |
| **Technical Provisions** | | | |
| Projected Benefit Obligation | 5 | | (236,279,000) |
| Surplus | 5 | (10,489) | (70,184,647) |
| | | **(10,489)** | **(306,463,647)** |

The accompanying notes form an integral part of the Financial Statements.

**The Unilever Pension Plan - Defined Benefit Ireland Compartment**
**Statement of Changes in Net Assets Available for Benefits**
**for the period from 1 January 2023 to 16 December 2023 (date of beginning of liquidation period)**

(expressed in EUR)

| | Note | Period ended 16 December 2023 | Year ended 31 December 2022 |
|---|---|---|---|
| **Income** | | | |
| Dividend income | | 4,605,853 | 2,960,576 |
| Interest income (net) | | 1,488,875 | 1,066,916 |
| Interest income on swaps (net) | | 674,370 | 921,200 |
| Other income | | 10,210 | |
| **Total Income** | | **6,779,308** | **4,948,692** |
| | | | |
| **Expenses** | | | |
| Actuarial and member administration fees | | (388,618) | (485,318) |
| ASSEP costs including Director's expenses | | (21,684) | (32,884) |
| Cash interest paid | | (475,986) | (22,803) |
| Custody fees | | (50,961) | (110,877) |
| Fund audit fees | | (10,979) | (10,012) |
| Interest expense on repurchase agreements | | | (57,308) |
| Internal audit fees | | (9,291) | (5,883) |
| Investment manager fees | | (114,580) | (211,344) |
| Investment services and advisor fees | | (111,922) | (119,500) |
| Legal fees | | (13,749) | (11,472) |
| Liquidation fees | | (50,000) | |
| Other professional fees | | (85,555) | (81,142) |
| Regulatory fees | | (4,865) | (3,666) |
| Tax and tax advisor fees | | (5,468) | (10,073) |
| Transactions fees | | (25,370) | (26,739) |
| **Total Expenses** | | **(1,369,028)** | **(1,189,021)** |
| | | | |
| **Net Investment Income** | | **5,410,280** | **3,759,671** |
| | | | |
| Net realised loss on investments | | (45,286,410) | (6,575,743) |
| Net realised gain/(loss) on swaps | | 13,429,147 | (160,990) |
| Net realised gain on futures | | 2,469,033 | 4,483,716 |
| Net realised (loss) on foreign exchange | | (19,088) | (635,511) |
| **Total Net Realised Loss** | | **(29,407,318)** | **(2,888,528)** |
| | | | |
| Change in net unrealised appreciation/(depreciation) on investments | | 41,990,274 | (66,312,398) |
| Change in net unrealised depreciation on swaps contracts | | (19,625,891) | (465,233) |
| Change in net unrealised (depreciation)/appreciation on futures contracts | | (2,904,151) | 2,622,591 |
| Change in net unrealised appreciation/(depreciation) on foreign exchange | | 10,612 | (19,467) |
| **Total Change in Appreciation/(Depreciation)** | | **19,470,844** | **(64,174,507)** |
| | | | |
| Contributions received | 3 | 465,076 | 443,445 |
| Benefit payment | 4 | (11,857,315) | (15,082,485) |
| Change in Technical Provisions | 5 | 306,453,158 | 77,942,404 |
| Transition Out | 1f | (290,534,725) | |
| **Net Result for the Period** | | | |

The accompanying notes form an integral part of the Financial Statements.

## Notes to the Defined Benefit Ireland Compartment Financial Statements

### 1. Description of the Defined Benefit Ireland Compartment ("Irish Compartment")

***a) General***

The Irish Compartment was a defined benefit plan, which provided a pension at retirement for eligible employees of Unilever Ireland, as defined in the Plan Rules. The Irish Compartment was launched on 1 June 2014 with the transfer of the Plan from Ireland. For the period 1 June 2014 to 31 May 2017, the Company committed to paying at least the contributions required to fund benefits related to the pensionable service that employed Participants earn during that period. It also paid prior to the transfer all outstanding deficit funding contributions. With effect from 15 September 2022, Unilever Ireland Limited had replaced Unilever Ireland (Holdings) Limited as the Sponsoring Company for this Compartment.

***b) Vesting***

Participants were vested immediately.

*c)* ***Investments***

The Associates of this Compartment (the Committee) believed that the investment policy should include a sizeable proportion of investment in bonds. For the most part, investments were limited to marketable securities traded on recognised/regulated markets. The Committee adopted a de-risking mechanism, designed to switch assets from Return Seeking assets (i.e. equities, property, corporate bonds, hedge funds, high yield bonds, emerging market debts) to Liability Matching assets (i.e. government bonds, cash and certain derivative investments) when certain pre-defined funding level triggers were reached (as defined in plan's provision).

Until termination date, the Irish Compartment held investments in bonds, mortgage related assets, hedge funds, repurchases agreements, futures and swaps.

***d) Payment of Benefits***

If a Participant retired at or after normal retirement age, or if he retired earlier with the consent of their Employer, he would receive a monthly pension provided by the Plan.

***e) Death in service***

Should a Participant die in service, the Irish Compartment paid a benefit as defined in the Plan Rules. The fund bore the cost of this liability.

***j) Termination***

During the extraordinary General Meeting held on 31 October 2023, the Associates decided to transfer the Irish Compartment to the corresponding Compartment in the Unilever Pension Plan OFP in Belgium and to liquidate the Association in accordance with Article 94 of the 2005 Law.

The last official valuation for the Irish Compartment was completed as of 31 October 2023. The asset transfer was completed in November 2023 except for a cash amount of EUR 50,000 withheld in the Irish Compartment to pay liquidation expenses.

## 2. Significant Accounting Policies

### *a) Investment Valuation and Income Recognition*

The Plan's investments were valued at market value. Quoted market prices were used to value investments. Units or shares of open-ended undertakings for collective investment ("UCis") were valued at their last determined and available net asset value held by the Plan at the end of the period.

Investment security transactions were accounted for on the date securities are purchased or sold. The computation of the cost of sales of securities was made on the basis of average cost.

The market value of futures, forward or options contracts traded on regulated markets or stock exchanges was based upon the last available settlement prices of these contracts on regulated markets or stock exchanges.

Interest rate swaps were valued at their market value established by reference to the applicable interest rates curve. Index and financial instruments related swaps were valued at their market value established by reference to the applicable index or financial instrument. The valuation of the index or financial instrument relating swap agreement were based upon the market value of such swap transaction established in good faith. Total return swaps were valued on a consistent basis.

Inflation rate swap agreements are contracts in which one party agrees to pay the cumulative percentage increase in a price index, over the term of a swap and the other party pays a compounded fixed rate. Standard inflation swaps were valued on the basis of predicting the future cashflows, according to inflation curve data available in the market, and discounting these cashflows against the appropriate curve. These inflation curves take into account the effect of seasonality, which was calculated using market data. Inflation swap contracts may be traded bilaterally between a Fund and a counterparty or centrally cleared through a CCP. For centrally cleared trades the CCP marks contracts to market, and required the posting of variation margin in response to changes in market values.

Dividends were recorded on the ex-dividend date.

Securities sold under agreements to repurchase were treated as collateralised borrowing transactions. The securities continued to be carried on the Statement of Net Assets Available for Benefits at market value and the related loans were carried at the amount at which the securities were sold under the agreement. The interest expense and interest income recognised under these agreements and the interest income on underlying securities are included in the Statement of Operations and Changes in Net Assets Available for Benefits.

### *b) Fees and Expenses*

The Irish Compartment was covered by separate administration and actuarial agreements to the other Compartments. The total fees and expenses were borne by this Compartment unless it is insufficiently funded in which case this would be borne by Unilever Ireland. During 2023, the fees were paid by the Compartment.

### c) *Cash and Cash Equivalents/ Cash owed to Bank*

All cash and cash equivalents amounts are carried at face value.

As of 16 December 2023 (date of beginning of liquidation period), the Irish Compartment still holds a total cash balance amounting to EUR 60,418. The Compartment is using non-going concern basis of accounting and has booked an accrual for liquidation fees amounting to EUR 50,000.

**Notes to the Defined Benefit Ireland Compartment Financial Statements (continued)**

## 3. Contributions

The total contributions for the period ended 16 December 2023 (date of beginning of liquidation period) in the Irish Compartment amounted to EUR 465,076 (31 December 2022: EUR 443,445).

| | 16 December 2023 (date of beginning of liquidation period) | 31 December 2022 |
|---|---|---|
| | EUR | EUR |
| Employers normal contributions | | |
| Members normal contributions | 76,444 | 102,134 |
| Transfer in and Additional voluntary contributions maturity values | 388,632 | 341,311 |
| | **465,076** | **443,445** |

## 4. Benefit Payment

During the period ended 16 December 2023 (date of beginning of liquidation period), there were Benefit payments of EUR 11,857,315 (31 December 2022: EUR 15,082,485).

| | 16 December 2023 (date of beginning of liquidation period) | 31 December 2022 |
|---|---|---|
| | EUR | EUR |
| Pensions | 10,041,381 | 10,029,871 |
| Payments to Leavers and Retirees | 1,815,934 | 5,052,614 |
| | **11,857,315** | **15,082,485** |

## 5. Technical provisions

Technical provisions in the Irish Compartment have been established to cover the liabilities. The long term funding target is 100% of the Projected Benefit Obligation ("PBO") and the short term target is 100% of the Accumulated Benefit Obligation ("ABO"). Further contributions are not expected unless the funding level falls below 100% of the ABO.

The PBO assesses the liability arising from service completed by the members at the valuation date using projected salaries. As mentioned above, the minimum funding level is assessed under the ABO. The ongoing minimum funding level is 100% of the ABO.

Should the funding level fall below 100% of the ABO, Unilever Ireland will agree a refinancing plan with the Luxembourg regulator, Commission de Surveillance du Secteur Financier.

The ABO and PBO contain allowance for discretionary pension increases to members with Knorrs Best Foods pensionable service. No other allowance has been included in the ABO and PBO for any other future discretionary pension indexation.

At transfer date 31 October 2023 the funding level was 125% (PBO basis). The Compartment is fully funded at transfer date.

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# Annual Report for the 2 month period ended 31 December 2023
# Unilever Pension Plan OFP
# - DB Ireland Compartment

Mercer

Mercer (Ireland) Limited

MarshMcLennan

# Contents

1

# Committee Report

## Introduction

The Committee of the Unilever Pension Plan OFP Defined Benefit Ireland Compartment "The Compartment" present the first report on the operation of the Compartment for the period ended 31 December 2023 following dissolution of the Unilever Pension Plan ASSEP in Luxembourg and the transfer of assets and liabilities into the Plan now based in Belgium. The content of this report is for information purposes only and is intended for Irish members of the Compartment. The content of this report conforms as much as possible to the Occupational Pension Schemes (Disclosure of Information) Regulations 2006 (as amended) prescribed by the Minister for Social Protection under the Pensions Act 1990.The report outlines the constitution and structure of the Plan together with details of financial developments for the period, investment matters and membership movements.

Queries in relation to Unilever Pension Plan OFP benefits or related matters should be addressed, in the first instance to The Unilever Pension Plan OFP Defined Benefit Ireland Compartment, 20 Riverwalk, National Digital Park, Citywest Business Campus, Dublin 24.

## The Compartment

The Unilever Pension Plan OFP Defined Benefit Compartment (The Compartment), operates on a defined benefit basis, was established to provide retirement and life assurance benefits for its members and is a distinct legal entity, separate in every respect from the principal employer, Unilever Ireland Limited.

The Unilever Pension Plan OFP Defined Benefit Compartment is governed by the Compartment rules dated 1 September 2023; members are entitled to inspect these documents or, on payment of a small charge, receive a copy of them. Details of members' benefits are also provided in the explanatory booklet which has been distributed to all members and individual details appear on each member's benefit statement. There have been no changes during the period to the Fund information.

The Compartment has been approved by the Revenue Commissioners as an "exempt approved scheme" under Section 774 of the Taxes Consolidation Act 1997 and as such its assets are generally allowed to accumulate free of income and capital gains taxes. In addition, tax relief is given on employer and member contributions to the Fund and certain lump sum payments to members can be paid free of tax.

The Plan has been registered with the Financial Services and Markets Authority (FSMA), the Belgian pension scheme regulator.

The Compartment was financed by contributions from the employer and members. Details of contributions and other financial developments during the period are set out herein.

The Plan has diversified investment portfolios with a very limited exposure to Russian stocks and bonds at the time of invasion. The impact on investments and other risks have been examined together with our investment advisors and risk manager. The asset managers have subsequently written down the value of the Russian Investments and will sell these holdings when the markets re-open to overseas traders and these holdings can be sensibly transacted to recoup some value. All asset managers have confirmed compliance with European sanctions. The increased volatility of the financial markets has no immediate consequences and the Plan can continue to meet all of its obligations. The longer-term consequences are still unknown and we are monitoring the situation closely.

## The Directors and Committee Members

Stewardship of Unilever Pension Plan OFP assets is in the hands of its Directors. The Directors delegate, via a Board resolution, certain functions to the Compartment Committee including monitoring and reviewing all aspects of the Compartments investments.

Unless otherwise indicated the Board of Directors and the Committee served for the entire period and are still serving at the date of approval of the Report.

## Condition of the Plan

The financial condition of the Compartment is dealt with in the Financial Developments, Actuarial Position and Investment Management sections of this report.

## Statement of Risks

The Employer Contribution rate was agreed based on actuarial advice at the commencement of the Compartment and is reviewed at each annual valuation date.

A Statement of Investment Policy Principles adopted by the Committee is available for review at Unilever (theunileverpensionplan.com).

## Internal Dispute Resolution (IDR)

A procedure has been put in place to facilitate IDR. Details of the IDR process are set out below.

- The complainant discusses their potential complaint with the Unilever Pension Plan secretary in email via Chris.Middleton@unilever.com or in writing to Unilever Pension Plan OFP Defined Benefit Ireland Compartment, 20 Riverwalk, National Digital Park, Citywest Business Campus, Dublin 24. The nominated contact helps the complainant to understand whether the complaint qualifies for IDR. The nominated contact may be able to resolve the issue to the satisfaction of the complainant.
- If it does not qualify for IDR and IDR is not recommended as an appropriate means of resolving the complaint, the nominated contact will report the complaint and details of any resolution that was reached, at the next Committee meeting.
- If the complaint qualifies for IDR (or if it does not qualify for IDR but the nominated contact recommends IDR be used to resolve the complaint), the nominated contact will assist the complainant with gathering supporting evidence and putting their case to the Committee.
- The Committee considers the complaint. It consults with an employer representative, expert advisors if appropriate and any other relevant parties and considers the recommendation of these parties before making a decision.
- If the case is reasonably clear, whether for or against the complainant, the Committee issues their conclusions to the complainant by a ‘notice of determination’. The complainant either accepts the finding or reverts to the Irish Financial Services and Pension Ombudsman or Financial Services and Markets Authority (FSMA).
- If the facts of the case are unusually complex, the case can be put to an independent person. The Committee considers whether using an independent person is appropriate or will bring additional value to the process.
- If the Committee decide that reference to an independent person is unlikely to be useful, the Committee issues its conclusions to the complainant by a ‘notice of determination’. The complainant either accepts the finding or reverts to the Irish Financial Services and Pension Ombudsman or Financial Services and Markets Authority (FSMA).
- If the Committee decides that reference to an independent person is likely to be useful, the Committee considers who an appropriate independent person might be and the case is referred to the independent person with supporting documents.
- The independent person makes a recommendation to the Committee. The Committee considers the recommendation of the independent person and issues its conclusions to the complainant by a ‘notice of determination’. The complainant either accepts the finding or reverts to the Irish Financial Services and Pension Ombudsman or Financial Services and Markets Authority (FSMA).

## Financial Developments

The value of the Compartment's net assets increased from €Nil at the start of the period to €308,819,858 at the period end. This increase was accounted for by a transfer of €290,147,163 from the Unilever Pension Plan ASSEP in Luxembourg (subsequently liquidated) and net returns on the Compartment's investments of €21,396,177 and net decreases from dealings with members of €2,723,482. However, despite the fall in the value of assets the compartments funding level increased due to a larger fall in the value of liabilities – see actuarial position below.

- No pension increases were paid during the period.

Benefits and payments to leavers amounted to €1,931,477, administration costs amounted to €806,333.

## Contributions

Contributions for the period amounted to €14,328. Contributions were paid in accordance with the rules of the Plan and the recommendations of the Compartment Actuary and were received in full within 30 days of the period end.

The Committee are satisfied that appropriate procedures have been put in place to ensure that contributions payable are received in accordance with the legislative requirements as set out under Section 58A of the Pensions Act 1990. This legislation sets out the following requirements:

- Member contributions must be received within 21 days from the end of the month in which they were deducted from pay.

- Employer contributions must be received in accordance with the timings noted by the Compartment Actuary or stated in the Compartment rules or otherwise within 30 days of the end of the Compartment period.

The above details have been extracted from the accounts of the Compartment which form part of this report.

## Pensions

Pensions in payment relating to Unilever service are subject to increases each period in September in line with increases in the Consumer Price Index (reviewed in May), subject to a maximum increase of 4% in any period.

Pensions in payment relating to Knorr Bestfoods Service are increased at the discretion of the Committee, with the agreement of the company.

There were no pension increase paid during the period.

The deferred benefits of former active members of the Compartment are revalued annually in accordance with the Pension Act, 1990.

## Membership Movements

| Movements: | Active Members | Life Insurance Only Members | Pensioners | Deferred Pensioners |
|---|---|---|---|---|
| Transferred in 1 November 2023 | 32 | 55 | 825 | 644 |
| New members during the period* | - | - | 9 | - |
| Leavers during the period | - | (2) | - | (12) |
| As at 31 December 2023 | 32 | 53 | 834 | 632 |

*New pensioners includes spouse's pensions commencing during the period

## Actuarial Position

The actuarial position of the Plan is monitored by the Board of Directors and reported in the UPP OFP Annual Report - there are no specific additional requirements for the Irish Section of the Fund.

The Plan's Compartment Actuary produces an annual actuarial valuation. The latest valuation, with an effective date of 31 December 2023, confirmed that the Plan was fully funded at that effective date with a ratio of assets to long term liabilities (Previously referred to as the Projected Benefit Obligation in the UPP ASSEP) of 124% (130% at 31 December 2022). Including the solvency margin the ratio at 31 December 2023 was 121% (This is referred to as the Long Term Funding Target (LTF) in the UPP OFP). The decrease in funding level was due in part to the fall in interest rates during 2023 and consequent increase in liabilities – the discount rate used decreased from 3.45% at 31 December 2022 to 3.00% at 31 December 2023. The discount rate is capped to a maximum of the net expected return of the Plan assets at that date. A reduction in inflation expectations offset increases in liabilities as long term expectations reduced from 2.2% at 31 December 2022 to 2.1% at 31 December 2023. The assets also rose in value over the year, but not to the same extent as the liabilities.

## Investment Management

It is the policy of the Committee to delegate the management of the Compartment's assets to professional external investment managers. The investment portfolio is managed by:

- Northern Trust Luxembourg Management Company SA who govern the Univest Sub funds (outlined below); and
- Blackrock Investment Management (Netherlands) BV who invest the Liability Driven Investment (LDI) portfolio.

The Univest sub funds are multi-manager pooled vehicles, where the managers are independent and external to Unilever. These sub funds were developed to allow Unilever pension funds to simplify the implementation of their investment strategies at a reasonable cost. The governance of the sub funds is outlined in the Univest, Univest III and IV prospectus. Investment manager monitoring is delegated to Univest Company (Unilever's Pensions Investment team) by the Management Company and the Univest III and IV Boards. Univest Sub fund mandates:

- Global Equity: (Global Sustainable Edge and Sustainable World Equity)
- Univest Global Sovereign Bond Fund
- Global Credit (Univest III) and
- Diversified Income Fund (Univest IV)

Blackrock Investment Management (Netherlands) BV were appointed to manage a bond portfolio and swap overlay programme for the Scheme.

A Statement of Investment Policy Principles adopted by the Committee is available for review at Unilever (theunileverpensionplan.com).

**Derisking Strategy**

- The scheme's liability matching asset allocation was 85%.
- The remaining portfolio consists of 5% equities and 10% other income generating assets.
- Both the interest rate and inflation hedge ratios are 90%.

## Sustainable Finance Disclosure Regulations (SFDR) Disclosures

Under SFDR, the Committee are viewed as financial market participants, whilst the Plan is considered to be the financial product offered by the Committee. Products under SFDR can be classified as those that have sustainable investment as its investment objective (Article 9) or those products that promote social or environmental characteristics, among other characteristics (Article 8). As the Plan has not been classified under Article 8 or Article 9 of Regulation (EU) 2019/2088 (SFDR), the Committee must therefore make the following disclosures:

- The investments underlying this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

The Committee continue to review the Plan's approach to sustainability risk considerations. ESG factors are incorporated into the process for selecting and monitoring investment managers and consequently many of underlying investment funds are classed as SFDR article 8. The Plan's full sustainability statement can be found on its website: https://theunileverpensionplan.com/.

## Subsequent Events

There have been no significant events that would require amendment to or disclosure in the Annual Report.

## In Conclusion

We trust that members find this report informative and we are pleased to acknowledge the assistance received from the principal employer and its staff during the period as well as from our various professional advisers.

Signed for and on behalf of the Committee:

Committee Member: DocuSigned by: Shay Leonard E9EB972FFF244CC...

Committee Member: DocuSigned by: 9873BB93B099461...

Date: 25-09-2024

# Committee& Advisers

| | |
|---|---|
| Committee | Mr L Mulcahy<br>Mr G Keane (appointed 1 January 2024)<br>Mr Shay Leonard<br>Mr John McGinley<br>Mr J Reeves |
| Sponsoring Employer | Unilever Ireland Limited<br>20 Riverwalk<br>National Digital Park<br>Citywest Business Campus<br>Dublin 12 |
| Administrator | Mercer (Ireland) Limited<br>Charlotte House<br>Charlemont Street<br>Dublin 2 |
| Consultant | Mercer (Ireland) Limited |
| Compartment Actuary | Liam Quigley F.S.A.I.<br>Mercer (Ireland) Limited |
| Investment Manager | Univest<br>Northern Trust<br>10 Rue du Chateau d'Eau<br>L-3364 Leudelange<br>RCSLuxembourg<br><br>Blackrock Investment Management (Netherlands) BV<br>Amstelplein 1 17 hoog<br>Amsterdam 1096HA<br>Netherlands |
| Custodian | Northern Trust Luxembourg Management Company SA<br>10 Rue du Chateau d'Eau<br>L-3364 Leudelange<br>RCSLuxembourg |

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# Ireland compartment

# Fund Account for the Period 1 November 2023 - 31 December 2023

| | Notes | 31 Dec 23<br>€ |
|---|---|---|
| **CONTRIBUTIONS AND BENEFITS** | | |
| Contributions | 6 | 14,328 |
| Group transfer in from UPP ASSEP | 7 | 290,147,163 |
| | | 290,161,491 |
| Benefits paid or payable | 8 | (954,571) |
| Payments to and on account of leavers | 9 | (976,906) |
| Administrative expenses | 10 | (806,333) |
| | | (2,737,810) |
| ***Net increase from dealings with members*** | | **287,423,681** |
| **RETURNS ON INVESTMENTS** | | |
| Investment income | 11 | 1,386,393 |
| Change in market value of investments | 12 | 20,009,784 |
| ***Net returns on investments*** | | **21,396,177** |
| **Net(decrease) / increase in fund during the period** | | **308,819,858** |
| **Net assets of the Fund at start of period** | | **Nil** |
| **Net assets of the Fund at end of period** | | **308,819,858** |

The notes on page 13 to 18 form part of the accounts.

# Statement of Net Assets (available for benefits) as at 31 December 2023

| | | 31 December 2023 | |
|---|---|---|---|
| | **Notes** | **€** | **€** |
| Investment assets | 12 | | 303,575,057 |
| **Current assets** | 13 | 5,525,313 | |
| **Current liabilities** | 14 | (280,512) | |
| **Net Current Assets** | | | 5,244,801 |
| **Net assets of the Fund** | | | **308,819,858** |

The notes on page 13 to 18 form part of the accounts.

The financial statements summarise the transactions of the Compartment and deal with the net assets at the disposal of the Committee and Board of Directors. They do not take account of obligations to pay pensions and other benefits which fall due after the end of the Compartment period.

# Notes to the Accounts

## Basis of Preparation

The financial statements have been prepared in accordance with the Occupational Pension Schemes (Disclosure of Information) Regulations 2006 (as amended), Financial Reporting Standard 102 - The Financial Reporting Standard applicable in the UK and Republic of Ireland ("FRS 102") and the guidelines set out in the Statement of Recommended Practice, Financial Reports of Pension Schemes (Revised 2018)"SORP").

The financial statements have been prepared on the going concern basis. In making this assessment, the Committee have assessed the ability of the Plan to meet its future obligations to pay member benefits as they fall due and the ability of the principal employer to continue to meet their obligations to the Plan. The Committee believe that the Plan remains well positioned to manage its risks successfully and expects that the Plan will continue in operational existence for the foreseeable future.

Accounting Policies:

The significant accounting policies adopted by the Committee which have been applied consistently in dealing with items which are considered material in relation to the Fund’s accounts are as follows:

A. Investments: Quoted investments are stated at market value. Unquoted investments are stated at values arrived at by external independent advisers and accepted by the Committee. The market value of unitised investments is taken as the bid price of units at the period end. Acquisition costs are included in the purchase cost of investments.

B. Investment Income: Income from equities and fixed interest securities is accounted for as it falls due with the associated tax recoveries accounted for as they are received. Investment income and interest on bank deposits is accounted for on the accruals basis.

C. Investment Management Fees: Investment management fees are calculated as a percentage of the assets under management and on the derivative instruments used to hedge the interest and inflation risk on the liabilities. These fees are borne by the Fund. Fees relating to unitised funds are levied indirectly and are reflected in unit prices. Investment management fees are accounted for on the accruals basis.

D. Contributions: Normal contributions, both from the members and from the employer, are accounted for on an accruals basis in the month member contributions are deducted from the payroll. Employers’ augmentation contributions are accounted for in accordance with the agreement under which they are paid, or in the absence of such an agreement, when received. Employers’ deficit funding contributions are accounted for in accordance with the agreement under which they are being paid, or in the absence of an agreement on a receipt basis.

E. Payments to members: Regular benefit payments to members are accounted for on an accruals basis. New benefits are accounted for in the period in which the member notifies the Committee of their decision on the type or amount of benefit to be taken or, if there is no member choice, on the date of retirement or leaving. Where the Committee are required to settle tax liabilities on behalf of a member (such as when lifetime or annual allowances are exceeded) with a consequent reduction in that member's benefits receivable from the Fund, this is shown separately within benefits.”

F. Transfers to and from other schemes: Transfer values represent the capital sums either receivable in respect of newly joined members from the pension arrangements of their previous employers or payable to the pension arrangements of new employers of members who have left the service of the Group. Provision is made for asset transfers when the Compartment’s actuary has advised the Committee of the assets to be transferred to satisfy an agreed transfer value.

G. Foreign currencies: Financial asset and liabilities denominated in foreign currencies are translated at the rate ruling at the net assets statement date. Transactions denominated in foreign currencies are translated at the rate ruling at the date of the transaction. Differences arising on translation of investment balances are accounted for in the change in market value of investments during the period.

H. Pension payments: Pension payments represent pensions payable under the terms of the Rules of the Fund and are accounted for in the period in which they fall due.

I. Transaction costs: Transaction costs include costs charged directly to the Fund such as fees, commissions, stamp duty and other fees.

J. Expenses: Expenses are accounted for on an accruals basis.

2. Taxation

The Fund has been approved as an “exempt approved scheme” for the purposes of Section 774 of the Taxes Consolidation Act 1997 and thus Fund income and gains are generally exempt from taxation.

3. Constitution of the Fund

The Fund was established as a Defined Benefit Fund with effect from 1 November 2023, as a Compartment of the Unilever Pension Plan, a multi-compartmental OFP established in Belgium under Belgian Pension Law on 6 September 1993. The Fund registered with the Pensions Authority in Ireland. The address for enquiries to the Fund is included in the Compartment Report.

## 4. Benefits

Pension benefits under the Compartment are provided for by direct investment.

## 5. Actuarial valuation

The outcome of the Actuarial Valuation of the Compartment is included in the UPP OFP accounts included in the Appendix.

## 6. Contributions

| | **Nov/Dec 2023 €** |
|---|---|
| **Members** | |
| Normal | 14,328 |
| | **14,328** |

## 7. Group Transfer in From UPP ASSEP

| | **Nov/Dec 2023 €** |
|---|---|
| Group Transfer in from UPP ASSEP | 290,147,163 |
| | **290,147,163** |

## 8. Benefits paid or payable

| | **Nov/Dec 2023 €** |
|---|---|
| Pensions | 808,343 |
| Commutation of pensions and lump sum retirement benefits | 146,228 |
| | **954,571** |

## 9. Payments to and on account of leavers

| | **Nov/Dec 2023 €** |
|---|---|
| Individual transfers out to other schemes | 976,906 |
| | **976,906** |

## 10. Administrative expenses

| | Nov/Dec 2023 € |
|---|---|
| Administration & Consultancy fees | 118,089 |
| Investment costs | 574,471 |
| Financial costs | 99,831 |
| Bank fees | 13,942 |
| | **806,333** |

## 11. Investment income

| | Nov/Dec 2023 € |
|---|---|
| Investment income | 1,386,393 |
| | **1,386,393** |

## 12. Reconciliation of investments held at beginning and end of period

| | Value at 1 November 2023 € | Purchases payments € | Sales Proceeds/ Derivative receipts € | Change in market value € | Value at 31 December 2023 € |
|---|---|---|---|---|---|
| Investment assets | - | 290,147,163 | (6,581,890) | 20,009,784 | 303,575,057 |
| Investment assets | **-** | **290,147,163** | **(6,581,890)** | **20,009,784** | **303,575,057** |

Note: Purchases payments relates to the transfer in from UPP ASSEP.

Note: Change in Market Value Income includes investment income that has been received through Northern Trust.

The change in market value of investments during the period comprises all increases and decreases in the market value of investments held at any time during the period, including profits and losses realised on sales of investments during the period.

Transaction costs are included in the cost of purchases and sales proceeds. Transaction costs include costs charged directly to the Compartment such as fees, commissions, stamp duty and other fees. In addition to the transaction costs disclosed above, indirect transaction costs are incurred through the bid-offer spread on investments within pooled investment vehicles. The amounts of indirect transaction costs are not separately provided to the Compartment.

## 13. Current assets

| | **Nov/Dec 2023 €** |
|---|---|
| Cash balance | 3,153,660 |
| Pension funding prepaid | 846,108 |
| Acquired income | 1,290,155 |
| Other receivables | 235,390 |
| | **5,525,313** |

## 14. Current liabilities

| | **Nov/Dec 2023 €** |
|---|---|
| Administrative expenses | 280,512 |
| | **280,512** |

## 15. Contingent liabilities

As stated on page 12 of these accounts, liabilities to pay pensions and other benefits in the future have not been taken into account. On that basis, in the opinion of the Committee, the Compartment had no contingent liabilities at the period end.

16. Related parties

A. Remuneration of the Committee: Remuneration for professional Trusteeship was met by the Fund. Neither the other Committee nor any of the remaining Directors received nor are due any remuneration from the Fund, or any related party, in connection with the management of the Fund.

B. Principal employer: Unilever Ireland Limited is the principal employer. The employer contributions to the Fund are made in accordance with the Rules and recommendations of the Compartment Actuary. Companies in the employer group provide certain administration services to the Fund which are provided at no cost to the Compartment.

C. The registered administrator: Mercer (Ireland) Limited is appointed by the Committee to provide certain administration and consultancy services to the Fund. Fees payable to the registered administrator in respect of the services it provides are borne by the Compartment. The cash held by the administrator at the period end on behalf of the Fund was €2,441,922.

D. The investment managers: Univest and Blackrock Investment Management (Netherlands) BV were appointed by the Committee to manage the Fund's assets. The managers are remunerated on a fee basis calculated as a percentage of the assets under management and these fees are borne by the Fund.

17. Employer related investments

There were no employer related investments at any time during the period.

18. Subsequent events

There have been no other significant events that would require amendment to or disclosure in the financial statements.

19. Approval of financial statements

The financial statements were approved by the Committee on 25-09-2024

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# Appendices

## Statement of Risks

**Statement concerning the condition of the Fund, in particular concerning the financial, technical and other risks associated with the Fund and their distribution.**

Under Irish law, the Directors and Committee are required to describe the condition of the Fund and the risks associated with the Fund and disclose these to members.

In a "defined benefit" scheme, the main risk is that there will be a shortfall in the assets (for whatever reason) and the employer will not be willing or able to pay the necessary contributions to make up the shortfall. If that occurs, members may not get their anticipated benefit entitlements. Some of the reasons why a shortfall could arise are as follows (this list may not be exhaustive):

- The assets may grow more slowly than expected, or even fall in value, depending on the performance of underlying markets and the securities chosen.
- Similarly, the liabilities may grow faster than expected due to higher salary or pension increases, or due to unfavourable movements in interest rates, or due to mortality and other elements of the Compartment's experience varying from the assumptions made.
- The administration of the Compartment may fail to meet acceptable standards. The Compartment could fall out of statutory compliance, the fund could fall victim to fraud or negligence or the benefits communicated to members could differ from the liabilities valued by the Compartment Actuary.

The Directors and Committee are satisfied that it is taking all reasonable steps to protect the members from the effects of these risks, including:

- Professional investment managers have been appointed to manage the Compartment's investments, the Compartment holds a range of diversified assets and there is regular monitoring of how these investments are performing.
- A valuation of the Compartment is carried out each period to assess the financial condition of the Compartment and determine the rate of contributions likely to be required to meet the future liabilities of the Compartment. If the Fund is found to be insolvent, the Committee and the employer are required to complete a funding recovery plan for submission to the Belgium Regulator with the objective of returning the Compartment to solvency.

The Directors and Committee have access to experienced professional advisers and administrators to assist with the proper running of the Compartment.

**DB Ireland Compartment**
**Profit and Loss accounts 31/12/2023 (1/10 - 31/12)**

| | Current year | Previous year |
|---|---|---|
| **I. Technical result (+) (-)** | **39.347.387,81** | **0,00** |
| A. Contributions (+) | 14.328,08 | 0,00 |
| 1. re financing plan | 14.328,08 | 0,00 |
| 2. re recovery plan | 0,00 | 0,00 |
| B. Exceptional contributions (+) | 0,00 | 0,00 |
| C. Beneficiary payments (-) | 808.343,12 | 0,00 |
| D. Exceptional benefit payments (-) | 0,00 | 0,00 |
| E. Change in the share of insurance and reinsurance companies | 0,00 | 0,00 |
| F. Changes in net guaranteed receivables | 0,00 | 0,00 |
| G. Changes in special receivables(decrease-) | 0,00 | 0,00 |
| H. Changes in receivables related to reinsurances (increase +, decrease-) | 0,00 | 0,00 |
| 1. End of year (+) | 0,00 | 0,00 |
| 2. Start of year (-) | 0,00 | 0,00 |
| I. Transfer of pension rights (+)(-) | 289.170.257,13 | 0,00 |
| 1. From pension funds (+) | 290.147.163,36 | 0,00 |
| 2. To pension funds (-) | 976.906,23 | 0,00 |
| J. Changes in Technical provision | -248.882.626,00 | 0,00 |
| a. Changes in Technical provision related to retirement and death | -246.137.516,00 | 0,00 |
| 1. End of year (-) | 246.137.516,00 | 0,00 |
| 2. Start of year (+) | 0,00 | 0,00 |
| b. Changes in Technical provision | -2.745.110,00 | 0,00 |
| related to disablility | | 0,00 |
| 1. End of year (-) | 2.745.110,00 | 0,00 |
| 2. Start of year (+) | 0,00 | 0,00 |
| c. Changes in Technical provision profit shareing (increase +, decrease -) | 0,00 | 0,00 |
| 1. End of year (-) | 0,00 | 0,00 |
| 2. Start of year (+) | 0,00 | 0,00 |
| d. Changes in Other Technical provision (increase +, decrease -) | 0,00 | 0,00 |
| 1. End of year (-) | 0,00 | 0,00 |
| 2. Start of year (+) | 0,00 | 0,00 |
| K. Insurance and reinsurance payments (+) | 0,00 | 0,00 |
| L. Insurance and reinsurance premiums written off (-) | 0,00 | 0,00 |
| M. Other technical income (+) | 0,00 | 0,00 |
| N. Other technical costs (-) | 146.228,28 | 0,00 |
| **II. Financial results (+)(-)** | **20.707.932,96** | **0,00** |
| A. Income from Financial Fixed assets (+) | 0,00 | 0,00 |
| B. Investment income (+) | 1.386.393,08 | 0,00 |
| C. Investments costs | 574.470,52 | 0,00 |
| D. Bank charges (-) | 13.941,89 | 0,00 |
| E. Currency results (+)(-) | -0,96 | 0,00 |
| F. Investment gains/losses | 20.009.784,63 | 0,00 |
| 1. Gains (+) | 22.515.315,34 | 0,00 |
| 2. Losses (-) | 2.505.530,71 | 0,00 |
| G. Other financial income (+) | 0,00 | 0,00 |
| H. Other financial costs (-) | 99.831,38 | 0,00 |
| **III. Operating result (+)(-)** | **-118.088,69** | **0,00** |
| A. Goods and services (-) | 118.088,69 | 0,00 |
| B. Depreciation (-)(+) | 0,00 | 0,00 |
| 1. Toewijzing (-) | 0,00 | 0,00 |
| 2. Terugname (+) | 0,00 | 0,00 |
| C. Others (-) (+) | 0,00 | 0,00 |
| **IV. Write down (-)(+)** | **0,00** | **0,00** |
| A. Increase (-) | 0,00 | 0,00 |
| B. Reversal (+) | 0,00 | 0,00 |
| **V. Provision for risks and expenses (-)(+)** | **0,00** | **0,00** |
| A. Increase (-) | 0,00 | 0,00 |
| B. Decrease (+) | 0,00 | 0,00 |
| **VI. Exceptional results (+)(-)** | **0,00** | **0,00** |
| A. Exceptional income (+) | 0,00 | |
| B. Exceptional charges (-) | | 0,00 |
| **VII. Company income taxes (-)(+)** | **0,00** | **0,00** |
| A. Taxes (-) | 0,00 | 0,00 |
| B. Corrections (+) | 0,00 | 0,00 |
| **VIII Result of the year (+)(-)** | **-59.937.232,08** | **0,00** |
| A. Profit (-) | 59.937.232,08 | 0,00 |
| B. Loss (+) | | |

# FINANCIAL STATEMENT
## 31 December 2023
## DB Ireland Compartment

| ASSETS | Current year | Previous year |
|---|---|---|
| **I. Formation Costs** | - | - |
| **II. Fixed assets** | - | - |
| A. Intangible assets | - | - |
| B. Tangible assets | - | - |
| C. Financial assets | | |
| **III. Investments** | **303.575.057,27** | - |
| **IV. Re-insurance** | - | - |
| **V. Receivables** | **235.390,00** | - |
| A. Contributions to be received | - | - |
| 1. related to financing plan | - | - |
| 3. related to recovery plans | - | - |
| D. Reinsurance | - | - |
| F. Other receivables | 235.390,00 | - |
| Stock exchange orders to be received | | |
| Variation margin - derivatives | 235.390,00 | |
| **VI. Cash balances** | **3.153.659,79** | - |
| KBC Bank | 4.678,48 | - |
| Northern Trust | 718.636,19 | - |
| Internal balances compartments | - 11.576,71 | - |
| Mercer account | 2.419.529,45 | |
| Retention account + suspense account | 22.392,38 | |
| **VII. Accruals** | **2.136.262,90** | - |
| A. Acquired income | 1.290.154,62 | - |
| B. Charges to be carried forward- Jan Pensions | 846.108,28 | - |
| **TOTAL** | **309.100.369,96** | - |

| LIABILITIES | Current year | Previous year |
|---|---|---|
| **I. Equity** | **59.937.232,08** | - |
| A. Surplus | 53.411.960,08 | - |
| B. Solvency margin | 6.525.272,00 | - |
| C. Losses carried forward (-) | - | - |
| **II. Technical provisions** | **248.882.626,00** | - |
| A. Retirement and death | 246.137.516,00 | - |
| B. Disability | 2.745.110,00 | - |
| C. Profit sharing | - | - |
| D. Others | - | - |
| **III. Provision for risks and expenses** | - | - |
| **IV. Payables** | **280.511,88** | - |
| A. Pension rights | - | - |
| B. Fiscal payables | - | - |
| C. Collateral | - | - |
| D. Financial Payables | - | - |
| E. Others/vendors | 280.511,88 | - |
| Vendors | 80.456,25 | - |
| Accruals | 200.055,63 | - |
| **V. Accruals** | - | - |
| A. Income to be carried forward | - | - |
| B. Accrued expenses | - | - |
| **TOTAL** | **309.100.369,96** | - |

Asset value : 306.728.717,06
Net asset value : 308.819.858,08

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