

**Unilever AGM**  
**5<sup>th</sup> May 2021**

**RPMI Railpen – Climate accounting question**

I am asking this question on behalf of RPMI Railpen, the investment arm of the UK Railways Pension Scheme.

As long-standing supporters of Climate Action 100+ and as long-term shareholders in Unilever, we welcome your commitment to targeting Net Zero emissions for all products and were pleased to support the Climate Transition Action Plan that you tabled for consideration today.

We believe that achieving Net Zero can only happen when capital is allocated in a way consistent with that ambition. To do this, companies like Unilever need to fully incorporate material information about climate-related issues into their financial statements. Railpen has been working with Carbon Tracker and the Climate Accounting Project to assess Unilever's accounts, amongst other CA100+ target companies, in this regard.

We welcome the reference to climate change in relation to the impairment assessment of goodwill and indefinite-life intangibles. However, we would also like to see Unilever disclose the costs associated with your climate risk commitments, including R&D and capex. We would welcome having insights into the likely impact on margins. Given the acknowledged materiality to your business, we would also expect your auditor to make explicit reference to climate change in their report.

We would like to ask what the Audit Committee's plans are for incorporating further information on the impact of climate change in next year's accounts? What would the Audit Committee expect of the auditor in its work considering this aspect of the accounting, and in the auditor's report on its work? And would the Audit Committee Chair be willing to meet with Railpen over the coming months to discuss this further?"