



Standing in the active Trustee election Guidance notes



Unilever

**Unilever
UK
Pension
Fund**

Introduction

In this document you'll find all you need to know about being a candidate for a place on the Trustee Board from 1 May 2021. Please also read the **role description**. If you stand for election as a Trustee, you will want to be confident it's right for you.

If you have any questions about the role or the election, please email Julie Halligan at **Julie.Halligan@unilever.com**

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Jargon buster

Much of the wording in this document has a specific meaning in this context – so we need to give definitions of exactly what some of the terms mean:

- Reference to **'active member'** in this document means a member who is building up benefits in the Fund.
- References to **'Trustee'** or **'Trustees'** in this document, mean a Director or Directors of Unilever UK Pension Fund Trustees Limited, the Trustee Company of the Unilever UK Pension Fund.
- References to **'active member Trustee'** in this document mean an Active Member Director on the Board of Unilever UK Pension Fund Trustees Limited.
- References in this document to the **'Fund'** are to the Unilever UK Pension Fund and references to the Company are to Unilever plc.

About the Board

Pension scheme trustees oversee the running of pension schemes. With the help of their administrators and advisers, they ensure that contributions are collected, assets are securely invested and the correct benefits paid in an efficient and timely fashion.

The trustee of the Unilever UK Pension Fund (the 'Fund') is Unilever UK Pension Fund Trustees Limited (the 'Trustee Company'). The Board of Directors of the Trustee Company is responsible for the Trustee Company properly discharging its duties as trustee of the Fund. There are 11 Directors: one independent chair, 5 Directors appointed by Unilever and 5 Directors nominated by members.

Each Director of the Trustee Company has certain duties imposed on that Director, including:

- Acting within the powers conferred by the Trustee Company's constitution; and
- Exercising independent judgment and reasonable skill, care and diligence.

Committees

Four committees have been established by the Trustee Company to deal with the 'practical aspects' of the Fund's operation. The committees' delegated powers and duties are set out in their terms of reference. Each Trustee will be expected to be a member of at least one committee. Other Trustees may attend other committee meetings in accordance with the protocols agreed by the Trustee Board from time to time.

Meetings

Trustees should:

- Wherever possible make arrangements to attend all Board and committee meetings where they are appointed (and should send their apologies if they are unable to attend). Trustees can either dial into meetings, or (in normal circumstances), attend in person.
- Arrange to have sufficient time to read the documentation for the meetings beforehand.
- Fully participate in discussion and debate on issues both amongst themselves and with advisers.
- Consider minutes of meetings and raise any points which they consider should be amended or added.

Trustee responsibilities

The fundamental role of the Trustees is to 'pay the right benefit, to the right person at the right time'. There are a number of different objectives that need to be met to enable this to happen.

These key objectives are to:

- Act in the interests of the various beneficiaries, whilst giving full and proper consideration to the interest of different classes of beneficiary (including, in particular circumstances, the employers).
- Invest and protect the assets of the Fund to make sure they are sufficient to pay the benefits when they are due.
- Ensure that contributions will be enough to meet the Fund requirements and are collected as they fall due.
- Make sure that the members receive the right benefits.
- Make sure that the Fund is run in line with the rules and complies with relevant laws.
- Encourage appropriate provision of information on pensions so that members can properly exercise their choices under the Fund.

Conflicts of interest

Trustees must declare to the other Trustees any potential conflict of interest which might apply to them and adhere to the Board's conflict of interest protocols.

Confidentiality

Trustees are required to sign Confidentiality Agreements and abide by them together with any other agreed protocols on confidentiality.

Trustee principles

We have established a series of principles – standards of behaviour that the Trustees need to demonstrate. Here are those standards in full.

Trustees should:

- ✓ Understand their role/powers and act accordingly.
- ✓ Work effectively in a team including striving for a consensual approach to decision making, whilst having the courage to stand by their own views, even if others may disagree and they remain unconvinced by counter arguments. Decisions should be reached after full discussions within a Board meeting.
- ✓ Take all relevant views into account when reaching decisions and encourage all views to be expressed.
- ✓ Take care to only present/discuss issues on behalf of the Trustee Company if they are truly reflective of the Board's position (otherwise to make it clear that views are being expressed in a personal capacity).
- ✓ Challenge, question and seek to understand the advice they are given from the Fund's professional advisers and seek alternative advice only with valid reasons.
- ✓ Pick up issues quickly, introducing relevant new information, debate them in a courteous and orderly manner and then make rational decisions on the basis of the information presented.
- ✓ Commit appropriate time to the (demanding) role, including that required to develop and maintain one's personal knowledge and understanding of pension matters.
- ✓ Delegate some duties to either in house executive teams and/or other third parties but recognising that ultimate responsibility remains with the Trustees.
- ✓ Delegate agents, such as investment managers and other professional advisers, when appropriate, to carry out the trustee duties on their behalf.
- ✓ Trust colleagues to take decisions on behalf of others where they have been given authority to do so, although ultimate responsibility remains with the Board collectively. Trustees may participate in ongoing committee meetings according to the protocols agreed by the Board from time to time.

Trustee competencies

A great Trustee is:

1

Trustworthy and has integrity

You're honest and have a strong sense of doing the right thing in the interest of all members.

2

Committed to the role

You're interested in the Fund and how it works. And you're willing to give up your time to make sense of complex information.

3

Great at teamwork

You're reliable and adaptable to others. You're comfortable working with different people and you arrive at meetings eager to contribute.

4

Flexible

You're open minded and keen to learn. You're happy to listen to opinions that are different from yours and are open to changing your mind in the light of what you hear.

5

Full of common sense

You have sound judgement and make reasonable decisions to help the Fund achieve its objectives.

6

A confident communicator

You're able to get your ideas across clearly and logically. And you're willing to listen to others and see things from their perspective.

7

Willing to take collective responsibility

You need to be willing to support and be accountable for all the decisions of the Board. This may mean taking responsibility for a group decision, even if you don't agree with it.

If you decide to apply, these competencies will be the focus of your phone call with our advisers, Korn Ferry. They'll talk to you more about the qualities that make a great Trustee, and you'll get a chance to give examples of how you've demonstrated them.

What you'll need to know

Trustees must, in accordance with The Pensions Act 2004, ensure that they have knowledge and understanding of:

- The law relating to pensions and trusts
- The principles relating to the funding of pension schemes
- The principles relating to investment of scheme assets
- Any other matters as required by legislation

Training and performance

As a new Trustee, you will receive extra training in your first 6 months to bring you up to speed with both pensions law and running the Fund. This includes the completion of the Pensions Regulator's online trustee toolkit.

Once you're up and running as a Trustee, training is provided on a regular basis to enable the Trustees to be conversant with current and forthcoming pensions issues. Trustees are encouraged to identify any additional training needs and raise them with the Fund Secretary/ Assistant Secretary.

Trustees should refer to the Pension Regulator's guide to being a trustee at www.thepensionsregulator.gov.uk to help them understand the duties and responsibilities of pension scheme trustees.

A log of training activities is maintained by Unilever UK Pensions, but it is the responsibility of each Trustee to ensure they satisfy the legislative requirements.

Trustees' performance, both individually and collectively, will be reviewed. Trustees should, therefore, be aware that their performance will be subject to review.

You'll need to have a working knowledge of these documents:

- Trust Deed and Rules
- Actuarial valuation report
- Schedule of Contributions
- Annual report and financial statement
- Member booklets and announcements
- Statement of Investment Principles
- Internal dispute resolution procedure
- Conflicts of interest protocols
- Committees' terms of reference
- Statement of Funding Principles
- Articles of Association of the Trustee Company



Qualifying to stand

Here is the full list of conditions you have to meet. Please read them carefully and double check you definitely meet them all before returning your nomination form and supporter statements.

- I am an active member employed by a Unilever company (or a business acquired by Unilever).
- I have two supporters who will support my application.
- I am not disqualified from eligibility for any of the reasons listed under ‘Disqualifications’.
- I live in the United Kingdom (or close enough to travel to London as someone living in the United Kingdom).
- I will attend 3 introduction sessions held on Microsoft Teams. The sessions will be on Thursday 4 February, and will be repeated on Tuesday 9 February.

The sessions will last around an hour each. On both days, there will be two slots available for each session.

Session 1: Trustee knowledge and understanding
 Slot 1: 9am-10am
 Slot 2: 10am-11am

Session 2: Duties and responsibilities
 Slot 1: 12pm-1pm
 Slot 2: 1pm-2pm

Session 3: Workshop with a Trustee
 Slot 1: 3pm-4pm
 Slot 2: 4pm-5pm

You can attend the slots that suit you best across either of the days, but we recommend you attend Session 3 after you’ve attended Sessions 1 and 2.

If you already hold a suitable Trustee qualification which is less than 5 years old, you don’t need to attend these sessions. Suitable Trustee qualifications include the PMI Trustee Certificate or completion of the Pension Regulator’s e-learning programme, the Trustee Toolkit.

- I can invest at least 25 days a year to perform the role of active Trustee. I have thought carefully about the time commitment and balancing any other responsibilities I have with the active Trustee role.
- I agree to undertake training in connection with being a Trustee of the Fund as is decided by the Trustees, which includes complying with the trustee knowledge and understanding requirements. See the ‘What you need to know’ section.
- I agree to have a phone call with our advisers Korn Ferry to discuss the role and the qualities that make a great Trustee.

How to apply to be a Trustee

- I accept the confidentiality requirements placed on all Trustees of the Fund.
- I agree to act in line with the Fund's principles for Trustees, and the and role description.
- I understand I will need to complete my nomination form, including my personal statement and two supporter statements, which must be received by 26 February 2021.

Disqualifications

It is possible that your personal circumstances may disqualify you from standing as a pension scheme trustee. They are set out in full in Section 29 of the Pensions Act 1995, but to make sure you are eligible to stand, you must not be disqualified for any of the following reasons.

Can you answer 'True' to all the following statements?

- I have not been convicted of any 'offence involving dishonesty or deception' where the conviction is not 'spent'. (A conviction is 'spent' when the person has served the sentence and not re-offended during whatever rehabilitation period is set. You do not have to supply details of a 'spent' conviction.)
- I am not under investigation for an offence of this kind.
- I am not an undischarged bankrupt, and there is no award of my estate to creditors pending.
- There are no ongoing proceedings to declare me bankrupt or distribute my estate to creditors.
- I am not disqualified from joining or managing a company under the Company Directors Disqualification Act 1986 – and no such proceedings are ongoing.
- I am not subject to an order under the Insolvency Act 1986 after failing to make payments required by an administration order.
- I am not currently taking part in a composition contract (or similar arrangement) with my creditors. (A 'composition contract' is an agreement with creditors to settle a debt immediately by only re-paying part of it.)
- The Pensions Regulator has not taken any action to suspend or stop me from acting as a Trustee of the Fund (or any other pension scheme).
- I am not subject to a moratorium period under a debt relief order, debt relief restrictions order, or an interim debt relief restrictions order.

If you are in any doubt about whether any of these 'disqualifications' may apply to you – in particular, if you are concerned you may have committed an 'offence of dishonesty or deception' – please contact Julie Halligan in the first instance by email:

Julie.Halligan@unilever.com

How the process works and important dates

<p>1 Want to be a Trustee? If you're interested in standing, send us the reply slip by:</p>	<p>29 January</p>
	
<p>2 If you're eligible, we'll send you a nomination pack. Unless you already have a suitable trustee qualification, you will need to dial in to 3 one-hour introduction sessions. These sessions will take place on Microsoft Teams, on:</p>	<p>4 and 9 February</p>
	
<p>3 You'll get a call about arranging a time to talk to someone from an independent company to see if we're a good fit for each other. You'll hear from us by:</p>	<p>9 February</p>
	
<p>4 You'll get a call from the independent company. They'll talk to you about the qualities that make a great Trustee and the time involved. You can tell them about how you see yourself fitting into the role. The call will last around an hour and will happen between:</p>	<p>10-25 February</p>
	
<p>5 If you'd like to stand, you'll need to fill in the form in this nomination pack. Send it back to us, along with your personal statement and the forms from your two supporters telling us that they think you'd make a good Trustee. We'll need to receive your nomination by:</p>	<p>26 February</p>
	
<p>6 If we have more than one candidate from either or both constituencies, we'll hold an election. Members will need to vote by:</p>	<p>16 April</p>



The new Trustees will start their role from 1 May

Constituencies

There are two constituencies based on where members work. We'll welcome a Trustee from each of the constituencies.

Constituency 1

- Slough
- Norwich
- Purfleet
- Total Refrigeration Limited
- Port Sunlight Sourcing Unit and Office
- Warrington
- Leeds
- Gloucester
- Trafford Park
- Preston Brook
- Burton
- Crumlin
- Doncaster
- West Thurrock
- TIGI Distribution Centre

Constituency 2

- Port Sunlight Research Lab
- Ben & Jerry's, Datchet
- Four Acres Management Centre
- Leatherhead
- Colworth Science Park
- Kingston
- Unilever Ventures Head Office
- 100VE London Corporate Centre
- TIGI Academy Battersea
- TIGI Head Office UK
- Field Sales UK
- International Assignees
- Herb House