



# Applying to be a deferred member Trustee 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 2022. Please also read the **role description**.

If you have any questions about the role or the selection process, please email **pensions.uk@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:

- References to '**deferred member**' in this leaflet mean a member who is no longer building up benefits and has not started taking their benefits yet.
- 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 '**deferred member Trustee**' in this document mean a Deferred 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: 1 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 judgement 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. They are:

- Appeals & Discretions Committee
- Audit & Risk Committee
- Defined Contribution Committee
- Investment & Funding Committee

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). Trustee meetings will either be held in person in London or remotely on Microsoft Teams. Typically in a year there are 4 Board meetings and 4 meetings for each committee.
- 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.

We understand that the role can be demanding, so we offer an honorarium to our trustees for their commitment to 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. As a deferred member Trustee, if you start work at a competitor of Unilever in a role which could create business confidentiality issues, your term of office will end.

### 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. Trustees should be able to make rational decisions to resolve any issues.
- ✓ Commit appropriate time to the 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. This is your chance to give examples of how you've demonstrated them.

## What you'll need to learn

### 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'll receive extra training in your first 6 months to bring you up to speed with both pensions law and running the Fund. You'll also need to complete the Pensions Regulator's online trustee toolkit. To help you carry out the role properly, you'll receive an allowance for any computer equipment or reasonable expenses you might need.

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](http://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 statements
- Member booklets and announcements
- Statement of Investment Principles
- Internal dispute resolution procedure
- Conflicts of interest protocols
- Committees' terms of reference
- Statement of Funding Principles

## Qualifying to apply

**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.**

- I am a deferred member who is no longer building up benefits and has not started taking their benefits yet.
- I have read the 'Disqualifications' section and confirm that none of the disqualifications apply to me.
- I live in the United Kingdom or I live close enough to travel to London, if necessary, in the same time as anyone living in the UK.
- I am not a 'Guaranteed Minimum Pension/Equivalent Pension Benefit' only member.
- I will attend the 3 introduction sessions held on Microsoft Teams. The sessions will be on Tuesday 8 February, and will be repeated on Saturday 12 February.

The sessions will last around an hour each. On each day, there will be 2 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: 12am - 1pm  
Slot 2: 1pm - 2pm

**Session 3: Workshop and meet 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're unable to attend, please email [pensions.uk@unilever.com](mailto:pensions.uk@unilever.com)

If you hold a suitable Trustee qualification which is less than 5 years old, you can still attend these sessions but you don't have to. The qualification could be a PMI Trustee Certificate or you might have completed the Pension Regulator's e-learning programme, the Trustee Toolkit.

- I can invest at least 25 days a year to perform the role of deferred Trustee plus 6 days training in the first 6 months. I have thought carefully about the time commitment and balancing any other responsibilities I have with the deferred Trustee role.
- I agree to take part in such 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'll need to learn' section.

### How to apply to be a Trustee

- I agree to take part in a phone call with the Trustee’s advisers, Korn Ferry, between 7 and 18 March. In this call I’ll discuss the Trustee competencies and how I demonstrate them.
- I agree to take part in an interview with the selection panel. Depending on COVID restrictions, these will be held in person in London on 12 and 13 April. Otherwise, the interview will take place remotely using Teams.
- I agree to provide 2 referees in support of my nomination.
- 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 role description.
- I understand I will need to complete my nomination form and provide contact details for two referees, which must be received by 28 February 2022.

If you are employed by a competitor of Unilever in a role which could create business confidentiality issues, you might not be eligible to apply. The Chair of the Trustees and the Head of Trustee Services will make the final decision on this point.

## 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](mailto:Julie.Halligan@unilever.com)**



## How the process works and important dates

**1** If you were interested in standing, you sent us the flyer reply slip by:

**28 January**

We confirmed whether you were eligible to stand. If you were, we sent you a nomination pack, which explains more about being a Trustee and about the application process. It also includes the form you'll need to fill in after the introduction sessions.



**2** Unless you already have a suitable trustee qualification, you'll need to dial in to the 3 one-hour introduction sessions. The sessions will take place on Microsoft Teams, on:

**8 and 12 February**



**3** If you'd like to stand you'll need to fill in the form in the nomination pack. Send it back to us, including details of your 2 referees. We'll need to receive your nomination by:

**28 February**



**4** The selection panel – made up of the Chair of Trustees and some existing Trustees – will shortlist candidates. If you're shortlisted, you'll get a call from an independent company, Korn Ferry, between:

**7 and 18 March**

The call will last around an hour and they'll check that the Trustee role is right for you. They'll talk to you about the qualities that make a great Trustee and the time involved. And, you'll tell them about how you'll make a good fit.



**5** If the role might be suitable for you, you'll be invited to take part in an interview. These be held in London on:

**12 and 13 April**

Depending on COVID restrictions, these will be held in person. Otherwise, the interview will take place remotely using Teams.



**6** We'll let you know if you're been selected to join the Board or not by:

**25 April**



**The new Trustee will be invited to their first Board meeting in April and will officially start their role from 1 May 2022.**