



ZIONIST ORGANIZATION OF AMERICA

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September 2, 2021

To:

Alan Jope (Unilever PLC CEO & Executive Director to the Board)
Nils Andersen (Unilever PLC Board Chair & Chair of Corporate Governance Committee)
Andrea Jung (Unilever PLC Board Vice-Chair and Senior Independent Director)
Graeme Pitkethly (Chief Financial Officer, Executive Director to the Board of Unilever PLC)
Laura Cha (Unilever PLC Board member & Corporate Governance Committee member)
Dr Judith Hartmann (Unilever PLC Board member)
Susan Kilsby (Unilever PLC Board member)
Strive Masiyiwa (Unilever PLC Board member & Corporate Responsibility Committee Chair)
Professor Youngme Moon (Unilever PLC Board member & Corporate Responsibility Committee member) (Email: <https://www.hbs.edu/faculty/Pages/contact.aspx?facId=6589>)
John Rishton (Unilever PLC Board member)
Feike Sijbesma (Unilever PLC Board member & member of Corporate Governance Committee & Corporate Responsibility Committee)

c/o

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Unilever US, Inc
800 Sylvan Avenue
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Re: Shareholder Derivative Demand to Unilever Board to Override Ben & Jerry's Discriminatory Boycott of Jews and Israel, Which is Harming Unilever PLC

To the Unilever PLC Chairman, CEO and Members of the Unilever PLC Board of Directors:

On behalf of Unilever PLC shareholders Dr. Paul Tartell, Richard Allen and potential additional shareholders, we hereby demand that you comply with your fiduciary duties and immediately override Unilever subsidiary Ben & Jerry's unlawful, discriminatory and antisemitic decision to stop selling ice cream in eastern Jerusalem, Judea and Samaria. Ben & Jerry's decision is effectively a boycott of all of Israel.

If Unilever fails to reverse Ben & Jerry's decision, then Unilever and its shareholders will suffer grave and possibly irrevocable financial, legal and reputational harm. Sales of all Unilever products will suffer. Ben & Jerry's has already lost its kosher certification in Australia and may lose it in the United States and elsewhere, which will adversely impact the market for Ben & Jerry's products among many Jewish and non-Jewish consumers. States and localities throughout the United States and elsewhere will stop purchasing Unilever products and end their investments in Unilever stock. Unilever will become known as a company that supports antisemitism and permits discrimination against Jews and Israel.

Unilever Must Override Ben & Jerry's Decision, Because It is Discriminatory and Antisemitic

Ben & Jerry's is boycotting the 800,000 Jews living in what has been the heart of the historic Jewish homeland for thousands of years – eastern Jerusalem, Judea and Samaria. These areas are lawfully designated for the Jewish state under binding international law, including the San Remo Resolution, the British Mandate, the United Nations Charter, and the Anglo-American Convention. Jerusalem is the holiest city to the Jewish people; the eastern section contains Judaism's holiest places, including the Temple Mount, the Western Wall and the Mount of Olives.

These areas are not “occupied Palestinian territory,” as Ben & Jerry's falsely describes it. Ben & Jerry's is promoting the antisemitic lie that Jews are stealing Palestinian Arab land.

Significantly, Ben & Jerry's decision is effectively a boycott of all of Israel. Israeli law forbids boycotts of Israeli citizens, Jewish or Arab, in all territories controlled by Israel. Indeed, 90 members of the Israeli Knesset (75% of the Israeli Parliament) from across the political spectrum sent a letter to Unilever's CEO, urging reversal of Ben & Jerry's and Unilever's “shameful, . . . immoral and regrettable” boycott decision. The Knesset members' letter confirmed that the decision “violates the laws of the State of Israel: The Prohibition of Discrimination in Products Law and the prohibition of boycotting various areas of the country.”¹ Complying with Ben & Jerry's discriminatory requirements would force Ben & Jerry's current Israeli licensee to violate Israeli law, which he and any other future Ben & Jerry's licensee obviously cannot do. Thus Ben & Jerry's is preventing any law-abiding franchisee from operating in Israel.

Singling out Israel – the one flourishing democracy in the Middle East, where Jews and non-Jews have equal rights – for condemnation and harm, while allowing Ben & Jerry's ice cream to be sold in real human-rights-abusing countries including China, Iran and Syria, is antisemitic, according to the definition of antisemitism² that is used by the U.S. government and many other countries and institutions around the world.

¹ “Request by the Knesset, the Israeli House of Representatives – Reversal of the Decision by Ben & Jerry's Homemade Holdings,” letter with list of 90 Members of Knesset signatories, from at least 10 Israeli political parties, included in tweet by Member of Knesset Merav Ben Ari, July 28, 2021, <https://twitter.com/Meravbenari/status/1420305350134222849>

² International Holocaust Remembrance Alliance (IHRA) Working Definition of Antisemitism, <https://www.holocaustremembrance.com/resources/working-definitions-charters/working-definition-antisemitism>

Regardless of how they are trying to portray it, Ben & Jerry's and Unilever are targeting and discriminating against the one and only Jewish state in the world. They are denying the right of the Jewish people to live in their ancestral homeland, which includes Judea, Samaria and eastern Jerusalem. Ben & Jerry's and Unilever have already paid a financial and reputational price for their antisemitic and anti-Israel actions. That price will get steeper, at the expense of Unilever's shareholders, unless Unilever overrides Ben & Jerry's discriminatory boycott decision.

Unilever has the Power and Obligation to Override Ben & Jerry's Decision

When Unilever acquired Ben & Jerry's in 2000, the parties agreed that Unilever's governance requirements would be binding on Ben & Jerry's. The parties' License Agreement dated as of April 11, 2000, entered into in connection with the acquisition, requires that all Ben & Jerry's board members and employees "shall agree to abide by the Unilever Code of Business Conduct" and "shall agree to abide by Unilever's financial, accounting and legal procedures."³

Unilever confirmed this agreement in its SEC Form 20-F filing for 2000,⁴ stating:

It is Unilever's policy to bring acquired companies within the Group's governance procedures as soon as is practicable and, in any event, by the end of the first full year of operation. Businesses acquired during 2000, such as Ben & Jerry's Homemade Inc. . . . are already subject to Unilever's procedures.

Unilever's Board accordingly has the power and the obligation to enforce its binding governance requirements by overriding Ben & Jerry's discriminatory, antisemitic boycott decision.

Unilever's Own Governance, Business and Responsible Marketing Policies Require Unilever to Override Ben & Jerry's Antisemitic Boycott Decision

Unilever's governance standards⁵ specifically state that Unilever's "Code of Business Principles and Code Policies" are "mandatory," "universally applicable," "must be adhered to strictly," and "provide a set of mandatory rules designed to ensure consistency in key areas within our worldwide operations." Moreover, the Unilever "Board is responsible for ensuring that these standards of conduct are applied throughout Unilever." (As noted above, the Unilever-Ben & Jerry's License Agreement also requires every board member and employee of Ben & Jerry's to abide by the Unilever Code of Business Conduct, which is now titled "Unilever Code of Business Principles and Code Policies.")

The Unilever Code of Business Principles and Code Policies"⁶ (the "Unilever Code") contains numerous requirements that Ben & Jerry's has violated, including the following:

³ Proxy Statement filed by Ben & Jerry's Homemade, Inc., with License Agreement, para. 6.14(j) <https://www.sec.gov/Archives/edgar/data/0000768384/000091205700030913/defm14a.txt>

⁴ Unilever Annual Report & Accounts and Form 20-F 2000, https://www.unilever.com/Images/2000-ara-form-20-f_tcm244-424104_1_en.pdf

⁵ "The Governance of Unilever" Oct. 2020, https://www.unilever.com/Images/the-governance-of-unilever-2020_tcm244-543151_en.pdf

⁶ Unilever Code of Business Principles and Code Policies, https://www.unilever.com/Images/code-of-business-principles-and-code-policies_tcm244-409220_en.pdf

(1) The Requirement to Respect Relationships: The Unilever Code requires that operations be conducted with “respect [for] the legitimate interests of those with whom we have relationships.” Ben & Jerry’s is showing complete and utter disrespect for the stores that have been selling Ben & Jerry’s ice cream in Judea and Samaria and the eastern part of Jerusalem; for the customers in these areas; for its Israeli licensee and his employees who now cannot operate in these areas and in all of what is unquestionably sovereign Israel; and for pro-Israel consumers, stores and franchisees impacted by Unilever and Ben & Jerry’s sales declines throughout the world.

Indeed, we understand that several Ben & Jerry’s franchisees, operating a total of 30 stores in the U.S., with a total revenue of \$23.3 million, and a cumulative 250+ years of partnership with Ben & Jerry’s, have already alerted Ben & Jerry’s to the damage its anti-Israel boycott decision has caused. These franchisees have advised Ben & Jerry’s that the boycott “has imposed, and will continue to impose, substantial financial costs on all of us. More importantly, the controversy your recent actions have brought upon our local businesses has had an adverse effect on the value of our independently owned franchises and investments.”

(2) The Requirement to Obey Applicable Laws: According to the Unilever Code section entitled “Obeying the Law”: “Unilever companies and employees are required to comply with the law and regulations of the countries in which we operate.” As is described in more detail below, Ben & Jerry’s boycott decision amounts to a failure to comply with the numerous laws, executive orders and resolutions in the United States that oppose and/or penalize boycotts against Israel. Federal and international antiboycott laws may be implicated as well, including Israel’s anti-boycott laws. Unilever could face significant financial and other penalties, for its failure to enforce the Unilever Code’s requirement that all Unilever companies and employees comply with applicable laws.

(3) The Requirement Not to Discriminate: The Unilever Code requires that Unilever’s “working environment promotes diversity, inclusion . . . and equal opportunity . . . where there is mutual trust, respect for human rights and no discrimination.” If Unilever fails to take corrective action and override Ben & Jerry’s boycott, then it is permitting discrimination against Jews and the Israeli licensee and his employees – both Jewish and Arab – whose livelihoods will be negatively affected because of Ben & Jerry’s discriminatory decision.

(4) The Requirement to Engage in Responsible Marketing: The “Responsible Marketing” provisions of the Unilever Code⁷ require that all of Unilever’s promotional materials and events “[d]escribe our products/services and their effects truthfully, accurately and transparently, with appropriate factual and, where relevant, nutritional information.” Ben & Jerry’s boycott announcement – which is prominently displayed on its website and in its Twitter feed, and which Unilever’s website links to – falsely describes the Jewish heartland, to which Israel has the sovereign right under binding international law, and which contains the Jewish people’s holiest sites, as “Occupied Palestinian Territory.”

As the Unilever Code makes clear, “Compliance with these principles is an essential element in our business success.” It is now up to you to ensure that Unilever demands and obtains

⁷ https://www.unilever.com/Images/4394-cobp-code-policies-booklet-external.v12_tcm244-480369_en.pdf

compliance, which means exercising your power and obligation to override Ben & Jerry's discriminatory and antisemitic boycott decision.

Disappointingly, instead of complying with these fiduciary governance requirements, Unilever has wrongfully been trying to absolve itself from Ben & Jerry's discriminatory and antisemitic boycott decision. In a July 19, 2021 statement, Unilever claimed that since the time of its acquisition of Ben & Jerry's in 2000, "we have always recognised the right of the brand and its independent Board to take decisions about its social mission."⁸ In a July 27, 2021 letter to a major Jewish umbrella organization, CEO Alan Jope restated the exact same unsatisfactory line, wrongly attempting to avoid Unilever's responsibility for a decision that discriminates against Jews and the Jewish state of Israel.⁹

In fact, Unilever is not off the hook. Under its License Agreement with Ben & Jerry's, discrimination and antisemitism were not part of Ben & Jerry's historical social mission. Moreover, Ben & Jerry's was afforded only "primary responsibility" – not exclusive responsibility – "for preserving and enhancing the objectives of the historical social mission of [Ben & Jerry's] as they may evolve from time to time consistent therewith [i.e., with the historical mission]. Thus Unilever cannot use a "social mission" excuse to ignore its Board's fiduciary responsibility and its legal mandate to enforce its governance requirements here.

The Unilever Board's Failure to Override Ben & Jerry's Decision Has Caused, and Will Continue to Cause Financial, Legal and Reputational Harm to Unilever

Six of the 35 states that have anti-BDS laws, executive orders or resolutions are already looking into whether Unilever is violating those laws and orders, and are taking steps that could severely damage Unilever financially and legally and indelibly stain Unilever's reputation.

Florida Governor Ron DeSantis has already requested that Ben & Jerry's and Unilever be placed on the Continued Examination Companies that Boycott Israel List, and that the process be initiated to place both Unilever and Ben & Jerry's on the Securitized Companies that Boycott Israel List.¹⁰ If Unilever does not override Ben & Jerry's decision, then Governor DeSantis has directed that the State of Florida will refrain from buying Unilever assets, in accordance with Florida law.

In Texas, the state comptroller has also already taken action, stating, "I've directed my staff to determine whether any specific action has been taken by Ben & Jerry's or Unilever [that] would

⁸ Unilever Statement on Ben & Jerry's Decision, July 19, 2021, <https://www.unilever.com/news/press-releases/2021/unilever-statement-on-ben-and-jerrys-decision.html>

⁹ See Conference of Presidents of Major American Jewish Organizations July 27, 2021 tweet incorporating July 27, 2021 letter from Unilever CEO Alan Jope. The Conference of Presidents' tweet also declared that Unilever's "response does not go nearly far enough. They should rescind the Ben & Jerry's decision, as boycotts of Israel are discriminatory + further inflame tensions." https://twitter.com/Conf_of_Pres/status/1420076130648969217

¹⁰ "Governor Ron DeSantis Calls on State Board of Administration to Place Ben & Jerry's on the Continued Examination Companies that Boycott Israel List," July 22, 2021, <https://www.flgov.com/2021/07/22/governor-ron-desantis-calls-on-state-board-of-administration-to-place-ben-jerrys-on-the-continued-examination-companies-that-boycott-israel-list/>

trigger a listing under Chapter 808 of the Texas Government Code,”¹¹ which prohibits investment in companies that boycott Israel. Penalties imposed by Texas alone could have an enormous impact on public pension investments in Unilever, because the Texas comptroller controls billions of dollars of assets. Texas Governor Gregg Abbott has made clear how seriously he takes this situation and that he expects Unilever to override Ben & Jerry’s decision, stating: “Ben and Jerry’s decision to boycott parts of Israel is disgraceful and an insult to America’s closest ally in the Middle East. . . . Unilever, Ben and Jerry’s parent company, must reverse this ill-conceived decision.”¹²

In Illinois, the Israeli Boycott Restrictions Committee of the Illinois Investment Policy Board is giving Unilever a 90-day deadline to reverse Ben & Jerry’s decision.¹³ If Unilever fails to do so, then we expect the state to direct Illinois state employee retirement funds to divest from Unilever, in accordance with Illinois law.

In New York, the executive director of Corporate Governance for the New York State Common Retirement Fund has already notified Unilever that the State Comptroller is “troubled and concerned about reports suggesting that Ben & Jerry’s, a Unilever wholly-owned subsidiary, is involved in BDS activities.”¹⁴ The letter put Unilever on notice that “the Fund intends to include Unilever on our list of companies participating in BDS activity if these reports are correct”¹⁵ – which would mean that New York State would be banned from doing business with Unilever.

In New Jersey, an official in the State Treasurer’s office stated that “the Division of Investment is aware of the [Ben and Jerry’s] situation and is working to determine whether any actions must be taken to ensure continued compliance with the State’s anti-BDS law.”¹⁶ If state officials determine that Unilever is violating the law, then we expect that New Jersey, too, will be divesting its state pension funds from Unilever.

In Maryland, the Secretary of State confirmed that the state would abide by the Governor’s 2017 executive order which “prohibits all Executive Branch agencies controlled by the Governor from entering into a procurement contract with a business entity unless it certifies that it will, for the duration of its contractual obligations, refrain from a boycott of Israel.”¹⁷ The Secretary of State made it clear that “[t]he State will review State contracts to determine whether Ben & Jerry’s and its parent company, Unilever, have existing contracts with the State of Maryland and the State will respond accordingly.”¹⁸ Unless Unilever overrides Ben & Jerry’s discriminatory boycott

¹¹ “Texas and Florida Get Involved in Israel’s Fight With Ben & Jerry’s Over West Bank Boycott,” CNBC, July 22, 2021, <https://www.cnbc.com/2021/07/22/texas-gets-involved-in-israels-fight-with-ben-jerrys-over-west-bank-boycott.html>

¹² *Id.*

¹³ “Illinois Seeks Ben & Jerry’s Divestment Over Israel Stance,” AP News, July 28 2021, [Illinois seeks Ben & Jerry’s divestment over Israel stance \(apnews.com\)](https://www.apnews.com/illinois-seeks-ben-jerry-divestment-over-israel-stance)

¹⁴ “5 States are Considering Sanctions on Ben & Jerry’s After West Bank Pullout,” JTA, July 23, 2021, [5 states are considering sanctions on Ben & Jerry’s after West Bank pullout - Jewish Telegraphic Agency \(jta.org\)](https://www.jta.org/5-states-are-considering-sanctions-on-ben-jerry-after-west-bank-pullout)

¹⁵ *Id.*

¹⁶ *Id.*

¹⁷ Maryland Secretary of State John C. Wobensmith’s Aug. 2, 2021 letter to Howard Libit (Executive Director, Baltimore Jewish Council) and Ronald Halber (Executive Director, JCRC of Greater Washington), [Letter to Howard Libit and Ronald Halber, 8.2.20212.pdf \(jccouncil.org\)](https://www.jccouncil.org/letter-to-howard-libit-and-ronald-halber-8.2.20212.pdf)

¹⁸ *Id.*

decision, Unilever and Ben & Jerry's are risking the loss of all state procurement contracts with both companies.

We anticipate that other states will follow the lead of the foregoing six states, as they should. This will likely mean that Unilever will be facing huge and increasing financial losses. Government entities would have to stop buying Unilever products. And states would have to withdraw employee pension funds from Unilever and prohibit such funds from being invested in Unilever.

Unilever is also facing significant financial harm from the decisions of businesses rightfully disgusted by Ben & Jerry's antisemitic and discriminatory actions. Several grocery chains have already removed Ben & Jerry's products from their shelves.¹⁹

Morton Williams, a supermarket chain that operates 15 stores in New York and one in New Jersey, is dramatically reducing Ben and Jerry's products at its stores.²⁰ In a press release announcing its decision, Morton Williams stated, "This action is taken in response to Ben & Jerry's boycott of Jewish communities that are at the center of a territorial dispute in Israel, including the Jewish Quarter of Jerusalem – inhabited by Jews for over 3,000 years."²¹

Morton Williams is also contacting other retailers and distributors, urging them to follow suit.²² As its co-owner stated, "Of all the places in the world to boycott, Ben & Jerry's has chosen to target the one Jewish nation in the world."²³

Unilever and Ben & Jerry's are also facing actual and potential revocations of Ben & Jerry's kosher certifications, which would mean a commensurate reduction in sales from the many consumers (including Jews, Muslims²⁴ and others) who rely on kosher certification. Australia's kosher certification board, the Kashrut Authority (KA), announced that it is removing Ben & Jerry's ice cream from its list of approved products, to protest Ben & Jerry's boycott of "those who proudly reside in Judea and Samaria."²⁵ Losing the kosher certification makes sense. The products of a company that boycotts Jews for living in the Jewish heartland cannot be kosher.

¹⁹ "Some Grocery Stores Pulling Ben & Jerry's Off Shelves After Brand Announces Plans to Stop Selling Ice Cream in Occupied Palestinian Territories," CBS New York, July 23, 2021, [Some Grocery Stores Pulling Ben & Jerry's Off Shelves After Brand Announces Plans To Stop Selling Ice Cream In Occupied Palestinian Territories – CBS New York \(cbslocal.com\)](https://www.cbslocal.com/news/some-grocery-stores-pulling-ben-jerry-s-off-shelves-after-brand-announces-plans-to-stop-selling-ice-cream-in-occupied-palestinian-territories/)

²⁰ "Morton Williams Cracks Down on Ben & Jerry's Over Israel Controversy," New York Post, July 19, 2021, [Morton Williams cracks down on Ben & Jerry's over Israel controversy \(nypost.com\)](https://nypost.com/2021/07/19/morton-williams-cracks-down-on-ben-jerry-s-over-israel-controversy/)

²¹ *Id.*

²² *Id.*

²³ *Id.*

²⁴ "Muslims a Prime Market for Kosher Foods," Supermarket Guru, The Lempert Report, Nov. 17, 2008, at <https://www.supermarketguru.com/articles/muslims-a-prime-market-for-kosher-foods/>

²⁵ "Australian Kosher Authority Delists Ben & Jerry's Ice Cream Over West Bank Ban," by Stuart Winer and TOI Staff, *Times of Israel*, July 21, 2021, [Australian kosher authority delists Ben & Jerry's ice cream over West Bank ban | The Times of Israel.](https://www.timesofisrael.com/australian-kosher-authority-delists-ben-jerry-s-ice-cream-over-west-bank-ban/)

Even before this debacle, Unilever was hurting, reportedly announcing at the end of July a drop in first half net profits amid rising costs.²⁶ Unilever stock reportedly fell more than 7% in one week and the stock was down over 4% from the previous month.²⁷ If Unilever does not override Ben & Jerry's discriminatory and antisemitic decision, we expect its profits to drop even further and its stock price to plummet.

The reputational damage to Unilever is likewise significant. If Unilever does not override Ben & Jerry's decision, it will forever be known as the company that supported antisemitic boycotts, denied the Jewish people's thousands-of-years connection to their ancestral homeland, and authorized the targeting of and discrimination against the one Jewish nation in the entire world.

Moreover, by failing to override Ben & Jerry's boycott, Unilever will be siding with some of the world's worst terrorists. The Israeli Ministry of Strategic Affairs has documented that the key anti-Israel boycott organizations are led by convicted terror operatives from the U.S.-designated terrorist groups Hamas and the PFLP, and their front groups.²⁸ Such an unsavory alignment will do incalculable damage to Unilever's reputation among consumers and others.

Conclusion

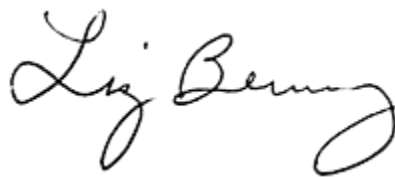
On behalf of your stockholders Dr. Paul Tartell, Richard Allen and potential additional shareholders, we demand that you take immediate corrective action, in the best interests of Unilever and to comply with your fiduciary duties. You must: (1) publicly and unequivocally condemn Ben & Jerry's boycott decision as hateful, discriminatory and antisemitic; (2) override the decision immediately; and (3) in a public statement, make it clear to Ben & Jerry's and the rest of the world that Unilever firmly rejects and will never indulge antisemitism in any form, including antisemitism targeting the Jewish state of Israel.

Thank you for your attention to this serious matter. Please respond to us in writing by no later than Tuesday, September 14, 2021.

Sincerely,



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²⁶ "Finally, Something Unites Israeli Politicians: Ice Cream," by Zev Chafets, Bloomberg.com, July 26, 2021, [Israel: Ben & Jerry's Boycott Is a Bellyache for Unilever - Bloomberg](#)

²⁷ Id.

²⁸ "Terrorists in Suits: The Ties Between NGOs Promoting BDS and Terrorist Organizations," Israel Ministry of Strategic Affairs, Feb. 2019, https://www.gov.il/BlobFolder/generalpage/terrorists_in_suits/en/De-Legitimization%20Brochure.pdf