

ATTORNEY GENERAL OF MISSOURI ERIC SCHMITT

November 22, 2021

Mr. Alan Jope Chief Executive Officer, Unilever PLC Unilever House 100 Victoria Embankment London EC4Y 0DY United Kingdom

Re: Unilever's Boycott of the State of Israel

Dear Mr. Jope:

We, the Attorneys General of our respective States, write today to express our grave concerns about Unilever's decision to engage in a boycott of the State of Israel. Not only is Israel one of our nation's closest and most reliable allies, but it is also the only democratic nation in its region and has long been a force for peace and stability.

For these reasons, the citizens of our respective States, speaking through their own duly elected representatives, have inscribed into law the clear public policy that any attempt to boycott the State of Israel will be met with financial divestment of state resources from the offending corporation. Thirty-three U.S. States have enacted laws, resolutions, or executive orders that prohibit investment of public pension funds or the awarding of government procurement contracts to companies that boycott Israel.¹

In July 2021, Ben & Jerry's Homemade Inc., a wholly owned subsidiary of Unilever, announced that it is "inconsistent with our values for Ben & Jerry's ice

¹ Foundation for Defense of Democracies, *Analysis of Unilever Letter on Ben & Jerry's BDS Activity*, at https://www.fdd.org/analysis/2021/08/03/analysis-unilever-ben-jerrys-bds-activity/.

cream to be sold in the Occupied Palestinian Territory (OPT)."² Accordingly, Ben & Jerry's announced that it had notified a licensee in the region that it would not renew its license agreement when it expires at the end of 2022.³

Despite the fact that the policies of most U.S. States opposing boycotts of Israel are widely known, Unilever has embarked on an unfortunate and financially misguided path of testing our States' resolve by refusing to stop Ben & Jerry's from boycotting selected regions within the State of Israel. Instead, Unilever has attempted to sidestep responsibility for this action by claiming that a comparatively small subsidiary of your giant global conglomerate is actually calling the shots. In public statements, Unilever claims to "have always recognized the right of the brand [Ben & Jerry's] and its independent Board to take decisions in accordance with its social mission." This assertion that the "tail" wags the multi-billion dollar corporate "dog" stretches credulity. In fact, Ben & Jerry's declares on its website that it is a "wholly-owned subsidiary of Unilever," and yet it persists with its radical boycott. As the corporate parent with complete ownership and control, Unilever cannot escape legal and moral responsibility for Ben & Jerry's ill-conceived boycott.

Attempts by Unilever to deflect accountability and blame an ice-cream maker from the hills of Vermont (notorious for its leftist political activism) for its own corporate missteps are thus unconvincing. Any such attempt to rebrand Unilever as an unwitting bystander, a veritable hostage to its radical subsidiary, fall flat upon a closer examination of corporate records. Unilever's 2020 Annual Report reveals that its corporate scruples do not extend to boycotts of nations such as China, Russia, Pakistan, Saudi Arabia, and Venezuela, to name just a few. Of particular concern is

² "Ben & Jerry's Will End Sales of Our Ice Cream in the Occupied Palestinian Territory," at https://www.benjerry.com/about-us/media-center/opt-statement. ³ Id.

 $^{^4}$ July 27, 2021, Letter of Unilever PLC to the Conference of Presidents of Major American Jewish Organizations, at

https://pbs.twimg.com/media/E7UftZgXIAg5FJW?format=jpg&name=large.

⁵ https://www.benjerry.com/about-us/how-were-structured

 $^{^6\} https://www.benjerry.com/about-us/media-center/opt-statement$

⁷ In point of fact, Unilever is well aware of the activism of Ben & Jerry's Homemade Inc. As noted in its own annual report under the heading "Every brand a movement," Unilever states, "The work of our brands reaches beyond food and nutrition to broader wellbeing, inclusion and sustainability causes... Brands like Ben & Jerry's continued to fight for radical change beyond food and nutrition, such as racial justice, refugee and voting rights, and climate action." https://www.unilever.com/Images/annual-report-and-accounts-2020_tcm244-559824_en.pdf

8 Id.

Unilever's corporate dealings with the country of Iran, designated a state sponsor of terrorism by the United States⁹ and a sworn enemy of the State of Israel. In fact, Iran's bellicose threats to annihilate the State of Israel are alarming and must be taken seriously, especially as Iran verges on becoming a nuclear power.¹⁰

As the chief legal officers of our States, we are charged with defending the laws passed by our state legislatures, and we also count it a high honor to stand with the State of Israel, against any and all illegal attempts by global corporations to engage in economic warfare against our ally. Not surprisingly, several States have already begun applying their anti-Israeli boycott statutes to begin divestment from Unilever, including states like New Jersey, New York, Texas, Arizona and Florida.¹¹ The economic consequences of this ill-advised boycott should alone suffice to convince Unilever to reconsider.¹²

In keeping with the fiduciary duties required of Unilever under the laws of the United States and under the laws of the individual States represented by this letter, we respectfully urge you to reconsider the decision by you and your subsidiary to boycott Israel.

Yours Truly,

ERIC S. SCHMITT

Missouri Attorney General

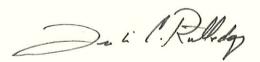
⁹ https://www.state.gov/state-sponsors-of-terrorism/

¹⁰ See, e.g., Amir Vahdat, Iran leader says Israel a 'cancerous tumor' to be destroyed, ASSOCIATED PRESS (May 22, 2020), at https://apnews.com/article/ali-khamenei-israel-persian-gulf-tensions-tehran-jerusalem-a033042303545d9ef783a95222d51b83.

https://www.nationalreview.com/news/ny-pension-fund-withdraws-111-million-investment-from-ben-jerrys-parent-company-over-israel-boycott/

¹² See, e.g., Analysis of Unilever Letter, supra note 1 ("What Unilever may not have realized prior to its Ben & Jerry's announcement is that its decision to boycott Israel might run afoul of 33 U.S. state anti-boycott laws, resolutions, and executive orders — potentially triggering hundreds of millions of dollars in direct divestment from Unilever stock by state pension funds, alongside potential second-tier effects in the form of indirect divestment by mutual fund and index fund managers.").

Attorney General for Alabama



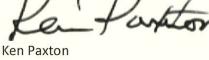
Leslie Rutledge Attorney General for Arkansas



Todd Rokita Attorney General for Indiana



Lynn Fitch Attorney General for Mississippi



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Mark Brnovich Attorney General for Arizona

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