



## ANNUAL MEETING OF SHAREHOLDERS

June 29, 2020

Dear Universal Shareholders,

Since our founding in 1918, Universal Corporation has established a global presence and our principles reflect where we've been and what we've learned over our more than 100-year history. Our commitment to sustainability, cultivating long-term relationships with our customers and suppliers, investing in our people, and maintaining our financial strength have helped us endure through multiple economic cycles and build a broader agri-products services platform.

We continue to be guided by these principles as we face the coronavirus (COVID-19) pandemic and navigate the changing tobacco industry. Though the COVID-19 pandemic presented a unique set of challenges and continues to impact the global economy, we have worked diligently to address this crisis and have implemented a number of measures to safeguard the health and wellbeing of our people while preserving our ability to meet our customers' needs and run a disciplined business for our shareholders. I would like to thank all of our employees, customers, grower communities, and stakeholders for their ongoing support, especially during these unprecedented times.

We have also made progress to address consumption declines in combustible cigarettes and expand products and services in the leaf tobacco space. Among other areas of focus, we have invested in natural wrapper production in strategic regions around the world to meet ongoing and future demands in our core tobacco business and enhanced our value-added services. Additionally, we closed on our acquisition of FruitSmart Inc. earlier this year - a foundational step in building out our broader plant-based agri-products services platform. As we look ahead, we continue to develop an active investment pipeline geared at capitalizing on growth opportunities outside of leaf tobacco.

As disciplined corporate stewards, we have a strong track record of returning value to Universal Corporation shareholders. Notably, our Board of Directors recently approved Universal Corporation's 50<sup>th</sup> annual dividend increase, and we repurchased approximately \$33.5 million worth of stock in fiscal 2020. We remain committed to sustainable shareholder value creation and leveraging our strong balance sheet to better position our company for the future.

I encourage you to read the pages that follow to inform your voting decisions and ask for your voting support. On behalf of Universal Corporation, I thank you for your investment and trust in us as we continue to build on our proud history of more than 100 years.

Sincerely,

GEORGE C. FREEMAN, III  
Chairman, President, and  
Chief Executive Officer



**Universal**

# Universal Corporation

P.O. Box 25099  
Richmond, Virginia 23260

## NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

The Annual Meeting of Shareholders of Universal Corporation will be held at our headquarters located at 9201 Forest Hill Avenue, Stony Point II Building, Richmond, Virginia 23235, on Tuesday, August 4, 2020, at 11:00 a.m., Eastern Time, for the following purposes:

- (1) to elect as directors the three nominees to the Board of Directors named in the accompanying Proxy Statement to serve three-year terms;
- (2) to approve a non-binding advisory resolution approving the compensation of our named executive officers;
- (3) to ratify the appointment of Ernst & Young LLP as the independent registered public accounting firm for the fiscal year ending March 31, 2021; and
- (4) to act upon such other matters as may properly come before the meeting or any adjournments or postponements thereof.

### COVID-19 Logistics

*Meeting Format.* We intend to hold our Annual Meeting in person but we must be flexible given the uncertain course the coronavirus (COVID-19) pandemic may take. We also are sensitive to the public health and travel concerns our shareholders may have and the protocols that federal, state, and local governments may impose. In the event it is not possible or advisable to hold our annual meeting in person due to COVID-19, we will announce alternative arrangements for the meeting as promptly as practicable, which may include holding the meeting solely by means of remote communication. Please monitor our annual meeting website at <http://investor.universalcorp.com/press-releases> for updated information and we will also issue a press release if we decide we must change the *meeting format*. If you are planning to attend our meeting, please check the website one week prior to the meeting date. As always, we encourage you to vote your shares prior to the Annual Meeting.

*Record Date Shareholders Only.* In an effort to mitigate COVID-19 risk, only holders of record of shares of our Common Stock at the close of business on June 9, 2020 shall be entitled to attend and vote at the Annual Meeting. Non-shareholders and guests will not be permitted to attend the Annual Meeting in person.

*Admission Pre-Registration Requirement.* If you plan to attend the Annual Meeting in person, you must pre-register in advance. This will allow us to arrange the meeting space in a manner consistent with applicable social distancing guidelines. To pre-register, please follow the instructions on page 3 in the accompanying Proxy Statement.

Please note that brokers may not vote your shares on the election of directors or on the advisory vote on executive compensation in the absence of your specific instructions as to how to vote. Whether or not you expect to attend the Annual Meeting in person, it is important that your shares be represented and voted at the Annual Meeting. We urge you to vote online, by phone or complete, sign, date, and return the enclosed proxy card or voting instruction in the envelope provided. Beneficial owners of shares of our Common Stock held in street name through a bank or brokerage account should follow the enclosed instructions for voting their shares. We hope you are able to attend the Annual Meeting, but even if you cannot please vote your shares as promptly as possible.

By Order of the Board of Directors,



PRESTON D. WIGNER  
Secretary

June 29, 2020



**Universal**

**PROXY STATEMENT**  
**FOR THE ANNUAL MEETING OF SHAREHOLDERS**  
**OF UNIVERSAL CORPORATION**  
**APPROXIMATE DATE OF MAILING - JUNE 29, 2020**

This Proxy Statement sets forth certain information with respect to the accompanying proxy to be used at the 2020 Annual Meeting of Shareholders of Universal Corporation, which we refer to as the Annual Meeting, or at any adjournments or postponements thereof, for the purposes set forth in the accompanying Notice of Annual Meeting of Shareholders. The Board of Directors has designated our headquarters located at 9201 Forest Hill Avenue, Stony Point II Building, Richmond, Virginia 23235, as the place of the Annual Meeting.

We intend to hold our Annual Meeting in person, but we must be flexible given the uncertain course the COVID-19 pandemic may take. We are actively monitoring the COVID-19 pandemic and we are sensitive to the public health and travel concerns our shareholders may have and the protocols that federal, state, and local governments may impose. In the event it is not possible or advisable to hold our annual meeting in person due to COVID-19, we will announce alternative arrangements for the meeting as promptly as practicable, which may include holding the meeting solely by means of remote communication. Please monitor our annual meeting website at <http://investor.universalcorp.com/press-releases> for updated information and we will also issue a press release if we decide we must change the meeting format. If you are planning to attend our meeting, please check the website one week prior to the meeting date. As always, we encourage you to vote your shares prior to the annual meeting.

We strongly encourage shareholders to consider safety first over attending the Annual Meeting in person. We are implementing measures to reduce the risk of COVID-19, however, we cannot guarantee your safety due to the nature of the virus. In addition to reserving the right to announce alternative arrangements to an in-person meeting, we are limiting attendance to only shareholders of record as of the close of business on June 9, 2020. In addition, any such shareholder who desires to attend must pre-register in advance as explained on page 3 of this Proxy Statement.

The Board of Directors solicits this proxy and urges you to vote immediately. Unless the context otherwise indicates, reference to "Universal," "we," "us," "our," or "the Company" means Universal Corporation.

Our Annual Report on Form 10-K for the fiscal year ended March 31, 2020, which we refer to as the fiscal year 2020 Annual Report, is being mailed concurrently with this Proxy Statement to our shareholders. Unless otherwise specifically stated, our fiscal year 2020 Annual Report is not incorporated into this Proxy Statement and shall not be considered a part of this Proxy Statement or soliciting materials.

**QUESTIONS AND ANSWERS FOR ANNUAL MEETING**

**Q: Who is asking for my vote and why are you sending me this document?**

A: The Board of Directors asks that you vote on the matters listed in the Notice of Annual Meeting of Shareholders, which are more fully described in this Proxy Statement. We are providing this Proxy Statement and related proxy card or voting instruction to our shareholders in connection with the solicitation by the Board of Directors of proxies to be voted at the Annual Meeting. A proxy, if duly executed and not revoked, will be voted and if it contains any specific instructions, it will be voted in accordance with those instructions.

**Q: Who is eligible to vote?**

A: You may vote only if you owned shares of Universal Corporation common stock, which we refer to as Common Stock, at the close of business on June 9, 2020, the record date established by the Board of Directors under Virginia law for determining shareholders entitled to notice of and to vote at the Annual Meeting. We had outstanding as of the record date 24,480,498 shares of Common Stock, each of which is entitled to one vote per share.

**Q: What is a proxy?**

A: A proxy is your legal designation of another person to vote the stock you own. If you designate someone as your proxy or proxy holder in a written document, that document also is called a proxy or a proxy card. Messrs. Johan C. Kroner and Preston D. Wigner have been designated as proxies or proxy holders for the Annual Meeting. Proxies properly executed and received by our Secretary prior to the Annual Meeting and not revoked will be voted in accordance with the terms thereof.

**Q: What is a voting instruction?**

A: A voting instruction is the instruction form you receive from your bank, broker, or other nominee if you hold your shares of Common Stock in street name, which we refer to as broker shares. The instruction form instructs you how to direct your bank, broker, or other nominee, as record holder, to vote your shares of Common Stock.

**Q: What am I voting on at the Annual Meeting?**

A: You will be voting on the following matters:

- The election of the three nominees to the Board of Directors set forth in this Proxy Statement to serve three-year terms;
- The approval of a non-binding advisory resolution approving the compensation of our named executive officers;
- The ratification of the appointment of Ernst & Young LLP as the independent registered public accounting firm for the fiscal year ending March 31, 2021; and
- Any other business properly raised at the Annual Meeting or any adjournments or postponements thereof.

We are not aware of any matters that are to come before the Annual Meeting other than those described in this Proxy Statement. If other matters do properly come before the Annual Meeting, however, it is the intention of the persons named in the enclosed proxy card to exercise the discretionary authority conferred by the proxy to vote such proxy in accordance with their best judgment.

**Q: What constitutes a quorum and how many votes must be present to hold the Annual Meeting?**

A: In order for the Annual Meeting to be conducted, a majority of the shares entitled to vote (i.e., a majority of the outstanding shares of Common Stock as of the record date) must be present in person or represented by proxy at the Annual Meeting for the transaction of business at the Annual Meeting. This is referred to as a quorum. Abstentions, withheld votes, and broker shares that are voted on any matter are included in determining the number of votes present. Broker shares that are voted on at least one matter will be counted for purposes of determining the existence of a quorum for the transaction of business at the Annual Meeting. Broker shares that are not voted on any matter will not be included in determining whether a quorum is present. In the event that a quorum is not present at the Annual Meeting, it is expected that the Annual Meeting will be adjourned or postponed to solicit additional proxies. It is very important, therefore, that you vote your shares.

**Q: What vote is needed to elect directors?**

A: The election of each nominee for director requires the affirmative vote of the holders of a plurality of the shares of Common Stock voted in the election of directors.

**Q: What vote is needed to approve the non-binding advisory resolution approving the compensation of our named executive officers?**

A: The approval of the non-binding advisory resolution approving the compensation of our named executive officers requires that the votes cast in favor of the proposal exceed the number of votes cast against the proposal. The Board of Directors and the Compensation Committee value the opinions of our shareholders. To the extent that there is any significant vote against executive compensation, the Board of Directors and the Compensation Committee will consider shareholder concerns and evaluate whether any actions are necessary to address those concerns.

**Q: What vote is needed to ratify the appointment of Ernst & Young LLP?**

A: The ratification of the appointment of Ernst & Young LLP requires that the number of votes cast in favor of the ratification exceed the number of votes cast in opposition to the ratification.

**Q: What are the voting recommendations of the Board of Directors?**

A: The Board of Directors recommends that shareholders vote “FOR” each of the proposed nominees for director named in this Proxy Statement; “FOR” the approval of the non-binding resolution approving named executive officer compensation, and “FOR” the ratification of the appointment of Ernst & Young LLP as the independent registered public accounting firm for the fiscal year ending March 31, 2021.

**Q: How do I vote?**

A: Registered shareholders (shareholders who hold Common Stock in certificated form as opposed to through a bank, broker, or other nominee) who are eligible to vote may vote in person at the Annual Meeting or by proxy. Registered shareholders have the following ways to vote by proxy:

- *by mail* - complete, sign, date, and return the enclosed proxy card or voting instruction; or
- *over the Internet or by telephone* - follow the instructions provided on the enclosed proxy card.

Registered shareholders are urged to deliver proxies by using the Internet, by calling the toll-free telephone number, or by completing and mailing the enclosed proxy card. The Internet and telephone voting procedures are designed to authenticate shareholders' identities, to allow shareholders to give their proxies, and to confirm that such instructions have been recorded properly. Instructions for voting over the Internet or by telephone are set forth on the enclosed proxy card. Registered

shareholders may also send their proxies by completing, signing, and dating the enclosed proxy card and returning it as promptly as possible in the enclosed postage-paid envelope.

Shareholders who hold broker shares, which we refer to as street name shareholders, who wish to vote at the Annual Meeting should be provided voting instructions from the institution that holds their shares. If this has not occurred, please contact the institution that holds your shares. Street name shareholders may also be eligible to vote their shares electronically by following the voting instructions provided by the bank, broker, or other nominee that holds the shares, using either the Internet address or the toll-free telephone number provided on the voting instruction, or otherwise complete, date, and sign the voting instruction and return it promptly in the enclosed postage-paid envelope.

If we announce alternative arrangements to an in-person meeting due to COVID-19, we will inform you whether additional methods to vote will be offered. The deadline for voting electronically over the Internet or by telephone is 11:59 p.m., Eastern Time, on August 3, 2020.

**Q: Can I attend the Annual Meeting?**

A: Assuming we do not need to announce alternative arrangements to an in-person meeting due to COVID-19, the Annual Meeting is open to all holders of our Common Stock as of the close of business on the record date, June 9, 2020. We will not permit cameras, recording devices, or other electronic devices at the Annual Meeting. We encourage you to vote your shares by proxy, but you may also vote by attending the Annual Meeting and voting in person. Guests are not permitted to attend the Annual Meeting in person.

If you plan to attend the meeting, **you must pre-register in advance**. You may pre-register by email or by certified mail, following the instructions immediately below:

**PRE-REGISTER BY EMAIL:** If you choose to pre-register by email, please contact the Company no later than July 28, 2020 by email at [2020annualmeeting@universaleaf.com](mailto:2020annualmeeting@universaleaf.com), providing your name, address, telephone number, and the control number on your proxy card, and attaching a copy of your proof of share ownership. Requests delivered by email after July 28, 2020, will not be considered. The Secretary of the Company will respond to all timely received pre-registration requests.

**PRE-REGISTER BY CERTIFIED MAIL:** If you choose to pre-register by certified mail, please mail a written request including your name, address, telephone number, and the control number on your proxy card, and enclosing a copy of your proof of share ownership, to the Secretary of the Company (Universal Corporation, P.O. Box 25099, Richmond, Virginia 23260, Attention: Secretary). All mailed requests must be sent by certified mail, return receipt requested, and received by the Company no later than July 28, 2020. Requests received by the Secretary of the Company after July 28, 2020, will not be considered. The Secretary of the Company will respond to all timely received pre-registration requests.

We strongly encourage shareholders to consider safety first over attending the Annual Meeting in person. We are implementing measures to reduce the risk of COVID-19, however, we cannot guarantee your safety due to the nature of the virus. In making your own decision regarding whether to attend the Annual Meeting in person, we advise you to take into account the current health environment, the risks to your personal health and the health of others if you were to attend, and the advice of health authorities to use social distancing. Shareholders who attend or attempt to attend this year's Annual Meeting will be deemed to have understood, accepted, and assumed all associated risk with attending the event in person during the ongoing COVID-19 pandemic. We will not be held liable for harm to any attendee, including any shareholder attendee, due to any of the foregoing.

Please note that if the Annual Meeting is held in person, in light of the ongoing COVID-19 pandemic and consistent with the guidelines set forth by the Center for Disease Control and Prevention, we will require all attendees, including all shareholders, to practice "social distancing". In addition, all attendees will be required to wear a mask while in the Company's building and during the Annual Meeting. If you do not have a mask, we will provide one to you. Moreover, face-to-face interaction with members of management or the Board of Directors before and/or after the meeting may be necessarily limited by social distancing requirements and may be further restricted, or prohibited, out of an abundance of caution in the judgement of management and/or the Board of Directors. Instructions on how to communicate with the Board of Directors are set forth below under the section titled, "How do I communicate with the Board of Directors?"

In light of the ongoing COVID-19 pandemic, and to protect the health and safety of all attendees, we reserve the right to refuse entry or require removal of any person, including a shareholder, from the premises or Annual Meeting area should that person refuse to follow the safeguards described above or should they exhibit cold or flu-like symptoms, or symptoms commonly associated with COVID-19. We request that anyone who exhibits these types of symptoms or has been in contact with someone that has exhibited such symptoms within 14 days of the Annual Meeting not attempt to attend the Annual Meeting.

**Regardless of whether or not you attend the Annual Meeting, we strongly encourage you to vote your shares by proxy via Internet, telephone, or mail prior to the Annual Meeting.**

**Q: What do I need in order to attend the Annual Meeting in person?**

A: If you plan to attend the Annual Meeting in person, you must pre-register in advance no later than July 28, 2020, by following the instructions on page 3 in the accompanying Proxy Statement (see above “Can I attend the Annual Meeting?”). The Company will maintain a list of verified, pre-registered shareholders at the Annual Meeting. To gain admission to the Annual Meeting, you must present government-issued photo identification, such as a driver’s license or passport, that matches the name on the pre-registration list.

Any shareholder as of the record date may attend the Annual Meeting; however, street name shareholders must have a legal proxy from their bank or broker and bring that proxy to the Annual Meeting to confirm you are the beneficial owner, and they must bring evidence of stock holdings, such as a recent brokerage account statement.

If you would like to use any type of personal protective equipment (PPE), in addition to the required mask, while attending the Annual Meeting, you are welcome to do so. Should you bring any PPE, we will require you to remove them from the premises when you leave and not dispose of them anywhere on the premises, including in restrooms or trash receptacles.

**Q: Can I withhold my vote?**

A: You may withhold your vote with respect to the election of directors.

**Q: Can I change or revoke my proxy?**

A: Any shareholder who gives a proxy may change or revoke his or her proxy at any time before it is voted at the Annual Meeting. A shareholder may change or revoke his or her proxy by:

- giving written notice of revocation to our Secretary, whose address is on page 6 of this Proxy Statement;
- executing a proxy dated as of a later date; or
- voting in person at the Annual Meeting.

If you voted over the Internet or by telephone, you can also revoke your vote by any of these methods or you can change your vote by voting again over the Internet or by telephone prior to the stated deadline. If you decide to vote by completing, signing, dating, and returning the enclosed proxy card, you should retain a copy of the voter control number found on the proxy card in the event that you decide later to change or revoke your proxy over the Internet or by telephone. Your attendance at the Annual Meeting will not itself revoke a proxy.

If you are a street name shareholder, you must follow the instructions found on the voting instruction card provided by the bank, broker, or other nominee, or contact your bank, broker, or other nominee in order to change or revoke your previously given proxy.

**Q: How will my shares be voted if I sign, date, and return my proxy card or voting instruction card, but do not provide complete voting instructions with respect to each proposal?**

A: Shareholders should specify their choice for each matter on the enclosed proxy. If no specific instructions are given, it is intended that all proxies that are signed and returned will be voted “FOR” the election of each of the nominees for director named in this Proxy Statement; “FOR” the approval of the non-binding resolution approving named executive officer compensation; and “FOR” the ratification of the appointment of Ernst & Young LLP as the independent registered public accounting firm for the fiscal year ending March 31, 2021; and according to the discretion of the proxy holders on any other business proposal properly raised at the Annual Meeting.

As to any other business that may properly come before the Annual Meeting, the persons named in the enclosed proxy card or voting instruction will vote the shares of Common Stock represented by the proxy in the manner as the Board of Directors may recommend, or otherwise in the proxy holders’ discretion. The Board of Directors does not presently know of any other such business.

**Q: Will my shares be voted if I do not provide my proxy or voting instructions?**

A: It will depend on how your ownership of shares of Common Stock is registered. If you own your shares as a registered holder, which means that your shares of Common Stock are registered in your name with our transfer agent, and you do not mail your proxy, vote online or by phone in advance as described on page 3, or you do not vote in person at the Annual Meeting, your unvoted shares will not be voted at the Annual Meeting. They also will not count toward the quorum requirement, which is explained under “What constitutes a quorum and how many votes must be present to hold the Annual Meeting?” on page 2 of this Proxy Statement.

If you are a street name shareholder, which means that your shares are registered with our transfer agent in the name of your bank, broker or other nominee, then your bank, broker, or other nominee may or may not vote your shares in its discretion if you have not provided voting instructions to the bank, broker, or other nominee when permitted. Whether the bank, broker or other nominee may vote your shares depends on the proposals before the Annual Meeting. Brokers have the discretionary authority under the rules of the New York Stock Exchange, which we also refer to as the NYSE, to vote shares for which their clients do not provide voting instructions on certain “routine” matters.

The rules of the NYSE, however, do not permit your bank, broker or other nominee to vote your shares on proposals that are not considered “routine.” When a proposal is not a routine matter and your bank, broker or other nominee has not received your voting instructions with respect to that proposal, your bank, broker, or other nominee cannot vote your shares on that proposal. Where brokers do not have discretion to vote or do not exercise such discretion, the inability or failure to vote is referred to as a “broker non-vote.” Under circumstances where a broker is not permitted to, or does not, exercise its discretion, assuming proper disclosure to us of such inability to vote, broker non-votes will not be counted as voting in favor of or against the particular matter. Please note that your bank, broker or other nominee may not vote your shares with respect to (i) the election of the three nominees for director, (ii) the approval of the non-binding advisory resolution approving the compensation of our named executive officers, or in the absence of your specific instructions as to how to vote with respect to these matters. Under the rules of the NYSE, these matters are not considered “routine” matters. Based on NYSE rules, we believe that the ratification of the appointment of Ernst & Young LLP is a routine matter for which your bank, broker or other nominee may vote on behalf of their clients if no voting instructions are provided. Therefore, if you are a street name shareholder and you do not return your voting instruction card, your bank, broker or other nominee may vote your shares on the ratification of the appointment of Ernst & Young LLP as our independent registered public accounting firm. **Please return your proxy card or voting instructions so your vote can be counted.**

**Q: How are abstentions and broker non-votes counted?**

A: With respect to the election of directors, abstentions, withheld votes and broker non-votes will not be included in the vote total for the proposal to elect the nominees for director named in this Proxy Statement and will not affect the outcome of the vote for that proposal.

With respect to the approval of the non-binding advisory resolution approving the compensation of our named executive officers, abstentions and broker non-votes will have no effect on the proposal and will not count either in favor of, or against, the non-binding proposal.

With respect to the ratification of the appointment of Ernst & Young LLP as the independent registered public accounting firm for the fiscal year ending March 31, 2021, abstentions and broker non-votes will have no effect on the proposal and will not count either in favor of, or against, the proposal.

**Q: Where can I find the results of the Annual Meeting?**

A: We expect to announce the preliminary voting results at the Annual Meeting and disclose the final results in a Current Report on Form 8-K filed with the U.S. Securities and Exchange Commission ("SEC") within four business days after the Annual Meeting.

**Q: Who pays for the solicitation of proxies?**

A: We will pay all of the costs associated with this proxy solicitation. Proxies are being solicited by mail and may also be solicited in person or by telephone, facsimile, or other means of electronic transmission by our directors, officers, and employees. We will reimburse banks, brokerage firms, and other custodians, nominees, and fiduciaries for their reasonable expenses in forwarding proxy materials to the beneficial owners of shares of Common Stock. It is contemplated that additional solicitation of proxies will be made by D.F. King & Co., Inc., 48 Wall Street, 22nd Floor, New York, New York 10005, at an anticipated cost to us of approximately \$8,500, plus reimbursement of out-of-pocket expenses for such items as mailing, copying, phone calls, faxes, and other related matters. In addition, we will indemnify D.F. King against any losses arising out of D.F. King's proxy soliciting services on our behalf.

**Q: Could other matters be decided at the Annual Meeting?**

A: The Board of Directors does not know of any other business that may be brought before the Annual Meeting. However, if any other matters should properly come before the Annual Meeting or at any adjournment or postponement thereof, it is the intention of the persons named in the enclosed proxy card to vote on such matters as they, in their discretion, may determine.

**Q: Where can I find Universal Corporation's corporate governance materials?**

A: Our Corporate Governance Guidelines, including our independence standards for members of the Board of Directors, Code of Conduct, and the charters of the Audit Committee, the Compensation Committee, the Nominating and Corporate Governance Committee, and all other standing committees, are available under the “Investors - Corporate Governance” section of our Internet website at <http://investor.universalcorp.com/corporate-governance> and are available in print to any shareholder upon request by contacting us at the following address or phone number:

Universal Corporation  
P.O. Box 25099  
Richmond, Virginia 23260  
Attention: Investor Relations  
Telephone: (804) 359-9311

**Q: What is Universal Corporation's policy regarding Board member attendance at the Annual Meeting?**

A: We expect and encourage each member of the Board of Directors to attend our Annual Meetings when it is reasonably practical for the director to do so. It is possible that, due to concerns regarding the ongoing COVID-19 pandemic, members of our Board may attend the 2020 Annual Meeting by telephone or electronic means. All persons serving as Board members at the time attended the Company's 2019 Annual Meeting of Shareholders.

**Q: How do I communicate with the Board of Directors?**

A: Shareholders and other interested parties may at any time direct communications to the Board of Directors as a whole, to the director who presides at the executive sessions of the non-employee directors, or to any individual member of the Board of Directors, through our Internet website or by contacting our Secretary. The “Investors - Corporate Governance - Contact the Board” section of our Internet website at <http://investor.universalcorp.com/corporate-governance/contact-the-board> contains an e-mail link established for receipt of communications with directors, and communications can also be delivered by mail by sending requests to our Secretary at the following address:

Universal Corporation  
P.O. Box 25099  
Richmond, Virginia 23260  
Attention: Secretary  
Telephone: (804) 359-9311

Shareholders making such communications are encouraged to state that they are shareholders and provide the exact name in which their shares of Common Stock are held and the number of shares held. Each individual communicating with the Board of Directors will receive a written acknowledgment from or on behalf of our Secretary after receipt of the communication sent in the manner described above. After screening such communications for issues unrelated to shareholder interests, our Secretary will distribute communications to the intended recipient(s) as appropriate. The process for such screening has been approved by our non-employee directors.

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**IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIALS FOR THE SHAREHOLDER MEETING TO BE HELD ON AUGUST 4, 2020.**

**Our Proxy Statement and fiscal year 2020 Annual Report are both available free of charge under the “Investors - Financial Information” section of our Internet website at <http://investor.universalcorp.com/financial-information>.**

Our 2020 Annual Report to Shareholders, which includes a copy of our fiscal year 2020 Annual Report (excluding exhibits) as filed with the SEC, is being mailed to shareholders with this Proxy Statement.

**We will provide additional copies of our fiscal year 2020 Annual Report, including the financial statements and financial statement schedules, without charge to any person to whom this Proxy Statement has been delivered if they so request.** Requests should be directed to Investor Relations at the address or phone number provided on page 6 of this Proxy Statement.

We make available free of charge through our Internet website our Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K, and amendments to those reports filed or furnished pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended, which is referred to herein as the Exchange Act, as well as reports on Forms 3, 4 and 5 filed by our directors and executive officers pursuant to Section 16 of the Exchange Act, as soon as reasonably practicable after such documents are electronically filed with, or furnished to, the SEC. The information on our Internet website is not, and shall not be deemed to be, a part of this Proxy Statement or incorporated into any other filings we make with the SEC.

## **PROPOSAL ONE**

### **ELECTION OF DIRECTORS**

In accordance with our Articles of Incorporation and Bylaws, the Board of Directors is divided into three classes. The term of office of one of the three classes of directors expires each year, and each class is elected for a three-year term.

Five members of our Board of Directors have previously been elected to terms expiring in 2021 or 2022, as indicated below. The Nominating and Corporate Governance Committee has recommended to our Board of Directors, and our Board of Directors has approved, the nomination of the three remaining nominees, Mr. George C. Freeman, III, Mr. Lennart R. Freeman, and Ms. Jacqueline T. Williams, to be elected for three-year terms at the Annual Meeting.

The following pages set forth certain information for each nominee, as well as all other incumbent directors, as of March 31, 2020, except as otherwise noted. As previously announced on February 4, 2020, the Board of Directors voted to increase the size of the Board to nine members and appointed Jacqueline T. Williams to serve as a new director of the Company, both effective April 1, 2020. With the exception of Ms. Jacqueline T. Williams, all of the nominees and incumbent directors listed below are directors previously elected by the shareholders. Each nominee has consented to being named in this Proxy Statement and to serve if elected. Mr. Eddie N. Moore, Jr.'s current term expires at the Annual Meeting and he will not stand for re-election as he has reached retirement age as set forth in our Corporate Governance Guidelines.

The election of each nominee for director requires the affirmative vote of the holders of a plurality of the shares of Common Stock cast in the election of directors. With a plurality vote, the nominees receiving the highest vote totals for the director positions up for election will be elected. Proxies cannot be voted for a greater number of persons than the number of nominees named in this Proxy Statement. Unless otherwise specified in the accompanying form of proxy, it is intended that votes will be cast for the election of all of the nominees as directors. If, at the time of the Annual Meeting, any nominee should be unavailable to serve as a director, it is intended that votes will be cast, pursuant to the enclosed proxy, for such substitute nominee as may be nominated by the Board of Directors. The Board of Directors has no reason to believe that any of the nominees will be unavailable to serve.

Set forth below is information concerning the age, principal occupation, employment and directorships during the past five years, positions with the Company of each nominee and director, the year in which he or she first became a director of the Company and his or her term of office as a director. Also set forth below is a brief discussion of the specific experience, qualifications, attributes, or skills that led to the conclusion that each nominee and director should serve as a director as of the date of this Proxy Statement, in light of the Company's business and structure.

#### **Recommendation of the Board of Directors**

**THE BOARD OF DIRECTORS RECOMMENDS THAT SHAREHOLDERS VOTE “FOR” MR. GEORGE C. FREEMAN, III, MR. LENNART R. FREEMAN, AND MS. JACQUELINE T. WILLIAMS TO BE ELECTED TO A THREE-YEAR TERM.**

## Incumbent Directors Whose Terms Expire in 2020 and are Nominated for Election (Class II Directors)

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Age: 57  
Director since 2008

Chairman, Executive Committee  
Member, Finance and Pension Investment Committee

### **George C. Freeman, III**

Chairman, President, and Chief Executive Officer  
Universal Corporation

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**GEORGE C. FREEMAN, III** has been Universal's Chief Executive Officer since April 2008, and President since December 2006. Previously, Mr. G. Freeman served as Universal's General Counsel and Secretary from February 2001 until November 2005, and was elected Vice President in November 2005. Prior to joining Universal, Mr. G. Freeman served as a law clerk for the Honorable Richard S. Arnold, Circuit Judge, United States Court of Appeals for the Eighth Circuit; a law clerk for the Honorable Lewis F. Powell, Jr., Associate Justice, United States Supreme Court; and an associate with Hunton Andrews Kurth (formerly Hunton & Williams), an international law firm. Mr. G. Freeman is a director of Tredegar Corporation, a manufacturer of plastic films and aluminum extrusions, since May 2011 and serves as chair of its Executive Compensation Committee and is a member of its Nominating and Governance Committee. He is also a director of the Mutual Assurance Society of Virginia, a private mutual assessment property & casualty insurance company, since 2013 and serves as Chair of the Governance Committee, and as a member of its Executive Committee and Investment Committee. He has served as Chairman of the Board of Universal since his election in 2008.

Through his years of service with Universal and as Chairman of the Board, Mr. G. Freeman provides strong and thoughtful leadership to the Board of Directors, utilizing his extensive risk oversight, management and corporate governance experience. In addition, as President and Chief Executive Officer, Mr. G. Freeman is able to communicate to and inform the Board about our management team, day-to-day operations, customer relationships, and important industry developments. The Board believes that Mr. G. Freeman's deep industry knowledge, financial expertise and forward-looking thinking brings an invaluable perspective to our current operations and our ongoing relationships with customers and suppliers, providing great value to the Board of Directors.



Age: 68

Independent Director since 2013

Member, Audit Committee

Member, Compensation Committee

Member, Executive Committee

\*Mr. L. Freeman has no relation to Mr. G. Freeman

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**Lennart R. Freeman**

Former President and Chief Executive Officer, North American Division, Swedish Match AB

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**LENNART R. FREEMAN** worked for Swedish Match AB, a Swedish producer and global distributor of smokeless tobacco products (“Swedish Match”), for over 30 years, serving in various executive roles of increasing responsibility, including as Executive Vice President of Swedish Match, President and Chief Executive Officer of its North American Division and as President of its International Division. Under his leadership, the North American Division tripled its sales and operating income and the International Division successfully completed a major restructuring, resulting in the sale of the South African business to Philip Morris International in 2009 and the merger of the Cigar and Pipe Tobacco business with Scandinavian Tobacco Group in 2010, creating the second largest cigar company in the world. Earlier in his career at Swedish Match, he served as Managing Director, Cricket Lighters and as President for the Cigarette Division. Following his retirement from Swedish Match in 2011 and until December 2014, he served as a director of the board of Dometic Group AB, a privately-held global provider of comfort products for the recreational vehicle, automotive and marine markets.

Mr. L. Freeman is a well-recognized tobacco industry veteran, receiving the “Giant of the Industry Award” which was presented by the California Distributors Association in October 2005 and the “Captain of the Industry Award” which was presented by the Pennsylvania Distributors Association in October 2000. Mr. L. Freeman has no relation to Mr. G. Freeman.

Mr. L. Freeman's extensive experience in the tobacco industry adds depth to the Board of Director's ability to evaluate and develop industry opportunities and strategies. His senior leadership roles at Swedish Match provide the Board of Directors with valuable expertise regarding corporate leadership, governance and strategic planning. In addition, his years with Swedish Match, a multinational company, also adds a unique customer and international perspective to the Board of Directors.

## New Nominee to Join the Board as a Class II Director

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Age: 67

Independent Director since 2020

Member, Audit Committee

Member, Finance and Pension Investment Committee

Member, Nominating and Corporate Governance Committee

### **Jacqueline T. Williams**

Former Director, Ohio Department of Commerce

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**JACQUELINE T. WILLIAMS** is an experienced executive with leadership in government, financial services and telecommunications. Most recently, Ms. Williams served as Director of the Ohio Department of Commerce. Appointed by Ohio Governor's, Ms. Williams served in the Cabinet position from 2015 to 2019, providing enterprise leadership for the state's principal business regulatory agency. Ms. Williams' prior tenure includes serving as Ohio's Chief of Minority Business Development and as Executive Director of the Ohio Liquor Control Commission. She worked as Director of College Savings for New America Foundation, a Washington D.C.-based think tank, and served for a decade as Executive Director of the Ohio Tuition Trust Authority which operates the state's 529 college savings programs. Ms. Williams spent 15 years with AT&T, a telecommunications, technology, media and entertainment company. Williams has served on a number of public sector boards including the Ohio Housing Finance Agency, the Ohio Minority Development Finance Advisory Board and the Columbus Cancer Clinic. Williams also served as board chair for the Ohio Minority Business Advisory Council, the College Savings Plans Network and as president of the Columbus (Ohio) Board of Health. Ms. Williams provides deep expertise in public policy, economic development, marketing, public relations, business strategy and regulation.

Ms. Williams' substantial financial, strategic and leadership experience across the public and private sectors enables her to offer the Board of Directors with a broad perspective encompassing public policy, commercial integrity and regulation, diversity and inclusion, and economic development. Ms. Williams' diverse experience adds important multi-disciplinary financial and strategic perspective to the Board of Directors. Her tenure as Director of the Ohio Department of Commerce lends valuable insights to the Board regarding public policy, governance best practices and executive leadership.

## Incumbent Directors Whose Terms Expire in 2021 (Class III Directors)

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Age: 62

Independent Director since 2012

Chairman, Nominating and Corporate Governance Committee

Member, Compensation Committee

Member, Finance and Pension Investment Committee

### **Diana F. Cantor**

Partner, Alternative Investment Management, LLC

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**DIANA F. CANTOR** is currently a Partner at Alternative Investment Management, LLC, an independent privately-held investment management firm, a position she has held since January 2010. In this role, she provides executive oversight as a member of the Board of Managers and advises on strategic business development and investment activities. Mrs. Cantor also serves as Vice Chairwoman and a Trustee of the Virginia Retirement System, for which she is responsible for the oversight and administration of the Commonwealth of Virginia's retirement system, the 19th largest public or private pension system in the United States. Mrs. Cantor is the co-founder and formerly a Managing Director of Hudson James Group LLC, a strategic advisory and consulting services firm, a position she held from February 2012 to December 2014. Mrs. Cantor served as a Managing Director with New York Private Bank and Trust from January 2008 through December 2009, where she participated in the expansion of the Bank's wealth management activities. She is the founder and formerly an Executive Director of the Virginia College Savings Plan, an independent agency of the Commonwealth of Virginia, a position she held from 1996 to 2007. In this role, she was responsible for the implementation and investment management of a \$27 billion program. Earlier in her career, she served as a Vice President of Richmond Resources, Ltd., a real estate development, construction and management company, and as a Vice President at Goldman, Sachs & Co., overseeing the firm's leveraged buyout and internal investment funds and the merchant banking operations. Mrs. Cantor serves on the board of directors of VICI Properties Inc., an experiential-asset focused real estate investment trust, since 2018, and is both Chairman of its Audit Committee and a member of the Nominating and Governance Committee. She also serves as a director of Domino's Pizza, Inc. ("Domino's"), a global pizza restaurant chain and franchise pizza delivery company, since 2005, and is Chairman of its Audit Committee. Mrs. Cantor previously served as a director and member of the Audit Committee of Revlon, Inc., a global cosmetics company, from 2013 to 2015, as a director of The Edelman Financial Group, Inc., a provider of investment advice, from 2011 to 2012, and as a director and Chairman of the Audit Committee of Media General, Inc., a provider of news, information and entertainment from 2005 until its merger with Nexstar Broadcasting Group, Inc. to form Nexstar Media Group, Inc. in January 2017.

Mrs. Cantor possesses extensive investment, financial and legal experience, in addition to significant public company directorship and committee experience, all of which add important, multi-disciplinary financial and strategic perspective to the Board of Directors. Her service on the boards of public multinational corporations offers the Board of Directors valuable insights on governance best practices and executive leadership.



Age: 67

Independent Director since 2009

Chairman, Finance and Pension Investment Committee

Member, Audit Committee

Member, Nominating and Corporate Governance Committee

**Robert C. Sledd**

Managing Partner, Pinnacle Ventures, LLC, and  
Sledd Properties, LLC

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**ROBERT C. SLEDD** is Managing Partner of Pinnacle Ventures, LLC, a venture capital firm, and Sledd Properties, LLC, an investment company, and has held these roles since 2008 and 2001, respectively. Mr. Sledd served as the Interim President and Chief Executive Officer of Owens & Minor, Inc. from November 2018 to March 2019. From January 2010 until January 2014, Mr. Sledd served as the Senior Economic Advisor to the former Governor of Virginia and was responsible for the development of Virginia's strategic economic development plan and oversight in coordination with the Secretary of Commerce. In 1987, Mr. Sledd co-founded and served as Chief Executive Officer of Performance Food Group Company ("PFG"), a foodservice distribution company. During his tenure at PFG, Mr. Sledd oversaw the development and implementation of its strategic plan, becoming Chairman and Chief Executive Officer in 1995. Under his leadership, PFG became the third largest foodservice distributor in the U.S. and the largest product processor and bagged salad supplier to both the retail and foodservice markets with approximately \$7 billion in sales. Mr. Sledd remained Chairman until PFG was taken private in June 2008. Since 1996, Mr. Sledd has served as a director on the board of Pool Corporation, a wholesale distributor of swimming pool supplies, equipment, and related leisure products, and is a member of the Audit and Compensation Committees. Over this time, Pool Corporation has been among the top performing companies on the Nasdaq. Since 2007, he has served as a director of Owens & Minor, Inc., a distributor of national name-brand medical and surgical supplies and a healthcare supply chain management company, and is a member of the Audit and Executive Committees and has served as Chairman of the Board since 2018.

Mr. Sledd's multi-disciplinary expertise with agriproducts distribution and economic and business development provide the Board of Directors with valuable strengths and insights. Further, his public company experience in senior executive and director roles enhances the Board of Directors' governance, strategic growth and financial expertise.



Age: 63

Independent Director since 2018

Member, Audit Committee

Member, Finance and Pension Investment Committee

Member, Nominating and Corporate Governance Committee

**Thomas H. Tullidge, Jr.**

Chief Strategy Officer, Legal and Finance, and a Co-Founder of  
Cary Street Partners Financial LLC

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**THOMAS H. TULLIDGE, JR.** is Chief Strategy Officer, Legal and Finance, and a co-founder of Cary Street Partners Financial LLC (formerly Luxon Financial LLC), a wealth management, insurance, and asset management service provider. In this role, he is responsible for developing, communicating, executing, and sustaining corporate strategic initiatives. Previously, Mr. Tullidge held several senior level positions within the Mergers and Acquisitions Group of Wachovia Securities, formerly First Union Securities, including Head of the Technology Mergers and Acquisitions Group. During his tenure at Wachovia Securities, Mr. Tullidge also led the Healthcare Mergers and Acquisitions Group and executed transactions across a wide range of industries in addition to healthcare and technology, including Business Services, Media and Entertainment, and Restaurants. Prior to joining First Union, he was a partner at Jefferson Capital Partners, Ltd., a private equity firm, and before that he served as Vice President in Business Development and as Senior Vice President, General Counsel and Corporate Secretary with Trigon Blue Cross Blue Shield. Mr. Tullidge was also a Partner with the law firm of McGuireWoods LLP. He serves as a member of Cary Street Partners' Executive Committee, and as a director of Carpenter Co., a privately-held company and the world's largest producer of comfort cushioning products, and of Gray Lumber Company, a privately held real estate investment firm.

Mr. Tullidge's extensive experience in structuring, negotiating, and executing mergers and acquisitions, joint ventures, and other complex corporate finance transactions domestically and internationally provides the Board of Directors valuable executive leadership, financial and corporate strategy perspective.

## Incumbent Directors Whose Terms Expire in 2022 (Class I Directors)

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Age: 70

Independent Director since 2001

Chairman, Compensation Committee

Member, Executive Committee

Member, Nominating and Corporate Governance Committee

### Thomas H. Johnson

Chief Executive Officer, The Taffrail Group, LLC

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**THOMAS H. JOHNSON** serves as Chief Executive Officer of The Taffrail Group, LLC, an international strategic advisory firm, a position he has held since the firm's founding in 2008. In addition, Mr. Johnson has served as Managing Partner of THJ Investments, L.P., a private investment firm, since November 2005. From 1997 to 2005, Mr. Johnson served as Chairman and Chief Executive Officer of Chesapeake Corporation, a global specialty packaging company, and then served as its Vice Chairman until April 2006. Prior to that, Mr. Johnson served as President and Chief Executive Officer of Riverwood International Corporation (and its predecessor company, Manville Forest Products Corporation). He previously held numerous management positions within Mead Corporation including President of its Paperboard Division and Director, Strategic Planning and Corporate Development. Among other accomplishments over the course of his 35-year career, Mr. Johnson established and managed subsidiaries and joint ventures in Asia-Pacific, South America and Europe, with operations in over 40 countries. Mr. Johnson has substantial board experience, including serving as an independent director of Coca-Cola Enterprises, Inc., a marketer, producer and distributor of Coca-Cola products, from 2007 until its merger with Coca-Cola European Partners ("CCEP") in 2016. CCEP is listed on the London and New York Stock exchanges. Following the merger, he continued to serve as a director of CCEP. Mr. Johnson currently serves as CCEP's Senior Independent Director, as Chairman of the Nominations Committee, and as a member of the Remuneration Committee. Previously, Mr. Johnson was a director, Chair of the Audit Committee, and member of the Compensation Committee of Tumi Holdings, Inc., a global retail and consumer products company offering travel and business products, until their merger with Samsonite International S.A. in 2016. Mr. Johnson has served on several other boards including Superior Essex, Inc., a manufacturer of wire and cable products, GenOn Corporation, an electricity producer, and its predecessor company, Mirant Corporation, until its merger with NRG Energy, Inc., and ModusLink Global Solutions, Inc., a supply chain business process management company.

Mr. Johnson's extensive executive management experience, including with strategy, investment, manufacturing, and distribution activities, and his service on the boards of several multinational corporations, provides the Board of Directors a valuable perspective on governance best practices and executive leadership, including in international markets such as Europe and Asia. Mr. Johnson has been recognized for his work in support of U.S. trade and business development in China, receiving the Marco Polo Award from the State Bureau of Foreign Experts, Peoples Republic of China, in 1999.



Age: 61

Independent Director since 2016

Chairman, Audit Committee

Member, Compensation Committee

Member, Executive Committee

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**Michael T. Lawton**

Former Executive Vice President and Chief Financial Officer,  
Domino's Pizza, Inc.

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**MICHAEL T. LAWTON** retired as Executive Vice President and Chief Financial Officer of Domino's Pizza, Inc. ("Domino's"), a global pizza restaurant chain and franchise pizza delivery company, in August 2015. In this position, Mr. Lawton oversaw all financial functions, including financial reporting, treasury, internal audit, tax, risk management, budgeting and analysis, as well as providing strategic oversight. During his time as Chief Financial Officer, Domino's completed a refinancing of the company with a non-traditional asset backed securitization private placement. Mr. Lawton previously served in numerous executive roles with Domino's, including Interim Chief Information Officer, Executive Vice President of Supply Chain Services, in which he was responsible for North America supply chain operations, and Executive Vice President of International, during which he managed the international business during a period of rapid growth, which included entering 15 new markets. While in this role, he also led a cross-functional task force charged with evaluating the traffic decay in the U.S. business and identifying necessary strategic changes to reverse the trend. He began his tenure with Domino's in 1999 as Vice President of International Finance, in which he worked with franchises across over 60 markets to identify opportunities for growth. From 1986 to 1999, Mr. Lawton held various financial and general management positions with Gerber Products Company, a subsidiary of Nestle, including serving as Senior Vice President and Chief Operating Officer. Earlier in his career, Mr. Lawton held several positions at Ernst & Whinney (now Ernst & Young LLP) ranging from staff auditor to audit manager, serving clients in manufacturing, health care and wholesale. Since 2013, Mr. Lawton has been a Director of La-Z-Boy, Inc., a manufacturer, importer, distributor and retailer of upholstery furniture products, serving as Chairman of its Audit Committee and is a member of its Compensation Committee.

Mr. Lawton's significant experience as a senior executive of a public company and well-known consumer brand, as well as his public company board experience, is valuable to the Board of Directors. He has extensive experience in risk oversight, executive compensation and corporate governance. In addition, Mr. Lawton brings to the Board of Directors a strong background in accounting and finance as well as extensive international management and supply chain experience.

## Incumbent Director Whose Term Expires at the 2020 Annual Meeting and is Retiring

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Age: 72

Lead Independent Director since 2016

Independent Director since 2000

Member, Audit Committee

Member, Executive Committee

Member, Finance and Pension Investment Committee

### **Eddie N. Moore, Jr.**

Former President and Chief Executive Officer, Norfolk State

University

President Emeritus, Virginia State University

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**EDDIE N. MOORE, JR.** served as President and Chief Executive Officer of Norfolk State University, a public, historically black liberal arts university from 2015 until 2017, and as interim President and Chief Executive Officer beginning in 2013. Mr. Moore was interim President and then Chief Executive Officer and President of St. Paul's College, a private, historically black liberal arts college, from November 2011 to June 2012. Beginning in June 1993 and until July 2010, Mr. Moore was the President of Virginia State University, a public research university. Upon retirement as President in 2010, he was named President Emeritus of Virginia State University, a position which he continues to hold. He previously served as University Comptroller at The College of William & Mary for two years, and as state treasurer for the Commonwealth of Virginia for three years, heading the Department of the Treasury and serving on 15 state boards and authorities with oversight responsibility for over \$20 billion of the Commonwealth's assets and investment portfolio. For the first 14 years of his career, Mr. Moore worked at Gulf Oil Corporation, which specializes in exploring, producing, refining and marketing of petroleum and natural gas. During his tenure at Gulf Oil Corporation, Mr. Moore rose through the ranks, ultimately directing major components of the company's accounting and budgeting functions. Since 2005, he has served as a director of Owens & Minor, Inc., a distributor of national name-brand medical and surgical supplies and a health care supply chain management company, and is a member of its Audit Committee and Governance and Nominating Committee.

Mr. Moore is a member of the Audit, Executive, and Finance and Pension Investment Committees until his retirement from the Board of Directors at the conclusion of the Annual Meeting.

Mr. Moore's strong background in accounting and finance and his leadership experience gained through managing prominent higher-educational institutions has been valuable to the Board of Directors. Mr. Moore's experience in both the public and private sectors has brought important perspectives and disciplines to the Board of Directors' deliberations and decision-making processes.

On behalf of the Board of Directors, management and the shareholders of the Company, we sincerely thank Mr. Moore for his many years of dedication and support.

## STOCK OWNERSHIP

### Principal Shareholders

The following table sets forth as of the record date, June 9, 2020, certain information with respect to the beneficial ownership of shares of Common Stock by each person or group we know to beneficially own more than 5% of the outstanding shares of such stock.

Name and Address of Beneficial Owner	Number of Shares	Percent of Class <sup>(1)</sup>
	(#)	(%)
BlackRock, Inc. 55 East 52nd Street New York, New York 10055	3,819,926 <sup>(2)</sup>	15.6%
Vanguard Group, Inc. 100 Vanguard Boulevard Malvern, Pennsylvania 19355	2,710,983 <sup>(3)</sup>	11.1%
Dimensional Fund Advisors LP Palisades West, Building One 6300 Bee Cave Road Austin, Texas 78746	2,099,275 <sup>(4)</sup>	8.6%

<sup>(1)</sup> The percentages shown in the table are based on 24,480,498 shares of Common Stock outstanding on June 9, 2020.

<sup>(2)</sup> An amended Schedule 13G/A filed with the SEC on February 4, 2020, indicates that BlackRock, Inc., acting as a parent holding company, reported that it has sole voting power over 3,762,623 shares of Common Stock, shared voting power over no shares of Common Stock, sole dispositive power over 3,819,926 shares of Common Stock and shared dispositive power over no shares of Common Stock.

<sup>(3)</sup> As reported on an amended Schedule 13G/A filed with the SEC on February 12, 2020. According to this filing, Vanguard Group, Inc. possessed sole voting power over 25,260 shares of Common Stock, shared voting power over 2,529 shares of Common Stock, sole dispositive power over 2,687,919 shares of Common Stock, and shared dispositive power over 23,064 shares of Common Stock. Vanguard Fiduciary Trust Company (“VFTC”), a wholly-owned subsidiary of The Vanguard Group, Inc., was reported to be the beneficial owner of 20,535 shares of Common Stock, as a result of VFTC serving as investment manager of collective trust accounts. Vanguard Investments Australia, Ltd. (“VIA”), a wholly-owned subsidiary of The Vanguard Group, Inc., was reported to be the beneficial owner of 7,254 shares of Common Stock, as a result of VIA serving as investment manager of Australian investment offerings.

<sup>(4)</sup> As reported on an amended Schedule 13G/A filed with the SEC on February 12, 2020. The amended Schedule 13G indicates that Dimensional Fund Advisors LP, in its capacity as investment adviser, sub-advisor and/or investment manager to certain registered investment companies, commingled funds, group trusts and separate accounts (collectively, “Funds”), has the sole voting power over 2,060,823 shares of Common Stock, shared voting power over no shares of Common Stock, sole dispositive power over 2,101,793 shares of Common Stock and shared dispositive power over no shares of Common Stock that are owned by such Funds. According to its Schedule 13G/A, Dimensional Fund Advisors LP disclaims beneficial ownership of such shares.

## Directors and Executive Officers

The following table sets forth as of the record date, June 9, 2020, certain information with respect to the beneficial ownership of shares of Common Stock by (i) each director or nominee, (ii) each executive officer listed in the “Summary Compensation Table”, who we refer to as the “named executive officers”, and (iii) all current directors and executive officers as a group.

Name of Beneficial Owner	Number of Shares <sup>(1)</sup> (#)	Percent of Class <sup>(2)</sup> (%)
Theodore G. Broome	38,848	*
Diana F. Cantor	12,477	*
George C. Freeman, III	283,046	1.2%
Lennart R. Freeman	10,733	*
Airton L. Hentschke	78,986	*
Thomas H. Johnson	20,434	*
Johan C. Kroner	16,330	*
Michael T. Lawton	7,440	*
Eddie N. Moore, Jr.	20,206	*
Robert C. Sledd	13,749	*
Thomas H. Tullidge, Jr.	4,376	*
Preston D. Wigner	50,797	*
Jacqueline T. Williams <sup>(3)</sup>	—	
All current directors and all executive officers as a group (16 persons)	557,422	2.3%

\* Percentage of ownership is less than 1% of the outstanding shares of Common Stock.

<sup>(1)</sup> No executive officers or directors have pledged shares of Common Stock as security.

<sup>(2)</sup> The percentages shown in the table are based on 24,480,498 shares of Common Stock outstanding on June 9, 2020.

<sup>(3)</sup> Ms. Williams joined the Board of Directors on April 1, 2020.

## **CORPORATE GOVERNANCE AND COMMITTEES**

### **General**

Our business and affairs are managed under the direction of the Board of Directors in accordance with the Virginia Stock Corporation Act and our Articles of Incorporation and Bylaws. Members of the Board of Directors are kept informed of our business through discussions with the Chairman, President, and Chief Executive Officer and other officers, by reviewing materials provided to them and by participating in meetings of the Board of Directors and its committees. The corporate governance practices we follow are summarized below.

### **Corporate Governance Guidelines**

The Board of Directors has adopted written Corporate Governance Guidelines that set forth the practices of the Board of Directors with respect to the qualification and selection of directors, director orientation and continuing education, director responsibilities, Board of Directors composition and performance, director access to management and independent advisors, director compensation, management evaluation and succession, evaluation of the Board of Directors' performance, and various other issues. The Corporate Governance Guidelines are available to shareholders and the public free of charge under the "Investors - Corporate Governance" section of our Internet website at <http://investor.universalcorp.com/corporate-governance>. A printed copy is available to any shareholder free of charge upon written request directed to Investor Relations at the address provided on page 6 of this Proxy Statement.

### **Code of Conduct**

The Board of Directors has adopted a written Code of Conduct applicable to our directors, officers, and employees, and the directors, officers and employees of each of our subsidiaries and controlled affiliates. The Code of Conduct satisfies the NYSE requirements for a "Code of Business Conduct and Ethics" and the SEC definition of a "Code of Ethics for Senior Financial Officers." The Code of Conduct addresses such topics as protection and proper use of company assets, compliance with applicable laws and regulations, accuracy and preservation of records, accounting and financial reporting, conflicts of interest, and insider trading. The Code of Conduct is available to shareholders and the public free of charge under the "Compliance" section of our Internet website at <http://www.universalcorp.com/Compliance>. A printed copy is available to any shareholder free of charge upon written request directed to Investor Relations at the address provided on page 6 of this Proxy Statement.

### **Director Independence**

The Board of Directors, in its business judgment, has determined that each member of the Board of Directors, except Mr. G. Freeman, our Chairman, President, and Chief Executive Officer, is independent as defined by the NYSE listing standards and our Corporate Governance Guidelines. In reaching this conclusion and as set forth in the independence standards of our Corporate Governance Guidelines, the Board of Directors evaluated each director or nominee for director in light of the specified independence tests set forth in the NYSE listing standards. In addition, the Board of Directors considered whether we and our subsidiaries conduct business and have other relationships with organizations of which certain members of the Board of Directors or members of their immediate families are or were directors or officers. There has been no such business or relationships for the past three fiscal years.

### **Executive Sessions**

The independent directors of the Board of Directors meet in executive session without management or employee directors present. Such executive sessions may be scheduled either before or after each regularly scheduled Board of Directors meeting. Although designated to meet at least annually, during fiscal year 2020 the independent directors met in executive session five times. The independent directors designate the Lead Independent Director, who is responsible for presiding over the executive sessions of the independent directors. The Lead Independent Director is responsible for advising the Chairman, President, and Chief Executive Officer of the outcome of any decisions reached or suggestions made at these sessions. As noted below, Mr. Moore has served as Lead Independent Director for this year. In recognition of Mr. Moore's pending retirement following the Annual Meeting, the Board has appointed Mr. Thomas H. Johnson as Lead Independent Director effective at the conclusion of the Annual Meeting.

## **Communications with Directors**

Interested parties may at any time direct communications to the Board of Directors as a whole, to the Lead Independent Director, or to any individual member of the Board of Directors, through our Internet website or by contacting our Secretary. The “Investors - Corporate Governance - Contact the Board” section of our Internet website at <http://investor.universalcorp.com/corporate-governance/contact-the-board> contains an e-mail submission form established for submitting communications to directors. Communications can also be delivered by mail by sending requests to our Secretary, whose address is on page 6 of this Proxy Statement.

Shareholders making such communications are encouraged to state that they are shareholders and provide the exact name in which their shares of Common Stock are held and the number of shares held. Each individual communicating with the Board of Directors will receive a written acknowledgment from or on behalf of our Secretary after receipt of the communication sent in the manner described above. After screening such communications for issues unrelated to shareholder interests, our Secretary will distribute communications to the intended recipient(s) as appropriate. The process for such screening has been approved by our independent directors.

## **Board and Committee Meeting Attendance**

During fiscal year 2020, there were seven meetings of the Board of Directors. Each director attended 75% or more of the total number of meetings of the Board of Directors and of the committees on which they served.

## **Board Leadership Structure and Role in Risk Oversight**

### **Board Leadership Structure**

The Board of Directors does not have a policy on whether or not the role of the Chief Executive Officer and Chairman should be separate or, if it is to be separate, whether the Chairman should be selected from the non-employee directors or be an employee. We operate with one individual, Mr. G. Freeman, serving as Chairman of the Board, President, and Chief Executive Officer. Mr. G. Freeman was elected by the Board of Directors as President on December 12, 2006, Chief Executive Officer on April 1, 2008 and Chairman of the Board on August 5, 2008. Prior to his election as our President and Chief Executive Officer, Mr. G. Freeman served as our General Counsel and Secretary from February 1, 2001 until November 2005, when he was elected Vice President. The Board of Directors believes that because Mr. G. Freeman has unique and extensive experience and understanding of our business, he is well situated to lead and execute strategy and business plans to maximize shareholder value by having a combined role of Chairman of the Board, President, and Chief Executive Officer.

The Company's Corporate Governance Guidelines permit the individual who serves as Chief Executive Officer to serve as Chairman of the Board of Directors. In order to ensure that independent directors continue to play a leading role in our governance, however, the Board of Directors established the position of a Lead Independent Director in our Corporate Governance Guidelines.

The Lead Independent Director is elected by the independent directors and ensures that (i) the Board of Directors operates independently of management, and (ii) directors and shareholders have an independent leadership contact. The Lead Independent Director, who must satisfy our independence standards, is responsible for presiding over the executive sessions of the independent directors and performing such other duties as may be delegated to the position by the Board of Directors. The Lead Independent Director also has the following additional roles and responsibilities:

- chair Board of Directors meetings when the Chairman of the Board of Directors is not present or when there is a potential conflict of interest;
- call meetings and set agendas for executive sessions of the independent directors;
- preside over meetings of the independent directors and, as appropriate, provide prompt feedback to the Chief Executive Officer and Chairman of the Board of Directors;
- serve as a liaison between the independent directors and the Chief Executive Officer and Chairman of the Board of Directors and senior management to report or raise matters;
- serve as a “sounding board” and mentor to the Chief Executive Officer and Chairman of the Board of Directors; and
- perform such other duties and responsibilities as may be delegated to the Lead Independent Director by the Board of Directors from time to time.

Mr. Moore currently serves as our Lead Independent Director. In light of his pending retirement at the conclusion of the Annual Meeting, the independent members of the Board of Directors recently elected Mr. Thomas H. Johnson to serve as Lead Independent Director to succeed Mr. Moore effective at the conclusion of the Annual Meeting. The Board of Directors historically has elected a Lead Independent Director each year for a one year term commencing at the conclusion of the applicable Annual Meeting. Mr. Johnson, therefore, will serve as Lead Independent Director until the conclusion of the 2021 Annual Meeting.

The Board of Directors also has five standing committees: the Audit Committee, the Compensation Committee, the Executive Committee, the Finance and Pension Investment Committee, and the Nominating and Corporate Governance Committee. Each committee has a separate chairman and each of the Audit, Compensation and Nominating and Corporate Governance Committees are composed solely of independent directors.

Given our current circumstances, relative size and operating strategies, we believe having a combined Chairman of the Board of Directors and Chief Executive Officer, as well as having a Lead Independent Director and independent standing committees, is the most appropriate structure for us and our shareholders. We believe this structure demonstrates clear leadership to our employees, shareholders, and other interested parties and eliminates potential for redundancies and confusion. The Lead Independent Director protects the role of the independent directors by providing leadership to the independent directors and working closely with the Chief Executive Officer and Chairman of the Board of Directors.

As part of the Board of Directors' annual assessment process, the Board of Directors evaluates our board leadership structure to ensure that it remains appropriate for us. The Board of Directors recognizes that there may be circumstances in the future that would lead it to separate the roles of Chief Executive Officer and Chairman of the Board of Directors, but believes that the absence of a policy requiring either the separation or combination of the roles of Chairman and Chief Executive Officer provides the Board of Directors with the flexibility to determine the best leadership structure for us.

#### **Board of Directors' Role in Risk Oversight**

The Board of Directors is responsible for our risk oversight. Management is responsible for our risk management, including providing oversight and monitoring to ensure our policies are carried out and processes are executed in accordance with our performance goals and risk tolerances. In carrying out its risk oversight function, each of the five standing committees of the Board of Directors is responsible for risk oversight within their area of responsibility and regularly reports to the Board of Directors. In addition, management holds regular meetings in which they identify, discuss, and assess financial risk from current macro- economic, industry, and company-specific perspectives.

The Audit Committee is responsible for discussing with management, the independent registered public accounting firm and the internal auditors our policies and procedures with respect to risk assessment and risk management. As part of its regular reporting process, management reports and reviews with the Audit Committee our material risks, including (i) proposed risk factors and other public disclosures, and (ii) mitigation strategies and our internal controls over financial reporting. The Audit Committee also engages in regular periodic discussions with the Chief Financial Officer and other members of management regarding risks as appropriate.

The Finance and Pension Investment Committee assists the Board of Directors in control of our financial policies and resources and monitors our financial strategic direction. As part of its responsibilities, the Finance and Pension Investment Committee oversees our financial policies, including financial risk management, and reviews and approves significant financial policies and transactions. It also has oversight of the investments in our ERISA-regulated pension and savings plans.

In addition to the Audit Committee and Finance and Pension Investment Committee, each of the other committees of the Board of Directors considers risks within its area of responsibility and regularly reports to the Board of Directors on issues related to the Company's risk profile. For example, the Compensation Committee considers succession planning and risks that may be a result of our executive compensation programs, and has oversight responsibility for the Company's review of compensation policies and procedures to determine whether they present significant risks. In addition, the Nominating and Corporate Governance Committee considers risks related to corporate governance, environmental, and social responsibility issues, as well as succession planning risk regarding our Chief Executive Officer and the members of the Board of Directors.

We believe the current leadership structure of the Board of Directors supports the risk oversight functions described above by providing independent leadership at the committee level, with ultimate oversight by the full Board of Directors as led by the Chairman of the Board of Directors and Chief Executive Officer and the Lead Independent Director.

### **Compensation Risk Assessment**

As part of its oversight of our executive compensation program, the Compensation Committee considers the impact of our executive compensation program, and the incentives created by the compensation awards that it administers, on our risk profile. The Compensation Committee has implemented compensation program design features to mitigate the risk that our compensation programs encourage misconduct or imprudent risk-taking. In addition, we review all of our compensation policies and procedures, including the incentives that they create and factors that may reduce the likelihood of excessive risk taking, to determine whether they present a significant risk to us. At the Compensation Committee's direction, our Senior Vice President and Chief Financial Officer and his staff, our Vice President, General Counsel, and Secretary, and a member of our internal audit team, conducted a risk review assessment of our compensation programs in fiscal year 2020. The Compensation Committee reviewed the findings of the assessment and concluded (i) that our compensation programs are designed with the appropriate balance of risk and reward in relation to our overall business strategy and (ii) that the balance of compensation elements discourages excessive risk taking. The Compensation Committee, therefore determined that the risks arising from our compensation policies and practices for employees are not reasonably likely to have a material adverse effect on the Company. The Compensation Committee also concluded that the performance measures and performance targets do not encourage excessive or unnecessary risk taking. In its discussions, the Compensation Committee considered the attributes of our programs, including:

- the balance between annual and longer-term performance opportunities;
- the balance between performance-based and non-performance-based pay;
- alignment of our programs with business strategies focused on long-term growth and sustained shareholder value, ensuring the performance goals established for senior management reflect the objectives set by the Compensation Committee to increase focus on the achievement of the Company's strategic plan;
- placement of an appropriate portion of our executive pay "at risk" and dependent upon the achievement of specific corporate and individual performance goals that are objectively determined with verifiable results. These corporate goals have pre-established thoughtful threshold, target and maximum award limits;
- the use of multiple performance metrics that are based on the general performance of the corporation and the use of economic profit as a risk-adjusted metric;
- the use of rolling three-year Performance Shares to lengthen the overall measurement period;
- the Compensation Committee's ability to exercise negative discretion and to consider non-financial and other qualitative performance factors in determining actual compensation payouts;
- stock ownership guidelines that are reasonable and align executives' short- and long-term interests with those of our shareholders;
- the recoupment policy to authorize the potential recovery or adjustment of cash incentive awards and long-term equity awards paid to named executive officers and other recipients in the event there was a restatement of incorrect financial results and upon the occurrence of certain specified events; and
- the policy prohibiting the use of hedging and derivatives trading by executives and directors.

In addition to the fiscal year 2020 risk review assessment, the Company engaged Willis Towers Watson Public Limited Company, whom we refer to as Willis Towers Watson, to review the overall design and alignment to market of our executive compensation programs, including compensation philosophy, annual and long-term incentive plans, stock ownership guidelines, benefit plans and executive perquisites, severance policies, corporate governance, and outside director practices. Following their benchmarking review and audit of the Company's executive compensation, Willis Towers Watson found that the Company's executive programs were aligned with the target of the 50th percentile of the Company's peer group and the industry in which the Company competes, and any recommended changes were intended to improve market alignment for program design and governance. One such recommended change, as announced in the Company's Form 8-K filed with the SEC on May 29, 2020, is with respect to the adoption by the Company of a "double-trigger" severance plan for its executive officers in connection with a potential change-in-control of the Company, which previously was applicable to only certain executive officers. As previously announced, adoption of the Change in Control Severance Policy proposed by Willis Towers Watson, and reviewed and recommended by the Compensation Committee, was approved by the Board of Directors of the Company and effective as of May 26, 2020. For a full description of the Change in Control Severance Policy, please see the Form 8-K filed with the SEC on May 29, 2020 as well as the section "Change of Control Agreements" on page 44 of this Proxy Statement.

## **Committees of the Board**

### **Audit Committee**

The responsibilities of the Audit Committee include the review of the scope and the results of the work of the independent registered public accounting firm and internal auditors, the review of the adequacy of internal accounting controls, and the selection, appointment, compensation, and oversight of our independent registered public accounting firm. The Audit Committee operates under a written charter last amended by the Board of Directors on April 20, 2009. The Audit Committee's charter is available under the "Corporate Governance" section of our Internet website at <http://investor.universalcorp.com/corporate-governance>.

The members of the Audit Committee are Messrs. Lawton (Chairman), L. Freeman, Moore, Sledd and Tullidge and Ms. Williams. The Board of Directors has determined that each of the Audit Committee members is independent as defined under the applicable independence standards set forth in regulations of the SEC and the NYSE listing standards. The Board of Directors has also determined that all of the Audit Committee members are financially literate as defined by the NYSE listing standards. Finally, in accordance with the applicable regulations of the SEC, the Board of Directors has further determined that the Audit Committee contains at least one "audit committee financial expert" as defined by such regulations. That person is Mr. Lawton, the Chairman of the Audit Committee. The fact that the Board of Directors did not identify additional Audit Committee members as "audit committee financial experts" does not in any way imply that other members do not meet that definition.

The Audit Committee met six times during fiscal year 2020. Additional information with respect to the Audit Committee is discussed below in the section entitled "Audit Information" on page 68 of this Proxy Statement.

### **Compensation Committee**

The current members of the Compensation Committee are Mr. Johnson (Chairman), Mrs. Cantor, Mr. L. Freeman and Mr. Lawton. The Compensation Committee performs the responsibilities of the Board of Directors relating to compensation of our executives, including establishing and maintaining a competitive compensation program for our directors and executives in order to attract, retain and motivate key contributors to our success. The Compensation Committee's responsibilities include, among others, reviewing and setting or approving corporate goals and objectives relevant to compensation of the Chief Executive Officer and other executive officers, evaluating the performance of the Chief Executive Officer and our other executive officers in light of those goals and objectives, and determining and approving compensation levels for the Chief Executive Officer and our other executive officers based on this evaluation; making recommendations to the Board of Directors with respect to annual and long-term incentive compensation plans; evaluating the performance of, and determining the salaries, incentive compensation, and executive benefits for senior management; and administering our equity-based and other executive compensation plans.

On April 9, 2019, the Board of Directors approved changes to the Company's Bylaws and to the charter of the formerly-named Executive Compensation, Nominating and Corporate Governance Committee. The purpose of the approved changes was, in part, to divide the Executive Compensation, Nominating and Corporate Governance Committee into two committees: the Compensation Committee and the Nominating and Corporate Governance Committee. The Board approved such changes in consideration of best practices with respect to corporate governance by creating a separate committee dedicated to corporate governance and director nominating responsibilities. Such changes also resulted in the Compensation Committee being dedicated to compensation matters. The Compensation Committee operates under the written charter amended and approved by the Board of Directors on April 9, 2019. The charter, as well as the Company's amended Bylaws, are available under the "Corporate Governance" section of our Internet website at <http://investor.universalcorp.com/corporate-governance>.

The Chairman of the Compensation Committee works with management to establish the agenda for Compensation Committee meetings. Data and materials are prepared for review by the Compensation Committee using market data from both broad-based and targeted national and regional compensation surveys. Competitive industry analysis is enhanced through review of peer company proxy data, professional research consortiums, and nationally recognized compensation databases provided by the Compensation Committee's external compensation consultant.

The Compensation Committee periodically meets with certain members of management in order to assess progress toward meeting long-term objectives approved by the Board of Directors. The Compensation Committee reviews the performance and compensation of the Chief Executive Officer with input from both the full Board of Directors and the Chief Executive Officer's self-evaluation. The Compensation Committee approves the compensation of the other executive officers, based upon the evaluation and recommendation of the Chief Executive Officer. Where it deems appropriate, the Compensation Committee engages its independent compensation consultant or other appropriate advisors to analyze compensation trends and competitiveness of pay packages and to support the Compensation Committee's duty to establish each of the executive officers' targeted overall compensation levels.

The Compensation Committee reports regularly to the Board of Directors on matters relating to the Compensation Committee's responsibilities. For additional information regarding the compensation-related activities of the Compensation Committee, see the sections entitled "Compensation Discussion and Analysis" and "Report of the Compensation Committee" beginning on pages 28 and 45 of this Proxy Statement, respectively.

The Board of Directors has determined that the members of the Compensation Committee are "non-employee directors" (within the meaning of Rule 16b-3 of the Exchange Act), "outside directors" (within the meaning of former Section 162(m) of the Internal Revenue Code) and "independent directors" (as defined under the applicable NYSE listing standards and our Corporate Governance Guidelines). In addition, no Compensation Committee member is a current or former employee of ours or any of our subsidiaries. While the Compensation Committee's charter does not specify qualifications required for members, Mr. Johnson has been a member of other public company boards of directors and is a former chief executive officer of public companies, Mr. L. Freeman has extensive experience as a former senior executive officer of a large international tobacco products manufacturer, Mrs. Cantor possesses extensive legal, investment, and financial skills as well as significant public company directorship experience, and Mr. Lawton has had significant experience as a senior executive of a public company. The Compensation Committee met three times during fiscal year 2020, and took action in lieu of a meeting once by unanimous consent during such period.

In performing its responsibilities with respect to executive compensation decisions, the Compensation Committee receives information and support from our Human Resources Department and a nationally-recognized executive compensation consultant. For fiscal year 2020, Willis Towers Watson served as an independent, executive compensation consultant to the Compensation Committee and had aggregate fees for fiscal year 2020 of approximately \$94,060 for these services. Management did not engage Willis Towers Watson to provide any other services of significance to the Company. Willis Towers Watson does provide consultancy services to the Company regarding its International Savings Plan and certain administrative services related to our retirees' health reimbursement accounts. These additional consultancy services are managed by separate groups within Willis Towers Watson with no direct reporting responsibility to the executive compensation group and each of these consultancy groups have separate physical locations. In addition, Willis Towers Watson was engaged to perform these separate services after completion of a comprehensive bid process. For more information with respect to the Compensation Committee's compensation consultant, see "Compensation Discussion and Analysis" beginning on page 28 of this Proxy Statement.

#### **Executive Committee**

The Executive Committee has the authority to act for the Board of Directors on most matters during the intervals between Board of Directors meetings. The members of the Executive Committee are Messrs. G. Freeman (Chairman), L. Freeman, Johnson, Lawton and Moore. The Executive Committee met two times during fiscal year 2020.

#### **Finance and Pension Investment Committee**

On April 9, 2019, the Board of Directors approved changes to the Company's Bylaws and to the charters of the formerly named Finance Committee and Pension Investment Committee. The purpose of the approved changes was, in part, to combine the Finance Committee and the Pension Investment Committee into one committee: the Finance and Pension Investment Committee. The Board approved such changes in consideration of certain overlapping interests between the two former committees, as well as efficiencies with respect to the functions of the two separate committees. The Finance and Pension Investment Committee operates under the written charter approved by the Board of Directors on April 9, 2019. The charter, as well as the Company's amended Bylaws, are available under the "Corporate Governance" section of our Internet website at <http://investor.universalcorp.com/corporate-governance>.

The Finance and Pension Investment Committee has the responsibility of establishing our financial policies and controlling our financial resources. In addition, it retains and monitors the performance of an investment manager and, with the assistance of the investment manager, establishes investment objectives and policies, and monitors the performance of investments, of the retirement plans and other qualified employee benefit plans of Universal Leaf Tobacco Company, Incorporated, which we refer to as Universal Leaf. The members of the Finance and Pension Investment Committee are Mr. Sledd (Chairman), Mrs. Cantor, Messrs. G. Freeman, Moore, and Tullidge and Ms. Williams. The Finance and Pension Investment Committee met four times during fiscal year 2020.

## **Nominating and Corporate Governance Committee**

As noted above, on April 9, 2019, the Board of Directors approved changes to the Company's Bylaws and to the charter of the formerly-named Executive Compensation, Nominating and Corporate Governance Committee. The purpose of the approved changes was, in part, to divide the Executive Compensation, Nominating and Corporate Governance Committee into two committees: the Compensation Committee and the Nominating and Corporate Governance Committee. The Board approved such changes in consideration of best practices with respect to corporate governance by creating a separate committee dedicated to corporate governance and director nominating responsibilities. The Nominating and Corporate Governance Committee operates under the written charter approved by the Board of Directors on April 9, 2019. The charter, as well as the Company's amended Bylaws, are available under the "Corporate Governance" section of our Internet website at <http://investor.universalcorp.com/corporate-governance>.

The Nominating and Corporate Governance Committee performs a two-fold function. First, the Nominating and Corporate Governance Committee is responsible, subject to approval of the Board of Directors, for determining and developing criteria for Board of Directors membership, for identifying specific individuals qualified to be members of the Board of Directors, and for making recommendations to the Board of Directors with respect to such nominations. Second, the Nominating and Corporate Governance Committee is responsible for developing and recommending to the Board of Directors a set of corporate governance principles applicable to the Company, overseeing the Company's environmental and social responsibility and sustainability programs and practices, and overseeing the evaluation of the Board of Directors and its acting committees. The Nominating and Corporate Governance Committee monitors developments in, and makes recommendations to the Board of Directors concerning, corporate governance practices, including following regulatory and legislative developments, and considers corporate governance best practices in performing its duties. The members of the Nominating and Corporate Governance Committee are Mrs. Cantor (Chairman), Messrs. Johnson, Sledd, Tullidge and Ms. Williams.

The Nominating and Corporate Governance Committee employs several methods for identifying and evaluating director nominees. The Nominating and Corporate Governance Committee considers candidates for Board of Directors membership suggested by its members, other Board of Directors members, and by management, and will also consider candidates suggested by our shareholders. The Nominating and Corporate Governance Committee periodically assesses whether any vacancies on the Board of Directors are expected due to retirement or otherwise and in the event that vacancies are anticipated, the Nominating and Corporate Governance Committee considers possible director candidates. The Nominating and Corporate Governance Committee also has the authority to retain a third-party executive search firm to identify candidates should the Nominating and Corporate Governance Committee deem it necessary based upon the director membership criteria described in the Corporate Governance Guidelines and the Nominating and Corporate Governance Committee's own assessment of the perceived needs of the Board of Directors at that point in time. Shareholders entitled to vote for the election of directors may submit candidates for formal consideration by the Nominating and Corporate Governance Committee in connection with an Annual Meeting if we receive timely written notice, in proper form, for each such recommended director nominee. If the notice is not timely and in proper form, the nominee will not be considered by the Nominating and Corporate Governance Committee. To be timely for the 2021 Annual Meeting, the notice must be received within the time frame set forth in the section entitled "Proposals for 2021 Annual Meeting" on page 71 of this Proxy Statement. To be in proper form, the notice must include each nominee's written consent to be named as a nominee and to serve if elected, and information about the shareholder making the nomination and the person nominated for election. These requirements are more fully described in our Bylaws and Corporate Governance Guidelines.

The Nominating and Corporate Governance Committee evaluates all director candidates in accordance with the director membership criteria described in the Corporate Governance Guidelines. The Nominating and Corporate Governance Committee does not differentiate between Board of Directors candidates submitted by shareholders and candidates submitted by its members, other Board of Directors members or by management with respect to evaluating candidates. All Board of Directors candidates are considered based upon various criteria, such as their broad-based business skills and experience, prominence and reputation in their profession, their global business and social perspective, concern for the long-term interests of the shareholders, knowledge of our industry or related industries, diversity, and personal and professional integrity, ethics, and judgment - all in the context of an assessment of the perceived needs of the Board of Directors at that point in time. Because the needs of the Board of Directors change from time to time, the Nominating and Corporate Governance Committee evaluates the totality of the merits of each prospective nominee that it considers and has not established specific minimum qualifications that must be met by potential new directors. The Board of Directors, however, believes that as a matter of policy there should be a substantial majority of independent directors on the Board of Directors.

It also is important to the Nominating and Corporate Governance Committee that the members of the Board of Directors work together in a cooperative fashion. When considering a director standing for re-election as a nominee, in addition to the attributes described above, the Nominating and Corporate Governance Committee also considers that individual's past contribution and future commitment to us. The Nominating and Corporate Governance Committee will also seek to ensure that the Board of Directors, and consequently the Audit Committee, have at least three independent members that satisfy the NYSE financial and accounting experience requirements and at least one member who qualifies as an audit committee financial expert.

After completing potential director nominees' evaluations, the Nominating and Corporate Governance Committee makes a recommendation to the full Board of Directors as to the persons who should be nominated by the Board of Directors, and the Board of Directors determines the nominees after considering the recommendation and report of the Nominating and Corporate Governance Committee. There is no difference in the manner by which the Nominating and Corporate Governance Committee evaluates prospective nominees for director based upon the source from which the individual was first identified.

Mr. G. Freeman, Mr. L. Freeman and Ms. J. Williams were each recommended by the Nominating and Corporate Governance Committee for nomination for election at the Annual Meeting as directors to serve a three-year term until their respective successors are elected and qualified, or until their earlier resignation or removal. The Nominating and Corporate Governance Committee did not receive any Board of Director recommendations from any shareholder in connection with the Annual Meeting.

#### **Annual Meeting Attendance**

We expect and encourage each member of the Board of Directors to attend our Annual Meetings when it is reasonably practical for the director to do so. It is possible that, due to concerns regarding the ongoing COVID-19 pandemic, members of our Board may attend the 2020 Annual Meeting by telephone or electronic means. All persons serving as Board members at the time attended the Company's 2019 Annual Meeting of Shareholders.

#### **Board's Role in Environmental, Social and Governance (ESG) Matters**

Corporate responsibility is an important priority for the Board of Directors and the Company. We have a long history of strong commitment to being an ethical and responsible company acting with integrity and respect for each other, our communities and the environment. The Board of Directors considered such commitment when it approved the charter for the Nominating and Corporate Governance Committee on April 9, 2019. In the charter, the Board of Directors tasked the Nominating and Corporate Governance Committee with the responsibility for overseeing our environmental and social responsibility and sustainability programs and practices, including considering potential long- and short-term trends and impacts that environmental and social responsibility and sustainability issues may have related to Universal's business.

The Nominating and Corporate Governance Committee is also responsible for overseeing the Company's public reporting on environmental and social responsibility and sustainability programs and practices. The Company's current programs and practices are comprehensively discussed in our "Practices" section <http://www.universalcorp.com/Practices> and "Impact" section <http://www.universalcorp.com/Impact> of our Internet website, and in our publicly-released 2019 Sustainability Report. The 2019 Sustainability Report is available under the "Practices - Social Responsibility" section of our Internet website at: <http://www.universalcorp.com/Practices/SocialResponsibility>. This 2019 Sustainability Report builds on our 2018 Sustainability Review with metrics, facts, and figures that represent our business throughout the world, and touches on such important issues as supply chain integrity, environmental impacts, social impacts and good agricultural practices. Data disclosed in the 2019 Sustainability Report reflects activities that occurred during the fiscal years 2019 and 2020, and had been prepared in accordance with the GRI Standards: Core option. We encourage you to review our 2019 Sustainability Report. In December 2020, we will publicly release our 2020 Sustainability Report which will build on the disclosures and metrics included in our 2019 Sustainability Report.

In addition to the 2019 Sustainability Report, the Company has implemented other ESG policies and procedures, including those in the aforementioned 2018 Sustainability Review, as well as its Sustainability and Supply Chain Integrity Policy and Social Responsibility Policy, all of which can be found on our website at: <http://www.universalcorp.com/Practices/SocialResponsibility>.

## COMPENSATION DISCUSSION AND ANALYSIS

### Fiscal Year 2020 Compensation Discussion and Analysis

This Compensation Discussion and Analysis and the executive compensation tables that follow describe the compensation of the Company's named executive officers:

- George C. Freeman, III, Chairman, President and Chief Executive Officer;
- Airton L. Hentschke, Senior Vice President and Chief Operating Officer;
- Johan C. Kroner, Senior Vice President and Chief Financial Officer;
- Preston D. Wigner, Vice President, General Counsel and Secretary; and
- Theodore G. Broome, Executive Vice President and Sales Director, Universal Leaf.

We refer to these five executives as our named executive officers. Information about named executive officers' salaries and any changes thereto in fiscal year 2020 can be found under "Base Salaries" on page 38. Information about annual cash incentive targets and awards appears under "Annual Cash Incentives Awards" beginning on page 39. Information about long-term targets and awards appears under "Long-Term Equity Participation" beginning on page 41.

### Executive Summary

#### Guiding Philosophy

Universal Corporation sources, processes, and supplies agri-products. Tobacco has been our principal focus since our founding in 1918, and we are the leading global leaf tobacco supplier. The largest portion of our business involves procuring and processing leaf tobacco for manufacturers of consumer tobacco products throughout the world. As such, our business is subject to risks, including changes in general economic, political, market, and weather conditions, as well as government regulation, and fluctuations in foreign exchange rates. Our executive compensation program reflects a strong tie of pay to performance in order to link the interests of executive officers to the interests of shareholders and promote the creation of long-term shareholder value.

The goal of our executive compensation and benefits program is to attract, motivate, reward, and retain the management talent required to achieve our business objectives, at compensation levels that are fair, equitable and competitive with those of comparable companies. This goal is furthered by the Compensation Committee's policy of linking compensation to individual and corporate performance and by encouraging significant stock ownership by senior management in order to support our business strategy and align the financial interests of management with those of the shareholders.

The following objectives serve as guiding principles for all compensation decisions:

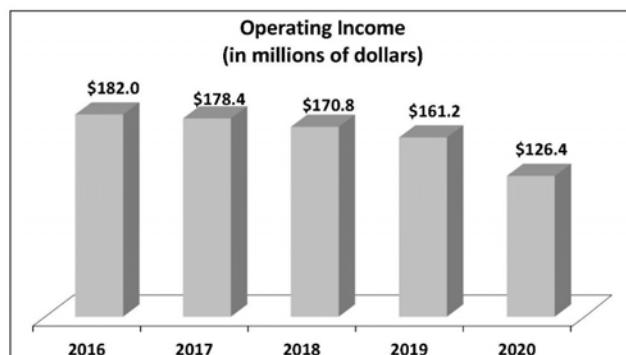
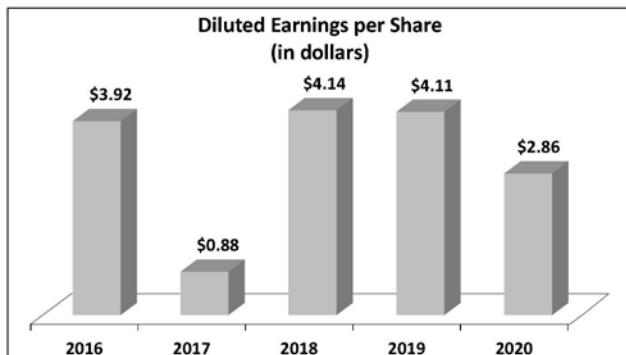
- compensation should be set based on the responsibilities, skills, experience and achievements of each executive officer, taking into account competitive market rates;
- compensation should be linked to individual and corporate performance by aligning our executive compensation program to company-wide performance, which we define in terms of economic performance and increases in shareholder value;
- there should be an appropriate mix and weighting among base salary, cash incentives and equity awards, such that an adequate amount of each executive officer's total compensation is performance-based or "at risk." Further, as an executive's responsibilities increase, the portion of "at risk" compensation for the executive should increase as a percentage of total compensation;
- compensation should avoid any arrangements that pay for failure;
- compensation programs should be designed to provide appropriate performance incentives without encouraging executives to take excessive risks in managing the business and which emphasize our commitment to our core values;
- strong emphasis should be placed on equity-based compensation and equity ownership in order to align the financial interests of senior management with those of the shareholders and to ensure the proper focus on long-term business strategies; and
- compensation goals and objectives should be transparent and easy to communicate, both internally and externally. Shareholders should be supplied with clear, comprehensive compensation disclosure.

## Company Performance

Fiscal year 2020 was highlighted by a stable performance in our tobacco operations, as well as a foundational step in building out a broader plant-based agri-products services platform with our acquisition of FruitSmart, Inc., an independent specialty fruit and vegetable ingredient processor serving global markets.

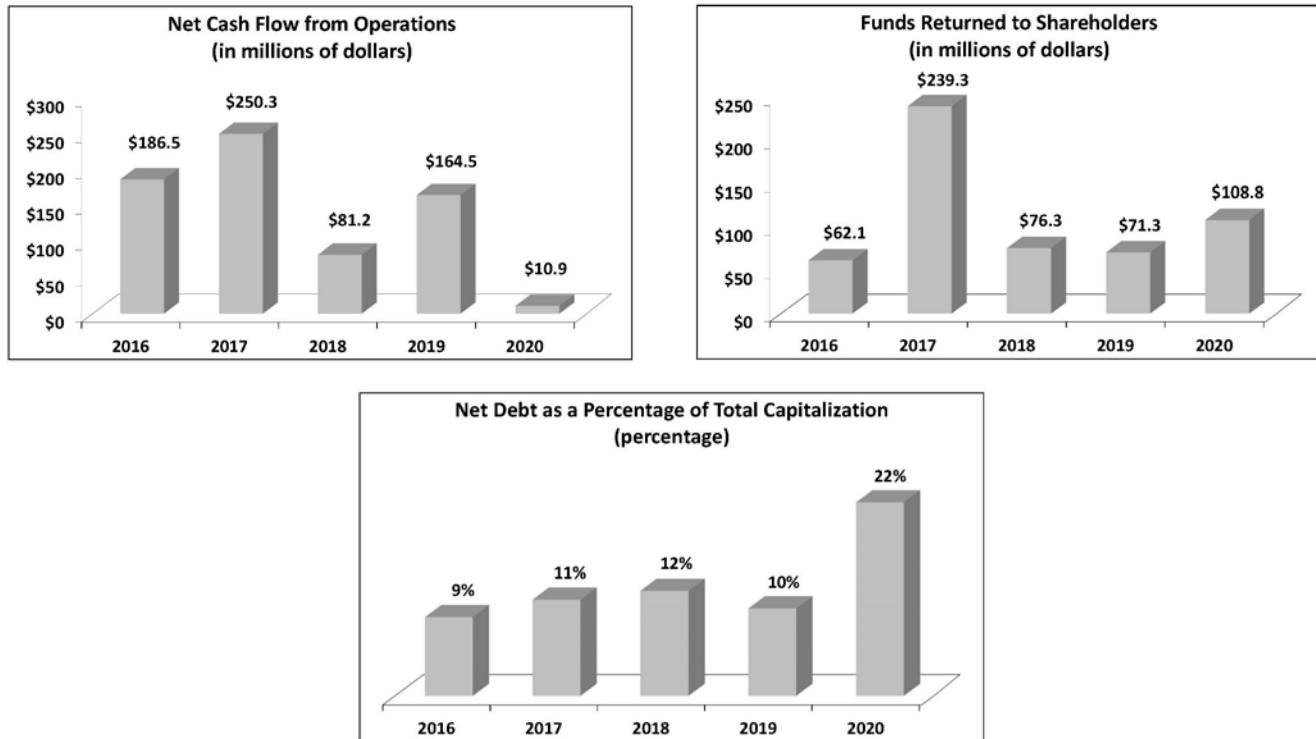
Consolidated revenues decreased by \$317.2 million (17%) over the prior fiscal year, to \$1.9 billion, on lower sales and processing volumes. Timing of shipments at certain origins, as well as currency remeasurement and foreign currency exchange comparisons, were unfavorably impacted by the COVID-19 pandemic. Net income for the fiscal year ended March 31, 2020, was \$71.7 million, or \$2.86 per diluted share, compared with \$104.1 million, or \$4.11 per diluted share, for the prior fiscal year. The results for the fiscal year ended March 31, 2020 included restructuring and impairment costs of \$7.5 million, \$7.4 million of transaction and acquisition purchase accounting costs for the FruitSmart acquisition, and \$2.7 million of additional income tax expense for resolution of a tax matter related to a foreign subsidiary. The results for the fiscal year ended March 31, 2019 included restructuring and impairment costs of \$20.3 million, as well as a \$7.8 million reduction in income tax expense from reversing a portion of a liability previously recorded for dividend withholding taxes on the cumulative retained earnings of a foreign subsidiary. These items reduced diluted earnings per share by \$0.63 and \$0.34 for the fiscal years ended March 31, 2020 and 2019, respectively. Excluding the non-recurring items for both years, net income decreased by \$25.3 million and diluted earnings per share decreased by \$0.96 for fiscal year 2020 compared to fiscal year 2019. Operating income for the fiscal year ended March 31, 2020, which included the restructuring and impairment costs and transaction and acquisition purchase accounting costs noted above, was \$126.4 million, a decrease of \$34.8 million compared to the prior fiscal year. Segment operating income, which excludes the restructuring and impairment costs, was \$138.1 million for the fiscal year ended March 31, 2020, a decrease of \$48.7 million from the prior fiscal year. An unfavorable remeasurement and currency variance largely attributable to the COVID-19 pandemic accounted for \$13.1 million of this decrease.

The following charts show a five-year history of our diluted earnings per share and our operating income:



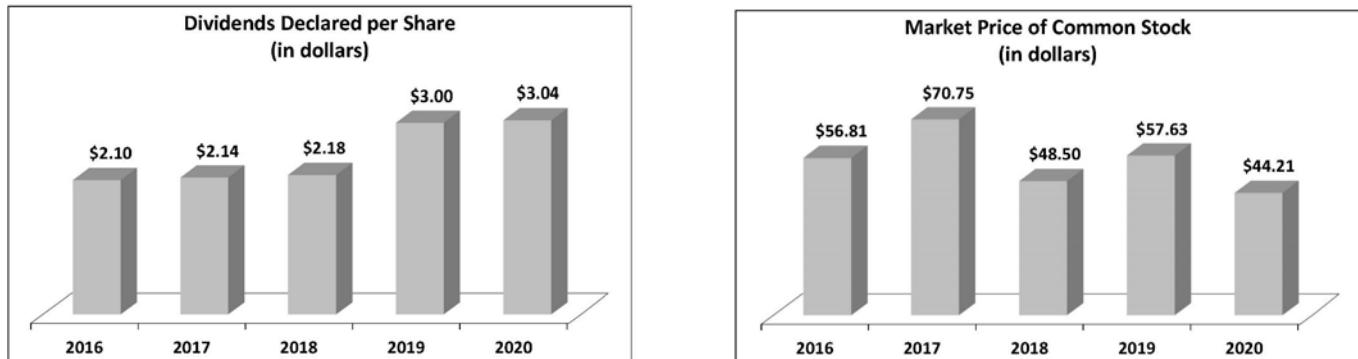
- During fiscal year 2020, we generated \$10.9 million in net cash flows from our operations, returned \$108.8 million to shareholders through dividends and common share repurchases, and continued to maintain our strong balance sheet.
- Over the last three fiscal years, we have generated over \$250 million in net cash flow from operations and returned over \$250 million to shareholders through a combination of dividends and share repurchases.
- Net debt as a percentage of total capitalization was approximately 22% at March 31, 2020, up from 10% at March 31, 2019, primarily reflecting lower cash balances. Our net debt as a percentage of total capitalization remains at a very manageable level.

The following charts show a five-year history of our net cash flow from operations, our funds returned to shareholders, and our net debt as a percentage of total capitalization.



- In May 2018, we announced an enhanced capital allocation strategy that included a 36% increase in the dividend, raising our annual per share dividend to \$3.00. In May 2020, we announced our 50<sup>th</sup> consecutive annual dividend increase, increasing our annual Common Stock per share dividend to \$3.08. Based on the March 31, 2020 closing price of our Common Stock, as quoted on the NYSE, our dividend yield was 6.88%.

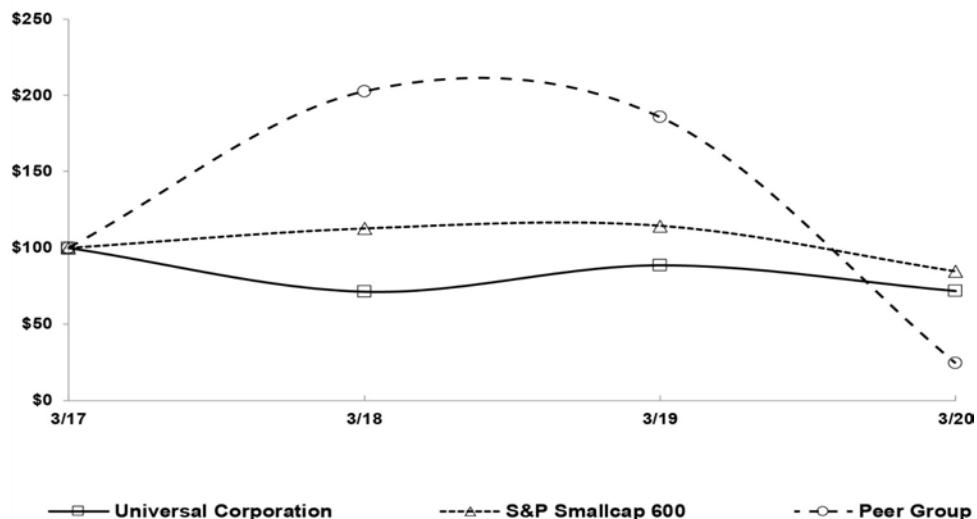
The following charts show a five-year history of our dividends declared per share of Common Stock and the market price of our Common Stock on the last business day of each fiscal year:



- We continued to advance our goal of providing compliant leaf produced in a sustainable and competitive manner for our customers, and we maintained our position as the leading global leaf tobacco supplier.

We believe our compensation philosophy is appropriate and aligned with the interests of our shareholders, as demonstrated by our Common Stock performance. The following performance graph compares the cumulative total shareholder return on our Common Stock for the last three fiscal years with the cumulative total return for the same period of the Standard & Poor's Smallcap 600 Index and the peer group index. The peer group represents Pyxus International, Inc. (formerly named Alliance One International, Inc.). The graph assumes that \$100 was invested in Universal Corporation Common Stock at the end of the Company's 2016 fiscal year, and in each of the comparative indices, in each case with dividends reinvested.

**COMPARISON OF 3 YEAR CUMULATIVE TOTAL RETURN\***  
 Among Universal Corporation, the S&P Smallcap 600 Index,  
 and a Peer Group



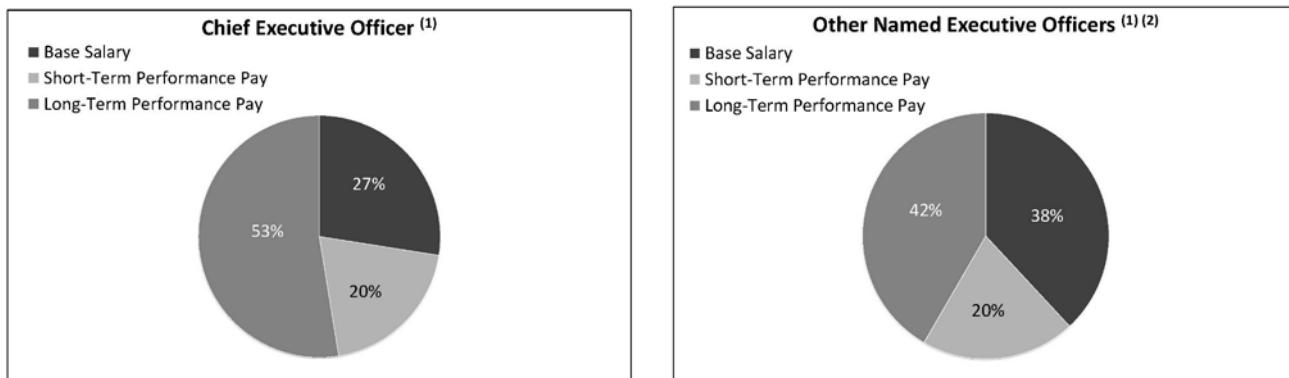
\*\$100 invested on 3/31/17 in stock or index, including reinvestment of dividends.  
 Fiscal year ending March 31.

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## Executive Compensation

The Compensation Committee, Board of Directors and management of the Company take pride in our performance-based compensation program and remain committed to maintaining the integrity of the program in good times and bad. Our executive compensation program primarily consists of moderate base salary and variable at-risk annual cash and equity incentive awards that are benchmarked to the 50<sup>th</sup> percentile of the peer group market. While the Compensation Committee utilizes market data and other statistical information on executive compensation, it is not over-reliant on such data. The Compensation Committee recognizes its responsibility to avoid the tendency to permit benchmarking to be a contributor to escalating executive compensation. Over the last five years, the base salary of our Chief Executive Officer has increased by an average of only 3.2% per year. For fiscal year 2021, increases in the total direct opportunity compensation of our Chief Executive Officer and our named executive officers were 2% except for our Chief Financial Officer, whose base salary was not increased, however, his percentage of Long-Term Performance Pay was increased to better align him with our peer group. This adjustment is further described on page 39 of this Proxy Statement.

The following charts show the relative components of total compensation for our Chief Executive Officer and our other named executive officers in terms of Base Salary, Short-Term Performance Pay, and Long-Term Performance Pay:



<sup>(1)</sup> Base Salary is the actual amount paid in fiscal year 2020. Short-Term Performance Pay is the actual amount earned in fiscal year 2020 based on performance. Long-Term Performance Pay is the value on the grant date of Restricted Stock Units and Performance Shares awards granted in fiscal year 2020. See Summary Compensation Table for the amounts of all elements of reportable compensation described in this section.

<sup>(2)</sup> This chart excludes the Chief Executive Officer.

Our annual cash incentive payments under the Annual Incentive Plan (i.e., our Short-Term Performance Pay) are based on the Company's achievement against pre-established performance goals for adjusted diluted earnings per share and economic profit. In fiscal year 2020, our reported performance was weaker than expected and we did not achieve performance goals in the aggregate. That performance corresponded to a weighted payout of 72.5% of an executive's individual target cash bonus opportunity amount based on the pre-approved percent-of-target performance tables.

No one form of compensation will perfectly align the financial interests of senior management with those of the shareholders, but we believe our equity award program plays a significant role in striving to achieve the appropriate balance. Stock ownership, supported by our equity award program (i.e., our Long-Term Performance Pay), is the most effective way to ensure that management is properly motivated to create long-term shareholder value. To that end, we maintain robust stock ownership guidelines applicable to all named executive officers and other executive officers. As of the record date, June 9, 2020, all of our current named executive officers, except Mr. Kroner, who became a named executive officer as of September 1, 2018, are in excess of their ownership targets and collectively hold beneficial ownership of approximately 1.9% of our Common Stock. Our named executive officers in the aggregate, beneficially own approximately \$21.6 million of Common Stock equating to approximately seven times their combined base salaries. As significant long-term shareholders, our executives are exposed to the same risks as are our investors.

We do not use, offer, or provide our executives with many of the types of perquisites that other companies offer their executives, such as:

- personal use of corporate aircraft;
- membership dues in social organizations;
- excise tax gross-ups;
- any other tax gross-ups;
- company cars or vehicle allowances;
- employment, severance or retention agreements; or
- other tax reimbursements.

During fiscal year 2020, we maintained only two Change of Control Agreements with our named executive officers, each of which contained a “double trigger” as well as non-competition and non-solicitation clauses, but did not contain any obligations to gross-up severance payments. As of May 26, 2020, both Change of Control Agreements were terminated following the implementation of the new Change of Control Severance Policy applicable to senior management. Please see section “Change of Control Agreements” on page 44 of this Proxy Statement for further information on this new policy effective May 26, 2020.

We have a recoupment or “clawback” provision applicable to all performance-based compensation. We also maintain a policy prohibiting hedging and derivatives trading in our Common Stock (please see the section “Prohibitions on Hedging” on page 36 of this Proxy Statement for further information).

At the 2019 Annual Meeting of Shareholders, approximately 96.8% of the votes cast supported our executive compensation policies and procedures for our named executive officers. Given the high level of support from our shareholders, as demonstrated by the results of their vote, we did not make any significant changes in our policies or programs in response to their vote.

### **Compensation Committee Activities in Fiscal Year 2020**

In fiscal year 2020, the Compensation Committee reviewed the existing mix, form and calibration of the executive compensation programs and confirmed its commitment to the principles and structure it followed during fiscal year 2019. Some of the significant actions the Compensation Committee undertook in fiscal year 2020 included:

- Conducted a formal review and assessment with Willis Towers Watson of all of the Company’s executive compensation plans, programs and policies, including the long-term and short term incentive award program structure and change in control severance policies;
- Conducted a formal review and evaluation with Willis Towers Watson of the Company’s peer group and adopted a new peer group list for use beginning with fiscal year 2021;
- Reaffirmed the Compensation Committee’s objective of setting total direct opportunity compensation for our executives at levels competitive with the market median for executives in comparable positions at companies of comparable size, complexity, and operational characteristics;
- Evaluated the mix of pay to ensure that the appropriate balance among base salary, annual cash incentives, and long-term performance-based award opportunities is maintained;
- Evaluated alternative performance metrics and reaffirmed the use of economic profit and adjusted earnings per share as performance goals in the annual incentive plan and adjusted earnings per share as a performance goal in the long-term performance award program;
- Reviewed and approved the performance targets and calibration ranges for economic profit and adjusted earnings per share to reflect current and anticipated business conditions and to ensure adequate performance stretch in the annual incentive plan and performance-based stock unit goals;
- Reaffirmed that five-year restricted stock units and three-year performance-based stock units, which we refer to as Performance Shares, are appropriate forms of long-term incentive awards;
- Reaffirmed the stock ownership guidelines for all of our directors, named executive officers, and other executive officers and directors of our operating subsidiary, and monitored compliance with the guidelines;
- Reviewed the Company’s succession planning and leadership development program to ensure continuity and development of Company leadership;
- Conducted a review and assessment of potential risks arising from our compensation policies and programs;
- Reaffirmed the “clawback” provision in our performance-based awards; and
- Reaffirmed a commitment to provide very limited perquisites to executives.

## **Retaining Experts to Aid in Discharge of Duties**

The Compensation Committee has sole authority to retain experts, consultants and other advisors to aid in the discharge of its duties. The Compensation Committee meets with its independent outside advisor from time to time to discuss developments and best practices and conduct assessments of executive compensation matters. All work completed by the outside advisor, whether for the Compensation Committee or management, is subject to the approval of the Compensation Committee. In fiscal 2020, Willis Towers Watson conducted a formal review and assessment of the Company's executive compensation plans and policies, including the executive compensation program structure and the change in control severance policies. Willis Towers Watson had aggregate fees of approximately \$94,060 for all the executive compensation services in fiscal 2020. The Compensation Committee does not delegate authority to its outside advisor. Willis Towers Watson also provided consulting services for the Company's International Savings Plan and provided administrative services to establish Health Reimbursement Accounts for retirees. The total cost for these additional services was \$61,074. The Compensation Committee assessed the independence of Willis Towers Watson pursuant to Item 407(e)(3)(iv) of Regulation S-K and concluded that no conflict of interest exists that would prohibit Willis Towers Watson from independently representing the Compensation Committee.

## **Peer Group Analysis**

On an annual basis, the Compensation Committee determines the total compensation target for each of our executive officers. The Compensation Committee then sets the mix of the different components of compensation desired to achieve the total compensation target. From time to time, the Compensation Committee requests that its outside advisor benchmark the component totals to confirm that such amounts are within reason of our peer group. The Compensation Committee targets the 50<sup>th</sup> percentile in measuring competitiveness.

During fiscal year 2020, the Compensation Committee requested that Willis Towers Watson review and, if necessary, update our then-current peer group list. Willis Towers Watson evaluated the peer group list to discover relevant comparator companies not within our peer group and potentially to identify companies included in our peer group that may no longer be considered comparable. Characteristics considered in this evaluation included industry relevance, similarity of business operations, markets, relevant size, and market capitalization, as well as business operations conducted in similar environments. Willis Towers Watson identified one change to the peer group list that would better align that list with us in terms of the overall characteristics considered. That change was to exclude McCormick & Company, Inc. due to their size and to replace them with B&G Foods, Inc. Although the leaf tobacco industry is highly competitive, Universal and Pyxus International, Inc., formerly Alliance One International, Inc., are the only global, independent, publicly traded competitors. We, therefore, lack true "peers" within our own industry. The Compensation Committee reviewed the proposed list with Willis Towers Watson and approved the use of the new peer group list beginning with fiscal year 2021. The new peer group list consists of the following companies:

Pyxus International, Inc.	Flowers Foods, Inc.	Seaboard Corporation
The Andersons, Inc.	Fresh Del Monte Produce Inc.	Seneca Foods Corporation
B&G Foods, Inc.	Ingredion Incorporated	SunOpta Inc.
Cal-Maine Foods, Inc.	Lancaster Colony Corporation	TreeHouse Foods, Inc.
Darling Ingredients, Inc.	Sanderson Farms, Inc.	

## **Stock Ownership Guidelines**

The Compensation Committee believes that it is important to align the interests of members of senior management with those of our shareholders. While the Compensation Committee considers this principle when determining the appropriate mix of base salary, annual cash incentive awards, and long-term equity awards, the Compensation Committee also established stock ownership guidelines that encourage the accumulation and retention of Common Stock.

Our current stock ownership guidelines for senior management are expressed as a multiple of base salary, ranging from 2.5 to 6.0 times base salary. The Compensation Committee believes this methodology provides for greater individualization of ownership guidelines. The guidelines work in concert with the long-term incentive plan and are intended to foster strong executive ownership of our Common Stock. The Compensation Committee believes that it is important to achieve and maintain these guideline amounts as minimum target levels of ownership. The Compensation Committee reviews compliance with our stock ownership guidelines on an annual basis.

Under our stock ownership guidelines, executives must comply within five years from the date of the executive's appointment to a qualifying position and certain executives are provided additional time when they receive promotions that result in higher ownership targets. The guidelines apply to our named executive officers in the following manner:

	Ownership Guideline Target
George C. Freeman, III	6.0 times base salary
Airton L. Hentschke	5.0 times base salary
Johan C. Kroner	5.0 times base salary
Preston D. Wigner	4.0 times base salary
Theodore G. Broome	3.5 times base salary

Only shares beneficially owned (as defined by the SEC's rules and regulations) by our executive officers, excluding such executives' Performance Shares but including the executive officers' restricted stock unit awards (and corresponding dividend equivalent rights), are counted in determining compliance with the guidelines. The table below sets forth each of our named executive officers' stock holdings and value on the record date, June 9, 2020, and the ownership multiple as it pertains to the ownership guidelines.

	Shares held as of June 9, 2020	Value of Shares held as of June 9, 2020 <sup>(1)</sup>	Ownership Guideline as a Multiple of Base Salary	Actual Ownership as a Multiple of Base Salary
				(#)
George C. Freeman, III	283,046	13,090,878	6.0	13.6
Airton L. Hentschke	78,986	3,653,103	5.0	6.0
Johan C. Kroner <sup>(2)</sup>	16,330	755,263	5.0	1.6
Preston D. Wigner	50,797	2,349,361	4.0	5.5
Theodore G. Broome	38,848	1,796,720	3.5	4.4

<sup>(1)</sup> Based on \$46.25 per share, the closing price of a share of our Common Stock as quoted on the NYSE on the record date, June 9, 2020.

<sup>(2)</sup> Mr. Kroner was promoted to Senior Vice President and Chief Financial Officer as of September 1, 2018.

All of our named executive officers exceed their ownership targets or are in compliance with our stock ownership guidelines at the present time. Mr. Kroner, who became a named executive officer as of September 1, 2018, has until 2023 to reach his ownership target in accordance with our stock ownership guidelines. As of the record date, June 9, 2020, our named executive officers own approximately 1.9% of the outstanding Common Stock. We believe significant stock ownership is the most important factor in aligning the interests of management with those of our shareholders.

In addition, the Compensation Committee maintains stock ownership guidelines applicable to the non-employee directors. Information with respect to the non-employee directors' stock ownership guidelines is set forth in "Non-Employee Director Stock Ownership Guidelines" on page 65 of this Proxy Statement.

### Limitations on Deductibility of Compensation

Section 162(m) of the Internal Revenue Code (the "Code") generally precludes a tax deduction by any publicly-held company for compensation paid to any "covered employee" to the extent the compensation paid to such covered employee exceeds \$1 million during any taxable year of the Company. The Tax Cuts and Jobs Act was enacted in the United States in December 2017 and included changes to Section 162(m) of the Code effective in 2018. Prior to 2018, "covered employees" included the Chief Executive Officer of the Company and the three other highest paid officers of the Company (other than the Chief Financial Officer). For 2018 and later years, "covered employees" will include the Chief Executive Officer of the Company, the Chief Financial Officer of the Company, the three other highest paid officers of the Company and any employee who qualified as a "covered person" for any tax year beginning after 2017. For years beginning prior to January 1, 2018, the \$1 million deduction limit did not apply to "qualified performance-based compensation" that is based on the attainment of pre-established, objective performance goals established under a stockholder-approved plan. Effective for the years beginning on or after January 1, 2018, there is no exception for "qualified performance-based compensation" from the Section 162(m) limitation. A transition rule however provides that the "qualified performance-based compensation" exemption will continue to apply to awards that are made on or before October 2, 2017, pursuant to a legally binding contract in effect at such time that is not materially modified thereafter. A number of requirements must be met under Section 162(m) of the Code in order for particular compensation to so qualify for the exception such that there can be no assurance that "qualified performance-based compensation" will be fully deductible under all circumstances. We believe that it is important to preserve flexibility in administering compensation programs to promote

various corporate goals. Accordingly, we have not adopted a policy that all compensation must qualify as deductible under Section 162(m) of the Internal Revenue Code. Amounts paid under our compensation programs may not be deductible as the result of Section 162(m). While our policy is generally to preserve corporate tax deductions, the Compensation Committee may conclude that certain compensation arrangements are in our best interests and the best interests of our shareholders despite the fact that such arrangements might not, in whole or part, qualify for tax deductibility. We intend to design our executive compensation arrangements to be consistent with our best interests and the interests of our shareholders. To the extent we determine it to be consistent with our best interests and the interests of our shareholders, we intend to preserve, to the extent practicable, the applicability of the transition rule to awards that were granted on or before October 2, 2017. However, there is no guarantee that such transition status can or will be applicable.

### **Clawback in the Event of Restatements or Ethical Misconduct**

All of our cash incentive awards, as well as performance-based equity awards are subject to a recoupment or "clawback" provision. The purpose of the clawback provision is to authorize the potential recovery or adjustment of awards when the performance measures on which such awards were based are restated in a manner that would have decreased the amount of the award had the restated performance measure been used to calculate the original award, or when the award is otherwise deemed inappropriate by the Compensation Committee due to the occurrence of certain stated events. In the event of a material restatement of our financial statements, we may seek recoupment of incentive compensation and equity awards paid under our incentive plans for all relevant performance periods. The clawback provision applied to all cash incentive and equity awards made during fiscal year 2020.

Management has also implemented additional effective controls to minimize potential unintended or willful reporting errors. In addition, the Compensation Committee also has the discretion to reduce or eliminate an executive's incentive compensation and equity awards or seek a recoupment of the same, in the event of ethical misconduct. The Compensation Committee reviews cash incentive payments, performance-based equity awards, and other performance-based awards that are made to all current and former officers on the basis of having met or exceeded performance goals. Appropriate action will be taken after considering all factors and circumstances.

In addition to the clawback provision, our Benefit Restoration Plan includes a forfeiture provision whereby a participant will forfeit all rights in and to any benefits payable under the Benefit Restoration Plan, if we terminate the participant's employment as a result of a participant's fraud, dishonesty, or embezzlement where the participant has been materially, unjustly enriched by such conduct.

### **Prohibitions on Hedging**

The Company prohibits all directors, officers and employees from engaging in speculative trading and hedging shares of Company securities, including Common Stock. This includes prohibitions against short-selling Company securities and transactions in any derivative of Company securities, including publicly traded options for hedging and similar transactions. Directors, executive officers and employees are prohibited from writing call or put options relative to the Company's securities. Further, directors, officers and employees are restricted from buying Company securities on margin or using Company securities as collateral for a loan. In addition, directors and executive officers are prohibited from pledging Company securities without prior approval from the General Counsel and then only if the amount of Company securities pledged is not significant and such director or executive officer can clearly demonstrate the financial capacity to repay the loan without resorting to the pledged securities. Additionally, the Company's Code of Conduct prohibits trading for directors, officers and certain employees during designated blackout periods and requires approval by the Company's legal department prior to any trade.

### **2017 Stock Incentive Plan**

The Universal Corporation 2017 Stock Incentive Plan was approved by the Compensation Committee and subsequently our shareholders at our 2017 Annual Meeting. This plan replaced our 2007 Stock Incentive Plan. The 2017 Stock Incentive Plan serves as the core program for the performance-based compensation components of our named executive officers' total compensation. The 2017 Stock Incentive Plan defines the incentive arrangements for eligible participants and:

- authorizes the granting of annual cash incentive awards, stock options, SARs, Performance Shares, restricted stock, restricted stock units and other incentive awards, all of which may be made subject to the attainment of performance goals approved by the Compensation Committee;
- provides for the enumeration of the business criteria on which an individual's performance goals are to be based;
- establishes the maximum share grants or awards (or, in the case of incentive awards, the maximum compensation) that can be paid to a participant in the 2017 Stock Incentive Plan; and
- prohibits repricing or the exchange of options or stock appreciation rights without the approval of shareholders.

The Compensation Committee will continue to administer awards previously granted under the 2007 Stock Incentive Plan.

## Components of Executive Compensation

The Compensation Committee targets a specific mix of compensation components, with the intent to make each component of total direct opportunity compensation competitive with other companies of similar size and operational characteristics while also linking compensation to individual and corporate performance and encouraging stock ownership by senior management. In fiscal 2020, the Compensation Committee engaged its independent advisor to assess the market alignment and competitiveness of the Company's executive compensation programs, which included a peer group review, a compensation comparison review and a review of the overall design and alignment to the market of the company's executive compensation programs, including compensation philosophy, annual and long-term incentive plans, stock ownership guidelines, benefit plans and executive perquisites, severance policies, change of control policies, corporate governance and outside directors practices. Based upon this review, the Compensation Committee believes that the various elements of our compensation program effectively achieve the objective of aligning compensation with performance measures that are directly related to our financial goals and creation of shareholder value, without encouraging executives to take unnecessary and excessive risks.

The major components of our executive compensation program are the following:

### Total Direct Opportunity Compensation

- **Base salary.** Base salary is intended to reflect the market value of an executive officer's role and responsibility, with differentiation for individual capabilities and experience in their positions.
- **Annual cash incentive awards.** Annual cash incentive awards in the form of market competitive, performance-based, cash bonuses are designed to focus our executives on pre-set goals each year and to drive profitability, growth, and shareholder value.
- **Long-term equity participation.** Long-term equity participation is designed to recognize executives for their contributions to the Company, to highlight the strategic importance of each executive's role, to promote retention, and to align the interests of management and shareholders in long-term growth and stock performance by rewarding executives for the creation of shareholder value.

### Total Indirect Compensation

- **Other benefits.** We believe that providing competitive health and welfare benefits at a reasonable cost is an important part of any employee's compensation package and promotes employee health. Our named executive officers participate in the same health and welfare benefits as our salaried employees. These health and welfare benefits for fiscal year 2020 included health, dental, vision, life insurance, accidental death and dismemberment insurance, and disability benefits. These benefits, including plan design and cost, are analyzed annually.
- **Retirement and other post-termination compensation.** Please see "Retirement and Post-Termination Compensation" on page 44 of this Proxy Statement.

In determining executive compensation, the Compensation Committee reviews all components of the Chief Executive Officer's and each other named executive officer's total compensation, including retirement benefits and the costs of all perquisites received to ensure such compensation meets the goals of the program. As a part of this review, the Compensation Committee considers corporate performance information, compensation survey data, the advice of its independent advisor, and the recommendations of management. The Compensation Committee also takes into consideration individual and overall company operating performance to ensure executive compensation reflects past performance as well as future potential and adequately differentiates between employees, based on the scope and complexity of the employee's job position, market comparisons, individual performance and experience, and our ability to pay. The Chief Executive Officer's performance is reviewed annually by the Compensation Committee prior to considering changes in compensation. The Chief Executive Officer's performance is evaluated in light of company performance, as described in greater detail below, and non-financial goals and strategic objectives selected by the Compensation Committee. Based on its review, the Compensation Committee believes total compensation for each of the named executive officers is reasonable and not excessive.

In addition, the Compensation Committee evaluates the amount of compensation apportioned to base salary, annual cash incentive awards, and long-term equity participation, which we refer to as total direct opportunity compensation. The Compensation Committee sets target levels for each component of total direct opportunity compensation based on its desire to link compensation to individual and corporate performance and to ensure that a sufficient amount of compensation is performance-based or "at risk." The Compensation Committee set the following target percentages for the components of our named executive officers' total direct opportunity compensation for fiscal year 2021:

	Base Salary	Target Cash Incentive Award	Target Long-Term Equity Award	Target Total
George C. Freeman, III	25.0%	25.0%	50.0%	100%
Airton L. Hentschke	30.0%	25.0%	45.0%	100%
Johan C. Kroner	32.5%	25.0%	42.5%	100%
Preston D. Wigner	37.5%	25.0%	37.5%	100%
Theodore G. Broome	37.5%	27.5%	35.0%	100%

## 1. Base Salaries

The Compensation Committee approved the following base salaries for fiscal years 2019, 2020 and 2021 for our named executive officers, which became effective April 1, 2018, 2019 and 2020, respectively:

	Fiscal Year 2019	Fiscal Year 2020	Percentage Increase	Fiscal Year 2021	Percentage Increase
	(\$)	(\$)	(%)	(\$)	(%)
George C. Freeman, III	918,000	945,500	3.00	964,400	2.0
Airton L. Hentschke	580,300	597,700	3.00	609,600	2.0
Johan C. Kroner	450,000	463,500	3.00	463,500	0.0
Preston D. Wigner	406,300	418,500	3.00	426,900	2.0
Theodore G. Broome	388,900	400,600	3.00	408,000	2.0

For fiscal years 2019, 2020 and 2021, the Compensation Committee evaluated executive compensation based on periodic assessments conducted by Willis Towers Watson of the competitiveness of the executives' salary with salaries of executives in our peer group. Fiscal years 2020 and 2021 base salaries were determined in accordance with the responsibilities, skills and experience of each executive, personal performance of the executive in light of individual levels of responsibility, and the competitiveness of the executive's salary with the salaries of executives in our peer group. While the Compensation Committee considered each of these factors in their totality, the Compensation Committee did not assign a specific value to each factor. For purposes of assessing the competitiveness of salaries, the Compensation Committee reviewed compensation data for our peer group described above from its independent outside consultant to determine ranges of total compensation and the individual components of such compensation. While the Compensation Committee considered many factors including the advice of senior management, the Committee felt it was prudent to increase base salaries of named executive officers for fiscal year 2020 by 3.0%, and 2.0% for fiscal year 2021 (except for Mr. Kroner, whose base salary remained the same, but whose performance-based compensation was increased. Further information about Mr. Kroner's compensation for fiscal 2021 is described on page 39 below.)

As part of the compensation setting process for fiscal years 2020 and 2021, the Compensation Committee met periodically with Mr. G. Freeman, our Chairman, President and Chief Executive Officer, reviewing his performance and the Company's performance. The Compensation Committee also evaluated Mr. G. Freeman's compensation level, considering the average base salaries of the chief executive officers at the companies included in the peer group approved for use beginning with fiscal year 2018 and the new peer group list approved for use beginning in fiscal 2021. The Compensation Committee believed the new base amount was appropriate and not excessive when viewed in context with chief executive officer compensation for the peer group. The Compensation Committee also reviewed a variety of compensation surveys and published statistical reports. The Committee also considered affordability within the Company's business plans. After consultation with Willis Towers Watson, as well as management, Mr. G. Freeman's total direct opportunity compensation was increased for fiscal year 2020 by 3% or \$110,000. This total increase was apportioned \$27,500 to base salary, \$27,500 to the target annual cash incentive award, and \$55,000 to the target annual long term incentive award. Mr. G. Freeman's total direct opportunity compensation was increased for fiscal year 2021 by 2.0%, or \$76,600. This total increase was apportioned \$18,900 to base salary, \$18,900 to the target annual cash incentive award and \$37,800 to the target annual long-term incentive award.

For fiscal year 2021, the Compensation Committee re-evaluated the apportionment of Mr. Kroner's compensation that was established with his promotion to Senior Vice President and Chief Financial Officer in 2018 between base salary, annual cash incentive awards and the long-term equity participation. The Compensation Committee determined that it should increase Mr. Kroner's performance-based compensation, to better align it with chief financial officers in our peer group, and consistent with growth in his new role. After consultation with Willis Towers Watson, as well as management, Mr. Kroner's total direct opportunity compensation was increased for fiscal year 2021 by 15% or \$190,200. This total increase was apportioned \$0 to base salary, \$47,600 to the target annual cash incentive award, and \$142,600 to the target annual long-term equity awards.

## **2. Annual Cash Incentives Awards**

The Annual Incentive Plan provides that participants in the plan include persons who are executive officers of the Company or any Subsidiary (as defined in the Annual Incentive Plan) for purposes of the Exchange Act, selected from time to time by the Compensation Committee to participate in the Annual Incentive Plan. These executive officers, which include our named executive officers, may receive annual cash incentive awards that vary from year to year based upon corporate and individual performance. We believe annual cash incentive awards drive our key employees to strive to maximize shareholder value and provide a means for recognizing individual contribution to our overall results. The cash incentive awards earned for fiscal year 2020 by our named executive officers were approved by the Compensation Committee on May 28, 2020, and are set forth in the Column, "Non-Equity Incentive Plan Compensation", in the "Summary Compensation Table" on page 46 of this Proxy Statement.

Annual cash incentive payments under the Annual Incentive Plan are paid based on the Company's achievements against pre-established performance metrics as set by the Compensation Committee. The annual cash incentive awards to our named executive officers in fiscal year 2020 were based 50% on the generation of economic profit, a metric very similar to economic value added, and 50% on the generation of adjusted earnings per share. We use economic profit and adjusted earnings per share, as these performance measures strongly encourage capital discipline and better investment decisions and lead to enhanced cash flow. The Compensation Committee also believes that these measures are representative of our overall performance, and they provide transparency to investors and enable period-to-period comparability of financial performance. For purposes of the Annual Incentive Plan, economic profit is described as consolidated earnings before interest and taxes after certain adjustments, minus a capital charge equal to our weighted average cost of capital times average funds employed, and we define "adjusted earnings per share" as the fully-diluted earnings per share of Common Stock, adjusted to exclude extraordinary gains and losses, restructuring and impairment, and annual cash incentive award accruals under the Annual Incentive Plan. Economic profit and adjusted earnings per share should not be considered as alternatives to net income or earnings per share determined in accordance with accounting principles generally accepted in the United States.

During fiscal year 2020, the Compensation Committee conducted a formal review and assessment of the Company's executive compensation program, including the annual incentive and long-term award program. During this review, the Compensation Committee considered alternative performance metrics and reaffirmed the use of adjusted earnings per share as a performance goal in the annual incentive and long-term performance award program as it is a performance measure that is directly related to our financial goals and is an important driver of shareholder value. The Compensation Committee recognizes that the short and long-term incentive arrangements are based on similar metrics, but it considers profitability as our key driver of financial health and performance. The Company does not provide forward earnings guidance and is not required to do so. As such, we do not disclose performance targets applicable to our annual incentive plan or our performance shares until after they are earned. We also believe that such disclosure would result in competitive harm to the Company. Our business is not capital intensive and we believe that adequate free cash flow is generated at acceptable levels of profitability.

The executive officers who participate in the Annual Incentive Plan are eligible to receive an annual cash incentive award equal to a percentage of their base salary in the event certain threshold levels are met for economic profit, a metric very similar to economic value added, and adjusted earnings per share. The following table sets forth the threshold, target and maximum levels for the economic profit and adjusted earnings per share metrics that were applicable for fiscal year 2020 awards:

	<u>Threshold Level</u>	<u>Target Level</u>	<u>Maximum Level</u>	<u>FY 2020 Results</u>
<b>Economic Profit</b>	\$(61.0) million	\$1.5 million	\$64.0 million	\$(18.0) million
<b>Adjusted Earnings Per Share</b>	\$2.53 per share	\$4.10 per share	\$5.67 per share	\$3.45 per share

Based on the definition of adjusted earnings per share provided above, a reconciliation of the adjusted earnings per share of \$3.45 achieved for fiscal year 2020 to our reported diluted earnings per share of \$2.86 is as follows:

<b>Adjusted Earnings Per Share</b>	\$ 3.45
<b>Per share effect of annual cash incentive award accrual excluded from adjusted earnings per share</b>	(0.07)
<b>Per share effect of restructuring and impairment</b>	(0.25)
<b>Per share effect of FruitSmart M&amp;A expenses &amp; purchase accounting adjustment</b>	\$ (0.27)
<b>Reported Diluted Earnings Per Share</b>	<u>\$ 2.86</u>

With a reduction in carryover sales and smaller African and Brazilian crop sales, as well as the impacts from the COVID-19 on timing of shipments and currency comparisons, our diluted earnings per share declined compared to fiscal year 2019. However, our tobacco operations continued to perform largely in line with expectations. The Compensation Committee recognized that our performance would likely suffer from the lack of carryover and smaller crops, and therefore established the performance targets on May 23, 2019 to better reflect current and anticipated business conditions and to ensure adequate, yet reasonable, performance stretch in the fiscal year 2020 Annual Incentive Plan goals. The performance targets for adjusted earnings per share were set to \$4.10, \$4.20 and \$3.75 for fiscal years 2020, 2019, and 2018, respectively. The performance target for economic profit remained unchanged at \$1.5 million throughout the period. The Compensation Committee believed that these goals better reflected the cyclical market supply imbalance and reinforced management's commitment to taking the appropriate long-term approach to our business.

Each executive officer participating in the Annual Incentive Plan is eligible to receive an annual cash incentive award based on a percentage of his or her base salary, which we call the target bonus opportunity percentage. The target bonus opportunity percentage for each executive officer, except the Chief Executive Officer, is initially set by our Chief Executive Officer and is based on the executive officer's experience in his or her present position and job responsibilities. Our Chief Executive Officer submits the recommended target bonus opportunity percentages to the Compensation Committee for its review and approval each year. For our Chief Executive Officer, the Compensation Committee determines the target bonus opportunity percentage. The Compensation Committee also reviews its outside advisor's compensation data for our peer group when evaluating the recommended target bonus opportunity percentages.

Each year, the Compensation Committee approves percent-of-target performance tables for each performance measure. As the Company performance deviates from targeted performance, the percentages in the tables increase or decrease at an accelerated rate. Once the economic profit and adjusted earnings per share performance measures have been calculated for the applicable fiscal year, the Compensation Committee compares the calculated performance to the preapproved tables to determine the percentage to apply to the executives' target bonus opportunity amounts. The Compensation Committee applies the resulting percentage to the target bonus opportunity amount to determine the annual cash incentive award each executive is eligible to receive. Annual cash incentive awards are capped at two times the target bonus opportunity percentage for each criterion, regardless of how much the Company's performance exceeded the target level for either criteria. In addition, the Compensation Committee reserves the right to exercise negative discretion in adjusting any incentive awards, but the Compensation Committee has no discretion to increase the awards. The Compensation Committee does not award any discretionary, non-performance based annual cash incentive awards if the performance goals are not achieved.

Using Mr. G. Freeman as an example, we generated negative economic profit and positive adjusted earnings per share during fiscal year 2020, with adjusted earnings per share and economic profit exceeding the threshold levels, but below the target. The economic profit and adjusted earnings per share performance measures for the year corresponded to 72.5% achievement of the target levels on the Compensation Committee's pre-approved tables. Therefore, Mr. G. Freeman's cash incentive award for fiscal year 2020 was 72.5% of his target bonus opportunity amount or \$685,500.

The following table lists the target bonus opportunity percentages, the target bonus opportunity amounts, the maximum bonus opportunity amounts, and the actual cash incentive awards for fiscal year 2020 for our named executive officers:

	Target Bonus Opportunity Percentage	Target Bonus Opportunity Amount	Maximum Bonus Opportunity Amount	Actual 2020 Bonus Paid
	(%)	(\$)	(\$)	(\$)
George C. Freeman, III	100%	945,500	1,891,000	685,500
Airton L. Hentschke	83%	498,100	996,200	361,100
Johan C. Kroner	67%	309,000	618,000	224,000
Preston D. Wigner	67%	279,000	558,000	202,300
Theodore G. Broome	73%	293,800	587,600	213,000

On May 28, 2020, the Compensation Committee established the performance measures applicable for the annual cash incentive awards to be awarded for fiscal year 2021.

### **3. Long-Term Equity Participation**

The Compensation Committee administers the Universal Corporation 2017 Stock Incentive Plan and the 2007 Stock Incentive Plan, as amended and restated, pursuant to which the Compensation Committee grants to key executive officers restricted stock units and Performance Shares based upon a determination of competitive aggregate compensation levels. The primary objectives of issuing long-term equity awards are to encourage significant ownership of Common Stock by management and to provide long-term financial incentives linked directly to market performance of our Common Stock. Long-term equity awards are aligned with the interests of our shareholders as the awards deliver value based on shareholder return and promote retention of management. The Compensation Committee believes that significant ownership of Common Stock by senior management is the optimal method to align the interests of management and the shareholders. Our compensation structure is designed to deliver a significant portion of total direct opportunity compensation in the form of long-term equity awards with 35% to 50% for named executive officers.

With the exception of new hires or promotions, long-term incentives are awarded annually on a day between one and twelve business days following the public release of our annual earnings. The Compensation Committee selected this timing, because it enables us to consider the prior year performance of the Company and the participants and our expectations for the next performance period, while also guaranteeing that annual awards will be made after we publicly disclose our performance for the year. The awards also are made as early as practicable in our fiscal year in order to maximize the time period for the incentives associated with the awards. The Compensation Committee's schedule is determined between six and twelve months in advance, though changes may occur, and the proximity of any awards to market events other than earnings announcements is coincidental.

We currently use restricted stock units and Performance Shares as the preferred forms of long-term equity participation. Restricted stock units are used as a cost-effective addition to the compensation mix because such awards do not require the issuance of Common Stock until vesting. Our use of Performance Shares as a long-term equity award places greater emphasis on our long-term financial performance and subjects a higher percentage of the long-term incentive awards to risk based on such performance. Performance Shares focus greater attention and rewards on the key underlying drivers of shareholder value, and are granted annually, with overlapping multi-year performance cycles. Performance Shares vest on the last day of the performance period selected by the Compensation Committee and are earned and paid out based on the Company's achievement of certain performance measures selected by the Compensation Committee. Performance Shares do not carry any dividend rights. Similar to annual cash incentive awards under the Annual Incentive Plan, as the actual performance exceeds the performance measure threshold selected by the Compensation Committee, the amount of Performance Share payout increases, with 100% payout occurring if performance reaches a target level set by the Compensation Committee. Payout can exceed 100% if the performance exceeds the target level, but it is capped at a maximum of 150%. Conversely, the payout is reduced if actual performance falls short of the selected performance measure target. At the time of vesting, the vested Performance Shares are payable in shares of Common Stock.

For awards granted in fiscal years 2018-2020, the Compensation Committee selected average adjusted earnings per share as the appropriate criterion for use with Performance Shares and set the performance period at three fiscal years, which began April 1 of each fiscal year. Adjusted earnings per share is calculated in the same manner as it is with Annual Incentive Plan awards. The threshold levels for adjusted earnings per share performance were set based on levels of performance that were believed to be achievable. The target levels for adjusted earnings per share performance were set based on levels of performance that were believed to be aggressive, but obtainable. Given the cyclical nature of our core business and its maturity, it is difficult to set multiple year performance targets. The maximum levels for adjusted earnings per share performance were set based on levels of performance that were believed to be realizable only with exceptional performance. As previously mentioned, we do not disclose performance targets at the time of awards as we believe that to do so would prove detrimental to our business. For fiscal year 2021, the Compensation Committee, in connection with the executive compensation assessment performed by Willis Towers Watson, concluded that this structure is aligned with our peer group and industry standards.

For the fiscal year 2020 long-term equity awards, awarded in May 2019, the Compensation Committee determined that one-half should consist of three-year Performance Shares and the remaining one-half should consist of five-year restricted stock units. The Compensation Committee used an equal mix of Performance Shares and restricted stock units because it believes that such mix represents the appropriate balance for our Company in rewarding stock appreciation and relative shareholder return, while also placing sufficient emphasis on our overall financial performance. The same structure was approved by the Compensation Committee for fiscal year 2021. All restricted stock units are awarded with five-year cliff vesting and earn dividend equivalent units during the same period. These dividend equivalent units only vest when the underlying award of restricted stock units vest. In addition, our named executive officers have additional vesting restrictions or holding period requirements on their restricted stock unit awards in accordance with Section 409(a) of the Internal Revenue Code.

On June 2, 2016, we awarded Performance Shares for the three-year performance period from April 1, 2016 through March 31, 2019. Those awards vested on March 31, 2019 and the payout was approved by the Compensation Committee on May 23, 2019. The performance measure was the three-year average adjusted earnings per share with earnings per share calculated in the same manner as it is with the Annual Incentive Plan awards. We generated average adjusted earnings per share for the performance period covering fiscal years 2017 through 2019 that exceeded the target levels. The following table sets forth the threshold, target and maximum levels for the adjusted earnings per share metrics applicable for the fiscal year 2017 award:

	Threshold Level	Target Level	Maximum Level	Average 2017-2019 Result
<b>Average Adjusted Earnings per Share</b>	\$ 2.23	\$ 3.80	\$ 4.66	\$ 4.37

A reconciliation of average adjusted earnings per share of \$4.37 for the performance period covering fiscal years 2017 through 2019 is as follows:

<b>Fiscal Year 2017</b>	\$ 4.05
<b>Fiscal Year 2018</b>	4.20
<b>Fiscal Year 2019</b>	4.87
<b>3-year Average Adjusted Earnings Per Share</b>	<u>\$ 4.37</u>

The average adjusted earnings per share performance measure for the performance period exceeded the target level on the Compensation Committee's pre-approved percent-of-target performance table. The payouts of the fiscal year 2017 Performance Share awards were, therefore, made at 130% of the target award levels.

The following table lists the target Performance Share opportunities, the maximum Performance Share opportunities and the actual number of shares of Common Stock paid out:

	Actual Payout as a % of Target	Target Award at Grant (Shares)	Maximum Award at Grant (Shares)	Actual Award (Shares)	Target Award Value at Grant <sup>(1)</sup>	Actual Award Value <sup>(2)</sup>
George C. Freeman, III	130.0%	15,450	23,175	20,085	\$ 759,677	\$ 1,186,421
Airton L. Hentschke	130.0%	7,650	11,475	9,945	\$ 376,151	\$ 587,451
Johan C. Kroner	130.0%	525	788	682	\$ 25,814	\$ 40,286
Preston D. Wigner	130.0%	4,050	6,075	5,265	\$ 199,139	\$ 311,004
Theodore G. Broome	130.0%	3,100	4,650	4,030	\$ 152,427	\$ 238,052

<sup>(1)</sup> This column represents grant date fair value determined in accordance with FASB ASC Topic 718. Amounts for Performance Shares are determined assuming a price per share of \$49.17 which represents a discount to the closing price of \$55.63 as of the date of grant due to the lack of dividend rights.

<sup>(2)</sup> This column represents market value based on the May 24, 2019 stock price of \$59.07

In fiscal year 2020, the Compensation Committee granted Performance Shares and restricted stock units to key executives pursuant to the 2017 Stock Incentive Plan. The Compensation Committee granted a total of 46,300 Performance Shares and

55,490 restricted stock units to 32 executives. The number of Performance Shares and restricted stock units granted to our named executive officers in fiscal 2020, were as follows:

	Performance Shares	Restricted Stock Units
George C. Freeman, III	16,550	16,550
Airton L. Hentschke	7,850	7,850
Johan C. Kroner	4,050	4,050
Preston D. Wigner	3,650	3,650
Theodore G. Broome	3,275	3,275

Additional details regarding the fiscal year 2020 equity participation awards for each of our named executive officers is set forth in the “Grants of Plan-Based Awards” table on page 48 of this Proxy Statement.

#### 4. Other Benefits

The Compensation Committee believes employee benefits are an essential component of our competitive total compensation package. These benefits are designed to attract and retain our employees. The named executive officers may participate in the same benefit plans as our salaried employees, which include health, dental, vision and life insurance, disability benefits, and our 401(k) savings plan. Our 401(k) savings plan includes a defined company match component, and we have disclosed all company matches for our named executive officers in Column (i), “All Other Compensation”, in the “Summary Compensation Table”, and separately disclosed each amount in Footnote 5 to that table on pages 46 and 47 of this Proxy Statement.

In addition, we provide certain other benefits to our executives, including our named executive officers. The Compensation Committee believes these other benefits provide security for current and future needs of the executives and their families and therefore assist in attracting and retaining them. These other benefits are structured to be within the competitive range relative to our peer group. In general, we do not provide our executives with many of the types of perquisites that other companies offer their executives, such as the personal use of a corporate aircraft, car allowances, social memberships or club dues, or preventative health evaluations. We also do not utilize tax gross-ups. The Compensation Committee re-evaluates and has approved the very limited types of perquisites that we offer on a regular basis. The additional benefits we provide or have provided to some of our executives during fiscal year 2020 consist of financial planning and tax preparation services and matching gifts from the Company's charitable foundation and are included in the amounts set forth in Column (i) “All Other Compensation”, in the “Summary Compensation Table”, and separately disclosed in Footnote 5 to that table on pages 46 and 47 of this Proxy Statement.

## **5. Retirement and Post-Termination Compensation**

Our named executive officers are covered by a defined benefit retirement plan, a supplemental retirement plan, deferred income plans, and a 401(k) savings plan. Certain of our named executive officers also had Change of Control Agreements during fiscal year 2020 addressing a change of control in our company. Additional details and all amounts earned by our named executive officers or contributed by us to our named executive officers through those benefits are disclosed in this Proxy Statement where noted below.

### *A. Defined Benefit Retirement Plan*

Our salaried employees, including our named executive officers, participate in a defined benefit retirement plan, the Employees' Retirement Plan of Universal Leaf Tobacco Company, Incorporated and Designated Affiliated Companies, which we refer to as the Pension Plan. Further detail regarding the Pension Plan and disclosure of the estimated value of pension benefits for our named executive officers is set forth in the "Pension Benefits" table and related footnotes beginning on page 52 of this Proxy Statement.

### *B. Benefit Restoration Plan*

To the extent benefits payable to our employees at retirement pursuant to the Pension Plan exceed amounts that may be payable under applicable provisions of the Internal Revenue Code, such benefits will be paid under our supplemental retirement plan called the Universal Leaf Tobacco Company, Incorporated 1996 Benefit Restoration Plan, which we refer to as the Benefit Restoration Plan. Further information about the Benefit Restoration Plan is set forth in the "Pension Benefits" table and related footnotes beginning on page 52 of this Proxy Statement.

### *C. Deferred Income Plans*

We offer all employees, including our named executive officers, the opportunity to participate in the Employees' 401(k) Savings Plan of Universal Leaf Tobacco Company, Incorporated and Designated Affiliated Companies, which we refer to as the 401(k) Plan. Further information about the 401(k) Plan is set forth under "Non-Qualified Deferred Compensation" beginning on page 54 of this Proxy Statement.

### *D. Change of Control Agreements*

During fiscal year 2020, we did not offer severance agreements to our named executive officers, nor did we offer them agreements for employment or retention with our company. However, to ensure that we had the continued dedicated service of certain named executive officers notwithstanding the possibility, threat, or occurrence of a change of control, we had two "double-trigger" change of control agreements that had been in existence since 2009, and which we refer to as Change of Control Agreements. Following the executive compensation evaluation performed by Willis Towers Watson, the Compensation Committee reviewed and proposed for adoption by the Company a "double-trigger" Change in Control Severance Policy (the "Policy") to provide eligible executives with the opportunity to receive severance benefits if a Change in Control of the Company occurs in combination with other specified events, a change recommended by Willis Towers Watson to align with market practices. The purpose and intent of this Policy is to attract and retain key executives and to improve productivity by reducing distractions resulting from a potential Change in Control situation, all of which are in the best interest of the Company and its shareholders. The Compensation Committee submitted the adoption of the Policy to the Board of Directors for approval, and the Board of Directors approved, effective May 26, 2020, the establishment of the Policy. Following the establishment of the Change in Control Severance Policy, as previously announced on the Company's current report on Form 8-K issued on May 29, 2020, the Company terminated its existing Change of Control Agreements with Mr. G. Freeman and Mr. Wigner on May 26, 2020, since both Mr. G. Freeman and Mr. Wigner are eligible executives under the Policy.

The Compensation Committee believes that this Policy serves the best interests of Universal Corporation and our shareholders by ensuring that if a hostile or friendly change of control is ever under consideration, our executives are able to perform their duties and responsibilities and advise the Board of Directors about the potential transaction in the best interests of shareholders, without being unduly influenced by the distracting uncertainty and risk associated with a change of control, such as fear of the economic consequences of losing their jobs as a result of a change of control. The terms and conditions of the Change of Control Agreements as they existed with Mr. G. Freeman and Mr. Wigner as of March 31, 2020, are described under "Summary of Termination Payments and Benefits" beginning on page 56 of this Proxy Statement.

## **Advisory Votes on Executive Compensation**

At the 2017 Annual Meeting of Shareholders, a large majority of our shareholders approved, on a non-binding basis, the holding of the non-binding vote on the compensation of our named executive officers on an annual basis. As previously disclosed, the Board of Directors and management determined to implement an annual advisory vote on the compensation of our named executive officers. As a result, we are including the non-binding advisory resolution approving the compensation of our named executive officers again in this Proxy Statement. See "Proposal Two" on page 67 of this Proxy Statement.

As required by the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 and the subsequent rules and regulations promulgated by the SEC, we are including a non-binding advisory resolution approving the compensation of our named executive officers. The vote on this proposal will be non-binding on us and the Board and will not be construed as overruling a decision by us or the Board of Directors. This vote will not create or imply any change to our fiduciary duties or create or imply any additional fiduciary duties for us or the Board of Directors. However, the Board of Directors values the opinions that our shareholders express in their votes and will consider the outcome of the vote when making future decisions on named executive officer compensation as it deems appropriate.

At the 2019 Annual Meeting of Shareholders, approximately 96.8% of the shares cast on the proposal were voted for the non-binding advisory resolution approving the compensation of our named executive officers. The Board of Directors believes that the voting results indicate our shareholders' approval of our named executive officer compensation objectives, program and rationale. The Board of Directors implemented the same objectives, program and rationale for the compensation of our named executive officers in fiscal year 2020, as disclosed in the "Compensation Discussion and Analysis", the compensation tables and the accompanying narrative on pages 28 through 62 in this Proxy Statement.

## **REPORT OF THE COMPENSATION COMMITTEE**

We have reviewed and discussed the "Compensation Discussion and Analysis" section of this Proxy Statement with management. Based on that review and discussion, we have recommended to the Board of Directors that the "Compensation Discussion and Analysis" section be included in this Proxy Statement.

### **COMPENSATION COMMITTEE**

Thomas H. Johnson, *Chairman*  
Diana F. Cantor  
Lennart R. Freeman  
Michael T. Lawton

Richmond, Virginia  
May 28, 2020

## **COMMITTEE INTERLOCKS AND INSIDER PARTICIPATION**

None of the members of the Compensation Committee during fiscal year 2020 or as of the date of this Proxy Statement is or has been a Universal officer or employee, and none of our executive officers served on the compensation committee or board of any company that employed any member of our Compensation Committee or Board of Directors.

## EXECUTIVE COMPENSATION

The individuals named below include the Chairman, President, and Chief Executive Officer, the Chief Financial Officer and the other named executive officers as of March 31, 2020. Information relating to total compensation is provided, where applicable, for the fiscal years ended March 31, 2018, 2019 and 2020.

### SUMMARY COMPENSATION TABLE

Name and Principal Position	Fiscal Year	Salary <sup>(1)</sup>	Stock Awards <sup>(2)</sup>	Option Awards <sup>(2)</sup>	Non-Equity Incentive Plan Compensation <sup>(3)</sup>	Change in Pension Value and Nonqualified Deferred Compensation Earnings <sup>(4)</sup>	All Other Compensation <sup>(5)</sup>	Total
(a)	(b)	(\$c)	(\$e)	(\$f)	(\$g)	(\$h)	(\$i)	(\$j)
<b>George C. Freeman, III</b> Chairman, President and Chief Executive Officer	2020	945,500	1,807,757	—	685,500	1,110,615	18,369	4,567,741
	2019	918,000	2,315,596	—	1,102,500	984,516	25,775	5,346,387
	2018	900,000	1,629,056	—	995,000	167,046	20,097	3,711,199
<b>Airton L. Hentschke</b> Senior Vice President and Chief Operating Officer	2020	597,700	857,456	—	361,100	282,733	15,017	2,114,006
	2019	580,300	1,096,213	—	580,800	220,831	17,197	2,495,341
	2018	568,900	769,984	—	524,100	119,876	13,406	1,996,266
<b>Johan C. Kroner<sup>(1)</sup></b> Senior Vice President and Chief Financial Officer	2020	463,500	442,382	—	224,000	197,859	21,857	1,349,598
	2019	377,100	341,616	—	263,700	86,456	19,721	1,088,593
<b>Preston D. Wigner</b> Vice President, General Counsel, and Secretary	2020	418,500	398,690	—	202,300	286,555	15,152	1,321,197
	2019	406,300	511,156	—	325,200	222,217	15,510	1,480,383
	2018	398,300	362,720	—	293,500	50,470	13,708	1,118,698
<b>Theodore G. Broome</b> Executive Vice President and Sales Director	2020	400,600	357,728	—	213,000	397,825	14,146	1,383,299
	2019	388,900	455,729	—	342,500	297,571	15,495	1,500,195
Universal Leaf Tobacco Co., Inc.	2018	373,900	318,175	—	303,100	232,519	13,876	1,241,570

<sup>(1)</sup> Salary amounts include cash compensation earned by each named executive officer during fiscal years 2018, 2019 and 2020, where applicable, as well as any amounts earned in such fiscal years, but contributed into the 401(k) Plan and/or deferred at the election of the named executive officer into our deferred compensation program. For a discussion of the deferred compensation program and amounts deferred by the named executive officers in fiscal year 2020, including earnings on amounts deferred, see “Non-qualified Deferred Compensation” beginning on page 54 of this Proxy Statement. Mr. Kroner was promoted effective September 1, 2018.

<sup>(2)</sup> The amount represents the aggregate grant date fair value of stock or options awarded in the applicable fiscal year in accordance with FASB ASC Topic 718. This amount does not reflect our accounting expense for these award(s) during the year and does not correspond to the actual cash value that will be recognized by the named executive officer when received. Performance Share awards do not have dividend rights and therefore reflect a lower grant date fair value than the closing price of our Common Stock on the date of grant. For fiscal years 2018, 2019 and 2020 Performance Share awards, the grant date value per share was \$60.37, \$57.17, and \$50.16, respectively. Amounts for fiscal years 2018, 2019 and 2020 include Performance Share awards calculated at target levels. If these Performance Share awards paid at maximum (150% of target), the aggregate grant date fair value of all stock awards for each of the named executive officers would have been at the time of the grant: for fiscal year 2018, Mr. G. Freeman: \$2,015,424; Mr. Hentschke: \$952,603; Mr. Wigner: \$448,747; and Mr. Broome: \$393,637; for fiscal year 2019, Mr. G. Freeman: \$2,852,994; Mr. Hentschke: \$1,350,620; Mr. Kroner: \$420,849; Mr. Wigner: \$629,783; and Mr. Broome: \$561,494; and for fiscal year 2020, Mr. G. Freeman: \$2,222,831; Mr. Hentschke: \$1,054,334; Mr. Kroner: \$543,956; Mr. Wigner: \$490,232; and Mr. Broome: \$439,865. Assumptions used in the calculation of these award amounts are included in Notes 1 and 12 to the consolidated financial statements, included in our Annual Report on Form 10-K for the year ended March 31, 2018, in Notes 1 and 13 to the consolidated financial statements, included in our Annual Report on Form 10-K for the year ended March 31, 2019, in Notes 1 and 15 to the consolidated financial statements, included in our Annual Report on Form 10-K for the year ended March 31, 2020, and incorporated by reference into this Proxy Statement. Beginning in fiscal year 2007, fair value expense for stock-based compensation was recognized ratably over the period from grant date to the earlier of (a) the vesting date of the award, or (b) the date the grantee is eligible

to retire without forfeiting the award. For employees who are already eligible to retire at the date an award is granted, the total fair value of the award is recognized as expense at the date of grant. Information on individual equity awards granted to the named executive officers in fiscal year 2020 is set forth in the section entitled “Grants of Plan-Based Awards” on page 48 of this Proxy Statement.

- (3) The amounts represent cash awards to the named executive officers under our performance-based annual cash incentive plan for fiscal years 2018, 2019 and 2020, where applicable, which is discussed in the section entitled “Annual Cash Incentives Awards” beginning on page 39 of this Proxy Statement. While such amounts were earned for fiscal years 2018, 2019 and 2020 performance, they were not paid to the named executive officers until June 12, 2018, June 14, 2019, and June 15, 2020 respectively.
- (4) The amounts represent the actuarial increases in the present values of the named executive officers' benefits under our pension plans during fiscal years 2018, 2019 and 2020, as applicable, determined using interest rate and mortality rate assumptions consistent with those used in our financial statements. For all named executive officers the amounts only reflect changes in pension value because they had no above market interest earnings for fiscal years 2018, 2019, and 2020. For additional information on our pension plans, see the section entitled “Retirement and Post-Termination Compensation” on page 44 of this Proxy Statement and the tables entitled “Pension Benefits” on page 52 of this Proxy Statement and “Non-qualified Deferred Compensation” on page 54 of this Proxy Statement. For a full description of the pension plan assumptions used by us for financial reporting purposes for fiscal years 2018, 2019 and 2020, see Note 13 to our consolidated financial statements included in our Annual Report on Form 10-K for the year ended March 31, 2020, and incorporated by reference into this Proxy Statement.
- (5) The table below reflects the types and dollar amounts of perquisites, additional compensation, and other personal benefits provided to the named executive officers during fiscal year 2020. For purposes of computing the dollar amounts of the items listed below, we used the actual out-of-pocket costs to us of providing the perquisite or other personal benefit to the named executive officer. The named executive officers paid any taxes associated with these benefits without reimbursement from us. Each perquisite and personal benefit included in the table below is described in more detail in the narratives immediately following the table:

Column (i) Components	G.C. Freeman, III	A.L. Hentschke	J.C. Kroner	P.D. Wigner	T.G. Broome
	(\$)	(\$)	(\$)	(\$)	(\$)
Professional Fees <sup>(a)</sup>	4,500	—	2,688	—	—
401(k) Match <sup>(b)</sup>	13,868.74	14,217.50	14,168.75	14,152.49	14,146.25
Matching Gifts <sup>(c)</sup>	—	—	5,000	1,000	—
Home Leave - Expatriates <sup>(d)</sup>	—	799	—	—	—
<b>TOTALS</b>	<b>18,368.74</b>	<b>15,016.5</b>	<b>21,856.75</b>	<b>15,152.49</b>	<b>14,146.25</b>

- (a) *Financial Planning and Tax Preparation Services.* Only Mr. G. Freeman and Mr. Kroner are eligible to be reimbursed for financial planning and tax preparation services they incur during the fiscal year, subject to an annual cap of \$15,000. All reimbursed amounts paid to these named executive officers during fiscal year 2020 pursuant to our financial planning and tax preparation policy are individually disclosed in the perquisites table above.
- (b) *401(k) Company Match.* Each named executive officer is eligible to participate in the 401(k) Plan, which offers them an opportunity to defer income and receive matching contributions from us subject to certain limits. Company contributions made to the named executive officers during fiscal year 2020 are set forth in the table above. Information about the 401(k) Plan is set forth in the section entitled “Deferred Income Plans” beginning on page 44 of this Proxy Statement.
- (c) *Matching Gifts.* Each named executive officer is eligible to participate in our matching gifts program in which our charitable foundation matches employees' contributions to charities. The maximum amount applicable to all participants that can be matched in any fiscal year of our foundation is \$5,000 per participant. The named executive officers participated in the matching gifts program in amounts set forth above.
- (d) *Home Leave - Expatriates.* Mr. Hentschke is a Brazilian expatriate working in our Richmond, Virginia headquarters and is entitled to one round-trip, economy class airline ticket per year for himself and his dependents.

## GRANTS OF PLAN-BASED AWARDS

The following table presents information regarding grants of plan-based awards to the named executive officers during the fiscal year ended March 31, 2020.

Name and Grant Date	Estimated Future Payouts Under Non-Equity Incentive Plan Awards <sup>(1)</sup>			Estimated Future Payouts Under Equity Incentive Plan Awards <sup>(2)</sup>			All Other Stock Awards: Number of Shares of Stock or Units <sup>(3)</sup>	All Other Option Awards: Number of Securities Underlying Options	Exercise or Base Price of Option Awards	Market Price of Option Awards on Grant Date	Grant Date Fair Value of Stock and Option Awards <sup>(4)</sup>
	Threshold	Target	Max.	Threshold	Target	Max.					
	(\$)	(\$)	(\$)	(#)	(#)	(#)					
(a & b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)
<b>George C. Freeman, III</b>											
	0	945,500	1,891,000								
5/23/2019				0	16,550	24,825				59.07	830,148
5/23/2019							16,550			59.07	977,609
<b>Airton L. Hentschke</b>											
	0	498,100	996,200								
5/23/2019				0	7,850	11,775				59.07	393,756
5/23/2019							7,850			59.07	463,700
<b>Johan C. Kroner</b>											
	0	309,000	618,000								
5/23/2019				0	4,050	6,075				59.07	203,148
5/23/2019							4,050			59.07	239,234
<b>Preston D. Wigner</b>											
	0	279,000	558,000								
5/23/2019				0	3,650	5,475				59.07	183,084
5/23/2019							3,650			59.07	215,606
<b>Theodore G. Broome</b>											
	0	293,800	587,600								
5/23/2019				0	3,275	4,913				59.07	164,274
5/23/2019							3,275			59.07	193,454

<sup>(1)</sup> Amounts represent potential annual cash incentive awards for fiscal year 2020. The actual amount of the annual cash incentive award earned by each named executive officer for fiscal year 2020 is reported in Column (g), “Non-Equity Incentive Plan Compensation,” in the “Summary Compensation Table” on page 46 of this Proxy Statement. For additional information with respect to the annual cash incentive awards under the Incentive Plan, see the section entitled “Annual Cash Incentives Awards” beginning on page 39 of this Proxy Statement.

<sup>(2)</sup> Amounts represent potential vesting of Performance Shares granted during fiscal year 2020. Performance Shares vest in the event the three-year performance measures corresponding to the Performance Shares are met or exceeded. For additional information with respect to Performance Shares granted pursuant to our Stock Incentive Plan, see the section entitled “Long-Term Equity Participation” beginning on page 41 of this Proxy Statement and in Column (g) in the table entitled “Outstanding Equity Awards at Fiscal Year End” on page 49 of this Proxy Statement.

<sup>(3)</sup> Amounts represent the award of restricted stock units. Each restricted stock unit will convert one-for-one into shares of Common Stock upon vesting. Additional information with respect to restricted stock unit awards is set forth in the section entitled “Long-Term Equity Participation” beginning on page 41 of this Proxy Statement, and in Column (i) in the table entitled “Outstanding Equity Awards at Fiscal Year End” on page 49 of this Proxy Statement.

<sup>(4)</sup> Represents the grant date fair value of the award determined in accordance with FASB ASC Topic 718. The full grant date fair value of the Performance Shares is calculated at the target performance level and will vest, if at all, at the end of a three-year measurement period, if certain performance targets are met. Amounts for Performance Share awards are determined assuming a price per share of \$50.16 as of May 23, 2019, which represents a discount to the closing price of Common Stock as of the date of grant due to the lack of dividend rights. Each Performance Share will convert one-for-one into a share of Common Stock upon vesting if the performance target is met. Grant date fair value for the restricted stock unit awards is based on the grant date fair value of the underlying shares of Common Stock. The assumptions used in determining the grant date fair values of these awards are set forth in Note 15 to the consolidated financial statements included in our Annual Report on Form 10-K for the year ended March 31, 2020, and incorporated by reference into this Proxy Statement.

## OUTSTANDING EQUITY AWARDS AT FISCAL YEAR END

The following table presents information concerning the number and value of outstanding restricted stock units and Performance Shares held by the named executive officers as of March 31, 2020.

Name and Grant Date	Option Awards					Stock Awards				
	Number of Securities Underlying Unexercised Options Exercisable (#)	Number of Securities Underlying Unexercised Options Unexercisable (#)	Option Exercise Price (\$)	Option Expiration Date (f)	PSA's Equity Incentive Plan Awards: Number of Unearned Shares, Units or Other Rights That Have Not Vested <sup>(1)</sup> (#)	Equity Incentive Plan Awards: Market or Payout Value of Unearned Shares, Units or Other Rights That Have Not Vested <sup>(2)</sup> (\$)	Number of Shares or Units of Stock That Have Not Vested <sup>(1)</sup> (#)	Market Value of Shares or Units of Stock That Have Not Vested <sup>(2)</sup> (\$)		
(a)	(b)	(c)	(e)	(f)	(g)	(h)	(i)	(j)		
<b>George C. Freeman, III</b>										
May 22, 2015							21,951	970,454		
June 2, 2016							18,221	805,550		
June 1, 2017							14,598	645,378		
May 25, 2018							20,567	909,267		
May 24, 2019							17,240	762,180		
June 1, 2017			12,800		565,888					
May 25, 2018			18,800		831,148					
May 24, 2019			16,550		731,676					
<b>Airton L. Hentschke</b>										
May 22, 2015							10,854	479,855		
June 2, 2016							9,021	398,818		
June 1, 2017							6,898	304,961		
May 25, 2018							9,736	430,429		
May 24, 2019							8,177	361,505		
June 1, 2017			6,050		267,470					
May 25, 2018			8,900		393,469					
May 24, 2019			7,850		347,049					
<b>Johan C. Kroner</b>										
June 2, 2016							619	27,366		
June 1, 2017							458	20,248		
May 25, 2018							1,968	87,005		
September 17, 2018							1,081	47,791		
May 24, 2019							4,218	186,478		
June 1, 2017			400		17,684					
May 25, 2018			1,800		79,578					
September 17, 2018			1,000		44,210					
May 24, 2019			4,050		179,051					

Name and Grant Date	Option Awards					Stock Awards				
	Number of Securities Underlying Unexercised Options Exercisable	Number of Securities Underlying Unexercised Options Unexercisable	Option Exercise Price	Option Expiration Date	Equity Incentive Plan Awards: Number of Unearned Shares, Units or Other Rights That Have Not Vested <sup>(1)</sup>	Equity Incentive Plan Awards: Number of Unearned Shares, Units or Other Rights That Have Not Vested <sup>(1)</sup>	Equity Incentive Plan Awards: Market or Payout Value of Unearned Shares, Units or Other Rights That Have Not Vested <sup>(2)</sup>	Number of Shares or Units of Stock That Have Not Vested <sup>(1)</sup>	Market Value of Shares or Units of Stock That Have Not Vested <sup>(2)</sup>	
(a)	(b)	(c)	(e)	(f)	(g)	(h)	(i)	(j)		
<b>Preston D. Wigner</b>										
May 22, 2015							5,764	254,826		
June 2, 2016							4,778	211,235		
June 1, 2017							3,250	143,683		
May 25, 2018							4,540	200,713		
May 24, 2019							3,802	168,086		
June 1, 2017					2,850	125,999				
May 25, 2018					4,150	183,472				
May 24, 2019					3,650	161,367				
<b>Theodore G. Broome</b>										
May 22, 2015							4,417	195,276		
June 2, 2016							3,655	161,588		
June 1, 2017							2,850	125,998		
May 25, 2018							4,046	178,874		
May 24, 2019							3,412	150,845		
June 1, 2017					2,500	110,525				
May 25, 2018					3,700	163,577				
May 24, 2019					3,275	144,788				

<sup>(1)</sup> Amounts in Column (g) represent Performance Shares. Performance Shares vest at the end of their corresponding three-year performance period if certain performance targets are met or exceeded. Amounts in Column (g) assume 100% vesting of the award, which represents the target amount payable. Each Performance Share converts one-for-one into a share of Common Stock upon vesting if the performance target is met. See “Compensation Discussion and Analysis” beginning on page 28 of this Proxy Statement. Amounts in Column (i) represent unvested restricted stock units and accumulated dividend equivalent rights. Restricted stock units have five-year cliff vesting, meaning all restricted stock units vest on the fifth anniversary of the date they are granted. At the time of vesting, restricted stock units are automatically converted into an equal number of shares of Common Stock. Restricted stock unit awards accumulate dividend equivalent rights, which track actual dividend amounts and are added to the total number of restricted stock units to be converted into shares of Common Stock at the time of vesting. These dividend equivalent units only vest when the underlying restricted stock units vest.

<sup>(2)</sup> Based on the closing price of \$44.21 for our Common Stock, as quoted on the NYSE on March 31, 2020, the last trading day of fiscal year 2020.

## OPTION EXERCISES AND STOCK VESTED

The following table presents information concerning the vesting of stock awards for the named executive officers during the fiscal year ended March 31, 2020. There were no other exercises of options, SARs, or similar instruments for the named executive officers during the fiscal year ended March 31, 2020.

Name	Stock Awards		Option Awards	
	Number of Shares Acquired on Vesting	Value Realized on Vesting	Number of Shares Acquired on Exercise	Value Realized on Exercise
(a)	(b)	(c)	(d)	(e)
George C. Freeman, III <sup>(1)</sup>	38,541	2,263,329	—	—
Airton L. Hentschke <sup>(1)</sup>	15,114	889,062	—	—
Johan. C. Kroner <sup>(1)</sup>	1,171	68,819	—	—
Preston D. Wigner <sup>(1)</sup>	10,063	590,967	—	—
Theodore G. Broome <sup>(1)</sup>	7,782	456,981	—	—

<sup>(1)</sup> Amounts represent the number of shares of Common Stock underlying stock awards vesting in Fiscal 2020. The amounts in Column (b) represent the vesting of restricted stock awards that were granted in fiscal year 2015 and the vesting of Performance Shares that were granted in fiscal year 2017.

## PENSION BENEFITS

The following table shows the actuarial present value of accumulated benefits as of March 31, 2020, under each of our defined benefit plans, which are our only defined benefit plans that provide for payments or other benefits to the named executive officers at, following, or in connection with retirement.

Name	Plan Name	Number of Years Credited Service <sup>(1)</sup>	Present Value of Accumulated Benefit <sup>(2)</sup>	Payments During Last Fiscal Year
(a)	(b)	(#)	(\$)	(\$)
(c)		(d)		(e)
George C. Freeman, III	Pension Plan	22.75	933,726	—
	Benefit Restoration Plan	22.75	7,695,765	—
Airton L. Hentschke	Pension Plan	7.25	257,072	—
	Benefit Restoration Plan	7.25	828,061	—
Johan. C. Kroner	Pension Plan	26.75	703,693	—
	Benefit Restoration Plan	26.75	112,021	—
Preston D. Wigner	Pension Plan	17.00	573,814	—
	Benefit Restoration Plan	17.00	1,099,374	—
Theodore G. Broome	Pension Plan	24.00	1,340,509	—
	Benefit Restoration Plan	24.00	2,069,932	—

<sup>(1)</sup> We have not granted, and we do not have a policy with respect to granting, extra years of service to named executive officers under the Pension Plan or the Benefit Restoration Plan. Additional information with respect to the Pension Plan and the Benefit Restoration Plan is set forth in the section entitled “Retirement and Post-Termination Compensation” beginning on page 44 of this Proxy Statement.

<sup>(2)</sup> Present value was determined assuming retirement at age 65 for the Pension Plan and Benefit Restoration Plan. The present value calculation used an interest rate consistent with assumptions used for our financial reporting under FASB ASC Topic 715 and a postretirement mortality assumption table for the Consumer Goods and Food & Drink Industry that is based on recent mortality data and closely tracks the actual mortality experience of our plans. Other assumptions made in the valuation are discussed in our Annual Report on Form 10-K for the year ended March 31, 2020, in the section entitled “Pension and Other Postretirement Benefit Plans,” the section entitled “Critical Accounting Estimates and Assumptions,” and in Note 13 to the consolidated financial statements, and are incorporated by reference into this Proxy Statement.

### Retirement Benefits

Our named executive officers are covered by the Pension Plan, the Benefit Restoration Plan, deferred income plans, and the 401(k) Plan. As of March 31, 2020, we also had Change of Control Agreements with two of our named executive officers addressing a change of control in our company. Additional details, and all amounts earned by our named executive officers or contributed by the Company to our named executive officers through those plans, are disclosed in this Proxy Statement.

Defined Benefit Retirement Plan. Our salaried employees, including our named executive officers, participate in the Pension Plan, which is a defined benefit retirement plan. The Pension Plan is a company-funded, qualified plan under the Internal Revenue Code, with the purpose of providing a fixed benefit for the life of the participant (and/or the spouse if the joint and survivor option is elected) beginning at the time of the participant's retirement or termination. The Pension Plan also has survivor benefits for the participant's spouse.

Effective January 1, 2014, the Pension Plan was changed to implement a new benefit formula for credited service accrued beginning January 1, 2014. The revised benefit formula is based on a compensation average for all compensation earned (often referred to as a Career Average) on or after January 1, 2014 multiplied by a designated percentage. The Excess Benefit portion of the formula was eliminated. The normal retirement benefit under the Pension Plan for service accrued beginning January 1, 2014 is calculated as follows:

Benefit:	Designated Percentage of Average Compensation for All Years	Multiplied by	Years of service beginning January 1, 2014

The Pension Plan benefit for credited service accrued through December 31, 2013 is a percentage of the participant's average compensation, multiplied by the participant's credited years of service under the Pension Plan prior to the change described above. Average compensation is calculated by taking the highest average of annual salary and annual cash incentive awards for any three consecutive calendar-year periods during the participant's participation in the Pension Plan. The normal retirement benefit under the Pension Plan for service accrued through December 31, 2013 is calculated as follows:

<b>Base Benefit:</b>	Designated Percentage of Average Compensation	Multiplied by	All years of service through December 31, 2013
<b>PLUS</b>			
<b>Excess Benefit:</b>	Designated Percentage of Average Compensation less Covered Compensation	Multiplied by	Participant's first 35 years of service through December 31, 2013

Covered compensation, for purposes of the excess benefit, is defined as the average of the Social Security Taxable Wage Base for the 35 calendar-year period ending December 31, 2013.

Benefits are paid as a straight life annuity for the participant's lifetime for a single participant, or a 50% joint and survivor annuity, if elected, for married participants for their joint lifetime. Benefits are normally payable when the participant reaches age 65; however, participants may begin receiving early retirement benefits when they reach age 55 and elect to retire with at least five years of service. If benefits are paid prior to age 65, the benefit is reduced based on the participant's age. Prior to 2014, the benefit reduction for early retirement was based on the participant's age and years of service. This was changed as of January 1, 2014 to a more standard reduction schedule that is based only on age.

**Benefit Restoration Plan.** To the extent benefits payable to our employees at retirement pursuant to the Pension Plan exceed amounts that may be payable under applicable provisions of the Internal Revenue Code, such benefits will be paid under our supplemental retirement plan called the Universal Leaf Tobacco Company, Incorporated 1996 Benefit Restoration Plan, which we refer to as the Benefit Restoration Plan. The Benefit Restoration Plan is a non-qualified defined benefit pension plan that provides eligible individuals the difference between the benefits they would actually accrue under the Pension Plan, but for the maximum benefit limitations and the limitation on compensation pursuant to the Internal Revenue Code that may be recognized under the Pension Plan and deferrals of their compensation under our two non-qualified deferred income plans, which are defined and discussed below. Benefits under the Benefit Restoration Plan are paid in one lump sum payment at retirement and benefits under the Deferred Income Plans are paid out at or after retirement in accordance with the election option chosen by a participant prior to deferral except where Section 409A restrictions apply. The purpose of the Benefit Restoration Plan is not to provide employees with additional benefits but to ensure that our employees who earn more than the amounts set forth in the Internal Revenue Code for maximum benefit limitations receive a retirement benefit that is proportionately equivalent to the benefit provided to our other salaried employees participating in the Pension Plan. We maintain the Pension Plan and Benefit Restoration Plan to ensure an overall competitive compensation and benefits offering and to attract and retain top talent. Our Compensation Committee believes it is essential that our overall compensation and benefits, including retirement benefits, be competitive in the market.

Retirement benefits under the Benefit Restoration Plan mirror those of the Pension Plan and as such, identical changes to the Pension Plan described in the previous section were implemented to this plan effective January 1, 2014. The Compensation Committee approved all changes to both the Pension Plan and the Benefit Restoration Plan after completing their evaluation and ensuring that the reduction in retirement benefits were consistently applied to all participants, inclusive of our named executive officers.

The retirement benefit under the Benefit Restoration Plan is paid in a lump sum. Like the Pension Plan, the benefit payable under the Benefit Restoration Plan normally is distributed when the participant reaches age 65. Participants may receive an early distribution of their retirement benefit when they reach age 55 and elect to retire with at least five years of service, but such early retirement benefit is reduced based on the participant's age. Prior to 2014, the benefit reduction for early retirement was based on the participant's age and years of service. This was changed as of January 1, 2014 to a more standard reduction schedule that is based only on age.

## NON-QUALIFIED DEFERRED COMPENSATION

We offer all employees, including our named executive officers, the opportunity to participate in our qualified deferred compensation plan, the 401(k) Plan. Participants can contribute percentages on a monthly basis up to 100% of total compensation excluding annual cash incentive awards, subject to statutory limitations. We match the monthly contributions up to 5% on a monthly basis, subject to a 2019 calendar year contribution limit of \$19,000. All of our named executive officers participated in the 401(k) Plan in fiscal year 2020.

In addition to our 401(k) Plan, we have a non-qualified deferred income plan available to certain executives: The Universal Leaf Tobacco Company, Incorporated Deferred Income Plan, which replaced a predecessor plan frozen prior to January 1, 2005 to comply with Section 409A of the Internal Revenue Code (together the DIP plan). The DIP Plan is designed to permit participants to accumulate additional income for retirement and other personal financial goals through the deferral of their annual cash incentive award and portions of their salary. Deferred compensation arrangements are common executive programs and we believe that these arrangements help us in the recruitment and retention of executive talent for which we are competing.

The DIP Plan is a non-qualified savings plan, with eligibility based on a participant's position in the Company and certain of its subsidiaries. Participants elect to make contributions through the deferral of up to 50% of their salary, and up to 100% of their annual incentive award. The Company does not provide any contribution or match to the DIP Plan. The DIP Plan is unfunded and unsecured by us and provides the participants a variety of investment options from which to choose. No named executive officers deferred income in the DIP Plan in fiscal years 2020, 2019 or 2018.

The following table presents information concerning our deferred compensation plans that provide for the deferral of compensation of the named executive officers on a basis that is not tax qualified.

Name	Executive Contributions in FY 2020 <sup>(1)</sup>	Registrant Contributions in FY 2020 <sup>(2)</sup>	Aggregate Earnings in FY 2020 <sup>(3)</sup>	Aggregate Withdrawals/ Distributions <sup>(4)</sup>	Aggregate Balance at FYE 2020 <sup>(5)</sup>
	(\$)	(\$)	(\$)	(\$)	(\$)
George C. Freeman, III	—	—	(50,593)	—	1,050,816
Airton L. Hentschke	—	—	(76,988)	—	233,180
Johan C. Kroner	—	—	—	—	—
Preston D. Wigner	—	—	(942)	—	17,814
Theodore G. Broome	—	—	—	—	—

<sup>(1)</sup> Amounts represent a portion of base salary and annual incentive awards deferred into the DIP Plans.

<sup>(2)</sup> The DIP Plan does not provide for company matches or contributions.

<sup>(3)</sup> Amounts represent earnings on funds held for named executive officers in the DIP Plans except for Mr. Hentschke, Mr. Kroner and Mr. Broome. Mr. Hentschke, Mr. Kroner and Mr. Broome have not elected to defer income under the DIP Plans. The amount shown for Mr. Hentschke represents the estimated earnings on his vested balance in the Company's Brazil Previleaf Pension Plan (PPP). The PPP is a defined contribution plan established by the Company for eligible employees of one of our Brazilian subsidiaries. Mr. Hentschke has not been an active member of the PPP since his transfer to the United States in January 2013, and therefore no longer receives Company contributions to the PPP.

<sup>(4)</sup> The DIP Plans permit withdrawals under certain circumstances, including hardship, and participants may elect to have annual deferrals distributed from the DIP Plans upon retirement or after a specified number of years after the compensation is deferred.

<sup>(5)</sup> Amounts represent the balances at the end of fiscal year 2020 in the DIP Plans for named executive officers. The fair market value of Mr. Hentschke's vested balance in the Company's Brazil PPP is included, and reflects also a foreign exchange impact. Executive contributions are included in the aggregate balance that are reported as compensation to the named executive officers in the "Summary Compensation Table" in our 2019 Proxy Statement and 2018 Proxy Statement are as follows: Mr. G. Freeman: \$0 (2019) and \$0 (2018), Mr. Hentschke: \$0 (2019) and \$0 (2018), Mr. Wigner: \$0 (2019) and \$0 (2018), and Mr. Broome: \$0 (2019) and \$0 (2018).

In addition to our qualified and non-qualified deferred compensation plans, the Company took the appropriate actions to potentially maximize the deductibility of its compensation and benefit programs and avoid the limitations on deductibility under Section 162(m) of the Internal Revenue Code. The Tax Cut and Jobs Act was enacted in the United States in December 2017 and included changes to Section 162(m). Additional information about Section 162(m) is set forth in the section entitled “Limitations on Deductibility of Compensation” on page 35 of this Proxy Statement.

The vesting of certain restricted stock units awards to Mr. G. Freeman was subject to Code Section 162(m) and certain payments have been deferred until Mr. G. Freeman retires. The following table presents information concerning those deferrals.

Name	Executive Contributions in FY 2020	Registrant Contributions in FY 2020	Aggregate Earnings in FY 2020 <sup>(1)</sup>	Aggregate Withdrawals/ Distributions	Aggregate Balance at FYE 2020 <sup>(2)</sup>
	(\$)	(\$)	(\$)	(\$)	(\$)
George C. Freeman, III	—	—	(344,670)	—	1,471,309

<sup>(1)</sup> Amount represents earnings and change in market value during fiscal year 2020.

<sup>(2)</sup> Amount represents market value of the restricted stock units based on the March 31, 2020 closing price of stock on the NYSE of \$44.21.

## **SUMMARY OF TERMINATION PAYMENTS AND BENEFITS**

### **Potential Payments Upon Termination or Change of Control**

During fiscal year 2020, we maintained Change of Control Agreements with only Messrs. G. Freeman and Mr. Wigner. The terms and conditions in the Change of Control Agreements are identical for each executive officer who has such an agreement.

A “change of control” is defined in the Change of Control Agreements, and is generally deemed to have occurred if:

- any individual, entity, or group acquires 20% or more of either the outstanding shares of Common Stock or the combined voting power of our outstanding voting securities;
- a majority of our directors are replaced;
- we reorganize, merge, consolidate, or sell all or substantially all of our assets except for certain situations in which control of outstanding shares of Common Stock or outstanding voting securities is maintained; or
- our shareholders approve a complete liquidation or dissolution of Universal Corporation.

The Change of Control Agreements:

- do not contain any obligation to gross-up severance payments for potential excise taxes incurred by the executive officer;
- contain a “double trigger” instead of a “single trigger,” meaning that payments are not made until there is a change of control and the executive officer is effectively terminated within three years of the change of control;
- contain non-competition and non-solicitation clauses; and
- contain certain administrative elements intended to address the requirements of Section 409A of the Internal Revenue Code applicable to deferred compensation.

Prior to their termination on May 26, 2020, the Change of Control Agreements provided that the executive officer will have generally the same authority, duties, and responsibilities during the three years after a change of control of Universal Corporation or until the executive officer's normal retirement at age 65 (if earlier), as such executive officer did immediately prior to the change of control. Each Change of Control Agreement also provided for the payment, during such period, of an annual base salary and annual cash incentive award at least at the same levels as prior to the change of control. The executive officer would also participate at least at the same levels in incentive, savings and retirement plans, and welfare benefit plans as were offered prior to the change of control.

Each Change of Control Agreement provided benefits in the event of the executive's death or disability, or in the event the executive's employment is terminated for “cause” or for “good reason.” If the executive officer is terminated other than for cause, death, or disability within three years after a change of control, or if the executive officer terminates his employment for good reason within such three-year period, the executive officer was entitled to receive certain severance benefits. Severance benefits included a lump sum severance payment based on an amount equal to 2.99 times the sum of his annual base salary and the higher of such executive officer's most recent targeted bonus opportunity under our cash incentive plan and such executive officer's prior year's annual cash incentive award. This payment would be made in full if the date of termination of employment was more than three years prior to the executive officer's normal retirement at age 65, and it would be prorated if such period was less than three years. There would be no such payment if the executive officer had reached normal retirement. Severance benefits also included certain other payments and benefits, including continuation of benefits under retirement plans, continuation of employee welfare benefits, and outplacement services for the executive officer up to a maximum amount of \$10,000.

### **Severance and Change of Control Benefits for the Named Executive Officers**

The following tables summarize the value of the termination payments and benefits that each of our named executive officers would receive if their employment had terminated on March 31, 2020, under the circumstances shown. The tables exclude amounts accrued through March 31, 2020, that would be paid in the normal course of continued employment, such as accrued but unpaid salary and earned annual cash incentive award for the fiscal year ended March 31, 2020.

Under our benefit programs, an individual is eligible for retirement after reaching age 55, with at least five years of service. The amounts in the tables for “Retirement” assume that all of our named executive officers have reached age 55 by March 31, 2020, even though that was not the case for Messrs. Hentschke, Kroner and Wigner.

## Summary of Termination Payment and Benefits: George C. Freeman, III

Benefit					Termination by Executive Other Than Retirement, Death or Disability	For Cause Termination by Company Other Than Retirement, Death or Disability	Involuntary Termination Following a Change in Control
	Retirement	Death	Disability				
	(\$)	(\$)	(\$)	(\$)			
(a)	(b)	(c)	(d)	(e)	(f)		
<b>Change of Control<sup>(1)</sup></b>							
<b>Acceleration of Equity Awards</b>							
Restricted Stock Units <sup>(2)</sup>	4,092,829	4,092,829	4,092,829	—	—	—	4,092,829
Performance Shares <sup>(2)</sup>	2,128,712	2,128,712	2,128,712	—	—	—	2,128,712
<b>Qualified Retirement Benefits</b>							
Pension Plan <sup>(3)</sup>	56,883	33,406	89,018	56,883	56,883	56,883	56,883
401(k) Savings Plan <sup>(4)</sup>	666,046	666,046	666,046	666,046	666,046	666,046	666,046
<b>Non-qualified Retirement Benefits</b>							
Benefit Restoration Plan <sup>(5)</sup>	8,372,998	3,880,160	8,372,998	8,372,998	8,372,998	8,372,998	8,372,998
Deferred Income Plan (DIP) <sup>(6)</sup>	65,785	1,050,816	1,050,816	1,050,816	1,050,816	1,050,816	1,050,816
Deferred Payment of Restricted Stock <sup>(7)</sup>	1,471,309	1,471,309	1,471,309	1,471,309	1,471,309	1,471,309	1,471,309
<b>Other Benefits</b>							
Health and Welfare Plans <sup>(8)</sup>	—	3,100,000	—	—	—	—	—
Long-Term Disability Plan <sup>(9)</sup>	—	—	567,300	—	—	—	—
<b>Total</b>	<b>16,854,562</b>	<b>16,423,278</b>	<b>18,439,028</b>	<b>11,618,052</b>	<b>11,618,052</b>	<b>23,493,683</b>	

<sup>(1)</sup> Amount represents cash payment due pursuant to the change of control double trigger (change of control and involuntary termination) in the executive's Change of Control Agreement. The payments do not include any form of tax gross-up amount because the Change of Control Agreement does not provide for such payments.

<sup>(2)</sup> Restricted stock units and the corresponding dividend equivalent rights automatically vest and are paid in shares of Common Stock at the time of the events specified in the table for which amounts are shown. Amounts for restricted stock units represent the value of Common Stock as of March 31, 2020. Performance Shares vest on the last day of the performance period and are earned and paid out based on the degree to which our financial performance exceeds a threshold level. Participants are entitled to a prorated number of Performance Shares if they retire, die or become disabled during the performance period. Amounts for Performance Shares are based on the market value of the underlying shares of Common Stock as of March 31, 2020 and assuming a payout equating to the target level of performance.

<sup>(3)</sup> For all columns except Column (b), amounts represent an annual payment to the executive at March 31, 2020, payable for the life of the executive, assuming with respect to Columns (a), (d), (e), and (f), the executive elects the 50% joint and survivor annuity option, which is the default option under the Pension Plan. For Column (c), the annual payment assumes the executive elects the straight life annuity option. For Column (b), the amount represents an annual payment to the executive's survivor at March 31, 2020, payable for the life of the survivor.

<sup>(4)</sup> Amounts represent a lump sum distribution at March 31, 2020 from the 401(k) Savings Plan.

<sup>(5)</sup> Amounts represent a lump sum payment at March 31, 2020 including the balance from the terminated individual trust agreement maintained through the Benefit Restoration Plan. A participant will forfeit all rights in and to any benefits payable under the Benefit Restoration Plan if the Company terminates the participant's employment as a result of a participant's fraud, dishonesty or embezzlement where the participant has been materially, unjustly enriched by such conduct.

<sup>(6)</sup> Amount in Column (a) represents a first payment of annual payments for retirement as elected in the executive's DIP Plan agreements. Amounts in Columns (b) through (f) represent a lump-sum payment for all remaining circumstances as elected in the executive's DIP Plan agreements.

<sup>(7)</sup> Amounts represent the value of restricted stock units that vested, but payment was deferred until termination of employment in order to preserve the Section 162(m) deduction. More information regarding these restricted stock units is discussed in the section entitled "Non-Qualified Deferred Compensation" on page 54 of this Proxy Statement. More information on Section 162(m) is discussed in the section entitled "Limitations on Deductibility of Compensation" on page 35 of this Proxy Statement.

<sup>(8)</sup> Amounts represent payment due under the standard Group Term Life Insurance Program, which is the death benefit amount on March 31, 2020. In case of accidental death, the benefit amount would increase by \$5,600,000 (includes AD&D and Business Travel Accident Insurance).

<sup>(9)</sup> Amounts represent 60% of annual base salary as of March 31, 2020, which is payable from three different sources: the Pension Plan, Social Security, and a company supplement. Payments under the long-term disability plan continue until the recipient reaches age 65.

## Summary of Termination Payment and Benefits: Airton L. Hentschke

Benefit	Retirement	Death	Disability	Termination by Executive Other Than Retirement, Death, or Disability	For Cause Termination by Company Other Than Retirement, Death or Disability	Involuntary Termination Following a Change in Control
	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
(a)	(b)	(c)	(d)	(e)	(f)	
<b>Change of Control<sup>(1)</sup></b>						
<b>Acceleration of Equity Awards</b>						
Restricted Stock Units <sup>(2)</sup>	1,975,568	1,975,568	1,975,568	—	—	1,975,568
Performance Shares <sup>(2)</sup>	1,007,988	1,007,988	1,007,988	—	—	1,007,988
<b>Qualified Retirement Benefits</b>						
Pension Plan <sup>(3)</sup>	15,801	—	30,226	15,801	15,801	15,801
401(k) Savings Plan <sup>(4)</sup>	246,315	246,315	246,315	246,315	246,315	246,315
<b>Non-qualified Retirement Benefits</b>						
Benefit Restoration Plan <sup>(5)</sup>	850,721	—	850,721	850,721	850,721	850,721
Deferred Income Plan (DIP) <sup>(6)</sup>	233,180	233,180	233,180	233,180	233,180	233,180
<b>Other Benefits</b>						
Health and Welfare Plans <sup>(7)</sup>	—	1,600,000	—	—	—	—
Long-Term Disability Plan <sup>(8)</sup>	—	—	358,620	—	—	—
<b>Total</b>	<b>4,329,573</b>	<b>5,063,051</b>	<b>4,702,618</b>	<b>1,346,017</b>	<b>1,346,017</b>	<b>4,329,573</b>

<sup>(1)</sup> Mr. Hentschke does not have a Change of Control Agreement.

<sup>(2)</sup> Restricted stock units and the corresponding dividend equivalent rights automatically vest and are paid in shares of Common Stock at the time of the events specified in the table for which amounts are shown. Amounts for restricted stock units represent the value of Common Stock as of March 31, 2020. Performance Shares vest on the last day of the performance period and are earned and paid out based on the degree to which our financial performance exceeds a threshold level. Participants are entitled to a prorated number of Performance Shares if they retire, die or become disabled during the performance period. Amounts for Performance Shares are based on the market value of the underlying shares of Common Stock as of March 31, 2020 and assuming a payout equating to the target level of performance.

<sup>(3)</sup> For all columns except Column (b), amounts represent an annual payment to the executive at March 31, 2020, payable for the life of the executive, assuming with respect to Columns (a), (d), (e), and (f), the executive elects the straight life option, which is the default option under the Pension Plan. For Column (c), the annual payment assumes the executive elects the straight life annuity option. For Column (b), the amount represents an annual payment to the executive's survivor at March 31, 2020.

<sup>(4)</sup> Amounts represent a lump sum distribution at March 31, 2020 from the 401(k) Savings Plan.

<sup>(5)</sup> Amounts represent a lump sum payment at March 31, 2020 from the Benefit Restoration Plan. A participant will forfeit all rights in and to any benefits payable under the Benefit Restoration Plan if the Company terminates the participant's employment as a result of a participant's fraud, dishonesty or embezzlement where the participant has been materially, unjustly enriched by such conduct.

<sup>(6)</sup> Amount in Column (a) represents a first payment of annual payments for retirement as elected in the executive's DIP Plan agreements. Amounts in Columns (b) through (f) represent a lump-sum payment for all remaining circumstances as elected in the executive's DIP Plan agreements. In Mr. Hentschke's case, the amounts include his vested account balance in the Company's Brazil Previleaf Pension Plan.

<sup>(7)</sup> Amounts represent payment due under the standard Group Term Life Insurance Program, which is the death benefit amount on March 31, 2020. In case of accidental death, the benefit amount would increase by \$5,288,000 (includes AD&D and Business Travel Accident Insurance).

<sup>(8)</sup> Amounts represent 60% of annual base salary as of March 31, 2020, which is payable from three different sources: the Pension Plan, Social Security, and a company supplement. Payments under the long-term disability plan continue until the recipient reaches age 65.

## Summary of Termination Payment and Benefits: Johan C. Kroner

Benefit	Retirement	Death	Disability	Termination by Executive Other Than Retirement, Death or Disability	For Cause Termination by Company Other Than Retirement, Death or Disability	Involuntary Termination Following a Change in Control
	(\$) (a)	(\$) (b)	(\$) (c)	(\$) (d)	(\$) (e)	(\$) (f)
<b>Change of Control<sup>(1)</sup></b>	—	—	—	—	—	—
<b>Acceleration of Equity Awards</b>						
Restricted Stock Units <sup>(2)</sup>	368,888	368,888	368,888	—	—	368,888
Performance Shares <sup>(2)</sup>	320,523	320,523	320,523	—	—	320,523
<b>Qualified Retirement Benefits</b>						
Pension Plan <sup>(3)</sup>	46,039	28,820	77,684	46,039	46,039	46,039
401(k) Savings Plan <sup>(4)</sup>	785,578	785,578	785,578	785,578	785,578	785,578
<b>Non-qualified Retirement Benefits</b>						
Benefit Restoration Plan <sup>(5)</sup>	106,970	56,080	106,970	106,970	106,970	106,970
Deferred Income Plan (DIP) <sup>(6)</sup>	—	—	—	—	—	—
<b>Other Benefits</b>						
Health and Welfare Plans <sup>(7)</sup>	—	1,545,000	—	—	—	—
Long-Term Disability Plan <sup>(8)</sup>	—	—	278,100	—	—	—
<b>Total</b>	<b>1,627,998</b>	<b>3,104,889</b>	<b>1,937,743</b>	<b>938,587</b>	<b>938,587</b>	<b>1,627,998</b>

<sup>(1)</sup> Mr. Kroner does not have a Change of Control Agreement.

<sup>(2)</sup> Restricted stock units and the corresponding dividend equivalent rights automatically vest and are paid in shares of Common Stock at the time of the events specified in the table for which amounts are shown. Amounts for restricted stock units represent the value of Common Stock as of March 31, 2020. Performance Shares vest on the last day of the performance period and are earned and paid out based on the degree to which our financial performance exceeds a threshold level. Participants are entitled to a prorated number of Performance Shares if they retire, die or become disabled during the performance period. Amounts for Performance Shares are based on the market value of the underlying shares of Common Stock as of March 31, 2020 and assuming a payout equating to the target level of performance.

<sup>(3)</sup> For all columns except Column (b), amounts represent an annual payment to the executive at March 31, 2020, payable for the life of the executive, assuming with respect to Columns (a), (d), (e), and (f), the executive elects the 50% joint and survivor annuity option, which is the default option under the Pension Plan. For Column (c), the annual payment assumes the executive elects the straight life annuity option. For Column (b), the amount represents an annual payment to the executive's survivor at March 31, 2020.

<sup>(4)</sup> Amounts represent a lump sum distribution at March 31, 2020 from the 401(k) Savings Plan.

<sup>(5)</sup> Amounts represent a lump sum payment at March 31, 2020 from the Benefit Restoration Plan. A participant will forfeit all rights in and to any benefits payable under the Benefit Restoration Plan if the Company terminates the participant's employment as a result of a participant's fraud, dishonesty or embezzlement where the participant has been materially, unjustly enriched by such conduct.

<sup>(6)</sup> Amount in Column (a) represents a first payment of annual payments for retirement as elected in the executive's DIP Plan agreements. Amounts in Columns (b) through (f) represent a lump-sum payment for all remaining circumstances as elected in the executive's DIP Plan agreements.

<sup>(7)</sup> Amounts represent payment due under the standard Group Term Life Insurance Program, which is the death benefit amount on March 31, 2020. In case of accidental death, the benefit amount would increase by \$5,818,000 (includes AD&D, voluntary AD&D, and Business Travel Accident Insurance).

<sup>(8)</sup> Amounts represent 60% of annual base salary as of March 31, 2020, which is payable from three different sources: the Pension Plan, Social Security, and a company supplement. Payments under the long-term disability plan continue until the recipient reaches age 65.

## Summary of Termination Payment and Benefits: Preston D. Wigner

Benefit				Termination by Executive Other Than Retirement, Death or Disability	For Cause Termination by Company Other Than Retirement, Death or Disability	Involuntary Termination Following a Change in Control
	Retirement	Death	Disability			
	(\$)	(\$)	(\$)		(\$)	(\$)
(\$)	(a)	(b)	(c)	(d)	(e)	(f)
<b>Change of Control<sup>(1)</sup></b>						
<b>Acceleration of Equity Awards</b>						
Restricted Stock Units <sup>(2)</sup>	978,543	978,543	978,543	—	—	978,543
Performance Shares <sup>(2)</sup>	470,838	470,838	470,838	—	—	470,838
<b>Qualified Retirement Benefits</b>						
Pension Plan <sup>(3)</sup>	37,113	23,750	65,279	37,113	37,113	37,113
401(k) Savings Plan <sup>(4)</sup>	601,621	601,621	601,621	601,621	601,621	601,621
<b>Non-qualified Retirement Benefits</b>						
Benefit Restoration Plan <sup>(5)</sup>	1,282,740	582,290	1,282,740	1,282,740	1,282,740	1,282,740
Deferred Income Plan (DIP) <sup>(6)</sup>	17,814	17,814	17,814	17,814	17,814	17,814
<b>Other Benefits</b>						
Health and Welfare Plans <sup>(7)</sup>	—	1,955,000	—	—	—	—
Long-Term Disability Plan <sup>(8)</sup>	—	—	251,100	—	—	—
<b>Total</b>	<b>3,388,669</b>	<b>4,629,856</b>	<b>3,667,935</b>	<b>1,939,288</b>	<b>1,939,288</b>	<b>5,474,194</b>

<sup>(1)</sup> Amount represents cash payment due pursuant to the change of control double trigger (change of control and involuntary termination) in the executive's Change of Control Agreement. The payments do not include any form of tax gross-up amount because the Change of Control Agreement does not provide for such payments.

<sup>(2)</sup> Restricted stock units and the corresponding dividend equivalent rights automatically vest and are paid in shares of Common Stock at the time of the events specified in the table for which amounts are shown. Amounts for restricted stock units represent the value of Common Stock as of March 31, 2020. Performance Shares vest on the last day of the performance period and are earned and paid out based on the degree to which our financial performance exceeds a threshold level. Participants are entitled to a prorated number of Performance Shares if they retire, die or become disabled during the performance period. Amounts for Performance Shares are based on the market value of the underlying shares of Common Stock as of March 31, 2020 and assuming a payout equating to the target level of performance.

<sup>(3)</sup> For all columns except Column (b), amounts represent an annual payment to the executive at March 31, 2020, payable for the life of the executive, assuming with respect to Columns (a), (d), (e), and (f), the executive elects the 50% joint and survivor annuity option, which is the default option under the Pension Plan. For Column (c), the annual payment assumes the executive elects the straight life annuity option. For Column (b), the amount represents an annual payment to the executive's survivor at March 31, 2020, payable for the life of the survivor.

<sup>(4)</sup> Amounts represents a lump sum distribution at March 31, 2020 from the 401(k) Savings Plan.

<sup>(5)</sup> Amounts represent a lump sum payment at March 31, 2020 from the Benefit Restoration Plan. A participant will forfeit all rights in and to any benefits payable under the Benefit Restoration Plan if the Company terminates the participant's employment as a result of a participant's fraud, dishonesty or embezzlement where the participant has been materially, unjustly enriched by such conduct.

<sup>(6)</sup> Amount in Column (a) represents a first payment of annual payments for retirement as elected in the executive's DIP Plan agreements. Amounts in Columns (b) through (f) represent a lump-sum payment for all remaining circumstances as elected in the executive's DIP Plan agreements.

<sup>(7)</sup> Amounts represent payment due under the standard Group Term Life Insurance Program, which is the death benefit amount on March 31, 2020. In case of accidental death, the benefit amount would increase by \$4,093,000 (includes AD&D and Business Travel Accident Insurance).

<sup>(8)</sup> Amounts represent 60% of annual base salary as of March 31, 2020, which is payable from three different sources: the Pension Plan, Social Security, and a company supplement. Payments under the long-term disability plan continue until the recipient reaches age 65.

## Summary of Termination Payment and Benefits: Theodore G. Broome

Benefit	Retirement	Death	Disability	Termination by Executive Other Than Retirement, Death or Disability	For Cause Termination by Company Other Than Retirement, Death or Disability	Involuntary Termination Following a Change in Control
	(\$) (a)	(\$) (b)	(\$) (c)	(\$) (d)	(\$) (e)	(\$) (f)
<b>Change of Control<sup>(1)</sup></b>	—	—	—	—	—	—
<b>Acceleration of Equity Awards</b>						
Restricted Stock Units <sup>(2)</sup>	812,581	812,581	812,581	—	—	812,581
Performance Shares <sup>(2)</sup>	418,890	418,890	418,890	—	—	418,890
<b>Qualified Retirement Benefits</b>						
Pension Plan <sup>(3)</sup>	87,710	43,855	87,710	87,710	87,710	87,710
401(k) Savings Plan <sup>(4)</sup>	490,553	490,553	490,553	490,553	490,553	490,553
<b>Non-qualified Retirement Benefits</b>						
Benefit Restoration Plan <sup>(5)</sup>	2,107,610	1,146,877	2,107,610	2,107,610	2,107,610	2,107,610
Deferred Income Plan (DIP) <sup>(6)</sup>	—	—	—	—	—	—
<b>Other Benefits</b>						
Health and Welfare Plans <sup>(7)</sup>	—	1,389,000	—	—	—	—
Long-Term Disability Plan <sup>(8)</sup>	—	—	—	—	—	—
<b>Total</b>	<b>3,917,344</b>	<b>4,301,756</b>	<b>3,917,344</b>	<b>2,685,873</b>	<b>2,685,873</b>	<b>3,917,344</b>

<sup>(1)</sup> Mr. Broome does not have a Change of Control Agreement.

<sup>(2)</sup> Restricted stock units and the corresponding dividend equivalent rights automatically vest and are paid in shares of Common Stock at the time of the events specified in the table for which amounts are shown. Amounts for restricted stock units represent the value of Common Stock as of March 31, 2020. Performance Shares vest on the last day of the performance period and are earned and paid out based on the degree to which our financial performance exceeds a threshold level. Participants are entitled to a prorated number of Performance Shares if they retire, die or become disabled during the performance period. Amounts for Performance Shares are based on the market value of the underlying shares of Common Stock as of March 31, 2020 and assuming a payout equating to the target level of performance.

<sup>(3)</sup> For all columns except Column (b), amounts represent an annual payment to the executive at March 31, 2020, payable for the life of the executive, assuming with respect to Columns (a), (d), (e), and (f), the executive elects the 50% joint and survivor annuity option, which is the default option under the Pension Plan. For Column (c), the annual payment assumes the executive elects the straight life annuity option. For Column (b), the amount represents an annual payment to the executive's survivor at March 31, 2020, payable for the life of the survivor.

<sup>(4)</sup> Amounts represent a lump sum distribution at March 31, 2020 from the 401(k) Savings Plan.

<sup>(5)</sup> Amounts represent a lump sum payment at March 31, 2020 including the balance from the terminated individual trust agreement maintained through the Benefit Restoration Plan. A participant will forfeit all rights in and to any benefits payable under the Benefit Restoration Plan if the Company terminates the participant's employment as a result of a participant's fraud, dishonesty or embezzlement where the participant has been materially, unjustly enriched by such conduct.

<sup>(6)</sup> Amount in Column (a) represents a first payment of annual payments for retirement as elected in the executive's DIP Plan agreements. Amounts in Columns (b) through (f) represent a lump-sum payment for all remaining circumstances as elected in the executive's DIP Plan agreements.

<sup>(7)</sup> Amounts represent payment due under the standard Group Term Life Insurance Program, which is the death benefit amount on March 31, 2020. In case of accidental death, the benefit amount would increase by \$4,084,000 (includes AD&D and Business Travel Accident Insurance).

<sup>(8)</sup> Long-term disability is not available after age 65.

## CEO PAY RATIO FOR FISCAL YEAR 2020

### Overview

Universal Corporation is the leading global leaf tobacco supplier. Our employee population was initially evaluated for the fiscal 2018 CEO pay ratio as of January 31, 2018, when we had 21,150 employees, with 94% of our employee population located outside of the U.S. We included all full-time, part-time and seasonal employees who were employed by consolidated subsidiaries. These employees were located in 26 countries, many of which are in less developed countries and rural areas with lower wage geographies where the average annual salary is significantly less than the average annual salary in the U.S. Our employee population of unskilled, seasonal workers was 13,522, or approximately 64% of the Company's total employee population.

### Methodology

The methodology and the material assumptions, adjustments, and estimates that we used to identify our median employee in fiscal year 2018 were as follows:

- We selected January 31, 2018 as the determination date, which is within the last three months of our fiscal 2018 year-end;
- We collected the actual base salary for full and part-time employees (other than Mr. G. Freeman) and actual pay from February 1, 2017 through January 31, 2018 for our seasonal employees;
- Full-time employees that were hired between February 1, 2017 and January 31, 2018 were annualized as permitted by SEC rules;
- Part-time employees who were hired during this same time period with a set schedule were counted using their annualized salary based on the hours hired to work. Part-time employees who have a variable schedule were counted using their actual pay;
- Foreign currency was converted to U.S. dollars using an average of the relevant currency conversion rates over the period February 1, 2017 through January 31, 2018; and
- We did not make any cost of living adjustments for any employee located outside of the U.S.

### Calculation

In accordance with the SEC rules, because there has been no change in our employee population and employee compensation arrangements that we reasonably believe would significantly affect our pay ratio, we selected a median employee identified in fiscal year 2018 to compute the fiscal 2020 CEO pay ratio. Because the fiscal 2018 median employee was on leave for an extended period we used an employee whose compensation was substantially similar to the original median employee based on the fiscal 2018 methodology. Using the methodology described above, we estimated that for fiscal year 2019, our global median employee was an unskilled, seasonal worker located in the Philippines. For fiscal year 2020, we used the same employee from 2019. We then calculated the elements of that employee's compensation for fiscal year 2020 in accordance with the requirements of Item 402(c)(2)(x) of Regulation S-K, resulting in total annual compensation of \$1,826.

For the total annual compensation of the Company's Chief Executive Officer (the "CEO"), Mr. G. Freeman, we used the amount reported in the Summary Compensation Table on page 46 of \$4,567,741. Based on this information, for fiscal year 2020, the estimated ratio of the annual compensation of Mr. G. Freeman to the median annual total compensation of all employees (except Mr. G. Freeman) was 2,502 to 1.

### Our Ratio in Context

We are not permitted to annualize the compensation of seasonal workers under the SEC rules. As a result, our pay ratio is inflated due to the global nature of our workforce and our significant reliance on unskilled, seasonal workers during the tobacco processing periods throughout the world. As a comparison, for fiscal year 2018 we identified the median U.S. employee in the same manner as described above. Because the fiscal years 2018 and 2019 median U.S. employee were no longer employed by the Company, for fiscal year 2020 we used another U.S. employee whose compensation was substantially similar to the original median U.S. employee. This resulted in a total annual compensation of the median U.S. employee for fiscal year 2020 of \$20,102. The ratio of the CEO to the median U.S. employee's total annual compensation was 227 to 1.

The CEO pay ratios included above are reasonable estimates, calculated in a manner consistent with Item 402(u) of Regulation S-K. Given the different methodologies that various public companies will use to determine an estimate of their CEO pay ratio, the estimated CEO pay ratio information provided herein should not be used as a basis for comparison between companies.

## EQUITY COMPENSATION INFORMATION

Shares of Common Stock are authorized for issuance with respect to our compensation plans. The following table sets forth information as of March 31, 2020, with respect to compensation plans under which shares of Common Stock are authorized for issuance.

Plan Category	Number of Securities to Be Issued upon Exercise of Outstanding Options, Warrants and Rights <sup>(1)</sup>	Weighted-Average Exercise Price of Outstanding Options, Warrants and Rights	Number of Securities Remaining Available for Future Issuance under Equity Compensation Plan
	(#)	(\$)	(#)
Equity compensation plans approved by shareholders:			
2007 Stock Incentive Plan <sup>(2)</sup>			—
2017 Stock Incentive Plan			718,783
Equity compensation plans not approved by shareholders <sup>(3)</sup>			
<b>Total</b>	<b>—</b>	<b>—</b>	<b>718,783</b>

<sup>(1)</sup> There are no outstanding options, warrants, and rights.

<sup>(2)</sup> The 2007 Stock Incentive Plan was succeeded and replaced by the 2017 Stock Incentive Plan. As of March 31, 2020, a total of 238,555 shares have been reserved for issuance to fulfill previous outstanding awards under the 2007 Stock Incentive Plan.

<sup>(3)</sup> All of the Company's equity compensation plans have been approved by shareholders.

## DIRECTORS' COMPENSATION

The following table presents information relating to total compensation for our non-employee directors for fiscal year 2020:

Name <sup>(1)</sup>	Fees Earned or Paid in Cash <sup>(2)</sup>	Stock Awards <sup>(3),(4)</sup>	Option Awards	Non-Equity Incentive Plan Compensation	Change in Pension Value And Non-qualified Deferred Compensation Earnings <sup>(5)</sup>	All Other Compensation <sup>(6)</sup>	Total
	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
Diana F. Cantor	85,000	82,847	—	—	—	2,500	170,347
Lennart R. Freeman	82,500	82,847	—	—	—	5,000	170,347
Thomas H. Johnson	84,167	82,847	—	—	—	—	167,014
Michael T. Lawton	89,167	82,847	—	—	—	5,000	177,014
Eddie N. Moore, Jr.	97,500	82,847	—	—	—	4,000	184,347
Robert C. Sledd	87,500	82,847	—	—	—	5,000	175,347
Thomas H. Tullidge, Jr.	82,500	82,847	—	—	—	5,000	170,347

<sup>(1)</sup> Ms. Williams is not included in this table because she joined the Board of Directors during fiscal year 2021.

<sup>(2)</sup> Represents fees paid in cash during fiscal year 2020.

<sup>(3)</sup> These amounts represent the aggregate grant date fair value of the annual restricted stock unit award recognized in fiscal year 2020 in accordance with FASB ASC Topic 718. These amounts reflect our accounting expense for these awards, and do not correspond to the actual value that will be recognized by each of the non-employee directors. The assumptions used in the calculation of these award amounts are included in Notes 1 and 13 to the consolidated financial statements included in our Annual Report on Form 10-K for the year ended March 31, 2020, and incorporated by reference into this Proxy Statement.

<sup>(4)</sup> On August 28, 2019, each non-employee director was awarded 1,650 shares of restricted stock units. The methodology for determining the amount awarded is set forth on page 65 of this Proxy Statement. The grant date fair value of the award for each non-employee director was \$82,847, based on the closing price of \$50.21 for our Common Stock as quoted on the NYSE on the grant date. As of March 31, 2020, the aggregate amount of common stock, restricted stock, restricted stock units and dividend equivalent units held by each non-employee director was as follows: Mrs. Cantor held 12,393 shares; Mr. L. Freeman held 10,649 shares; Mr. Johnson held 20,350 shares; Mr. Lawton held 7,356 shares; Mr. Moore held 28,186 shares; Mr. Sledd held 13,665 shares; and Mr. Tullidge held 4,321 shares.

<sup>(5)</sup> We do not maintain any defined benefit or actuarial plans for non-employee directors. The company maintains an Outside Directors' 1994 Deferred Income Plan, as amended, which we refer to as the Directors' DIP. The Directors' DIP was frozen at the end of the 2017 plan year. The non-employee directors did not earn above-market or preference earnings on compensation they deferred into the Directors' DIP. Mr. Moore is the only active Director that is a participant in the Directors' DIP. The table below presents information concerning the Directors' DIP, which provided for the deferral of compensation on a basis that is not tax qualified.

Name	Director Contributions in FY 2020	Registrant Contributions FY 2020 <sup>(a)</sup>	Aggregate Earnings in FY 2020	Aggregate Withdrawals/ Distributions <sup>(b)</sup>	Aggregate Balance at 2020 FYE
	(\$)	(\$)	(\$)	(\$)	(\$)
Eddie N. Moore, Jr.	—	—	(4,378)	—	69,915

<sup>(a)</sup> We did not match non-employee director deferrals or otherwise contribute to the Directors' DIP.

<sup>(b)</sup> There were no withdrawals or distributions from the Directors' DIP by active directors. The Directors' DIP permits withdrawals under certain circumstances including hardship, and participants elect to have annual deferrals distributed after a specified number of years after the compensation is deferred.

<sup>(6)</sup> Each director is also eligible to participate in our matching gifts program in which our charitable foundation matches directors' contributions to charities. The maximum amount that can be matched in any fiscal year of our foundation is \$5,000 per director. The directors participated in the matching gifts program in the amounts set forth above. None of the directors received perquisites, personal benefits, or other compensation in excess of \$10,000 for fiscal year 2020. We maintain life insurance policies which fund the Directors' Charitable Award Program discussed in the section below entitled "Director Compensation." We did not incur any costs with respect to the insurance policies during fiscal year 2020.

## **Director Compensation**

During fiscal year 2017, the Compensation Committee reviewed the level of compensation paid to our non-employee directors as the current fees had not changed since 2009. The Committee's independent consultant was engaged to analyze the competitiveness of the Board of Directors compensation program utilizing the new peer group list adopted during fiscal year 2017. Based on that review, the Compensation Committee recognized that the level of compensation had fallen behind the 50<sup>th</sup> percentile of our peer group. The review also indicated a decline in the prevalence of board and committee meeting fees. Based on the Committee's review with its independent compensation consultant, the Compensation Committee determined that the following changes with respect to non-employee director compensation were appropriate and consistent with broadly observed market practices. The Compensation Committee also determined that, based on its compensation consultant's recommendation, our director compensation levels as amended are reasonable and in line with our peer group practices. Effective as of the 2017 Annual Meeting of Shareholders, a non-employee director receives an annual cash retainer of \$65,000 and an annual equity award equating in value to \$100,000. In addition, the Chairman of the Audit Committee receives an annual retainer of \$15,000, while the Chairmen of the Finance and Pension Investment Committee, the Compensation Committee and the Nominating and Governance Committee each receives annual retainers of \$10,000. All other non-employee directors serving on the Audit Committee receive annual cash retainers of \$7,500, while non-employee directors serving on the Finance and Pension Investment Committee, the Compensation Committee, the Executive Committee and the Nominating and Governance Committee receive annual cash retainers of \$5,000 for each committee on which they serve. The Lead Independent Director receives an annual cash retainer of \$15,000. Board and Committee member meeting fees were discontinued and all cash payments are now made quarterly. The Compensation Committee also eliminated the election for directors to receive their annual board retainer in shares of Common Stock. In fiscal 2020, the Compensation Committee only made one change to the Board of Directors compensation program which was to change the RSUs to one-year cliff vesting from three-year cliff vesting. The Compensation Committee affirmed the Board of Directors compensation program and made no other changes.

In fiscal year 2020, non-employee directors received annual restricted stock unit grants equating in value to \$100,000 pursuant to the 2017 Incentive Stock Plan. The Compensation Committee calculated restricted stock unit grants annually based on the daily, volume-weighted, average price of Common Stock for the period of June 1 to July 31, with the resulting share grant number rounded to the nearest 50 units. All restricted stock units are awarded with one-year cliff vesting and earn dividend equivalent rights. On August 28, 2019, each non-employee director was awarded 1,650 shares of restricted stock units.

As part of our overall program of charitable giving, we previously offered the directors the opportunity to participate in a Directors' Charitable Award Program, or the Charitable Program. The Charitable Program is funded by life insurance policies purchased by us on the directors. The directors derive no financial or tax benefits from the Charitable Program, because all insurance proceeds and charitable tax deductions accrue solely to us. We, however, will donate up to \$1,000,000 in aggregate to one or more qualifying charitable organizations recommended by that director. We make donations in ten equal annual installments, with the first installment to be made at the later of the director's retirement from the Board of Directors or age 72; the remaining nine installments are paid annually, beginning after the director's death. The Charitable Program was re-evaluated in fiscal years 2013 and 2014, and the Compensation Committee decided to terminate the Charitable Program for all new directors that joined the Board of Directors after 2008. Three current directors are participants in this program.

Each director is also eligible to participate in our matching gifts program in which our charitable foundation matches directors' contributions to charities. The maximum amount that can be matched in any fiscal year of our foundation is \$5,000 per director.

## **Non-Employee Director Stock Ownership Guidelines**

The Compensation Committee originally adopted share ownership guidelines during fiscal year 2008 applicable to the non-employee directors and were set at three times the annual cash retainer the directors receive as a board member. If the amount of the annual cash retainer changes in the future, the applicable share ownership requirement will automatically adjust proportionately with the change. Non-employee directors have five years to comply with the share ownership guidelines. During fiscal year 2018, the directors' annual cash retainer was increased to \$65,000 and the ownership guideline was raised to five times the annual retainer. Therefore the revised guidelines require that each of our non-employee directors own no less than \$325,000 worth of Common Stock. Only shares of Common Stock beneficially owned (as defined by the SEC's rules and regulations) by our non-employee directors, including the directors' restricted stock and restricted stock units, are counted in determining compliance with the guidelines. All of our non-employee directors exceed their share ownership targets or are in compliance with the stock ownership guidelines as of March 31, 2020 (excluding Ms. Williams because she was not a director as of such date).

## **CERTAIN TRANSACTIONS**

Our Board of Directors adopted a written related person transaction policy that governs the review, approval, or ratification of covered related person transactions. The Audit Committee manages this policy. The policy generally provides that we may enter into a related person transaction only if the Audit Committee approves or ratifies such transaction in accordance with the guidelines set forth in the policy and if:

- the transaction is on terms comparable to those that could be obtained in arm's length dealings with an unrelated third party;
- the transaction is approved by the disinterested members of the Board of Directors; or
- the transaction involves compensation approved by our Compensation Committee.

In the event our management determines to recommend a related person transaction to the Audit Committee, such transaction must be presented to the Audit Committee for approval. After review, the Audit Committee will approve or disapprove such transaction and at each subsequently scheduled Audit Committee meeting our management will update the Audit Committee as to any material change to the proposed related person transaction. In those instances in which our General Counsel, in consultation with our Chief Executive Officer or our Chief Financial Officer, determines that it is not practicable or desirable for us to wait until the Audit Committee meeting, the Chairman of the Audit Committee possesses delegated authority to act on behalf of the Audit Committee. The Audit Committee (or the Chairman) approves only those related person transactions that are in, or are not inconsistent with, Universal Corporation's best interests and the best interests of our shareholders, as the Audit Committee (or the Chairman) determines in good faith.

For purposes of this policy, "related person transaction" is a transaction, arrangement, or relationship (or any series of similar transactions, arrangements, or relationships) in which Universal Corporation (or any of our subsidiaries) was, is, or will be a participant and the amount involved exceeds \$120,000 and in which any related person had, has, or will have a direct or indirect interest.

For purposes of determining whether a transaction is a related person transaction, the Audit Committee relies upon Item 404 of Regulation S-K, promulgated under the Exchange Act.

A "related person" is defined as:

- any person who is, or at any time since the beginning of our last fiscal year was, one of our directors or executive officers or a nominee to become one of our directors;
- any person who is known to be the beneficial owner of more than 5% of any class of our voting securities;
- any immediate family member of any of the foregoing persons, which means any child, stepchild, parent, stepparent, spouse, sibling, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law, or sister-in-law of the director, executive officer, nominee or more than 5% beneficial owner, and any person (other than a tenant or employee) sharing the household of such director, executive officer, nominee, or more than 5% beneficial owner; and
- any firm, corporation, or other entity in which any of the foregoing persons is employed or is a general partner or principal or in a similar position or in which such person has a 5% or greater beneficial ownership interest.

There have been no transactions since the beginning of fiscal year 2020 between our directors or officers, either directly or indirectly, and us, nor are there any proposed transactions. Additionally, there are no legal proceedings to which any director, officer, or principal shareholder, or any affiliate thereof, is a party that would be material and adverse to us.

## PROPOSAL TWO

### ADVISORY VOTE TO APPROVE EXECUTIVE COMPENSATION

Our executive compensation program is designed to incent and reward executives to contribute to the achievement of our business objectives and to attract, retain and motivate talented executives to perform at the highest level and contribute significantly to our success. The program is intended to align the interests of the named executive officers with those of shareholders, provide an appropriate and balanced mix of short-term and long-term compensation elements, and reward the achievement of performance measures that are directly related to our financial goals and the creation of shareholder value, without encouraging unnecessary and excessive risks.

The Compensation Committee believes that the amounts of fiscal year 2020 actual total compensation for the named executive officers are consistent with these objectives and the competitive market. Based on its review, which included the executive compensation program review performed by Willis Towers Watson during fiscal year 2020, the Compensation Committee believes total compensation for each of the named executive officers is reasonable and not excessive. The compensation of the named executive officers is described in the “Compensation Discussion and Analysis,” the compensation tables and the accompanying narrative on pages 28 to 62 of this Proxy Statement. The “Compensation Discussion and Analysis” and the accompanying tables and narrative provide a comprehensive review of our executive compensation program and its elements, objectives and rationale. Shareholders are urged to read that disclosure before voting on this proposal.

For the reasons stated above and pursuant to Section 14A of the Securities Exchange Act, the Board of Directors is requesting approval of the following non-binding resolution:

**“RESOLVED, that our shareholders approve, on a non-binding advisory basis, the compensation of the named executive officers as disclosed in the Proxy Statement for the 2020 Annual Meeting of Shareholders pursuant to the compensation disclosure rules of the Securities and Exchange Commission, including the Compensation Discussion and Analysis, the fiscal year 2020 Summary Compensation Table, the other related tables and the accompanying narrative to these compensation tables on pages 28 to 62 of this Proxy Statement.”**

The shareholder vote on this proposal will be non-binding on us and the Board of Directors and will not be construed as overruling a decision by us or the Board of Directors. However, the Board of Directors and the Compensation Committee value the opinions that shareholders express in their votes and will consider the outcome of the vote when making future executive compensation decisions as they deem appropriate.

#### Recommendation of the Board of Directors

**THE BOARD OF DIRECTORS RECOMMENDS THAT SHAREHOLDERS VOTE “FOR” THE APPROVAL OF THE NON-BINDING ADVISORY RESOLUTION APPROVING THE COMPENSATION OF OUR NAMED EXECUTIVE OFFICERS.**

## AUDIT INFORMATION

### **Fees of Independent Registered Public Accounting Firm**

Ernst & Young LLP served as our independent registered public accounting firm for the fiscal years ended March 31, 2020 and 2019. The aggregate amounts of fees billed to us by Ernst & Young LLP for those years were as follows:

	<b>Fiscal Year 2020</b>	<b>Fiscal Year 2019</b>
	(\$)	(\$)
<b>Audit Fees</b>		
Includes fees associated with the integrated audits of our financial statements and internal controls over financial reporting, review of our Annual Report on Form 10-K, reviews of our interim financial statements and Quarterly Reports on Form 10-Q, statutory audits of foreign subsidiaries, and other attestation services related to regulatory filings. For 2020, these services included additional procedures with respect to the accounting for and disclosure of the acquisition of FruitSmart, as well as procedures related to data migration and business process changes associated with the replacement of an accounting system in a portion of the Company's domestic operations. For 2019, these services included additional procedures with respect to the accounting for and disclosure of restructuring and impairment costs related to the Company's operations in Tanzania, as well as procedures related to data migration and business process changes associated with the replacement of an accounting system in a portion of the Company's operations.	3,079,841	3,148,341
<b>Audit-Related Fees</b>		
Includes fees for services that are reasonably related to the review of our financial statements that are not reported under the category "Audit Fees." These services include various technical accounting consultations, including the implementation of new lease and revenue recognition accounting guidance, procedures performed to certify financial information in certain governmental filings outside the United States, and agreed-upon testing and validation procedures related to product costing information developed for two of the Company's operating regions.	65,256	119,503
<b>Tax Fees</b>		
Includes fees for corporate tax compliance, tax advice, and tax planning.	137,991	192,506
<b>All Other Fees</b>		
Includes fees for assistance in completing certain governmental filings in countries outside the United States and assistance with research about the agri-products industry. The Audit Committee has concluded that the services covered under this category are compatible with maintaining Ernst & Young LLP's independence with respect to Universal Corporation.	184,631	37,015

### **Pre-approval Policies and Procedures**

We have written guidelines regarding the engagement of our independent registered public accounting firm and all other independent auditors to perform services for us. All audit and non-audit services provided by an independent auditing firm (including its member accounting and law firms outside the United States) to us or any of our wholly-owned or majority-owned affiliates must be pre-approved by the Audit Committee. All audit and non-audit services listed above were pre-approved by the Audit Committee pursuant to the terms of our pre-approval policies and procedures.

A detailed report of all audit and non-audit services planned for the fiscal year is presented to the Audit Committee for its consideration, discussion, and approval. In addition, the Audit Committee pre-approves a spending account to pay the fees for unplanned audit and non-audit services that do not exceed specified dollar thresholds and are consistent in nature and scope with the planned services. The Chairman of the Audit Committee has pre-approval authority with respect to further additional services that exceed the dollar thresholds or are not consistent in nature or scope with the planned services. All services paid through the spending account or pre-approved by the Chairman must be presented to the full Audit Committee at its next scheduled meeting.

## Audit Committee Report

In accordance with the Audit Committee Charter, the Audit Committee assists the Board of Directors in fulfilling its responsibility for oversight of the integrity of the accounting, auditing and financial reporting practices of Universal Corporation. Each member of the Audit Committee is “independent” as required by the applicable listing standards of the NYSE and the rules of the SEC. During the fiscal year ended March 31, 2020, the Audit Committee met six times, and the Audit Committee reviewed and discussed the financial information contained in Universal Corporation’s Annual Report on Form 10-K, interim financial information contained in the Company’s Quarterly Reports on Form 10-Q, and discussed press releases announcing earnings with the Chief Financial Officer and the independent registered public accounting firm prior to public release.

The Audit Committee members are not professional accountants or auditors, and their functions are not intended to duplicate or to certify the activities of management or Universal Corporation’s independent registered public accounting firm. Management is responsible for Universal Corporation’s internal controls, financial reporting process, and compliance with laws and regulations and ethical business standards. The independent registered public accounting firm is responsible for performing an independent audit of Universal Corporation’s consolidated financial statements in accordance with the standards of the Public Company Accounting Oversight Board (United States) and issuing a report thereon. The Audit Committee’s responsibility is to monitor and oversee these processes on behalf of the Board of Directors.

In this context, the Audit Committee has reviewed and discussed the audited financial statements with management and the independent registered public accounting firm. The Audit Committee has discussed with the independent registered public accounting firm the matters required to be discussed by Statement on Auditing Standards No. 61, as amended (AICPA, Professional Standards, Vol. 1, AU Section 380), as adopted by the Public Company Accounting Oversight Board in Rule 3200T. In addition, the Audit Committee has received from the independent registered public accounting firm the written disclosures and the letter required by the applicable requirements of the Public Company Accounting Oversight Board regarding its communication with the Audit Committee concerning independence and discussed with the independent registered public accounting firm its independence from Universal Corporation and management. Moreover, the Audit Committee has considered whether the independent registered public accounting firm’s provision of non-audit services to Universal Corporation is compatible with maintaining the independent registered public accounting firm’s independence.

In reliance on the reviews and discussions referred to above, the representation of management that the audited financial statements were prepared in accordance with generally accepted accounting principles, and the report of the independent registered public accounting firm to the Audit Committee, the Audit Committee recommended to the Board of Directors that the audited financial statements be included in Universal Corporation’s Annual Report on Form 10-K for the fiscal year ended March 31, 2020, for filing with the Securities and Exchange Commission. By recommending to the Board of Directors that the audited financial statements be so included, the Audit Committee is not opining on the accuracy, completeness, or presentation of the information contained in the audited financial statements.

### AUDIT COMMITTEE

Michael T. Lawton, *Chairman*

Lennart R. Freeman

Eddie N. Moore, Jr.

Robert C. Sledd

Thomas H. Tullidge, Jr.

Jacqueline T. Williams (Audit Committee membership commenced April 1, 2020)

Richmond, Virginia

May 28, 2020

*The Audit Committee Report does not constitute solicitation material and shall not be deemed filed or incorporated by reference into any of our other filings under the Securities Act or the Exchange Act, except to the extent that we specifically incorporate this report by reference therein.*

### **PROPOSAL THREE**

#### **RATIFICATION OF APPOINTMENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

The Audit Committee has appointed Ernst & Young LLP, an independent registered public accounting firm, as our independent registered public accounting firm for the fiscal year ending March 31, 2021. Subject to change due to the ongoing COVID-19 pandemic, a representative of Ernst & Young LLP is expected to be present at the Annual Meeting with an opportunity to make a statement and to be available to respond to appropriate questions.

Ernst & Young LLP's principal function is to audit the consolidated financial statements and internal control over financial reporting of the Company and its subsidiaries and, in connection with that audit, to review certain related filings with the SEC and to conduct limited reviews of the financial statements included in our quarterly reports.

Appointment of our independent registered public accounting firm is not required to be submitted to a vote of the shareholders of the Company for ratification by our Bylaws or otherwise. However, the Board of Directors is submitting the appointment of Ernst & Young LLP to the shareholders for ratification as a matter of good corporate practice. If the shareholders do not ratify the appointment, the Audit Committee will consider whether to retain the firm. In such event, the Audit Committee may retain Ernst & Young LLP, notwithstanding the fact that the shareholders did not ratify the appointment or may select another nationally recognized accounting firm without resubmitting the matter to shareholders. Even if the appointment is ratified, the Audit Committee reserves the right, in its discretion, to select a different nationally recognized accounting firm at any time during the year if it determines that such a change would be in the best interests of the Company and its shareholders. Under the Sarbanes-Oxley Act of 2002 and the rules of the SEC promulgated thereunder, the Audit Committee is solely responsible for the appointment, compensation and oversight of the work of our independent registered public accounting firm.

#### **Recommendation of the Board of Directors**

**THE BOARD OF DIRECTORS AND AUDIT COMMITTEE RECOMMEND THAT SHAREHOLDERS VOTE  
“FOR” RATIFICATION OF THE APPOINTMENT OF ERNST & YOUNG LLP AS OUR INDEPENDENT  
REGISTERED PUBLIC ACCOUNTING FIRM FOR THE FISCAL YEAR ENDING MARCH 31, 2021.**

## **PROPOSALS FOR 2021 ANNUAL MEETING**

Under the regulations of the Exchange Act, any shareholder desiring to make a proposal to be acted upon at the 2021 Annual Meeting must cause such proposal to be delivered, in proper form, to our Secretary at the address provided on page 6 of this Proxy Statement no later than February 23, 2021 in order for the proposal to be considered for inclusion in our Proxy Statement for that meeting. We anticipate holding the 2021 Annual Meeting on August 3, 2021.

Our Bylaws and Corporate Governance Guidelines also prescribe the procedure a shareholder must follow to nominate directors, and our Bylaws prescribe the procedure a shareholder must follow to bring other business, before shareholders' meetings outside of the proxy statement process. For a shareholder to nominate a candidate for director or to bring other business before a meeting, notice must be received by our Secretary not less than 60 days and not more than 90 days prior to the date of the Annual Meeting. Based upon an anticipated date of August 3, 2021 for the 2021 Annual Meeting, we must receive such notice no later than June 4, 2021, and no earlier than May 5, 2021. Notice of a nomination for director must describe various matters regarding the nominee and the shareholder giving the notice. Notice of other business to be brought before the Annual Meeting must include a description of the proposed business, the reasons therefor, and other specified matters. Any corporate shareholder may obtain a copy of our Bylaws or Corporate Governance Guidelines, without charge, upon written request to our Secretary at the address provided on page 6 of this Proxy Statement. The Bylaws and Corporate Governance Guidelines can also be obtained, free of charge, by visiting the "Corporate Governance" section of our Internet website at <http://investor.universalcorp.com/corporate-governance>.

## **CERTAIN MATTERS RELATING TO PROXY MATERIALS AND ANNUAL REPORTS**

### **Electronic Access to Proxy Materials and Annual Reports**

This Proxy Statement and our fiscal year 2020 Annual Report are available under the "Investors- Financial Information" section of our Internet website at <http://investor.universalcorp.com/financial-information>. Paper copies of these documents may be requested by contacting Investor Relations at the address or phone number provided on page 6 of this Proxy Statement.

### **"Householding" of Proxy Materials and Annual Reports for Record Owners**

The SEC rules permit us to deliver a single Proxy Statement and Annual Report to any household at which two or more shareholders of record reside at the same address. Each shareholder will continue to receive a separate proxy card. This procedure, known as "householding," reduces the volume of duplicate information you receive and helps to reduce our expenses. We will deliver promptly upon written or oral request a separate Proxy Statement and Annual Report to a shareholder at a shared address that only received a single set of such materials for this year. If a shareholder whose household only received a single set of materials would prefer to receive his or her own copy of the Proxy Statement and Annual Report, he or she may request the materials by contacting our Secretary at the address or phone number provided on page 6 of this Proxy Statement. If shareholders sharing an address are still receiving multiple copies of the Proxy Statement and Annual Report, he or she may request delivery of only a single copy of such materials by contacting our Secretary at the address or phone number provided on page 6 of this Proxy Statement.

## **OTHER MATTERS**

The Board of Directors is not aware of any matters to be presented for action at the Annual Meeting other than as set forth in this Proxy Statement. However, if any other matters properly come before the Annual Meeting, or any adjournment or postponement thereof, the person or persons voting the proxies will vote them in accordance with their best judgment.

OUR 2020 ANNUAL REPORT TO SHAREHOLDERS, WHICH INCLUDES A COPY OF OUR FISCAL YEAR 2020 ANNUAL REPORT (EXCLUDING EXHIBITS), AS FILED WITH THE SECURITIES AND EXCHANGE COMMISSION, IS BEING MAILED TO SHAREHOLDERS WITH THIS PROXY STATEMENT. ADDITIONAL PRINTED COPIES OF THE FISCAL YEAR 2020 ANNUAL REPORT CAN BE OBTAINED WITHOUT CHARGE BY CONTACTING US AT THE ADDRESS OR PHONE NUMBER PROVIDED ON PAGE 6 OF THIS PROXY STATEMENT OR BY VISITING OUR INTERNET WEBSITE AT <HTTP://INVESTOR.UNIVERSALCORP.COM/CONTACT-US>. AN ELECTRONIC VERSION OF OUR FISCAL YEAR 2020 ANNUAL REPORT TO SHAREHOLDERS CAN BE OBTAINED WITHOUT CHARGE BY VISITING OUR INTERNET WEBSITE AT <HTTP://INVESTOR.UNIVERSALCORP.COM/FINANCIAL- INFORMATION>.

**By Order of the Board of Directors**  
**Preston D. Wigner, Secretary**