

This document comprises a prospectus (the “**Prospectus**”) relating to Unilever PLC (the “**Company**”) prepared in accordance with the Prospectus Regulation Rules of the Financial Conduct Authority (the “**FCA**”) made under section 73A of the Financial Services and Markets Act 2000 (as amended) (the “**FSMA**”). The Prospectus has been filed with, and approved by, the FCA and has been made available to the public in accordance with Rule 3.2 of the Prospectus Regulation Rules. Certain terms used in this Prospectus, including all capitalised terms and certain technical and other terms, are defined and explained in Part XIII: “Definitions”.

This Prospectus has been approved by the FCA, as competent authority under Regulation (EU) 2017/1129. The FCA only approves this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by Regulation (EU) 2017/1129; such approval should not be considered as an endorsement of the Company that is, or the quality of the securities that are, the subject of this Prospectus. Investors should make their own assessment as to the suitability of investing in the securities.

Unilever PLC has requested the FCA to notify its approval in accordance with article 25 of the Prospectus Regulation to the competent authority in the Netherlands, the Dutch Authority for the Financial Markets (*Stichting Autoriteit Financiële Markten*, “the **AFM**”), with a certificate of approval attesting that this Prospectus has been prepared in accordance with the Prospectus Regulation. This Prospectus has been prepared in order to provide details of the PLC Shares, including the New PLC Shares to be issued and allotted, pursuant to Unification, on the assumption that Unification will become effective as proposed.

The PLC Directors, whose names appear on page 50 of this Prospectus, and the Company accept responsibility for the information contained in this Prospectus. To the best of the knowledge of the Company and the PLC Directors, the information contained in this Prospectus is in accordance with the facts and this Prospectus makes no omission likely to affect its import.

The distribution of this Prospectus in certain jurisdictions other than the UK and the Netherlands may be restricted by law. No action has been or will be taken by the Company or UBS AG London Branch (“**UBS**”) to distribute this Prospectus (or any other publicity materials relating to the PLC Shares, including the New PLC Shares) in any jurisdiction where action for that purpose may be required or doing so is restricted by law. Accordingly, neither this Prospectus nor any advertisement nor any other publicity material may be distributed or published in any jurisdiction except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession this Prospectus comes should inform themselves about and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

**Investors should read the entire Prospectus and, in particular, investors are advised to examine all the risks that might be relevant in connection with an investment in the PLC Shares. See Part II: “Risk Factors” for a discussion of certain risks and other factors that should be considered prior to any investment in the PLC Shares, including the New PLC Shares.**



Unilever

## UNILEVER PLC

*(incorporated and registered in England and Wales with registered number 00041424)*

### Prospectus

- (i) **Admission of up to 1,460,714,804 New PLC Shares of 3<sup>1</sup>/<sub>8</sub> pence each to the premium listing segment of the Official List and to trading on the main market of the London Stock Exchange; and**
- (ii) **Admission to trading of up to 2,629,245,454 PLC Shares, including the New PLC Shares, on Euronext in Amsterdam**

The Existing PLC Shares are listed on the premium listing segment of the Official List and traded on the London Stock Exchange’s main market for listed securities. Applications will be made to: (i) the FCA for the New PLC Shares to be admitted to the premium segment of the Official List of the FCA (the “**Official List**”); (ii) the London Stock Exchange plc (the “**London Stock Exchange**”) for the New PLC Shares to be admitted to trading on its main market for listed securities; and (iii) Euronext Amsterdam for the PLC Shares, including the New PLC Shares, to be admitted to listing and trading on Euronext in Amsterdam (together, “**Admission**”). Application will also be made to the NYSE for the New PLC ADSs to be admitted to listing and trading on the NYSE. It is expected that, subject to the satisfaction or waiver (if capable of waiver) of certain Unification Conditions (including approval of the completion of the Unification by the UK High Court but not including those Unification Conditions which relate to Admission): (i) the New PLC Shares will be admitted to listing on the premium listing segment of the Official List and to trading on the main market of the London Stock Exchange on 23 November 2020; and (ii) the PLC Shares, including the New PLC Shares, will be admitted to listing and trading on Euronext in Amsterdam on 23 November 2020. The New PLC ADSs will be admitted to listing and trading on the NYSE on 23 November 2020. Dealings in the New PLC Shares are expected to commence on the main market of the London Stock Exchange by 8.00 a.m. (London time) on 23 November 2020. Conditional dealings in the PLC Shares, including the New PLC Shares, are expected to commence on Euronext in Amsterdam by 9.00 a.m. (Amsterdam time) on 23 November 2020. Unconditional dealings in the PLC Shares on Euronext in Amsterdam are expected to commence on 25 November 2020. Dealings in the New PLC ADSs are expected to commence on the NYSE by 8.30 a.m. (New York time) on 23 November. If any of the stated times and/or dates change, the revised times and/or dates will be announced via a Regulatory Information Service.

**No application has been or is currently intended to be made for the PLC Shares, including the New PLC Shares, to be admitted to listing or trading on any other exchange.**

The New PLC Shares will be issued and credited as fully paid and will rank *pari passu* in all respects with the Existing PLC Shares, including in relation to the right to receive notice of, and to attend and vote at, general meetings of the Company, the right to receive and retain any dividends and other distributions declared, made or paid by reference to a record date falling on or after the CBM Effective Date and to participate in the assets of the Company upon a winding-up of the Company.

Investors should only rely on the information contained in this Prospectus. No person has been authorised to give any information or make any representation other than those contained in this Prospectus and, if given or made, such information or representation must not be relied upon as having been so authorised by the Company, the PLC Directors, UBS or any other person involved in the Unification. In particular, unless otherwise stated, the contents of the Unilever Group's website, the contents of any website accessible from hyperlinks on such website or any other website referred to in this Prospectus do not form part of this Prospectus and investors should not rely on them. Without prejudice to any legal or regulatory obligation on the Company to publish a supplementary prospectus pursuant to section 87G of FSMA and Rule 3.4.1 of the Prospectus Regulation Rules, neither the delivery of this Prospectus nor Admission shall, under any circumstances, create any implication that there has been no change in the business or affairs of the Unilever Group since the date of this Prospectus or that the information in it is correct as of any time after the date of this Prospectus. The Company will comply with its obligation to publish supplementary prospectuses containing further updated information as required by law or by a regulatory authority and, in particular, its obligations under the Prospectus Regulation Rules, the Listing Rules and the Disclosure Guidance and Transparency Rules (as appropriate) but assumes no further obligation to publish additional information.

This Prospectus is not for distribution into the United States. This Prospectus does not constitute an offer to sell or an invitation to subscribe for, or the solicitation of an offer to buy or subscribe for, any shares to any person in any jurisdiction.

The New PLC Shares, including New PLC Shares represented by New PLC ADSs, have not been, and will not be, registered under the U.S. Securities Act of 1933 (the "**U.S. Securities Act**"), or under the securities laws of any state or other jurisdiction of the United States. The New PLC Shares, including the New PLC Shares represented by New PLC ADSs, will be issued in reliance on the exemption from the registration requirements of the U.S. Securities Act provided by Section 3(a)(10) thereof ("**Section 3(a)(10)**").

UBS is authorised and regulated by the Financial Market Supervisory Authority in Switzerland. It is authorised by the PRA and subject to regulation by the FCA and limited regulation by the PRA in the UK. UBS is acting exclusively as sponsor and financial adviser for the Company and NV and no one else in connection with Unification, Admission and other matters referred to in this Prospectus. UBS is not, and will not be, responsible to anyone other than the Company and NV for providing the protections afforded to its clients or for providing advice in relation to Unification, the contents of this Prospectus or any other matters referred to in this Prospectus and will not regard any other person (whether or not a recipient of this Prospectus) as its client in relation to Unification, the contents of this Prospectus or any matter referred to in this Prospectus.

Recipients of this Prospectus are authorised solely to use it for the purpose of considering the terms of the Unification and may not reproduce or distribute this Prospectus, in whole or in part, and may not disclose any of the contents of this Prospectus or use any information herein for any purpose other than considering the terms of the Unification and an investment in the PLC Shares. Such recipients of this Prospectus agree to the foregoing by accepting delivery of this Prospectus.

Apart from the responsibilities and liabilities, if any, which may be imposed on UBS by FSMA or the regulatory regime established thereunder, or under the regulatory regime of any jurisdiction where the exclusion of liability under the relevant regulatory regime would be illegal, void or unenforceable, UBS and any person affiliated with it assume no responsibility whatsoever and make no representation or warranty, express or implied, in respect of the contents of this Prospectus, including its accuracy, completeness or verification, or for any other statement made or purported to be made by them or on their behalf or by or on behalf of the Company and NV in connection with the Company, NV and the Unilever Group and Unification, and nothing in this Prospectus shall be relied upon as a promise or representation in this respect whether as to the past, present or future. UBS and its subsidiaries, branches and affiliates accordingly disclaim, to the fullest extent permitted by applicable law, all and any liability whatsoever, whether arising in tort, contract or otherwise (save as referred to above) which they might otherwise have to any person, other than the Company and NV in respect of this Prospectus or any such statement or otherwise.

Prior to making any decision as to whether to invest in PLC Shares, investors should read this Prospectus in its entirety. Investors must rely upon their own examination, analysis and enquiries of the Company and the terms of this Prospectus, including the merits and risks involved.

The investors also acknowledge that: (i) they have not relied on UBS or any person affiliated with UBS in connection with any investigation of the accuracy of any information contained in this Prospectus or any investment decision; and (ii) they have relied only on the information contained in this Prospectus. No person has been authorised to give any information or make any representations other than those contained in this Prospectus and, if given or made, such information or representations must not be relied on as having been so authorised. Neither the delivery of this Prospectus nor any subscription or sale made under it shall, under any circumstances, create any implication that there has been no change in the affairs of the Company since the date of this Prospectus or that the information in it is correct as of any subsequent time.

None of the Company, NV, UBS or any of their respective representatives is making any representation to any investor of the PLC Shares regarding the legality of an investment in the PLC Shares by such investor under the laws applicable to such investor. The contents of this Prospectus should not be construed as legal, financial or tax advice. Each investor should consult his, her or its own legal, financial or tax adviser for legal, financial or tax advice.

### **NOTICE TO OVERSEAS SHAREHOLDERS**

The distribution of this Prospectus in certain jurisdictions other than the UK and the Netherlands may be restricted by law. No action has been or will be taken by the Company, NV or UBS to distribute this Prospectus (or any other publicity materials relating to the PLC Shares) in any jurisdiction where action for that purpose may be required or doing so is restricted by law. Accordingly, neither this Prospectus nor any advertisement nor any other publicity material may be distributed or published in any jurisdiction except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession this Prospectus comes should inform themselves about and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

### **NOTICE TO INVESTORS IN THE UNITED STATES**

The New PLC Shares, including the New PLC Shares represented by New PLC ADSs, to be issued in connection with Unification have not been, and will not be, registered under the U.S. Securities Act or the securities laws of any state or other jurisdiction of the United States. The New PLC Shares, including the New PLC Shares represented by New PLC ADSs are expected to be issued in reliance upon the exemption from the registration requirements of the U.S. Securities Act provided by Section 3(a)(10).

For the purposes of qualifying for the exemption from the registration requirements of the U.S. Securities Act afforded by Section 3(a)(10), the Company will advise the UK High Court through counsel that its approval of the Cross-Border Merger will be relied upon by the Company as an approval of the Cross-Border Merger following a hearing on the fairness of the Cross-Border Merger to NV Shareholders and NV NYRS Holders at which hearing all NV Shareholders and NV NYRS Holders are entitled to attend in person or by proxy to support or oppose the approval of the Cross-Border Merger and with respect to which notification has been given to all NV Shareholders and NV NYRS Holders.

The New PLC Shares and New PLC ADSs generally should not be treated as “restricted securities” within the meaning of Rule 144(a)(3) under the U.S. Securities Act and persons who receive New PLC Shares or New PLC ADSs pursuant to Unification (other than “affiliates” as described in the paragraph below) may resell them without restriction under the U.S. Securities Act.

New PLC Shares, including New PLC Shares represented by New PLC ADSs, issued to an NV Shareholder or NV NYRS Holder who is not an “affiliate”, for the purposes of the U.S. Securities Act, of the Company and who has not been an affiliate of the Company prior to the CBM Effective Date may be sold without restriction under the U.S. Securities Act. NV Shareholders or NV NYRS Holders who are affiliates of the Company or who have been affiliates of the Company prior to the CBM Effective Date will be subject to manner of sale and volume restrictions under Rule 144 under the U.S. Securities Act on the sale of New PLC Shares, including New PLC Shares represented by New PLC ADSs, received upon the CBM Effective Date. For the purposes of the U.S. Securities Act, an “affiliate” of a company is any person that directly or indirectly controls, or is controlled by, or is under common control with, the company. The U.S. Securities Act would not generally restrict sale of New PLC Shares on the London Stock Exchange or Euronext in Amsterdam provided that the sale has not been pre-arranged with a buyer in the United States. NV Shareholders or NV NYRS Holders who believe they may be affiliates of the Company for the purposes of the U.S. Securities Act should consult their own legal advisers.

The Company is incorporated under the laws of and registered in England and Wales. Most of the directors of the Company and certain of the experts named in this Prospectus are residents of the United Kingdom or the

Netherlands or other countries and all or a substantial portion of their respective assets are located outside the United States. As a result, it may not be possible for investors to effect service of process within the United States upon the Company or such persons with respect to matters arising under the Federal securities laws or to enforce against them judgments of courts of the United States predicated upon civil liability under the Federal securities laws. The Company has been advised by its English counsel, Linklaters LLP, that there is doubt as to the enforceability in the United Kingdom, in original actions or in actions for enforcement of judgments of United States courts, of liabilities predicated solely upon the Federal securities laws.

NONE OF THE U.S. SECURITIES AND EXCHANGE COMMISSION, ANY OTHER U.S. FEDERAL OR STATE SECURITIES COMMISSION OR ANY U.S. REGULATORY AUTHORITY HAS APPROVED OR DISAPPROVED OF THE NEW PLC SHARES, INCLUDING THE NEW PLC SHARES REPRESENTED BY NEW PLC ADSS, NOR HAVE SUCH AUTHORITIES REVIEWED OR PASSED UPON THE ACCURACY OR ADEQUACY OF THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENCE IN THE UNITED STATES.

#### **NOTICE TO INVESTORS IN JAPAN**

The New PLC Shares have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended, the “FIEA”). Accordingly, the New PLC Shares have not been, directly or indirectly, offered or sold and will not be, directly or indirectly, offered or sold in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organised under the laws of Japan) or to others for re-offering or re-sale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the FIEA and other relevant laws and regulations of Japan.

#### **NOTICE TO INVESTORS IN CANADA**

This Prospectus is not, and under no circumstances is to be construed as, an advertisement or a public offering of the securities described herein in Canada. This Prospectus does not constitute an offer to the public of the securities described herein, including in any province or territory of Canada. No securities commission or similar authority in Canada has reviewed or in any way passed upon this document or the merits of these securities, and any representation to the contrary is an offence. Information in this Prospectus, including documents incorporated by reference, has not been prepared with regard to matters that may be of particular concern to Canadian shareholders and accordingly, should be read with this in mind. All monetary amounts used in this Prospectus are stated in a foreign currency. The securities described herein are not denominated in Canadian dollars. The value of the securities to a Canadian shareholder, therefore, will fluctuate with changes in the exchange rate between the Canadian dollar and the currency of the securities. This Prospectus does not address the Canadian tax consequences of the disposition of the securities described herein. Canadian shareholders are advised to consult their own tax advisors with respect to the Canadian and other tax considerations applicable to them.

The Company is not a “reporting issuer”, as such term is defined under applicable Canadian securities laws, in any province or territory of Canada in which the securities are listed for trading. Canadian shareholders are advised that the Company currently does not intend to file a prospectus or similar document with any securities regulatory authority in Canada qualifying the resale of the securities described herein to the public in any province or territory of Canada. There will be no public market in Canada for the securities and the resale or transfer of the securities must be made in accordance with, or pursuant to an exemption from, or in a transaction not subject to, the prospectus requirements of Canadian securities laws.

The Company is incorporated under the laws of and registered in England and Wales. All of the directors of the Company and the experts named in this Prospectus are residents of countries other than Canada and all or a substantial portion of their respective assets are located outside of Canada. As a result, it may not be possible to satisfy a judgment against the Company and those persons in Canada or to enforce a judgment obtained in Canadian courts against those persons outside of Canada.

#### **NOTICE TO INVESTORS IN SWITZERLAND**

This Prospectus is not intended to constitute an offer or solicitation to purchase or invest in the New PLC Shares. The New PLC Shares may not be publicly offered, directly or indirectly, in Switzerland within the meaning of the Swiss Financial Services Act (“FinSA”), except where they are exclusively offered:

- (i) to investors that qualify as professional clients within the meaning of Article 4 (3) FinSA;

- (ii) to fewer than 500 investors (other than professional clients within the meaning of the FinSA); and
- (iii) under any other exemption listed under Article 36 FinSA,

provided, in each case, that no such offer of New PLC Shares referred to in (i) through (iii) above shall require the publication of a prospectus for offers of New PLC Shares pursuant to the FinSA.

No application has or will be made to admit the New PLC Shares to trading on any trading venue (exchange or multilateral trading facility) in Switzerland. Neither this Prospectus nor any other material relating to the New PLC Shares constitutes a prospectus pursuant to the FinSA. This Prospectus has not been and will not be reviewed or approved by a Swiss reviewing body, and does not comply with the disclosure requirements applicable to a prospectus within the meaning of the FinSA. Neither this Prospectus nor any other material relating to the New PLC Shares may be publicly distributed or otherwise made publicly available in Switzerland.

The date of this Prospectus is 10 August 2020.

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## PART I SUMMARY INFORMATION

### A. INTRODUCTION AND WARNINGS

#### A.1.1 *Name and international securities identifier number (ISIN) of the securities*

Ordinary shares in the capital of Unilever PLC (the “**Company**”); ISIN code GB00B10RZP78.

#### A.1.2 *Identity and contact details of the issuer, including its Legal Entity Identifier (LEI)*

The Company is a public limited company, incorporated in England and Wales. Its registered office is at Port Sunlight, Wirral, Merseyside CH62 4ZD and its principal place of business is at 100 Victoria Embankment, London EC4Y 0DY. The Company’s telephone number is +44 20 7822 5252 and its Legal Entity Identifier is 549300MKFYEKVRWML317.

#### A.1.3 *Identity and contact details of the competent authority approving the prospectus*

The Prospectus has been approved by the Financial Conduct Authority (“**FCA**”), as competent authority, with its head office at 12 Endeavour Square, London E20 1JN and telephone number: +44 20 7066 1000, in accordance with Regulation (EU) 2017/1129.

#### A.1.4 *Date of approval of the Prospectus*

The Prospectus was approved on 10 August 2020.

#### A.1.5 *Warning*

This summary has been prepared in accordance with Article 7 of Regulation (EU) 2017/1129 and should be read as an introduction to the Prospectus. Any decision relating to: (i) the cross-border merger between the Company and Unilever N.V. (“**NV**”), being a “merger by absorption” (the “**Cross-Border Merger**”) and the related implementation steps pursuant to which the Company will become the single parent company of the Unilever group (“**Unification**”); or (ii) an investment in the ordinary shares of 3<sup>1</sup>/<sub>6</sub> pence each in the capital of the Company (the “**PLC Shares**”) should be based on consideration of the Prospectus as a whole by the investor. Any investor could lose all or part of their invested capital and, where any investor’s liability is not limited to the amount of the investment, it could lose more than the invested capital. Where a claim relating to the information contained in the Prospectus is brought before a court, the plaintiff investor might, under the national legislation of the member states of the European Economic Area, have to bear the costs of translating the Prospectus before the legal proceedings are initiated. Civil liability attaches only to those persons who have tabled the summary, including any translation thereof, but only if the summary is misleading, inaccurate or inconsistent when read together with the other parts of the Prospectus or if it does not provide, when read together with the other parts of the Prospectus, key information in order to aid investors when considering whether to invest in the PLC Shares.

### B. KEY INFORMATION ON THE ISSUER

#### B.1 *Who is the issuer of the securities?*

##### B.1.1 *Domicile, legal form, LEI, jurisdiction of incorporation and country of operation*

The Company is incorporated in England and Wales with its registered office in England and its legal entity identifier is 549300MKFYEKVRWML317. The Company is a public company limited by shares and was incorporated and registered on 21 June 1894 with registered number 00041424. The Company principally operates under the Companies Act 2006 and the regulations made thereunder.

##### B.1.2 *Principal activities*

The Unilever group, which is comprised of the Company, NV and the companies they control (the “**Unilever Group**”), is one of the world’s largest and best-known consumer goods companies and sells around 400 brands in more than 190 countries. The Unilever Group operates across three divisions: Beauty & Personal Care, Home Care and Foods & Refreshment.

**The Beauty & Personal Care division:** headquartered in London, and its largest categories are deodorants, haircare, skin care and skin cleansing.

**The Home Care division:** headquartered in London, and its largest categories are fabric solutions and home and hygiene.

**The Foods & Refreshment division:** headquartered in Rotterdam, and its largest categories are ice cream, savoury, dressings and tea.

### B.1.3 *Major shareholders*

As far as the Company is aware, as at 4 August 2020, being the latest practicable date prior to the publication of the Prospectus (the “**Latest Practicable Date**”) the following persons held the following direct or indirect interests (within the meaning of the Companies Act 2006) in 3 per cent. or more of the Company’s issued share capital (being the threshold for notification of interests that apply to shareholders of the Company pursuant to Chapter 5 of the Disclosure Guidance and Transparency Rules):

<u>Shareholder</u>	<u>Number of Existing PLC Shares as at the Latest Practicable Date</u>	<u>Percentage of Existing PLC Shares as at the Latest Practicable Date</u>
BlackRock, Inc.	82,593,072	7.07%
Leverhulme Trust	46,974,932	4.02%

Notes:

- (1) Save as disclosed above, and by reference to notifications to the Company made in accordance with Rule 5.1 of the Disclosure Guidance and Transparency Rules, the Company is not aware of any person who, as at the Latest Practicable Date, directly or indirectly, has a holding which exceeds the threshold of 3 per cent. or more of the total voting rights attaching to the issued share capital of the Company.
- (2) The Company is not aware of any persons who, as at the Latest Practicable Date, directly or indirectly, jointly or severally, will exercise or could exercise control over the Company nor is it aware of any arrangements the operation of which may at a subsequent date result in a change in control of the Company.
- (3) None of the shareholders referred to above has or will have different voting rights from any other holder of the PLC Shares in respect of any of the PLC Shares held by them.

### B.1.4 *Key managing directors*

Alan Jope, born in 1964, is chief executive officer of the Company and Graeme Pitkethly, born in 1966, is chief financial officer of the Company.

### B.1.5 *Identity of the statutory auditor*

KPMG LLP, whose registered address is at 15 Canada Square, London E14 5GL.

## **B.2 *What is the key financial information regarding the issuer?***

The following tables set out selected historical consolidated financial information of the Unilever Group, as of the dates and for the periods indicated. The Unilever Group’s selected historical condensed consolidated financial information for each of the financial years ended 31 December 2019, 2018 and 2017 have been extracted from the audited consolidated financial statements of the Unilever Group as of and for those years contained in the Unilever Annual Report and Accounts 2019, the Unilever Annual Report and Accounts 2018, and the Unilever Annual Report and Accounts 2017 (save for those figures in the consolidated financial statements of the Unilever Group contained in the Unilever Annual Report and Accounts 2018 and the Unilever Annual Report and Accounts 2017 which have been restated in the audited consolidated financial statements of the Unilever Group contained in the Unilever Annual Report and Accounts 2019 as indicated in the tables below). The Unilever Group’s selected historical consolidated interim financial information as of and for each of the six-month periods ended 30 June 2020 and 2019 have been extracted from the unaudited condensed interim financial statements of the Unilever Group as of those six months contained in the Unilever 2020 Half-Year Results.



Condensed Consolidated Income Statement

	Year to 31 December			Six months to 30 June	
	2017 <sup>(1)</sup>	2018 <sup>(1)</sup>	2019	2019	2020
				(unaudited)	
				(€ million)	
<b>Turnover</b>	53,715	50,982	51,980	26,126	25,714
<b>Operating profit</b>	8,957	12,639	8,708	4,589	4,672
Net finance costs	(1,004)	(608)	(627)	(351)	(249)
Non-underlying item net monetary gain/(loss) arising from hyperinflationary economies	—	122	32	29	21
Share of net profit/(loss) of joint ventures and associates	155	185	176	85	89
Other income/(loss) from non-current investments and associates	18	22	—	2	—
<b>Profit before taxation</b>	8,126	12,360	8,289	4,354	4,533
<b>Taxation</b>	(1,670)	(2,572)	(2,263)	(1,145)	(991)
<b>Net profit</b>	6,456	9,788	6,026	3,209	3,542
Attributable to non-controlling interests	433	419	401	203	258
Shareholders' equity	6,023	9,369	5,625	3,006	3,284
<b>Combined earnings per share</b>					
Basic earnings per share (€)	2.15	3.49	2.15	1.15	1.25
Diluted earnings per share (€)	2.14	3.48	2.14	1.14	1.25

Note:

(1) Restated in the Unilever Annual Report and Accounts 2019 following adoption of IFRS 16.

Condensed Consolidated Balance Sheet

	As at 31 December			As of 30 June	
	2017 <sup>(1)</sup>	2018 <sup>(1)</sup>	2019	2020	
				(unaudited)	
				(€ million)	
Non-current assets	45,078	45,633	48,376	52,430	
Current assets	16,980	15,478	16,430	17,948	
<b>Total assets</b>	<b>62,058</b>	<b>61,111</b>	<b>64,806</b>	<b>70,378</b>	
Current liabilities	23,587	20,150	20,978	20,976	
Non-current liabilities	24,273	28,844	29,942	31,178	
<b>Total liabilities</b>	<b>47,860</b>	<b>48,994</b>	<b>50,920</b>	<b>52,154</b>	
Shareholders' equity	13,440	11,397	13,192	15,639	
Non-controlling interests	758	720	694	2,585	
<b>Total equity</b>	<b>14,198</b>	<b>12,117</b>	<b>13,886</b>	<b>18,224</b>	
<b>Total liabilities and equity</b>	<b>62,058</b>	<b>61,111</b>	<b>64,806</b>	<b>70,378</b>	

Note:

(1) Restated in the Unilever Annual Report and Accounts 2019 following adoption of IFRS 16.

## Condensed Consolidated Cash Flow Statement

	Year to 31 December			Six months to 30 June	
	2017 <sup>(1)</sup>	2018 <sup>(1)</sup>	2019	2019	2020
	(€ million)				
Net cash flow from operating activities . . . . .	7,879	7,318	8,109	2,392	3,528
Net cash flow (used in)/from investing activities . . . . .	(5,879)	4,644	(2,237)	(716)	(581)
Net cash flow (used in)/from financing activities . . . . .	(2,020)	(12,113)	(4,667)	(856)	(2,088)
<b>Net increase/(decrease) in cash and cash equivalents . .</b>	<b>(20)</b>	<b>(151)</b>	<b>1,205</b>	<b>820</b>	<b>859</b>
Cash and cash equivalents at the beginning of the period .	3,198	3,169	3,090	3,090	4,116
Effect of foreign exchange rate changes . . . . .	(9)	72	(179)	(121)	(253)
<b>Cash and cash equivalents at the end of the period . .</b>	<b><u>3,169</u></b>	<b><u>3,090</u></b>	<b><u>4,116</u></b>	<b><u>3,789</u></b>	<b><u>4,722</u></b>

Note:

(1) Restated in the Unilever Annual Report and Accounts 2019 following adoption of IFRS 16.

### B.3 What are the key risks that are specific to the issuer?

#### Risks relating to the Unification

Unification will be subject to the satisfaction (or waiver, where applicable) of a number of conditions, including regulatory authorisations, which may prevent, delay or otherwise adversely affect Unification.

#### Risks relating to the Unilever Group's business

The Unilever Group's success depends on the value and relevance of its brands and products to consumers around the world and on its ability to innovate and remain competitive.

Successful customer relationships are vital to the Unilever Group's business and continued growth.

Successful execution of business transformation projects is key to delivering their intended business benefits and avoiding disruption to other business activities.

The Unilever Group's business depends on purchasing materials, efficient manufacturing and the timely distribution of products to its customers.

The quality and safety of the Unilever Group's products are of paramount importance for its brands and its reputation.

The Unilever Group's operations are increasingly dependent on IT systems and the management of information.

The Unilever Group uses a significant amount of plastic to package its products. A reduction in the amount of virgin plastic the Unilever Group uses, the use of recycled plastic and an increase in the recyclability of the Unilever Group's packaging are critical to its future success.

The Unilever Group operates around the world and is exposed to economic and political instability that may reduce consumer demand for its products, disrupt sales operations and/or impact the profitability of its operations. Adverse economic conditions may affect one or more countries within a region, or may extend globally.

The Unilever Group is exposed to a variety of external financial risks in relation to treasury and tax.

Compliance with laws and regulations is an essential part of the Unilever Group's business operations.

## C. KEY INFORMATION ON THE SECURITIES

### C.1 What are the main features of the securities?

#### C.1.1 Type, class and ISIN

When admitted to trading, the new ordinary shares of 3<sup>1</sup>/<sub>2</sub> pence each in the capital of the Company to be issued pursuant to the Cross-Border Merger (the "New PLC Shares"), will be registered with ISIN number GB00B10RZP78 and SEDOL number B10RZP7 and will be traded on the London Stock Exchange's Main Market for listed securities and Euronext in Amsterdam, a regulated market of Euronext Amsterdam N.V., together with the PLC Shares in issue immediately prior to the Cross-Border Merger becoming effective (the "Existing PLC Shares"), under the ticker symbols: London: ULVR; and Amsterdam: UNA. The

New PLC Shares will, on admission to the premium listing segment of the Official List and to trading on the London Stock Exchange's Main Market for listed securities, together with the Existing PLC Shares, comprise the entire issued share capital of the Company.

#### C.1.2 *Currency, denomination, par value, number of securities issued and duration*

The currency of the New PLC Shares will be British pounds sterling. The PLC Shares will trade in: (i) British pounds sterling on the London Stock Exchange; and (ii) Euro on Euronext in Amsterdam. On: (i) admission of the New PLC Shares to the premium listing segment of the Official List and to trading on the London Stock Exchange's main market for listed securities; and (ii) admission to trading of the PLC Shares, including the New PLC Shares, on Euronext in Amsterdam ("**Admission**"), the issued share capital of the Company will be £81,798,747, comprising 2,629,245,454 PLC Shares of 3<sup>1</sup>/<sub>9</sub> pence each, all of which will be fully paid or credited as fully paid.

Based on the number of: (i) PLC Shares; (ii) ordinary shares, each with a par value of €0.16 in the capital of NV (including subshares of these ordinary shares, each amounting to 3/112th part of one ordinary share, in both bearer and registered form) ("**NV Shares**"); and (iii) ordinary shares, each with a par value of €0.16, in the capital of NV, held in New York registry form ("**NV NYRSs**"), in each case in issue at the Latest Practicable Date and subject to any rights exercised under the withdrawal mechanism that will be provided for those holders of NV Shares ("**NV Shareholders**") and holders of NV NYRSs ("**NV NYRS Holders**") who vote against Unification at the extraordinary general meeting of NV expected to be held on 21 September 2020 and who do not wish to hold PLC Shares or the American depository shares of the Company each representing one PLC Share (the "**PLC ADSs**") (as applicable) (the "**Withdrawal Mechanism**"), the maximum number of New PLC Shares that will be issued on implementation of Unification is 1,460,714,804. This will result in the Company having an enlarged share capital of £81,798,747 upon implementation of Unification.

The number of New PLC Shares to be allotted to NV Shareholders will depend on the number (if any) of the NV Shares and NV NYRSs for which NV Shareholders and NV NYRS Holders duly exercise their rights under the Withdrawal Mechanism.

#### C.1.3 *Rights attached to the New PLC Shares*

The rights attaching to the New PLC Shares will be uniform in all respects with the Existing PLC Shares and, together, will form a single class for all purposes, including with respect to voting and for all dividends and other distributions thereafter declared, made or paid on the ordinary share capital of the Company.

Subject to the provisions of the Companies Act 2006, any equity securities issued by the Company for cash must first be offered to the holders of ordinary shares in the capital of the Company ("**PLC Shareholders**") in proportion to their holdings of ordinary shares. The Companies Act 2006 and Listing Rules allow for the disapplication of pre-emption rights which may be waived by a special resolution of the PLC Shareholders, whether generally or specifically, for a maximum period not exceeding five years.

On a show of hands, every PLC Shareholder who is present in person shall have one vote and, on a poll, every PLC Shareholder present in person or by proxy shall have one vote per ordinary share held by it.

Except as provided by the rights and restrictions attached to any class of shares, PLC Shareholders will under general law be entitled to participate in any surplus assets in a winding-up in proportion to their shareholdings.

#### C.1.4 *Rank of securities in the issuer's capital structure in the event of insolvency*

The New PLC Shares do not carry any rights as respects to capital to participate in a distribution (including on a winding-up) other than those that exist under the Companies Act 2006. The New PLC Shares will rank *pari passu* in all respects with the Existing PLC Shares.

#### C.1.5 *Restrictions on the free transferability of the securities*

In line with the Existing PLC Shares, the New PLC Shares will be freely transferable and there are no restrictions on transfer in the UK or in the Netherlands.

#### C.1.6 *Dividend or payout policy*

In setting the level of distributions to PLC Shareholders, there will be no change to the Company's policy of seeking to pay an attractive, growing and sustainable dividend.

Following implementation of Unification, the Company intends to continue to announce and make distributions on the same quarterly basis as it currently does.

## **C.2 Where will the securities be traded?**

Applications will be made to: (i) the FCA for the New PLC Shares to be admitted to the premium listing segment of the Official List; (ii) the London Stock Exchange for the New PLC Shares to be admitted to trading on its main market for listed securities; and (iii) Euronext Amsterdam for the PLC Shares, including the New PLC Shares, to be admitted to listing and trading on Euronext in Amsterdam.

Application will also be made to the New York Stock Exchange for the PLC ADSs proposed to be issued, credited as fully paid, pursuant to the Cross-Border Merger (the “New PLC ADSs”) to be admitted to listing and trading on the New York Stock Exchange.

## **C.3 What are the key risks that are specific to the securities?**

### ***Risks relating to the PLC Shares***

The market price of the PLC Shares may prove to be volatile and is subject to fluctuations, including significant decreases.

Additional equity offerings or future sales of PLC Shares by the Unilever Group, or the possibility of such offerings or future sales, could have a material adverse effect on the price of the PLC Shares and/or result in dilution of PLC Shareholders’ interests’ in the Company.

Declaration, payment and amounts of distributions, if any, to PLC Shareholders will be uncertain and subject to a number of factors.

## **D. KEY INFORMATION ON THE ADMISSION TO TRADING ON A REGULATED MARKET**

### ***D.1 Under which conditions and timetable can I invest in this security?***

It is expected that, subject to the satisfaction or waiver (if capable of waiver) of certain conditions to Unification (including approval of the completion of the Unification by the UK High Court but not including those Unification conditions which relate to Admission): (i) the New PLC Shares will be admitted to listing on the premium listing segment of the Official List and to trading on the Main Market of the London Stock Exchange on 23 November 2020; and (ii) the PLC Shares, including the New PLC Shares, will be admitted to listing and trading on Euronext in Amsterdam on 23 November 2020. Dealings in the New PLC Shares are expected to commence on the Main Market of the London Stock Exchange by 8.00 a.m. (London time) on 23 November 2020. Conditional dealings in the PLC Shares, including the New PLC Shares, are expected to commence on Euronext in Amsterdam by 9.00 a.m. (Amsterdam time) on 23 November 2020. Unconditional dealings in the PLC Shares on Euronext in Amsterdam are expected to commence on 25 November 2020. There are no commissions, fees or expenses to be charged to investors by the Company in relation to the issue of the New PLC Shares.

### ***D.2 Why is the Prospectus being produced?***

On 11 June 2020, Unilever announced plans to unify its group legal structure under a single parent company, Unilever PLC, creating a simpler company, with greater strategic flexibility, that is better positioned for future success.

It is proposed that Unification will be implemented through the Cross-Border Merger, as a result of which the Company will become the single parent company of the Unilever Group.

The Prospectus has been prepared in order to provide details of the PLC Shares, including the New PLC Shares to be issued and allotted, pursuant to the Unification, on the assumption that the Unification will become effective as proposed.

If Unification is implemented, NV Shareholders and NV NYRS Holders will be entitled to receive New PLC Shares or New PLC ADSs on the following basis:

**NV ordinary shareholders will receive one New PLC Share in exchange for each NV ordinary share held at the time that Unification is implemented.**

**Indirect NV NYRS Holders will receive one New PLC ADS in exchange for each NV NYRS held indirectly at the time that Unification is implemented.**

**Registered NV NYRS Holders will receive one New PLC Share in exchange for each NV NYRS held at the time that Unification is implemented. Registered NV NYRS Holders may elect to deposit their New PLC Shares into the PLC ADS facility in exchange for New PLC ADSs.**

There are no proceeds (and, therefore, no estimated net amount of the proceeds) receivable by the Company as a result of Unification.

## PART II RISK FACTORS

*Any investment in, or holding of, PLC Shares is subject to a number of risks. Prior to investing in PLC Shares, investors should consider carefully the factors and risks associated with any investment in PLC Shares, the Unilever Group's business and the industry in which it operates, together with all other information contained in this Prospectus, including, in particular, the risk factors described below. Investors should note that the risks relating to the Unilever Group, its industry and the PLC Shares summarised in the section of this document headed "Summary" are the risks that the PLC Directors believe to be the most essential to an assessment by an investor of whether to consider an investment in PLC Shares. However, as the risks which the Unilever Group faces relate to events and depend on circumstances that may or may not occur in the future, investors should consider not only the information on the key risks summarised in the section of this document headed "Summary" but also, among other things, the risks and uncertainties described below.*

*The following is not an exhaustive list or explanation of all risks which investors may face when making an investment in PLC Shares and should be used as guidance only. Additional risks and uncertainties relating to the Unilever Group that are not currently known to the Unilever Group, or that it currently deems immaterial, may individually or cumulatively also have a material adverse effect on the Unilever Group's business, prospects, results of operations and financial position and, if any such risk should occur, the price of the PLC Shares may decline and investors could lose all or part of their investment. Investors should consider carefully whether an investment in PLC Shares is suitable for them in the light of the information in this Prospectus and their personal circumstances.*

*The factors described below are presented in categories with the most material risk factor in each category, in the assessment of the Company, taking into account the expected magnitude of their negative impact and the probability of their occurrence, presented first. Subsequent risk factors in the same category are not ranked in order of materiality or probability of occurrence. Where a risk factor may be categorised in more than one category, such risk factor appears only once and in the most relevant category for such risk factor.*

### **1 Risks relating to Unification**

#### **1.1 Unification will be subject to the satisfaction (or waiver, where applicable) of a number of conditions, including regulatory authorisations, which may prevent, delay or otherwise adversely affect Unification.**

Unification is subject to the satisfaction (or waiver, where applicable) of a number of conditions as described in the Unification Agreement. These include the necessary shareholder resolutions of the Company and NV being passed by the requisite majorities of shareholders (or classes thereof) at the NV EGM and PLC Meetings, respectively, and at separate meetings of the relevant class of shares; the approval of the Cross-Border Merger by the UK High Court; the FCA and the London Stock Exchange having acknowledged that the respective applications for UK admission of the New PLC Shares have been approved; Euronext Amsterdam having approved the PLC Shares for admission to listing and trading on Euronext in Amsterdam; and the approval for the admission to trading of the New PLC ADSs on the NYSE. There is no guarantee that these (or any other) conditions will be satisfied (or waived, if applicable). Failure to satisfy any of the conditions may result in Unification not being completed.

Unification is also conditional upon the expiration or termination of any waiting period (or extension thereof) applicable to Unification and the receipt of any approvals, consents or clearances required in connection with Unification. In deciding whether to grant the required antitrust or foreign investment approval, consent or clearance, the relevant antitrust or foreign investment authorities will consider the effects of Unification within their respective jurisdictions. The terms and conditions of any antitrust or foreign investment approvals, consents and clearances that are ultimately granted may impose unanticipated conditions, terms, obligations or restrictions, on the conduct of the Unilever Group's business.

Unification is also conditional on, among other things, there being no fact, matter or circumstance which the Company and NV consider may, or may be reasonably likely to prevent, delay, hinder or otherwise adversely affect Unification under the Company or the willingness of the Company and NV to pursue Unification as contemplated including where, in the Boards' view, proceeding with Unification would not be in the best interests of Unilever, its shareholders and other stakeholders as a whole.

## **1.2 Circumstances may arise which adversely affect Unification as contemplated and, as a result, the Unification proposal does not proceed.**

Changes or potential changes in law, including tax law, could have a significant impact on Unification and the Boards could decide not to proceed with this Unification proposal. If the proposed private member's bill, introduced by a member of the Dutch House of Representatives for GroenLinks (a Dutch opposition party), were enacted in its present form and applied to Unification, the Boards believe that proceeding with Unification, if it resulted in an exit tax charge of some €11 billion, would not be in the best interests of Unilever, its shareholders and other stakeholders as a whole. The Boards could decide not to proceed with this Unification proposal at any time up to the UK High Court Hearing to approve the Cross-Border Merger or, subject to the approval of the UK High Court, the CBM Effective Date.

## **2 Risks relating to the Unilever Group's business**

### **2.1 Consumer Risks**

*The Unilever Group's success depends on the value and relevance of its brands and products to consumers around the world and on its ability to innovate and remain competitive.*

Consumer tastes, preferences and behaviours are changing more rapidly than ever before. The Unilever Group sees a growing trend for consumers preferring brands which both meet their functional needs and have an explicit social purpose.

Technological change is disrupting the Unilever Group's traditional brand communication models. The Unilever Group's ability to develop and deploy the right communication, both in terms of messaging content and medium is critical to the continued strength of its brands.

The Unilever Group is dependent on creating innovative products that continue to meet the needs of its consumers and getting these new products to market with speed.

*Successful customer relationships are vital to the Unilever Group's business and continued growth.*

Maintaining strong relationships with existing customers and building relationships with new customers who have built new technology-enabled business models to serve changing shopper habits are necessary to ensure the Unilever Group's brands are well presented to consumers and available for purchase at all times.

The strength of customer relationships also affects the Unilever Group's ability to obtain pricing and competitive trade terms. Failure to maintain strong relationships with customers could negatively impact the Unilever Group's terms of business with affected customers and reduce the availability of the Unilever Group's products to consumers.

### **2.2 Business Transformation Risks**

*The Unilever Group's strategic investment choices will affect the long-term growth and profits of its business.*

The Unilever Group's growth and profitability are determined by its portfolio of divisions, geographies and channels and how these evolve over time. If the Unilever Group does not make optimal strategic investment decisions, then opportunities for growth and improved margin could be missed.

*Successful execution of business transformation projects is key to delivering their intended business benefits and avoiding disruption to other business activities.*

The Unilever Group is continually engaged in major change projects, including acquisitions, disposals and organisational transformation, to drive continuous improvement in its business and to strengthen its portfolio and capabilities. Continued digitalisation of the Unilever Group's business models and processes together with enhancing data management capabilities is a critical part of the Unilever Group's transformation.

The Unilever Group has an extensive programme of transformation projects. Failure to execute such initiatives successfully could result in under-delivery of the expected benefits and there could be a significant impact on the value of the business.

## **2.3 Operational Risks**

***A skilled workforce and agile ways of working are essential for the continued success of the Unilever Group's business.***

With the rapidly changing nature of work and skills, there is a risk that the Unilever Group's workforce is not equipped with the skills required for the new environment.

The Unilever Group's ability to attract, develop and retain a diverse range of skilled people is critical if it is to compete and grow effectively.

This is especially true in the Unilever Group's key emerging markets where there can be a high level of competition for a limited talent pool. The loss of management or other key personnel or the inability to identify, attract and retain qualified personnel could make it difficult to manage the business and could adversely affect operations and financial results.

***The Unilever Group's business depends on purchasing materials, efficient manufacturing and the timely distribution of products to its customers.***

The Unilever Group's supply chain network is exposed to potentially adverse events such as physical disruptions, environmental and industrial accidents, trade restrictions or disruptions at a key supplier, which could impact the Unilever Group's ability to deliver orders to its customers.

The cost of the Unilever Group's products can be significantly affected by the cost of the underlying commodities and materials from which they are made. Fluctuations in these costs cannot always be passed on to the consumer through pricing.

Changes in trade relationships between Europe and the United Kingdom as a result of Brexit could give rise to supply and cost issues.

***The quality and safety of the Unilever Group's products are of paramount importance for its brands and its reputation.***

The risk that raw materials are accidentally or maliciously contaminated throughout the supply chain or that other product defects occur due to human error, equipment failure or other factors cannot be excluded.

Labelling errors can have potentially serious consequences for both consumer safety and brand reputation. Therefore, on-pack labelling needs to provide clear and accurate ingredient information in order that consumers can make informed decisions regarding the products they buy.

***The Unilever Group's operations are increasingly dependent on IT systems and the management of information.***

The cyber-attack threat of unauthorised access and misuse of sensitive information or disruption to operations continues to increase. Such an attack could inhibit the Unilever Group's business operations in a number of ways, including disruption to sales, production and cash flows, ultimately impacting the Unilever Group's results.

In addition, increasing digital interactions with customers, suppliers and consumers place ever greater emphasis on the need for secure and reliable IT systems and infrastructure and careful management of the information that is in the Unilever Group's possession to ensure data privacy.

## **2.4 Environmental, Social and Governance Risks**

***Climate change and governmental actions to reduce such change may disrupt the Unilever Group's operations and/or reduce consumer demand for its products.***

Climate change is occurring around the world which may impact the Unilever Group's business in various ways. It could lead to water shortages which would reduce demand for those of the Unilever Group's products that require a significant amount of water during consumer use. It could also lead to an increase in raw material and packaging prices or reduced availability.

Governments may take action to reduce climate change such as the introduction of a carbon tax or zero net deforestation requirements which could impact the Unilever Group's business through higher costs or reduced flexibility of operations.

Increased frequency of extreme weather (storms and floods) could cause increased incidence of disruption to the Unilever Group's manufacturing and distribution network.

Climate change could result therefore in making products less affordable or less available for the Unilever Group's consumers resulting in reduced growth and profitability.

***The Unilever Group uses a significant amount of plastic to package its products. A reduction in the amount of virgin plastic the Unilever Group uses, the use of recycled plastic and an increase in the recyclability of the Unilever Group's packaging are critical to its future success.***

Both consumer and customer responses to the environmental impact of the plastic waste and emerging regulations by governments to tax or ban the use of certain plastics requires the Unilever Group to find solutions to reduce the amount of plastic it uses; increase recycling post-consumer use; and to source recycled plastic for use in the Unilever Group's packaging. The Unilever Group is also dependent on the work of its industry partners to create and improve recycling infrastructure throughout the world.

Not only is there a risk around finding appropriate replacement materials, due to high demand the cost of recycled plastic or other alternative packaging materials could significantly increase in the foreseeable future and this could impact the Unilever Group's business performance. The Unilever Group could also be exposed to higher costs as a result of taxes or fines if it is unable to comply with plastic regulations which would again impact the Unilever Group's profitability and reputation.

***The Unilever Group's brands and reputation are valuable assets and the way in which the Unilever Group operates, contributes to society and engages with the world around us is always under scrutiny both internally and externally.***

Acting in an ethical manner, consistent with the expectations of customers, consumers and other stakeholders, is essential for the protection of the reputation of the Unilever Group and its brands.

A key element of the Unilever Group's ethical approach to business is to reduce inequality and promote fairness. The Unilever Group's activities touch the lives of millions of people and it is the Unilever Group's responsibility to protect their rights and help them live well. The safety of the Unilever Group's employees and the people and communities it works with is critical. Failure to meet these high standards could result in damage to the Unilever Group's corporate reputation and business results.

## **2.5 Economic and Political Risk**

***The Unilever Group operates around the world and is exposed to economic and political instability that may reduce consumer demand for its products, disrupt sales operations and/or impact the profitability of its operations. Adverse economic conditions may affect one or more countries within a region, or may extend globally.***

Government actions such as foreign exchange or price controls can impact on the growth and profitability of the Unilever Group's local operations.

The Unilever Group has more than half of its turnover in emerging markets which can offer greater growth opportunities but also expose the Unilever Group to related economic and political volatility.

***The Unilever Group is exposed to a variety of external financial risks in relation to treasury and tax.***

The relative value of currencies can fluctuate widely and could have a significant impact on business results. Further, because the Unilever Group consolidates its financial statements in euros, it is subject to exchange risks associated with the translation of the underlying net assets and earnings of its foreign subsidiaries.

The Unilever Group is also subject to the imposition of exchange controls by individual countries which could limit its ability to import materials paid in foreign currency or to remit dividends to the parent company.

A material shortfall in the Unilever Group's cash flow could undermine its credit rating, impair investor confidence and restrict its ability to raise funds. In times of financial crisis, there is a further risk that the Unilever Group may not be able to raise funds due to market liquidity.

The Unilever Group is exposed to counterparty risks with banks, suppliers and customers, which could result in financial losses.

Tax is a complex and evolving area where laws and their interpretation are changing regularly, leading to the risk of unexpected tax exposures. International tax reform remains a key focus of attention with the OECD's



Base Erosion and Profit Shifting project, and the Digitalising Economy Project, and further potential tax reform in the EU.

## **2.6 Legal and Regulatory Risk**

***Compliance with laws and regulations is an essential part of the Unilever Group's business operations.***

The Unilever Group is subject to national and regional laws and regulations in such diverse areas as product safety, product claims, trademarks, copyright, patents, competition, employee health and safety, data privacy, the environment, corporate governance, listing and disclosure, employment and taxes.

Failure to comply with laws and regulations could expose the Unilever Group to civil and/or criminal actions leading to damages, fines and criminal sanctions against the Unilever Group and/or its employees with possible consequences for its corporate reputation. Changes to laws and regulations could have a material impact on the cost of doing business.

## **2.7 COVID-19**

***The COVID-19 pandemic has increased certain of the existing risks to the Unilever Group's business and the longer-term impacts on the Unilever Group will depend on the length and severity of the COVID-19 pandemic.***

The impact of the COVID-19 pandemic on Unilever's business going forward will depend on a range of factors, including the duration and scope of the pandemic, the geographies impacted, the impact of the pandemic on economic activity and the nature and severity of measures adopted by governments, including restrictions on business operations, travel, mandates to avoid large gathering and orders to self-quarantine or shelter in place. The COVID-19 pandemic may have significant negative impacts in the medium and long-term on Unilever's business.

Changes in consumer behaviour as a result of government imposed lock-downs and the need for people to self-quarantine, shelter in place or observe social distancing for an indeterminate period of time has reduced demand for certain of Unilever's products, particularly those which rely on out-of-home consumption. Demand for certain personal care products has also been affected as a result of reduced usage by consumers in stay-at-home settings. The severity of government imposed lock-downs and the period for which they continue in different countries will have an impact on consumer demand in those countries. In the longer term, a deterioration in the financial position of consumers as a result of the COVID-19 pandemic may also impact demand for Unilever's products.

In addition, disruptions as a result of COVID-19 in Unilever's manufacturing, supply and distribution arrangements, including those of third parties on which Unilever relies, may adversely impact Unilever's operations.

## **3 Risks relating to the PLC Shares**

### **3.1 The market price of the PLC Shares may prove to be volatile and is subject to fluctuations, including significant decreases.**

In common with the market price of equity securities of other publicly listed companies, the market price of the PLC Shares is volatile and subject to significant fluctuations due to a variety of factors, many of which are beyond the control of the Unilever Group. These factors include, but are not limited to, the following:

- market expectations for the Unilever Group's financial performance;
- actual or anticipated fluctuations in the Unilever Group's results of operations and financial condition;
- changes in the estimates of the Unilever Group's results of operations by securities analysts; and
- investor perception of the impact of Unification on the Unilever Group and its shareholders.

Any of these events or others could result in a decline in the market price of PLC Shares. In addition, stock markets have in the recent past experienced substantial price and volume fluctuations, which have not always been related to the performance of the specific companies whose shares are traded, and which, as well as general economic and political conditions, could have an adverse effect on the market price of PLC Shares.

**3.2 Additional equity offerings or future sales of PLC Shares by the Unilever Group, or the possibility of such offerings or future sales, could have a material adverse effect on the price of the PLC Shares and/or result in dilution of PLC Shareholders interests' in the Company.**

In the future, the Company may issue additional equity. This may be done by issuing additional PLC Shares or other shares, issuing additional debt or equity securities convertible into PLC Shares or issuing additional rights to acquire these securities. Any additional capital raised through the issue of additional PLC Shares may dilute a PLC Shareholder's percentage ownership in the Company. Furthermore, any additional financing the Unilever Group may need may not be available on terms favourable to the Unilever Group or at all, which could adversely affect the Unilever Group's future plans. Any additional equity offerings by the Unilever Group, or the public perception that an offering may occur, including any offering of Cash Compensation Funding Shares in connection with the Withdrawal Mechanism (which will not result in any additional shareholder dilution as compared with the situation if no NV Shareholders exercised their right to withdraw) could also have a material adverse effect on the trading price of the PLC Shares (including the New PLC Shares) and could increase the volatility in the market price of the PLC Shares (including the New PLC Shares).

**3.3 Declaration, payment and amounts of distributions, if any, to PLC Shareholders will be uncertain and subject to a number of factors.**

Whether any distribution is declared or paid to PLC Shareholders, and the amounts of any distributions that are declared or paid, are uncertain and depend on a number of factors. The Company will have discretion to declare or pay a distribution on PLC Shares, which may be based on a number of considerations, including the Company's distribution policy, its operating results, the availability of distributable reserves and capital management plans and the market price of PLC Shares.

**3.4 The ability of Overseas Shareholders to bring actions or enforce judgments against the Company or the PLC Directors may be limited.**

The ability of an Overseas Shareholder to bring an action against the Company may be limited under law. The Company is a public limited company incorporated in England and Wales. The rights of holders of the PLC Shares are governed by English law and by the PLC Articles. These rights may differ from the rights of shareholders in other jurisdictions.

An Overseas Shareholder may not be able to enforce a judgment against some or all of the PLC Directors and executive officers. Consequently, it may not be possible for an Overseas Shareholder to effect service of process upon the PLC Directors and executive officers within the Overseas Shareholder's country of residence or to enforce against the PLC Directors and executive officers judgments of courts of the Overseas Shareholder's country of residence based on civil liabilities under that country's securities laws. There can be no assurance that an Overseas Shareholder will be able to enforce any judgments in civil and commercial matters or any judgments under the securities laws of countries other than the UK against the PLC Directors or executive officers who are residents of the UK or countries other than those in which judgment is made. In addition, English or other courts may not impose civil liability on the PLC Directors or executive officers in any original action based solely on foreign securities laws brought against the Company or the PLC Directors in a court of competent jurisdiction in England or other countries. This could have an adverse impact on the market price of the PLC Shares.

**PART III**  
**PRESENTATION OF INFORMATION ON THE UNILEVER GROUP**

**1 General**

*Investors should only rely on the information in this Prospectus (for the avoidance of doubt, none of the Announcement, the Circular or the Common Draft Terms of Merger has been incorporated by reference into this Prospectus). No person has been authorised to give any information or to make any representations in connection with Unification and PLC Shares other than the information and representations contained in this Prospectus and, if any other information or representations is or are given or made, such information or representations must not be relied upon as having been authorised by or on behalf of the Company, the PLC Directors or UBS. No representation or warranty, express or implied, is made by the Company, the PLC Directors, UBS or any other person involved in the Unification and the PLC Shares as to the accuracy or completeness of such information or representation.*

*Without prejudice to any obligation of the Company to publish a supplementary prospectus pursuant to section 87G of FSMA and Rule 3.4.1 of the Prospectus Regulation Rules, neither the delivery of this Prospectus nor Admission shall, under any circumstances, create any implication that there has been no change in the business or affairs of the Company or of the Unilever Group taken as a whole since the date hereof or that the information contained herein is correct as of any time subsequent to its date.*

*The Company does not accept any responsibility for the accuracy or completeness of any information reported by the press or other media, nor the fairness or appropriateness of any forecasts, views or opinions expressed by the press or other media regarding Unification or the Unilever Group. The Company makes no representation as to the appropriateness, accuracy, completeness or reliability of any such information or publication.*

The Company will update the information provided in this document by means of a supplement hereto if a significant new factor that may affect the evaluation by investors of Unification and the PLC Shares occurs prior to Admission or if this document contains any material mistake or inaccuracy. This Prospectus and any supplement thereto will be subject to approval by the FCA and will be made public in accordance with the Prospectus Regulation Rules. The summary shall also be supplemented, if necessary, to take into account the new information included in the supplement.

Statements contained in any such supplement (or contained in any information incorporated by reference in such supplement) shall, to the extent applicable (whether expressly, by implication or otherwise), be deemed to modify or supersede statements contained in this Prospectus or in any information that is incorporated by reference in this Prospectus. Any supplement shall specify which statement is so modified or superseded and shall specify that such statement shall, except as so modified or superseded, no longer constitute a part of this Prospectus.

The contents of this Prospectus are not to be construed as legal, financial or tax advice. Each investor should consult his or her own lawyer, financial adviser or tax adviser for legal, financial or tax advice in relation to Unification and the PLC Shares. Each investor must rely on his or her own examination, analysis and enquiry of the Company and the terms of Unification and the PLC Shares, including the merits and risks involved.

UBS and any of its affiliates may have engaged in transactions with, and provided various investment banking, financial advisory and other services to, the Company for which they would have received customary fees. UBS and its affiliates may provide such services to the Company and any of its affiliates in the future.

**2 Historical financial information relating to the Unilever Group**

All financial information relating to the Unilever Group contained in this Prospectus, unless otherwise stated, has been extracted or derived, without material adjustment, from the Unilever 2020 Half-Year Results, the Unilever Annual Report and Accounts 2019, the Unilever Annual Report and Accounts 2018 and the Unilever Annual Report and Accounts 2017 (save for those figures in the consolidated financial statements of the Unilever Group contained in the Unilever Annual Report and Accounts 2018 and the Unilever Annual Report and Accounts 2017 which have been restated in the audited consolidated financial statements of the Unilever Group contained in the Unilever Annual Report and Accounts 2019).

The Boards have concluded that the Unilever Group forms a single reporting entity for the presentation of consolidated financial statements. Accordingly, the consolidated financial information represents the interests of both sets of shareholders and is presented by both the Company and NV as their respective consolidated financial statements.

### **3 Currency presentation**

Unless otherwise indicated, all references in this Prospectus to “sterling”, “pounds sterling”, “£” or “pence” are to the currency of the United Kingdom. The Company prepares its financial statements in euros. All references to the “Euro”, “euro” or “€” are to the currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty establishing the European Community, as amended. All references to “dollars” or “\$” are to the currency of the United States.

### **4 Roundings**

Percentages and certain amounts in this Prospectus, including financial, statistical and operating information, have been rounded. As a result, the figures shown as totals may not be the precise sum of the figures that precede them.

### **5 Information regarding forward-looking statements**

This Prospectus may contain forward-looking statements, including “forward-looking statements” within the meaning of the United States Private Securities Litigation Reform Act of 1995. Words such as “will”, “aim”, “expects”, “anticipates”, “intends”, “looks”, “believes”, “vision”, or the negative of these terms and other similar expressions of future performance or results, and their negatives, are intended to identify such forward-looking statements. These forward-looking statements are based upon current expectations and assumptions regarding anticipated developments and other factors affecting the Unilever Group. They are not historical facts, nor are they guarantees of future performance.

Because these forward-looking statements involve risks and uncertainties, there are important factors that could cause actual results to differ materially from those expressed or implied by these forward-looking statements. Among other risks and uncertainties, the material or principal factors which could cause actual results to differ materially are: the Unilever Group’s global brands not meeting consumer preferences; the Unilever Group’s ability to innovate and remain competitive; the Unilever Group’s investment choices in its portfolio management; the effect of climate change on the Unilever Group’s business; the Unilever Group’s ability to find sustainable solutions to its plastic packaging; significant changes or deterioration in customer relationships; the recruitment and retention of talented employees; disruptions in the Unilever Group’s supply chain and distribution; increases or volatility in the cost of raw materials and commodities; the production of safe and high quality products; secure and reliable IT infrastructure; execution of acquisitions, divestitures and business transformation projects; economic, social and political risks and natural disasters; financial risks; failure to meet high and ethical standards; and managing regulatory, tax and legal matters.

A number of these risks have increased as a result of the current COVID-19 pandemic. These forward-looking statements speak only as of the date of this Prospectus. Except as required by any applicable law or regulation, the Unilever Group expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements contained herein to reflect any change in the Unilever Group’s expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based. Further details of potential risks and uncertainties affecting the Unilever Group are described in the Unilever Group’s filings with the London Stock Exchange, Euronext Amsterdam and the US Securities and Exchange Commission, including in the annual report on Form 20-F 2019 and the Unilever Annual Report and Accounts 2019.

Investors are cautioned that forward-looking statements are not guarantees of future performance. Forward-looking statements may, and often do, differ materially from actual results. Any forward-looking statements in this Prospectus speak only as at the date of this Prospectus, reflect the Company’s current view with respect to future events and are subject to risks relating to future events and other risks, uncertainties and assumptions relating to the Unilever Group’s operations, results of operations, growth strategy, liquidity and the availability of new credit. Investors should specifically consider the factors identified in this Prospectus that could cause actual results to differ before making an investment decision. All of the forward-looking statements made in this Prospectus are qualified by these cautionary statements. Specific reference is made to Part II: “Risk Factors”, Part VII: “Information on the Unilever Group” and Part X: “Operating and Financial Review”.

Subject to the requirements of the Prospectus Regulation Rules, the Disclosure Guidance and Transparency Rules and the Listing Rules, or applicable law, the Company explicitly disclaims any intention or obligation or undertaking publicly to release the result of any revisions to any forward-looking statements in this Prospectus that may occur due to any change in the Company’s expectations or to reflect events or circumstances after the date of it.

## 6 Definitions

Certain terms used in this Prospectus, including all capitalised terms and certain technical and other terms, are defined and explained in Part XIII: “Definitions”.

## 7 No incorporation of website information

The contents of the Company’s website, any website mentioned in this Prospectus or any website directly or indirectly linked to these websites have not been verified and do not form part of this Prospectus, and investors should not rely on such information.

Furthermore, the Company does not accept any responsibility for the accuracy or completeness of any information reported by the press or other media, or the fairness or appropriateness of any forecasts, views or opinions expressed by the press or other media regarding Unification and/or the Unilever Group, the Company, the PLC Directors, UBS or other persons involved in the Unification make no representation as to the appropriateness, accuracy, completeness or reliability of any such information or publication.

## 8 Information incorporated by reference

Certain information in relation to the Unilever Group is incorporated by reference into this Prospectus as set out below. The parts of the information which are not incorporated by reference are either not relevant for investors or are covered elsewhere in this Prospectus. Where the information below itself incorporates information by reference to another document (“**further information**”), the further information is not intended to form part of this document for any purpose.

Any statement contained in a document which is deemed to be incorporated by reference herein shall be deemed to be modified or superseded for the purpose of this Prospectus to the extent that a statement contained herein (or in a later document which is incorporated by reference herein) modifies or supersedes such earlier statement (whether expressly, by implication or otherwise).

For a summary table of the content areas incorporated by reference into this Prospectus, please see Part XIV: “References”.

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The above documents, the sections of which have been incorporated by reference, have been made public and are available for inspection in accordance with paragraph 22 of Part XII (Additional Information) and on the Unilever Group's website at [www.unilever.com/unification/documents](http://www.unilever.com/unification/documents).

**PART IV**  
**DIRECTORS, SECRETARY, REGISTERED AND HEAD OFFICE AND ADVISERS**

<b>Directors</b>	Nils Andersen ( <i>Chairman</i> ) Alan Jope ( <i>Chief Executive Officer</i> ) Graeme Pitkethly ( <i>Chief Financial Officer</i> ) Laura Cha ( <i>Non-Executive Director</i> ) Vittorio Colao ( <i>Non-Executive Director</i> ) Judith Hartmann ( <i>Non-Executive Director</i> ) Andrea Jung ( <i>Non-Executive Director</i> ) Susan Kilsby ( <i>Non-Executive Director</i> ) Strive Masiyiwa ( <i>Non-Executive Director</i> ) Youngme Moon ( <i>Senior Independent Non-Executive Director</i> ) John Rishton ( <i>Non-Executive Director</i> ) Feike Sijbesma ( <i>Non-Executive Director</i> )
<b>Company Secretary</b>	Ritva Sotamaa
<b>Registered office of the Company</b>	Port Sunlight Wirral Merseyside CH62 4ZD
<b>Head office of the Company</b>	100 Victoria Embankment London EC4Y 0DY
<b>Financial Adviser and Sponsor to the Company</b>	UBS AG London Branch 5 Broadgate London EC2M 2QS
<b>English, Dutch and U.S. legal advisers to the Company</b>	Linklaters LLP One Silk Street London EC2Y 8HQ United Kingdom  Zuidplein 180 1077 XV Amsterdam The Netherlands
<b>English and U.S. legal advisers to the Financial Adviser and Sponsor</b>	Davis Polk & Wardwell London LLP 5 Aldermanbury Square London EC2V 7HR
<b>Auditor</b>	KPMG LLP 15 Canada Square London E14 5GL
<b>Registrars</b>	Computershare Investor Services PLC The Pavilions, Bridgwater Road Bristol BS99 6ZY



**PART V  
EXPECTED TIMETABLE OF PRINCIPAL EVENTS AND INDICATIVE STATISTICS**

**Section A**

**Expected timetable of principal events**

<u>Principal events</u>	<u>Expected time and/or date<sup>(1)</sup></u>
<b>Publication of this Prospectus and the Circular (including the notices of meetings and the NV EGM agenda)</b>	<b>10 August 2020</b>
NV EGM Record Date	6.00 p.m. (Amsterdam time) on 24 August 2020
Latest time and date for receipt by the NV NYRS Agent of NV NYRS Voting Instruction Cards <sup>(2)</sup>	1.00 p.m. (New York time) on 10 September 2020
<b>Latest time for receipt of NV Forms of Proxy (or electronic instructions) for the NV EGM</b>	<b>5.30 p.m. (Amsterdam time) on 14 September 2020</b>
<b>NV EGM</b>	<b>10.00 a.m. (Amsterdam time) on 21 September 2020</b>
Latest time and date for receipt by the PLC ADS Depository of PLC ADS Voting Instruction Cards <sup>(3)</sup>	1.00 p.m. (New York time) on 5 October 2020
<b>Latest time and date for receipt of BLUE PLC Forms of Proxy for the PLC Court Meeting<sup>(4)</sup></b>	<b>2.30 p.m. (London time) on 10 October 2020</b>
Latest time and date for lodging an electronic proxy for the PLC Court Meeting by way of CREST Proxy Instruction or online at <a href="http://www.unilever.com/unification">www.unilever.com/unification</a>	2.30 p.m. (London time) on 10 October 2020
<b>Latest time and date for receipt of YELLOW PLC Forms of Proxy for the PLC General Meeting<sup>(5)</sup></b>	<b>2.45 p.m. (London time) on 10 October 2020</b>
Latest time and date for lodging an electronic proxy for the PLC General Meeting by way of CREST Proxy Instruction or online at <a href="http://www.unilever.com/unification">www.unilever.com/unification</a>	2.45 p.m. (London time) on 10 October 2020
Voting Record Time in respect of the PLC Court Meeting and PLC General Meeting <sup>(6)</sup>	8.00 p.m. (London time) on 10 October 2020
<b>PLC Court Meeting</b>	<b>2.30 p.m. (London time) on 12 October 2020</b>
<b>PLC General Meeting<sup>(7)(8)</sup></b>	<b>2.45 p.m. (London time) on 12 October 2020</b>
End of Withdrawal Period	22 October 2020
UK High Court hearing to certify that pre-merger steps have been completed by the Company	22 October 2020
Dutch notary to certify that pre-merger steps have been completed as regards NV	23 October 2020
UK High Court hearing to approve the Cross-Border Merger <sup>(8)(9)</sup>	30 October 2020
Last day for dealings in, and for registration of, transfers of the NV NYRSs	19 November 2020
Last day for dealings in, and for registration of, transfers of the NV Shares	20 November 2020
<b>CBM Effective Date</b>	<b>22 November 2020</b>

<u>Principal events</u>	<u>Expected time and/or date<sup>(1)</sup></u>
Admission of the New PLC Shares on the LSE's Main Market	8.00 a.m. (London time) on 23 November 2020
Listing of PLC Shares (including the New PLC Shares) and start of conditional dealings in the PLC Shares on Euronext in Amsterdam	23 November 2020
Commencement of dealings of the New PLC Shares on the LSE	23 November 2020
Admission of New PLC ADSs to the NYSE and commencement of dealings in New PLC ADSs on the NYSE	8.30 a.m. (New York time) on 23 November 2020
Commencement of unconditional dealing in the PLC Shares on Euronext in Amsterdam and crediting of New PLC Shares to the Euroclear Nederland accounts of NV Shareholders	25 November 2020
Last day for despatch of share certificates in respect of New PLC Shares to NV Shareholders holding shares in registered form	29 November 2020
Last day for payment of Cash Compensation	4 December 2020

Notes:

- (1) **The dates and times given are indicative only and are based on current expectations and may be subject to change.** If any of the stated times and/or dates change, the revised times and/or dates will be announced via a Regulatory Information Service.
- (2) Entitlement to attend, speak and vote at the NV EGM will be determined in respect of Registered NV NYRS Holders on the books of the NV NYRS Agent on the NV EGM Record Date, being 24 August 2020, after processing all settlements on that date. NV NYRS Holders who beneficially hold their NV NYRSs in book-entry form through a bank, broker or other DTC participant that wish to provide voting instructions with respect to their NV NYRSs must follow the voting instruction requirements of, and adhere to the deadlines set by, such bank, broker or other DTC participant. Such requirements and deadlines will differ from those set forth herein for Registered NV NYRS Holders.
- (3) Only those PLC ADS Holders who hold PLC ADSs at 5.00 p.m. (New York time) on 20 August 2020 will be entitled to instruct the PLC ADS Depository to exercise the voting rights in respect of the PLC Shares represented by their PLC ADSs at the PLC Meetings.
- (4) BLUE PLC Forms of Proxy for the PLC Court Meeting may, alternatively, be handed to Computershare or the Chairman of the PLC Court Meeting before the start of the PLC Court Meeting (or any adjournment thereof). However, if possible, PLC Shareholders are requested to lodge the BLUE PLC Forms of Proxy at least 48 hours before the time appointed for the PLC Court Meeting.
- (5) YELLOW PLC Forms of Proxy for the PLC General Meeting must be lodged with PLC's registrars, Computershare, by no later than 2.45 p.m. (London time) on 10 October 2020 in order to be valid, or, if the PLC General Meeting is adjourned, no later than 48 hours before the time fixed for the holding of the adjourned PLC General Meeting. If the YELLOW PLC Form of Proxy is not returned by such time, it will be invalid.
- (6) If either PLC Meeting is adjourned, the Voting Record Time for the adjourned PLC Meeting will be 8.00 p.m. (London time) on the date which is two days before the date set for the adjourned PLC Meeting.
- (7) To commence at the time fixed or, if later, immediately after the conclusion or adjournment of the PLC Court Meeting.
- (8) The precise dates of events falling after the NV EGM and the PLC Meetings are indicative only at this stage and will depend, among other things, upon the date of satisfaction (or, where applicable, waiver) of the various Unification Conditions and upon the date on which the UK High Court approves the Cross-Border Merger.
- (9) The shareholders of the Company and NV have the opportunity to attend and to be heard at the UK High Court hearing to approve the Cross-Border Merger.

**Section B**  
**Indicative Statistics**

Number of PLC Shares in issue (including PLC Shares represented by PLC ADSs) as at 4 August 2020	1,165,793,339 <sup>(1)</sup>
Number of NV Shares in issue as at 4 August 2020	1,284,867,535 <sup>(2)</sup>
Number of NV NYRSs in issue as at 4 August 2020	170,889,394 <sup>(3)</sup>
CBM Exchange Ratio	1:1
Number of New PLC Shares (including New PLC Shares represented by New PLC ADSs) to be issued pursuant to Unification	1,460,714,804 <sup>(4)</sup>
Proportion of Enlarged Share Capital attributable to current holders of interests in PLC Shares immediately following Unification	44.44% <sup>(5)</sup>
Proportion of Enlarged Share Capital attributable to former holders of interests in NV Shares and NV NYRSs immediately following Unification	55.56% <sup>(6)</sup>

Notes:

- (1) The total number of PLC Shares (including PLC Shares represented by PLC ADSs) in issue as at the Latest Practicable Date, excluding 2,737,311 PLC Shares and PLC ADSs held by other Unilever Group companies. As at the Latest Practicable Date, the Company did not hold any shares in treasury.
- (2) The total number of NV Shares in issue as at the Latest Practicable Date, excluding 2,752,318 NV Shares held in treasury or by other Unilever Group companies.
- (3) The total number of NV NYRSs in issue as at the Latest Practicable Date, excluding 2,205,557 NV NYRSs held in treasury or by other Unilever Group companies.
- (4) The number of New PLC Shares (including New PLC Shares represented by New PLC ADSs) that will be issued and allotted immediately on completion of Unification, on the assumption that there will be no new issuances of NV Ordinary Shares or NV NYRSs between the Latest Practicable Date and the CBM Effective Date, including in respect of the Unilever Employee Share Plans and that any NV Shares or NV NYRSs held in treasury or by other Unilever Group companies will be transferred to an employee benefit trust prior to the CBM Effective Date. This number will also depend on the number (if any) of NV Ordinary Shares for which NV Shareholders duly exercise their rights under the Withdrawal Mechanism. The figures included in these statistics and throughout this Prospectus assume that no NV Shareholders or NV NYRS Holders choose to participate in the Withdrawal Mechanism.
- (5) Proportion of Enlarged Share Capital (inclusive of PLC Shares, NV Shares, NV NYRSs and PLC ADSs held in treasury or by Unilever Group companies) and assuming that there will be no new issuances of NV Ordinary Shares or NV NYRSs between the Latest Practicable Date and the CBM Effective Date and that no NV Shareholders exercise their rights under the Withdrawal Mechanism.
- (6) Proportion of Enlarged Share Capital (inclusive of PLC Shares, NV Shares, NV NYRSs and PLC ADSs held in treasury or by Unilever Group companies) and assuming that there will be no new issuances of NV Ordinary Shares or NV NYRSs between the Latest Practicable Date and the CBM Effective Date and that no NV Shareholders exercise their rights under the Withdrawal Mechanism.

## PART VI INFORMATION ON UNIFICATION

### 1 Introduction

On 11 June 2020, Unilever announced plans to unify its Group legal structure under a single parent company, Unilever PLC, creating a simpler company, with greater strategic flexibility, that is better positioned for future success.

It is proposed that Unification will be implemented through the Cross-Border Merger, as a result of which the Company will become the single parent company of the Unilever Group.

If Unification is implemented, NV Shareholders and NV NYRS Holders will be entitled to receive New PLC Shares or New PLC ADSs on the following basis:

**NV Ordinary Shareholders will receive one New PLC Share in exchange for each NV Ordinary Share held at the time that Unification is implemented.**

**Indirect NV NYRS Holders will receive one New PLC ADS in exchange for each NV NYRS held indirectly at the time that Unification is implemented.**

**Registered NV NYRS Holders will receive one New PLC Share in exchange for each NV NYRS held at the time that Unification is implemented. Registered NV NYRS Holders may elect to deposit their New PLC Shares into the PLC ADS facility in exchange for New PLC ADSs.**

The terms of Unification reflect the 1:1 equalisation ratio set out in the Equalisation Agreement. PLC Shareholders and PLC ADS Holders will continue to hold their existing PLC Shares and PLC ADSs, respectively.

The implementation of Unification is subject to the Unification Conditions set out or referred to in paragraph 9.1 of this Part VI and the terms of the Cross-Border Merger, which are described in paragraph 10.1.3 of this Part VI.

Subject to the satisfaction or waiver (if capable of waiver) of certain Unification Conditions (including approval of the completion of the Unification by the UK High Court but not including those Unification Conditions which relate to Admission): (i) the New PLC Shares will be admitted to listing on the premium listing segment of the Official List and to trading on the main market of the London Stock Exchange on 23 November 2020; and (ii) the PLC Shares, including the New PLC Shares, will be admitted to listing and trading on Euronext in Amsterdam on 23 November 2020. Dealings in the New PLC Shares are expected to commence on the main market of the London Stock Exchange by 8.00 a.m. (London time) on 23 November 2020. Conditional dealings in the PLC Shares, including the New PLC Shares, are expected to commence on Euronext in Amsterdam by 9.00 a.m. (Amsterdam time) on 23 November 2020. Unconditional dealings in the PLC Shares on Euronext in Amsterdam are expected to commence on 25 November 2020.

### 2 Background to and reasons for the Unification

The Unilever Group has been owned through two separately listed companies, the Company and NV, since its formation in 1930. During this time, the Company and NV, together with their group companies, have operated as nearly as practicable as a single economic entity. This is achieved by special provisions in the PLC Articles and the NV Articles, together with a series of agreements between the Company and NV (the Equalisation Agreement, the Deed of Mutual Covenants and the Agreement for Mutual Guarantees of Borrowing), known as the Foundation Agreements.

Each PLC Share (including each PLC Share represented by a PLC ADS) represents the same underlying economic interest in the Unilever Group as each NV Ordinary Share and each NV NYRS. As a result, parity between the economic rights of the respective shareholders of the Company and NV has been maintained. However, the Company and NV remain separate legal entities with different shareholder constituencies and separate stock exchange listings. Shareholders cannot convert or exchange the shares of one company for the shares of the other.

The Company and NV have the same directors, adopt the same accounting principles and pay dividends to their respective shareholders on an equalised basis. The Company and NV and their group companies constitute a single reporting entity for the purposes of presenting consolidated accounts.

Over the last two decades, the dual-parent holding company structure of the Unilever Group has been reviewed periodically by the Boards and a series of steps have been taken to reduce complexity, most recently in

October 2017 when NV's preference shares were successfully repurchased, and in June 2019 when NV terminated its depositary receipt structure.

In October 2018, the Boards withdrew a proposal to unify the Unilever Group's corporate structure under a new Dutch holding company; although the Unilever Group received widespread support for the principle of unification, the Boards concluded that certain aspects of the proposed arrangements required reconsideration.

### **3 Strategic benefits of Unification and its impact for shareholders and other stakeholders**

#### **3.1 Reasons for Unification**

After a comprehensive review over the last 18 months, the Boards continue to believe that moving from the current dual-headed legal structure to a single parent company will bring significant benefits by:

- Increasing Unilever's strategic flexibility for portfolio evolution, including through equity-based acquisitions or demergers. Such flexibility is even more important as Unilever anticipates the increasingly dynamic business environment that the COVID-19 pandemic will create.
- Removing complexity and further strengthening Unilever's corporate governance, creating for the first time an equal voting basis per share for all shareholders. Upon completion, there would be one market capitalisation, one class of shares and one global pool of liquidity, whilst maintaining the Unilever Group's listings on the Amsterdam, London and New York stock exchanges.

Unilever remains committed to its strategy of long-term growth across all three Divisions and last year began a full evaluation of its current categories and brands, with a view to accelerating the pace of portfolio change. This review has underlined how a simpler legal structure would give Unilever greater strategic flexibility to grow shareholder value, providing a catalyst for accelerated portfolio evolution and greater organisational autonomy.

The strategic review of Unilever's Tea business described in paragraph 9 of Part VII (Information on the Unilever Group) has further demonstrated that the dual-headed legal structure can create disadvantages for the Unilever Group. The review assessed a full range of options and a demerger of the Tea business is one option for separation and, as was previously the case with the disposal of the Unilever Group's Spreads business, this would be significantly more challenging under the current legal structure than under a single parent structure.

It is also clear that the COVID-19 pandemic will create a business environment in which having as much flexibility and responsiveness as possible will be critically important.

The Boards have conducted an extensive review of potential single-parent company structures and the best means to achieve the unification of the existing dual-headed legal structure. The Boards considered many factors including, among others, regulatory, legal and tax matters and the fact that the Unilever Group has operated effectively for many years with parent companies incorporated in both the Netherlands and the United Kingdom to deliver long-term growth for all its shareholders.

Having considered all of these factors, the Boards consider unification under the Company as the best practical option to achieve Unilever's objectives of creating a simpler company, with greater strategic flexibility, that is better positioned for future success in light of a business environment in which having as much flexibility and responsiveness as possible will be critically important.

The Boards believe that achieving Unification under the Company through the Cross-Border Merger is the most efficient of the options available. Alternative routes to achieve Unification under the Company are possible, for example through a Dutch tender offer, although this would be a lengthier and more complex transaction.

#### **3.2 Impacts of Unification**

The Boards recognise that there are things of particular importance to our Shareholders:

- Unification will introduce a single holding company, Unilever PLC, which will continue to be incorporated in the UK and will remain UK tax resident;
- The Company will continue to have a premium listing on the London Stock Exchange, allowing PLC Shareholders to continue trading and receiving dividend payments in pounds sterling;
- The Company will apply for an additional admission to trading and listing of the PLC Shares on Euronext in Amsterdam, allowing former NV Shareholders to trade and receive dividend payments on their New PLC Shares in Euros;

- PLC ADSs will continue to be listed on the NYSE and receive dividends paid in U.S. dollars;
- The Boards expect that PLC Shares will continue to be included in the FTSE 100 index;
- Following their admission to trading and listing on Euronext in Amsterdam, the Boards expect that PLC Shares will, in addition to inclusion in the FTSE 100 index, be included in the AEX-Index and to continue to be included in the STOXX Europe 600 index and other relevant pan-European indices;
- The Unilever Group will continue to report its earnings and declare dividends in Euros, with dividends paid in Euros, pounds sterling or U.S dollars—there will be no change to its policy of seeking to pay an attractive, growing and sustainable dividend;
- Financial results for the Unilever Group will continue to be presented in euros, with supplemental financial information presented in euros and U.S. dollars;
- The exchange of NV Shares or NV NYRSs for New PLC Shares or New PLC ADSs is not expected to be a taxable event for shareholders resident in the Netherlands, UK or U.S. (although for some categories of NV Shareholders and NV NYRS Holders, there may be some differences in the ongoing tax consequences of holding interests in New PLC Shares or New PLC ADSs rather than NV Shares or NV NYRSs, depending on the shareholder's own tax position and the way in which the shares are held);
- No Dutch dividend withholding tax will be required to be deducted from dividends paid by the Company; and
- The Company will continue to be subject to the UK Takeover Code, the FCA Listing Rules for premium listed companies and following Unification will also be subject to the Dutch Listing Rules.

Following the move to a single parent legal structure, Unilever's strong presence in both the Netherlands and the United Kingdom will remain unchanged. There will be no change to the operations, locations, activities or staffing levels in either the United Kingdom or the Netherlands as a result of Unification.

There will also be no changes to the manufacture and supply of Unilever products in the Netherlands or the United Kingdom as a result of Unification. Unilever is very proud of its Anglo-Dutch heritage and has significantly strengthened its presence in the Netherlands in recent years. Unilever has engaged with the Dutch government ahead of the announcement of Unification and confirmed that its commitment to the Netherlands will not change as a result of Unification. For example, the headquarters of Unilever's Foods & Refreshment Division, which was created in 2018, and is around 40 per cent. of Unilever by turnover, will continue to be based in Rotterdam, along with the €85 million Research & Development centre in Wageningen, which opened in 2019. The Dutch government has welcomed Unilever's engagement and Unilever has agreed that this will continue.

Agri-foods is an important sector in the Netherlands. With the flexibility that Unification provides, the Dutch government has also asked for reassurance that if Unilever should ever choose to list the Foods & Refreshment Division as an independent company, it would be incorporated and listed in the Netherlands. The Netherlands is an attractive headquarter location for business and, provided it continues to be such, Unilever is comfortable to make these commitments given the Division's already strong Dutch presence.

There will be no significant changes to Unilever's footprint in the United Kingdom as a result of Unification, in either jobs or investment. The Home Care and Beauty & Personal Care Divisions will continue to be headquartered in the United Kingdom, as they are currently.

The following will not change as a result of the Unification:

- Unilever's multi-stakeholder approach and its vision of a purpose-led, future-fit business model driving superior performance;
- Unilever's business locations. The headquarters of its Foods & Refreshment Division will continue to be based in Rotterdam, alongside the new €85 million R&D centre in Wageningen, whilst the headquarters of its Beauty & Personal Care and Home Care Divisions will continue to be based in London;
- Unilever's investment in the Netherlands and the UK;
- Unilever's employment of around 2,500 people in the Netherlands and 6,000 people in the UK;
- The existing arrangements for the supervisory board of Unilever's Dutch subsidiary operations;
- The manufacture and supply of Unilever products in the Netherlands and the UK; and
- Future Unilever European bond issuances having their primary listing in Amsterdam.

Furthermore, reflecting Unilever’s ongoing commitment to the Netherlands:

- Unilever will further consolidate its procurement function in Europe by moving certain roles to its European supply chain HQ in Rotterdam; and
- Unilever has agreed to explore opportunities with the Dutch government to encourage R&D and innovation in plant-based foods, sustainability, food systems resilience and nutrition.

#### **4 Summary of the Unification proposals**

If Unification becomes effective, the Company will become the single parent company of the Unilever Group, with existing PLC Shareholders, PLC ADS Holders, NV Shareholders and NV NYRS Holders owning shares (or interests representing shares) in the Company.

The shares in the capital of the Company (including New PLC Shares represented by New PLC ADSs) that NV Ordinary Shareholders and NV NYRS Holders will be entitled to receive, being the New PLC Shares, would represent an economic interest in the Unilever Group equivalent to their economic interest in NV immediately prior to the implementation of Unification. This reflects the 1:1 equalisation ratio set out in the Equalisation Agreement.

Subject to satisfaction or waiver of the Unification Conditions, Unification will be implemented through the Cross-Border Merger, as a result of which on the CBM Effective Date: (i) the Company will acquire all of the assets, liabilities and legal relationships of NV by universal succession of title; (ii) NV will be dissolved without going into liquidation and cease to exist; and (iii) the Company will issue and allot shares in its capital to former NV Ordinary Shareholders and NV NYRS Holders (and procure the issue of PLC ADSs representing PLC Shares) in accordance with the CBM Exchange Ratio.

As part of the preparations for Unification, the Unilever Group will implement an internal reorganisation of certain assets and liabilities prior to the CBM Effective Date. This reorganisation will include: (i) a Dutch statutory demerger of NV’s listed bonds and related intra-group receivables; (ii) a Dutch statutory demerger of all intellectual property and trademarks and certain related assets and liabilities held by NV as described below (the “**Dutch IP Demerger**”); (iii) a contribution of certain or all of NV’s directly held subsidiaries and other assets and liabilities of NV; and (iv) a Dutch statutory demerger of certain pensions liabilities, all of which will result in such assets, liabilities and subsidiaries being held by wholly-owned subsidiaries of NV incorporated in the Netherlands. Following the implementation of Unification, all of the shares in these subsidiaries will be directly or indirectly owned by the Company.

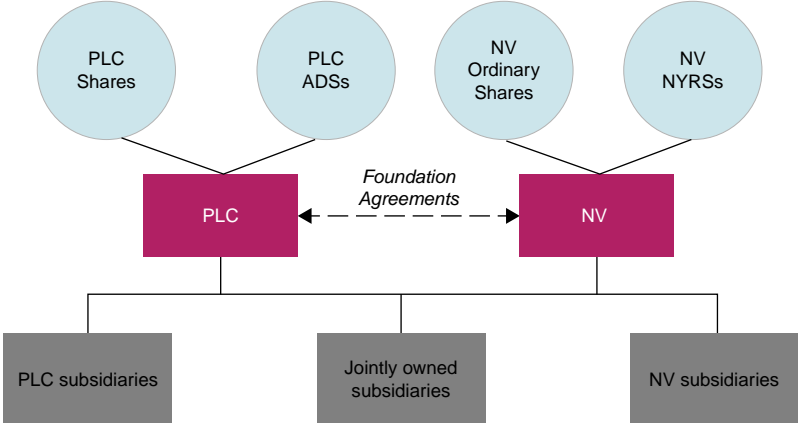
Unification will require new intra-group arrangements to be put in place in respect of intellectual property among Unilever Group companies in respect of the intellectual property rights jointly owned by the Company and NV as these are currently provided for in the Foundation Agreements, which will come to an end upon implementation of Unification (as NV will cease to exist). As part of the preparations for Unification, intellectual property rights held by the Company will be transferred to a wholly-owned subsidiary of the Company incorporated in the UK and NV will implement the Dutch IP Demerger under which intellectual property rights held by NV will be demerged to a wholly-owned subsidiary of NV, which will be incorporated in the Netherlands upon the demerger (“**NL IP Sub**”). New intra-group licensing and related arrangements will then be put in place.

As part of the new arrangements, Unilever also intends to carry out a further reorganisation involving certain Foods and Refreshment related intellectual property, owned by Unilever Group companies in the UK, being swapped with certain non-Foods and Refreshment intellectual property, which will be owned by NL IP Sub following the Dutch IP Demerger. If implemented as intended, the reorganisation is expected to be tax-neutral, and is subject to reaching satisfactory agreements with the Dutch and UK tax authorities, including in relation to the ongoing UK tax audit.

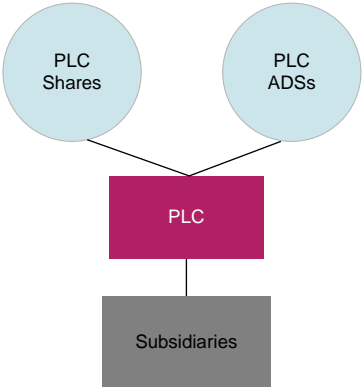
The full version of the demerger proposal of NV (including any annexes thereto) is available on Unilever’s website at [www.unilever.com/unification/documents](http://www.unilever.com/unification/documents).

The following diagrams illustrate in simplified terms: (i) the existing dual-parent structure of the Unilever Group immediately prior to Unification; and (ii) the expected structure of the Unilever Group following the implementation of Unification.

**Simplified Pre-Unification Structure**



**Simplified Post-Unification Structure**



If Unification is implemented, based on the number of NV Shares, NV NYRSs and PLC Shares in issue at the Latest Practicable Date and subject to any rights exercised under the Withdrawal Mechanism, NV Ordinary Shareholders and NV NYRS Holders will receive a total of 1,460,714,804 New PLC Shares (including New PLC Shares represented by New PLC ADSs), which are expected to represent 55.56 per cent. of the total number of PLC Shares (including PLC Shares represented by PLC ADSs) outstanding following Unification and the existing PLC Shareholders and PLC ADS Holders are expected to hold shares representing 44.44 per cent. of the total number of PLC Shares (including PLC Shares represented by PLC ADSs). This means that, based on the number of NV Shares, NV NYRSs and PLC Shares in issue at the Latest Practicable Date and subject to any rights exercised under the Withdrawal Mechanism, the Company will have a total of 2,629,245,454 PLC Shares in issue upon implementation of Unification (including PLC Shares that will be represented by PLC ADSs), each of which will have been fully paid.

For those NV Shareholders and NV NYRS Holders who vote against Unification at the NV EGM and who do not wish to hold PLC Shares or PLC ADSs, a Withdrawal Mechanism will be provided pursuant to which such NV Shareholders and NV NYRS Holders may elect not to become shareholders of the Company. Paragraph 10.1.5 of this Part VI contains a summary of the withdrawal right of dissenting NV Shareholders and NV NYRS Holders.

Following Unification, and subject to the CBM Exchange Ratio:

- PLC Shares and PLC ADSs that are in issue immediately prior to the CBM Effective Date will remain in issue immediately following the CBM Effective Date. Current PLC Shareholders will continue to trade their PLC Shares on the LSE in pounds sterling and receive dividend payments in pounds sterling. Current PLC ADS Holders will continue to trade their PLC ADSs on the NYSE and receive dividend payments in U.S. dollars.
- NV Ordinary Shareholders whose NV Shares are included in the giro deposit held by Euroclear Nederland will by default receive New PLC Shares and will be able to trade their New PLC Shares on Euronext in



Amsterdam. These New PLC Shares will be traded and priced in Euros on Euronext in Amsterdam and holders will receive dividend payments in Euros.

- Indirect NV NYRS Holders will by default receive New PLC ADSs and will be able to trade their New PLC ADSs on the NYSE, where PLC ADSs are quoted and traded in U.S. dollars.
- Registered NV NYRS Holders that elect to deposit their New PLC Shares into the PLC ADS facility in exchange for New PLC ADSs will receive New PLC ADSs and will be able to trade their New PLC ADSs on the NYSE, where PLC ADSs are quoted and traded in U.S. dollars. All PLC ADS Holders (including the holders of New PLC ADSs issued in connection with Unification) will receive payments in respect of dividends in U.S. dollars and will not be able to elect to receive payments in any other currency.
- NV Shareholders whose NV Shares are registered in NV's shareholders' register and current Registered NV NYRS Holders that take no action and do not elect to deposit their New PLC Shares into the PLC ADS facility in exchange for New PLC ADSs will receive New PLC Shares in certificated form and will receive dividend payments in pounds sterling. Such NV Shareholders and Registered NV NYRS Holders should be aware of the UK tax consequences of transferring their New PLC Shares to a clearance service or issuer of depositary receipts, as set out in paragraph 1.4 of Part XI (Taxation), and of the bank handling fees that will be due in respect of such transfer. Any NV Shareholders that are registered in NV's shareholders' register but do not wish to receive New PLC Shares in certificated form are encouraged to take action to deposit their shares in the giro deposit held by Euroclear Nederland prior to the CBM Effective Date.

Upon implementation of Unification, the NV Ordinary Shares will be delisted from Euronext in Amsterdam and the NV NYRSs will be delisted from the NYSE.

After Unification, the PLC Shares will continue to be admitted to the premium listing segment of the UK Official List and to trading on the LSE's Main Market. The Company intends to apply for an additional admission to trading and listing of the PLC Shares on Euronext in Amsterdam.

As the parties to the Foundation Agreements are the Company and NV, and Unification will result in the Unilever Group being unified under the Company with NV ceasing to exist, the Foundation Agreements will have no further effect and will come to an end on implementation of Unification.

## **5 Corporate Governance**

Over the past 15 years, the Unilever Group has taken major steps to be at the forefront of good corporate governance.

Following a public offer and a subsequent squeeze out procedure in 2018, all of the preference shares of NV were cancelled in 2019. Furthermore, with the agreement of the NV Trust Office board and a meeting of depositary receipt holders, the NV depositary receipt structure has been terminated (save for a limited number of depositary receipts which remain outstanding in respect of which the bearer certificates have not been handed in). Completion of the process to dissolve the NV Trust Office will take place in 2021 (but not before 27 June 2021). Based on the number of NV Shares held by the NV Trust Office and the number of PLC Shares, NV Shares and NV NYRSs in issue at the Latest Practicable Date (and subject to any rights exercised under the Withdrawal Mechanism and excluding NV Shares and NV NYRSs held in treasury), the NV Trust Office is expected to hold PLC Shares representing approximately 0.01 per cent. of the voting rights in the Company immediately following Unification.

### **5.1 A single shareholder constituency**

With the move to a single parent company, Unification will deliver one market capitalisation, one class of shares and one global pool of liquidity. Shareholders will share exactly the same legal, ownership, dividend, governance and capital distribution rights in a single parent company.

### **5.2 Continuing with existing corporate governance features**

The Unilever Group will continue to apply its existing corporate governance principles following Unification, including:

- applying the UK Corporate Governance Code;
- applying the Governance of Unilever, subject to amendments to reflect the new single-parent company structure;

- applying Dutch, U.S. and UK Listing Rules (including the UK rules for premium listed companies providing related party and material transaction safeguards);
- a unitary board structure with a diverse range of experience;
- a separate Chairman and Chief Executive Officer;
- every director on the Board of the Company being subject to re-election every year;
- limiting the disapplication of pre-emption rights to 5 per cent. for general corporate purposes and an additional 5 per cent. in connection with an acquisition or specified capital investment;
- applying advisory votes on the Directors' Remuneration Report every year and binding votes on the Directors' Remuneration Policy at least every three years; and
- as has long been Unilever's practice, not directing the unexercised votes of PLC ADSs.

## **6 Management of the Unilever Group**

At present, the Company and NV are managed on a unified basis. The boards of directors of the Company and NV are identical in their composition, being those individuals and positions set out in paragraph 1 of Part VIII (PLC Directors, PLC Senior Management and Corporate Governance) of this Prospectus. The Boards currently comprise the chairman, two Executive Directors and nine independent Non-Executive Directors, who bring a wide range of skills and experience to the Boards.

Unification will not result in any changes to the composition of the PLC Directors. After implementation of Unification, the Company will also continue to hold annual elections of all PLC Directors, approved by a simple majority of those voting at the relevant meeting.

## **7 Dividends and dividend policy**

### **7.1 Dividend policy**

There will be no change to the Unilever Group's policy of seeking to pay an attractive, growing and sustainable dividend as a result of Unification.

Following implementation of Unification, the Company intends to continue to announce and make dividends on the same quarterly basis as it currently does.

### **7.2 Interim dividends**

The Company and NV have announced and paid dividends on their respective shares in respect of the first and second quarters of 2020. In a change to the previously-published dates for the announcement and payment of dividends in 2020, the Company and NV now plan to announce the dividend on their respective shares in respect of the third quarter of 2020 on 22 October 2020 and to pay this on 20 November 2020. The PLC Directors will take the basis for and amounts of these dividends into account when determining the dividend in respect of the fourth quarter of 2020, which is expected to be announced and paid to all holders of PLC Shares and PLC ADSs (including New PLC Shares and New PLC ADSs) in accordance with the Unilever Group's usual timetable.

### **7.3 Currency of dividends**

Following Unification, the Company will continue to report its earnings and announce dividends in Euros (or such other currency as determined by the PLC Directors).

Following Unification:

- PLC Shares traded on Euronext in Amsterdam will be traded and priced in Euros. Holders of PLC Shares traded on Euronext in Amsterdam will receive dividends in Euros;
- PLC ADSs traded on the NYSE will be quoted and traded in U.S. dollars. PLC ADS Holders (including the holders of New PLC ADSs issued in connection with Unification) will receive payments in respect of dividends in U.S. dollars and will not be able to elect to receive payments in any other currency; and
- PLC Shareholders whose PLC Shares are traded on the LSE's Main Market or held in certificated form will continue to receive dividends in pounds sterling.

A description of UK, Dutch and U.S federal tax consequences of the payment and receipt of dividends, is contained in Part XI: “Taxation” of this Prospectus.

#### **7.4 Dividend per PLC Share**

For details on the amounts of dividends per PLC Share announced in respect of the financial years ended 31 December 2019, 2018 and 2017, please refer to paragraph 11 of Part XII (Additional Information).

### **8 Index inclusion**

Following publication of this Prospectus, the main providers of indices are expected to make announcements regarding the eligibility of the PLC Shares for inclusion in the different indices following Unification.

The Company expects that, after Unification, the PLC Shares will continue to be included in the FTSE 100 index.

Following their admission to trading and listing on Euronext in Amsterdam, the Company expects that the PLC Shares will, in addition to inclusion in the FTSE 100 index, be included in the AEX-Index and to continue to be included in the STOXX Europe 600 index and other relevant pan-European indices.

### **9 The Unification Agreement and Unification Conditions**

The Company and NV entered into the Unification Agreement on 10 August 2020. The Unification Agreement sets out certain mutual commitments in relation to Unification. Under the terms of the Unification Agreement, the Company and NV have agreed to co-operate and use their reasonable endeavours to implement Unification. For a summary of the Unification Agreement, see paragraph 13.1 of Part XII (Additional Information).

#### **9.1 Conditions and clearances**

The implementation of Unification is conditional on the satisfaction or waiver by the Company and NV of the following conditions:

- (a) the resolution to approve Unification having been adopted by the requisite majority at the NV EGM;
- (b) the approval of the resolution to adopt the Amended NV Articles at the NV EGM;
- (c) the approval of the resolution to effect the Cross-Border Merger by the meeting of holders of NV Shares and NV NYRSs and the meeting of holders of NV Special Shares required pursuant to Dutch law;
- (d) the approval of the Cross-Border Merger by the requisite majority of PLC Shareholders at the PLC Court Meeting and the passing of the PLC Special Resolution by the requisite majority of PLC Shareholders at the PLC General Meeting;
- (e) a Dutch notary selected by NV and the Company issuing the pre-merger compliance certificate and delivering it to NV and the Company, such certificate being the pre-merger scrutiny certificate pursuant to the Dutch Civil Code;
- (f) the UK High Court certifying that the Company has completed the pre-merger requirements under the UK Cross-Border Mergers Regulations;
- (g) the UK High Court approving the completion of the Cross-Border Merger;
- (h) this Prospectus having been approved by the FCA as having been drawn up in accordance with the relevant provisions of the Prospectus Regulation and duly passported to the Netherlands in respect of the admission to trading and listing of the PLC Shares (including the New PLC Shares) on Euronext in Amsterdam;
- (i) the FCA having acknowledged (and such acknowledgement not having been withdrawn) that the application for admission of the New PLC Shares to listing on the premium segment of the Official List has been approved and (after satisfaction of any conditions to which such approval is expressed to be subject) will become effective;
- (j) the LSE having acknowledged (and such acknowledgement not having been withdrawn) that the New PLC Shares will be admitted to trading on the LSE’s Main Market for listed securities;
- (k) Euronext Amsterdam having approved (and such approval having not been withdrawn) admission of the PLC Shares to trading on Euronext in Amsterdam;

- (l) the New PLC Shares having been accepted for book-entry transfers by Euroclear Nederland on or prior to the admission of the PLC Shares to trading on Euronext in Amsterdam;
- (m) the Form F-6 having become effective under the U.S Securities Act and, immediately prior to the CBM Effective Date, not being the subject of any stop order or proceeding seeking a stop order;
- (n) the New PLC ADSs having been authorised for listing and trading on the NYSE, upon official notice of allotment;
- (o) each of the Clearances having been received (and not revoked) on terms satisfactory to the Company and NV; and
- (p) no law or order prohibiting, or pending lawsuit seeking to prohibit, the Cross-Border Merger having been issued or filed by any competent U.S., European Union, Netherlands, or UK governmental authority.

Unification is also conditional on there being no other fact, matter or circumstances which NV and the Company consider may, or may be reasonably likely to, prevent, delay, hinder or otherwise adversely affect Unification under the Company or the willingness of NV and the Company to pursue Unification as contemplated including where, in the Boards' view, proceeding with Unification would not be in the best interests of Unilever, its shareholders and other Stakeholders as a whole.

If any of the conditions to Unification are not satisfied or waived in accordance with their terms, the Company and NV will make such announcements as necessary in accordance with their respective regulatory obligations.

In the event that, for any reason, Unification is not completed, the existing dual-parent structure will remain in place.

## **9.2 Other commitments**

Under the Unification Agreement, among other things:

- (a) NV will cause the NV EGM to be convened on due notice and the Company will cause the PLC Meetings to be convened on due notice;
- (b) NV and the Company will take all steps necessary to implement the Cross-Border Merger and take all steps reasonably required to be taken in respect of the issue of New PLC Shares (including the New PLC Shares represented by New PLC ADSs) pursuant to the Cross-Border Merger (subject to any provisions of the Common Draft Terms of Merger relating to NV Overseas Shareholders);
- (c) the Company will take all steps reasonably required to be taken in respect of the applications for Admission;
- (d) the Company will prepare and submit to the NYSE a supplemental listing application covering the New PLC ADSs being issued and allotted on Unification to the NYSE in order for such New PLC ADSs to be approved for listing, subject to notice of issuance or allotment and for trading on the NYSE at or prior to the CBM Effective Date;
- (e) the Company will carry out a repurchase of the PLC Deferred Shares (as described in paragraph 10.2.3 of this Part VI);
- (f) NV will carry out a repurchase of all NV Special Shares (as described in paragraph 10.2.2 of this Part VI);
- (g) NV has undertaken to resolve to procure that the Company will settle the Cash Compensation for the NV Exit Shares and the Company has undertaken to do so; and
- (h) upon implementation of Unification, the PLC Directors will comprise the same members as the Boards immediately prior to Unification and the governance of the Company will be as set out in the Amended PLC Articles.

## **10 The Cross-Border Merger**

### **10.1 Description of the Cross-Border Merger**

#### **10.1.1 Process**

Unification will be implemented by means of a cross-border merger which will be carried out as a “merger by absorption” in accordance with the Dutch Civil Code (for Dutch law purposes) and

the UK Cross-Border Mergers Regulations (for English law purposes). There are several principal steps to effect the Cross-Border Merger:

- (a) NV Shareholders will meet and vote at the NV EGM.
- (b) PLC Shareholders will meet and vote at the PLC Meetings.
- (c) A Dutch notary selected by NV and the Company will certify that the pre-merger steps required under the Dutch Civil Code have been completed as regards NV and the UK High Court will hold a hearing to certify that pre-merger steps under the UK Cross-Border Mergers Regulations have been completed by the Company.
- (d) The UK High Court will hold a final approval hearing, which is currently expected to be held on 30 October 2020 at the Business and Property Courts, The Rolls Building, Fetter Lane, London EC4A 1NL, following a joint application by both PLC and NV. The time of the hearing will be set out the day before the hearing on HM Courts & Tribunal Service's website, and the shareholders of both companies have the opportunity to attend and to be heard at this hearing.
- (e) If all of the closing conditions are satisfied or waived, the Cross-Border Merger will be effected, which is currently expected to be on 22 November 2020.

Implementation of the Cross-Border Merger must take place before the end of the transition period for the UK's withdrawal from the European Union, which is currently scheduled to end on 31 December 2020. If the Cross-Border Merger is not implemented prior to the end of such transition period, and the UK Cross-Border Mergers Regulations are repealed as anticipated, Unification would not proceed through such route.

#### **10.1.2 Effect of the Cross-Border Merger**

The Cross-Border Merger will result in:

- (a) the Company acquiring all the assets, liabilities and legal relationships of NV by universal succession of title;
- (b) NV being dissolved without going into liquidation and ceasing to exist; and
- (c) the Company issuing and allotting: (i) New PLC Shares to the NV Ordinary Shareholders and those Registered NV NYRS Holders who have not elected to receive New PLC Shares represented by New PLC ADSs; and (ii) New PLC Shares (represented by New PLC ADSs) to Indirect NV NYRS Holders and those Registered NV NYRS Holders who have elected to receive New PLC Shares represented by New PLC ADSs, at the CBM Exchange Ratio,

in each case in accordance with the Common Draft Terms of Merger.

#### **10.1.3 Common Draft Terms of Merger, Directors' Reports and Independent Experts' Reports**

##### *Common Draft Terms of Merger*

The PLC Directors and the NV Directors have prepared and adopted the Common Draft Terms of Merger which set out the terms and conditions of the Cross-Border Merger in accordance with the UK Cross-Border Mergers Regulations (for English law purposes) and the Dutch Civil Code (for Dutch law purposes). The Common Draft Terms of Merger will be filed with the Registrar of Companies not less than two months before the date of the PLC Court Meeting.

The Common Draft Terms of Merger will be communicated to the public in the UK through a notice by the Registrar of Companies in the London Gazette published at least one month before the date of the PLC Court Meeting. For Dutch law purposes, the Common Draft Terms of Merger are to be filed with the Dutch Trade Register and communicated to the public in the Netherlands through a notice in a nationally distributed newspaper and a notice in the Dutch State Gazette (*Staatscourant*).

The Common Draft Terms of Merger will be available at the Company's head office at Unilever House, 100 Victoria Embankment, London EC4Y 0DY, United Kingdom, at the Company's registered office at Port Sunlight, Wirral, Merseyside CH62 4ZD, United Kingdom and at NV's

registered office at Weena 455, 3013 AL Rotterdam, the Netherlands, from the date of this document up to and including the CBM Effective Date.

#### *Directors' Reports*

The PLC Directors and the NV Directors have adopted their respective Directors' Reports prepared in accordance with the UK Cross-Border Mergers Regulations and the Dutch Civil Code, respectively. The PLC Directors' Report explains the legal and economic grounds for the Cross-Border Merger and its effect for PLC Shareholders, employees of the Company and the PLC Directors and their interests. The NV Directors' Report explains the reasons for the Cross-Border Merger and the CBM Exchange Ratio, the anticipated effect on operations and commentary from a legal, economic and social point of view.

#### *Independent Experts' Reports*

The independent expert appointed by the PLC Directors and the independent expert appointed by the NV Directors have prepared their respective reports on the Cross-Border Merger as required under the UK Cross-Border Mergers Regulations and the Dutch Civil Code respectively. Both Independent Experts' Reports include a statement of the reasonableness of the CBM Exchange Ratio, and in relation to the NV Independent Expert's Report prepared in accordance with the Dutch Civil Code: (i) assesses the amount of shareholders' equity of NV as being at least equal to the nominal paid-up amount of the aggregate number of New PLC Shares (including New PLC Shares represented by New PLC ADSs) to be issued to NV Shareholders and NV NYRS Holders pursuant to the Cross-Border Merger increased with the cash payments to which they are entitled according to the proposed exchange ratio plus the amount of the Cash Compensation; and (ii) confirms that the statements in the NV Directors' Report meet the relevant requirements under the Dutch Civil Code.

#### **10.1.4 Conditions to the Cross-Border Merger**

The Cross-Border Merger is conditional upon the Unification Conditions having been satisfied or waived. Further details of the Unification Conditions are set out in paragraph 9.1 of this Part VI.

Under the Unification Agreement, the Company and NV have undertaken to procure that all steps reasonably required to be taken in relation to the Cross-Border Merger will be taken.

#### **10.1.5 Withdrawal Mechanism**

The Dutch Civil Code entitles NV Shareholders and NV NYRS Holders to exercise a statutory withdrawal right if they do not wish to participate in a cross-border merger and wish to receive cash compensation instead.

If Unification is approved by NV Shareholders and NV NYRS Holders at the NV EGM, such a withdrawal mechanism will be provided for those NV Shareholders and NV NYRS Holders who vote against Unification at the NV EGM and who do not wish to hold PLC Shares or PLC ADSs (as applicable) (the "**Withdrawal Mechanism**"). Such NV Shareholders and NV NYRS Holders (each a "**Withdrawing Shareholder**") may file a request for compensation with NV (the "**Withdrawal Application**") in accordance with the Dutch Civil Code within a period of one month beginning on the day after the NV EGM (the "**Withdrawal Period**").

This right is only exercisable by NV Shareholders or NV NYRS Holders who: (i) voted against the Cross-Border Merger at or prior to the NV EGM (in person or by proxy); and (ii) also file a request for compensation under the Withdrawal Mechanism through completing a Withdrawal Application Form (as defined below) in the Withdrawal Period.

The final version of the withdrawal application form (the "**Withdrawal Application Form**") will be posted on the Unilever Group website at [www.unilever.com/unification/documents](http://www.unilever.com/unification/documents) after the NV EGM.

An NV Shareholder or NV NYRS Holder who has: (i) voted in favour of the proposal to effect the Cross-Border Merger at or prior to the NV EGM (in person or by proxy); (ii) abstained from voting; (iii) was not present or represented at the NV EGM in person, by proxy or by permitted electronic means; or (iv) does not complete a Withdrawal Application Form within the Withdrawal Period, does not have any rights under the Withdrawal Mechanism.

A Withdrawing Shareholder can make use of the Withdrawal Mechanism only in respect of the NV Shares or NV NYRSs (as applicable) that such Withdrawing Shareholder: (i) held at the NV EGM Record Date and in respect of which such Withdrawing Shareholder voted against the Cross-Border Merger; and (ii) still holds at the time the Withdrawal Application Form is submitted.

**NV Shareholders and NV NYRS Holders should note that: (i) once the Withdrawal Period has ended, any Withdrawal Application will be irrevocable; (ii) following the submission of a Withdrawal Application Form, the Withdrawing Shareholders will not be permitted to transfer or dispose of in any manner the NV Shares or NV NYRSs (as applicable) for which they have exercised their rights under the Withdrawal Mechanism (the “NV Exit Shares”); and (iii) any NV NYRS Holder making use of the Withdrawal Mechanism must first convert its NV NYRSs into NV Shares in NV’s shareholders’ register before the Withdrawal Application Form can be submitted.**

#### ***NV Shareholders***

If an NV Shareholder wishes to exercise its rights under the Withdrawal Mechanism and holds its NV Shares in an account with an intermediary, the legal title to those NV Shares must be delivered from the collective depot and/or giro depot as referred to in the Giro Act to the Withdrawing Shareholder in accordance with the Withdrawal Application Form for the Withdrawal Mechanism to be available, resulting in a registration in NV’s shareholders’ register of the NV Shareholder as a holder of the NV Exit Shares.

If an NV Shareholder holds its NV Shares in an account with an intermediary at the NV EGM Record Date and voted such NV Shares at the NV EGM either: (i) in person; (ii) through a proxy registered in accordance with the registration procedure for the NV EGM; (iii) through a proxy granted to an independent third party; or (iv) through another proxy holder, as set out in the agenda for the NV EGM, such NV Shareholder does not have to provide additional evidence that it voted those NV Shares against the Cross-Border Merger at the NV EGM. NV’s voting records constitute conclusive evidence as to how those NV Shares were voted. If the NV Shares were voted through any other means (for example, by means of e-voting or through any proxy voting provider or otherwise), the NV Shareholder will need to provide written evidence to the satisfaction of NV (in NV’s sole discretion acting reasonably) that it voted those NV Shares against the Cross-Border Merger at the NV EGM. If no such evidence can be provided, such Withdrawing Shareholder will not be able to make use of the Withdrawal Mechanism in respect of such NV Shares.

If an NV Shareholder wishes to exercise its rights under the Withdrawal Mechanism and holds its NV Shares directly on NV’s shareholders’ register, for so long as those NV Shares are held directly on NV’s shareholders’ register, they cannot be traded on any trading venue or transferred to any other person.

No additional evidence will be required that NV Shares held by such a NV Shareholder were voted in its name against the Cross-Border Merger at the NV EGM. The voting records of IQ EQ constitute conclusive evidence as to how such registered NV Shares are voted.

#### ***Registered NV NYRS Holders***

If a Registered NV NYRS Holder wishes to exercise its rights under the Withdrawal Mechanism, it must procure that its NV NYRSs are converted into NV Shares, resulting in a registration in NV’s shareholders’ register of the Registered NV NYRS Holder as a holder of NV Shares. Such conversion from NV NYRSs into NV Shares must be completed before a Withdrawal Application Form can be submitted and before the end of the Withdrawal Period and, for so long as such NV Shares are held directly on NV’s shareholders’ register, they cannot be traded on any trading venue or transferred to any other person.

Registered NV NYRS Holders should note that they may have to bear fees for the conversion of such NV NYRSs into NV Shares. Further information on how to convert NV NYRSs into NV Shares can be obtained from the NV NYRS Agent.

A Registered NV NYRS Holder who wishes to exercise its rights under the Withdrawal Mechanism may convert its NV NYRSs into NV Shares after the NV EGM Record Date (and

after the NV EGM). No additional evidence will be required that NV NYRSs held by a Registered NV NYRS Holder on or prior to the NV EGM Record Date were voted in its name against the Cross-Border Merger at the NV EGM. The NV NYRS Agent's voting records constitute conclusive evidence as to how such NV NYRSs are voted.

#### ***Indirect NV NYRS Holders***

If an Indirect NV NYRS Holder wishes to exercise its rights under the Withdrawal Mechanism, it must procure that its NV NYRSs are converted into NV Shares, resulting in a registration in NV's shareholders' register of the Registered NV NYRS Holder as a holder of NV Shares. Such conversion must be completed before a Withdrawal Application Form can be submitted and before the end of the Withdrawal Period, and for so long as those NV NYRSs are held in registered book-entry form on the books of the NV NYRS Agent and those NV Shares are held directly on NV's shareholders' register, they cannot be traded on any trading venue or transferred to any other person.

Indirect NV NYRS Holders should note that they may have to bear fees for the withdrawal of NV NYRSs from the settlement and clearing systems of DTC and on the conversion of such NV NYRSs into NV Shares. Further information on how to convert NV NYRSs into NV Shares can be obtained from the NV NYRS Agent.

An Indirect NV NYRS Holder who wishes to exercise its rights under the Withdrawal Mechanism may withdraw its NV NYRSs from the settlement and clearing systems of DTC and convert such NV NYRSs into NV Shares after the NV EGM Record Date (and after the NV EGM).

If the NV NYRSs held by a Withdrawing Shareholder are withdrawn from the settlement and clearing systems of DTC prior to the NV EGM Record Date (such that when such Withdrawing Shareholder gives its voting instruction for the NV EGM in respect of such NV NYRSs on or prior to the NV EGM Record Date it is a Registered NV NYRS Holder), no additional evidence will be required that such NV NYRSs were voted in the name of such Withdrawing Shareholder against the Cross-Border Merger at the NV EGM. The NV NYRS Agent's voting records (or the voting records maintained on its behalf) constitute conclusive evidence as to how such NV NYRSs are voted.

If the NV NYRSs held by a Withdrawing Shareholder are not withdrawn from the settlement and clearing systems of DTC prior to the NV EGM Record Date (such that when such Withdrawing Shareholder gives its voting instruction for the NV EGM in respect of such NV NYRSs it is an Indirect NV NYRS Holder), such Withdrawing Shareholder will be required to produce written evidence satisfactory to NV (in NV's sole discretion acting reasonably) that such NV NYRSs were voted in its name against the Cross-Border Merger at the NV EGM. If no such evidence can be provided, such Withdrawing Shareholder will not be able to make use of the Withdrawal Mechanism in respect of such NV NYRSs.

#### ***Amendment of the NV Articles***

In anticipation of Unification, the NV Directors intend to propose an amendment of the NV Articles to include: (i) a formula under which the amount of compensation payable to Withdrawing Shareholders who elect to exercise their rights under the Withdrawal Mechanism can be established objectively; and (ii) provisions under which the NV Directors may decide with the written consent of the holder of such share to convert each NV Exit Share into an NV Ordinary B Share carrying the same rights as an NV Share. It is expected that the NV Directors will decide to effect such conversion immediately prior to the CBM Effective Date in order to facilitate the implementation of the Withdrawal Mechanism. Upon the CBM Effective Date, the NV Ordinary B Shares will cease to exist as a consequence of Unification and the Cash Compensation will, thereafter, be paid to such Withdrawing Shareholders as described below.

#### **10.1.6 Cash Compensation under the Withdrawal Mechanism**

Upon implementation of Unification, a Withdrawing Shareholder will not receive New PLC Shares or New PLC ADSs. Instead, the Withdrawing Shareholder will be entitled to receive Cash Compensation in respect of its NV Exit Shares.



The Cash Compensation per NV Exit Share to be received by a Withdrawing Shareholder will be determined in accordance with a formula proposed to be included in the Amended NV Articles. No Cash Compensation will be paid if the Cross-Border Merger does not take place.

The amount of the Cash Compensation per NV Exit Share will depend on the total aggregate number of NV Shares or NV NYRSs (as applicable) in respect of which NV Shareholders and NV NYRS Holders submit Withdrawal Applications. NV has resolved to procure that the Company will settle the Cash Compensation for the NV Exit Shares and, in accordance with the Unification Agreement, the Company will do so. The amount of the Cash Compensation will be determined on the following basis:

- (a) if the aggregate number of NV Exit Shares represents 1 per cent. or less of the issued and outstanding share capital of NV at 11.59 p.m. (CET) on the last day of the Withdrawal Period, the Cash Compensation to be received for each NV Exit Share will be equal to the volume weighted average price of one PLC Share traded on the London Stock Exchange over the last five trading-days prior to the CBM Effective Date; or
- (b) if the aggregate number of NV Exit Shares represents more than 1 per cent. of the issued and outstanding share capital of NV at 11.59 p.m. (CET) on the last day of the Withdrawal Period, the aggregate Cash Compensation to be received for all NV Exit Shares will be equal to the cash proceeds realised by the Company from an offering of a number of newly issued PLC Shares (the “**Cash Compensation Funding Shares**”), as described below, equal to the aggregate number of NV Exit Shares (the “**Share Offering Formula**”).

After the expiry of the Withdrawal Period, the Boards will jointly determine the number of Withdrawing Shareholders and the aggregate number of NV Exit Shares on the basis of the Withdrawal Applications received.

If the Cash Compensation per NV Exit Share is to be determined in accordance with the Share Offering Formula, the Company will offer and sell the Cash Compensation Funding Shares (the “**Offering**”) during the period between the end of the Withdrawal Period and the CBM Effective Date. The Boards will jointly determine prior to the CBM Effective Date whether such Offering will take place by means of (or any combination of) accelerated book builds, private placements or other alternative sale arrangements. Following the Offering, the Cash Compensation per NV Exit Share will be determined by the Boards by dividing the proceeds of the Offering by the total number of NV Exit Shares. The Company will issue the Cash Compensation Funding Shares to the persons who have agreed to subscribe for them pursuant to the Offering after the CBM Effective Date. Since the number of Cash Compensation Funding Shares issued in any such Offering will be equal to the number of NV Exit Shares, this Offering will not result in any additional dilution of the interests of PLC Shareholders or PLC ADS Holders.

Any Cash Compensation will be paid in Euros by the Company to Withdrawing Shareholders, net of any tax that is required to be withheld by law, no earlier than two but no later than ten Business Days after the CBM Effective Date (calculated on the basis of the closing GBP/EUR exchange rate on the CBM Effective Date as published by Bloomberg).

#### **10.1.7 Issue of the New PLC Shares and New PLC ADSs**

Subject to any rights exercised under the Withdrawal Mechanism, on the CBM Effective Date, the Company will allot and issue the New PLC Shares (including New PLC Shares represented by New PLC ADSs) to NV Shareholders and NV NYRS Holders on the basis of the CBM Exchange Ratio (which is one New PLC Share or New PLC ADS in exchange for each NV Share or NV NYRS). The New PLC Shares may be held in certificated or uncertificated form (as described in paragraph 10.7 of this Part VI) and will be issued to NV Shareholders credited as fully paid and will rank *pari passu* in all respects with the PLC Shares in issue at the time the New PLC Shares are issued pursuant to Unification, including the right to receive and retain dividends and other distributions declared, made or paid by reference to a record date falling on or after the CBM Effective Date.

## **10.2 Other categories of shares**

### **10.2.1 Treasury Shares of NV and PLC Shares held by NV**

Any NV Shares and NV NYRSs held by NV in treasury at the CBM Effective Date will be cancelled as part of the Cross-Border Merger without a corresponding issue of New PLC Shares. This would have the effect of decreasing the total number of New PLC Shares issued on the Cross-Border Merger as compared with the total number of the NV Shares in issue before the Cross-Border Merger. In order for any NV Shares and NV NYRSs held by NV in treasury to be retained for use in satisfying awards under the Unilever Employee Share Plans after the Cross-Border Merger, NV intends to transfer such NV Shares and NV NYRSs to an employee benefit trust prior to the CBM Effective Date.

As at the date of this Prospectus, NV also holds a number of PLC Shares as if these were treasury shares. NV intends to transfer any such PLC Shares that it holds to a subsidiary of NV or to an employee benefit trust prior to the CBM Effective Date.

### **10.2.2 NV Special Shares**

Under the Unification Agreement, NV has undertaken to repurchase all NV Special Shares in issue. Conditional upon approval of the Cross-Border Merger by the UK High Court, prior to the CBM Effective Date:

- (a) 1,200 NV Special Shares will be repurchased from Elma; and
- (b) 1,200 NV Special Shares will be repurchased from United Holdings Limited.

Accordingly, all NV Special Shares will be cancelled by operation of law at the CBM Effective Date.

### **10.2.3 PLC Deferred Shares**

Under the Unification Agreement, the Company has undertaken to repurchase all PLC Deferred Shares in issue. If the PLC Special Resolution is passed at the PLC General Meeting and, conditional on approval of the Cross-Border Merger by the UK High Court, prior to the CBM Effective Date:

- (a) 50,000 PLC Deferred Shares will be repurchased by the Company from Elma and cancelled; and
- (b) 50,000 PLC Deferred Shares will be repurchased by the Company from United Holdings Limited and cancelled.

### **10.2.4 NV Subshares**

See paragraph 10.8 of this Part VI for a description of the treatment of holders of NV Subshares.

## **10.3 Security over NV Shares or NV NYRSs**

NV Shareholders and NV NYRS Holders that have granted a right of security or security interest over their NV Shares or NV NYRSs and related counterparties should note that any such security may not be automatically transferred to the New PLC Shares or New PLC ADSs to be received by those NV Shareholders or NV NYRS Holders under the Cross-Border Merger. As a result, that security could cease to exist from the CBM Effective Date which may give rise to a default or trigger rights of the counterparties to, or recipients of such security, including termination rights where available. If investors or related counterparties are in any doubt about the impact of the Cross-Border Merger on any security or security interest granted over NV Shares or NV NYRSs, investors or related counterparties are recommended to seek their own independent advice immediately.

## **10.4 Listing of the New PLC Shares, the New PLC ADSs and the PLC Shares**

Applications will be made to: (i) the FCA for the New PLC Shares to be admitted to the premium listing segment of the UK Official List; (ii) the LSE for the New PLC Shares to be admitted to trading on the LSE's Main Market for listed securities; (iii) Euronext Amsterdam for the PLC Shares, including the New PLC Shares, to be admitted to listing and trading on Euronext in Amsterdam; and (iv) the NYSE for the New PLC ADSs to be admitted to listing and trading on the NYSE.

It is expected that Admission will become effective and that dealings for normal settlement in the New PLC Shares will commence shortly following the CBM Effective Date.

Under the Unification Agreement, the Company will prepare and submit to the NYSE a supplemental listing application covering the New PLC ADSs being issued and allotted on Unification in order for such New PLC ADSs to be approved for listing, subject to notice of issuance or allotment and for trading on the NYSE at or prior to the CBM Effective Date.

### **10.5 Delisting of NV Shares and NV NYRSs**

Prior to implementation of Unification, NV will inform Euronext Amsterdam that the listing of the NV Shares on Euronext in Amsterdam must be cancelled upon Unification. Any trades in NV Shares on Euronext in Amsterdam made in the two trading days preceding the CBM Effective Date will be settled in and designated as NV Shares. Any trades on Euronext in Amsterdam made in the two trading days following the CBM Effective Date will be designated as trades in PLC Shares on a conditional basis and will be settled in PLC Shares before the start of trading on the third Business Day following the CBM Effective Date.

NV will also apply for the delisting of the NV NYRSs on the NYSE upon Unification. Any trades in NV NYRSs on the NYSE made in the two trading days preceding the CBM Effective Date will, as a result of Unification taking effect and the NV NYRSs being cancelled prior to the settlement of such trades, be settled by the delivery of PLC ADSs.

### **10.6 NV Overseas Shareholders**

If, in respect of any NV Overseas Shareholder (or any person whom the Company reasonably believes to be an NV Overseas Shareholder), the Company is advised that the allotment and/or issue of the New PLC Shares pursuant to the Cross-Border Merger would or may infringe the laws of another jurisdiction or would or may require the Company to comply with any governmental or other consent or any registration, filing or other formality with which the Company is unable to comply or compliance with which the Company regards as unduly onerous then, conditional upon the Cross-Border Merger becoming effective and if the Company (in its sole discretion) so elects, any New PLC Shares issued to such NV Overseas Shareholders will, on the CBM Effective Date, be transferred to a person appointed by the Company and resident in the UK or the Netherlands for the benefit of such NV Overseas Shareholders and on terms that such New PLC Shares will be sold by such person on behalf of each such NV Overseas Shareholder at the best price which can reasonably be obtained at the time of sale and the proceeds of such sale will (after the deduction of all expenses and commissions incurred in connection with such sale, including any value added tax payable on the proceeds of sale) be paid to such NV Overseas Shareholder. Neither the Company nor any such person or any broker or agent of any of them will have any liability (save in the case of fraud) for any loss arising as a result of the timing or terms of any such sale.

### **10.7 Settlement and dealings in the New PLC Shares and New PLC ADSs after Unification**

Delivery of the New PLC Shares and New PLC ADSs to NV Shareholders and NV NYRS Holders (other than Withdrawing Shareholders) will take place in the following manner:

#### **10.7.1 NV Shareholders**

*(a) NV Shares included in the giro transfer system*

No specific action is required from holders of NV Shares that are included in the giro transfer system under the Giro Act. The New PLC Shares that will be issued and allotted in exchange for NV Shares that are included in the giro deposit held by Euroclear Nederland will be delivered in dematerialised form through Euroclear Nederland and the relevant intermediaries and settlement institutions to those persons who are registered in the record of intermediaries (*intermediair*) as persons entitled to NV Shares on the third Business Day following the CBM Effective Date. It is expected that the entitlement to the New PLC Shares will be visible in the securities accounts of the NV Shareholders on the first Business Day following the CBM Effective Date.

*(b) Registered NV Shares*

No specific action is required from a holder of NV Shares that are registered in NV's shareholders' register to receive New PLC Shares. The New PLC Shares that will be issued and allotted in respect of NV Shares that are held by holders that are registered in NV's

shareholders' register will be allotted to those registered holders directly and in certificated form. The names of such registered holders will be registered in the Company's register of shareholders.

NV Shareholders that are registered in NV's shareholders' register should be aware that, if they take no action prior to the Cross-Border Merger and receive New PLC Shares in certificated form, they will receive dividends in pounds sterling and will encounter formalities when attempting to transfer or otherwise take action in respect of those PLC Shares in the future that are different from the equivalent formalities for transferring or taking action in respect of shares in a Dutch company. For example, the actions needed to allow those New PLC Shares to clear through Euroclear Nederland and therefore permit them to be traded on Euronext in Amsterdam will be more complex (and may require greater expenditure by holders of such New PLC Shares) when compared with the formalities for the deposit of shares in a Dutch company. NV Shareholders should also be aware of the UK tax consequences of transferring their New PLC Shares to a clearance service or issuer of depositary receipts, as set out in paragraph 1.4 of Part XI (Taxation) and of the bank handling fees that will be due in respect of such transfer. Any NV Shareholders who are registered in NV's shareholders' register and who may wish to deposit their shares in the giro deposit held by Euroclear Nederland are encouraged to take steps to achieve this prior to Unification.

## 10.7.2 NV NYRS Holders

### (a) *Indirect NV NYRS Holders*

Indirect NV NYRS Holders will be allotted one New PLC Share for each NV NYRS held and each of these New PLC Shares will be exchanged for a New PLC ADS.

If any Indirect NV NYRS Holders wish to receive New PLC Shares in certificated form in lieu of the New PLC ADSs that they would otherwise be entitled to receive, such holders must instruct their bank, broker or other DTC participant to either:

- surrender such holder's NV NYRSs for cancellation to the NV NYRS Agent prior to 10 November 2020, such that the Indirect NV NYRS Holder holds NV Ordinary Shares; or
- cause such holder's NV NYRSs to be drawn down from DTC and registered directly in such Indirect NV NYRS Holder's name in registered book-entry form on the books of the NV NYRS Agent prior to 10 November 2020.

Any such action may result in the incurrence of: (i) the charges specified in the NV NYRS Agreement; and/or (ii) any applicable taxes and/or government charges.

Indirect NV NYRS Holders who take no action will receive the New PLC ADSs to which they are entitled as part of the Cross-Border Merger into the account in which they held NV NYRSs.

Trading in the New PLC ADSs on a conditional "when issued" basis, subject to the official notice of issuance, is expected to commence shortly following the CBM Effective Date.

### (b) *Registered Book-Entry NV NYRS Holders*

Registered Book-Entry NV NYRS Holders will be allotted one New PLC Share in certificated form directly for each NV NYRS held.

Registered Book-Entry NV NYRS Holders may elect to receive New PLC ADSs in the Direct Registration System instead of New PLC Shares in certificated form. The Direct Registration System (also referred to as "DRS") is a system administered by DTC pursuant to which the PLC ADS Depositary may register ownership of uncertificated PLC ADSs and such ownership will be evidenced by periodic statements issued by the PLC ADS Depositary to the PLC ADS Holders entitled thereto. To the extent any Registered Book-Entry NV NYRS Holders wish to make such election, such holders must complete the election form ("**NYRS Form of Election**") which they will receive and return it to the NV NYRS Agent (in its capacity as exchange agent) prior to 12 November 2020. In making such an election, a Registered Book-Entry NV NYRS Holder will appoint the Company as

its attorney to transfer the New PLC Shares to which such person is entitled immediately after their issuance on the Cross-Border Merger to facilitate the delivery of the New PLC ADSs.

Registered Book-Entry NV NYRS Holders who take no action in respect of the NYRS Form of Election should note that they will receive the New PLC Shares to which they are entitled on the Cross-Border Merger in certificated form and the name of such holders will be registered in the Company's register of shareholders.

*(c) Registered Certificated NV NYRS Holders*

Registered Certificated NV NYRS Holders will be allotted one New PLC Share in certificated form directly for each NV NYRS held.

Registered Certificated NV NYRS Holders may elect to receive New PLC ADSs in the DRS instead of New PLC Shares in certificated form. To the extent any Registered Certificated NV NYRS Holders wish to make such election, such holders must complete the NYRS Form of Election which they will receive and return it to the NV NYRS Agent (in its capacity as exchange agent) prior to 12 November 2020. In making such an election, a Registered Certificated NV NYRS Holder will appoint the Company as its attorney to transfer the New PLC Shares to which such person is entitled immediately after their issuance on the Cross-Border Merger to facilitate the delivery of the New PLC ADSs.

Registered Certificated NV NYRS Holders who take no action in respect of the NYRS Form of Election should note that they will receive the New PLC Shares to which they are entitled on the Cross-Border Merger in certificated form and the name of such holders will be registered in the Company's register of shareholders.

From 5 November 2020 until the CBM Effective Date, the NV NYRS Agent will no longer issue any certificates for NV NYRSs. Accordingly, during the period prior to implementation of Unification, it will be possible to acquire additional NV NYRSs, but those NV NYRSs can only be held in registered book-entry form on the books of the NV NYRS Agent or in book-entry form to be held through a bank, broker or other DTC participant.

NV NYRS Holders that receive New PLC ADSs will have different rights once they become PLC ADS Holders. The rights of PLC ADS Holders are governed by the PLC Deposit Agreement.

### **10.7.3 Former bearer shares**

Any holder of (i) NV Ordinary Shares formerly in bearer form, or (ii) NV Registered Subshares formerly in bearer form should surrender the relevant bearer certificate to NV prior to the CBM Effective Date in order to become holders of NV Shares registered in NV's shareholders' register and to be allotted and issued New PLC Shares in certificated form at the CBM Effective Date, in accordance with the CBM Exchange Ratio.

If any holder of (i) NV Ordinary Shares formerly in bearer form, or (ii) NV Registered Subshares formerly in bearer form, has not surrendered the relevant bearer certificate to NV before the CBM Effective Date, the New PLC Shares to which such holder is entitled in accordance with the CBM Exchange Ratio (if any) will be issued and allotted to a nominee or custodian to be held on behalf of such holder until such time as such holder presents the relevant bearer certificates for such NV Shares to the Company. At such time, the nominee or custodian will transfer the legal title to such New PLC Shares to such holder, provided that such holder must present the relevant bearer certificate by no later than 1 January 2026 to have the legal title to such New PLC Shares transferred to it. After that date all rights of such holder to such New PLC Shares will lapse and the nominee or custodian will transfer such New PLC Shares to the Company for no consideration. The issue and allotment of such New PLC Shares to such nominee or custodian will be subject to any fractional entitlements which will be treated as described in paragraph 10.8 below, save that any cash payment will be received by the holders within ten Business Days of the date when the relevant bearer certificate is presented to the Company.

## **10.8 Fractional entitlements**

Under the Common Draft Terms of Merger, no fractions of a New PLC Share (including a New PLC Share represented by a New PLC ADS) will be allotted or issued under the Cross-Border Merger to holders of NV Subshares.

### **10.8.1 NV Subshares held through the collective or giro transfer systems**

The fractional entitlements of each holder of NV Subshares included in the collective depot (*verzameldepot*) or giro depot (*girodepot*) referred to in the Giro Act at the CBM Effective Date will be aggregated, and the Company will procure that the maximum whole number of New PLC Shares resulting therefrom will be allotted and issued to the relevant intermediaries on behalf of their clients within ten Business Days of the CBM Effective Date. Intermediaries that receive such New PLC Shares will sell them in the market for cash as soon as practicable after the CBM Effective Date and the net proceeds of sale (after the deduction of all expenses and commissions incurred in connection with such sale, including any value added tax payable on the proceeds of sale) will be paid in due proportion to the relevant former holders of NV Subshares (rounded down to the lowest possible whole unit in the applicable currency). No interest will be payable on the net cash proceeds payable to the relevant holder of NV Subshares. Any such cash proceeds unclaimed after a period of five years from the CBM Effective Date shall be forfeited and shall revert to the Company.

The terms and conditions of any sale of New PLC Shares referred to above (including, without limitation, with respect to the timing and method of such sale, the selection of the broker-dealer to execute the sale, the price at which such shares will be sold, the currency of the cash payment and the applicable exchange rate) and, to the extent applicable, any other transaction conducted by the intermediaries will be made in accordance with any contractual arrangements between each such holder of NV Subshares and the relevant intermediary.

### **10.8.2 NV Registered Subshares held outside of the collective or giro transfer systems**

The fractional entitlements of each holder of NV Registered Subshares outside the collective depot and giro depot referred to in the Giro Act at the CBM Effective Date will be aggregated, and the Company will procure that the maximum whole number of New PLC Shares resulting therefrom, will be allotted and issued to such holder and such holder will be entitled to receive a pro rata cash payment from the Company for the NV Registered Subshares that cannot be combined. Such cash payment will, for each NV Registered Subshare that cannot be combined, be equal to the proportionate volume weighted average price of one PLC Share over the last five trading days prior to the CBM Effective Date (rounded down to the nearest Euro cent).

The holders of NV Registered Subshares referred to above will receive their cash payment in Euros (net of related fees and expenses incurred in connection with such cash payment) within ten Business Days of the CBM Effective Date (calculated on the basis of the closing GBP/EUR exchange rate on the CBM Effective Date as published by Bloomberg), provided that they have specified a bank account to which such cash proceeds can be transferred, and in each case a holder of: (i) NV Registered Subshares formerly in bearer form converted into NV Registered Subshares pursuant to any amendment to the NV Articles, or in accordance with article 46 of the NV Articles; or (ii) NV Bearer Subshares that converted into NV Registered Subshares on 1 January 2020 in accordance with section 2:82, subsection 4, Dutch Civil Code, will only be able to claim such cash payment upon presenting to the Company the certificates for such NV Subshares that were not handed in to NV prior to the CBM Effective Date. No interest will be payable on the net cash proceeds payable to the relevant holder of NV Registered Subshares. Any such cash proceeds unclaimed after a period of five years from the CBM Effective Date shall be forfeited and shall revert to the Company.

## **10.9 Employee share plans**

For a summary of the principal terms of the Unilever Employee Share Plans, see paragraph 10 of Part XII (Additional Information).

Unification will not cause outstanding awards to vest or lapse under the Unilever Employee Share Plans.

Existing award(s) under any of the Unilever Employee Share Plans over PLC Shares (which for these purposes may include PLC ADSs) will not be impacted by Unification.

The intention is that all existing awards over NV Ordinary Shares and NV NYRSs will be automatically exchanged for awards over PLC Shares (which for these purposes may include PLC ADSs) where possible and subject to local legal requirements immediately following Unification. These exchanges will be effected using the CBM Exchange Ratio. This will enable the participants to maintain their economic interests in the Unilever Group.

The exchanged awards over PLC Shares will be on equivalent terms as to rights of vesting and other substantive terms and conditions as the existing awards over NV Ordinary Shares or NV NYRSs.

Where automatic exchange is not possible or desirable, participants may be offered the opportunity to voluntarily exchange their awards or other treatment may apply.

Participants in the Unilever Employee Share Plans will be sent a separate communication explaining the implications of Unification on their awards and what action, if any, they need to take.

In order to satisfy the vesting of awards under the Unilever Share Plan (i) between the date of this Prospectus and the UK High Court hearing to approve the Cross-Border Merger, the Company may issue PLC Shares (which for these purposes may include PLC ADSs) to participants in the Unilever Share Plan and (ii) between the date of this Prospectus and the CBM Effective Date, NV may issue NV Ordinary Shares and NV NYRSs to participants in the Unilever Share Plans.

## **11 Creditors**

As part of the preparations for Unification, the Unilever Group will transfer or contribute certain assets and liabilities of NV to wholly owned subsidiaries of NV prior to the CBM Effective Date as referred to in paragraph 4 of this Part VI.

NV will cease to exist by operation of law under the Cross-Border Merger. As a result, the Foundation Agreements will come to an end and a number of statutory parent company guarantee arrangements provided by NV to its relevant Dutch subsidiaries will terminate upon or pursuant to the implementation of Unification. Therefore, the Company will enter into arrangements in place of these statutory parent company guarantee arrangements before the CBM Effective Date.

All assets and liabilities of NV at the CBM Effective Date, including financial indebtedness of NV and guarantees given by NV in respect of financial indebtedness, will be assumed by the Company with effect from implementation of Unification.

## **12 Pensions**

Unification is not expected to have a material effect on any of the Unilever Group's material pension schemes (which are located in the UK, the Netherlands, Germany and the United States) and will not trigger any statutory or mandatory funding obligations under any such schemes. There is not expected to be any material change to the Company's obligations in respect of the UK Pension Fund as a result of the implementation of Unification.

As referred to in paragraph 11 of this Part VI, a number of statutory parent company guarantee arrangements provided by NV in relation to its Dutch subsidiaries will terminate upon or as a result of the implementation of Unification. This will include the statutory parent company guarantee given to Unilever Nederland Holdings B.V. (a contributor to the Dutch pension fund). Therefore, the Company has entered into a guarantee arrangement in respect of Unilever Nederland Holdings B.V.'s obligations to the Dutch pension fund in place of this statutory parent company guarantee. There is not expected to be a material change to the obligations of NV's Dutch subsidiaries, including Unilever Nederland Holdings B.V. in respect of the Dutch pension fund, as a result of the implementation of Unification.

## **13 Taxation**

Shareholders should read Part XI: "Taxation" of this Prospectus which provides a general description of certain UK, Dutch and U.S federal tax consequences of Unification. If investors are in any doubt as to their tax position, they should contact their professional adviser immediately.

## **14 Proposed exit tax**

On 10 July 2020, a member of the Dutch House of Representatives for GroenLinks (a Dutch opposition party), introduced a private member's bill which would seek to impose an exit tax on certain types of transactions where, effectively, a company which is tax resident in the Netherlands and with consolidated net revenues of at

least €750 million moves to a “qualifying state”. The transactions covered by the proposed bill would include a cross-border merger involving an N.V. as the transferring company merging into a company in a “qualifying state” (such as Unification), as well as a Dutch tender offer for shares in an N.V. whereby a company which is tax resident in a “qualifying state” acquires more than 50 per cent. of the voting rights in that N.V. A “qualifying state” includes one which does not have a dividend withholding tax which is “comparable” with that of the Netherlands. The term “comparable” is not defined precisely, but the United Kingdom would be a “qualifying state” as it does not currently have a dividend withholding tax regime.

The proposed bill purports to have retroactive effect and seeks to tax transactions completed after 12.00 p.m. (Amsterdam time) on 10 July 2020, regardless of whether they were announced before that time and regardless of when the bill may be enacted. The proposed exit tax is not limited in its application to transactions with a tax avoidance motive but would also extend to those where there are bona fide commercial reasons.

Under the bill as proposed, the exit tax for listed companies is expected to be calculated as 15 per cent. of the market capitalisation of the exiting company at the time of the relevant exit transaction, less the amount of its paid-up share capital recognised for tax purposes (and subject to certain technical exemptions). In NV’s case, this would amount to a potential exit tax charge of some €11 billion<sup>1</sup>. The tax would be assessed and payable in full immediately upon exit but may be deferred, subject to certain conditions. The tax liability which has been deferred (the “**Deferred Exit Tax Liability**”) would reduce over time to the extent that the acquiring company: (i) subsequently distributes reserves on the shares issued to the former Dutch company’s shareholders; and (ii) pays an amount to the Dutch revenue which equals the Dutch withholding tax that would have been payable by the acquiring company in respect of such distribution, had the acquiring company been tax resident in the Netherlands (the “**Deemed Withholding Tax**”).

However, the acquiring company may have no legal basis under its own domestic law to permit it to withhold the Deemed Withholding Tax from distributions paid to its shareholders. In such circumstances, and as would apply currently to the Company, the acquiring company would be required to pay distributions gross to all shareholders but, because of the way the bill is drafted, certain shareholders would nevertheless be entitled to a credit or refund from the Dutch Revenue in respect of the Deemed Withholding Tax. As a result, the acquiring company would bear the cost of any Deemed Withholding Tax paid to the Dutch revenue in order to offset against the Deferred Exit Tax Liability.

The precise timing and procedure for passage of the bill through the Dutch Parliament is unclear at present, but for it to be enacted it would need to be approved first by the House of Representatives (*Tweede Kamer*) and then by the Senate (*Eerste Kamer*), each by a simple majority. Before the House of Representatives can debate the bill, the Council of State (*Raad van State*) will first issue independent advice, including as to the legality of the bill under Dutch constitutional, EU and other supranational laws. The Council of State is an independent constitutional body whose advice is non-binding but will be made public if the bill is to be debated.

The Boards have received legal advice that, if enacted in its current form, application of the bill to the Unification proposal would be in manifest breach of the obligations which the Dutch State has assumed under international law including under EU law, the Dutch UK Tax Treaty and the Convention for the Protection of Human Rights and Fundamental Freedoms. Nevertheless, if the bill were enacted in its present form and applied to Unification, the Boards believe that proceeding with Unification, if it resulted in an exit tax charge of some €11 billion, would not be in the best interests of Unilever, its shareholders and other stakeholders as a whole.

The bill may be subject to amendment during the parliamentary process and it is not clear when, or indeed if at all, the bill may be enacted, or in what form. Accordingly, the ultimate effect of the bill on the proposed Unification is not clear at present. The Boards intend to proceed with their proposals provided that Unification, in the Boards’ view, remains in the best interests of Unilever, its shareholders and other stakeholders as a whole.

As the situation develops, the Boards will continue to assess all options available and will update Shareholders as appropriate.

## 15 Shareholder Meetings

The evolving situation in relation to COVID-19 and related governmental restrictions may significantly impact the ability of shareholders to attend the Shareholder Meetings. Shareholders are strongly encouraged to very carefully consider public health and government advice at the time of the Shareholder Meetings and to exercise their right to cast their votes in respect of the business of the Shareholder Meetings by voting via proxy or

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<sup>1</sup> Based on the closing price of an NV Share and NV NYRS on the Latest Practicable Date.



using the electronic voting facility in accordance with the instructions set out in the notices of the Shareholder Meetings. It is currently expected that the Shareholder Meetings will be held as physical meetings at the venues specified below, but this may be subject to change. Shareholders should regularly check Unilever's website for updates in relation to the Shareholder Meetings ([www.unilever.com/unification](http://www.unilever.com/unification)).

A live webcast for each of the NV EGM and the PLC Meetings will be made available on Unilever's website ([www.unilever.com/unification](http://www.unilever.com/unification)). Shareholders may also submit questions prior to the relevant meeting for the chairman of the relevant meeting to respond to. Any such question should relate to the business of the relevant meeting and should be submitted via [shareholder.services@unilever.com](mailto:shareholder.services@unilever.com) by no later than 9.00 a.m. (Amsterdam time) on 17 September 2020 in the case of the NV EGM and 9.00 a.m. (London time) on 8 October 2020 in the case of the PLC Meetings. Unilever may summarise and bundle questions thematically or set further conditions to facilitate the smooth running of the meetings. Shareholders should regularly check Unilever's website for updates ([www.unilever.com/unification](http://www.unilever.com/unification)).

## **15.1 PLC Meetings**

Unification requires the approval by PLC Shareholders at the PLC Court Meeting and the passing of the PLC Special Resolution by PLC Shareholders at the PLC General Meeting.

### **15.1.1 The PLC Court Meeting**

The PLC Court Meeting, which has been convened for 2.30 p.m. (London time) on 12 October 2020, is being held with the permission of the UK High Court to seek the approval of PLC Shareholders for the Cross-Border Merger. The PLC Court Meeting is to be held at Queen Elizabeth II Conference Centre, Broad Sanctuary, Westminster, London SW1P 3EE, United Kingdom.

The UK Cross-Border Mergers Regulations require that the Company carries out a number of steps in order for the UK High Court to be able to grant an order certifying that the Company has properly completed the pre-merger acts and formalities for the Cross-Border Merger.

The Cross-Border Merger must be approved by a majority in number of those PLC Shareholders who are present and vote, either in person or by proxy, at the PLC Court Meeting and who represent 75 per cent. or more in value of the PLC Shares voted by such PLC Shareholders. Voting will be by way of poll and not on a show of hands and each PLC Shareholder present in person or by proxy will be entitled to one vote for each PLC Share held. The result of the poll will be posted on Unilever's website at [www.unilever.com](http://www.unilever.com).

### **15.1.2 The PLC General Meeting**

The PLC General Meeting has been convened for 2.45 p.m. (London time) on 12 October 2020 (or as soon thereafter as the PLC Court Meeting has concluded or been adjourned) and is to be held at Queen Elizabeth II Conference Centre, Broad Sanctuary, Westminster, London SW1P 3EE, United Kingdom to consider and, if thought fit, pass the PLC Special Resolution to:

- (a) approve Unification, including the Common Draft Terms of Merger and the necessary authorities to allot any New PLC Shares in connection with the Withdrawal Mechanism;
- (b) approve the repurchase of the PLC Deferred Shares by the Company prior to the CBM Effective Date (including the terms of the Deferred Share Repurchase Agreement) (as described in paragraph 10.2.3 of this Part VI); and
- (c) approve the adoption of the Amended PLC Articles with effect from the CBM Effective Date, which:
  - (i) grant the Company the discretion to determine that all New PLC Shares and New PLC Shares represented by New PLC ADSs allotted and issued to NV Overseas Shareholders will be transferred to a person appointed by the Company and sold and the proceeds of such sale (less applicable expenses) will be paid to such NV Overseas Shareholders (please refer to paragraph 10.6 of this Part VI for further details);
  - (ii) grant the Company the discretion to determine that all New PLC Shares allotted and issued to Cede & Co. (as nominee for DTC) will be transferred to DB London (Investor Services) Nominees Limited (or such other entity appointed by and holding, or entitled to hold, PLC Shares on behalf of the PLC ADS Depository) immediately

following the Cross-Border Merger becoming effective on the CBM Effective Date in order to facilitate the issue by the PLC ADS Depositary of New PLC ADSs to Indirect NV NYRS Holders. DB London (Investor Services) Nominees Limited will hold these New PLC Shares on the terms set out in the PLC Deposit Agreement;

- (iii) make certain governance changes to reflect the fact that, following Unification:
  - (A) the Unilever Group will no longer have a dual-parent company structure and NV will cease to exist and so certain provisions of the PLC Articles relating to the dual-parent structure will no longer apply; and
  - (B) the PLC Deferred Shares will cease to exist, having been repurchased from each of Elma and United Holdings Limited by the Company prior to the CBM Effective Date; and
- (iv) make certain changes with respect to the article governing the Company's power to borrow money and give security, to align the method for determining the aggregate amounts in respect of borrowings, capital and reserves for the purposes of the relevant article with the accounting principles and practices as are currently applied with respect to the Unilever Group, in order to determine the relevant borrowing limits for such purposes.

The PLC Special Resolution will require votes in favour representing 75 per cent. or more of the votes cast at the PLC General Meeting in order to be passed. Voting on the PLC Special Resolution at the PLC General Meeting will be by way of poll and not on a show of hands and each PLC Shareholder present in person or by proxy will be entitled to one vote for every PLC Share held. The holders of the PLC Deferred Shares, being United Holdings Limited and Elma, will also approve the changes to the PLC Articles effected by the PLC Special Resolution.

## 15.2 NV EGM

Unification and the steps necessary for its implementation require the approval of NV Shareholders and NV NYRS Holders at the NV EGM. The NV EGM will be held on 21 September 2020 at 10.00 a.m. (Amsterdam time) and is to be held at the World Trade Center, Beursplein 37, 3011 AA Rotterdam, the Netherlands. The NV Directors may decide that the NV EGM will be held by means of a hybrid meeting or by a fully virtual meeting, in the case of the latter, only if such is permitted by an extension of the Dutch emergency legislation allowing fully virtual meetings in light of the Covid-19 outbreak. The relevant information and procedures regarding virtual attendance and voting will be published on [www.unilever.com/unification](http://www.unilever.com/unification) prior to the NV EGM in a timely fashion. Anything stated below on the physical attendance of the NV EGM remains subject to any such decision by the NV Directors.

The NV EGM has been convened to consider and, if thought fit, pass the NV Resolution. The NV Resolution proposes, amongst other things, to approve Unification pursuant to the Common Draft Terms of Merger. The NV Resolution requires a simple majority of votes cast at the NV EGM, provided that 50 per cent. or more of NV's issued and outstanding share capital is represented at the NV EGM. If less than 50 per cent. of NV's issued and outstanding share capital is represented at the NV EGM, the approval of the NV Resolution would require at least a two-thirds majority of votes cast.

In addition, pursuant to section 2:330, subsection 2, Dutch Civil Code, resolutions are required of: (i) NV Ordinary Shareholders and NV NYRS Holders; and (ii) holders of NV Special Shares to approve the resolution of the NV general meeting to effect the Cross-Border Merger.

## 16 Existing mandates

### 16.1 NV Shareholders

All mandates, communication preferences and other instructions (including existing enrolments in the NV Dividend Reinvestment Plan) issued by former NV Shareholders to NV in force at the CBM Effective Date and relating to NV Shares will, to the extent possible, unless and until revoked or amended, be replicated as from the CBM Effective Date as valid and effective mandates, communication preferences and instructions to the Company in relation to PLC Shares (and, if relevant, in relation to the PLC Dividend Reinvestment Plan).

Any entitlements of former NV Shareholders who participated in the NV Dividend Reinvestment Plan at the CBM Effective Date to fractions of NV Shares following the final dividend payment prior to the CBM

Effective Date will be aggregated and the relevant shares will be sold in the market for cash on behalf of such former NV Shareholders as soon as practicable after the CBM Effective Date and the net proceeds of sale (after the deduction of all expenses and commissions incurred in connection with such sale, including any value added tax payable on the proceeds of sale) will be paid in due proportion to such former NV Shareholders (rounded down to the lowest possible whole unit in the applicable currency and subject to such former NV Shareholders having provided their bank account details to IQ EQ). No interest will be payable on the net cash proceeds payable to the relevant former NV Shareholders. Any such cash proceeds unclaimed after a period of five years from the CBM Effective Date shall be forfeited and shall revert to the Company.

NV Shareholders whose NV Shares are outside the collective depot (*verzameldepot*) and giro depot (*girodepot*) referred to in the Giro Act at the CBM Effective Date and who participate in the NV Dividend Reinvestment Plan will be subject to the PLC Dividend Reinvestment Plan (Certificated Holders) Terms and Conditions following the Cross-Border Merger and should read the PLC Dividend Reinvestment Plan (Certificated Holders) Terms and Conditions in full. Such NV Shareholders should be aware that purchases of PLC Shares pursuant to the PLC Dividend Reinvestment Plan are subject to payment of stamp duty at the rate of 0.5 per cent. of the amount or value of the consideration for such purchases, and any such amounts in respect of stamp duty will be deducted from the amount of the dividend being reinvested in PLC Shares pursuant to the PLC Dividend Reinvestment Plan (Certificated Holders) Terms and Conditions. The PLC Dividend Reinvestment Plan (Certificated Holders) Terms and Conditions are set out in full on the Unilever Group's website at [www.unilever.com/unification/documents](http://www.unilever.com/unification/documents).

## 16.2 NV NYRS Holders

Indirect NV NYRS Holders that participate in an NYRS dividend reinvestment program administered by the bank, broker, other financial institution or DTC participant through which they hold their NV NYRSs, should contact such bank, broker, other financial institution or DTC participant to confirm and/or elect how any existing mandates (including any existing NYRS dividend reinvestment plan enrolment), including share entitlements and/or residual cash balances, will be treated following the CBM Effective Date.

All existing mandates (including existing NYRS Dividend Reinvestment Plan enrolment) for Registered NV NYRS Holders who elect to receive PLC ADSs and do not elect to dis-enrol for the ADS Dividend Reinvestment Plan will be automatically rolled over to PLC ADSs. Any fractional share entitlements will be rolled into the ADS Dividend Reinvestment Plan and any residual cash balance being held on their behalf to be applied towards the acquisition of NV NYRSs on the next dividend payment date will, following the CBM Effective Date, be repaid by cheque.

All existing mandates (including existing NYRS Dividend Reinvestment Plan enrolment) for Registered NV NYRS Holders who do not elect to receive PLC ADSs will not be automatically rolled over to the PLC Shares in certificated form that will be issued to such holders. The NV NYRS Agent (in its capacity as exchange agent) (or an agent on their behalf) will sell all fractional share entitlements and distribute the cash-in-lieu of such fractions to such former Registered NV NYRS Holders, and any residual cash balance being held on their behalf to be applied towards the acquisition of NV NYRSs on the next dividend payment date will, following the CBM Effective Date, be repaid by cheque.

Any Registered NV NYRS Holders who elect to receive PLC ADSs who wish to dis-enrol from the ADS Dividend Reinvestment Plan may do so by selecting that option when completing the NYRS Form of Election which they will receive and returning these documents to the NV NYRS Agent (in its capacity as exchange agent) prior to 12 November 2020. For any such Registered NV NYRS Holders, the NV NYRS Agent (in its capacity as exchange agent) (or an agent on their behalf) will sell all fractional share entitlements and distribute the cash-in-lieu of such fractions to such former Registered NV NYRS Holders and any residual cash balance being held on their behalf to be applied towards the acquisition of NV NYRSs on the next dividend payment date will, following the CBM Effective Date, be repaid by cheque. Any such cash-in-lieu amount or such residual cash balance unclaimed after a period of five years from the CBM Effective Date shall be forfeited and shall revert to the Company.

### **16.3 PLC Shareholders**

All mandates, communication preferences and other instructions (including existing enrolments in the PLC Dividend Reinvestment Plan) issued by PLC Shareholders in force at the CBM Effective Date and relating to PLC Shares will remain in place following the CBM Effective Date. No action is required by PLC Shareholders in relation to such mandates, communication preferences and other instructions.

### **17 Dilution**

The Unification will not dilute the relative ownership interests of Shareholders in the Unilever Group.

## PART VII INFORMATION ON THE UNILEVER GROUP

*Investors should read this Part in conjunction with the more detailed information contained in this Prospectus, including the financial and other information appearing in Part X: “Operating and Financial Review”. Where stated, financial information in this Part has been extracted from Part IX: “Financial Information relating to the Unilever Group”.*

### 1 History of the Unilever Group

The Company and NV are the two parent companies of the Unilever Group of companies. The Company was incorporated under the name Lever Brothers Limited in England and Wales in 1894. NV was incorporated under the name Naamlooze Vennootschap Margarine Unie in the Netherlands in 1927.

Together with their group companies, the Company and NV operate as nearly as practicable as a single economic entity. This is achieved by special provisions in the PLC Articles and NV Articles, together with a series of agreements between the Company and NV (The Equalisation Agreement, The Deed of Mutual Covenants and The Agreement for Mutual Guarantees of Borrowing), known as the Foundation Agreements.

Each PLC Share represents the same underlying economic interest in the Unilever Group as each NV Ordinary Share. However, the Company and NV remain separate legal entities with different shareholder constituencies and separate stock exchange listings. Shareholders cannot convert or exchange the shares of one for the shares of the other.

The Company and NV have the same directors, adopt the same accounting principles and pay dividends to their respective shareholders on an equalised basis. The Company and NV and their group companies constitute a single reporting entity for the purposes of presenting consolidated accounts. Accordingly, the accounts of the Unilever Group are presented by both the Company and NV as their respective consolidated accounts.

The Company is listed in London and New York. NV is listed in Amsterdam and New York.

### 2 Business overview

The Unilever Group is one of the world’s best-known consumer goods companies, making and selling around 400 brands in more than 190 countries. Every day, approximately 2.5 billion people use Unilever’s products to look good, feel good and get more out of life.

The Unilever Group operates across three divisions: Beauty & Personal Care, Home Care and Foods & Refreshment, as set out below:

- The Beauty & Personal Care division, headquartered in London, operates in five key categories: deodorants, skin cleansing, hair care, oral care and skin care. *Dove, Rexona, Lux, Axe* and *Sunsilk* are some of the world’s leading Personal Care brands. Other important brands include *Signal, Pond’s, Vaseline, Suave, Clear, Lifebuoy, TRESemmé, Dollar Shave Club* and *Carver Korea*. The Unilever Group’s prestige brands include *Hourglass, Dermologica, Living Proof, Kate Somerville, Garancia, Tatcha* and *REN*.
- The Home Care division, headquartered in London, offers a wide range of laundry and household care products. Its laundry brands include *OMO (‘Dirt is Good’), Comfort, Surf, Radiant, Skip Love & Care, Love Home & Planet* and *Seventh Generation*. Its household care products include surface and toilet cleaners as well as dishwashing products, through brands like *Cif, Domestos* and *Sun/Sunlight*. Home Care also produces water and air purification products, through its *Pureit, Truliva* and *Blueair* brands.
- The Foods & Refreshment division, which is headquartered in Rotterdam, offers a wide portfolio across food, tea and ice cream. The food range in this division includes bouillons, seasonings, snacks, mealmakers, soups, sauces and dressings, with *Knorr* and *Hellmann’s* being the two largest brands. It also includes *The Vegetarian Butcher* which makes meat substitutes. Its ice cream brands include those sold under the international *Heartbrand* (e.g. *Wall’s*), such as *Cornetto* and *Magnum*, as well as *Ben & Jerry’s, Breyers, Grom* and *Talenti*, amongst others. Its tea brands include *Lipton, Brooke Bond, Tazo* and *PG Tips*. Foods & Refreshment also includes *Unilever Food Solutions*, the Unilever Group’s global food service business serving professional chefs and caterers.

A breakdown of the total revenues of the Unilever Group by operating segment and geographic market for each financial year for the period covered by the historical financial information is set out on pages 2 to 5 of the

Unilever 2020 Half-Year Results, pages 24 to 32 of the Unilever Annual Report and Accounts 2019, pages 20 to 26 of the Unilever Annual Report and Accounts 2018 and pages 19 to 25 of the Unilever Annual Report and Accounts 2017, which are incorporated by reference into this Prospectus as set out in paragraph 8 of Part III (Presentation of Information on the Unilever Group) and available for inspection as set out in paragraph 22 of Part XII (Additional Information).

### **3 Strategy**

Unilever's vision is to be the global leader in sustainable business, with a strategy to ensure that its purpose-led and future-fit business model drives superior performance, creating long-term value for its stakeholders.

A description of the Unilever Group's strategy is set out on pages 8 to 21 of the Unilever Annual Report and Accounts 2019, which is incorporated by reference into this Prospectus as set out in paragraph 8 of Part III (Presentation of information on the Unilever Group) and available for inspection as set out in paragraph 22 of Part XII (Additional information).

### **4 Current trading and prospects**

A description of the Unilever Group's current trading and prospects is set out on pages 1 to 10 of the Unilever 2020 Half-Year Results, which is incorporated by reference into this Prospectus as set out in paragraph 8 of Part III (Presentation of Information on the Unilever Group) and available for inspection as set out in paragraph 22 of Part XII (Additional Information).

### **5 Principal investments**

A description of the Unilever Group's principal investments for 2019 is set out at Note 17 of the notes to the audited consolidated financial statements for the year ended 31 December 2019 which can be found at pages 128 to 130 of the Unilever Annual Report and Accounts 2019. A description of the Unilever Group's interests in joint ventures for 2019 is set out at Note 11 of the notes to the audited consolidated financial statements for the year ended 31 December 2019 which can be found on page 113 of the Unilever Annual Report and Accounts 2019. The Unilever Annual Report and Accounts 2019 is incorporated by reference into this Prospectus as set out in paragraph 8 of Part III (Presentation of information on the Unilever Group) and available for inspection as set out in paragraph 22 of Part XII (Additional information).

A description of the Unilever Group's principal investments for 2018 is set out at Note 17 of the notes to the audited consolidated financial statements for the year ended 31 December 2018 which can be found at pages 116 to 118 of the Unilever Annual Report and Accounts 2018. A description of the Unilever Group's interests in joint ventures for 2018 is set out at Note 11 of the notes to the audited consolidated financial statements for the year ended 31 December 2018 which can be found at pages 101 to 102 of the Unilever Annual Report and Accounts 2018. The Unilever Annual Report and Accounts 2018 is incorporated by reference into this Prospectus as set out in paragraph 8 of Part III (Presentation of Information on the Unilever Group) and available for inspection as set out in paragraph 22 of Part XII (Additional Information).

A description of the Unilever Group's principal investments for 2017 is set out at Note 17 of the notes to the audited consolidated financial statements for the year ended 31 December 2017 which can be found at pages 126 to 128 of the Unilever Annual Report and Accounts 2017. A description of the Unilever Group's interests in joint ventures for 2017 is set out at Note 11 of the notes to the audited consolidated financial statements for the year ended 31 December 2017 which can be found at pages 112 to 113 of the Unilever Annual Report and Accounts 2017. The Unilever Annual Report and Accounts 2017 is incorporated by reference into this Prospectus as set out in paragraph 8 of Part III (Presentation of information on the Unilever Group) and available for inspection as set out in paragraph 22 of Part XII (Additional Information).

### **6 Significant recent trends**

A description of the Unilever Group's significant recent trends is set out on pages 1 to 10 of the Unilever 2020 Half-Year Results, which is incorporated by reference into this Prospectus as set out in paragraph 8 of Part III (Presentation of Information on the Unilever Group) and available for inspection as set out in paragraph 22 of Part XII (Additional Information).

### **7 Property, plant and equipment**

Information on the Unilever Group's property, plant and equipment is set out at Note 10 of the notes to the audited consolidated financial statements for the year ended 31 December 2019, which can be found on

pages 111–112 of the Unilever Annual Report and Accounts 2019 and on pages 167–168 of the Unilever Annual Report and Accounts 2019, which is incorporated by reference into this Prospectus as set out in paragraph 8 of Part III (Presentation of Information on the Unilever Group) and available for inspection as set out in paragraph 22 of Part XII (Additional Information).

## 8 Employees

The Unilever Group employs approximately 155,000 people internationally through its businesses in Europe, the Americas and Asia/AMET (Africa, Middle East, Turkey)/RUB (Russia, Ukraine, Belarus). The following table sets out the average number of employees for 2019, 2018 and 2017 by geographical area.

<u>Number of people employed: full-time equivalents</u>	<u>Average during the year</u>		
	<u>2019</u>	<u>2018</u>	<u>2017</u>
<b>Geographical location</b>			
Asia/AMET/RUB . . . . .	84,000	88,000	93,000
The Americas . . . . .	40,000	40,000	41,000
Europe . . . . .	29,000	30,000	31,000
<b>Total</b> . . . . .	<b><u>153,000</u></b>	<b><u>158,000</u></b>	<b><u>165,000</u></b>

## 9 Global Tea review

In January, Unilever announced a strategic review of its global tea business, which includes leading brands such as Lipton, Brooke Bond and PG Tips.

This review has assessed a full range of options. Unilever will retain the tea business in India and Indonesia and the partnership interests in the ready-to-drink tea joint ventures.

The balance of Unilever’s tea brands and geographies and all tea estates have an exciting future, and this potential can best be achieved as a separate entity. A process will now begin to implement the separation, which is expected to conclude by the end of 2021.

The tea business that will be separated generated revenues of €2 billion in 2019.

**PART VIII**  
**PLC DIRECTORS, PLC SENIOR MANAGEMENT AND CORPORATE GOVERNANCE**

**1 PLC Directors and PLC Senior Management**

***PLC Directors***

The following table lists the names, positions, ages and dates of appointment of the PLC Directors:

<u>Name</u>	<u>Age</u>	<u>Position</u>	<u>Date appointed</u>
Nils Andersen	62	Chairman	30 April 2015
Alan Jope	56	Chief Executive Officer	1 January 2019
Graeme Pitkethly	53	Chief Financial Officer	1 October 2015
Laura Cha	70	Non-Executive Director	15 May 2013
Vittorio Colao	58	Non-Executive Director	1 July 2015
Judith Hartmann	51	Non-Executive Director	30 April 2015
Andrea Jung	61	Non-Executive Director	3 May 2018
Susan Kilsby	61	Non-Executive Director	1 August 2019
Strive Masiyiwa	59	Non-Executive Director	21 April 2016
Youngme Moon	56	Senior Independent Director	21 April 2016
John Rishton	62	Non-Executive Director	15 May 2013
Feike Sijbesma	60	Non-Executive Director	1 November 2014

***Biographies***

A description of the PLC Directors' relevant management expertise and experience is set out on page 49 of the Unilever Annual Report and Accounts 2019, which is incorporated by reference into this Prospectus as set out in paragraph 8 of Part III (Presentation of Information on the Unilever Group) and available for inspection as set out in paragraph 22 of Part XII (Additional Information).

***PLC Senior Management***

The Company's current senior management is as follows:

<u>Name</u>	<u>Age</u>	<u>Position</u>
Alan Jope	56	Chief Executive Officer
Graeme Pitkethly	53	Chief Financial Officer
Conny Braams	55	Chief Digital & Marketing Officer
Marc Engel	54	Chief Supply Chain Officer
Hanneke Faber	51	President, Foods & Refreshment
Fabian Garcia	60	President, North America
Sunny Jain	45	President, Beauty & Personal Care
Sanjiv Mehta	60	President, Unilever, South Asia and Chair and Managing Director, Hindustan Unilever
Leena Nair	51	Chief Human Resources Officer
Nitin Paranjpe	57	Chief Operating Officer
Richard Slater	42	Chief R&D Officer
Ritva Sotamaa	56	Chief Legal Officer and Unilever Group Secretary
Peter Ter Kulve	55	President, Home Care

***Biographies***

A description of the PLC Senior Managers' relevant management expertise and experience is set out on pages 49—50 of the Unilever Annual Report and Accounts 2019, which is incorporated by reference into this Prospectus as set out in paragraph 8 of Part III (Presentation of Information on the Unilever Group) and available for inspection as set out in paragraph 22 of Part XII (Additional Information).



## 2 Corporate governance

### Information incorporated by reference

The Unilever Annual Report and Accounts 2019 contains relevant information about the corporate governance of the Unilever Group and has been filed with, or notified to, the FCA and is available for inspection in accordance with paragraph 22 of Part XII (Additional information).

The table below sets out the section of this document, which is incorporated by reference into, and forms part of, this Part VIII of the Prospectus. The Board is committed to the highest standards of corporate governance. As of the date of this Prospectus, and on and following Admission, the Board complies and intends to continue to comply with the requirements of the UK Corporate Governance Code; to the extent that the section referred to in the table below contains outlook information and other forward-looking statements, such statements shall not be incorporated by reference into this Prospectus.

### Information incorporated by reference from the Unilever Annual Report and Accounts 2019

The following pages are incorporated by reference from the Unilever Annual Report and Accounts 2019.

<u>Section</u>	<u>Pages</u>
Governance report	47–77

### Key Committees

The Board operates with four committees: the Audit Committee, the Nominating and Corporate Governance Committee, the Compensation Committee and the Corporate Responsibility Committee. If the need should arise, the Board may set up additional committees as appropriate. Each of these committees operates within specific terms of reference approved by the Board. Summaries of these terms of reference are set out below.

#### *Audit Committee*

The Audit Committee comprises a minimum of three independent Non-Executive Directors. The current members of the Audit Committee are as follows:

<u>Name</u>	<u>Committee Position</u>
John Rishton	Chair of the Audit Committee and Non-Executive Director
Susan Kilsby	Non-Executive Director
Judith Hartmann	Non-Executive Director

The responsibilities of the Audit Committee include: oversight of the integrity of the Unilever Group's financial statements; oversight of risk management and internal control arrangements; oversight of compliance with legal and regulatory requirements; making recommendations to the Board on the nomination of and compensation payable to the external auditors; oversight of the performance, qualifications and independence of the external auditors; the policy setting out the scope of work of the external auditors and compliance by the external auditors with such policy; and the performance of the internal audit function. The Audit Committee meets at least four times a year.

#### *Nominating and Corporate Governance Committee*

The Nominating and Corporate Governance Committee comprises a minimum of three independent Non-Executive Directors. The current members of the Nominating and Corporate Governance Committee are as follows:

<u>Name</u>	<u>Committee Position</u>
Nils Andersen	Chair of the Nominating and Corporate Governance Committee and Chairman
Laura Cha	Non-Executive Director
Andrea Jung	Non-Executive Director
Feike Sijbesma	Non-Executive Director

The responsibilities of the Nominating and Corporate Governance Committee include: recommending to the Board candidates for nomination as Executive Directors and Non-Executive Directors; succession planning; reporting on Board diversity and oversight of corporate governance matters. The Nominating and Corporate Governance Committee meets at least four times a year.

### ***Compensation Committee***

The Compensation Committee comprises a minimum of three independent Non-Executive Directors (other than the Chairman who may be appointed as an additional member). The current members of the Compensation Committee are as follows:

<u>Name</u>	<u>Committee Position</u>
Vittorio Colao	Chair of the Compensation Committee and Non-Executive Director
Nils Andersen	Chairman
Laura Cha	Non-Executive Director
Andrea Jung	Non-Executive Director

The responsibilities of the Compensation Committee include making proposals to the Board on: the remuneration of the Executive Directors, Non-Executive Directors and ULE; the design and terms of executive and all employee share-based incentive plans; the remuneration policy, especially for the Executive Directors, Non-Executive Directors and ULE; and the performance evaluation of the ULE. The Compensation Committee meets at least three times a year.

### ***Corporate Responsibility Committee***

The Corporate Responsibility Committee comprises a minimum of two independent Non-Executive Directors. The current members of the Corporate Responsibility Committee are as follows:

<u>Name</u>	<u>Committee Position</u>
Strive Masiyiwa	Chair of the Corporate Responsibility Committee and Non-Executive Director
Youngme Moon	Non-Executive Director
Feike Sijbesma	Non-Executive Director

The Corporate Responsibility Committee has responsibility for the oversight of the Unilever Group's conduct with regard to its corporate and societal obligations and its reputation as a responsible corporate citizen. The Corporate Responsibility Committee meets at least four times a year.

### **3 Conflicts of interest**

There are:

- (a) no potential conflicts of interest between any duties to the Company of the PLC Directors and members of PLC Senior Management and their private interests and/or other duties; and
- (b) no arrangements or understandings with any other major shareholders, customers, suppliers or others pursuant to which any PLC Director or member of PLC Senior Management was selected as a PLC Director or member of PLC Senior Management.

**PART IX**  
**FINANCIAL INFORMATION RELATING TO THE UNILEVER GROUP**

**Section A**

**Selected historical financial information relating to the Unilever Group**

**1 Selected historical financial information**

The selected financial information for the Unilever Group set out below has been extracted without material adjustment from the historical financial information incorporated by reference as set out in Section B of this Part IX. Investors should read the whole of this Prospectus before making an investment decision and should not rely solely on the summarised information in this Section A.

The consolidated financial statements of the Unilever Group have been prepared in accordance with IFRS as adopted by the EU, IFRIC Interpretations and in accordance with Part 9 of Book 2 of the Dutch Civil Code and the UK Companies Act 2006 applicable to companies reporting under IFRS. They are also in compliance with International Financial Reporting Standards as issued by the IASB.

**1.1 Consolidated Income Statement**

The tables below set out certain consolidated income statement information of the Unilever Group for the three years ended 31 December 2019, 31 December 2018, 31 December 2017 and for the six-month periods ended 30 June 2019 and 2020.

*For the three years ended 31 December 2019, 2018 and 2017*

	Year to 31 December		
	2017 <sup>(1)</sup>	2018 <sup>(1)</sup>	2019
	(€ million)		
<b>Turnover</b> . . . . .	53,715	50,982	51,980
<b>Operating profit</b> . . . . .	8,957	12,639	8,708
Which includes non-underlying item credits/(charges) of . . . . .	(543)	3,176	(1,239)
Net finance costs . . . . .	(1,004)	(608)	(627)
Finance income . . . . .	157	135	224
Finance costs . . . . .	(683)	(718)	(821)
Pensions and similar obligations . . . . .	(96)	(25)	(30)
Net finance cost non-underlying items . . . . .	(382)	—	—
Non-underlying item net monetary gain/(loss) arising from hyperinflationary economies . . . . .	—	122	32
Share of net profit/(loss) of joint ventures and associates . . . . .	155	185	176
Which includes non-underlying item credits/(charges) of . . . . .	—	32	3
Other income/(loss) from non-current investments and associates . . . . .	18	22	—
<b>Profit before taxation</b> . . . . .	8,126	12,360	8,289
<b>Taxation</b> . . . . .	(1,670)	(2,572)	(2,263)
Which includes tax impact of non-underlying items . . . . .	655	(288)	113
<b>Net profit</b> . . . . .	<u>6,456</u>	<u>9,788</u>	<u>6,026</u>
Attributable to:			
Non-controlling interests . . . . .	433	419	401
Shareholders' equity . . . . .	6,023	9,369	5,625
<b>Combined earnings per share</b>			
Basic earnings per share (€) . . . . .	2.15	3.49	2.15
Diluted earnings per share (€) . . . . .	2.14	3.48	2.14

Note:

(1) Restated in the Unilever Annual Report and Accounts 2019 following adoption of IFRS 16. For more information on the restatement, please see Note 1 "Accounting Information and Policies" and Note 24 "Restatement Impact of IFRS 16" to the consolidated financial statements of the Unilever Group included in the Unilever Annual Report and Accounts 2019.

For the six-month periods ended 30 June 2019 and 2020

	<b>Six months to 30 June</b>	
	<b>2019</b>	<b>2020</b>
	<b>(unaudited)</b>	
	<b>(€ million)</b>	
<b>Turnover</b> . . . . .	26,126	25,714
<b>Operating profit</b> . . . . .	4,589	4,672
After (charging)/crediting non-underlying items . . . . .	(465)	(412)
Net finance costs . . . . .	(351)	(249)
Finance income . . . . .	86	139
Finance costs . . . . .	(420)	(378)
Pensions and similar obligations . . . . .	(17)	(10)
Net monetary gain/(loss) arising from hyperinflationary economies . . . . .	29	21
Share of net profit/(loss) of joint ventures and associates . . . . .	85	89
After crediting non-underlying items . . . . .	3	—
Other income/(loss) from non-current investments and associates . . . . .	2	—
<b>Profit before taxation</b> . . . . .	4,354	4,533
<b>Taxation</b> . . . . .	(1,145)	(991)
After (charging)/crediting tax impact of non-underlying items . . . . .	89	102
<b>Net profit</b> . . . . .	3,209	3,542
Attributable to: . . . . .		
Non-controlling interests . . . . .	203	258
Shareholders' equity . . . . .	3,006	3,284
<b>Combined earnings per share</b>		
Basic earnings per share (€) . . . . .	1.15	1.25
Diluted earnings per share (€) . . . . .	1.14	1.25

## 1.2 Consolidated Balance Sheet

The tables below set out certain consolidated balance sheet information of the Unilever Group for the three years ended 31 December 2019, 31 December 2018, 31 December 2017 and for the six-month period ended 30 June 2020.

*For the three years ended 31 December 2019, 2018 and 2017*

	As at 31 December		
	2017 <sup>(1)</sup>	2018 <sup>(1)</sup>	2019
	(€ million)		
<b>Non-current assets</b>			
Goodwill	16,881	17,341	18,067
Intangible assets	11,520	12,152	12,962
Property, plant and equipment	12,270	12,088	12,062
Pension asset for funded schemes in surplus	2,173	1,728	2,422
Deferred tax assets	1,118	1,152	1,336
Financial assets	675	642	874
Other non-current assets	441	530	653
	<u>45,078</u>	<u>45,633</u>	<u>48,376</u>
<b>Current assets</b>			
Inventories	3,962	4,301	4,164
Trade and other current receivables	5,219	6,482	6,695
Current tax assets	488	472	397
Cash and cash equivalents	3,317	3,230	4,185
Other financial assets	770	874	907
Assets held for sale	3,224	119	82
	<u>16,980</u>	<u>15,478</u>	<u>16,430</u>
<b>Total assets</b>	<u>62,058</u>	<u>61,111</u>	<u>64,806</u>
<b>Current liabilities</b>			
Financial liabilities	8,378	3,613	4,691
Trade payables and other current liabilities	13,426	14,457	14,768
Current tax liabilities	1,088	1,445	898
Provisions	525	624	620
Liabilities held for sale	170	11	1
	<u>23,587</u>	<u>20,150</u>	<u>20,978</u>
<b>Non-current liabilities</b>			
Financial liabilities	18,039	23,125	23,566
Non-current tax liabilities	118	174	182
Pension and post-retirement healthcare liabilities:			
Funded schemes in deficit	1,225	1,209	1,157
Unfunded schemes	1,509	1,393	1,461
Provisions	794	697	664
Deferred tax liabilities	1,888	1,900	2,573
Other non-current liabilities	700	346	339
	<u>24,273</u>	<u>28,844</u>	<u>29,942</u>
<b>Total liabilities</b>	<u>47,860</u>	<u>48,994</u>	<u>50,920</u>
<b>Equity</b>			
<b>Shareholders' equity</b>			
Called up share capital	484	464	420
Share premium account	130	129	134
Other reserves	(13,587)	(15,218)	(5,574)
Retained profit	26,413	26,022	18,212
	<u>13,440</u>	<u>11,397</u>	<u>13,192</u>
Non-controlling interests	758	720	694
<b>Total equity</b>	<u>14,198</u>	<u>12,117</u>	<u>13,886</u>
<b>Total liabilities and equity</b>	<u>62,058</u>	<u>61,111</u>	<u>64,806</u>

Note:

(1) Restated in the Unilever Annual Report and Accounts 2019 following adoption of IFRS 16. For more information on the restatement, please see Note 1 "Accounting Information and Policies" and Note 24 "Restatement Impact of IFRS 16" to the consolidated financial statements of the Unilever Group included in the Unilever Annual Report and Accounts 2019.

For the six-month period ended 30 June 2020

	<b>As of 30 June 2020</b>
	<b>(unaudited) (€ million)</b>
<b>Non-current assets</b>	
Goodwill . . . . .	19,675
Intangible assets . . . . .	16,049
Property, plant and equipment . . . . .	11,374
Pension asset for funded schemes in surplus . . . . .	2,296
Deferred tax assets . . . . .	1,325
Financial assets . . . . .	815
Other non-current assets . . . . .	896
	<u>52,430</u>
<b>Current assets</b>	
Inventories . . . . .	4,646
Trade and other current receivables . . . . .	6,955
Current tax assets . . . . .	336
Cash and cash equivalents . . . . .	4,855
Other financial assets . . . . .	1,100
Assets held for sale . . . . .	56
	<u>17,948</u>
<b>Total assets</b> . . . . .	<u><u>70,378</u></u>
<b>Current liabilities</b>	
Financial liabilities . . . . .	4,792
Trade payables and other current liabilities . . . . .	14,602
Current tax liabilities . . . . .	1,051
Provisions . . . . .	530
Liabilities held for sale . . . . .	1
	<u>20,976</u>
<b>Non-current liabilities</b>	
Financial liabilities . . . . .	24,013
Non-current tax liabilities . . . . .	289
Pension and post-retirement healthcare liabilities:	
Funded schemes in deficit . . . . .	1,275
Unfunded schemes . . . . .	1,426
Provisions . . . . .	642
Deferred tax liabilities . . . . .	3,276
Other non-current liabilities . . . . .	257
	<u>31,178</u>
<b>Total liabilities</b> . . . . .	<u><u>52,154</u></u>
<b>Equity</b>	
Shareholders' equity . . . . .	15,639
Non-controlling interests . . . . .	2,585
	<u>18,224</u>
<b>Total equity</b> . . . . .	<u><u>18,224</u></u>
<b>Total liabilities and equity</b> . . . . .	<u><u>70,378</u></u>

### 1.3 Consolidated Statement of Cash Flow

The table below sets out certain consolidated cash flow information of the Unilever Group for the three years ended 31 December 2019, 31 December 2018 and 31 December 2017 and for the six-month periods ended 30 June 2019 and 2020.

*For the three years ended 31 December 2019, 2018 and 2017*

	Year to 31 December		
	2017 <sup>(1)</sup>	2018 <sup>(1)</sup>	2019
	(€ million)		
Net profit	6,456	9,788	6,026
Taxation	1,670	2,572	2,263
Share of net (profit)/loss of joint ventures/associates and other (income)/loss from non-current investments and associates	(173)	(207)	(176)
Net monetary (gain)/loss arising from hyperinflationary economies	—	(122)	(32)
Net finance costs	1,004	608	627
<b>Operating profit</b>	<b>8,957</b>	<b>12,639</b>	<b>8,708</b>
Depreciation, amortisation and impairment	2,025	2,216	1,982
Changes in working capital	(68)	(793)	(9)
Inventories	(104)	(471)	313
Trade and other receivables	(506)	(1,298)	(445)
Trade payables and other liabilities	542	976	123
Pensions and similar obligations less payments	(904)	(128)	(260)
Provisions less payments	200	55	7
Elimination of (profits)/losses on disposals	(298)	(4,313)	60
Non-cash charge for share-based compensation	284	196	151
Other adjustments	(153)	(260)	2
<b>Cash flow from operating activities</b>	<b>10,043</b>	<b>9,612</b>	<b>10,641</b>
Income tax paid	(2,164)	(2,294)	(2,532)
<b>Net cash flow from operating activities</b>	<b>7,879</b>	<b>7,318</b>	<b>8,109</b>
Interest received	154	110	146
Purchase of intangible assets	(158)	(203)	(210)
Purchase of property, plant and equipment	(1,509)	(1,329)	(1,316)
Disposal of property, plant and equipment	46	108	97
Acquisition of businesses and investments in joint ventures and associates	(4,896)	(1,336)	(1,122)
Disposal of businesses, joint ventures and associates	561	7,093	177
Acquisition of other non-current investments	(317)	(94)	(160)
Disposal of other non-current investments	251	151	55
Dividends from joint ventures, associates and other non-current investments	138	154	164
(Purchase)/sale of financial assets	(149)	(10)	(68)
<b>Net cash flow (used in)/from investing activities</b>	<b>(5,879)</b>	<b>4,644</b>	<b>(2,237)</b>
Dividends paid on ordinary share capital	(3,916)	(4,066)	(4,209)
Interest paid	(574)	(571)	(694)
Net change in short-term borrowings	2,695	(4,026)	337
Additional financial liabilities	8,851	10,595	5,911
Repayment of financial liabilities	(2,604)	(6,594)	(4,912)
Capital element of lease payments	(497)	(481)	(435)
Buyback of preference shares	(448)	—	—
Repurchase of shares	(5,014)	(6,020)	—
Other movements on treasury shares	(204)	(257)	(201)
Other financing activities	(309)	(693)	(464)
<b>Net cash flow (used in)/from financing activities</b>	<b>(2,020)</b>	<b>(12,113)</b>	<b>(4,667)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(20)</b>	<b>(151)</b>	<b>1,205</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>3,198</b>	<b>3,169</b>	<b>3,090</b>
Effect of foreign exchange rate changes	(9)	72	(179)
<b>Cash and cash equivalents at the end of the period</b>	<b>3,169</b>	<b>3,090</b>	<b>4,116</b>

Note:

(1) Restated in the Unilever Annual Report and Accounts 2019 following adoption of IFRS 16. For more information on the restatement, please see Note 1 “Accounting Information and Policies” and Note 24 “Restatement Impact of IFRS 16” to the consolidated financial statements of the Unilever Group included in the Unilever Annual Report and Accounts 2019.

For the six-month periods ended 30 June 2019 and 2020

	<b>Six months to 30 June</b>	
	<b>2019</b>	<b>2020</b>
	<b>(unaudited)</b>	
	<b>(€ million)</b>	
Net profit . . . . .	3,209	3,542
Taxation . . . . .	1,145	991
Share of net profit of joint ventures/associates and other income from non-current investments and associates . . . . .	(87)	(89)
Net monetary gain arising from hyperinflationary economies . . . . .	(29)	(21)
Net finance costs . . . . .	351	249
<b>Operating profit</b> . . . . .	<b>4,589</b>	<b>4,672</b>
Depreciation, amortisation and impairment . . . . .	965	987
Changes in working capital . . . . .	(1,888)	(1,215)
Pensions and similar obligations less payments . . . . .	(94)	(79)
Provisions less payments . . . . .	47	(66)
Elimination of (profits)/losses on disposals . . . . .	(36)	45
Non-cash charge for share-based compensation . . . . .	95	74
Other adjustments . . . . .	23	9
<b>Cash flow from operating activities</b> . . . . .	<b>3,701</b>	<b>4,427</b>
Income tax paid . . . . .	(1,309)	(899)
<b>Net cash flow from operating activities</b> . . . . .	<b>2,392</b>	<b>3,528</b>
Interest received . . . . .	78	80
Net capital expenditure . . . . .	(558)	(422)
Other acquisitions and disposals . . . . .	(470)	(623)
Other investing activities . . . . .	234	384
<b>Net cash flow (used in)/from investing activities</b> . . . . .	<b>(716)</b>	<b>(581)</b>
Dividends paid on ordinary share capital . . . . .	(2,080)	(2,120)
Interest paid . . . . .	(369)	(336)
Change in financial liabilities . . . . .	1,937	602
Repurchase of shares . . . . .	—	—
Other movements on treasury stock . . . . .	(205)	—
Other financing activities . . . . .	(139)	(234)
<b>Net cash flow (used in)/from financing activities</b> . . . . .	<b>(856)</b>	<b>(2,088)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b> . . . . .	<b>820</b>	<b>859</b>
<b>Cash and cash equivalents at the beginning of the period</b> . . . . .	<b>3,090</b>	<b>4,116</b>
Effect of foreign exchange rate changes . . . . .	(121)	(253)
<b>Cash and cash equivalents at the end of the period</b> . . . . .	<b>3,789</b>	<b>4,722</b>



## **Section B**

### **Historical financial information relating to the Unilever Group**

The unaudited interim results of the Unilever Group for the six-month period ended 30 June 2020 included in the Unilever 2020 Half-Year Results, together with the audited consolidated financial statements of the Unilever Group for the financial years ended 31 December 2019, 31 December 2018 and 31 December 2017, included in the Unilever Annual Report and Accounts 2019, the Unilever Annual Report and Accounts 2018 and the Unilever Annual Report and Accounts 2017, together with the auditors' reports thereon and notes thereto, are incorporated by reference into this Prospectus as set out in paragraph 8 of Part III (Presentation of information on the Unilever Group) and available for inspection as set out in paragraph 22 of Part XII (Additional information). Each of these consolidated financial statements was prepared in accordance with IFRS as issued by the IASB and adopted by the European Union.

The consolidated financial statements for the years ended 31 December 2019, 31 December 2018 and 31 December 2017 were audited by KPMG Accountants N.V. and KPMG LLP and the audit report for each such financial year was unqualified. The auditor of the Company for each of the financial years ended 31 December 2019, 31 December 2018 and 31 December 2017 was KPMG LLP of 15 Canada Square, London E14 5GL, which is registered to carry out audit work by the Institute of Chartered Accountants in England and Wales.

## Section C

### Capitalisation and indebtedness statement

The following tables set out the Unilever Group's capitalisation as at 30 June 2020 and the Unilever Group's indebtedness as at 30 June 2020. With the exception of capitalisation information, which is derived from the latest published financial information of the Unilever Group, the information below is derived from information in the financial accounting systems and other management documentation of the Unilever Group.

#### 1 Capitalisation

	<u>As at 30 June 2020</u>
	(€ millions)
<b>Total current debt</b> . . . . .	<b>4,792</b>
Guaranteed . . . . .	—
Secured . . . . .	—
Unguaranteed/unsecured . . . . .	<u>4,792</u>
<b>Total non-current debt (excluding current portion of long-term debt)</b> . . . . .	<b>24,013</b>
Guaranteed . . . . .	—
Secured . . . . .	—
Unguaranteed/unsecured . . . . .	<u>24,013</u>
<b>Shareholders' equity</b> . . . . .	<b>15,639</b>
Share capital . . . . .	420
Legal reserve . . . . .	654
Other reserves . . . . .	<u>14,565</u>
<b>Total</b> . . . . .	<b><u>44,444</u></b>

There has been no material change in the Unilever Group's capitalisation since 30 June 2020.

## 2 Indebtedness

The following table sets out the Unilever Group's net indebtedness as at 30 June 2020.

	As at 30 June 2020
	(€ millions)
Cash . . . . .	2,672
Cash equivalent . . . . .	2,183
Trading securities . . . . .	—
<b>Liquidity . . . . .</b>	<b>4,855</b>
<b>Current financial receivable . . . . .</b>	<b>—</b>
Current bank debt . . . . .	133
Current portion of non-current debt . . . . .	4,109
Other current financial debt . . . . .	550
<b>Current financial debt . . . . .</b>	<b>4,792</b>
<b>Net current financial indebtedness . . . . .</b>	<b>(63)</b>
Non-current bank loans . . . . .	461
Bonds issued . . . . .	21,985
Other non-current loans . . . . .	1,567
<b>Non-current financial indebtedness . . . . .</b>	<b>24,013</b>
<b>Net financial indebtedness . . . . .</b>	<b>23,950</b>

## **PART X OPERATING AND FINANCIAL REVIEW**

The operating and financial review of the Unilever Group should be read in conjunction with Part II (Risk factors) and the Unilever 2020 Half-Year Results, the Unilever Annual Report and Accounts 2019, the Unilever Annual Report and Accounts 2018 and the Unilever Annual Report and Accounts 2017, which are incorporated into this Prospectus by reference as explained in Section B of Part IX (Financial information relating to the Unilever Group) and paragraph 8 of Part III (Presentation of information on the Unilever Group) and available for inspection in accordance with paragraph 22 of Part XII (Additional information).

### **1 Information incorporated by reference**

The following documents contain relevant information about the Unilever Group and have been filed with, or notified to, the FCA and are available for inspection in accordance with paragraph 22 of Part XII (Additional information): (i) the Unilever 2020 Half-Year Results; (ii) the Unilever Annual Report and Accounts 2019; (iii) the Unilever Annual Report and Accounts 2018; and (iv) the Unilever Annual Report and Accounts 2017.

Subject to the following sentence, the tables below set out the sections of these documents which are incorporated by reference into, and form part of, this Part X of the Prospectus. The operating and financial review of the Unilever Group is a discussion and analysis of the Unilever Group's past performance and, to the extent that any of the sections referred to in the tables below contain outlook information and other forward-looking statements, such statements shall not be incorporated by reference into this Prospectus.

### **2 Information incorporated by reference from the Unilever 2020 Half-Year Results**

The following pages are incorporated by reference from the Unilever 2020 Half-Year Results.

<u>Section</u>	<u>Pages</u>
Chief Executive Officer statement	1
First Half Operational Review	2 – 5
Additional Commentary on the Financial Statements	6 – 10
Principal Risk Factors	11
Consolidated Income Statement	12
Consolidated Statement of Comprehensive Income	12
Consolidated Statement of Changes in Equity	13
Consolidated Balance Sheet	14
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### **3 Information incorporated by reference from the Unilever Annual Report and Accounts 2019**

The following pages are incorporated by reference from the Unilever Annual Report and Accounts 2019.

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Chief Executive Officer's Q&A	6
Overview of the Unilever Group's industry	8
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#### **4 Information incorporated by reference from the Unilever Annual Report and Accounts 2018**

The following pages are incorporated by reference from the Unilever Annual Report and Accounts 2018.

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Chairman's statement	2
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#### **5 Information incorporated by reference from the Unilever Annual Report and Accounts 2017**

The following pages are incorporated by reference from the Unilever Annual Report and Accounts 2017.

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The sections of the above documents have been made public and are available on the website of the Company at [www.unilever.com/unification/documents](http://www.unilever.com/unification/documents).

## **PART XI TAXATION**

### **1 UK Taxation**

The following is a general summary of material UK tax considerations relating to Unification and the ownership and disposal of New PLC Shares or New PLC ADSs. The comments set out below are based on UK tax law as applied in England and Wales and what is understood to be the practice of the UK tax authority (HM Revenue & Customs or “HMRC”) (which may not be binding on HMRC) as at the date of this document, both of which are subject to change, possibly with retrospective effect. They are intended as a general guide. Unless expressly stated otherwise, the comments set out below apply only to New PLC Shareholders and New PLC ADS Holders resident and, in the case of an individual, domiciled for tax purposes in the UK and to whom “split year” treatment does not apply, who hold their New PLC Shares and New PLC ADSs as an investment and who are the absolute beneficial owners thereof.

In particular, PLC ADS Holders should note that they may not always be the absolute beneficial owners of the underlying PLC Shares.

This summary does not address all possible aspects of UK taxation that may be relevant in light of the holder’s particular circumstances. It assumes that a PLC ADS Holder is the absolute beneficial owner of the underlying New PLC Shares. Certain categories of shareholders, including those falling outside the categories as described above, those carrying on certain financial activities, those subject to specific tax regimes or benefiting from certain reliefs or exemptions, those connected with the Company, individuals to whom “split year” treatment applies and those for whom the New PLC Shares and New PLC ADSs are employment-related securities, may be subject to special rules, and this summary does not apply to such shareholders and any general statements made in this disclosure do not take them into account. Except as set out below, this summary also does not apply to any shareholder who, alone or with certain associated persons, is (or has been) interested or treated as interested in more than 5 per cent. of the ordinary share capital of the Company.

This summary is for general information only and is not intended to be, nor should it be considered to be, legal or tax advice to any particular investor. Shareholders who are in any doubt about their tax position, or who are resident or otherwise subject to taxation in a jurisdiction outside the UK, should consult their own professional advisers immediately.

Unilever has sought, but not yet received, confirmation from UK HMRC that no liability to UK corporation tax on chargeable gains arises as a result of the Foundation Agreements coming to an end upon Unification. Regardless of whether confirmation is received, the Boards believe that the risk of any such liability arising is very low. If confirmation is not received, the Boards could in any event seek to implement transactions which should mitigate the risk of such liability and if, contrary to the Boards’ expectations and having implemented those transactions, a liability to tax were still found to arise, the Boards estimate that such liability would be no more than €1.2 billion.

#### **1.1 Taxation of Chargeable Gains**

##### **1.1.1 Disposals of New PLC Shares and New PLC ADSs**

PLC Shareholders or PLC ADS Holders who are resident in the UK (including for the purposes of a double tax treaty), or, in the case of individuals, who cease to be resident in the UK for a period of five years or less, may, depending on their circumstances (including the availability of exemptions or reliefs) be liable to UK tax on chargeable gains arising from the sale or other disposal of New PLC Shares or New PLC ADSs.

#### **1.2 Taxation of Dividends**

##### **1.2.1 Unilever PLC**

The Company will not be required to withhold amounts on account of UK tax at source when paying a dividend.

##### **1.2.2 Individual PLC Shareholders or PLC ADS Holders (including holders of New PLC Shares and New PLC ADSs)**

A UK-resident PLC Shareholder or PLC ADS Holder will not be subject to income tax on a dividend such individual receives from the Company if the total amount of the dividend income received by the individual in the tax year (including any dividend from the Company) does not

exceed a dividend allowance of £2,000, which will be taxed at a nil rate (the “**Dividend Allowance**”).

In determining the income rate or rates applicable to a UK-resident PLC Shareholder’s or PLC ADS Holder’s taxable income, dividend income is treated as the highest part of such individual shareholder’s income. Dividend income that falls within the Dividend Allowance will count towards the basic or higher rate limits (as applicable) which may affect the rate of tax due on any dividend income in excess of the Dividend Allowance.

To the extent that a UK-resident PLC Shareholder or PLC ADS Holder’s dividend income for the tax year exceeds the Dividend Allowance and, when treated as the highest part of such holder’s income, falls above such holder’s personal allowance but below the basic rate limit, such holder will be subject to tax on that dividend income at the dividend basic rate of 7.5 per cent. To the extent that such dividend income falls above the basic rate limit but below the higher rate limit, such an individual shareholder will be subject to tax on that dividend income at the dividend upper rate of 32.5 per cent. To the extent that such dividend income falls above the higher rate limit, such an individual shareholder will be subject to tax on that dividend income at the dividend additional rate of 38.1 per cent.

### **1.2.3 Corporate PLC Shareholders or PLC ADS Holders (including holders of New PLC Shares and New PLC ADSs)**

Corporate PLC Shareholders and PLC ADS Holders who are within the charge to corporation tax will be subject to corporation tax on the gross amount of dividends paid by the Company, unless (subject to special rules for holders that are small companies) the dividends fall within an exempt class and certain other conditions are met. Each PLC Shareholder or PLC ADS Holder’s position will depend on its own individual circumstances, although it would normally be expected that the dividends paid by the Company would fall within an exempt class. However, it should be noted that the exemptions are not comprehensive and may be subject to anti-avoidance rules.

### **1.2.4 Non-UK holder of PLC Shares or PLC ADSs (including holders of New PLC Shares and New PLC ADSs)**

A non-resident PLC Shareholder or PLC ADS Holder holding their New PLC Shares or New PLC ADSs as an investment and not in connection with any trade, profession or vocation carried on through a branch, agency or permanent establishment in the UK will not be subject to UK tax in respect of any dividends paid by the Company.

## **1.3 Inheritance Tax**

New PLC Shares which are registered on a register in the UK will be assets situated in the UK for the purposes of UK inheritance tax. Where New PLC Shares are dealt with through a clearing system, the situs of the New PLC Shares may not be determinative of the situs of the interests held by holders through such system. Where New PLC Shares are dealt with through Euroclear Nederland there are arguments that the interests of participants in Euroclear Nederland will be situated outside the UK for the purposes of UK inheritance tax so long as Euroclear Nederland maintains the book-entry register of such participants’ interests outside the UK, although HMRC may not accept this analysis. PLC Shareholders to whom this may be relevant should consult an appropriate professional adviser.

There are arguments that New PLC ADSs registered on a register outside the UK will be situated outside the UK for the purposes of UK inheritance tax, although HMRC may not accept this analysis. PLC ADS Holders to whom this may be relevant should consult an appropriate professional adviser.

If the New PLC ADSs or the New PLC Shares dealt with through Euroclear Nederland or both are not situated in the UK, a gift of such New PLC ADSs or such New PLC Shares by, or the death of, an individual holder of such assets who is domiciled or is deemed to be domiciled (under certain rules relating to long residence or previous domicile) in the UK may (subject to certain exemptions and reliefs) give rise to a liability to UK inheritance tax.

If such New PLC ADSs or such New PLC Shares are situated in the UK, the comments below should apply.

A gift of assets which are situated in the UK by, or the death of, an individual holder of such assets may (subject to certain exemptions and reliefs) give rise to a liability to UK inheritance tax, even if the holder is neither domiciled in the UK nor deemed to be domiciled there (under certain rules relating to long residence or previous domicile).

In either case, generally, UK inheritance tax is not chargeable on gifts to individuals if the transfer is made more than seven complete years prior to death of the donor. For inheritance tax purposes, a transfer of assets at less than full market value may be treated as a gift and particular rules apply to gifts where the donor reserves or retains some benefit.

Special rules also apply to close companies and to trustees of settlements who hold New PLC Shares or New PLC ADSs which may bring them within the charge to inheritance tax in certain circumstances.

PLC Shareholders and PLC ADS Holders should consult an appropriate professional adviser if they make a gift of any kind or intend to hold New PLC Shares or New PLC ADSs through a close company or trust arrangement. They should also seek professional advice in a situation where there is potential for a double charge to UK inheritance tax and an equivalent tax in another country or if they are in any doubt about their UK inheritance tax position.

## **1.4 Stamp duty and stamp duty reserve tax**

The statements in this section are intended as a general guide to the current UK stamp duty and stamp duty reserve tax (“SDRT”) position and apply to any holders of New PLC Shares or New PLC ADSs, irrespective of their tax residence. Special rules apply to certain transactions such as transfers to a company connected with the transferor and those rules are not described below. Investors should note that certain categories of person are not liable to stamp duty or SDRT and others may be liable at a higher rate or may, although not primarily liable to tax, be required to notify and account for SDRT under the Stamp Duty Reserve Tax Regulations 1986.

The statements in this section do not address any additional stamp duty (including bearer instrument duty) or SDRT considerations which may arise in respect of a transfer of an interest in New PLC Shares which is represented by a bearer instrument. Any person who holds such an interest and is considering transferring such interest should consult their own professional advisers.

### **1.4.1 Transfers—general**

Except in relation to clearance services and depositary receipt systems (to which the special rules outlined below apply), stamp duty at the rate of 0.5 per cent. (rounded up to the next multiple of £5) of the amount or value of the consideration given will generally be payable on an instrument transferring PLC Shares. A charge to SDRT will also arise on an unconditional agreement to transfer PLC Shares (at the rate of 0.5 per cent. of the amount or value of the consideration payable). However, if within six years of the date of the agreement becoming unconditional an instrument of transfer is executed pursuant to the agreement, and stamp duty is paid on that instrument, any SDRT already paid will be refunded (generally, but not necessarily, with interest) provided that a claim for repayment is made, and any outstanding liability to SDRT will be cancelled. The liability to pay stamp duty or SDRT is generally satisfied by the purchaser or transferee. An exemption from stamp duty is available on an instrument transferring PLC Shares where the amount or value of the consideration is £1,000 or less, and it is certified on the instrument that the transaction effected by the instrument does not form part of a larger transaction or series of transactions for which the aggregate consideration exceeds £1,000.

Special rules apply where listed securities are transferred by a person to a connected company. Holders of PLC Shares should consult an appropriate professional advisor if they intend to transfer their PLC Shares at less than full market value to a company with which they are connected.

### **1.4.2 Transfers of PLC Shares within CREST**

Paperless transfers of the PLC Shares within CREST are generally liable to SDRT rather than stamp duty, at the rate of 0.5 per cent. of the amount or value of the consideration (subject to the special rules outlined below in relation to clearance services and depositary receipt systems, which may hold shares via CREST). CREST is obliged to collect SDRT on relevant transactions



settled within the system. The charge is generally borne by the purchaser. Deposits of PLC Shares into CREST will not generally be subject to SDRT or stamp duty unless the transfer into CREST itself is for consideration, in which case a liability to SDRT (usually at a rate of 0.5 per cent.) will arise.

#### **1.4.3 PLC Shares held through clearance services including Euroclear Nederland**

Special rules apply where PLC Shares are issued or transferred to, or to a nominee or agent for, a person providing a clearance service. This will include Euroclear Nederland. In such circumstances, SDRT or stamp duty may be charged at a rate of 1.5 per cent., with subsequent transfers within the clearance service then being free from SDRT and stamp duty (except in relation to clearance service providers that have made an election under section 97A(1) of the Finance Act 1986, to which the special rules outlined below apply).

In light of EU case law, HMRC accepts that the 1.5 per cent. charge is in breach of EU law so far as it applies to issues of shares or to transfers of shares that are an integral part of a share issue. This EU case law continues to apply until 31 December 2020 (or such later date as may be agreed) under the Agreement on the withdrawal of the UK from the European Union and the European Atomic Energy Community (the “**transitional period**”). Further, it was confirmed in the Autumn 2017 Budget that this approach will continue following the UK’s withdrawal from the European Union.

HMRC’s published view is that the 1.5 per cent. SDRT or stamp duty charge continues to apply to other transfers of shares into a clearance service, although this has been disputed. In view of the continuing uncertainty, specific professional advice should be sought before incurring a 1.5 per cent. stamp duty or SDRT charge in any circumstances.

The UK rules provide a statutory basis for disapplying the 1.5 per cent. charge where a clearance service provider makes and maintains an election under section 97A(1) of the Finance Act 1986, which is approved by HMRC. In those circumstances, SDRT will instead arise on any transfer of PLC Shares into the clearance service at the rate of 0.5 per cent. of the amount or value of any consideration payable for the transfer, and on subsequent agreements to transfer such PLC Shares within the clearance service, in accordance with the general rules. The Company is not aware that any such election has been made by Euroclear Nederland.

Any liability for stamp duty or SDRT in respect of a transfer of the PLC Shares into a clearance service, or in respect of a transfer of the PLC Shares within such a service, which does arise will strictly be accountable by the clearance service or its nominee but may, in practice, be payable by the relevant participant in the clearance service.

#### **1.4.4 PLC Shares held within depositary receipt systems and PLC ADSs**

Special rules apply where PLC Shares are issued or transferred to, or to a nominee or agent for, a person whose business is or includes issuing depositary receipts. This will include Deutsche Bank Trust Company Americas as PLC ADS Depositary. In such circumstances, SDRT or stamp duty may be charged at a rate of 1.5 per cent., with subsequent transfers of depositary receipts then being free from SDRT.

As noted in the context of clearance services, HMRC accept that the 1.5 per cent. charge is in breach of EU law so far as it applies to issues of shares or to transfers of shares that are an integral part of a share issue. This EU case law continues to apply until the end of the transitional period. Further, it was confirmed in the Autumn 2017 Budget that this approach will continue following the UK’s withdrawal from the European Union.

However, HMRC’s published view is that the 1.5 per cent. SDRT or stamp duty charge will continue to apply to a transfer of shares into a depositary receipt system where such transfer is not an integral part of the raising of capital by the company concerned, although this has been disputed. In view of the continuing uncertainty, specific professional advice should be sought before incurring a 1.5 per cent. stamp duty or SDRT charge in any circumstances.

Any liability for stamp duty or SDRT in respect of a transfer of the PLC Shares into a depositary receipt system which does arise will strictly be accountable by the depositary receipt system operator or its nominee but may, in practice, be payable by the relevant holder of the depositary receipts.

An issue of PLC ADSs by the PLC ADS Depository will not be subject to stamp duty or SDRT. Transfers of PLC ADSs will not be subject to SDRT. An instrument transferring PLC ADSs will technically be subject to stamp duty if it is executed in the UK or relates to any property situated, or to any matter or thing done or to be done, in the UK. However, the only sanction for failing to pay such stamp duty is that the instrument of transfer cannot be produced as evidence in a UK court.

## 2 Dutch Taxation

This section outlines the principal Dutch tax consequences of the holding and disposal of New PLC ADSs and New PLC Shares. This is not a comprehensive or complete description of all aspects of Dutch tax law which could be of relevance to a PLC Shareholder. For Dutch tax purposes, holders of New PLC ADSs or New PLC Shares (for the purposes of this section, each a “**Shareholder**”) may include an individual, or an entity, that does not hold the legal title of the New PLC ADSs or New PLC Shares (for the purposes of this section, together, the “**Shares**”), but to whom nevertheless the Shares, or their income, are attributed based either on this individual or entity owning a beneficial interest in the Shares or based on specific statutory provisions. These include statutory provisions under which Shares are attributed to an individual who is, or who has directly or indirectly inherited from a person who was, the settlor, grantor or similar originator of a trust, foundation or similar entity that holds the Shares.

This section is intended as general information only. A Shareholder should consult his or her own tax adviser regarding the tax consequences of holding of New PLC ADSs or New PLC Shares.

This section is based on Dutch tax law as applied and interpreted by Dutch tax courts and as published and in effect on the date of this Prospectus, including, for the avoidance of doubt, the tax rates applicable on that date, without prejudice to any amendments introduced at a later date and implemented with or without retroactive effect.

Any reference made to Dutch taxes, Dutch tax or Dutch tax law in this section must be construed as a reference to taxes of whatever nature levied by or on behalf of the Netherlands or any of its subdivisions or taxing authorities or to the law governing such taxes, respectively. This section does not address the impact of treaties for the avoidance of double taxation concluded by the Netherlands.

This paragraph does not describe the possible Dutch tax considerations or consequences that may be relevant to a Shareholder:

- who is an individual and for whom the income or capital gains derived from the holding of New PLC ADSs and New PLC Shares are attributable to employment activities the income from which is taxable in the Netherlands;
- who is an individual engaged in miscellaneous activities, including, without limitation, activities which are beyond the scope of active portfolio investment activities (*meer dan normaal vermogensbeheer*);
- which has a substantial interest (*aanmerkelijk belang*) or a fictitious substantial interest (*fictief aanmerkelijk belang*) in the Company within the meaning of chapter 4 of the Dutch Income Tax Act 2001 (*Wet inkomstenbelasting 2001*) (the “**ITA**”). Generally, a substantial interest in the Company arises if the Shareholder, alone or, in case of an individual, together with his or her partner, owns or holds certain rights to shares, including rights to directly or indirectly acquire shares, representing, directly or indirectly, 5 per cent. or more of the issued capital of the Company or of the issued capital of any class of Shares;
- that is an entity which under the Dutch Corporate Income Tax Act 1969 (*Wet op de vennootschapsbelasting 1969*) (the “**CITA**”) is not subject to Dutch corporate income tax or is in full or in part exempt from Dutch corporate income tax (such as a qualifying pension fund);
- that is an investment institution (*beleggingsinstelling*) as described in Section 6a or 28 CITA; or
- that is entitled to the participation exemption (*deelnemingsvrijstelling*) with respect to Shares (as defined in Section 13 CITA). Generally, a Shareholder is entitled to the participation exemption if it is subject to Dutch corporate income tax and it, or a related entity, holds an interest of 5 per cent. or more of the nominal paid-up share capital in the Company.

## 2.1 Holding of New PLC Shares and New PLC ADSs

This section outlines the principal Dutch tax consequences of the holding and disposal of New PLC ADSs and New PLC Shares.

### 2.1.1 Withholding Tax

A holder of New PLC ADSs or New PLC Shares will not be subject to Dutch dividend withholding tax on dividends distributed by the Company as the Company is exclusively tax resident in the UK for purposes of the Dutch Dividend Withholding Tax Act 1965.

### 2.1.2 Taxes on Income and Capital Gains

#### (a) Residents of the Netherlands

The description of certain Dutch tax consequences in this section is only intended for holders of New PLC ADSs and New PLC Shares who are:

- individuals who are resident or deemed to be resident in the Netherlands (“**Dutch Individuals**”); and
- entities or enterprises that are resident or deemed to be resident in the Netherlands and subject to Dutch corporate income tax (“**Dutch Corporate Entities**”).

#### (b) Dutch Individuals Engaged or Deemed to be Engaged in an Enterprise

Dutch Individuals engaged or deemed to be engaged in an enterprise are generally subject to income tax at statutory progressive rates with a maximum of 49.50 per cent. (maximum rate for 2020) with respect to any benefits derived or deemed to be derived from the New PLC ADSs or the New PLC Shares, including any capital gains realised on their disposal, that are attributable to the enterprise.

#### (c) Dutch Individuals not Engaged or Deemed to be Engaged in an Enterprise or in Miscellaneous Activities and not having a Substantial, or Fictitious Substantial, Interest

Generally, the New PLC ADSs and the New PLC Shares held by a Dutch Individual who is not engaged or deemed to be engaged in an enterprise or in miscellaneous activities and who does not have a substantial or fictitious substantial interest, will be subject annually to an income tax imposed on a fictitious yield on New PLC ADSs and New PLC Shares. The New PLC ADSs and the New PLC Shares held by this Dutch Individual will be taxed under the regime for savings and investments (*inkomen uit sparen en beleggen*). Irrespective of the actual income or capital gains realised, the annual taxable benefit of the assets and liabilities of a Dutch Individual that are taxed under this regime, including the New PLC ADSs and the New PLC Shares, is set at a percentage of the positive balance of the fair market value of these assets, including the New PLC ADSs and the New PLC Shares, and the fair market value of these liabilities. For 2020, the percentage increases:

- from 1.79 per cent. on any positive balance that is less than €72,798;
- to 4.19 per cent. of this positive balance of €72,798 up to €1,005,573; and
- to a maximum 5.28 per cent. of this positive balance of €1,005,573 or higher.

The percentages will be reassessed every year. No taxation occurs if this positive balance does not exceed a certain threshold (*heffingvrij vermogen*), which is set at €30,846 (2020). The fair market value of assets, including the New PLC ADSs and the New PLC Shares, and liabilities that are taxed under this regime is measured, in general, exclusively on January 1 of every calendar year. The tax rate under the regime for savings and investments is a flat rate of 30 per cent. (rate for 2020).

#### (d) Dutch Corporate Entities

Dutch Corporate Entities are generally subject to corporate income tax at statutory rates up to 25 per cent. (maximum rate for 2020) with respect to any benefits derived or deemed to be derived from the New PLC ADSs and the New PLC Shares, including any capital gains realised on their disposal.

(e) Non-residents of the Netherlands

The description of certain Dutch tax consequences in this section is only intended for the following holders of New PLC ADSs and New PLC Shares:

- individuals who are not resident and not deemed to be resident in the Netherlands (“**Non-Dutch Individuals**”); and
- entities that are not resident and not deemed to be resident in the Netherlands (“**Non-Dutch Corporate Entities**”).

(f) Non-Dutch Individuals

A Non-Dutch Individual will not be subject to any Dutch taxes on income or capital gains in respect of the holding and disposal of New PLC ADSs or the New PLC Shares, unless the Non-Dutch Individual derives profits from an enterprise, whether as entrepreneur or pursuant to a co-entitlement to the net worth of this enterprise other than as an entrepreneur or a shareholder, which enterprise is, in whole or in part, carried on through a permanent establishment (*vaste inrichting*) or a permanent representative (*vaste vertegenwoordiger*) in the Netherlands, to which the New PLC ADSs or the New PLC Shares are attributable.

(g) Non-Dutch Corporate Entities

A Non-Dutch Corporate Entity will not be subject to any Dutch taxes on income or capital gains in respect of the holding and disposal of New PLC ADSs or New PLC Shares, unless:

- (I) the Non-Dutch Corporate Entity derives profits from an enterprise, which enterprise is, in whole or in part, carried on through a permanent establishment or a permanent representative in the Netherlands, to which the New PLC ADSs or the New PLC Shares are attributable; or
- (II) the Non-Dutch Corporate Entity is entitled to a share in the profits of an enterprise or a co-entitlement to the net worth of an enterprise, other than by way of securities, which enterprise is effectively managed in the Netherlands and to which enterprise the New PLC ADSs or the New PLC Shares are attributable.

Under certain specific circumstances, Dutch taxation rights may be restricted for Non-Dutch Individuals and Non-Dutch Corporate Entities pursuant to treaties for the avoidance of double taxation.

### 2.1.3 Other Taxes and Duties

No other Dutch taxes, including turnover or value added taxes and taxes of a documentary nature, such as capital tax, stamp or registration tax or duty, are payable by or on behalf of the holder of New PLC ADSs or New PLC Shares by reason only of the holding and disposal of the New PLC ADSs or the New PLC Shares.

## 3 United States Taxation

The following discussion sets forth the material U.S. federal income tax consequences of holding New PLC Shares and New PLC ADSs. This discussion is based upon the Internal Revenue Code of 1986, as amended (the “**Code**”), the regulations of the U.S. Treasury Department and court and administrative rulings and decisions in effect on the date of this document. These laws may change, possibly retroactively, and any change could affect the continuing validity of this discussion. In addition, there can be no assurance that the Internal Revenue Service will not disagree with or challenge any of the conclusions described herein.

For the purposes of this discussion, the term “U.S. holder” is used to mean a beneficial owner of New PLC Shares or New PLC ADSs that is for U.S. federal income tax purposes:

- a citizen or resident of the United States;
- a corporation, or any entity treated as a corporation, created or organised under the laws of the United States or any of its political subdivisions;
- a trust that: (i) is subject to the supervision of a court within the United States and the control of one or more U.S. persons; or (ii) has a valid election in effect under applicable U.S. Treasury regulations to be treated as a U.S. person; or

- an estate that is subject to U.S. federal income tax on its income regardless of its source.

If a partnership holds New PLC Shares or New PLC ADSs, the tax treatment of a partner will generally depend on the status of the partners and the activities of the partnership. If investors are partners of a partnership holding New PLC Shares or New PLC ADSs, they should consult their own tax advisors.

This discussion assumes that investors hold their New PLC Shares or New PLC ADSs as capital assets within the meaning of Section 1221 of the Code. Further, this discussion does not address all aspects of U.S. federal income taxation that may be relevant to investors in light of their particular circumstances or that may be applicable to investors if they are subject to special treatment under the U.S. federal income tax laws, including if investors are:

- a bank or other financial institution;
- a tax-exempt organisation;
- an S corporation or other pass-through entity;
- an insurance company;
- a mutual fund;
- a regulated investment company or real estate investment trust;
- a dealer or broker in stocks and securities, or currencies;
- a trader in securities that elects mark-to-market treatment;
- a person subject to the alternative minimum tax;
- a person who actually or constructively owns 5 per cent. or more of the total combined voting power of all classes of stock entitled to vote or value of the Company;
- a person that received New PLC Shares or New PLC ADSs through the exercise of an employee stock option or pursuant to a tax-qualified retirement plan;
- a person required to accelerate the recognition of any item of gross income with respect to the New PLC Shares or the New PLC ADSs as a result of such income being recognised on an applicable financial statement;
- a person that has a functional currency other than the U.S. dollar;
- a person that holds New PLC Shares or New PLC ADSs as part of a hedge, straddle, constructive sale, conversion or other integrated transaction; or
- a U.S. expatriate.

In addition, this discussion does not address any tax consequences arising under the Medicare contribution tax on net investment income, or under any U.S. state or local, or any non-U.S., law. All holders of New PLC Shares or New PLC ADSs should consult their own tax advisors as to the specific tax consequences to them of ownership and disposition of New PLC Shares or New PLC ADSs, including the applicability and effect of any state, local, foreign and other tax laws.

### **3.1 Material U.S. Federal Income Tax Considerations Relating to the Ownership and Disposition of New PLC Shares**

The following is a discussion of the material U.S. federal income tax consequences of the ownership and disposition by U.S. holders of New PLC Shares and New PLC ADSs.

#### **3.1.1 New PLC ADSs**

If investors hold New PLC ADSs, for U.S. federal income tax purposes, they generally will be treated as the owner of the underlying New PLC Shares that are represented by such New PLC ADSs. Accordingly, deposits or withdrawals of New PLC Shares for New PLC ADSs will not be subject to U.S. federal income tax.

#### **3.1.2 Taxation of Dividends**

- (a) The gross amount of distributions on New PLC Shares or New PLC ADSs will be taxable as dividends to the extent paid out of the Company's current or accumulated earnings and profits, as determined under U.S. federal income tax principles. Investors should expect the

full amount of a distribution will generally be treated as a taxable dividend. Such income will be includable in investors gross income as ordinary income on the day actually or constructively received by investors. Such dividends will not be eligible for the dividends received deduction allowed to corporations under the Code. Investors are urged to consult their own tax advisors regarding the availability of the foreign tax credit under their particular circumstances.

- (b) With respect to non-corporate U.S. investors, certain dividends received from a qualified foreign corporation may be subject to reduced rates of taxation. A qualified foreign corporation includes a foreign corporation that is eligible for the benefits of the income tax treaty between the United States and the UK, and the Company believes that it is eligible for the benefits of that treaty. However, non-corporate holders that do not meet a minimum holding period requirement during which they are not protected from the risk of loss or that elect to treat the dividend income as “investment income” pursuant to Section 163(d)(4) of the Code will not be eligible for the reduced rates of taxation. In addition, the rate reduction will not apply to dividends if the recipient of a dividend is obligated to make related payments with respect to positions in substantially similar or related property. This disallowance applies even if the minimum holding period has been met. Investors should consult their own tax advisors regarding the application of these rules to their particular circumstances.
- (c) The amount of any dividend paid in euros or pounds sterling will equal the U.S. dollar value of the euros or pounds sterling received calculated by reference to the exchange rate in effect on the date the dividend is received by investors, regardless of whether the euros or pounds sterling are converted into U.S. dollars. If the euros or pounds sterling received as a dividend are converted into U.S. dollars on the date they are received, investors generally will not be required to recognise foreign currency gain or loss in respect of the dividend income. If the euros or pounds sterling received as a dividend are not converted into U.S. dollars on the date of receipt, investors will have a basis in the euros or pounds sterling equal to their U.S. dollar value on the date of receipt. Any gain or loss realised on a subsequent conversion or other disposition of the euros or pounds sterling will be treated as U.S. source ordinary income or loss.

### **3.1.3 Taxation of Capital Gains**

For U.S. federal income tax purposes, investors will recognise taxable gain or loss on any sale or exchange of New PLC Shares or New PLC ADSs in an amount equal to the difference between the amount realised for New PLC Shares or New PLC ADSs and their tax basis in New PLC Shares or New PLC ADSs. Such gain or loss will generally be capital gain or loss. Capital gains of non-corporate U.S. holders (including individuals) derived with respect to capital assets held for more than one year are eligible for reduced rates of taxation. The deductibility of capital losses is subject to limitations. Any gain or loss recognised by investors will generally be treated as U.S. source gain or loss.

### **3.1.4 Information with Respect to Foreign Financial Assets**

Owners of “specified foreign financial assets” with an aggregate value in excess of \$50,000 (or, in some circumstances, a higher threshold) may be required to file an information report with respect to such assets with their tax returns. “Specified foreign financial assets” may include financial accounts maintained by foreign financial institutions, as well as any of the following assets if they are not held in accounts maintained by financial institutions: (i) stocks and securities issued by non-U.S. persons; (ii) financial instruments and contracts held for investment that have non-U.S. issuers or counterparties; and (iii) interests in foreign entities. Investors are urged to consult their own tax advisors regarding the application of this reporting requirement to their ownership of New PLC Shares or New PLC ADSs.

### **3.1.5 Information Reporting and Backup Withholding**

Investors who are non-corporate U.S. holders of New PLC Shares or New PLC ADSs, may be subject to information reporting and backup withholding on dividends paid with respect to New PLC Shares or New PLC ADSs and on proceeds from a sale or other disposition of New PLC Shares or New PLC ADSs. Investors will not be subject to backup withholding, however, if investors:

- furnish a correct taxpayer identification number and certify that they are not subject to backup withholding; or
- are otherwise exempt from backup withholding.

Any amounts withheld under the backup withholding rules will be allowed as a refund or credit against investors' U.S. federal income tax liability, provided investors timely furnish the required information to the Internal Revenue Service.

This summary of certain U.S. federal income tax consequences of the ownership and disposition by U.S. holders of New PLC Shares and New PLC ADSs is not tax advice. The determination of the actual tax consequences of the ownership and disposition by U.S. holders of New PLC Shares and New PLC ADSs will depend on the holder's specific situation. Holders of New PLC Shares and New PLC ADSs should consult their own tax advisors as to the tax consequences of the ownership and disposition by U.S. holders of New PLC Shares and New PLC ADSs in their particular circumstances, including the applicability and effect of the alternative minimum tax and any state, local, foreign or other tax laws and of changes in those laws.

**PART XII**  
**ADDITIONAL INFORMATION**

**1 Responsibility**

The Company and the PLC Directors, whose names and principal functions are set out in Part VIII: “PLC Directors, PLC Senior Management and Corporate Governance”, accept responsibility for the information contained in this Prospectus. To the best of the knowledge of the Company and the PLC Directors, the information contained in this Prospectus is in accordance with the facts and this Prospectus makes no omission likely to affect its import.

**2 Incorporation**

- 2.1** The Company was incorporated and registered in England and Wales on 21 June 1894 under the name of Lever Brothers, Limited with registered number 00041424.
- 2.2** On 31 December 1937, the name of the Company was changed from Lever Brothers, Limited to Lever Brothers & Unilever Limited. On 1 March 1952, the name of the Company changed from Lever Brothers & Unilever Limited to Unilever Limited. On 1 June 1981, the Company was re-registered as a public company limited by shares with the name Unilever PLC.
- 2.3** The Company’s registered office is at Port Sunlight, Wirral, Merseyside CH62 4ZD and its principal place of business is at 100 Victoria Embankment, London EC4Y 0DY. The Company’s telephone number is +44 20 7822 5252 and its Legal Entity Identifier is 549300MKFYEKVRWML317.
- 2.4** The Company’s website is *www.unilever.com*. The contents of the Company’s website, any website mentioned in this Prospectus or any website directly or indirectly linked to these websites have not been verified and do not form part of this Prospectus, and investors should not rely on such information.
- 2.5** The principal laws and legislation under which the Company operates and under which the New PLC Shares will be issued is the Companies Act 2006 and the regulations issued thereunder.
- 2.6** The business of the Company, and its principal activity, is to act as the ultimate holding company of the Unilever Group.

**3 Share capital**

**3.1 Issued share capital**

The issued and fully paid share capital of the Company as at 31 December 2019 (being the last date to which audited accounts for the Unilever Group have been prepared) is as follows:

***Issued Share Capital (as at 31 December 2019)***

	<u>Number</u>	<u>Nominal value</u>	<u>Amount</u>
Total issued ordinary share capital <sup>(1)(2)</sup> . . . . .	1,168,530,650	3 <sup>1</sup> /p	£36,354,287

Notes:

- (1) As at 31 December 2019, the Company held none of its own ordinary shares in treasury. However, as at 31 December 2019, 4,391,130 PLC Shares (including PLC Shares represented by PLC ADSs) were held by NV group companies, which are included in the total set out in the table above.
- (2) As at 31 December 2019, the Company’s issued share capital was also comprised of 100,000 PLC Deferred Shares with a nominal value of £1.00 each, which are not included in the table above.



The issued and fully paid share capital of the Company as at the Latest Practicable Date is as follows:

**Issued Share Capital (as at the Latest Practicable Date)**

	<u>Number</u>	<u>Nominal value</u>	<u>Amount</u>
Total issued ordinary share capital <sup>(1)(2)</sup>	1,168,530,650	3 <sup>1</sup> /9p	£36,354,287

Note:

- (1) As at the Latest Practicable Date, the Company holds none of its own ordinary shares in treasury. However, as at the Latest Practicable Date, 2,737,311 PLC Shares (including PLC Shares represented by PLC ADSs) were held by NV group companies, which are included in the total set out in the table above.
- (2) As at the Latest Practicable Date, the Company's issued share capital was also comprised of 100,000 PLC Deferred Shares with a nominal value of £1.00 each, which are not included in the table above.

The issued and fully paid share capital of the Company immediately following the CBM Effective Date is expected to be as follows:

**Issued Share Capital (as at the CBM Effective Date)**

	<u>Number</u>	<u>Nominal value</u>	<u>Amount</u>
Total issued ordinary share capital <sup>(1)(2)(3)</sup>	2,629,245,454	3 <sup>1</sup> /9p	£81,798,747

Notes:

- (1) Figures are based on the share capital as at the Latest Practicable Date and assume no new PLC Shares (including New PLC Shares represented by New PLC ADSs) are issued between the Latest Practicable Date and the CBM Effective Date.
- (2) As at the Latest Practicable Date, 2,737,311 PLC Shares (including PLC Shares represented by PLC ADSs) were held by NV group companies, which are included in the total set out in the table above.
- (3) As at the Latest Practicable Date, the Company's issued share capital was also comprised of 100,000 PLC Deferred Shares with a nominal value of £1.00 each, which are not included in the table above, and which will be repurchased by the Company and cancelled prior to the CBM Effective Date.

**3.2 History of share capital**

Details of changes in the Company's share capital for the years ending 31 December 2019, 31 December 2018 and 31 December 2017 are set out in the following table. The movements in the issued share capital set out below reflect the cancellation of PLC Shares held in treasury.

**Issued Share Capital (changes in years ending 31 December 2019, 31 December 2018 and 31 December 2017)**

	<u>2019</u>	<u>2018</u>	<u>2017</u>
Total opening issued ordinary share capital <sup>(1)</sup>	1,187,191,284	1,310,156,361	1,310,156,361
Issue of ordinary shares	0	0	0
Cancellation of ordinary shares	(18,660,634) <sup>(2)</sup>	(122,965,077) <sup>(3)</sup>	(0)
Movement in issued ordinary share capital	(18,660,634)	(122,965,077)	(0)
<b>Total closing issued ordinary share capital<sup>(1)</sup></b>	<b>1,168,530,650</b>	<b>1,187,191,284</b>	<b>1,310,156,361</b>

Note:

- (1) For the years ending 31 December 2019, 31 December 2018 and 31 December 2017, the Company's issued share capital was also comprised of 100,000 PLC Deferred Shares with a nominal value of £1.00 each, which are not included in the table above.
- (2) On 10 April 2019, the Company cancelled 18,660,634 PLC Shares held in treasury, representing 1.57 per cent. of the Company's issued share capital.
- (3) On 31 July 2018, the Company cancelled 110,493,623 PLC Shares held in treasury, representing 8.43 per cent. of the Company's issued share capital. On 19 September 2018, the Company cancelled a further 12,471,454 PLC Shares held in treasury, representing 1.04 per cent. of the Company's issued share capital.

## 4 Resolutions and authorities

### 4.1 Existing resolutions and authorities

- 4.1.1 Pursuant to the Companies Act 2006, with effect from 1 October 2009, the concept of authorised share capital was abolished and, accordingly, there is no limit on the maximum amount of shares that may be allotted by the Company.
- 4.1.2 Pursuant to an ordinary resolution adopted by the PLC Shareholders at the annual general meeting of the Company on 29 April 2020, the Board of the Company may, for a period expiring (unless otherwise renewed, varied or revoked at a general meeting of the Company) at the end of the next annual general meeting of the Company (or, if earlier, at the close of business on 30 June 2021), allot PLC Shares, and grant rights to subscribe for or convert any security into PLC Shares up to an aggregate nominal amount of £12,102,222.
- 4.1.3 The Board of the Company is also empowered by way of special resolution to, for a period expiring (unless otherwise renewed, varied or revoked at a general meeting of the Company) at the end of the next annual general meeting of the Company (or, if earlier, at the close of business on 30 June 2021), allot PLC Shares wholly for cash pursuant to the authority given in paragraph 4.1.2 of this Part XII or where the authority constitutes an allotment of PLC Shares by virtue of section 560(3) of the Companies Act 2006, in each case:
- (a) in connection with a pre-emptive offer; and
  - (b) otherwise than in connection with a pre-emptive offer, up to an aggregate nominal amount of £1,817,714.
- 4.1.4 In addition to the authority described above, the Board of the Company is also empowered by way of special resolution to, for a period expiring (unless otherwise renewed, varied or revoked at a general meeting of the Company) at the end of the next annual general meeting of the Company (or, if earlier, at the close of business on 30 June 2021), allot PLC Shares wholly for cash pursuant to the authority given by paragraph 4.1.2 of this Part XII or where the authority constitutes an allotment of PLC Shares by virtue of section 560(3) of the Companies Act 2006 as if section 561(1) of the Companies Act 2006 did not apply to any such allotment, such authority to be:
- (a) limited to the allotment of PLC Shares or sale of treasury shares up to an aggregate nominal amount of £1,817,714; and
  - (b) used only for the purposes of financing (or refinancing if the authority is to be used within six months after the original transaction) a transaction which the Board of the Company determines to be an acquisition or other capital investment of a kind contemplated by the Statement of Principles on Disapplying Pre-emption Rights most recently published by the Pre-emption Group prior to the date of the notice of annual general meeting of the Company held on 29 April 2020.
- 4.1.5 The Company is also authorised for the purposes of section 701 of the Companies Act 2006 to make one or more market purchases (within the meaning of section 693(4) of the Companies Act 2006) of PLC Shares on such terms and in such manner as the PLC Directors may from time to time determine, provided that:
- (a) the maximum number of PLC Shares which may be purchased under this authority is 116,853,000 (representing approximately 10 per cent. of the issued ordinary share capital of the Company);
  - (b) the minimum price (exclusive of expenses) which may be paid for each PLC Share shall not be less than the nominal value of the PLC Shares at the time of purchase; and
  - (c) the maximum price (exclusive of expenses) which may be paid for each PLC Share is an amount equal to the higher of: (i) 105 per cent. of the average of the closing price of the PLC Shares as derived from the daily Official List for the five Business Days immediately preceding the day on which such share is contracted to be purchased; and (ii) the higher of the price of the last independent trade and the highest current bid as stipulated by Commission-adopted Regulatory Technical Standards pursuant to article 5(6) of the Market Abuse Regulation.

This authority shall expire at the next annual general meeting of the Company or, if earlier, 30 June 2021 (except in relation to the purchase of shares the contract for which was concluded before the expiry of such authority and which might be implemented wholly or partly after such expiry) unless such authority is renewed prior to such time.

- 4.1.6 The Company is also authorised in accordance with the PLC Articles, until the Company's next annual general meeting, to call general meetings on 14 clear days' notice.

#### **4.2 Shareholder authorities to be proposed at the PLC General Meeting**

Unification will be effected, and the New PLC Shares will be issued, under the PLC Special Resolution to be proposed at the PLC General Meeting. The PLC Special Resolution includes:

- 4.2.1 the approval of the Common Draft Terms of Merger (in their original form or with or subject to any modification, addition or condition approved or imposed by the UK High Court and consented to by the directors of both the Company and NV) and the authorisation of the Directors to take all such action as they may consider necessary or appropriate for carrying such proposals into effect;
- 4.2.2 the approval and authorisation of the terms of a proposed contract between holders of the PLC Deferred Shares and the Company, providing for the purchase, prior to the CBM Effective Date, by the Company of all such PLC Deferred Shares to be immediately cancelled for their aggregate nominal value of £100,000 for the purposes of section 694 of the Companies Act 2006 and otherwise;
- 4.2.3 the authorisation of the Directors pursuant to and in accordance with Section 551 of the Companies Act 2006 to exercise all the powers of the Company to allot shares in the Company and to grant rights to subscribe for or to convert any security into shares in the Company, in connection with the Cross-Border Merger (and the Withdrawal Mechanism), up to an aggregate nominal amount of £46,000,000, such authority to apply in addition to all existing authorities pursuant to Section 551 of the Companies Act 2006 and to expire at the conclusion of the Company's next annual general meeting to be held in respect of the current financial year or, if earlier, at the close of business on 30 June 2021;
- 4.2.4 subject to the passing of the resolution described at paragraph 4.2.3 of this Part XII, the authorisation of the Directors to allot equity securities (as defined in Section 560(1) of the Companies Act 2006) wholly for cash pursuant to the authority given by resolution described at paragraph 4.2.3 of this Part XII or where the allotment constitutes an allotment of equity securities by virtue of Section 560(3) of the Companies Act 2006, in each case in connection with the Withdrawal Mechanism, up to an aggregate nominal value of £23,000,000, as if Section 561(1) of the Companies Act 2006 did not apply to any such allotment, provided that such authority shall expire at the earlier of the conclusion of the Company's next annual general meeting to be held in respect of the current financial year or at the close of business on 30 June 2021; and
- 4.2.5 the approval of the replacement of the articles of association of the Company through the adoption of the Amended PLC Articles, with effect from the Cross-Border Merger becoming effective as fixed by an order of the High Court of England and Wales as described in paragraph 5 of this Part XII .

#### **5 PLC Articles and Amended PLC Articles**

Following Unification, the Unilever Group will no longer have a dual-parent company structure and NV will cease to exist and so certain provisions of the PLC Articles will no longer be required, including the requirement for members of the board of directors of the Company to also be members of the board of directors of NV.

It is therefore proposed that, with effect from the CBM Effective Date, the PLC Articles will be replaced by the adoption of the Amended PLC Articles. A summary of the Amended PLC Articles is set out in this paragraph 5.

The Amended PLC Articles are available for inspection at the address specified in paragraph 22 of this Part XII .

## 5.1 Objects

The Company's objects are not restricted by its articles. Accordingly, pursuant to section 31 of the Companies Act 2006, the Company's objects are unrestricted.

## 5.2 Shares

### 5.2.1 *Share rights*

Without prejudice to any rights attached to any existing shares, the Company may issue shares with such rights or restrictions as determined by either the Company by ordinary resolution or, if they do not conflict with any resolution passed by PLC Shareholders, the PLC Directors. The Company may also issue shares which are or are liable to be redeemed at the option of the Company or the holder and the PLC Directors may determine the terms, conditions and manner of redemption of any such shares.

### 5.2.2 *Voting rights*

PLC Shareholders will be entitled to vote at a general meeting on a show of hands or a poll. The default position is a show of hands unless (prior to or on the declaration of the result of the vote on a show of hands or on the withdrawal of any other demand for a poll) a poll is demanded. At a general meeting of the Company, subject to any special rights or restrictions attached to any class of shares:

- (a) on a show of hands, every member present in person and every duly appointed proxy present shall have one vote;
- (b) on a show of hands, a proxy has one vote for and one vote against the resolution if the proxy has been duly appointed by more than one member entitled to vote on the resolution and the proxy has been instructed:
  - (I) by one or more of those members to vote for the resolution and by one or more of those members to vote against it; or
  - (II) by one or more of those members to vote either for or against the resolution and by one or more of those members to use his discretion as to how to vote; and
- (c) on a poll, every member present in person or by proxy has one vote for every share held by him.

A proxy shall not be entitled to vote on a show of hands or on a poll where the member appointing the proxy would not have been entitled to vote on the resolution had he been present in person.

In the case of joint holders of a share, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders and for this purpose seniority shall be determined by the order in which the names stand in the register in respect of the joint holding.

Unless the PLC Directors decide otherwise, the only people who can attend or vote at general meetings are PLC Shareholders who have paid the Company all calls, and all other sums, relating to their shares which are due at the time of the general meeting. This applies both to attending a general meeting personally and to appointing a proxy.

### 5.2.3 *Transfer of shares*

The PLC Articles allow PLC Shareholders to transfer shares using an instrument of transfer in any usual form or in any other form which the PLC Directors may approve. No fee is payable by the PLC Shareholders to the Company in relation to the registration of the transfer of their shares. An instrument of transfer shall be signed by or on behalf of the transferor. In the event that the share being transferred is not fully paid-up, the instrument of transfer must also be signed by or on behalf of the transferee.

The PLC Directors may, at their discretion, decline to register the transfer of a share which is not fully paid-up (provided that the refusal does not prevent dealings in shares in the Company from taking place on an open and proper basis) or where the instrument of transfer: (i) is not lodged, duly stamped (if applicable), at the Company's registered office (or such other place as the PLC

Directors may from time to time determine); (ii) relates to more than one class of share; or (iii) is in favour of more than four transferees. In the event that the PLC Directors refuse to register a transfer of shares, they shall send the transferee notice of its refusal within two months of receiving the instrument of transfer.

#### *5.2.4 Modification of rights*

Subject to the Companies Act 2006, rights attached to any class of shares may be modified with the written consent of the holders of not less than three-quarters in nominal value of the issued shares of that class (calculated excluding any shares held as treasury shares), or with the sanction of a special resolution passed at a separate general meeting of the holders of those shares. At every such separate general meeting (except an adjourned meeting) the quorum shall be two persons holding or representing by proxy not less than one-third in nominal value of the issued shares of the class (calculated excluding any shares held as treasury shares), unless only one person holds all the shares of that class, in which case the quorum shall be that one person.

The rights conferred upon the holders of any shares shall not, unless otherwise expressly provided in the rights attaching to those shares, be deemed to be modified.

### **5.3 General meetings**

#### *5.3.1 Quorum*

The quorum for all general meetings is at least seven people who are entitled to vote. They can be personally present or proxies for shareholders or a combination of shareholders and proxies. If in relation to a general meeting a quorum is not present within five minutes of the time fixed for the general meeting to start or within any longer period (not exceeding one hour) which the chairman may decide on or if at any time during the meeting a quorum ceases to be present, the meeting will be dissolved. Any other meeting will be adjourned to any day, time and place stated in the notice of meeting. If the notice does not provide for this, the meeting is adjourned to a day, time and place decided on by the chairman, provided that the adjourned meeting shall be held not less than 10 clear days after the original general meeting. At such adjourned meeting, one shareholder present in person or by proxy and entitled to vote shall constitute a quorum.

#### *5.3.2 Attendance at shareholders' meetings and proxies*

The appointment of proxies must be in writing and signed by the appointing shareholder if the shareholder is an individual or otherwise validly executed in accordance with the PLC Articles if the appointing shareholder is a company. A proxy form can be in any form which is commonly used or has been approved by the PLC Directors and must be delivered to the Company, in accordance with the PLC Articles, at least 48 hours before a meeting or adjourned meeting, or 48 hours before a poll is taken if the poll is not taken on the same day as (but within 48 hours of) the meeting or adjourned meeting, or 24 hours before a poll is taken if the poll is not taken on the same day as (and more than 48 hours from) the meeting or adjourned meeting.

### **5.4 Directors**

#### *5.4.1 General powers*

Subject to the PLC Articles and any direction given to the Company by a special resolution of the PLC Shareholders, the business of the Company shall be managed by the directors who may exercise all the powers of the Company whether relating to the management of the business of the Company or not.

#### *5.4.2 Number of directors*

The number of directors shall not be less than six or more than 30.

#### *5.4.3 PLC Directors' shareholding qualification*

A director shall not be required under the PLC Articles to hold any shares in the Company.

#### *5.4.4 Remuneration of directors*

Each of the directors shall be paid a fee at such rate as may from time to time be determined by the directors provided that the aggregate of all fees so paid to directors (excluding amounts payable under any other provisions of these articles) shall not exceed £2,000,000 per annum (or

its equivalent in any other currency based upon such foreign currency exchange rates as the directors shall determine) or such higher amount as may from time to time be decided by ordinary resolution of the Company.

Any director who, by request, goes or resides abroad for any purposes of the Company or who performs services which in the opinion of the directors go beyond the ordinary duties of a director may be paid such extra remuneration (whether by way of salary, commission, participation in profits or otherwise) as the directors may determine in addition to any remuneration provided for by or pursuant to any other article. Each director may be paid his reasonable travelling, hotel and incidental expenses of attending and returning from meetings of the directors or committees of the directors or general meetings of the Company or any other meeting which as a director he is entitled to attend and shall be paid all expenses properly and reasonably incurred by him in the conduct of the Company's business or in the discharge of his duties as a director.

#### 5.4.5 *Appointment of directors*

Under English law, each member of the board of directors of the Company is appointed by ordinary resolution at a general meeting, after being first recommended by the board of directors of the Company or a shareholder entitled to vote at the general meeting. The board of directors of the Company may also appoint a director to fill a vacancy or as an additional director. In this instance, the director's appointment will last until the next annual general meeting where their appointment must be ratified by the shareholders.

#### 5.4.6 *Retirement of directors*

The Company's articles provide that at every annual general meeting, all the directors shall retire, with such retirement becoming effective at the conclusion of the annual general meeting of the Company.

#### 5.4.7 *Removal of directors by special resolution*

Pursuant to English law and the PLC Articles, PLC Shareholders may remove a director by passing a special resolution to that effect.

#### 5.4.8 *Directors' interests*

The directors of the Company may, subject to the provisions of the PLC Articles, authorise any matter which would otherwise involve a director breaching his/her duty under the Companies Act 2006 to avoid conflicts of interest. Where the board of directors of the Company gives authority in relation to a conflict of interest or where any of the situations described in (i) to (iii) below applies in relation to a director, the board of directors of the Company may only authorise a matter if:

- (a) the meeting at which the decision is taken is quorate without counting the conflicted director or any other interested director; and
- (b) the decision to authorise the matter would have been agreed to without counting the vote of the conflicted director or votes of any other interested director.

The board of directors of the Company may impose upon the relevant director such other terms for the purpose of dealing with the conflict of interest or situation as it may determine, and the board of directors may revoke or vary such authority at any time.

Subject to the provisions of the Companies Act 2006, and provided he/she has declared the nature and extent of his/her interest to the board of directors as required by the Companies Act 2006, a director may:

- (i) be party to, or otherwise interested in, any contract with the Company or in which the Company has a direct or indirect interest;
- (ii) act by himself/herself or his/her firm in a professional capacity for the Company (otherwise than as an auditor) and his/her firm shall be entitled to remuneration for professional services as if he/she were not a director; and

- (iii) be a director or other officer of, or employed by, or a party to a transaction or arrangement with, or otherwise interested in, any body corporate:
  - (a) in which the Company is (directly or indirectly) interested as a shareholder or otherwise; or
  - (b) with which he/she has such a relationship at the request or direction of the Company.

A director shall not, by reason of his/her office, be liable to account to the Company or its members for any benefit realised by reason of having an interest permitted as described above or by reason of having a conflict of interest authorised by the board of directors and no contract shall be liable to be avoided on the grounds of a director having any such interest.

#### *5.4.9 Restrictions on voting*

Subject to certain exceptions set out in the PLC Articles, no director may vote on, or be counted in a quorum in relation to any resolution of the board of directors of the Company in respect of:

- (a) his own appointment, or the settlement or variation of the terms or the termination of his own appointment, as the holder of any office or place of profit with the Company or any other company in which the Company is interested; or
- (b) any contract in which the director has an interest.

Subject to the Companies Act 2006, the Company may by ordinary resolution suspend or relax to any extent the provisions relating to directors' interests or the restrictions on voting or ratify any transaction not properly authorised by reason of a contravention of such provisions.

#### *5.4.10 Borrowing powers*

The directors of the Company may exercise all the powers of the Company to borrow money and to mortgage or charge any of its undertaking, property and uncalled capital and to issue debentures and other securities.

The directors of the Company shall restrict the borrowings of the Company and exercise all voting and other rights or powers of control exercisable by the Company in relation to its subsidiaries with a view to securing that no borrowings shall at any time, without the prior sanction of an ordinary resolution of the Company, exceed an amount equal to three times the adjusted capital and reserves (as defined in the PLC Articles) of the Unilever Group.

#### *5.4.11 Indemnity of directors*

So far as may be permitted by the Companies Act 2006, every director and former director of the Company or of an associated company of the Company shall be indemnified by the Company out of its own funds against any liability incurred by him in connection with any negligence, default, breach of duty or breach of trust by him or any other liability incurred by him in the execution of his duties, the exercise of his powers or otherwise in connection with his duties, powers or offices.

The Company may also purchase and maintain insurance on behalf of the directors and former directors of the Company.

### **5.5 Dividends and other distributions**

#### *5.5.1 Declaration of dividends*

Subject to the Companies Act 2006, PLC Shareholders can declare dividends by ordinary resolution. No such dividend can exceed the amount recommended by the PLC Directors.

If the PLC Directors consider that the profits of the Company justify such payments, they can: (i) pay fixed dividends on any class of shares carrying a fixed dividend on the dates prescribed for the payment of those dividends; and (ii) pay interim dividends on shares of any class of any amounts and on any dates and for any period which they decide.

### 5.5.2 *Payment of dividends*

No dividend can be paid otherwise than out of profits available for distribution under the Companies Act 2006 and all other laws and regulations applying to the Company.

The PLC Directors may decide on the way dividends are paid.

All dividends will be divided and paid in proportions based on the amounts which have been paid up on the shares during the period for which the dividend is paid. Sums which have been paid up in advance of calls do not count as paid-up for this purpose. This provision applies unless the rights attached to any shares, or the terms of any shares, say otherwise.

### 5.5.3 *Dividend in specie*

Any general meeting declaring a dividend may, on the recommendation of the PLC Directors, by ordinary resolution direct, and the PLC Directors may in relation to any interim dividend direct, payment or satisfaction of the dividend wholly or in part by the distribution of specific assets, and in particular of paid-up shares or debentures of any other company.

### 5.5.4 *Scrip dividend*

The PLC Directors may, if authorised by an ordinary resolution of the Company, offer any holder of shares (excluding any shareholder holding shares as treasury shares) the right to elect to receive shares, credited as fully paid, by way of scrip dividend instead of cash in respect of the whole (or some part, to be determined by the directors) of all or any dividend.

### 5.5.5 *Unclaimed dividends*

If a dividend has not been claimed for 12 years after the passing of the resolution for payment of that dividend, it will be forfeited and belong to the Company.

## 6 **PLC Directors and PLC Senior Managers**

6.1 The PLC Directors and their functions within the Company and brief biographies are set out in Part VIII: “PLC Directors, PLC Senior Management and Corporate Governance”.

6.2 The business address of the PLC Directors and the PLC Senior Managers is 100 Victoria Embankment, London EC4Y 0DY.

6.3 The companies and partnerships of which the PLC Directors and the PLC Senior Managers are, or have been, within the past five years, members of the administrative, management or supervisory bodies or partners (excluding the Company and its subsidiaries and also excluding the subsidiaries of the companies listed below) are as follows:

<u>Name</u>	<u>Current directorships/ partnerships</u>	<u>Former directorships/ partnerships</u>
Nils Andersen	Chairman of AKZO Nobel N.V Chairman of Faerch Plast Chairman of Worldwide Flight Services	Chief Executive Officer of Dansk Supermarked A/S Group Chief Executive Officer of A.P. Moller—Maersk A/S Chief Executive Officer of Carlsberg A/S Chief Executive Officer of Carlsberg Breweries A/S Non-Executive Director of BP Plc Chairman of Salling Group A/S Non-Executive Director of Inditex S.A.
Alan Jope	Member of the Global Board of Generation Unlimited	N/A
Graeme Pitkethly	Non-Executive Director of Pearson Plc	N/A
Laura Cha	Non-Executive Director of HSBC Holdings plc Non-Executive Chairman of Hong Kong Exchanges and Clearing Ltd Non-Executive Director of The Hongkong and Shanghai Banking Corporation Limited	Non-Executive Director of China Telecom Corporation Limited



<b>Name</b>	<b>Current directorships/ partnerships</b>	<b>Former directorships/ partnerships</b>
Vittorio Colao	Non-Executive Director of Verizon	Chief Executive Officer of Vodafone Group plc Chief Executive Officer of RCS MediaGroup SpA Partner of McKinsey & Company Non-Executive Director of Finmeccanica Group Services SpA (renamed to Leonardo SpA) Non-Executive Director of RAS Insurance SpA (merged with Allianz AG) Non-Executive Director of RTL Group SA
Judith Hartmann	Deputy Chief Executive Officer of ENGIE Group Non-Executive Director of Suez	Non-Executive Director of Penguin Random House LLC
Andrea Jung	President and Chief Executive Officer of Grameen America Inc Non-Executive Director of Apple Inc Non-Executive Director of Wayfair Inc	Non-Executive Director of General Electric Non-Executive Director of Daimler AG
Susan Kilsby	Senior Independent Director of Diageo Plc Non-Executive Director of Fortune Brands Home & Security Inc Non-Executive Director of BHP Plc Non-Executive Director of BHP Limited	Non-Executive Director of L'Occitane International Non-Executive Director of Keurig Green Mountain Non-Executive Director of Coca-Cola HBC AG Non-Executive Director of Goldman Sachs International Chair of Shire Plc Chair of Mergers and Acquisitions, EMEA—Credit Suisse
Strive Masiyiwa	Founder and Group Executive Chairman of Econet Group Director of Econet Investments Limited Director of Liquid Telecommunications Limited Director of Econet Wireless Limited Board Member of International Advisory Board of Bank of America	Director of Econet Wireless Zimbabwe Limited Chairman of Liquid Telecommunications Holdings Limited Chairman of Econet Global Limited
Youngme Moon	Board Member of Mastercard INC Board Member of Sweetgreen Inc Board Member of JAND Inc	Non-Executive Director of Avid Technology Non-Executive Director of Rakuten Inc Board Member of The Honest Company, Inc Board Member of Handy Technologies, Inc Board Member of Lola Travel Co, Inc Independent Director of Zulily, Inc
John Rishton	Non-Executive Director of Informa Plc Non-Executive Director of Serco Group Plc Non-Executive Director of Associated British Ports Holdings Ltd Board Member of Majid al Futtaim Properties LLC	Chief Executive Officer of Rolls-Royce Holdings plc Chief Executive Officer, President and Chief Financial Officer of Koninklijke Ahold NV Non-Executive Officer of ICA (now ICA Gruppen AB)
Feike Sijbesma	Vice-Chairman of the Supervisory Board of Royal Philips Chief Executive Officer and Chairman of the Managing Board of Koninklijke DSM NV Member of the Supervisory Board of De Nederlandsche Bank NV	Chairman of Supervisory Board of DSM Nederland B.V.
Conny Braams	Director of the Rotterdam School of Management	Director of Heineken NL Director of the Confederation of Netherlands Industry and Employers (VNO-NCW) Director of the Dutch Food Industry Federation (FNLI)
Marc Engel	Supervisory Board Member of A. P. Møller Mærsk Supervisory Board Member of IDH (The Sustainable Trade Initiative—NL)	Supervisory Board Member of PostNL
Hanneke Faber	Supervisory Board Member of Bayer AG	N/A

<u>Name</u>	<u>Current directorships/ partnerships</u>	<u>Former directorships/ partnerships</u>
	Board Member of Food Drink Europe Board Member of Pepsi/ Lipton JV	
Fabian Garcia	N/A	Board Member of Kimberly Clark Board Member of Revlon
Sunny Jain	N/A	Board Member of GS1
Sanjiv Mehta	N/A	N/A
Leena Nair	Non-Executive Director of BT Plc	N/A
Nitin Paranjpe	N/A	N/A
Richard Slater	N/A	Director of GlaxoSmithKline Consumer Healthcare
Ritva Sotamaa	Non-Executive Director of Fiskars Corporation	N/A
Peter Ter Kulve	N/A	N/A

Save as set out above, none of the PLC Directors or the PLC Senior Managers have any business interests, or perform any activities, outside the Unilever Group which are significant with respect to the Unilever Group.

- 6.4** There are no family relationships between any of the PLC Directors, or between any of the PLC Directors and the PLC Senior Managers.
- 6.5** As at the date of this Prospectus, none of the PLC Directors or the PLC Senior Managers has, at any time within the last five years:
- 6.5.1 had any prior convictions in relation to fraudulent offences;
  - 6.5.2 been declared bankrupt or been the subject of any individual voluntary arrangement;
  - 6.5.3 been associated with any bankruptcies, receiverships or liquidations when acting in the capacity of a member of the administrative, management or supervisory body or of a senior manager;
  - 6.5.4 been subject to any official public incrimination and/or sanction by any statutory or regulatory authority (including designated professional bodies);
  - 6.5.5 been disqualified by a court from acting in the management or conduct of the affairs of any issuer;
  - 6.5.6 been disqualified by a court from acting as a member of the administrative, management or supervisory bodies of any issuer;
  - 6.5.7 been a partner or senior manager in a partnership which, while he or she was a partner or within 12 months of his or her ceasing to be a partner, was put into compulsory liquidation or administration or which entered into any partnership voluntary arrangement;
  - 6.5.8 owned any assets which have been subject to a receivership or been a partner in a partnership subject to a receivership where he or she was a partner at the time or within the 12 months preceding such event; or
  - 6.5.9 been an executive director or senior manager of a company which has been placed in receivership, compulsory liquidation, creditors' voluntary liquidation or administration or which entered into any company voluntary arrangement or any composition or arrangement with its creditors generally or any class of creditors, at any time during which he or she was an executive director or senior manager of that company or within 12 months of his or her ceasing to be an executive director or senior manager.

**6.6** The aggregate remuneration paid and benefits in kind granted to the PLC Directors and the PLC Senior Managers by the Unilever Group during the financial year ended 31 December 2019 for services in all capacities was £37,413,325.

**6.7** The total amount set aside or accrued by the Company or its subsidiaries to provide pension, retirement or similar benefits for the PLC Directors and PLC Senior Managers for the financial year ended 31 December 2019 was £79,573.

## **7 Service contracts and letters of appointment**

### **7.1 Nils Andersen (Chairman and Non-Executive Director)**

Nils Andersen was appointed a director of both the Company and NV pursuant to a letter of appointment dated 1 April 2015. The appointment is subject to annual re-election. Mr Andersen may terminate the appointment on three months' written notice. The appointment will terminate immediately if Mr Andersen ceases to be a director of either the Company or NV. Unilever may terminate the appointment immediately without notice if Mr Andersen is guilty of gross misconduct; fails to perform duties competently; is guilty of serious neglect in his duties or brings Unilever into disrepute; becomes bankrupt or makes a composition with his creditors; or becomes prohibited by law from being a director.

It is expected that Mr Andersen will serve a minimum of three years from appointment, and only in exceptional circumstances would he be proposed for re-nomination when nine years have elapsed from appointment.

Upon the appointment terminating Mr Andersen will automatically be deemed to have resigned from office as a director of the Company and NV without compensation.

The letter of appointment provides for fees in line with the fee structure determined by the Board from time to time. All reasonable and properly documented expenses incurred in performing Mr Andersen's duties shall be paid or reimbursed to him. Mr Andersen benefits from directors and officers insurance and may instruct professional advisors at Unilever's expense on matters relating to the proper discharge of his duties.

### **7.2 Alan Jope (Chief Executive Officer)**

Alan Jope was appointed a director of both the Company and NV pursuant to a service agreement dated 5 March 2019.

The service agreement provides for fixed pay and variable pay, the variable pay being subject to the Unilever Remuneration Policy from time to time and to performance and continued compliance with obligations. Benefits include private medical cover, life assurance and permanent disability insurance, indemnity protection and the payment of expenses and the Unilever reward framework applies to Mr Jope. The service agreement is terminable on 12 months' written notice from Unilever or six months' written notice from Mr Jope.

On service of notice, Unilever may operate garden leave and payment in lieu of notice provisions. If Unilever chooses to make a payment in lieu then the payment will include fixed pay and any payment in relation to variable pay will be dealt with in accordance with the relevant plan rules of the applicable benefit plan and the relevant Unilever Remuneration Policy.

The service agreement may also be terminated immediately, without compensation, upon the occurrence of certain summary termination events, including dishonesty, gross misconduct, gross incompetence, wilful neglect of duty, bringing Unilever into disrepute, becoming prohibited from being a director, being declared bankrupt or being charged with a criminal offence (other than minor road traffic offences).

Mr Jope is bound by post-termination restrictions, including in relation to confidentiality, intellectual property and covenants in relation to non-competition, non-solicitation of customers and suppliers and non-poaching of staff.

### **7.3 Graeme Pitkethly (Chief Finance Officer)**

Graeme Pitkethly was appointed a director of both the Company and NV pursuant to a service agreement dated 16 December 2015. The service agreement provides for remuneration to be reviewed and communicated annually, but includes reimbursement of expenses and indemnity protection.

The service agreement is terminable on 12 months' written notice from Unilever or six months' written notice from Mr Pitkethly. On service of notice, Unilever may operate garden leave and payment in lieu of notice provisions. If Unilever chooses to make a payment in lieu then the payment will include base salary and fixed

allowances and, subject to Unilever requiring him to enter into a settlement agreement, may also include a bonus payment in relation to the bonus year current at the date of termination at the discretion of the Compensation Committee.

The service agreement may also be terminated immediately, without compensation, upon the occurrence of certain summary termination events, including: Mr Pitkethly becoming incapacitated from performing his duties for a period in excess of 12 months; becoming prohibited from being a director in the UK or the Netherlands; being convicted of a criminal offence which prevents him from fulfilling his duties; failing to perform competently; being guilty of serious neglect or persistent misconduct in his duties; wilful, serious or persistent breach of codes of conduct, policies or procedures; or becoming bankrupt.

Upon termination of the service agreement, Mr Pitkethly agrees to resign from all directorships held in the Unilever Group.

Mr Pitkethly is bound by post-termination restrictions, including in relation to confidentiality, intellectual property and covenants in relation to non-competition, non-solicitation of customers and suppliers and non-poaching of staff.

#### **7.4 Youngme Moon (Senior Independent Non-Executive Director)**

Youngme Moon was appointed a director of both the Company and NV pursuant to a letter of appointment dated 1 April 2016. The appointment is subject to annual re-election. Ms Moon may terminate the appointment on three months' written notice. The appointment will terminate immediately if Ms Moon ceases to be a director of either the Company or NV.

Unilever may terminate the appointment immediately without notice if Ms Moon is guilty of gross misconduct; fails to perform duties competently; is guilty of serious neglect in her duties or brings Unilever into disrepute; becomes bankrupt or makes a composition with her creditors; or becomes prohibited by law from being a director.

It is expected that Ms Moon will serve a minimum of three years from appointment, and only in exceptional circumstances would she be proposed for re-nomination when nine years have elapsed from appointment.

Upon the appointment terminating Ms Moon will automatically be deemed to have resigned from office as a director of the Company and NV without compensation.

The letter of appointment provides for fees in line with the fee structure determined by the Board from time to time. All reasonable and properly documented expenses incurred in performing Ms Moon's duties shall be paid or reimbursed to her. Ms Moon benefits from Directors and Officers Insurance and may instruct professional advisors at Unilever's expense on matters relating to the proper discharge of her duties.

#### **7.5 Laura Cha (Non-Executive Directors)**

Laura Cha was appointed a director of both the Company and NV pursuant to a letter of appointment dated 15 May 2013. The appointment is subject to annual re-election. Ms Cha may terminate the appointment on three months' written notice. The appointment will terminate immediately if Ms Cha is guilty of gross misconduct; fails to perform duties competently; is guilty of serious neglect in her duties or brings Unilever into disrepute; becomes bankrupt or makes a composition with her creditors; or becomes prohibited by law from being a director.

It is expected that Ms Cha will serve a minimum of three years from appointment, and only in exceptional circumstances would she be proposed for re-nomination when nine years have elapsed from appointment.

Upon the appointment terminating Ms Cha will automatically be deemed to have resigned from office as a director of the Company and NV without compensation.

The letter of appointment provides for fees in line with the fee structure determined by the Board from time to time. All reasonable and properly documented expenses incurred in performing Ms Cha's duties shall be paid or reimbursed to her. Ms Cha benefits from Directors and Officers Insurance and may instruct professional advisors at Unilever's expense on matters relating to the proper discharge of her duties.

#### **7.6 Vittorio Colao (Non-Executive Director)**

Vittorio Colao was appointed a director of both the Company and NV pursuant to a letter of appointment dated 1 April 2015. The appointment is subject to annual re-election. Mr Colao may terminate the appointment on three months' written notice. The appointment will terminate immediately if Mr Colao ceases to be a director

of either the Company or NV. Unilever may terminate the appointment immediately without notice if Mr Colao is guilty of gross misconduct; fails to perform duties competently; is guilty of serious neglect in his duties or brings Unilever into disrepute; becomes bankrupt or makes a composition with his creditors; or becomes prohibited by law from being a director.

It is expected that Mr Colao will serve a minimum of three years from appointment, and only in exceptional circumstances would he be proposed for re-nomination when nine years have elapsed from appointment.

Upon the appointment terminating Mr Colao will automatically be deemed to have resigned from office as a director of the Company and NV without compensation.

The letter of appointment provides for fees in line with the fee structure determined by the Board from time to time. All reasonable and properly documented expenses incurred in performing Mr Colao's duties shall be paid or reimbursed to him. Mr Colao benefits from Directors and Officers Insurance and may instruct professional advisors at Unilever's expense on matters relating to the proper discharge of his duties.

#### **7.7 Dr Judith Hartmann (Non-Executive Director)**

Dr Judith Hartmann was appointed a director of both the Company and NV pursuant to a letter of appointment dated 1 April 2015. The appointment is subject to annual re-election. Dr Hartmann may terminate the appointment on three months' written notice. The appointment will terminate immediately if Dr Hartmann ceases to be a director of either the Company or NV.

Unilever may terminate the appointment immediately without notice if Dr Hartmann is guilty of gross misconduct; fails to perform duties competently; is guilty of serious neglect in her duties or brings Unilever into disrepute; becomes bankrupt or makes a composition with her creditors; or becomes prohibited by law from being a director.

It is expected that Dr Hartmann will serve a minimum of three years from appointment, and only in exceptional circumstances would she be proposed for re-nomination when nine years have elapsed from appointment.

Upon the appointment terminating, Dr Hartmann will automatically be deemed to have resigned from office as a director of the Company and NV without compensation.

The letter of appointment provides for fees in line with the fee structure determined by the Board from time to time. All reasonable and properly documented expenses incurred in performing Dr Hartmann's duties shall be paid or reimbursed to her. Dr Hartmann benefits from Directors and Officers Insurance and may instruct professional advisors at Unilever's expense on matters relating to the proper discharge of her duties.

#### **7.8 Andrea Jung (Non-Executive Director)**

Andrea Jung was appointed a director of both the Company and NV pursuant to a letter of appointment dated 16 April 2018. The appointment is subject to annual re-election. Ms Jung may terminate the appointment on three months' written notice. The appointment will terminate immediately if Ms Jung is guilty of gross misconduct; fails to perform duties competently; is guilty of serious neglect in her duties or brings Unilever into disrepute; becomes bankrupt or makes a composition with her creditors; or becomes prohibited by law from being a director.

It is expected that Ms Jung will serve a minimum of three years from appointment, and only in exceptional circumstances would she be proposed for re-nomination when nine years have elapsed from appointment.

Upon the appointment terminating Ms Jung will automatically be deemed to have resigned from office as a director of the Company and NV without compensation.

The letter of appointment provides for fees in line with the fee structure determined by the Board from time to time. All reasonable and properly documented expenses incurred in performing Ms Jung's duties shall be paid or reimbursed to her. Ms Jung benefits from Directors and Officers Insurance and may instruct professional advisors at Unilever's expense on matters relating to the proper discharge of her duties.

#### **7.9 Susan Kilsby (Non-Executive Director)**

Susan Kilsby (Non-Executive Director) was appointed a director of both the Company and NV pursuant to a letter of appointment dated 5 April 2019. The appointment is subject to annual re-election. Ms Kilsby may terminate the appointment on three months' written notice. The appointment will terminate immediately if Ms Kilsby is guilty of gross misconduct; fails to perform duties competently; is guilty of serious neglect in her

duties or brings Unilever into disrepute; becomes bankrupt or makes a composition with her creditors; or becomes prohibited by law from being a director.

It is expected that Ms Kilsby will serve a minimum of three years from appointment, and only in exceptional circumstances would she be proposed for re-nomination when nine years have elapsed from appointment.

Upon the appointment terminating Ms Kilsby will automatically be deemed to have resigned from office as a director of the Company and NV without compensation.

The letter of appointment provides for fees in line with the fee structure determined by the Board from time to time. All reasonable and properly documented expenses incurred in performing Ms Kilsby's duties shall be paid or reimbursed to her. Ms Kilsby benefits from Directors and Officers Insurance and may instruct professional advisors at Unilever's expense on matters relating to the proper discharge of her duties.

#### **7.10 Strive Masiyiwa (Non-Executive Director)**

Strive Masiyiwa was appointed a director of both the Company and NV pursuant to a letter of appointment dated 1 April 2016. The appointment is subject to annual re-election. Mr Masiyiwa may terminate the appointment on three months' written notice. The appointment will terminate immediately if Mr Masiyiwa ceases to be a director of either the Company or NV. Unilever may terminate the appointment immediately without notice if Mr Masiyiwa is guilty of gross misconduct; fails to perform duties competently; is guilty of serious neglect in his duties or brings Unilever into disrepute; becomes bankrupt or makes a composition with his creditors; or becomes prohibited by law from being a director.

It is expected that Mr Masiyiwa will serve a minimum of three years from appointment, and only in exceptional circumstances would he be proposed for re-nomination when nine years have elapsed from appointment.

Upon the appointment terminating Mr Masiyiwa will automatically be deemed to have resigned from office as a director of the Company and NV without compensation.

The letter of appointment provides for fees in line with the fee structure determined by the Board from time to time. All reasonable and properly documented expenses incurred in performing Mr Masiyiwa's duties shall be paid or reimbursed to him. Mr Masiyiwa benefits from Directors and Officers Insurance and may instruct professional advisors at Unilever's expense on matters relating to the proper discharge of his duties.

#### **7.11 John Rishton (Non-Executive Director)**

John Rishton was appointed a director of both the Company and NV pursuant to a letter of appointment dated 15 May 2013. The appointment is subject to annual re-election. Mr Rishton may terminate the appointment on three months' written notice. The appointment will terminate immediately if Mr Rishton ceases to be a director of either the Company or NV. Unilever may terminate the appointment immediately without notice if Mr Rishton is guilty of gross misconduct; fails to perform duties competently; is guilty of serious neglect in his duties or brings Unilever into disrepute; becomes bankrupt or makes a composition with his creditors; or becomes prohibited by law from being a director.

It is expected that Mr Rishton will serve a minimum of three years from appointment, and only in exceptional circumstances would he be proposed for re-nomination when nine years have elapsed from appointment.

Upon the appointment terminating Mr Rishton will automatically be deemed to have resigned from office as a director of the Company and NV without compensation.

The letter of appointment provides for fees in line with the fee structure determined by the Board from time to time. All reasonable and properly documented expenses incurred in performing Mr Rishton's duties shall be paid or reimbursed to him. Mr Rishton benefits from Directors and Officers Insurance and may instruct professional advisors at Unilever's expense on matters relating to the proper discharge of his duties.

#### **7.12 Feike Sijbesma (Non-Executive Director)**

Feike Sijbesma was appointed a director of both the Company and NV pursuant to a letter of appointment dated 18 August 2014. The appointment is subject to annual re-election. Mr Sijbesma may terminate the appointment on three months' written notice. The appointment will terminate immediately if Mr Sijbesma ceases to be a director of either the Company or NV. Unilever may terminate the appointment immediately without notice if Mr Sijbesma is guilty of gross misconduct; fails to perform duties competently; is guilty of

serious neglect in his duties or brings Unilever into disrepute; becomes bankrupt or makes a composition with his creditors; or becomes prohibited by law from being a director.

It is expected that Mr Sijbesma will serve a minimum of three years from appointment, and only in exceptional circumstances would he be proposed for re-nomination when nine years have elapsed from appointment.

Upon the appointment terminating Mr Sijbesma will automatically be deemed to have resigned from office as a director of the Company and NV without compensation.

The letter of appointment provides for fees in line with the fee structure determined by the Board from time to time. All reasonable and properly documented expenses incurred in performing Mr Sijbesma's duties shall be paid or reimbursed to him. Mr Sijbesma benefits from Directors and Officers Insurance and may instruct professional advisors at Unilever's expense on matters relating to the proper discharge of his duties.

## 8 PLC Directors' and PLC Senior Management's interests

8.1 The total interests of the PLC Directors and PLC Senior Management in: (i) PLC Shares as at the Latest Practicable Date and as expected immediately following Unification; (ii) NV Shares as at the Latest Practicable Date; (iii) PLC ADSs as at the Latest Practicable Date and as expected immediately following Unification; and (iv) NV NYRSs as at the Latest Practicable Date, are set out in the following table (which includes shares held under UK ShareBuy).

	Number of PLC Shares as at the Latest Practicable Date	Number of PLC ADSs as at the Latest Practicable Date	% of issued share capital of the Company <sup>(1)</sup>	Number of NV Shares as at the Latest Practicable Date	Number of NV NYRSs as at the Latest Practicable Date	Total number of PLC Shares as expected immediately following Admission <sup>(2)(7)</sup>	Total number of PLC ADSs as expected immediately following Admission <sup>(3)(7)</sup>	% of issued share capital of the Company following Admission <sup>(4)(7)</sup>
<b>Chairman</b>								
Nils Andersen . . .	—	—	—%	21,014	—	21,014	—	0.0008%
<b>Executive</b>								
<b>Directors</b>								
Alan Jope . . . . .	—	49,297	0.0042%	37,508	165,231	37,508	214,528	0.0096%
Graeme Pitkethly <sup>(5)</sup> . . . .	150,765	—	0.0129%	39,753	—	190,518	—	0.0072%
<b>Non-Executive</b>								
<b>Directors</b>								
Laura Cha . . . . .	858	—	0.0001%	2,660	—	3,518	—	0.0001%
Vittorio Colao . . .	—	—	—%	5,600	—	5,600	—	0.0002%
Judith Hartmann . .	—	—	—%	2,500	—	2,500	—	0.0001%
Andrea Jung . . . .	—	—	—%	4,576	—	4,576	—	0.0002%
Susan Kilsby . . . .	1,250	—	0.0001%	—	—	1,250	—	0.00005%
Strive Masiyiwa . .	1,130	—	0.0001%	—	—	1,130	—	0.00004%
Youngme Moon . . .	—	—	—%	3,500	—	3,500	—	0.0001%
John Rishton . . . .	2,000	—	0.0002%	3,340	—	5,340	—	0.0002%
Feike Sijbesma . . .	—	—	—%	10,000	—	10,000	—	0.0004%
<b>Senior</b>								
<b>Management</b>								
Conny Braams . . . .	7,015	—	0.0006%	102,424	—	109,439	—	0.0042%
Marc Engel . . . . .	29,234	—	0.0025%	100,249	—	129,483	—	0.0049%
Hanneke Faber . . .	—	—	—%	42,814	—	42,814	—	0.0016%
Fabian Garcia . . . .	—	—	—%	—	—	—	—	—%
Sunny Jain . . . . .	—	19,589	0.0017%	—	19,590	—	39,179	0.0015%
Sanjiv Mehta . . . .	59,245	—	0.0051%	60,877	—	120,122	—	0.0046%
Leena Nair . . . . .	36,963	—	0.0032%	36,507	—	73,470	—	0.0028%
Nitin Paranjpe . . . .	34,858	—	0.0030%	148,680	—	183,538	—	0.0070%
Richard Slater . . . .	13,248	—	0.0011%	5,147	—	18,395	—	0.0007%
Ritva Sotamaa . . . .	47,453	—	0.0041%	64,247	—	111,700	—	0.0042%
Peter Ter Kulve <sup>(6)</sup> . . .	371	—	0.0000%	76,203	—	76,574	—	0.0029%

Notes:

(1) As at the Latest Practicable Date, the Company's issued share capital was also comprised of 100,000 PLC Deferred Shares with a nominal value of £1.00 each, which are not included in the table above, and which will be repurchased by the Company and cancelled prior to the CBM Effective Date.

- (2) The total number of PLC Shares as expected immediately following Admission has been stated on the basis that Unification has become effective as proposed in this Prospectus, that no NV Shareholders or NV NYRS Holders choose to participate in the Withdrawal Mechanism and that there will be no new issuances of PLC Shares, PLC ADSs, NV Ordinary Shares or NV NYRSs by the Company or NV between the Latest Practicable Date and Admission in connection with the Unilever Employee Share Plans.
- (3) The total number of PLC ADSs as expected immediately following Admission has been stated on the basis that Unification has become effective as proposed in this Prospectus, that no NV Shareholders or NV NYRS Holders choose to participate in the Withdrawal Mechanism and that there will be no new issuances of PLC Shares, PLC ADSs, NV Ordinary Shares or NV NYRSs by the Company or NV between the Latest Practicable Date and Admission in connection with the Unilever Employee Share Plans.
- (4) The percentages of issued share capital of the Company following Admission has been stated on the basis that Unification has become effective as proposed in this Prospectus, that no NV Shareholders or NV NYRS Holders choose to participate in the Withdrawal Mechanism and that there will be no new issuances of PLC Shares, PLC ADSs, NV Ordinary Shares or NV NYRSs by the Company or NV between the Latest Practicable Date and Admission in connection with the Unilever Employee Share Plans.
- (5) Includes 33,400 shares held by Graeme Pitkethly's spouse.
- (6) Includes 6,800 shares held by Peter Ter Kulve's spouse and 28,073 shares held by Peter Ter Kulve and his spouse in their joint names.
- (7) The above table reflects the issue of PLC Shares and PLC ADSs to PLC Directors in respect of their holdings of NV Shares and/or NV NYRSs and based on the CBM Exchange Ratio, in each case based on the number of NV Shares and/or NV NYRSs that each holds at the Latest Practicable Date. Other than the PLC Shares and/or PLC ADSs that shall be allotted to them on the Cross-Border Merger in respect of their holdings of NV Shares and/or NV NYRSs and based on the CBM Exchange Ratio, the PLC Directors are not subscribing for any additional PLC Shares or PLC ADSs as part of Unification.

**8.2** As at the Latest Practicable Date, PLC Directors and PLC Senior Management held the following interests in PLC Shares and NV Shares (which excludes shares held under UK ShareBuy), in each case under the terms of the Unilever Employee Share Plans.

<b>PLC Director/ Senior Manager</b>	<b>Share type</b>	<b>Unilever Employee Share Plan</b>	<b>Number of shares subject to award<sup>(1)</sup></b>	<b>Grant date</b>	<b>Vesting date</b>	
Alan Jope	NV NYRS	Unilever Share Plan "MCIP" award	9,468	17 May 2017	16 February 2021	
	NV NYRS	Unilever Share Plan "MCIP" award	15,545	23 April 2018	16 February 2022	
Graeme Pitkethly	NV	Unilever Share Plan "MCIP" award	17,360	23 April 2019	9 February 2023	
	NV	Unilever Share Plan "MCIP" award	39,937	24 April 2020	15 February 2024	
	NV	Unilever Share Plan "GSIP" award	13,844	16 February 2018	17 February 2021	
	PLC	Unilever Share Plan "GSIP" award	13,853	16 February 2018	17 February 2021	
	NV	Unilever Share Plan "MCIP" award	5,964	17 May 2017	16 February 2021	
	NV	Unilever Share Plan "MCIP" award	13,340	3 May 2018	16 February 2022	
	PLC	Unilever Share Plan "MCIP" award	5,978	17 May 2017	16 February 2021	
	PLC	Unilever Share Plan "MCIP" award	13,333	3 May 2018	16 February 2022	
Senior Managers	PLC	Unilever Share Plan "MCIP" award	19,962	23 April 2019	9 February 2023	
	PLC	Unilever Share Plan "MCIP" award	23,990	24 April 2020	15 February 2024	
	Conny Braams	NV	Unilever Share Plan "MCIP" award	1,656	17 May 2017	16 February 2021
		NV	Unilever Share Plan "MCIP" award	3,483	23 April 2018	16 February 2022
		NV	Unilever Share Plan "MCIP" award	2,242	23 April 2019	9 February 2023
		NV	Unilever Share Plan "MCIP" award	3,954	24 April 2020	15 February 2024
		PLC	Unilever Share Plan "MCIP" award	1,660	17 May 2017	16 February 2021
		PLC	Unilever Share Plan "MCIP" award	3,481	23 April 2018	16 February 2022
PLC		Unilever Share Plan "MCIP" award	2,238	23 April 2019	9 February 2023	
PLC		Unilever Share Plan "MCIP" award	2,238	23 April 2019	9 February 2023	
Marc Engel	NV	Unilever Share Plan "MCIP" award	9,221	17 May 2017	16 February 2021	
	NV	Unilever Share Plan "MCIP" award	16,481	23 April 2018	16 February 2022	
	NV	Unilever Share Plan "MCIP" award	8,554	23 April 2019	9 February 2023	
	NV	Unilever Share Plan "MCIP" award	9,418	24 April 2020	15 February 2024	
Hanneke Faber	NV	Unilever Share Plan "MCIP" award	3,574	23 April 2018	16 February 2022	
	NV	Unilever Share Plan "MCIP" award	8,297	23 April 2019	9 February 2023	
	NV	Unilever Share Plan "MCIP" award	9,821	24 April 2020	15 February 2024	
	NV	Unilever Share Plan "TSA" award	7,863	23 April 2019	25 March 2021	
	NV	Unilever Share Plan "TSA" award	7,863	23 April 2019	25 March 2022	
Fabian Garcia	NV NYRS	Unilever Share Plan "TSA" award	10,975	24 April 2020	25 March 2021	
	NV NYRS	Unilever Share Plan "TSA" award	10,975	24 April 2020	25 March 2022	
	NV NYRS	Unilever Share Plan "TSA" award	10,976	24 April 2020	25 March 2023	
	NV NYRS	Unilever Share Plan "TSA" award	10,976	24 April 2020	25 March 2024	
	PLC ADR	Unilever Share Plan "TSA" award	10,971	24 April 2020	25 March 2021	
	PLC ADR	Unilever Share Plan "TSA" award	10,971	24 April 2020	25 March 2022	
	PLC ADR	Unilever Share Plan "TSA" award	10,972	24 April 2020	25 March 2023	
PLC ADR	Unilever Share Plan "TSA" award	10,972	24 April 2020	25 March 2024		



<u>PLC Director/ Senior Manager</u>	<u>Share type</u>	<u>Unilever Employee Share Plan</u>	<u>Number of shares subject to award<sup>(1)</sup></u>	<u>Grant date</u>	<u>Vesting date</u>
Sunny Jain	NV NYRS	Unilever Share Plan “MCIP” award	8,599	24 April 2020	15 February 2024
	PLC ADR	Unilever Share Plan “MCIP” award	8,596	24 April 2020	15 February 2024
	NV NYRS	Unilever Share Plan “TSA” award	9,463	21 June 2019	16 February 2021
	NV NYRS	Unilever Share Plan “TSA” award	9,463	21 June 2019	16 February 2022
	NV NYRS	Unilever Share Plan “TSA” award	9,464	21 June 2019	16 February 2023
	NV NYRS	Unilever Share Plan “RSU” award	15,552	21 June 2019	10 June 2024
	PLC ADR	Unilever Share Plan “TSA” award	9,457	21 June 2019	16 February 2021
	PLC ADR	Unilever Share Plan “TSA” award	9,457	21 June 2019	16 February 2022
	PLC ADR	Unilever Share Plan “TSA” award	9,457	21 June 2019	16 February 2023
	PLC ADR	Unilever Share Plan “RSU” award	15,542	21 June 2019	10 June 2024
Sanjiv Mehta	NV	Unilever Share Plan “MCIP” award	2,260	17 May 2017	16 February 2021
	NV	Unilever Share Plan “MCIP” award	6,018	23 April 2018	16 February 2022
	NV	Unilever Share Plan “MCIP” award	3,382	23 April 2019	9 February 2023
	NV	Unilever Share Plan “MCIP” award	4,643	24 April 2020	15 February 2024
	PLC	Unilever Share Plan “MCIP” award	2,265	17 May 2017	16 February 2021
	PLC	Unilever Share Plan “MCIP” award	6,015	23 April 2018	16 February 2022
	PLC	Unilever Share Plan “MCIP” award	3,377	23 April 2019	9 February 2023
	PLC	Unilever Share Plan “MCIP” award	4,641	24 April 2020	15 February 2024
Leena Nair	NV	Unilever Share Plan “MCIP” award	4,201	17 May 2017	16 February 2021
	NV	Unilever Share Plan “MCIP” award	7,746	23 April 2018	16 February 2022
	NV	Unilever Share Plan “MCIP” award	4,139	23 April 2019	9 February 2023
	NV	Unilever Share Plan “MCIP” award	4,347	24 April 2020	15 February 2024
	PLC	Unilever Share Plan “MCIP” award	4,211	17 May 2017	16 February 2021
	PLC	Unilever Share Plan “MCIP” award	7,742	23 April 2018	16 February 2022
	PLC	Unilever Share Plan “MCIP” award	4,132	23 April 2019	9 February 2023
	PLC	Unilever Share Plan “MCIP” award	4,345	24 April 2020	15 February 2024
Nitin Paranjpe	NV	Unilever Share Plan “MCIP” award	10,729	17 May 2017	16 February 2021
	NV	Unilever Share Plan “MCIP” award	8,850	23 April 2018	16 February 2022
	NV	Unilever Share Plan “MCIP” award	7,427	23 April 2019	9 February 2023
	NV	Unilever Share Plan “MCIP” award	11,968	24 April 2020	15 February 2024
	PLC	Unilever Share Plan “MCIP” award	8,846	23 April 2018	16 February 2022
Richard Slater	PLC	Unilever Share Plan “MCIP” award	8,117	24 April 2020	15 February 2024
	NV	Unilever Share Plan “TSA” award	3,831	23 April 2019	25 March 2021
	NV	Unilever Share Plan “TSA” award	3,832	23 April 2019	25 March 2022
	NV	Unilever Share Plan “TSA” award	3,832	23 April 2019	25 March 2023
	PLC	Unilever Share Plan “TSA” award	3,830	23 April 2019	25 March 2021
	PLC	Unilever Share Plan “TSA” award	3,830	23 April 2019	25 March 2022
	PLC	Unilever Share Plan “TSA” award	3,830	23 April 2019	25 March 2023
Ritva Sotamaa	NV	Unilever Share Plan “MCIP” award	3,360	17 May 2017	16 February 2021
	NV	Unilever Share Plan “MCIP” award	7,215	23 April 2018	16 February 2022
	NV	Unilever Share Plan “MCIP” award	7,400	23 April 2019	9 February 2023
	NV	Unilever Share Plan “MCIP” award	8,962	24 April 2020	15 February 2024
	PLC	Unilever Share Plan “MCIP” award	3,369	17 May 2017	16 February 2021
	PLC	Unilever Share Plan “MCIP” award	7,211	23 April 2018	16 February 2022
Peter Ter Kulve	NV	Unilever Share Plan “MCIP” award	6,700	17 May 2017	16 February 2021
	NV	Unilever Share Plan “MCIP” award	10,224	23 April 2018	16 February 2022
	NV	Unilever Share Plan “MCIP” award	5,807	23 April 2019	9 February 2023
	NV	Unilever Share Plan “MCIP” award	11,228	24 April 2020	15 February 2024

Note:

(1) Inclusive of accrued dividend equivalents, rounded down to the nearest whole share.

**8.3** It is expected that all existing awards under the Unilever Employee Share Plans over NV Ordinary Shares and NV NYRSs (including those held by PLC Directors and PLC Senior Management) will be automatically exchanged for awards over PLC Shares or PLC ADSs, as applicable, using the CBM Exchange Ratio. The exchanged awards over PLC Shares and PLC ADSs will be on equivalent terms as to rights of vesting and other substantive terms and conditions as the existing awards over NV Ordinary Shares and NV NYRSs.

**8.4** Unification will have no impact on existing awards under the Unilever Employee Share Plans over PLC Shares and PLC ADSs.

## 9 Interests of significant Shareholders

As far as the Company is aware, as at the Latest Practicable Date the following persons held the following direct or indirect interests (within the meaning of the Companies Act 2006) in 3 per cent. or more of the Company's issued share capital (being the threshold for notification of interests that apply to shareholders of the Company pursuant to Chapter 5 of the Disclosure Guidance and Transparency Rules):

<u>Shareholder</u>	<u>Number of Existing PLC Shares as at the Latest Practicable Date</u>	<u>Percentage of Existing PLC Shares as at the Latest Practicable Date</u>
BlackRock, Inc . . . . .	82,593,072	7.07%
Leverhulme Trust . . . . .	46,974,932	4.02%

Notes:

- (1) Save as disclosed above, in so far as is known to the PLC Directors, there is no other person who is, as at the Latest Practicable Date, directly or indirectly, interested in 3 per cent. or more of the issued share capital of the Company.
- (2) The Company is not aware of any persons who, as at the Latest Practicable Date, directly or indirectly, jointly or severally, will exercise or could exercise control over the Company nor is it aware of any arrangements the operation of which may at a subsequent date result in a change in control of the Company.
- (3) None of the shareholders referred to above has or will have different voting rights from any other holder of the PLC Shares in respect of any of the PLC Shares held by them.

## 10 Employee share plans

The principal terms of the Unilever Employee Share Plans are set out below. All plans currently operate in respect of either PLC Shares or NV Shares. After Unification, it is intended that the Unilever Employee Share Plans will continue to be operated but new awards will only be granted by the Company, and will be over PLC Shares.

### 10.1 The Unilever Share Plan (the "USP")

The USP was approved by NV Shareholders on 26 April 2017 and PLC Shareholders on 27 April 2017.

#### *Eligibility*

Employees and Executive Directors of the Company and NV, subsidiaries and associated companies are eligible to participate in the USP. The Boards or, in the case of Executive Directors and members of the Unilever Leadership Executive, the Compensation Committee, will decide who will be granted awards and over how many shares.

#### *Types of awards*

Awards under the USP can take the form of:

- "conditional awards" under which the participant automatically receives PLC Shares or NV Shares for free to the extent the award vests;
- "options" under which the participant can buy PLC Shares or NV Shares, to the extent their award has vested, at a price (which may be zero) set when the option is granted; or
- "forfeitable shares" under which the participant receives free PLC Shares or NV Shares on grant which must be given back to the extent the award lapses.

#### *Awards granted under the USP*

The Company has a broad discretion under the USP to award different types of awards to participants. The three main types of awards awarded to participants in the USP are outlined below.

#### **(A) Management Co-Investment Plan ("MCIP")**

Selected participants, including Executive Directors, are able to invest their bonus into the MCIP. By buying PLC Shares or NV Shares ("**MCIP Investment Shares**") using their bonus, participants receive rights to conditional free matching PLC Shares or NV Shares ("**MCIP Matching Shares**"). Executive Directors are required to invest a minimum of 33 per cent. and a maximum of 67 per cent. of their bonus into the MCIP.

The MCIP Matching Shares vest after four years subject to (i) performance conditions linked to the Company or NV (between 0 and 200 per cent.), (ii) retaining the MCIP Investment Shares and (iii) continued employment. If performance conditions are met in full, up to three MCIP Matching Shares can vest for every MCIP Investment Share bought. Executive Directors' MCIP Matching Shares are subject to an additional one-year holding period after vesting.

#### **(B) Global Share Incentive Plan (“GSIP”)**

Selected participants, including Executive Directors, are granted conditional rights to receive PLC Shares or NV Shares. Awards vest after three years subject to (i) performance conditions linked to the Company or NV (between 0 and 200 per cent.) and (ii) continued employment. Executive Directors' GSIP awards are subject to an additional two-year holding period after vesting.

No GSIP awards have been granted since 2018.

#### **(C) Global Performance Share Plan (“GPSP”)**

Selected participants are granted conditional rights to receive PLC Shares or NV Shares. Awards vest after three years subject to (i) performance conditions linked to the Company or NV (between 0 and 200 per cent.) and (ii) continued employment.

No GPSP awards have been granted since 2018.

#### ***Performance conditions***

An award may be granted on the basis that it will normally only vest to the extent that a performance condition, set at the time of grant, is satisfied.

Vesting of awards granted to Executive Directors is always subject to a performance condition, except as otherwise permitted by the Directors' Remuneration Policy.

#### ***Dividend equivalents***

Options or conditional awards may be granted on the basis that the participant will receive dividend equivalents (in cash, additional PLC Shares or NV Shares) when and to the extent that the award vests or is exercised. The dividend equivalent will be calculated as if the dividends had been reinvested in additional PLC Shares or NV Shares.

#### ***Limits***

In any 10-year period, not more than 10 per cent. of the issued ordinary share capital of the Company and NV may be issued or be issuable under the USP and all other employees' share plans operated by the Company and NV. In addition, in any 10-year period, not more than 5 per cent. of the issued ordinary share capital of the Company and NV may be issued or be issuable under awards granted under all discretionary share plans adopted by the Company and NV.

These limits do not include dividend equivalents or awards which have lapsed. PLC Shares or NV Shares transferred from treasury to satisfy an award will be counted as if new PLC Shares or NV Shares had been issued for so long as it is considered best practice to do so.

Awards granted to Executive Directors are subject to the limits set out in the Directors' Remuneration Policy prevailing at the time of grant.

#### ***Vesting of awards***

An award will normally vest on the date or dates set by the Board at the time of grant or, if later, the date on which the Board determines the extent to which any condition is satisfied.

An option can be exercised only to the extent it has vested and will lapse 10 years after the date on which the award was granted.

Subject to any lower limits specified in the Directors' Remuneration Policy prevailing at the time of grant, awards will normally vest (between 0 per cent. and 200 per cent.), to the extent any performance condition is met, at the end of a period set when the award is granted or the end of the period over which any performance condition is tested.

An award may be granted on the basis that the participant is required to hold any PLC Shares or NV Shares received (or that the award will continue in effect) for a set period following vesting. Subject to this, PLC Shares or NV Shares will be issued or transferred to the participant following vesting or exercise.

### ***Malus and clawback***

The Company can reduce the number of PLC Shares or NV Shares to be received on vesting of an award in the following events of:

- (a) a significant downward restatement of the financial results;
- (b) gross misconduct or gross negligence or other conduct which results in significant losses or reputational damage; or
- (c) a material breach of the Unilever Group's Code of Business Principles or Code Policies.

If there is a significant downward restatement of financial results, the Company or NV can also require the participant to give back PLC Shares or NV Shares (as applicable) received on vesting within two years of the vesting date or the end of any retention period (or pay a cash equivalent).

### ***Leaving employment***

An award will normally lapse if the participant leaves the Company or NV before it has vested. But if the participant leaves because of disability, ill health, injury, redundancy, retirement, sale of his employer or in other circumstances if the Company or NV allows, the award will continue in effect and vest at the normal time, to the extent that any performance condition has been satisfied. Alternatively, the Company or NV may decide that the award will vest on leaving (or on some later date), in which case, any performance condition will be tested to the date of leaving or the later date. Options will normally lapse 12 months after the later of leaving and the date on which the option vests.

Where an award vests on or after leaving, the number of PLC Shares or NV Shares will be reduced to reflect the fact that the participant left early, unless the Company or NV decides otherwise. If a participant has been allowed or required to take some or all of any bonus in the form of an award, it will not normally lapse on leaving employment (on the basis that the bonus has already been earned).

If a participant dies, the award will vest at the date of death at halfway between threshold and maximum levels of vesting under any performance condition and the number of PLC Shares or NV Shares may be reduced as described above.

### ***Takeovers and other corporate events***

If there is a takeover of the Company or NV, the Board will determine the extent to which any performance condition has been satisfied to that point and the proportion of the award which will vest. Options will be exercisable for one month. The Board has discretion to pro-rate for time to reflect the fact that the award is vesting early. Alternatively, participants may be allowed or required to exchange their awards for awards over shares in the acquiring company. Awards may also be allowed to vest or be exchanged on a broadly similar basis upon other corporate events occurring (such as demerger, reconstruction or reorganisation).

### ***Rights issues, demergers, etc***

The number or type of shares subject to an award and/or the exercise price of an option may be adjusted to reflect a rights issue, special dividend, demerger or any variation in the share capital of the Company or NV.

### ***General***

Awards may be satisfied by the issue of new PLC Shares or NV Shares or the transfer of existing PLC Shares or NV Shares from treasury or otherwise. Alternatively, the Company and NV can decide to satisfy any award in cash instead of shares.

Any PLC Shares and NV Shares issued will rank equally with PLC Shares and NV Shares (as applicable) of the same class in issue on the date of allotment except in respect of rights arising by reference to a prior record date.

Participants do not pay for the grant of an award.

Awards are not pensionable or transferable (except on death, by operation of law or where the Board otherwise allows). Awards are normally only granted within 42 days of the Company or NV annual general meeting or other general meetings or the announcement of the Company's or NV's results for any period. No awards can be granted more than 10 years after the USP's approval by PLC Shareholders and NV Shareholders.

Where a participant (other than an Executive Director) changes country, to avoid unfavourable tax or legal consequences, the Board can decide that their award will vest early and/or be subject to a different exercise period.

### ***Amendments and termination***

The Board can amend the USP in any way but shareholder approval (by general meeting) will be required to amend certain provisions to the advantage of participants. These provisions relate to eligibility, individual and plan limits, the rights attaching to awards and PLC Shares and NV Shares, the adjustment of awards on a variation in the Company's or NV's share capital and the amendment powers.

Minor amendments can be made without shareholder approval to benefit the administration of the USP, to take account of a change in legislation or to obtain or maintain favourable tax, exchange control or regulatory treatment. Performance conditions can also be amended, without shareholder approval, in accordance with their terms or if anything happens which causes the Company or NV reasonably to consider it appropriate to do so (subject, in the case of Executive Directors, to the prevailing Directors' Remuneration Policy). Conditions not related to performance can be waived or changed in such manner as the Board sees fit.

The Board can, without obtaining shareholder approval, establish further plans, based on the USP, but modified to take account of local tax, exchange control or securities law in non-UK territories. Shares made available under such plans will count against the limits described above.

No further awards may be granted after 26 April 2027.

## **10.2 The Unilever North America Omnibus Equity Compensation Plan**

The Company and NV also maintain share plans for its North American employees that are governed by an umbrella plan called the Unilever North America Omnibus Equity Compensation Plan, which is a sub-plan to the USP. This plan is the North American equivalent of the USP, and the terms are materially the same. However, the Unilever North America Omnibus Equity Compensation Plan contains non-competition and non-solicitation covenants and specific terms relevant to U.S., Canadian and Puerto Rican employment and tax laws. The Unilever North America Omnibus Equity Compensation Plan is administered by the North America Compensation Committee of Unilever United States Inc. (within the framework set by the Compensation Committee) and is governed by New York law.

## **10.3 The Unilever Global Employee Plan ("SHARES")**

### ***Eligibility***

Employees (excluding executive and non-executive directors) of designated companies within the Unilever Group are eligible to participate in SHARES.

### ***Enrolment agreement***

All eligible employees can join the SHARES plan at any time during an enrolment period.

Participating employees authorise deductions from their net salary of an amount which is no more than a maximum set by the Company and NV (currently €200 per month (or an equivalent amount in the local currency)) for an investment period set by the Board or Compensation Committee.

The contributions made by the participant are used to acquire PLC Shares or NV Shares ("**Investment Shares**") on behalf of the participant. The Board or Compensation Committee, in its discretion, may allow for refunds of unapplied contributions to participants who have discontinued their participation in SHARES or have left employment with a designated company.

### ***Grant of awards***

If a participant makes contributions and acquires Investment Shares during the investment period, the participant will be granted a conditional right to acquire additional PLC Shares or NV Shares. SHARES currently operates such that for every three Investment Shares, the participant is entitled to one free

matching PLC Share or NV Share (the “**Matching Share**”), but the SHARES administrator retains full discretion to determine the ratio. The Matching Share will vest if the participant holds their corresponding Investment Shares until the vesting date set by the Board at the time of grant—which is currently the date three years from the date of grant.

The award of Matching Shares is not subject to any performance conditions. However, the Board or Compensation Committee may impose additional objective conditions which must be specified at the award date.

### ***Vesting of Matching Shares***

Matching Shares will normally automatically vest on the applicable vesting date or as soon as reasonably practicable after the Board or Compensation Committee’s determination as to whether and to what extent any additional conditions have been satisfied or waived.

To the extent that any condition imposed by the Board or Compensation Committee is not satisfied or waived, the award will lapse if so specified in the terms of that condition.

### ***Leaving employment***

Normally, if a participant ceases to be an employee of a designated company during an investment period, no further contributions shall be made but contributions made by the participant up to that point will be used to acquire Investment Shares for the participant. Alternatively, the Board or Compensation Committee may decide that the contributions made by the participant will be refunded to the participant without interest.

An award which has not vested will normally remain outstanding and will continue to vest in accordance with its terms if a participant ceases to be an employee. However, the Board or Compensation Committee may decide that an award which has not vested will lapse on the date a participant ceases to be an employee.

If a participant dies, any unvested portion of the participant’s award will be accelerated and any PLC Shares, NV Shares or cash held on behalf of the participant will be delivered to the executor or personal representative of the participant’s estate.

### ***Clawback***

If required by law, as determined by the Board or Compensation Committee, unvested awards may be forfeited and any PLC Shares or NV Shares acquired under SHARES, or the value of such shares, shall be paid to the Company or NV.

### ***Transfer of Investment Shares and awards***

Unless otherwise determined by the Board or the Compensation Committee, if a participant transfers, assigns, pledges or otherwise disposes of or encumbers any Investment Shares or any interest therein before the corresponding award has vested, the corresponding award will immediately lapse. This will not apply to:

- (a) a disposal of Investment Shares in connection with a change of control;
- (b) the sale of sufficient nil-paid rights in relation to an Investment Share to take up the balance of the rights under a rights issue or similar transaction; or
- (c) the transfer of Investment Shares in accordance with the rules of SHARES following a participant’s death.

A participant’s award will immediately lapse if a participant transfers, assigns, pledges or otherwise disposes of or encumbers an award or any rights with respect to it. This will not apply to the transfer of awards on the death of a participant or assignment by way of court order in accordance with the rules of SHARES.

### ***Rights attaching to Investment Shares and Matching Shares***

With respect to a participant’s Investment Shares, during the vesting period, participants will have all the rights of a PLC Shareholder or NV Shareholder, including dividend and voting rights. Unless otherwise determined by the Board or Compensation Committee, when dividends are paid on Investment Shares, such dividends will be reinvested as additional PLC Shares or NV Shares, but not, unless the Board or Compensation Committee determines otherwise, as additional Investment Shares.

With respect to Matching Shares, a participant will not be entitled to vote, to receive dividends or to have any other rights of a PLC Shareholder or NV Shareholder with respect to Matching Shares until such shares are transferred to the participant.

### ***Dividend equivalents***

Unless the Board or Compensation Committee decides otherwise, awards will include the right to receive dividend equivalents issued or transferred when and to the extent that the award vests. If dividend equivalents are credited during the vesting period, the value of dividend equivalents will be converted to additional conditional Matching Shares at the time of payment. If dividend equivalents are credited at the end of the vesting period, they will be converted into additional PLC Shares or NV Shares at the end of the vesting period.

### ***Cash alternative***

Where necessary or desirable to take account or mitigate or comply with taxation, securities law, exchange control and/or other applicable laws or to improve the tax and/or legal treatment of the participant, any member of the Unilever Group or, in exceptional circumstances, the Board or Compensation Committee may decide that a participant will not acquire Investment Shares. Instead, at the end of the investment period, the participant will be paid a cash amount equal in value to the Investment Shares, plus the dividends which would have been payable on such Investment Shares.

The Board or Compensation Committee may also decide to satisfy an award (including reinvested dividend equivalents) by paying an equivalent amount in cash.

### ***Takeovers and other corporate events***

In the event of a change of control of the Company or NV, an award will normally vest on the date the person obtains control of the Company or NV. The Board or Compensation Committee may decide that an award which has vested due to the change of control is pro-rated to reflect the proportion of the original vesting period which has lapsed. Alternatively, the Board or Compensation Committee may, with agreement of the participant, decide that awards will be automatically exchanged for equivalent awards over shares in a different company (including the acquiring company). The Board may decide that similar treatment will apply if there is a demerger, distribution (other than an ordinary dividend) or other transaction which would affect the current or future value of any award.

If there is a reconstruction, reorganisation or acquisition of the Company or NV which does not involve a change of control, the Board or Compensation Committee will arrange for awards to be replaced by an equivalent award of shares in the new parent company or companies.

### ***Rights issues, demergers, etc***

In the event of a variation of the Company's or NV's share capital (including a capitalisation or rights issue, sub-division, consolidation or reduction of share capital), demerger, special dividend or distribution or other corporate event which might affect the current or future value of an award before vesting, the Board or Compensation Committee may adjust the number or class of PLC Shares, NV Shares or securities subject to the award.

Unless the Board or Compensation Committee decides otherwise, any securities a participant receives with respect to their Investment Shares as a result of an event listed above will be treated as Investment Shares.

### ***General***

Investment Shares, PLC Shares and NV Shares delivered on the vesting of an award may consist, in whole or in part, of authorised and unissued shares, treasury shares, shares held on trust or by a nominee for delivery to participants or shares purchased on the open market provided, however, that PLC Shares and NV Shares shall not be delivered to participants unless any applicable requirements for shareholder approvals or authorisations have first been obtained.

Any Investment Shares or PLC Shares acquired by participants will rank equally in all respects with the PLC Shares in issue on the date of acquisition (except for rights arising by reference to a record date preceding the date of acquisition).

Benefits received under SHARES do not form part of the contract of employment of an employee and are not pensionable.

#### ***Amendments and termination***

The Board may, at any time, amend the provisions of SHARES in any way.

The SHARES Plan will terminate on 23 July 2024.

#### **10.4 The Share Incentive Plan (“UK ShareBuy”)**

UK ShareBuy is an all-employee share plan which offers three ways to provide PLC Shares to UK employees on a tax-advantaged basis: partnership, free and matching PLC Shares. UK ShareBuy allows for all three elements and the Board has the power to decide which, if any, of them should be implemented. At present, the Company uses UK ShareBuy to offer employees partnership shares. The Board may also allow a participant to reinvest any dividends paid on UK ShareBuy shares into additional dividend shares.

#### ***Eligibility***

All UK tax-resident employees of the Company (including Executive Directors) and any participating subsidiaries are eligible to participate in UK ShareBuy if they have worked for the Company or any participating subsidiary for a qualifying period determined by the Board, which may not exceed 18 months.

#### ***UK ShareBuy trust***

UK ShareBuy operates in conjunction with an independent external trust, which holds PLC Shares on behalf of participants. PLC Shares allocated to a participant must be withdrawn from the UK ShareBuy trust immediately following cessation of employment (subject to the forfeiture provisions outlined below).

#### ***Timing***

UK ShareBuy may be operated within 42 days of the following:

- (a) the day after the announcement of the Company’s results to the London Stock Exchange plc;
- (b) any day on which the Board resolves that exceptional circumstances exist which justify an award; and
- (c) any day on which changes to the legislation or regulations affecting tax-advantaged share incentive plans are announced, effected or made.

#### ***Partnership shares***

Eligible employees may be offered the opportunity to buy PLC Shares by deduction from their pre-tax salary (“**partnership shares**”). Under current legislation, participants can buy partnership shares up to a value of £1,800 in each tax year or, if less, 10 per cent. of the participant’s pre-tax salary.

The UK ShareBuy trustee may use the deductions from participants’ salary to buy partnership shares on their behalf immediately. Alternatively, it may accumulate the deductions for a period of up to 12 months and then use them to buy partnership shares at the end of the period. If there is an accumulation period, the number of shares acquired will be determined by reference to the market value of the shares at the beginning or the end of the accumulation period or the lower of the two.

Participants can stop and start their salary deductions at any time. Any sums repaid will be subject to tax.

Partnership shares must generally be held in the UK ShareBuy trust for a period of between three and five years and will be free of income tax and national insurance contributions if held in the UK ShareBuy trust for five years or more. If a participant leaves employment with the Unilever Group, their shares cease to be subject to UK ShareBuy and must be removed from the UK ShareBuy trust.

#### ***Free shares***

Participants can be given free PLC Shares (“**free shares**”) with a market value limited by tax legislation to, currently, £3,600 in a tax year. The free shares must generally be offered to all eligible employees on similar terms, although the number of free shares can vary by reference to performance targets. If the Board determines to use performance targets, it must follow one of the two methods of applying performance conditions set out in the legislation relating to tax-advantaged share incentive plans.



Free shares must generally be held in the UK ShareBuy trust for a period of between three and five years and will be free of income tax and national insurance contributions if held in the UK ShareBuy trust for five years or more. If a participant leaves employment with the Unilever Group, their shares cease to be subject to UK ShareBuy and must be removed from the UK ShareBuy trust. The Board may require free shares to be forfeited if the participant leaves employment within three years (or such other period as determined by the Board) other than as a result of injury or disability, redundancy, a relevant transfer within the meaning of the Transfer of Undertakings (Protection of Employment) Regulations 2006, the transfer of an undertaking to a person who is not a member of the Unilever Group, retirement or death.

### ***Matching shares***

Where a participant buys partnership shares, the Board may award the participant additional free PLC Shares on a matching basis (“**matching shares**”). Under current legislation, up to a maximum of two matching shares can be offered for each partnership share. Matching shares must be offered on the same basis to each participant purchasing partnership shares on each occasion. Matching shares must generally be held in the UK ShareBuy trust for a minimum of three years and will be free of income tax and national insurance contributions if held in the UK ShareBuy trust for five years or more.

The Board may decide that matching shares will be forfeited on the same basis as free shares, or, if the corresponding partnership shares are taken out of the UK ShareBuy trust, within three years of any award.

### ***Dividends***

Cash dividends paid on the PLC Shares held in the UK ShareBuy trust may be re-invested in PLC Shares up to certain limits set out in the legislation.

### ***Voting rights***

The trustees of the UK ShareBuy trust may invite participants to direct them on how to exercise the voting rights attributable to the PLC Shares held on their behalf (including a transaction pursuant to a compromise, arrangement or scheme in relation to a reconstruction or takeover of the Company). If the trustees of the UK ShareBuy trust do so, the trustees will not exercise the voting rights unless they receive the participants’ instructions.

### ***Limits***

Subject to shareholder approval of UK ShareBuy, the Board has power to allot up to 10 per cent. of the Company’s issued share capital in any 10-year period under UK ShareBuy and all other employee share schemes operated by the Company.

### ***Amendment provisions***

If UK ShareBuy is approved by shareholders, the rules of UK ShareBuy may not be amended to the advantage of participants in any significant respect without shareholder approval, except minor amendments to benefit the administration of UK ShareBuy, to take account of a change in legislation, or to obtain or maintain favourable tax treatment for participants or the Company or other participating companies.

## 11 Dividend per PLC Share

Set out in the table below are the amounts of the dividends per PLC Share announced in respect of the financial years ended 31 December 2019, 2018 and 2017. For details on the dividends and dividend policy of the Unilever Group, please refer to paragraph 7 of Part VI (Information on the Unification).

<u>Dividend</u>	<u>Dividend per PLC Share (pence)</u>
<b>2019</b>	
Interim dividends . . . . .	<u>142</u>
Total <sup>(1)</sup> . . . . .	142
<b>2018</b>	
Interim dividends . . . . .	<u>133</u>
Total <sup>(2)</sup> . . . . .	133
<b>2017</b>	
Interim dividends . . . . .	<u>122</u>
Total <sup>(3)</sup> . . . . .	122

Notes:

- (1) Total dividends declared in relation to 2019 was £1.43 per PLC ordinary share.
- (2) Total dividends declared in relation to 2018 was £1.35 per PLC ordinary share.
- (3) Total dividends declared in relation to 2017 was £1.26 per PLC ordinary share.

## 12 Related undertakings

As at the date of this Prospectus, the Company and NV are joint parent companies of the Unilever Group. Following Unification, the Company will be the single parent company of the Unilever Group. A full list of related undertakings (comprising subsidiaries, joint ventures, associates and other significant holdings) is set out on pages 153—160 of the Unilever Annual Report and Accounts 2019, which is incorporated by reference into this Prospectus as set out in paragraph 7 of Part III (Presentation of information on the Unilever Group) and available for inspection as set out in paragraph 22 of this Part XII.

## 13 Material contracts

The following contracts (not being contracts entered into in the ordinary course of business) have been entered into by the Company or another member of the Unilever Group within the two years immediately preceding the date of this Prospectus and are or may be material:

### 13.1 The Unification Agreement

Unification will be effected upon the terms of, and subject to the conditions set out in, the Unification Agreement entered into by the Company and NV on 10 August 2020. Under the Unification Agreement, the Company and NV will agree to co-operate and use all reasonable endeavours to implement Unification in accordance with the terms to be set out in the Circular and this Prospectus.

#### *Conditions and clearances*

The Unification Agreement sets out the proposed conditions to Unification. For a description of these conditions, please see paragraph 9.1 of Part VI (Information on the Unification).

The Company and NV will undertake to:

- co-operate and use all reasonable endeavours to procure the satisfaction of the regulatory conditions to Unification as promptly as reasonably practicable;
- assist each other in communicating with any regulatory authority for the purposes of satisfying the regulatory conditions to Unification, including with the provision of any information or documents reasonably requested and necessary for the purpose of making a submission, filing or notification to any regulatory authority in relation to Unification as promptly as reasonably practicable;
- make as promptly as reasonably practicable such filings with any regulatory authority as are necessary or expedient for the implementation of Unification; and

- use reasonable endeavours to avoid (i) any declaration of incompleteness by any regulatory authority; and (ii) any suspension of review period by any regulatory authority.

### ***Shareholder approvals in relation to Unification***

Under the Unification Agreement, the Company will cause the PLC Meetings to be convened on due notice and NV will cause the NV EGM to be convened on due notice.

### ***Common Draft Terms of Merger***

Under the Unification Agreement, the Company and NV have undertaken to take all steps necessary to implement the Cross-Border Merger. The Company and NV have also undertaken to procure that all steps reasonably required to be taken in respect of the issue of New PLC Shares (including the New PLC Shares represented by New PLC ADSs) pursuant to the Cross-Border Merger (subject to any provisions of the Common Draft Terms of Merger relating to the shares of certain NV Overseas Shareholders) are taken.

### ***Withdrawal Mechanism***

Under the Unification Agreement, NV has undertaken to resolve to procure that the Company shall settle the Cash Compensation for the NV Exit Shares to Withdrawing Shareholders and the Company has undertaken to do so.

### ***Listings***

Under the Unification Agreement, the Company has undertaken to procure that all steps reasonably required to be taken in respect of the applications for Admission are taken.

Following approval of this Prospectus by the FCA and until Unification has completed, if and when a matter arises or is noted which requires this Prospectus to be supplemented pursuant to the Prospectus Regulation, the Company will use reasonable endeavours to, as promptly as reasonably practicable, prepare and file any such required supplement to this Prospectus with the FCA and request the FCA to approve the supplement, and notify its approval of the supplement in accordance with the Prospectus Regulation to the competent authority in the Netherlands, the AFM. Upon approval, the Company will make the supplement available to the public in accordance with the Prospectus Regulation.

### ***Applications for NYSE Listing***

Under the Unification Agreement, the Company will prepare and submit to the NYSE a supplemental listing application covering the New PLC ADSs being issued and allotted on Unification to the NYSE in order for such New PLC ADSs to be approved for listing, subject to notice of issuance or allotment and for trading on the NYSE at or prior to the effective date of Unification.

Except for procedures of the applicable clearing and settlement system and other customary limitations applicable to ADS programs, the Company has undertaken that the New PLC ADSs will have the same contractual rights and privileges as the existing PLC ADSs, and will, amongst other things, entitle the holder thereof to receive (upon deposit of the PLC ADSs with the depositary for cancellation and payment of any applicable fees, charges and taxes) the corresponding number of PLC Shares or interests therein.

### ***PLC Deferred Shares***

Under the Unification Agreement, the Company has undertaken prior to the CBM Effective Date to carry out a repurchase and cancellation of the PLC Deferred Shares comprising: (i) 50,000 PLC Deferred Shares from Elma; and (ii) 50,000 PLC Deferred Shares from UHL, in each case conditional upon approval of the Cross-Border Merger by the UK High Court. For more information on the repurchase of the PLC Deferred Shares, please refer to paragraph 10.2.3 of Part VI (Information on the Unification).

### ***NV Special Shares***

Under the Unification Agreement, NV has undertaken prior to the CBM Effective Date to carry out a repurchase of the NV Special Shares, comprising: (i) 1,200 NV Special Shares from Elma; and (ii) 1,200 NV Special Shares from UHL, in each case conditional upon approval of the Cross-Border Merger by the UK High Court. Accordingly, all NV Special Shares will be cancelled by operation of law at the CBM Effective Date.

### ***Governance of the Company***

The Unification Agreement sets out that, upon completion of Unification, the PLC Directors will comprise the same members as the Boards immediately prior to Unification.

Following Unification, the governance of the Company will be as set out in the Amended PLC Articles. Furthermore, following Unification, the Company will adopt a new Governance of Unilever to reflect the new single-parent structure.

### ***Representations and warranties***

The Unification Agreement contains certain representations and warranties by the Company and NV relating to their power and authority to enter into, and the validity of, the Unification Agreement.

### ***Governing law and submission to jurisdiction***

The Unification Agreement is governed by and will be construed in accordance with English law and any dispute which may arise out of or in connection with the Unification Agreement will be resolved by arbitration in England in English by three arbitrators pursuant to the rules of the International Chamber of Commerce.

No contracts have been entered into by the Unilever Group (other than contracts in the ordinary course of business), which contain provisions under which any member of the Unilever Group has an obligation or entitlement which is, or may be, material to the Unilever Group as at the Latest Practicable Date, save for the Foundation Agreements disclosed below. In each case, as the parties to the Foundation Agreements are the Company and NV, and Unification will result in the Unilever Group being unified under the Company with NV ceasing to exist, the Foundation Agreements will have no further effect and will come to an end on implementation of Unification:

#### **13.2 Equalisation Agreement**

The Equalisation Agreement makes the economic position of the shareholders of the Company and NV, as far as possible, the same as if they held shares in a single company and also regulates the mutual rights of the shareholders of the Company and NV. Under the Equalisation Agreement, the Company and NV must adopt the same financial periods and accounting policies.

#### **13.3 Deed of Mutual Covenants**

The Deed of Mutual Covenants provides that the Company and NV and their respective subsidiary companies shall co-operate in every way for the purpose of maintaining a common operating policy. They shall exchange all relevant information about their respective businesses—the intention being to create and maintain a common operating platform for the Unilever Group throughout the world. This deed also contains provisions for the allocation of assets within the Unilever Group.

#### **13.4 Agreement for Mutual Guarantees of Borrowing**

Under the Agreement for Mutual Guarantees of Borrowing between the Company and NV, each company will, if asked by the other, guarantee the borrowings of the other and the other's subsidiaries. These arrangements are used, as a matter of financial policy, for certain significant borrowings. They enable lenders to rely on the Unilever Group's combined financial strength. The borrowing power of NV is not limited by the NV Articles. PLC Directors have the power to borrow on behalf of the Company up to three times the Company proportion of the adjusted capital and reserves of the Unilever Group, as defined in the PLC Articles, without the approval of shareholders (by way of an ordinary resolution).

### **14 Related party transactions and other arrangements**

Save as set out in the information incorporated by reference referred to below, there were no material related party transactions entered into by the Company or any member of the Unilever Group during the period between 31 December 2017 and 4 August 2020 (being the Latest Practicable Date):

**14.1** Note 23 of the notes to the audited consolidated financial statements which can be found at page 137 of the Unilever Annual Report and Accounts 2019, which note is incorporated by reference into this Prospectus as set out in paragraph 7 of Part III (Presentation of information on the Unilever Group) and available for inspection as set out in paragraph 22 of this Part XII;

**14.2** Note 23 of the notes to the audited consolidated financial statements which can be found at page 126 of the Unilever Annual Report and Accounts 2018, which note is incorporated by reference into this Prospectus as set out in paragraph 7 of Part III (Presentation of information on the Unilever Group) and available for inspection as set out in paragraph 22 of this Part XII ; and

**14.3** Note 23 of the notes to the audited consolidated financial statements which can be found at pages 136—137 of the Unilever Annual Report and Accounts 2017, which note is incorporated by reference into this Prospectus as set out in paragraph 7 of Part III (Presentation of information on the Unilever Group) and available for inspection as set out in paragraph 22 of this Part XII.

## **15 Litigation**

Save as set out below, there are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened or of which the Unilever Group is aware) in the 12 months preceding the date of this Prospectus which may have, or have had in the recent past, a significant effect on the financial position or profitability of the Company or the Unilever Group:

**15.1** During 2004, and in common with many other businesses operating in Brazil, one of the Unilever Group's Brazilian subsidiaries received a notice of infringement from the Federal Revenue Service in respect of indirect taxes. The notice alleges that a 2001 reorganisation of Unilever's local corporate structure was undertaken without valid business purpose. The 2001 reorganisation was comparable with restructurings done by many companies in Brazil. The original dispute was resolved in the courts in the Unilever Group's favour. However, in 2013 a new assessment was raised in respect of a similar matter. Additionally, during the course of 2014 and again in 2017, 2018 and 2019 other notices of infringement were issued based on the same grounds argued in the previous assessments. The total amount of the tax assessments in respect of this matter is €2,235 million at 31 December 2019. The judicial process in Brazil is likely to take a number of years to conclude.

The Unilever Group believes that the likelihood that the tax authorities will ultimately prevail is low, however there can be no guarantee of success in court.

**15.2** In 2019, a tax assessment was issued in connection with a United Kingdom tax audit that commenced in 2015. The total amount of the tax assessment in respect of this matter is €141 million. The United Kingdom tax authorities are reviewing the allocation of taxable income related to intangible assets and centralised services as between NV and the Company, and whether NV has a permanent establishment in the United Kingdom. These arrangements have been in place and consistently applied by Unilever for many years and have been previously reviewed and accepted by the United Kingdom tax authorities. The period of review is for the years from 2011 to 2018, and the €141 million tax assessment is in respect of an alleged NV permanent establishment in the United Kingdom for 2015. Unilever strongly disagrees with the positions taken by the United Kingdom tax authorities and believes that the positions as filed in United Kingdom tax returns are in accordance with the tax legislation. Given the potential impact of any adjustment on the allocation of taxable income between NV and the Company, with potential consequential effects for Dutch taxable income, Unilever has filed a protective Mutual Agreement Procedure with the Dutch and United Kingdom authorities.

Discussions with the United Kingdom tax authorities are ongoing and there is recognition that significant further work is required before any further tax assessments can be issued and that the issues raised overlap in whole or part and therefore require a sequenced resolution. On the basis of the tax assessment issued the maximum exposure could be up to €600 million at 31 December 2019.

## **16 Working capital**

In the opinion of the Company, taking into account the bank facilities and other facilities available to the Company, the working capital available to the Unilever Group is sufficient for its present requirements, that is, for the next 12 months following the date of this Prospectus.

## **17 No significant change**

There has been no significant change in the financial performance or financial position of the Unilever Group since 30 June 2020, the date to which the Unilever Group's last interim financial statements were prepared.

## **18 Consents**

UBS, who has acted as sponsor and financial adviser and whose registered address is at 5 Broadgate, London, United Kingdom, EC2M 2QS, has given and has not withdrawn its written consent to the inclusion in this Prospectus of references to its name in the form and context in which it appears.

## **19 General**

If Unification and the Unification-related arrangements are implemented as anticipated, the aggregate fees and expenses to be borne by the Company in connection with Unification, the Unification-related arrangements and the PLC Shares, including the FCA's and LSE's fees, professional fees and expenses and the costs of printing and distribution of documents, are not expected to be material.

## **20 Mandatory takeover bids, squeeze-out and sell-out rules**

Other than as provided by the Companies Act 2006 and the Takeover Code, there are no rules or provisions relating to mandatory bids and/or squeeze-out and sell-out rules in relation to the Company.

### **20.1 Mandatory takeover bids**

The Company is subject to the provisions of the Takeover Code, including the rules regarding mandatory takeover offers set out in the Takeover Code. Under Rule 9 of the Takeover Code, when: (i) a person acquires shares which, when taken together with shares already held by him or persons acting in concert with him (as defined in the Takeover Code), carry 30 per cent. or more of the voting rights of a company subject to the Takeover Code; or (ii) any person who, together with persons acting in concert with him, holds not less than 30 per cent. but not more than 50 per cent. of the voting rights of a company subject to the Takeover Code, and such person, or any person acting in concert with him, acquires additional shares which increases his percentage of the voting rights in the company, then, in either case, that person, together with the persons acting in concert with him, is normally required to make a general offer in cash, at the highest price paid by him or any person acting in concert with him for shares in the company within the preceding 12 months, for all of the remaining equity share capital of the company.

### **20.2 Squeeze-out**

Under the Companies Act 2006, if a takeover offer (as defined in section 974 of the Companies Act 2006) is made for the shares and the offeror were to acquire, or unconditionally contract to acquire, not less than 90 per cent. in value of the shares to which the takeover offer relates and not less than 90 per cent. of the voting rights carried by the shares to which the offer relates, it could, within three months of the last day on which its offer can be accepted, compulsorily acquire the remaining 10 per cent. It would do so by sending a notice pursuant to section 979 of the Companies Act 2006 to outstanding shareholders telling them that it will compulsorily acquire their shares and then, six weeks later, it would execute a transfer of the outstanding shares in its favour and pay the consideration for the outstanding shares to the Company, which would hold the consideration on trust for outstanding shareholders. The consideration offered to the shareholders whose shares are compulsorily acquired under the Companies Act 2006 must, in general, be the same as the consideration that was available under the takeover offer.

A minority shareholder may bring an application to the court under section 986 within six weeks of receiving a section 979 notice. The court may: (a) order that the offeror shall not be entitled or bound to acquire the relevant shares; or (b) specify terms of acquisition different from those of the offer.

### **20.3 Sell-out**

Section 983 of the Companies Act 2006 gives minority shareholders a right to be bought out in certain circumstances by an offeror under a takeover offer. If a takeover offer related to all the shares and, at any time before the end of the period within which the offer could be accepted, the offeror held or had agreed to acquire not less than 90 per cent. of the shares to which the offer relates, any holder of shares to which the offer related who had not accepted the offer could by a written communication to the offeror require it to acquire those shares. The offeror is required to give any shareholder notice of his or her right to be bought out within one month of that right arising. The offeror may impose a time limit on the rights of the minority shareholders to be bought out, but that period cannot end less than three months after the end of the acceptance period. If a shareholder exercises his or her rights, the offeror is bound to acquire those shares on the terms of the offer or on such other terms as may be agreed.

If a shareholder gives notice under section 983, both the shareholder and the offeror have the right to make an application to the court. The court has the power to vary the terms of the acquisition but cannot order that the offeror shall not be entitled or obliged to acquire the relevant shares.

## **21 Disclosure of significant PLC Share ownership**

Pursuant to the UK Disclosure Guidance and Transparency Rules and subject to certain exemptions, a PLC Shareholder must notify the Company and the FCA in the event that the percentage of the voting rights in the Company held by such shareholder reaches, exceeds or falls below specified thresholds, the thresholds depending on the identity of the relevant PLC Shareholder.

The notification must be made to the Company as soon as possible, but in any event no later than two trading days after the date on which the PLC Shareholder: (i) becomes aware, or should have become aware, of the acquisition or disposal or of the possibility of exercising voting rights; or (ii) is informed about the events of (i), above.

Following the UK's withdrawal from the European Union, after the end of the standstill transitional period ending on 31 December 2020, a PLC Shareholder may be required to make notifications in the Netherlands in respect of the percentage of the voting rights in the Company held by such PLC Shareholder.

## **22 Documents available for inspection**

The following documents will be available for inspection during usual business hours on any weekday (Saturdays, Sundays and public holidays excepted) for a period of 12 months following Admission at the offices of Linklaters LLP, One Silk Street, London EC2Y 8HQ and at the Company's registered office at Port Sunlight, Wirral, Merseyside CH62 4ZD, at its principal place of business at 100 Victoria Embankment, London EC4Y 0DY and on the following website at [www.unilever.com/unification/documents](http://www.unilever.com/unification/documents):

- (a) the Amended PLC Articles;
- (b) the Amended NV Articles;
- (c) the Circular;
- (d) the Common Draft Terms of Merger;
- (e) PLC Directors' Report;
- (f) NV Directors' Report;
- (g) PLC Independent Experts' Report;
- (h) NV Independent Expert' Report;
- (i) the Unilever 2020 Half-Year Results, the Unilever Annual Report and Accounts 2019, the Unilever Annual Report and Accounts 2018 and the Unilever Annual Report and Accounts 2017;
- (j) the Announcement;
- (k) the consent letter referred to in "Consents" in paragraph 18 of this Part XII; and
- (l) this Prospectus.

The date of this Prospectus is 10 August 2020.

## PART XIII DEFINITIONS

### Definitions

The following definitions apply throughout this Prospectus unless the context requires otherwise:

<b>Admission</b>	as the context requires: (i) the admission of the New PLC Shares to the premium listing segment of the Official List and to trading on the London Stock Exchange's main market for listed securities; and/or (ii) the admission to trading of the PLC Shares, including the New PLC Shares, on Euronext in Amsterdam
<b>Admission and Disclosure Standards</b>	the current edition of the Admission and Disclosure Standards produced by the London Stock Exchange
<b>ADS Dividend Reinvestment Plan</b>	the dividend reinvestment plan offered by the PLC ADS Depositary that allows PLC ADS Holders to reinvest their cash dividends into additional PLC ADSs on or around the relevant dividend payment date
<b>AEX-Index</b>	the Amsterdam Exchange Index
<b>AFM</b>	the Dutch Authority for the Financial Markets ( <i>Stichting Autoriteit Financiële Markten</i> )
<b>Agreement for Mutual Guarantees of Borrowing</b>	an agreement dated 9 June 1983 between the Company and NV
<b>Amended NV Articles</b>	the amended articles of association of NV proposed for adoption by the general meeting of NV Shareholders, holders of NV Special Shares and NV NYRS Holders at the NV EGM
<b>Amended PLC Articles</b>	the amended articles of association of the Company proposed for approval by PLC Shareholders at the PLC General Meeting
<b>Announcement</b>	the announcement made by the Unilever Group on 11 June 2020 in relation to the Unification
<b>Audit Committee</b>	the audit committee of the Board (or any successor)
<b>Auditor</b>	KPMG LLP, whose registered address is at 15 Canada Square, London E14 5GL
<b>Board</b>	the board of directors of the Company and/or NV (as the context requires) and " <b>Boards</b> " shall be construed accordingly
<b>Business Day</b>	any day which is not a Saturday, Sunday or a bank or public holiday in Amsterdam, London or New York
<b>Cash Compensation</b>	compensation in cash to be paid to a Withdrawing Shareholder in respect of those NV Ordinary Shares and NV NYRSs which will be converted into NV Ordinary B Shares and subsequently cancelled in relation to any NV Exit Share of such Withdrawing Shareholder
<b>Cash Compensation Funding Shares</b>	the New PLC Shares, equal to the number of NV Exit Shares, to be issued after the CBM Effective Date in an offering in order to realise the cash proceeds required to fund the Cash Compensation
<b>CBM Effective Date</b>	the date (and, where relevant, time) the Cross-Border Merger becomes effective as fixed by the order of the UK High Court approving the Cross-Border Merger
<b>CBM Exchange Ratio</b>	the exchange ratio set out in the Common Draft Terms of Merger
<b>certificated or in certificated form</b>	in relation to a share or other security, not in uncertificated form (that is, not in CREST)



<b>Circular</b>	the circular dated 10 August 2020, being a circular sent or made available by the Company and NV to Shareholders summarising the background to and reasons for the Unification
<b>Clearances</b>	as defined in the Unification Agreement, all consents, clearances, confirmations, permissions and waivers that are required to be obtained, all filings that are required to be made and all waiting periods that may need to have expired, from or under the laws, regulations or practices applied by any tax, regulatory or other relevant authority in connection with the implementation of Unification
<b>Common Draft Terms of Merger</b>	the common draft terms of merger adopted by the Boards
<b>Companies Act 2006</b>	the Companies Act 2006, as such act may be amended, modified or re-enacted from time to time
<b>Company or PLC</b>	Unilever PLC, a public limited company incorporated and registered in England and Wales with registration number 00041424 and its registered office address at Port Sunlight, Wirral, Merseyside CH62 4ZD and with its principal place of business at 100 Victoria Embankment, London EC4Y 0DY
<b>Compensation Committee</b>	the compensation committee of the Board (or any successor)
<b>Computershare</b>	Computershare Investor Services PLC, incorporated and registered in England and Wales with registered number 03498808 and its registered office address at The Pavilions, Bridgwater Road, Bristol BS13 8AE
<b>Corporate Responsibility Committee</b>	the corporate responsibility committee of the Board (or any successor)
<b>CREST</b>	the system for the paperless settlement of trades in securities and the holding of uncertificated securities operated by Euroclear UK&I in accordance with the CREST Regulations
<b>CREST Proxy Instruction</b>	the instruction whereby CREST members send a CREST message appointing a proxy for the PLC General Meeting and instructing the proxy on how to vote
<b>CREST Regulations</b>	the Uncertificated Securities Regulations 2001 (SI 2001 No. 3755) (as amended)
<b>Cross-Border Merger or CBM</b>	the cross-border merger between the Company and NV being a “merger by absorption” for the purposes of the UK Cross-Border Mergers Regulations and the Dutch Civil Code on the terms set out in the Common Draft Terms of Merger
<b>Deed of Mutual Covenants</b>	an agreement dated 28 June 1946 between the Company and NV, as amended pursuant to a supplemental agreement dated 15 May 2006
<b>Deferred Share Repurchase Agreement</b>	the proposed agreement between the Company, Elma and UHL for the repurchase by the Company of the 50,000 PLC Deferred Shares from Elma and the 50,000 PLC Deferred Shares from UHL
<b>Directors’ Remuneration Policy</b>	the approved remuneration policy of the Company and or/NV (as defined in section 226B(2) of the Companies Act 2006 or section 2:135 Dutch Civil Code, as applicable)
<b>Directors’ Reports</b>	the PLC Directors’ Report and the NV Directors’ Report
<b>Direct Registration System</b>	a system administered by DTC pursuant to which the PLC ADS Depository may register ownership of uncertificated PLC ADSs
<b>Disclosure Guidance and Transparency Rules</b>	the disclosure guidance and transparency rules made by the FCA pursuant to section 73A of the FSMA
<b>DRS</b>	the Direct Registration System administered by DTC
<b>DTC</b>	the Depository Trust Company, a New York limited purpose trust company having its principal place of business in the State of New York

<b>Dutch Civil Code</b>	the Dutch Civil Code ( <i>Burgerlijk Wetboek</i> )
<b>Dutch Corporate Governance Code</b>	the Dutch Corporate Governance Code published in December 2016 by the Dutch Corporate Governance Code Monitoring Committee, as amended from time to time
<b>Elma</b>	<i>Naamlooze Vennootschap Elma</i>
<b>Enlarged Share Capital</b>	the aggregate of the PLC Shares in issue immediately before the CBM Effective Date and the issue of the New PLC Shares
<b>Equalisation Agreement</b>	an agreement dated 28 June 1946 between the Company and NV, as amended pursuant to supplemental agreements dated 20 July 1981, 21 December 1981, 15 May 2006 and 20 May 2009, respectively
<b>EU or European Union</b>	the European Union
<b>Euroclear Nederland</b>	<i>Nederlands Centraal Instituut voor Giraal Effectenverkeer B.V.</i> , trading as Euroclear Nederland
<b>Euroclear UK&amp;I</b>	Euroclear UK & Ireland Limited
<b>Euronext Amsterdam</b>	Euronext Amsterdam N.V.
<b>Euronext in Amsterdam</b>	the regulated market operated by Euronext Amsterdam
<b>Executive Directors</b>	the executive directors of the Company as at the date of this Prospectus, whose names appear on page 50 of this Prospectus or, where the context so requires, the executive directors of the Company from time to time
<b>Existing PLC Shares</b>	the PLC Shares in issue at the Latest Practicable Date
<b>FCA</b>	the UK Financial Conduct Authority or its successor from time to time
<b>Financial Adviser or Sponsor</b>	UBS AG London Branch, 5 Broadgate, London EC2M 2QS
<b>Form F-6</b>	the registration statement on Form F-6 registering the New PLC ADSs issuable upon deposit of New PLC Shares with Deutsche Bank Trust Company Americas in its capacity as depositary, together with any amendments, supplements and exhibits thereto
<b>Foundation Agreements</b>	the Equalisation Agreement, the Deed of Mutual Covenants and the Agreement for Mutual Guarantees of Borrowing
<b>FSMA</b>	the Financial Services and Markets Act 2000, as amended
<b>FTSE or FTSE Group</b>	the FTSE Group, a provider of stock market indices for the London Stock Exchange
<b>FTSE 100</b>	the Financial Times Stock Exchange 100 index as maintained by the FTSE Group
<b>Giro Act</b>	the Dutch Securities Giro Transfer Act ( <i>Wet giraal effectenverkeer</i> )
<b>HMRC</b>	HM Revenue & Customs
<b>IASB</b>	the International Accounting Standards Board
<b>IFRS</b>	the International Financial Reporting Standards as adopted by the EU
<b>Independent Experts' Reports</b>	the PLC Independent Expert Report and the NV Independent Expert Report
<b>Indirect NV NYRS Holders</b>	the NV NYRS Holders who hold their NV NYRSs in book-entry form through a bank, broker or other DTC participant
<b>IQ EQ</b>	IQ EQ Financial Services B.V.
<b>ISIN or International Securities Identification Number</b>	the international code for a listed security

<b>Latest Practicable Date</b>	4 August 2020, being the latest practicable date prior to the publication of this Prospectus
<b>Listing Rules</b>	the listing rules relating to admission to the Official List made under section 73A(2) of FSMA
<b>London Stock Exchange or LSE</b>	London Stock Exchange plc
<b>LSE's Main Market</b>	the LSE's main market for listed securities
<b>New PLC ADSs</b>	the PLC ADSs proposed to be issued, credited as fully paid, pursuant to the Cross-Border Merger
<b>New PLC Shares</b>	the: (i) PLC Shares proposed to be issued, credited as fully paid, pursuant to the Cross-Border Merger; and for the purposes of Admission only (ii) any Cash Compensation Funding Shares, if applicable
<b>Nominating and Corporate Governance Committee</b>	the nominating and corporate governance committee of the Board (or any successor)
<b>Non-Executive Directors</b>	the non-executive directors of the Company as at the date of this Prospectus, whose names appear on page 50 of this Prospectus or, where the context so requires, the non-executive directors of the Company from time to time
<b>NV</b>	Unilever N.V., a public limited liability company incorporated under the laws of the Netherlands and registered with the Dutch Trade Register under number 24051830 and whose registered office is at Weena 455, 3013 AL Rotterdam, the Netherlands
<b>NV Articles</b>	the articles of association of NV, as may be amended from time to time
<b>NV Bearer Subshares</b>	subshares of NV Ordinary Shares, each amounting to 3/112th part of one NV Ordinary Share, in bearer form
<b>NV Directors</b>	the board of directors of NV
<b>NV Directors' Report</b>	the Directors' report prepared in accordance with sections 2:313 and 2:327, Dutch Civil Code, set out in a schedule of the Circular
<b>NV Dividend Reinvestment Plan</b>	the dividend reinvestment plan offered by NV that allows NV Shareholders to reinvest their cash dividends into additional NV Shares on or around the relevant dividend payment date
<b>NV EGM</b>	the extraordinary general meeting of NV to be held on 21 September 2020 in order to, among other things, approve Unification, including the Cross-Border Merger, and any adjournment of such meeting
<b>NV EGM Record Date</b>	the record date for the NV EGM, being the 28th day prior to the date of the NV EGM
<b>NV Exit Shares</b>	has the meaning given to it in paragraph 10.1.5 of Part VI (Information on the Unification)
<b>NV Form of Proxy</b>	the form of proxy for use at the NV EGM
<b>NV Independent Expert's Report</b>	the independent expert's report set out in a schedule of the Circular
<b>NV NYRSs</b>	the ordinary shares, each with a par value of €0.16, in the capital of NV, held in New York registry form
<b>NV NYRS Agent</b>	Deutsche Bank Trust Company Americas in its capacity as U.S. registrar, transfer agent, paying agent and shareholder services agent for the NV NYRSs
<b>NV NYRS Agreement</b>	the Amended and Restated Transfer, Registration, Paying Agent and Shareholder Services Agreement dated as of 1 July 2014, by and among NV and the NV NYRS Agent
<b>NV NYRS Holders</b>	the holders of NV NYRSs

<b>NV Ordinary B Shares</b>	the ordinary B shares, each with a par value of €0.16, in the capital of NV, that will be included in NV's authorised share capital pursuant to the Amended NV Articles
<b>NV Ordinary Shareholders</b>	the holders of NV Ordinary Shares
<b>NV Ordinary Shares</b>	the ordinary shares, each with a par value of €0.16, in the capital of NV excluding NV NYRSs
<b>NV Overseas Shareholders</b>	NV Shareholders or NV NYRS Holders with a registered address in, or who are citizens, residents or nationals of or located in jurisdictions, outside the United Kingdom, the United States or the Netherlands or whom the Company and NV reasonably believe to be citizens, residents or nationals of or located in jurisdictions outside the United Kingdom, the United States or the Netherlands
<b>NV Registered Subshares</b>	subshares of NV Ordinary Shares, each amounting to 3/112th part of one NV Ordinary Share, in registered form
<b>NV Resolution</b>	the resolution, to be proposed at the NV EGM
<b>NV Shareholders</b>	the holders of NV Shares (excluding shares held in treasury)
<b>NV Shares</b>	NV Ordinary Shares and NV Subshares, together
<b>NV Special Shares</b>	the ordinary shares, each with a par value of €428.57, in the capital of NV numbered 1 up to and including 2,400
<b>NV Subshares</b>	NV Bearer Subshares and NV Registered Subshares
<b>NV Trust Office</b>	Foundation Unilever N.V. Trust Office ( <i>Stichting Administratiekantoor Unilever N.V.</i> ).
<b>NYRS Dividend Reinvestment Plan</b>	the dividend reinvestment plan offered by the NV NYRS Agent that allows PLC ADS Holders to reinvest their cash dividends into additional PLC ADSs on or around the relevant dividend payment date
<b>NYRS Form of Election</b>	the election form by which Registered NYRS Holders may elect to receive New PLC ADSs in the Direct Registration System instead of New PLC Shares in certificated form
<b>NYSE</b>	the New York Stock Exchange
<b>OECD</b>	the Organisation for Economic Co-operation and Development
<b>Offering</b>	has the meaning given to it in paragraph 10.1.6 of Part VI (Information on the Unification)
<b>Official List</b>	the Official List of the Financial Conduct Authority
<b>Overseas Shareholders</b>	PLC Shareholders who are resident in, ordinarily resident in, or citizens of jurisdictions outside the United Kingdom
<b>PLC ADRs</b>	American depository receipts evidencing a specific number of PLC ADSs, registered in a PLC ADS Holder's name
<b>PLC ADSs</b>	American depository shares of the Company each representing one PLC Share
<b>PLC ADS Depository</b>	Deutsche Bank Trust Company Americas, in its capacity as depository under the PLC Deposit Agreement
<b>PLC ADS Holders</b>	a holder of PLC ADSs
<b>PLC ADS Voting Instruction Card</b>	the voting instruction card for use by the PLC ADS Holders that hold registered PLC ADSs to instruct the PLC ADS Depository in connection with the PLC Meetings
<b>PLC Articles</b>	the articles of association of the Company, as may be amended from time to time

<b>PLC Court Meeting</b>	the meeting of the Company to be held at 2.30 p.m. on 12 October 2020, convened pursuant to an order of the UK High Court for the purposes of considering and, if thought fit, approving the Cross-Border Merger, including any adjournment thereof
<b>PLC Deferred Shares</b>	the deferred shares of £1.00 each in the capital of the Company
<b>PLC Deposit Agreement</b>	the Second Amended and Restated Deposit Agreement dated 1 July 2014 by and among the Company, Deutsche Bank Trust Company Americas, as PLC ADS Depositary, and the holders and beneficial owners of American depositary shares issued thereunder
<b>PLC Directors</b>	the Executive Directors and the Non-Executive Directors
<b>PLC Directors' Report</b>	the Directors' report prepared in accordance with regulation 8 of the UK Cross-Border Mergers Regulations, set out in a schedule of the Circular
<b>PLC Dividend Reinvestment Plan</b>	the dividend reinvestment plan offered by the Company that allows PLC Shareholders to reinvest their cash dividends into additional PLC Shares on or around the relevant dividend payment date
<b>PLC Dividend Reinvestment Plan (Certificated Holders) Terms and Conditions</b>	the terms and conditions of the PLC Dividend Reinvestment Plan
<b>PLC Forms of Proxy</b>	as the context may require, either of: (i) the BLUE form of proxy for use at the PLC Court Meeting; or (ii) the YELLOW form of proxy for use at the PLC General Meeting
<b>PLC General Meeting</b>	the general meeting of PLC Shareholders to be held at 2.45 p.m. on 12 October 2020 (or as soon thereafter as the PLC Court Meeting has concluded or been adjourned), for the purposes of considering and, if thought fit, passing the PLC Special Resolution, including any adjournment thereof
<b>PLC Independent Expert's Report</b>	the independent expert's report set out in a schedule of the Circular
<b>PLC Meetings</b>	the PLC Court Meeting and the PLC General Meeting, and "PLC Meeting" means either of them
<b>PLC Senior Management or PLC Senior Managers</b>	the senior managers of the Company as at the date of this Prospectus, whose names appear on page 50 of this Prospectus or, where the context so requires, the senior managers of the Company from time to time
<b>PLC Shareholders</b>	the holders of the PLC Shares from time to time (any such holder being a "PLC Shareholder")
<b>PLC Shares</b>	the ordinary shares of 3 <sup>1</sup> / <sub>9</sub> pence each in the capital of the Company from time to time
<b>PLC Special Resolution</b>	the special resolution to be proposed at the PLC General Meeting
<b>PRA</b>	the UK Prudential Regulation Authority or its successor from time to time
<b>Prospectus</b>	this Prospectus approved by the FCA and published on 10 August 2020 as a prospectus prepared in accordance with the Prospectus Regulation Rules made under section 73A of FSMA
<b>Prospectus Regulation</b>	Regulation (EU) 2017/1129 of the European Parliament and of the Council and any relevant delegated regulations
<b>Prospectus Regulation Rules</b>	the prospectus regulation rules published by the FCA under section 73A of FSMA
<b>Registered Book-Entry NV NYRS Holders</b>	NV NYRS Holders who hold their NV NYRSs in registered book-entry form on the books of the NV NYRS Agent

<b>Registered Certificated NV NYRS Holders</b>	NV NYRS Holders who hold their NV NYRSs in physical certificated form
<b>Registered NV NYRS Holders</b>	Registered Book-Entry NV NYRS Holders and Registered Certificated NV NYRS Holders
<b>Registrars</b>	Computershare
<b>Registrar of Companies</b>	the Registrar of Companies in England and Wales
<b>Regulatory Information Service</b>	any channel recognised as a channel for the dissemination of regulatory information by listed companies as defined in the UK Listing Rules
<b>SEC</b>	the U.S. Securities and Exchange Commission
<b>Shareholders</b>	the PLC Shareholders, NV Shareholders, PLC ADS Holders and NV NYRS Holders, together
<b>Shareholder Meetings</b>	the PLC Meetings and the NV EGM
<b>Share Offering Formula</b>	has the meaning given to it in paragraph 10.1.6 of Part VI (Information on the Unification)
<b>Subsidiary</b>	has the meaning given to it in section 1159 of the Companies Act 2006
<b>Takeover Code</b>	the City Code on Takeovers and Mergers, issued by the Panel on Takeovers and Mergers
<b>UBS</b>	UBS AG London Branch
<b>UK</b>	the United Kingdom of Great Britain and Northern Ireland
<b>UK Corporate Governance Code</b>	the UK Corporate Governance Code published in July 2018 by the Financial Reporting Council, as amended from time to time
<b>UK Cross-Border Mergers Regulations</b>	the Companies (Cross-Border Mergers) Regulations 2007 (SI 2007/2974), as amended
<b>UK High Court</b>	the High Court of Justice in England and Wales
<b>UK Official List</b>	the official list of the FCA
<b>UK Pension Fund</b>	the Unilever UK Pension Fund
<b>UK Register</b>	the Company's share register maintained on behalf of the Company by Computershare
<b>ULE or Unilever Leadership Executive</b>	the Unilever Group's senior management both prior to and following the implementation of Unification
<b>uncertificated or in uncertificated form</b>	shareholders recorded on the UK Register as being held in uncertificated form in CREST and title to which, by virtue of the Uncertificated Securities Regulations 2001 (as amended), may be transferred by means of CREST
<b>Unification</b>	the Cross-Border Merger and the related implementation steps pursuant to which the Company will become the single parent company of the Unilever Group
<b>Unification Agreement</b>	the agreement dated 10 August 2020 between the Company and NV setting out certain mutual commitments in relation to Unification
<b>Unification Conditions</b>	the conditions to Unification as set out in the Unification Agreement and set out in paragraph 9.1 of Part VI (Information on the Unification)
<b>Unilever Annual Report and Accounts 2017</b>	the Unilever Group's annual report and financial statements for the year ended 31 December 2017
<b>Unilever Annual Report and Accounts 2018</b>	the Unilever Group's annual report and financial statements for the year ended 31 December 2018
<b>Unilever Annual Report and Accounts 2019</b>	the Unilever Group's annual report and financial statements for the year ended 31 December 2019

<b>Unilever Employee Share Plans</b>	the global employee share plan (known as “SHARES”), the North America Omnibus Equity Compensation Plan, the Unilever Share Plan and the Share Incentive Plan (known as “UK ShareBuy”)
<b>Unilever Group or Unilever</b>	prior to the implementation of Unification, refers to the Company, NV and the companies they control, and following the implementation of Unification refers to the Company and the companies it will control
<b>Unilever 2020 Half-Year Results</b>	the interim results of the Unilever Group for the six-month period ended 30 June 2020
<b>United Holdings Limited or UHL</b>	a company incorporated in England & Wales with company number 00252737 whose registered office is at Unilever House, 100 Victoria Embankment, London EC4Y 0DY
<b>United States or U.S.</b>	the United States of America, its territories and possessions, any State of the United States of America, and the District of Columbia
<b>U.S. Securities Act</b>	U.S. Securities Act of 1933
<b>Voting Record Time</b>	8.00 p.m. (London time) on the day which is two days before the date of the PLC Court Meeting or, if the PLC Court Meeting is adjourned, 8.00 p.m. (London time) on the day which is two days before the date of such adjourned meeting
<b>Withdrawal Application</b>	has the meaning given to it in paragraph 10.1.5 of Part VI (Information on the Unification)
<b>Withdrawal Application Form</b>	has the meaning given to it in paragraph 10.1.5 of Part VI (Information on the Unification)
<b>Withdrawal Mechanism</b>	has the meaning given to it in paragraph 10.1.5 of Part VI (Information on the Unification)
<b>Withdrawal Period</b>	has the meaning given to it in paragraph 10.1.5 of Part VI (Information on the Unification)
<b>Withdrawing Shareholder</b>	has the meaning given to it in paragraph 10.1.5 of Part VI (Information on the Unification)

**PART XIV  
REFERENCES**

The table below sets out references to the information incorporated by reference in this Prospectus.

	<u>Unilever 2020 Half-Year Results</u>	<u>Unilever Annual Report and Accounts 2019</u>	<u>Unilever Annual Report and Accounts 2018</u>	<u>Unilever Annual Report and Accounts 2017</u>
<b>Selected Historical Financial Information</b>				
Selected historical key financial information	p. 12-15 (Selected condensed financial data), p. 16-24 (Notes to the condensed financial statements).	p. 79-86 (Independent auditors' report), p. 87-90 (Selected consolidated financial data), p. 91-142 (Notes to the consolidated financial statements).	p. 67-74 (Independent auditors' report), p. 75-78 (Selected consolidated financial data), p. 79-127 (Notes to the consolidated financial statements).	p. 78-85 (Independent auditors' report), p. 86-89 (Selected consolidated financial data), p. 90-145 (Notes to the consolidated financial statements).
<b>Operating and Financial Review</b>				
Operating and financial review	p. 1 (Chief Executive Officer statement), p. 2-5 (First Half Operational Review), p. 6-10 (Additional commentary on the financial statements), p. 12-15 (Selected condensed financial data), p. 16-24 (Notes to the condensed financial statements).	p. 4 (Chairman's introduction), p. 6 (Chief executive officer's Q&A), p. 8 (Overview of the Unilever Group's industry), p. 23 (Our Performance), p. 24-32 (Financial review of the Unilever Group), p.33-45 (Principal risks), p. 78 (Statement of Directors' Responsibilities), p. 87-142 (Selected consolidated financial data).	p. 2 (Chairman's statement), p. 4 (Chief executive officer's review), p. 6 (Our Performance), p. 8 (A Changing World), p. 9 (Our value creation model), p. 11-14 (Delivering long term value for our stakeholders), p. 20-26 (Financial review), p. 27-35 (Principal risks), p. 66 (Statement of Directors' Responsibilities), p. 75-127 (Selected consolidated financial data).	p. 2 (Chairman's statement), p. 4-5 (Chief executive officer's review), p. 6 (Our Performance), p. 8 (A Changing World), p. 9 (Our value creation model), p. 11-18 (Delivering long term value for our stakeholders), p. 19-25 (Financial review), p. 26-33 (Principal risks), p. 66 (Statement of Directors' Responsibilities), p. 86-145 (Selected consolidated financial data).
<b>Business</b>				
Current trading and prospects	p. 1-10 (Chief Executive Officer statement, First Half Operational Review and Additional commentary on the financial statements).			
Principal investments		p. 113, 128-130 (Notes to the consolidated financial statements).	p. 101-102, 116-118 (Notes to the consolidated financial statements).	p. 112-113, 126-128 (Notes to the consolidated financial statements).
Significant recent trends	p. 1-10 (Chief Executive Officer statement, First Half Operational Review and Additional commentary on the financial statements).			



	<u>Unilever 2020 Half- Year Results</u>	<u>Unilever Annual Report and Accounts 2019</u>	<u>Unilever Annual Report and Accounts 2018</u>	<u>Unilever Annual Report and Accounts 2017</u>
Property, plant and equipment		p. 111-112 (Notes to the consolidated financial statements).		
Research and development		p. 95-96 (Notes to the consolidated financial statements), p. 167 (Innovation, Research and Development).		
<b>Corporate governance</b> Corporate Governance		p. 47-77 (Governance report).		
<b>Organisational structure</b> Related undertakings		p. 142 (Notes to the consolidated financial statements), p.153-160 (Unilever Group Companies)		
<b>Related party transactions</b> Related party transactions		p. 137 (Notes to the consolidated financial statements).	p. 126 (Notes to the consolidated financial statements).	p. 136-137 (Notes to the consolidated financial statements).

