



Independent Limited Assurance Report to the Directors of Unilever plc

The Directors of Unilever plc (“Unilever”) engaged us to provide limited assurance on the information described below and set out in Unilever’s Basis of Preparation 2017 for the 2017 reporting year.

Our conclusion

Based on the procedures we have performed and the evidence obtained, nothing has come to our attention that causes us to believe that in all material respects for Unilever’s 2017 reporting year: (i) the Selected Statements are not fairly stated; and (ii) the Selected Information has not been prepared, in accordance with the Reporting Criteria.

This conclusion is to be read in the context of what we say in the remainder of our report.

Selected Information and Selected Statements

The scope of our work was limited to assurance over the information shown in Appendices 1 and 2 (the “Selected Information” and “Selected Statements”). Our assurance does not extend to information in respect of earlier periods, unless otherwise indicated in Appendices 1 and 2.

Professional standards applied and level of assurance

We performed a limited assurance engagement in accordance with International Standard on Assurance Engagements 3000 (Revised) ‘Assurance Engagements other than Audits and Reviews of Historical Financial Information’, and, in respect of the greenhouse gas emissions, in accordance with International Standard on Assurance Engagements 3410 ‘Assurance engagements on greenhouse gas statements’, issued by the International Auditing and Assurance Standards Board. A limited assurance engagement is substantially less in scope than a reasonable assurance engagement in relation to both the risk assessment procedures, including an understanding of internal control, and the procedures performed in response to the assessed risks. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Our Independence and Quality Control

We applied the Institute of Chartered Accountants in England and Wales (ICAEW) Code of Ethics, which includes independence and other requirements founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

We apply International Standard on Quality Control (UK) 1 and accordingly maintain a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Our work was carried out by an independent and multi-disciplinary team with experience in sustainability reporting and assurance.

Understanding reporting and measurement methodologies

The Selected Information and Selected Statements need to be read and understood together with the Reporting Criteria (“Unilever’s Basis of Preparation 2017”), available on Unilever’s website¹. The absence of a significant body of established practice on which to draw to evaluate and measure non-financial information allows for different, but acceptable, measurement techniques and can affect comparability between entities and over time. The Reporting Criteria used for the reporting of the Selected Information and Selected Statements are for the 2017 reporting year.

Work done

We are required to plan and perform our work in order to consider the risk of material misstatement of the Selected Information and Selected Statements. In doing so, we:

- made enquiries of relevant Unilever management;
- evaluated the design of the key structures, systems, processes and controls for managing, recording and reporting the Selected Information and Selected Statements. This included visiting nine manufacturing sites (and completing three desktop reviews of site level data) selected on the basis of their inherent risk and materiality to the group, to understand the key processes and controls for reporting site performance data and to obtain supporting information;
- performed limited substantive testing on a selective basis of the Selected Information and Selected Statements at corporate head office and in relation to twelve manufacturing sites to check that: (i) data had been appropriately measured, recorded, collated and reported; and (ii) activities set out by management are appropriately evidenced and reported; and
- assessed the disclosure and presentation of the Selected Information and Selected Statements.

Unilever’s responsibilities

The Directors of Unilever are responsible for:

- designing, implementing and maintaining internal controls over information relevant to the preparation of the Selected Information and Selected Statements that is free from material misstatement, whether due to fraud or error;
- establishing objective Reporting Criteria for preparing the Selected Information and Selected Statements;
- measuring and reporting the Selected Information based on the Reporting Criteria and evidencing the Selected Statements; and
- the content of the Unilever Basis of Preparation 2017.

Our responsibilities

We are responsible for:

- planning and performing the engagement to obtain limited assurance about whether the Selected Information and Selected Statements are free from material misstatement, whether due to fraud or error;
- forming an independent conclusion, based on the procedures we have performed and the evidence we have obtained; and
- reporting our conclusion to the Directors of Unilever.

This report, including our conclusions, has been prepared solely for the Board of Directors of Unilever in accordance with the agreement between us, to assist the Directors in reporting Unilever’s sustainability performance and activities. We permit this report to be disclosed online² at <https://www.unilever.com/sustainable-living/our-approach-to-reporting/independent-assurance/> in respect of the 2017 reporting year, to assist the Directors in responding to their governance responsibilities by obtaining an independent assurance report in connection with the Selected Information and Selected Statements. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Board of Directors and Unilever for our work or this report except where terms are expressly agreed between us in writing.

PricewaterhouseCoopers LLP
Chartered Accountants
London
23 March 2018

¹ The maintenance and integrity of Unilever’s website is the responsibility of the Directors; the work carried out by us does not involve consideration of these matters and, accordingly, we accept no responsibility for any changes that may

have occurred to the reported Selected Information and Selected Statements or Reporting Criteria when presented on Unilever’s website.

Appendix 1: Selected Information subject to limited assurance procedures

The Selected Information subject to limited assurance procedures are set out below. The Reporting Criteria “Unilever’s Basis of Preparation 2017” <https://www.unilever.com/sustainable-living/our-approach-to-reporting/independent-assurance/> has been used to prepare and report the Selected Information. Unilever’s Basis of Preparation 2017 also explains the definitions and terminology used to describe the Selected Information.

USLP Indicator	Reported performance (Selected Information)
Nutrition (pillar commitment): <ul style="list-style-type: none">The percentage of sales volume of Unilever food and refreshment products meeting the criteria for highest nutritional standards, based on globally recognised dietary guidelines, at the end of September 2017	<ul style="list-style-type: none">39% of our portfolio by volume met criteria for highest nutritional standards based on globally recognised dietary guidelines.
Greenhouse gases (GHG) (pillar commitment): <ul style="list-style-type: none">The percentage change in the greenhouse gas impact of our products across the lifecycle per consumer use between the period measured from 1 January 2010 to 31 December 2010 (“2010 baseline”) and the period measured from 1 July 2016 to 30 June 2017 (“2016/17 footprint”).	<ul style="list-style-type: none">9% increase in the greenhouse gas impact of our products across the lifecycle.
Water (pillar commitment) <ul style="list-style-type: none">The percentage change in Unilever’s water impact (water added to the products and water associated with the consumer use of our products) per consumer use between the period measured from 1 January 2010 to 31 December 2010 (“2010 baseline”) and the period measured from 1 July 2016 to 30 June 2017 (“2016/17 footprint”).	<ul style="list-style-type: none">2% decrease in the water associated with the consumer use of our products.
Sustainable sourcing <ul style="list-style-type: none">The percentage of core volumes of palm oil purchased from physically certified sources from 1 January 2017 to 31 December 2017.The percentage of tea purchased from sustainable sources from 1 January 2017 to 31 December 2017.The percentage of soy oil purchased from sustainable sources from 1 January 2017 to 31 December 2017.	<ul style="list-style-type: none">56% of our core volumes of palm oil purchased from certified sources.81% of tea purchased sustainably.72% of soy oil purchased.
Fairness in the Workplace <ul style="list-style-type: none">The percentage of procurement spend with suppliers who meet the mandatory requirements of Unilever’s Responsible Sourcing Policy (“RSP”) covering the period from 1 October 2016 to 30 September 2017.	<ul style="list-style-type: none">55% of procurement spend with suppliers who meet the mandatory requirements of the RSP.
Opportunities for Women <ul style="list-style-type: none">The percentage of women who were in Unilever management roles as at 31 December 2017.The number of women enabled to access selected initiatives aiming to promote their safety in the period 1 January 2015 to 30 September 2017.The number of women we have enabled to access selected initiatives aiming to develop their skills in the period between 1 October 2010 and 30 September 2017.Number of women enabled to access initiatives aiming to expand their opportunities in our retail value chain for the period 1 July 2017 to 30 September 2017.	<ul style="list-style-type: none">47% of women were in Unilever management roles as at 31 December 2017.Enabled 7,000 women to access initiatives aimed at promoting their safety.Enabled 1,175,000 women to access initiatives aimed at developing their skills.Enabled 77,000 women to access initiatives aimed at expanding their opportunities in our retail value chain.
Inclusive business <ul style="list-style-type: none">Number of smallholder farmers in our supply network who we have enabled access to initiatives, aimed at improving their agricultural practices for the period 1 January 2011 to 30 September 2017.	<ul style="list-style-type: none">Enabled 716,000 smallholder farmers to access initiatives aimed at improving their agricultural practices.

EOS Indicator	Reported performance (Selected Information)
Water:	
<ul style="list-style-type: none"> • Water abstracted in m³ per tonne of production. • The change in the volume of water in m³ abstracted in 2017 (1 October 2016 to 30 September 2017) compared to 2008 (1 January 2008 to 31 December 2008). • Percentage change in the volume of water in m³ abstracted per tonne of production in 2017 (1 October 2016 to 30 September 2017) compared to 2008 (1 January 2008 to 31 December 2008). • Emissions of chemical oxygen demand (COD) in kg per tonne of production. 	<ul style="list-style-type: none"> • 1.80 m³/tonne. • 19.8 million fewer m³ of water abstracted in 2017 than in 2008. • 39% reduction per tonne of production. • 1.13 kg/tonne.
Energy and greenhouse gas emissions:	
<ul style="list-style-type: none"> • CO₂ emissions from energy use in tonnes (market based). • CO₂ emissions from energy use in tonnes (location based). • CO₂ emissions from energy use in kg per tonne of production (market based). • Change in the tonnes of CO₂ from energy use (market based) in 2017 (1 October 2016 to 30 September 2017) compared to 2008 (1 January 2008 to 31 December 2008). • Percentage change in CO₂ (market based) from energy use per tonne of production in 2017 (1 October 2016 to 30 September 2017) compared to 2008 (1 January 2008 to 31 December 2008). • Energy use in gigajoules per tonne of production. 	<ul style="list-style-type: none"> • 1,567,328 tonnes. • 2,083,196 tonnes. • 76.77 kg/tonne. • 1,218,554 fewer tonnes of CO₂ from energy use in 2017 than in 2008. • 47% reduction per tonne of production (market based). • 1.30 GJ/tonne.
Waste:	
<ul style="list-style-type: none"> • Hazardous waste in kg per tonne of production. • Non-hazardous waste in kg per tonne of production. • Total waste sent for disposal per tonne of production. • Change in the tonnes of total waste sent for disposal in 2017 (1 October 2016 to 30 September 2017) compared to 2008 (1 January 2008 to 31 December 2008). • Percentage change in the total waste sent for disposal per tonne of production in 2017 (1 October 2016 to 30 September 2017) compared to 2008 (1 January 2008 to 31 December 2008). 	<ul style="list-style-type: none"> • 0.16kg/tonne. • 0.02 kg/tonne. • 0.18 kg/tonne. • 147,444 fewer tonnes of total waste sent for disposal in 2017 than in 2008. • 98% reduction per tonne of production.
Occupational safety:	
<ul style="list-style-type: none"> • Number of fatal accidents in 2017 (1 October 2016 to 30 September 2017). • Accident rate: Total Recordable Frequency Rate (TRFR) per 1,000,000 man hours in 2017 (1 October 2016 to 30 September 2017). 	<ul style="list-style-type: none"> • 1 fatality. • 0.89 accidents per 1 million man-hours worked.

Appendix 2: Selected Statements subject to limited assurance procedures

The Selected Statements subject to limited assurance procedures are set out below. The Reporting Criteria “Unilever’s Basis of Preparation 2017” <https://www.unilever.com/sustainable-living/our-approach-to-reporting/independent-assurance/> provides further context to the activities set out below.

USLP Indicator	Reported performance (Selected Statements)
Fairness in the Workplace: Framework for Fair Compensation	<p>Description of activities</p> <p>The creation of the Framework required the following activities to be carried out:</p> <ul style="list-style-type: none"> • The Unilever Global Reward team created the Framework applicable to all Unilever direct employees, which the Unilever HR leadership team approved in December 2015. • The Framework has been published on Unilever's external website: (https://www.unilever.com/Images/unilever-framework-for-fair-compensation-2015-final_tcm244-502647_en.pdf). • The Chief HR Officer circulated the finalised framework to all global HR Directors during February 2016.
Fairness in the Workplace: Implement UN Guiding Principles on Business and Human Rights	<p>Description of implementation activities</p> <p>During 2017, the Unilever Integrated Social Sustainability (iSoSu) team performed awareness raising, capacity building and integration of the 8 salient human rights issues into business decision-making and processes through the following implementation activities:</p> <ol style="list-style-type: none"> 1. Review of global policies and codes <ul style="list-style-type: none"> • Where a human rights issue was identified and was not covered by a specific policy, the iSoSu team worked with the relevant business units to revise policies or create new standards, where necessary. • The iSoSu team created Unilever’s Human Rights Policy Statement in 2014; reviewed the Respect, Dignity and Fair Treatment (RDFT) Code Policy in 2016 and the Code of Business Principles (COBP) in 2015 with code policy owners to ensure that relevant salient human rights issues were addressed. There were no changes to these specific policies during 2017. Similarly, respective Unilever functions have also created or reviewed relevant policies such as the creation of the Global Maternity Standard in 2017. 2. Training <ul style="list-style-type: none"> • The iSoSu team provided guidance to the business on understanding and interpreting the eight salient human rights issues, including through face to face and online training which was developed by the global learning team or other internal or external subject matter experts. • Human rights principles have been included in the COBP training, which is required to be completed by all employees, third parties and contractors working at Unilever operational sites. • Corporate Audit monitored internal controls to ensure that new employees have read and understood the COBP. 3. Review of legal requirements <ul style="list-style-type: none"> • Unilever regional teams reported on human rights locally where legally required according to local legislation – e.g. Unilever published the Modern Slavery and Human Trafficking Statement in January 2017 in response to the UK Modern Slavery Act 2015. 4. Risk assessments, remediation and mitigation <ul style="list-style-type: none"> • The Board completed an annual review of significant risks that could have an impact on Unilever in November 2017. • The iSoSu team and Business Integrity team carried out country risk analyses using a risk assessment tool provided by an independent third party, undertook a review of non-compliances and obtained local business and external knowledge to identify which countries had a high risk of not complying with human rights principles (“high risk countries”). • Detailed country/site risk assessments were performed for high risk countries using an independent third party, which identified specific areas that required a remediation or mitigation plan. • The iSoSu team, working with the relevant function/site created a detailed mitigation plan to address identified issues and support implementation. 5. Remediation and mitigation of business specific issues <ul style="list-style-type: none"> • The iSoSu team were made aware of human rights issues that arose through internal escalation (e.g. from business units, regional/global teams, legal or human resources functions), or through external sources such as the media. • The iSoSu team worked with the relevant business teams to create a plan to mitigate or remediate issues.