



# GOVERNANCE OF UNILEVER

1 JANUARY 2012



## The Governance of Unilever Roadmap

### The Board

Chapter 2 – The Boards  
Chapter 3 – The Role of the Board  
Chapter 4 – Board Committees  
Chapter 5 – Directors  
Chapter 13 – Board Evaluation

### Chairman

Chapter 6 – The Chairman

### CEO

Chapter 7 – Chief Executive Officer

### Senior Independent Director

Chapter 8 – Non-Executive Directors

### Non-Executive Director

Chapter 8 – Non-Executive Directors

Appendix 6 – Code of Business Principles

### Group Secretary

Chapter 9 – The Group Secretary

### Chief Legal Officer

Chapter 11 – Chief Legal Officer

### Chief Auditor

Chapter 10 – Chief Auditor

### Nomination Committee

4.1.1 Nomination Committee

Appendix 1 – Terms of Reference of the Nomination Committee

### Remuneration Committee

4.1.2 Remuneration Committee

Appendix 2 – Terms of References of the Remuneration Committee

### Audit Committee

4.1.3 Audit Committee

Appendix 3 – Terms of Reference of the Audit Committee

### Corporate Responsibility and Reputation Committee

4.1.4 Corporate Responsibility and Reputation Committee

Appendix 4 – Terms of Reference of the Corporate Responsibility and Reputation Committee

### General Interest

Chapter 1 – Fundamentals

Chapter 12 – Directors' Induction and Training

Appendix 7 – Profile of Unilever's Board of Directors

### External Counsel

For delegation of powers/authorities please refer to the relevant sections set out in the board resolutions in Appendix 9 – Form of Delegation Resolution

This document describes the Corporate Governance of Unilever. This document also contains certain sections which set out the terms of delegations which have been made by the boards of Unilever N.V. and Unilever PLC to the Chief Executive Officer, the Nomination Committee, the Remuneration Committee, the Audit Committee, the Corporate Responsibility and Reputation Committee, the Disclosure Committee and the Global Code and Policy Committee. Without prejudice to these delegations and without limiting the authority conferred by these delegations, this document has been adopted by the Boards as a statement of practices and procedures to be followed by members of the Unilever Group and its officers and employees. The form of resolution passed by the Boards to effect these delegations and the adoption of these practices and procedures is set out in Appendix 9.

---

## Glossary

### **NV**

Unilever N.V. of Rotterdam, The Netherlands

### **PLC**

Unilever PLC of London, the United Kingdom

### **the Company or Parent**

NV and/or PLC, as the context shall determine

### **Unilever, Unilever Group, the Group or the Business**

NV, PLC and their subsidiaries and subsidiary undertakings

### **Board(s)**

The Board of Directors of NV and/or the Board of Directors of PLC, as the context shall determine

### **Chairman**

The Non-Executive Director appointed by the Board as Chairman of Unilever NV and PLC

### **Code of Business Principles/the Code**

The Unilever Group's code of conduct for carrying on business set out in Appendix 6

### **Foundation Agreements**

The agreements and documents listed in paragraph 1.2

### **Delegated Powers**

The powers of the Chief Executive Officer delegated to him by the resolution set out in Appendix 9

### **Controller**

Unilever's financial controller

### **Senior Corporate Executives**

All Unilever's executives at Work Level 5 and above

### **Leadership Executive**

The Chief Executive Officer and those senior executives appointed by the Chief Executive Officer from time to time to assist him in the discharge of the powers delegated to him and which consists of the Chief Operating Officer, the Category Presidents, the Presidents for North Asia and Europe, the Chief Operating Officer of North America, and the Chief Financial, Chief HR, Chief Marketing and Communications, Chief Research and Development and Chief Supply Chain Officers

### **Chief Executive Officer**

The Executive Director appointed by the Board and to whom the Board has delegated certain of its powers as set out in Appendix 9

### **Independent**

Judged by the Board to be independent using the criteria specified in paragraph 5.5

### **Executive Director**

A director who holds an executive office with the Company as referred to in the Articles of Association of NV and PLC

### **Non-Executive Director**

A director who does not hold executive office with the Company

### **Senior Independent Director/Vice-Chairman or SID/Vice-Chairman**

The Non-Executive Director from time to time elected by the Board to such positions pursuant to paragraphs 6.2 and 8.3

### **Group Secretary**

The Company Secretary of NV and the Company Secretary of PLC

### **Chief Auditor**

Unilever's chief internal auditor



## Table of Contents

<b>1. Fundamentals</b> .....	<b>2</b>	7.3	Strategy and Managing the Corporate Portfolio .....	<b>11</b>
1.1 The Dual Structure .....	<b>2</b>	7.4	Mergers, Acquisitions, Joint Ventures and Disposals .....	<b>11</b>
1.2 The Foundation Agreements .....	<b>2</b>	7.5	Capital Expenditure .....	<b>11</b>
1.3 Unity of Management.....	<b>2</b>	7.6	Contracts .....	<b>11</b>
1.4 Unity of Operations .....	<b>3</b>	7.7	Litigation .....	<b>11</b>
1.5 Unity of Shareholders' Rights.....	<b>3</b>	7.8	Financial.....	<b>11</b>
1.6 Unity of Purpose and Mission .....	<b>3</b>	7.9	Guarantees .....	<b>12</b>
1.7 Code of Business Principles.....	<b>3</b>	7.10	Operating Framework.....	<b>12</b>
1.8 Unilever Code Policies.....	<b>4</b>	7.11	Human Resources .....	<b>12</b>
1.9 Corporate Purpose.....	<b>4</b>	7.12	Pensions.....	<b>13</b>
		7.13	Managing Risk and Corporate Reputation .....	<b>13</b>
		7.14	Entering into documents.....	<b>13</b>
<b>2. The Boards</b> .....	<b>5</b>	7.15	Board Notification.....	<b>13</b>
2.1 Board Structures .....	<b>5</b>	7.16	Other.....	<b>13</b>
2.2 Composition.....	<b>5</b>	<b>8. Non-Executive Directors</b> .....	<b>14</b>	
2.3 Method of Working.....	<b>5</b>	8.1	Primary Responsibilities.....	<b>14</b>
2.4 Directors' Interests.....	<b>5</b>	8.2	Meetings of Non-Executive Directors .....	<b>14</b>
2.5 Meetings and Location .....	<b>5</b>	8.3	Senior Independent Director .....	<b>14</b>
2.6 Agendas .....	<b>5</b>	<b>9. The Group Secretary</b> .....	<b>15</b>	
2.7 Support .....	<b>5</b>	9.1	Formal Status.....	<b>15</b>
		9.2	Responsibilities.....	<b>15</b>
<b>3. The Role of the Board</b> .....	<b>6</b>	<b>10. Chief Auditor</b> .....	<b>15</b>	
3.1 Responsibility .....	<b>6</b>	10.1	Formal Status.....	<b>15</b>
3.2 Board powers.....	<b>6</b>	10.2	Responsibilities.....	<b>15</b>
3.2.1 Structural and Constitutional Matters .....	<b>6</b>	10.3	Reporting .....	<b>15</b>
3.2.2 Governance.....	<b>6</b>	<b>11. Chief Legal Officer</b> .....	<b>16</b>	
3.2.3 Dividends .....	<b>6</b>	11.1	Formal Status.....	<b>16</b>
3.2.4 Strategy and Managing the Corporate Portfolio .....	<b>6</b>	11.2	Responsibilities.....	<b>16</b>
3.2.5 Mergers, Acquisitions, Joint Ventures and Disposals .....	<b>7</b>	<b>12. Directors' Induction and Training</b> .....	<b>16</b>	
3.2.6 Capital Expenditure .....	<b>7</b>	12.1	Background .....	<b>16</b>
3.2.7 Contracts .....	<b>7</b>	12.2	Induction Programme .....	<b>16</b>
3.2.8 Litigation .....	<b>7</b>	12.3	Ongoing Education .....	<b>16</b>
3.2.9 Financial.....	<b>7</b>	12.4	Reporting .....	<b>16</b>
3.2.10 Pensions.....	<b>7</b>	<b>13. Board Evaluation</b> .....	<b>17</b>	
3.3 Decision making by the Board.....	<b>7</b>	13.1	Background .....	<b>17</b>
3.4 Delegation.....	<b>7</b>	13.2	The Board .....	<b>17</b>
		13.3	Individual Directors .....	<b>17</b>
<b>4. Committees</b> .....	<b>8</b>	13.4	Board Committees.....	<b>17</b>
4.1 Board Committees.....	<b>8</b>	13.5	Timing.....	<b>17</b>
4.1.1 Nomination Committee.....	<b>8</b>	13.6	Processes.....	<b>17</b>
4.1.2 Remuneration Committee .....	<b>8</b>	13.7	Reporting .....	<b>17</b>
4.1.3 Audit Committee .....	<b>8</b>	<b>Appendices</b>		
4.1.4 Corporate Responsibility and Reputation Committee .....	<b>8</b>	Appendix 1	Terms of reference of Nomination Committee.....	<b>18</b>
4.2 Other Committees .....	<b>8</b>	Appendix 2	Terms of reference of Remuneration Committee .....	<b>20</b>
4.2.1 Disclosure Committee .....	<b>8</b>	Appendix 3	Terms of reference of Audit Committee.....	<b>22</b>
4.2.2 Routine Business Committees.....	<b>8</b>	Appendix 4	Terms of reference of Corporate Responsibility and Reputation Committee .....	<b>25</b>
<b>5. Directors</b> .....	<b>9</b>	Appendix 5	Terms of reference of Disclosure Committee .....	<b>27</b>
5.1 Collective Responsibilities.....	<b>9</b>	Appendix 6	A. Code of Business Principles .....	<b>29</b>
5.2 Annual re-election.....	<b>9</b>		B. Terms of Reference of Global Code and Policy Committee.....	<b>31</b>
5.3 Tenure .....	<b>9</b>	Appendix 7	Profile of Unilever's Board of Directors .....	<b>23</b>
5.4 Limitations.....	<b>9</b>	Appendix 8	Terms of reference of Routine Business Committees .....	<b>34</b>
5.5 Independence .....	<b>9</b>	Appendix 9	Form of Delegation Resolution.....	<b>35</b>
5.6 Access to Independent Professional Advice .....	<b>9</b>			
<b>6. The Chairman</b> .....	<b>10</b>			
6.1 Chairman .....	<b>10</b>			
6.2 Vice Chairman .....	<b>10</b>			
6.3 Responsibilities.....	<b>10</b>			
<b>7. Chief Executive Officer</b> .....	<b>11</b>			
7.1 Delegation of Board Powers.....	<b>11</b>			
7.2 Management.....	<b>11</b>			

## 1. Fundamentals

### 1.1 The Dual Structure

Unilever N.V. and Unilever PLC are the two parent companies of the Unilever Group. NV is incorporated under the laws of the Netherlands and PLC is incorporated under the laws of England and Wales.

Since 1930 when the Unilever Group was formed, NV and PLC, together with their group companies, have operated as nearly as practicable as a single economic entity. However, they remain separate legal entities with different shareholder constituencies and separate stock exchange listings. Shareholders cannot convert or exchange the shares of one for shares of the other.

NV and PLC are subject to different laws and regulations and different corporate governance requirements and best practice codes; the most relevant being those in the Netherlands, the United Kingdom and the United States.

As stated in the Code of Business Principles Unilever “will conduct its operations in accordance with internationally accepted principles of good corporate governance”. It is therefore Unilever’s practice to comply with the best practice represented by the aggregate of these best practice codes.

Both NV and PLC are holding and service companies and the business activity of Unilever is carried out by their subsidiaries around the world. Shares in these subsidiary companies are held ultimately by either NV or PLC or by both.

As a consequence, the combined affairs of the Unilever Group are more relevant to the shareholders of the parents than their specific activities and this is recognised by the preparation and publication of statutory accounts on a combined NV/PLC basis.

This is effectively, a single economic entity. The Unilever Group is created and maintained by a series of agreements between the parent companies, together with special provisions in the respective Articles of Association of NV and PLC together known as the Foundation Agreements.

### 1.2 The Foundation Agreements

These comprise:

- The Equalisation Agreement;
- The Deed of Mutual Covenants;
- The Agreement for Mutual Guarantees of Borrowing; and
- The Articles of Association of NV and PLC.

These documents are made available to shareholders and others on the Unilever website: [www.unilever.com](http://www.unilever.com).

### 1.3 Unity of Management

It is of profound significance for Unilever, with its dual structure of two parent companies and two different shareholder constituencies, that it is able to operate as nearly as practicable as a single economic entity. This objective is achieved by securing unity of management of NV and PLC.

It has always been a requirement of Unilever that the same people be on the Boards of the two parent companies. This ensures that all matters are considered by the Boards as a single intellect, reaching the same conclusions on the same set of facts. It is essential that in reaching the same decisions the NV and PLC Boards identify and resolve any potential conflicts of interest between NV and PLC.

This is of significance both to the strategic and the day to day operation of Unilever. It ensures that Unilever achieves the substance of a single parent group but without the form.

The rules for the appointment of Directors are set out in the Articles of Association of NV and PLC. Directors are appointed by the general meetings of shareholders of NV and PLC. The Boards of NV and PLC, acting upon the recommendation of the Nomination Committee, nominate candidates to the Boards of NV and PLC. In addition, the Articles of Association of NV and PLC make it possible for shareholders to nominate candidates to the Boards of NV and PLC whilst taking into account the need to ensure that the same people constitute their respective Boards. Shareholders are able to do this by requisitioning a resolution pursuant to local requirements to be put to the general meeting to appoint a person as a Director. However, in order to preserve unity of management, for a person to be appointed as a Director of one company, it is necessary that a resolution appointing that person as a Director of the other company is passed at a general meeting of that company at or about the same time. This ensures the identical composition of the Boards of NV and PLC.

In addition the articles containing the rules for appointing Directors cannot be changed without the permission, in the case of NV, of the holders of the special ordinary shares numbered 1-2400 inclusive and, in the case of PLC, of the holders of PLC’s deferred stock.

The joint holders of both the NV special ordinary shares and the PLC deferred stock are N.V. Elma and United Holdings Limited, which are joint subsidiaries of NV and PLC. The boards of N.V. Elma and United Holdings Limited comprise the members of the Nomination Committee.

## 1. Fundamentals continued

### 1.4 Unity of Operations

Unity of Operations is facilitated by the Deed of Mutual Covenants and the Agreement for Mutual Guarantees of Borrowing.

The Deed of Mutual Covenants provides that NV and PLC and their respective subsidiary companies shall co-operate in every way for the purpose of maintaining a common operating policy. In addition, 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.

The Deed illustrates some of the information which makes up this common platform, such as the mutual exchange and free use of know-how, patents, trade marks and all other commercially valuable information.

The Deed also contains provisions which indicate, without laying down any rigid constraints, how the assets of the Unilever Group should be allocated. Prior to the 2006 Annual General Meetings this used to be primarily by geography. However, now it is on a basis which ensures that the Unilever Group is able to pay dividends and make returns of capital efficiently. In general this will be the case where the ratio of the dividend generating capacity of NV to that of PLC is the same as or similar to the value of the economic interests of their respective shareholders in the Unilever Group.

The Agreement for Mutual Guarantees of Borrowing also assists in the creation of the single operating platform. Under the Agreement NV and PLC each, will, if asked by the other, guarantee the borrowings of the other. NV and PLC can also agree jointly to guarantee the borrowings of their subsidiaries. We use this Agreement, as a matter of financial policy, for certain significant public borrowings. These arrangements enable lenders to rely on our combined financial strength.

### 1.5 Unity of Shareholders' Rights

The Equalisation Agreement regulates the mutual rights of the two sets of shareholders in NV and PLC. Its objective is to ensure that, in principle, it does not make any economic difference to a shareholder whether he holds shares in NV or PLC.

It achieves this by securing that the rights and benefits accruing to each unit of ownership in NV made up of €0.16 nominal of NV's ordinary capital shall, as far as possible, be the same as a unit made up of 31/9 pence nominal of PLC's ordinary capital. Always the objective is that these respective rights shall, as far as possible, be the same as if each unit formed part of the ordinary capital of one and the same company.

Also under the Agreement, NV and PLC adopt the same financial periods and accounting policies and neither company can issue or reduce capital without the consent of the other.

Underpinning these arrangements are provisions for equalisation payments between the two parent companies in the event that one is unable to pay all or part of its dividend.

Thus, if one company has losses or is unable to pay its preference or ordinary dividend, the loss or shortfall is made up from the current profits of the other company (after it has paid its own preference and ordinary shareholders), then from its own free reserves and then from the free reserves of the other company.

In the case of liquidation of NV or PLC or both, surplus assets of both companies after payment in full of any preference shareholders of either company are available for distribution to holders of any shares of each company on the basis that the surplus assets of both companies are deemed to be pooled and distributed such that the sum paid or allocated on every €0.16 nominal of capital in NV is the same as the sum paid or allocated on every 31/9 pence nominal of capital in PLC.

### 1.6 Unity of Purpose and Mission

Under the Articles of Association of NV and the Articles of Association of PLC both companies are required to carry out the Equalisation Agreement with the other. The effect of both documents is that the Agreement cannot be changed or terminated without the approval of both sets of shareholders.

The Foundation Agreements establish what amounts to a single economic entity and a common global operating platform which make possible the statement of Unilever's corporate purpose, in other words, what Unilever is in business to achieve.

### 1.7 Code of Business Principles

The Code of Business Principles represents the standard of conduct which all Unilever employees are expected to meet in their business endeavours. It forms the benchmark against which the outside world is invited to judge our activities. The Code must be adhered to strictly. A copy of the Code is set out in Appendix 6 and any amendment thereto must be approved by the Board.

The Chief Executive Officer through the Leadership Executive and heads of the Unilever country cluster organisations are responsible for ensuring that the Code is understood and followed.

The Code of Business Principles Hotline provides for a confidential ethics hotline, not only to ensure that employees can anonymously submit concerns regarding accounting and auditing issues but to handle all alleged violations of the Code of Business Principles.

Corporate Audit will check for awareness, application and implementation of the Code of Business Principles on an ongoing basis.

## 1. **Fundamentals** continued

### 1.8 **Unilever Code Policies**

Unilever Code Policies have been developed to provide a set of mandatory rules designed to ensure consistency in key areas within our world-wide operations.

Unilever Code Policies are characterised by being universally applicable within Unilever and mandatory in effect. They govern the principles and practices of how we run our business.

### 1.9 **Corporate Purpose**

We meet everyday needs for nutrition, hygiene and personal care with brands that help people feel good, look good and get more out of life. Sustainability is at the heart of our business and, through our brands, we seek to inspire people to take small everyday actions that can add up to a big difference in the world.

Our deep roots in local cultures and markets around the world give us our strong relationship with consumers and are the foundation for our future growth. We will bring our wealth of knowledge and international expertise to the service of local consumers – a truly multi-local multinational.

Our long-term success requires a total commitment to exceptional standards of performance and productivity, to working together effectively, and to a willingness to embrace new ideas and learn continuously.

To succeed also requires, we believe, the highest standards of corporate behaviour towards everyone we work with, the communities we touch, and the environment on which we have an impact.

This is our road to sustainable, profitable growth, creating long-term value for our shareholders, our people, and our business partners.

## 2. The Boards

### 2.1 Board Structures

The Boards have the ultimate responsibility for the management, general affairs, direction, performance and long-term success of Unilever.

The Boards of both NV and PLC are one-tier Boards.

Thus, Executive and Non-Executive Directors are members of the same body and share the overall responsibility for the direction of Unilever.

The Executive Directors have additional responsibilities for the operation of the Company's business as determined by the Chief Executive Officer. Every Director may request that any matter should be discussed by the Board.

### 2.2 Composition

The Boards of NV and PLC comprise the same persons.

The Boards determine the numbers of Executive and Non-Executive Directors.

The composition of the Boards must be such to enable them to discharge their responsibilities and provide effective leadership to the Business.

The Boards should comprise a majority of Independent Non-Executive Directors.

Non-Executive Directors are chosen for their ability to make a contribution to the governance and strategic development of Unilever.

### 2.3 Method of Working

Given the mutuality of interests of the parent Boards, the Directors normally meet as the Board of each of NV and PLC simultaneously.

However, when considering matters of interest to one parent company only, they do so as the Board of that company alone.

All meetings are minuted separately as meetings of the Boards of NV and PLC respectively.

### 2.4 Directors' Interests

Any conflict of interest or apparent conflict of interest between Unilever and its Directors is to be avoided. The Board is responsible for ensuring that there are rules to avoid conflicts of interest by Board members. Where conflicts arise the Board is also responsible for ensuring that in dealing with them all applicable laws, regulations and Corporate Governance Codes are complied with.

### 2.5 Meetings and Location

The Board meets on such dates each year as it determines and also at such other times upon the requisition of a Director, as provided in the Articles of Association of NV and PLC.

There should be a minimum of five meetings throughout the calendar year. These are comprised of quarterly meetings, to consider the results statements of the Group and a meeting to approve the Annual Report and Accounts. There are additional Board meetings to discuss matters that arise as well as Group strategic issues.

Meetings of the Board may be held either in London or Rotterdam or such other locations as the Board thinks fit. Attendance by means of video and telephone link is permitted.

### 2.6 Agendas

The agenda for Board meetings is set by the Chairman in consultation with the Chief Executive Officer. It must enable the Board to discharge its responsibility for the strategy, management, direction and performance of Unilever.

The agenda of each of the meetings of the Board includes:

- regular items, such as reports by the Chief Executive Officer, or such other member of the Leadership Executive as he may nominate on the exercise of the Delegated Powers, on the financial affairs of the Group and on Group performance against plan and reports from Board Committees;
- special items, such as Business Reviews;
- items for approval;
- items for noting; and
- papers for information.

### 2.7 Support

The Group Secretary and the CEO Office and Board Secretariat are responsible for collating and distributing all papers submitted to the Board for consideration and for organisation of the Board Meetings. The Group Secretary procures the taking and circulation of the minutes of all meetings of the Board.

## 3. The Role of the Board

### 3.1 Responsibility

The Board is responsible for the overall conduct of the Group and has the powers, authorities and duties vested in it by and pursuant to the relevant laws of the Netherlands and of the United Kingdom and the Articles of Association of NV and PLC.

In all its dealings, the Board has regard to the interests of Unilever as a whole, including its shareholders, employees, customers and suppliers, together with Unilever's social and legal responsibilities in the communities in which it operates and to the environment.

The Board has the final responsibility for the management, direction and performance of the two companies and their business.

The identification and management of risk is fundamental to carrying through Unilever's strategy and to achieving its long-term goals. The Board have overall responsibility for the management of risk and for reviewing the effectiveness of the system of internal control and risk management approach.

### 3.2 Board Powers

The Board exercises all the powers, authorities and discretions in relation to NV and PLC. The Board has delegated (but not to the exclusion of its powers, authorities and discretions) to the Chief Executive Officer all its powers, authorities and discretions which relate to the operational running of the Unilever Group and the matters set out in paragraphs 7.2 to 7.13. In addition certain matters have been delegated to Committees of the Board all pursuant to the resolutions set out in Appendix 9. The powers, authorities and discretions exclusively within the remit of the Board, and which have not currently been delegated, include making or approving the following:

#### 3.2.1 Structural and Constitutional Matters

- 3.2.1.1 any proposal to the general meeting of shareholders of NV or PLC to amend its Articles of Association;
- 3.2.1.2 any proposal to alter or terminate the Equalisation Agreement;
- 3.2.1.3 the alteration or termination of the Deed of Mutual Covenants, the Agreement for Mutual Guarantees of Borrowings and the Governance of Unilever;
- 3.2.1.4 any alteration in the capital of NV or PLC including without limitation the purchase, disposal, allotment, re-issue, share split or cancellation of share capital whether issued or not and in any event subject to the authorities of the general meetings of shareholders of NV and PLC;

### 3.2.2 Governance

- 3.2.2.1 the convening of meetings of the shareholders of either NV or PLC and the setting of the agenda thereof and generally ensuring that a satisfactory dialogue with shareholders takes place;
- 3.2.2.2 the Annual Report and Accounts for adoption by the shareholders;
- 3.2.2.3 nominations for Board appointments, including Board succession planning and the appointment of the Vice-Chairman;
- 3.2.2.4 reviewing and approving proposals from the Remuneration Committee as referred to in paragraph 4.2;
- 3.2.2.5 proposals to the general meetings of shareholders of NV and PLC on the Board remuneration policy and deciding on the individual remuneration packages of Directors, within the authority set by the general meeting of shareholders of NV and PLC;
- 3.2.2.6 the appointment or removal of the Group Secretary of Unilever;
- 3.2.2.7 the review of the functioning of the Board and its committees;
- 3.2.2.8 the endorsement or amendment of the Code of Business Principles;
- 3.2.2.9 the remit and membership of committees of the Board and deciding upon any issues arising from its receipt and review of reports from the same;
- 3.2.2.10 conflicts of interest involving Directors or significant (holders of 10% or more) shareholders;
- 3.2.2.11 overall responsibility for compliance with all relevant legislation and regulations;
- 3.2.2.12 the Operating Framework;

### 3.2.3 Dividends

- 3.2.3.1 The determination of retained profit reserves of NV and declaration or recommendation of a dividend of NV and PLC;

### 3.2.4 Strategy and Managing the Corporate Portfolio

- 3.2.4.1 the strategies for the shaping of the portfolio and direction of the Group and priorities in corporate resource allocation;
- 3.2.4.2 the quarterly business performance reports (including quarterly and annual results announcements);
- 3.2.4.3 Unilever's entry by means of direct investment in to or exit from any country;

### 3. The Role of the Board continued

#### 3.2.5 Mergers, Acquisitions, Joint Ventures and Disposals

Any merger, acquisition, joint venture or disposal where the value of consideration paid or received, or of the assets contributed by Unilever or contributed by other parties, exceeds €500 million;

#### 3.2.6 Capital Expenditure

Any capital expenditure project which has a value exceeding €500 million;

#### 3.2.7 Contracts

Any agreement or contract for goods or services which has a value exceeding €5 billion or exceeds 7 years in duration;

#### 3.2.8 Litigation

The initiation or settlement of any litigation or claim with a value in excess of €100 million;

#### 3.2.9 Financial

3.2.9.1 any single long-term borrowing in each case with a maturity of more than one year, where the value exceeds €1.5 billion (and for this purpose any issues of debt instruments (and any tranche thereof) whether or not made under a debt issuance programme, shall qualify as a single borrowing);

3.2.9.2 capital injections in to Group companies, capital reductions of Group companies, intra-Group transfers of shares or assets or mergers in each case where the associated third party costs e.g. tax, stamp duty and fees, are €250 million or more;

3.2.9.3 approving policies in respect of the hedging of net instrument exposures, the hedging (or leaving unhedged) of net equity balance sheet exposures of up to (or exceeding) €5 billion per currency or any other financial derivative exposure.

#### 3.2.10 Pensions

3.2.10.1 any agreements with pension funds on contributions to correct deficits (as measured under IFRS or local funding as applicable) which have an aggregate value, over the period of the agreement, exceeding €750 million;

3.2.10.2 any changes to benefits provided under Unilever Group pension (and similar) arrangements which increase the value of the liabilities (as measured under IFRS) by more than €100 million.

#### 3.3 Decision making by the Board

Resolutions by the Board are passed by a majority of votes. Each member of the Board shall have one vote.

#### 3.4 Delegation

The Board has delegated certain of its powers, authorities and discretions (including the power to sub-delegate) to the Chief Executive Officer and to the Board's Committees as set out in Appendix 9.

The Board supervises the execution of its responsibilities by the Chief Executive Officer and the Board's committees and is ultimately responsible for the fulfilment of its duties by them.

## 4. Committees

### 4.1 Board Committees

The following are Committees of the Board and have the membership and terms of reference laid down by the Board pursuant to the resolution set out in Appendix 9. Further Committees of the Board may be established by the Board from time to time and the membership and terms of reference of the Committees can be modified by the Board.

Each Committee of the Board meets as a single committee of the Boards of each of NV and PLC and one set of minutes shall be prepared as a record of the business of such committees.

#### 4.1.1 Nomination Committee

The Nomination Committee concerns itself with candidates for nomination as Executive Directors, Non-Executive Directors, Chairman, Vice-Chairman and Chief Executive Officer. The Nomination Committee is concerned with succession planning within and to the Board and will be consulted by the Chief Executive Officer on appointments to or removals from the Leadership Executive. It is also responsible for the oversight of matters relating to corporate governance, bringing any issues to the attention of the Board.

The Nomination Committee comprises a minimum of two Independent Non-Executive Directors and the Chairman.

The Committee is entitled to use the services of recruitment consultants and other external experts at the expense of the Company.

Appendix 1 sets out the Terms of Reference of the Nomination Committee.

#### 4.1.2 Remuneration Committee

The Remuneration Committee concerns itself with:

- the remuneration and benefits of the Directors;
- the design and terms of share-based incentive plans;
- the remuneration policy for the Leadership Executive and Senior Corporate Executives.

The Remuneration Committee makes proposals to the Board in the above areas, including specific remuneration packages for each of the Executive Directors as well as for the Non-Executive Directors.

The Remuneration Committee also decides the remuneration for the Leadership Executive (excluding the Executive Directors).

The Remuneration Committee comprises a minimum of three Independent Non-Executive Directors.

The Committee is entitled to use the services of remuneration consultants and other external experts at the expense of the Company.

Appendix 2 sets out the Terms of Reference of the Remuneration Committee.

#### 4.1.3 Audit Committee

The Audit Committee assists the Board in fulfilling its oversight responsibilities in respect of:

- the integrity of Unilever's financial statements;
- Unilever's risk management and internal control arrangements;
- Unilever's compliance with legal and regulatory requirements;
- the performance, qualifications and independence of the external auditors;
- the performance of the internal audit function.

The Audit Committee is directly responsible, subject to local laws regarding shareholder approval, for the nomination, compensation and oversight of the external auditors. The Audit Committee is also responsible for the policy on work that can and cannot be performed by the external auditors and the compliance thereof.

The Audit Committee comprises three or more Independent Non-Executive Directors.

Appendix 3 sets out the Terms of Reference of the Audit Committee.

#### 4.1.4 Corporate Responsibility and Reputation Committee

The Corporate Responsibility and Reputation Committee assists the Board in fulfilling its oversight responsibilities in respect of Corporate Responsibility and Unilever's reputation as a responsible corporate citizen. It also offers guidance and recommendations within its areas of responsibility.

The Corporate Responsibility and Reputation Committee comprises a minimum of three Non-Executive Directors.

Appendix 4 sets out the Terms of Reference of the Corporate Responsibility and Reputation Committee.

### 4.2 Other Committees

The following additional committees of the Company are established for the purposes explained below.

#### 4.2.1 Disclosure Committee

The Disclosure Committee is generally responsible to the Board and reports as appropriate to the Board, Chief Executive Officer or the Chief Financial Officer. The Committee concerns itself with the establishment and maintenance of disclosure controls and procedures and the evaluation thereof and also with the appropriateness of the disclosures made. Appendix 5 sets out the Terms of Reference of the Disclosure Committee.

#### 4.2.2 Routine Business Committees

Routine Business Committees have been set up to conduct routine business. They report regularly and are responsible to the Boards of NV and PLC.

Appendix 8 sets out the role and functioning of the Routine Business Committees.

## 5. Directors

### 5.1 Collective Responsibilities

As members of the Board, all Directors are required to:

- set Unilever's strategic aims, ensure that the necessary financial and human resources are in place for the Company to meet its objectives, and review the management performance;
- provide leadership of Unilever within a framework of prudent and effective controls which enable risk to be assessed and managed; and
- maintain Unilever values and standards as outlined in the Code of Business Principles and ensure that its obligations to its shareholders and others are understood and met.

All Directors must be able to allocate sufficient time to be able to perform their responsibilities effectively.

All Directors are responsible for the proper fulfilment of the Board's duties and obligations. As part of their role as members of a unitary board, Non-Executive Directors should constructively challenge and help develop proposals on strategy.

All Directors should see to it that they are informed on a timely basis and in sufficient detail about all important matters relating to the Company and the functioning of the Board. The Chief Executive Officer has a particular responsibility to ensure that the Chairman promptly receives timely and clear information (in particular about the Company's performance). The Chairman is required to ensure that all members of the Board have the information they need to take sound decisions, monitor effectively and provide advice to promote the success of the Company.

The responsibility for the operational management of NV and PLC and the business enterprise connected therewith lies with the Chief Executive Officer under the final and ultimate responsibility of the Board as a whole.

In their capacities as members of the Board the Non-Executive Directors supervise the functioning of the Chief Executive Officer.

### 5.2 Annual re-election

All Directors, Executive and Non-Executive, retire at the Annual General Meeting each year and, if nominated, offer themselves for re-election, in accordance with the Articles of Association of NV and PLC.

### 5.3 Tenure

Executive and Non-Executive Directors hold office as long as they are appointed as such by the shareholders of NV and PLC, unless they resign or are dismissed by the shareholders of NV or PLC. Directors are nominated for re-election by the Boards, on the recommendation of the Nomination Committee, who in deciding whether to nominate a Director, takes into consideration the annual evaluation of the individual.

Subject to the annual re-election referred to in paragraph 5.2 above, Non-Executive Directors serve for up to three terms of three years each. A fourth term is an option if the shareholders of NV and PLC elect this to be in the interest of Unilever.

Executive Directors serve in accordance with the terms of their contracts of service with NV and/or PLC.

### 5.4 Limitations

Executive Directors retire from the Board in accordance with their service contracts or as otherwise negotiated.

### 5.5 Independence

All Non-Executive Directors are expected to provide Unilever with independent character and judgement.

Non-Executive Directors are judged by the Board for their "independence" in the light of criteria that are in line with best practice guidelines in the Netherlands, the United Kingdom and the United States for judging the independence of Non-Executive Directors. The criteria chosen by the Board are:

- no additional remuneration or other benefits from any company within the Group;
- no material business relationships within the last three years, including shareholder, customer, adviser and supplier relationships, with any company within the Group;
- any cross-directorships with other Directors which are likely to affect, or could appear to affect, the director's judgement;
- shareholding of less than ten per cent in either NV or PLC, or any of its subsidiaries, including shares held by legal entities outside the Group of which the Director is a director;
- service on the Board for normally not more than 9 years;
- not a former employee of any company within the Group within the last 5 years.

The Board will decide on the independence of a Non-Executive Director by applying these criteria to the particular circumstances of the individual concerned.

Where there are additional criteria for a member of the Audit Committee to be considered "independent" imposed by applicable laws and regulations, the Board will apply these criteria.

### 5.6 Access to Independent Professional Advice

Directors, both as a group and individually, are entitled to take independent professional advice, at the expense of Unilever, on matters relating to the proper discharge of their office. This does not extend to issues regarding their personal interests. The Group Secretary will arrange for advice to be obtained.

## 6. The Chairman

### 6.1 Chairman

The Boards of NV and PLC each appoint from their members, on a recommendation from the Nomination Committee, a Non-Executive Director to be Chairman of both NV and PLC.

### 6.2 Vice Chairman

The Boards of NV and PLC may each appoint, on a recommendation from the Nomination Committee, an Independent Non-Executive Director as Vice Chairman of both NV and PLC.

### 6.3 Responsibilities

The Chairman's general and specific responsibilities cover:

- 6.3.1 conducting shareholders meetings of PLC and NV including AGMs;
- 6.3.2 leading the Board and ensuring that it operates effectively in relation to all aspects of its role;
- 6.3.3 ensuring that the members of the Board receive accurate, timely and clear information, in particular about the Company's performance, to enable the Board to take sound decisions, monitor effectively and provide advice to promote the success of the Company;
- 6.3.4 encouraging active engagement by all the members of the Board;
- 6.3.5 in consultation with the Chief Executive Officer, setting and approving the Board agenda to take full account of the issues and the concerns of all Directors and ensuring that adequate time is available for discussion on strategic issues;
- 6.3.6 promoting effective relationships and open communication, both inside and outside the boardroom, between Non-Executive Directors and the Executive Directors;
- 6.3.7 building an effective and complementary Board, initiating change and planning succession in Board appointments, subject to Board and shareholders' approval;
- 6.3.8 monitoring effective implementation of Board decisions;
- 6.3.9 ensuring clear structure for and the effective running of Board Committees;
- 6.3.10 together with the SID/Vice-Chairman and the Chief Executive Officer and facilitated by the Group Secretary, maintaining effective communication with major shareholders so as to ensure the Board develops an understanding of their views;
- 6.3.11 in conjunction with the Group Secretary, taking the lead in providing a properly constructed induction programme for new Directors that is comprehensive, formal and tailored;
- 6.3.12 taking the lead in identifying and meeting the development needs of individual Directors and agreeing and regularly reviewing a personalised approach to training and development with each Director;
- 6.3.13 addressing the development needs of the Board as a whole with a view to enhancing its overall effectiveness as a team;
- 6.3.14 in conjunction with the SID/Vice-Chairman, ensuring that the performance of individuals and of the Board as a whole and its committees is evaluated at least once a year and facilitated once every three years, by a third party consultant;
- 6.3.15 establishing a close relationship of trust with the Chief Executive Officer, by providing support and advice while respecting executive responsibility;
- 6.3.16 evaluating and monitoring compliance with Unilever Code Policies and governance processes;
- 6.3.17 acting where appropriate as Unilever representative on corporate aims and policies including environmental and corporate social responsibility matters;
- 6.3.18 guarding the corporate reputation including, in conjunction with the Chief Executive Officer, relations with major shareholders, government, academia and other relevant stakeholders and commentators;
- 6.3.19 being a member of the Nomination Committee;
- 6.3.20 providing advice and being available to assist the Remuneration Committee; and
- 6.3.21 receiving direct reports of the Group Secretary.

## 7. Chief Executive Officer

### 7.1 Delegation of Board Powers

The resolution pursuant to which certain of the Board's powers, authorities and discretions are delegated to the Chief Executive Officer is set out in Appendix 9. Pursuant to that resolution the Chief Executive Officer is entrusted with all the Board's powers, authorities and discretions (including the power to sub-delegate any of those powers, authorities, decision-making powers and discretions) in relation to the operational running of the Company and specifically all the Board's powers, authorities and discretions in relation to the following matters (subject to the matters reserved to the Boards set out in paragraph 3.2 to 3.2.10):

### 7.2 Management

Ensuring delivery of the Group's agreed strategy, business plans and financial performance including:

7.2.1 profit responsibility of the Group; and

7.2.2 managing business performance.

### 7.3 Strategy and Managing the Corporate Portfolio

7.3.1 proposing for approval by the Board following consultation with the Chairman, the strategies for the shaping of the portfolio and direction of the Group and priorities in corporate resource allocation.

7.3.2 implementing and monitoring strategies and annual plans, agreeing geographical and product markets for Category activities and places of operation and ensuring that business plans and strategies are aligned with corporate objectives and priorities agreed with the Board.

7.3.3 monitoring the development of the global and regional markets in which the Unilever Group operates, testing future economic scenarios against growth objectives and making proposals to the Board for the corporate strategic priorities in the light of these.

7.3.4 preparing for approval by the Board periodic business performance reports including quarterly and annual results announcements.

### 7.4 Mergers, Acquisitions, Joint Ventures and Disposals

Any merger, acquisition, joint venture or disposal where the value of consideration paid or received, or of the assets contributed by Unilever or contributed by other parties, does not exceed €500 million.

### 7.5 Capital Expenditure

Any capital expenditure project which has a value not exceeding €500 million including land and property agreements.

### 7.6 Contracts

Any agreement or contract for goods or services (other than land and property agreements) which has a value less than €5 billion and is of 7 years or less in duration.

### 7.7 Litigation

Initiation or settlement of any litigation or claim with an estimated value not in excess of €100 million.

### 7.8 Financial

7.8.1 proposing for approval by the Board a financial framework and targets and a dividend policy for the Group.

7.8.2 setting financial and treasury strategies for the Group and implementing them, including (a) approving short term borrowings (i.e. with a maturity of up to one year) of any amount (b) approving long-term borrowings up to a value for any single borrowing of €1.5 billion (and for this purpose any issues of debt instruments (and any tranche thereof) whether or not made under a debt issuance programme, shall qualify as a single borrowing) and (c), approving the entering into by NV or PLC whether as borrower or guarantor or both and approval of the terms of any standby loan facilities providing for borrowings of up to \$6.3 billion (without needing to take into account the limits referred to in (a) or (b) above) in aggregate or such higher amount as may be approved by the Board from time to time;

7.8.3 the establishment or update of (and approval of the amount (including any increase) and other terms of) any debt issuance programme of any kind (including but not limited to the U.S. \$15,000,000,000 Debt Issuance Programme, the Euro Commercial Paper Programme, the U.S. \$15,000,000,000 Shelf Programme and the United States 4(2) and 3(a) 3 Commercial Paper Programme);

7.8.4 in respect of any borrowings approved in accordance with or relating to the previous two paragraphs, the issue or guarantee by NV or PLC of any debt instruments (including the signing of any agreements or other documents necessary or conducive thereto, e.g. final terms, subscription agreements, underwriting agreements, etc), and the listing of any debt instruments on any securities market, and the entering into by NV or PLC whether as borrower or guarantor (of any Group company) of any other form of financing agreement or arrangement and any amendment or supplement thereto in connection with such debt instruments;

7.8.5 the giving by NV of (and the approval of the terms of) any other guarantees of PLC's obligations in respect of any borrowings;

7.8.6 the giving by PLC of (and the approval of the terms of) any other guarantees of NV's obligations in respect of any borrowings;

## 7. Chief Executive Officer continued

- 7.8.7 the giving of (and the approval of the terms of) any other guarantees by NV and/or PLC of the borrowings or debt instruments of any direct or indirect subsidiary or subsidiary undertaking of NV or PLC up to an amount of €1.5 billion for each single borrowing or debt instrument;
- 7.8.8 the granting of security (not being a guarantee) of any nature over the assets of any Group company, up to a limit of €250m (or its equivalent in any currency) per country at any time;
- 7.8.9 cross currency funding and deposits of any amount;
- 7.8.10 investor relations guidelines;
- 7.8.11 capital injections in to Group companies, capital reductions of Group companies, intra-Group transfers of shares or assets or mergers, in each case where the associated third party costs e.g. tax, stamp duty and fees, are less than €250 million;
- 7.8.12 entering in to contracts with brokers and other intermediaries for the purpose of on exchange swaps and derivatives transactions;
- 7.8.13 entering in to by NV and PLC of any swaps or derivatives transactions (including under any International Swaps and Derivatives Association documentation).

### 7.9 Guarantees

- 7.9.1 the giving by NV (and the approval of the terms of) any guarantee of the activities of any Group company falling within paragraphs 7.1 to 7.8.13 inclusive above;
- 7.9.2 the giving by PLC (and the approval of the terms of) any guarantee of the activities of any Group Company falling within paragraphs 7.1 to 7.8.13 inclusive above.

### 7.10 Operating Framework

preparing for approval by the Board an Operating Framework and the accounting and reporting policies, planning and reporting processes (including internal control measures and authority levels) and implementing and maintaining such framework, policies and processes.

### 7.11 Human Resources

- 7.11.1 appointing and removing all managers including the Leadership Executive and Senior Corporate Executives who report directly or indirectly to the Chief Executive Officer, with the exception of the appointment and removal of the Executive Directors which requires shareholder approval and the Group Secretary which requires the approval of the Board and the Chief Auditor which requires the approval of the Audit Committee. Any appointment to or removal from the Leadership Executive will require prior consultation with the Nomination Committee.
- 7.11.2 proposing to the Remuneration Committee the remuneration policy and the specific remuneration, bonuses and other terms of employment of members of the Leadership Executive who report directly to the Chief Executive Officer including those members of the Leadership Executive who are also Executive Directors but without prejudice to the authority of a general meeting.
- 7.11.3 supervising and determining the roles, activities and responsibilities of the Leadership Executive;
- 7.11.4 approving the appointment, removal, remuneration, bonuses and other terms of employment of senior managers not dealt with by the Nomination or Remuneration Committees;
- 7.11.5 ensuring that the performance of members of the Leadership Executive and other senior managers is systematically assessed and adequately rewarded;
- 7.11.6 ensuring a continual supply of leadership of the quality necessary to meet the strategic needs of the Business;
- 7.11.7 monitoring staff development and recruitment and dealing with deviations from planned performance. Establishing value leadership and expected norms of conduct, including implementation of and compliance with the Code of Business Principles and Unilever Code Policies; and
- 7.11.8 subject to the powers of the Remuneration Committee in paragraph 5.4 of Appendix 2, exercising powers granted by the Board of NV and PLC under any existing or future NV or PLC executive or employee share option scheme or other equity based incentive or reward plan, including powers to purchase shares to meet obligations under the scheme or plan, to operate the scheme or plan and to make arrangements for the administration of such scheme or plan.

## 7. Chief Executive Officer continued

### 7.12 Pensions

The following matters with respect to pensions:

- 7.12.1 the establishment and maintenance of appropriate policies covering:
  - 7.12.1.1 the design of benefit arrangements, including specific provision for the treatment of employees on the acquisition or disposal of businesses;
  - 7.12.1.2 selection of financing mechanisms, funding methods and accounting procedures;
  - 7.12.1.3 pension fund investment practices, including
    - investment objectives, strategy and allocation
    - limits on Unilever related investment of Pension Fund assets
    - investment management and custody services
    - internal investment management
    - controls on the use of derivatives and other investments;
  - 7.12.1.4 all necessary governance and approval procedures relating to the above;
- 7.12.2 any agreements with pension funds on contributions which are:
  - 7.12.2.1 changes in the level of normal contributions following an actuarial valuation;
  - 7.12.2.2 contributions to correct deficits (as measured under IFRS or local funding as applicable) which have an aggregate value, over the period of the agreement, not exceeding €750 million;
  - 7.12.2.3 changes to benefits provided under Unilever Group pension (and similar) arrangements which increase the value of the liabilities (as measured under IFRS) by not more than €100 million.

### 7.13 Managing Risk and Corporate Reputation

- 7.13.1 preparing for approval by the Board, and implementing and managing, Unilever's risk management approach;
- 7.13.2 interacting with the media and approving any press release in relation to any matter within the ambit of the Chief Executive Officer;
- 7.13.3 implementing and managing compliance with the Code of Business Principles and Unilever's Code Policies and standards;
- 7.13.4 preparing all public filings, reports and statements relating to the Business; and
- 7.13.5 representing the Company with major customers, suppliers, trade and professional bodies.

### 7.14 Entering into documents

The powers of the Chief Executive Officer include the authority to enter into commitments, agreements, contracts, instruments or other documents on behalf of the Company in relation to the matters described above.

### 7.15 Board Notification

- 7.15.1 notwithstanding the authorities outlined in paragraph 7, the Chief Executive Officer will notify the Board of any issues, projects or transactions that in his judgement have the capacity to impact the reputation of Unilever;
- 7.15.2 without prejudice to the authority conferred in the last two points of paragraph 7.8, the CEO shall report to the Board (a) any net investment exposures exceeding a cost (at the time of entering into the transaction) of €60 million per annum; (b) any hedging of net equity balance sheet exposure in excess of €5 billion per currency or any unhedged net equity balance sheet exposure in excess of €5 billion per currency; or (c) any other financial or commodity derivative exposure which is material in the context of the Group and out of the ordinary course of business.
- 7.15.3 the Chief Executive Officer will notify the Board of Unilever's entry into any country through means of indirect investment, e.g. agents.

### 7.16 Other

The Chief Executive Officer in discharging his duties is responsible to the Board as a whole. However in articulating their view of the Chief Executive Officer's performance the Board will operate through the Chairman.

The Chief Executive Officer's direct reports will comprise all members of the Leadership Executive, and save for the Group Secretary such other functional heads as the Chief Executive Officer elects.

All internal business related communications are the responsibility of the Chief Executive Officer.

## 8. Non-Executive Directors

### 8.1 Primary Responsibilities

As Directors, the Non-Executive Directors share full responsibility for the execution of the Board's duties. Within this broad responsibility the role of the Non-Executive Director is, essentially, a supervisory one, having the following key elements:

- 8.1.1 Strategy: they constructively challenge and help develop proposals on strategy;
- 8.1.2 Performance: they scrutinise the performance of management in meeting agreed goals and objectives;
- 8.1.3 Risk: they satisfy themselves on the integrity of financial information and that financial controls and systems of risk management are robust and defensible;
- 8.1.4 People: they take responsibility for determining appropriate levels of remuneration of Executive Directors, and have a prime role in the appointing, and where necessary the removing, of Executive Directors and in succession planning;
- 8.1.5 Reporting: they take responsibility for the processes for accurately reporting on performance and the financial position of Unilever;
- 8.1.6 Compliance: they should keep governance and compliance with the legislation and regulations under review and the conformity of Unilever practices to accepted norms.
- 8.1.7 The Board will adopt criteria for candidates for Non-Executive Directors responding to such issues as relevant experience on financial, social, economical and business related matters, diversity, and geographical expertise.

### 8.2 Meetings of Non-Executive Directors

The Non-Executive Directors shall meet independently at least once a year to consider agenda items set by them. The Chairman, or in his absence the SID/Vice-Chairman, shall preside over such meetings. The Non-Executive Directors can ask members of management and external professional advisers to attend those meetings. The Group Secretary assists them with the support they need.

### 8.3 Senior Independent Director

The Independent Non-Executive Directors elect one of their members as their spokesman, referred to as the Senior Independent Director.

- 8.3.1 The role of the Senior Independent Director is: to serve as an intermediary for the other Directors when necessary;
- 8.3.2 to participate in the process of dealing with any conflict of interest between the Company and the Chairman, as discussed in paragraph 2.4;
- 8.3.3 to participate in the process of considering successions to the role of Chairman, as set out in paragraph 2.3 of Appendix 1 (Terms of Reference of the Nomination Committee);
- 8.3.4 to participate in the process of Directors Induction and Training, as discussed in paragraph 12;
- 8.3.5 to participate in the Board evaluation process, as discussed in paragraph 13;
- 8.3.6 to be available to shareholders if they have concerns which the normal channels of the Chairman or Executive Directors have failed to resolve or for which such normal channels are inappropriate; and
- 8.3.7 to attend meetings with a range of major shareholders and financial analysts in order to help develop a balanced understanding of their issues and concerns.

---

## 9. The Group Secretary

### 9.1 Formal Status

The appointment or removal of the Group Secretary is a matter for the Board as a whole.

The Group Secretary is appointed by the Board as the Company Secretary of NV and PLC. NV is allowed by its Articles of Association to appoint one or more Secretaries. PLC is required by UK law to appoint an appropriately qualified person to the office of Company Secretary.

All Directors have open access to the Group Secretary at any time and on any matter relating to Unilever.

The Group Secretary reports to the Chairman.

### 9.2 Responsibilities

The Group Secretary is responsible for:

- 9.2.1 providing administrative and general support to Directors;
- 9.2.2 preparation of the Annual Report and Accounts;
- 9.2.3 corporate legal and regulatory compliance;
- 9.2.4 formal relations with shareholders including maintenance of the share registers and convening of shareholder meetings;
- 9.2.5 matters relating to share capital and shareholding structures;
- 9.2.6 arrangement of induction, training/development and performance evaluations for the Board and Board Committees.

---

## 10. Chief Auditor

### 10.1 Formal Status

The appointment or removal of the Chief Auditor is a matter for the Audit Committee.

All Directors, and in particular the Chairman and members of the Audit Committee, have open access to the Chief Auditor at any time and vice versa.

The External Auditors have open access to the Chief Auditor at any time and vice versa.

The Chief Auditor reports to the Audit Committee and administratively to the Chief Financial Officer.

### 10.2 Responsibilities

The Chief Auditor is responsible, in his role as Unilever's chief internal auditor, for providing independent reassurance to the Board, through the Chief Executive Officer and the Audit Committee, that all major risks affecting the achievement of Unilever's objectives are adequately understood and managed.

The Chief Auditor supports the Audit Committee in its operations. The Chief Auditor is a member of the Global Code and Policy Committee.

### 10.3 Reporting

Status reports and reports on review of specific subjects are sent by the Chief Auditor to the Chief Executive Officer, Chief Financial Officer and the Audit Committee. Copies of all internal audit reports are made available to the Controller and to the External Auditors.

## 11. Chief Legal Officer

### 11.1 Formal Status

The appointment or removal of the Chief Legal Officer is a matter for the Chief Executive Officer.

The Chief Legal Officer reports to the Chief Executive Officer.

### 11.2 Responsibilities

The Chief Legal Officer is responsible for:

- 11.2.1 the provision of legal advice to the Unilever Group, Board, and Leadership Executive;
- 11.2.2 specific responsibility for global legal function;
- 11.2.3 chairing the Global Code and Policy Committee;

The Chief Legal Officer is a member of the Disclosure Committee and Secretary of the Nomination Committee, and may attend the meetings of the Audit Committee, the Corporate Responsibility and Reputation Committee, or Remuneration Committee at the invitation of each Committee.

## 12. Directors' Induction and Training

### 12.1 Background

The provision of an appropriate induction programme for new Directors and ongoing training for existing Directors is a major contributor to the maintenance of high corporate governance standards in Unilever.

The Chairman is responsible for ensuring that such induction programmes and training are provided and the Group Secretary actually provides them.

Ultimately, however, it is the individual Director's responsibility to identify his/her needs and take steps to ensure that he/she is adequately informed about Unilever and his/her responsibilities as a director.

### 12.2 Induction Programme

The Group Secretary provides new Directors, both Executive and Non-Executive, with a briefing on their legal and regulatory responsibilities as Directors of NV and PLC. This includes provision of a Directors' Information Pack containing all key Unilever documents relevant to their roles and responsibilities. The Group Secretary also provides documents setting out the current structure and performance of Unilever's business.

The induction briefing may include briefings from internal and outside legal counsel, the Auditors, Senior Corporate Executives and others as the Group Secretary judges appropriate. This is weighted to cover any particular areas of responsibility that the Director is taking on. As part of the induction, Directors are offered the opportunity to meet major shareholders.

The Group Secretary provides new Non-Executive Directors with briefings on the business of Unilever. This programme comprises initial documentation, presentations from members of the Leadership Executive and other Senior Corporate Executives and opportunities to visit business operations.

The induction process is designed to:

- build an understanding of the nature of Unilever, its businesses and the markets and regulatory environments in which it operates;
- provide an appreciation of the responsibilities of a Non-Executive Director of Unilever;
- build links to Unilever's people; and
- build an understanding of Unilever's main relationships.

### 12.3 Ongoing Education

The Group Secretary keeps the Board briefed on legal and regulatory developments relevant to the responsibilities of the Directors.

The Chairman agrees and regularly reviews a personalised approach to training and development with each Director. The Group Secretary ensures that the programme to familiarise the Non-Executive Directors with the business is maintained over time and kept relevant to the needs of the individuals involved. The Group Secretary confers with the Chairman and Chief Executive Officer to ensure that this is the case.

### 12.4 Reporting

A report annually to the Board and to shareholders is included in the Corporate Governance statement within the Annual Report and Accounts on the induction and training activities arranged during the year.

## 13. Board Evaluation

### 13.1 Background

It is important that the Board and Board Committees evaluate the effectiveness of their performance in a rigorous and structured way so that Unilever may confirm to its shareholders that it has high corporate governance standards.

The Chairman is responsible for ensuring that such evaluation exercises take place and the Group Secretary is responsible for their organisation.

### 13.2 The Board

The Chairman in conjunction with the Senior Independent Director leads the process whereby the Board assesses its own performance.

The evaluation process of the Board is undertaken internally by the Group Secretary. This process is in addition facilitated by a third party consultant at least every three years.

Following each evaluation a report will be prepared based on appropriate interviews and responses to questionnaires. The report shall be reviewed and discussed by the Board following its submission to the Board by the Chairman. Thereafter the Chairman implements the actions that the Board decide are appropriate.

### 13.3 Individual Directors

The Chairman in conjunction with the SID/Vice-Chairman conducts the process of evaluating the performance of individual Directors in their role as a member of the Board.

The SID/Vice-Chairman conducts the process whereby the Board evaluates the performance of the Chairman. He consults the Executive Directors and his fellow Non-Executive Directors.

The SID/Vice-Chairman shares the resulting assessment with the Chairman. These individual assessments are taken into account in the evaluation of the performance of the Board as a whole.

### 13.4 Board Committees

Each Chairman of a Board Committee leads the process of evaluating the performance of that committee. This includes taking the views of the Board on the performance of that committee.

The Chairman of the Committee reports on the results of the process to the Board.

### 13.5 Timing

The evaluations are carried out on an annual basis.

All evaluations are designed to be completed before the Nomination Committee meets in January to discuss the nominations for candidates for election as Directors of NV and PLC at the Annual General Meetings in the following year.

### 13.6 Processes

The Group Secretary provides guidance on how to carry out evaluation processes and the criteria to be used. The Group Secretary updates this guidance each year in the light of internal experience and external best practice.

### 13.7 Reporting

An annual report to shareholders is made in the Corporate Governance statement within the Annual Report and Accounts which confirm that the evaluation processes have been carried out and describes the processes that were used.

## Appendix 1 – Terms of Reference of the Nomination Committee

### 1. Constitution

The Nomination Committee is concerned with:

- 1.1 candidates for nomination as Executive Directors Non-Executive Directors, Chairman, Vice-Chairman and the Chief Executive Officer;
- 1.2 succession planning within and to the Board and will be consulted by the Chief Executive Officer on appointments to or removals from the Leadership Executive;
- 1.3 ensuring that the Board and its Committees consists of Directors with the appropriate balance of skills, experience, independence and knowledge of the Group to enable it to discharge its duties and responsibilities effectively;
- 1.4 reporting on the Board's policy, and any measurable objective, on diversity, including gender; and
- 1.5 the oversight of matters relating to corporate governance bringing any issues to the attention of the Board.

### 2. Membership

- 2.1 The membership of the Committee is appointed by the Board from time to time and comprises a minimum of two Independent Non-Executive Directors and the Chairman.
- 2.2 Each Non-Executive Director who is appointed a member of the Committee is appointed for a term (subject to annual re-election as a Non-Executive Director by the shareholders) of, normally, three years and such term normally expires at the close of the Annual General Meeting at which his/her three-year term of appointment as a Non-Executive Director expires.
- 2.3 The Chairman of the Committee is appointed by the Board from among the Independent Non-Executive Directors. The SID/Vice-Chairman will chair the Nomination Committee when it is considering succession of the role of Chairman of the Board.
- 2.4 The Group Secretary is the Secretary of the Committee.

### 3. Remit

The Committee's specific responsibilities to the Board are:

- 3.1 evaluating the balance of skills, experience, independence and knowledge on the Board and drawing up selection criteria and appointment procedures for Directors;
- 3.2 periodically assessing the size and composition of the Board, and making a proposal for a composition profile of the Board;
- 3.3 supervising the policy of the Chief Executive Officer on the selection criteria and appointment procedures for senior management;
- 3.4 recommending candidates for nomination as Executive Directors (including Chief Executive Officer) and as Non-Executive Directors each year;
- 3.5 recommending candidates for election as Chairman and Vice-Chairman of the Board;
- 3.6 succession planning within and to the Board;
- 3.7 the Committee will consult with the Chief Executive Officer in relation to appointments to or removals from the Leadership Executive and will ensure that all other Directors are made aware of announcements relating to such appointments and removals before they are made; and
- 3.8 oversight of all matters relating to corporate governance.

### 4. Authority

- 4.1 The Committee is entitled to employ, at Unilever's expense, the services of such advisers as it deems necessary to fulfil its responsibilities.
- 4.2 The members of the Committee form the Boards of N.V. Elma and United Holdings Limited, the joint holders of both the special ordinary shares numbered 1-2400 inclusive and the deferred stock of NV and PLC, respectively.

## Appendix 1 – Terms of Reference of the Nomination Committee continued

### 5. Meetings

- 5.1 Meetings are held at least once a year, and on such other occasions as the Chairman of the Committee considers appropriate.
- 5.2 Meetings are convened by written notice served on each of the members by the Group Secretary.
- 5.3 All members of the Committee are expected to attend each meeting.
- 5.4 The quorum for meetings is a minimum of two Independent Non-Executive Directors.
- 5.5 A member shall leave the meeting when his/her own position is discussed but the quorum is not affected thereby.
- 5.6 All or any members of the Committee may participate in a meeting by teleconference or videoconference. A person so participating is deemed to be present in person at the meeting and shall be counted in a quorum accordingly.
- 5.7 Formal decisions are made by a simple majority vote, with the Chairman of the meeting holding a casting vote.
- 5.8 The Secretary of the Committee shall be responsible, in conjunction with the Chairman of the Committee, for compiling and circulating the agenda and papers for the meeting. The Secretary of the Committee will also be responsible for liaising with the Leadership Executive to ensure that all papers, reports etc. required by the Committee are forwarded to them in a timely manner.

### 6. Consultation

Prior to meetings of the Committee, the Chairman of the Committee may consult among the Executive Directors of the Company, and the Non-Executive Directors who are not members of the Committee in order to assist in framing the Committee's recommendations.

### 7. Reporting, Self-Assessment and Performance Evaluation

- 7.1 The Committee reports to the Board on a regular basis.
- 7.2 The Secretary prepares minutes of all meetings of the Committee and these are promptly circulated to the members of the Committee.
- 7.3 The Committee reviews and assesses annually the adequacy of these Terms of Reference, and confirms that all the responsibilities set out in the current Terms of Reference have been carried out.
- 7.4 The Committee ensures that its current Terms of Reference are made available on Unilever's external website.
- 7.5 The Committee conducts an annual performance self evaluation to ensure that the Committee is functioning in accordance with its Terms of Reference, and reports thereon to the Board. This evaluation takes into account the views of the Board on the performance of the Committee.
- 7.6 The Committee publishes an annual report to the shareholders of NV and PLC.
- 7.7 The Committee will keep the profiles of the Executive Directors and Non-Executive Directors under review and propose improvements for approval by the Board.

### 8. Annual General Meeting

The Chairman of the Nomination Committee or another member of the Nomination Committee attends the Annual General Meetings of Unilever and is available to answer any questions referred to him by the Chairman of the Meeting.

## Appendix 2 – Terms of Reference of the Remuneration Committee

### 1. Constitution

The Remuneration Committee is concerned with:

- the remuneration and benefits of the Directors;
- the design and terms of share-based incentive plans;
- the remuneration policy for the Leadership Executive and Senior Corporate Executives.

### 2. Membership

2.1 The membership of the Committee is appointed by the Board of Unilever from time to time and comprises a minimum of three Independent Non-Executive Directors.

2.2 Each Non-Executive Director is appointed a member of the Committee for a term (subject to annual re-election by the shareholders) of, normally, about three years and such term normally expires at the close of the Annual General Meeting at which his/her appointment as an Non-Executive Director expires.

2.3 The Chairman of the Committee is appointed by the Board of Unilever.

2.4 The Committee appoints a Secretary of the Committee.

### 3. Remit

The Committee's specific responsibilities include making proposals to the Board on:

3.1 The remuneration policy for Executive Directors, Leadership Executive and Senior Corporate executives;

3.2 The individual salary levels, bonuses and other benefits for the Executive Directors;

3.3 The remuneration of Non-Executive Directors, if and insofar as not determined by the general meetings of shareholders of NV and PLC;

3.4 The contractual terms for Executive and Non-Executive Directors;

3.5 The design and terms of share-based incentive plans.

### 4. Meetings

4.1 Meetings are held at least three times a year, and on such other occasions as the Chairman of the Committee considers appropriate.

4.2 Meetings are convened by written notice served on each of the members by the Secretary of the Committee.

4.3 All members of the Committee are expected to attend each meeting.

4.4 The quorum for meetings is two Independent Non-Executive Directors.

4.5 The Chief Executive Officer may attend the meetings at the invitation of the Committee to contribute to its deliberations but shall not be present when his own position is under discussion.

4.6 All or any members of the Committee may participate in a meeting by teleconference or videoconference. A person so participating is deemed to be present in person at the meeting and shall be counted in a quorum accordingly.

4.7 Formal decisions are made by a simple majority vote, with the Chairman of the meeting holding a casting vote.

4.8 The Secretary of the Committee shall be responsible, in conjunction with the Chairman of the Committee, for compiling and circulating the agenda and papers for the meeting. The Secretary of the Committee will also be responsible for liaising with the Leadership Executive to ensure that all papers, reports etc. required by the Committee are forwarded to them in a timely manner.

## Appendix 2 – Terms of Reference of the Remuneration Committee continued

### 5. Authority

- 5.1 The Committee is entitled to employ, at Unilever's expense, the services of such advisers as it deems necessary to fulfil its responsibilities.
- 5.2 The Committee shall consider and decide upon proposals made by the Chief Executive Officer in relation to the remuneration policy and the specific remuneration, bonuses and other terms of employment of members of the Leadership Executive who report directly to the Chief Executive Officer (excluding Executive Directors).
- 5.3 The Committee shall approve any other scheme for the remuneration of Unilever employees that involves Unilever shares within the design and terms approved by the Board.
- 5.4 The Committee shall approve or determine as the case may be, in respect of any share scheme, the relevant performance condition(s), the terms and level of any grant, any particular vesting conditions (such as a change of control), any clawback or other discretionary element of any share scheme.

### 6. Reporting, Self-Assessment and Performance Evaluation

- 6.1 The Committee reports to the Board on a regular basis.
- 6.2 The Secretary of the Committee prepares minutes of all meetings of the Committee and these are promptly circulated to the members of the Committee.
- 6.3 The Committee reviews and assesses annually the adequacy of these Terms of Reference, and confirms that all the responsibilities set out in the current Terms of Reference have been carried out.
- 6.4 The Committee ensures that its current Terms of Reference are made available on Unilever's external website.
- 6.5 The Committee conducts an annual performance self evaluation to ensure that the Committee is functioning in accordance with its Terms of Reference, and reports thereon to the Board. This evaluation takes into account the views of the Board on the performance of the Committee.
- 6.6 The Committee publishes an annual report to the shareholders of NV and PLC.

### 7. Annual General Meeting

The Chairman of the Committee or another member of the Remuneration Committee attends the Annual General Meetings of Unilever and is available to answer any questions referred to him by the Chairman of the Meeting.

## Appendix 3 – Terms of Reference of the Audit Committee

### 1. Constitution

The Audit Committee assists the Board in fulfilling its oversight responsibilities in respect of:

- 1.1 the integrity of Unilever's financial statements.
- 1.2 Unilever's risk management and internal control arrangements;
- 1.3 Unilever's compliance with legal and regulatory requirements;
- 1.4 the performance, qualifications and independence of the external auditors.
- 1.5 the performance of the internal audit function.

The Committee is directly responsible, subject to local laws regarding shareholder approval, for the nomination, compensation and oversight of the external auditors.

### 2. Membership

- 2.1 The membership of the Committee is as appointed by the Board from time to time, following the recommendations of the Nomination Committee.
- 2.2 The Committee comprises a minimum of three Non-Executive Directors.
- 2.3 Each member of the Committee should be 'independent'. The 'independence' of the members is adjudged by the Board in accordance with the requirements of applicable legislation and regulation, and in the light of relevant codes of practice.
- 2.4 Each member of the Committee should be 'financially literate'. The 'financial literacy' of the members is adjudged by the Board in accordance with the requirements of current legislation and regulation, and in the light of relevant codes of practice.
- 2.5 One member of the Committee should be a 'financial expert'. The 'financial expertise' of this member is adjudged by the Board in accordance with the requirements of current legislation and regulation, and in the light of relevant codes of practice.
- 2.6 Upon appointment, each member of the Committee will participate in an induction programme relating to the role and function of the Committee.
- 2.7 Members of the Committee are not expected to serve on the audit committees of more than three public companies at any one time.

2.8 Each Non-Executive Director is appointed a member of the Committee for a term (subject to annual re-election by the shareholders) of approximately three years and such term normally expires at the close of the Annual General Meeting at which his/her appointment as a Non-Executive Director expires. The appointment may be extended to a second three-year term.

2.9 The Committee has a Chairman appointed by the Board.

2.10 The Secretary of the Committee is the Chief Auditor or the Group Secretary or a nominee of either of them.

### 3. Meetings

- 3.1 The Committee meets at least four times a year, with authority to convene additional meetings as circumstances require.
- 3.2 Meetings are convened by written notice served on each of the members by the Secretary of the Audit Committee.
- 3.3 All members of the Committee are expected to attend each meeting.
- 3.4 The quorum for meetings is two Non-Executive Directors.
- 3.5 Meetings of the Committee may be attended by the Chief Executive Officer, Chief Financial Officer, Controller, Chief Auditor, Chief Legal Officer, the lead partner of the External Auditors, and other Directors and executives at the invitation of the Committee.
- 3.6 The Committee shall meet the External Auditors in private session at least once a year and may also meet routinely in private sessions with any of the Chief Auditor, the external auditors, and management, or any combination of these.
- 3.7 All or any members of the Committee may participate in a meeting by teleconference or videoconference. A person so participating is deemed to be present in person at the meeting and shall be counted in a quorum accordingly.
- 3.8 Formal decisions are made by a simple majority vote, with the Chairman of the meeting holding a casting vote.
- 3.9 The Secretary shall be responsible, in conjunction with the Chairman of the Committee, for compiling and circulating the agenda and papers for the meeting. The Secretary will also be responsible for liaising with the Leadership Executive to ensure that all papers, reports etc. required by the Committee are forwarded to them in a timely manner.

## Appendix 3 – Terms of Reference of the Audit Committee continued

### 4. Authority

The Committee is authorised by the Board to investigate any matter within its terms of reference, using, at Unilever's expense, resources from within Unilever or from external legal, accounting or other advisers as the Committee considers necessary. The Committee is authorised to seek information from any Director, Senior Corporate Executive or employee, and from any adviser, agent or representative of Unilever, for the purpose of fulfilling its duties and the Board shall, if so requested, direct such persons to co-operate with the Committee.

### 5. Responsibilities

The Committee's responsibilities include, but are not limited to the following matters, with a view to bringing any relevant issues to the attention of the Board:

5.1 The integrity of Unilever's Financial Statements:

5.1.1 Regular review of Unilever's internal and external financial reporting systems.

5.1.2 Review of major accounting and reporting issues, including any significant changes in accounting principles.

5.1.3 Review of any material off-balance sheet transactions, arrangements, obligations and other relationships with unconsolidated entities or other persons that may have a material effect on Unilever, its subsidiary companies and related entities.

5.1.4 Review of Unilever's quarterly and annual financial statements.

5.1.5 Review of Unilever's practices with regard to the release and publication of financial information to the markets.

5.1.6 Review of Unilever's dividend proposals.

5.2 Risk Management and Internal Control Arrangements:

5.2.1 risk management approach including the identification of Corporate Risks and related mitigation/response plans.

5.2.2 review the recommendation of the Leadership Executive for the Board's statement on internal control to be included in the Annual Report and Accounts.

5.2.3 review the Controller's Risk and Control Report (including reference to any frauds involving persons with significant roles in internal control and any significant breaches of the Code of Business Principles or Unilever Code Policies).

5.2.4 establish procedures for:

5.2.4.1 the receipt, retention and treatment of complaints received by Unilever regarding accounting, internal control and auditing matters;

5.2.4.2 the confidential, anonymous submission of concerns from employees of Unilever regarding accounting or auditing matters.

5.2.5 oversight of the activities of the management with respect to:

5.2.5.1 the policy of the Group on tax planning;

5.2.5.2 the financing of the Group;

5.2.5.3 the application of Information Technology and Information Management.

5.3 Compliance with Code of Business Principles and Legal and Regulatory Requirements:

5.3.1 the Committee reviews any proposals to amend Unilever's Code of Business Principles and management's monitoring of compliance with the Code;

5.3.2 the Committee reviews any instances of non-compliance with legal and regulatory requirements and with the Code of Business Principles that may be brought to its attention by any Senior Corporate Executive or Committee.

5.4 External Auditors' Nomination, Performance, Qualifications and Independence:

The Committee is the body responsible for overseeing relations with the external auditors, including specifically:

5.4.1 appointment, remuneration and services

5.4.1.1 nomination of the external auditors for shareholder approval.

5.4.1.2 approval of external auditors' remuneration.

5.4.1.3 pre-approval of all audit services.

5.4.1.4 pre-approval of non-audit services and approval of related disclosure to shareholders.

## Appendix 3 – Terms of Reference of the Audit Committee continued

- 5.4.2 Activities
  - 5.4.2.1 review of the external auditors' Report to the Board and management's response;
  - 5.4.2.2 review of the external auditors' annual audit plan and associated timetable;
  - 5.4.2.3 resolution of disagreements between the external auditors and management regarding financial reporting;
  - 5.4.2.4 review with the external auditors of any audit problems or difficulties, and management's response.
- 5.4.3 Performance, Qualifications and Independence
  - 5.4.3.1 Annual Review and evaluation of the external auditors' qualifications, performance and independence, including a review and evaluation of the lead partner.
  - 5.4.3.2 Review at least annually a report of the external audit firm's internal quality control procedures.
  - 5.4.3.3 Ensuring rotation of lead partner and considering rotation of external audit firm.
  - 5.4.3.4 Establishing a policy regarding the nature of work that can be provided to Unilever by the external auditors.
  - 5.4.3.5 Review of all relationships between the external auditors and Unilever, including any reports on such relationships submitted by the external auditors.
- 5.5 Performance of the Internal Audit function
  - 5.5.1 review of the Chief Auditor's Status Reports on Risk Management & Control and actions taken to resolve the issues raised.
  - 5.5.2 review of Corporate Audit's:
    - 5.5.2.1 Charter, Cover and Scope policy.
    - 5.5.2.2 Proposal for Audit Review of major risks and unit cover plan.
    - 5.5.2.3 Budget and resource requirements.
  - 5.5.3 Approve the appointment and replacement of the Chief Auditor.
  - 5.5.4 Monitor and review the effectiveness of the Group's internal audit function.
- 6. **Reporting, Self-Assessment and Performance Evaluation**
  - 6.1 The Audit Committee reports the outcome of all its meetings to the Board by means of an oral presentation by the Committee Chairman. The Secretary prepares minutes of all meetings of the Committee and these are promptly circulated to the Committee and the Board for their consideration.
  - 6.2 The Committee reviews and assesses annually the adequacy of these Terms of Reference, and confirms that all the responsibilities set out in the current Terms of Reference have been carried out.
  - 6.3 The Committee ensures that its current Terms of Reference are made available on Unilever's external website.
  - 6.4 The Board conducts an annual performance evaluation of the Audit Committee to ensure that the Committee is functioning in accordance with its Terms of Reference.
  - 6.5 The Committee publishes an annual report to the shareholders of NV and PLC.
- 7. **Annual General Meeting**

At least one member of the Audit Committee attends each of the NV and PLC Annual General Meetings of Unilever and is available to answer any questions referred to him by the Chairman of the meeting.

## Appendix 4 – Terms of Reference of the Corporate Responsibility and Reputation Committee

### 1. Constitution

The Corporate Responsibility and Reputation Committee assists the Board in fulfilling its oversight responsibilities in respect of Corporate Responsibility and Unilever's reputation.

### 2. Membership

2.1 The members of the Committee are appointed by the Board from time to time and comprise a minimum of three Non-Executive Directors.

2.2 The Chairman of the Committee is appointed by the Board of Unilever.

2.3 The Secretary of the Committee is the Group Secretary or a nominee appointed by the Group Secretary.

### 3. Remit

The Committee has responsibility for the oversight of Unilever's conduct with regard to its Corporate and Societal obligations and its reputation as a responsible corporate citizen. This shall include, but is not limited to the following matters, with a view to bringing any relevant issues to the attention of the Board or senior Unilever management, and making recommendations relating to any of these issues:

3.1 Identifying and reviewing those external developments which are likely to have significant influence upon Unilever's reputation and/or its ability to conduct its business appropriately as a good corporate citizen. Such developments will include those in the fields of government relations, best corporate practice, the views and programmes of particular interest groups, academia and other opinion formers and issues of growing importance to the general public.

3.2 Acting as a sounding board and providing guidance and recommendations to the business on how best to handle both internal issues raised by the Leadership Executive and those external developments identified in 3.1 above.

3.3 Providing external and independent oversight and guidance on the environmental and social impact of how Unilever conducts its business.

3.4 Reviewing and recommending changes as appropriate to Unilever's Code of Business Principles to ensure that Unilever's standards of business behaviour are responsive to prevailing social mores.

3.5 Reviewing and recommending changes as appropriate to Unilever's Sustainable Living Plan and Sustainable Development Report.

3.6 Ensuring that the appropriate communications policies are in place and working effectively to build and protect Unilever's reputation internally and externally.

3.7 To review reports, minutes and recommendations within the Committee's areas of responsibility from Unilever's senior management teams and relevant external parties.

3.8 Reporting to the Board on Unilever's standing in the external world, particularly among target audiences.

### 4. Authority

The Committee is authorised to investigate any matter within its terms of reference, using, at Unilever's expense, resources from within Unilever or from external sources as the Committee considers necessary. The Committee is authorised to seek information from any Director, Senior Corporate Executive or employee, and from any adviser, agent or representative of Unilever for the purpose of fulfilling its duties.

### 5. Meetings

5.1 Meetings are held four times a year, and on such other occasions as the Chairman of the Committee considers appropriate.

5.2 Meetings are convened by written notice served on each of the members by the Secretary of the Committee.

5.3 All members of the Committee are expected to attend each meeting.

5.4 The quorum for meetings is two Non-Executive Directors.

5.5 Meetings of the Committee may be attended by the SVP Global Communications and the SVP Sustainability will attend as required. The Group Secretary, Chief Auditor and other Directors, executives and employees will attend at the invitation of the Committee.

5.6 All or any members of the Committee may participate in a meeting by teleconference or videoconference. A person so participating is deemed to be present in person at the meeting and shall be counted in a quorum accordingly.

5.7 Formal decisions are made by a simple majority vote, with the Chairman of the Committee holding a casting vote.

5.8 The Secretary shall be responsible, in conjunction with the Chairman of the Committee, for compiling and circulating the agenda and papers for the meeting. The Secretary will also be responsible for liaising with the Leadership Executive to ensure that all papers, reports etc required by the Committee are forwarded to them in a timely manner.

**6. Reporting, Self-Assessment and Performance Evaluation**

- 6.1 The Committee reports to the Board on a regular basis.
- 6.2 The Secretary prepares minutes of all meetings of the Committee and these are promptly circulated to the members of the Committee.
- 6.3 The Committee reviews and assesses annually the adequacy of these Terms of Reference, and confirms that all the responsibilities set out in the current Terms of Reference have been carried out.
- 6.4 The Committee ensures that its current Terms of Reference are made available on Unilever's external website.
- 6.5 The Committee conducts an annual progress review to ensure that the Committee is functioning in accordance with its Terms of Reference, and reports thereon to the Board. This evaluation takes into account the views of the Board on the performance of the Committee.
- 6.6 The Committee publishes its progress review in the Annual Report and Accounts of NV and PLC.

**7. Annual General Meeting**

The Chairman or another member of the Committee attends the Annual General Meetings of Unilever and is available to answer any questions referred to him by the Chairman.

## Appendix 5 – Terms of Reference of the Disclosure Committee

### 1. Constitution

The Disclosure Committee is responsible for the establishment and maintenance of disclosure controls and procedures and the evaluation thereof and also with the appropriateness of the disclosures made. It is responsible to the Board through the Chief Executive Officer.

### 2. Membership

- 2.1 The membership of the Committee comprises the Controller, the Chief Legal Officer, the Group Treasurer, the PLC Deputy Secretary and the NV Deputy Secretary.
- 2.2 The Chairman of the Committee is the Controller or, in his absence for any meeting, whoever is appointed by the Committee to that position for that meeting.
- 2.3 The Secretary of the Committee is whoever is appointed by the Committee to that position.
- 2.4 The Chairman of the Committee may review the membership of the Committee and may add to the membership of the Committee.
- 2.5 The Head of Investor Relations, external auditors, legal advisers and brokers and any other person the Committee deems appropriate may be invited to attend meetings.

### 3. Remit

- 3.1 The purpose of the Committee is to ensure that information required to be disclosed by Unilever in the reports that it files or submits is properly identified, recorded, processed, summarised and reported to the senior management of Unilever, as appropriate, to allow timely decisions regarding required disclosure.
- 3.2 The Committee evaluates the adequacy of Unilever's disclosure controls and procedures with respect to its reports and assists in their design and implementation.
- 3.3 The Committee ensures the timely and accurate disclosure of all information that is required to be disclosed to meet the legal and regulatory obligations and requirements arising from its listings of both debt and equity.
- 3.4 The Committee maintains insider lists and manages and follows the operating procedures as set out in the Preventing Insider Dealing Code Policy and in the Unilever Disclosure and Share Dealing Manual.

### 4. Duties

In order to achieve its purpose, the Committee has the following duties:

- 4.1 to determine on a timely basis the disclosure treatment of material information and review any announcements dealing with any information that might have a significant effect on the share price and ensure the accuracy thereof and to consider generally the requirement for announcements in the case of rumours relating to Unilever and in the case of a leak of inside information, and in particular, the need to issue holding announcements.
- 4.2 the identification of inside information for the purposes of securing this information and maintaining the insider lists and alerting Corporate Secretaries, London to the existence of inside information giving rise to the need for amendments to or the creation of insider lists;
- 4.3 to identify and consider disclosure issues in connection with the preparation of periodic reports and participate in the review of such disclosures. As part of this process, the Committee shall:
  - (i) Review Unilever's periodic reports;
  - (ii) Review and discuss with senior financial management whether Unilever's periodic reports provide a fair presentation of its financial condition, results of operation and cash flows;
  - (iii) Assess the materiality of specific events, developments or risks to Unilever;
  - (iv) Review financial reporting issues that are significant to Unilever and other material reporting matters where the person primarily responsible for such matters made significant judgements (either independently or in consultation with others);
- 4.4 to monitor compliance with the Preventing Insider Dealing Code Policy and the Unilever Disclosure and Share Dealing Manual.
- 4.5 to review on an annual basis the section 302 certifications and the section 404 assertion made in relation to Unilever's disclosure controls and procedures.
- 4.6 to evaluate the effectiveness of Unilever's procedures for recording, processing, summarising and reporting of information required to be disclosed by the Group in its filings by reviewing on an annual basis the section 302 certifications and section 404 assertion.

## Appendix 5 – Terms of Reference of the Disclosure Committee continued

### 5. Authority

- 5.1 The Committee is entitled to employ the services of such advisers as it deems necessary to fulfil its responsibilities.

### 6. Meetings

- 6.1 Meetings are held at least five times a year, and on such other occasions as the Chief Financial Officer, Chief Executive Officer, Chief Legal Officer or Chairman of the Committee shall consider appropriate.
- 6.2 Meetings are convened by reasonable notice being served on each of the members by the Secretary.
- 6.3 All members of the Committee are expected to attend each meeting.
- 6.4 The quorum for meetings is two members, one of which must be the Chief Legal Officer, the NV Deputy Secretary or the PLC Deputy Secretary. Attendance can be by telephone.
- 6.5 All or any members of the Committee may participate in a meeting by teleconference or videoconference. A person so participating is deemed to be present in person at the meeting and shall be counted in a quorum accordingly.
- 6.6 Formal decisions are made by a simple majority vote, with the Chairman of the meeting holding a casting vote.
- 6.7 The Secretary shall be responsible, in conjunction with the Chairman of the Committee, for compiling and circulating the agenda and papers for the meeting. The Secretary will also be responsible for liaising with the Leadership Executive to ensure that all papers, reports etc. required by the Committee are forwarded to them in a timely manner.

### 7. Reporting

- 7.1 The Committee will report on its conclusions about the effectiveness of the disclosure controls and procedures and any other disclosure issues it considers, whenever appropriate, to the Chief Financial Officer, Chief Executive Officer and, where necessary, to the Audit Committee and/or the Board.
- 7.2 The Secretary will prepare minutes of all meetings of the Committee and these shall be promptly circulated to all members of the Committee and to the Board.

## Appendix 6A – Code of Business Principles

### Chairman's Introduction

Unilever has earned a reputation for conducting its business with integrity and with respect for the interests of those our activities can affect. This reputation is an asset, just as real as our people and brands.

Our first priority is to be a successful business and that means investing for growth and balancing short term and long term interests. It also means caring about our consumers, employees and shareholders, our business partners and the world in which we live.

To succeed requires the highest standards of behaviour from all of us. The general principles contained in this Code set out those standards. More detailed guidance tailored to the needs of different countries and companies will build on these principles as appropriate, but will not include any standards less rigorous than those contained in this Code.

We want this Code to be more than a collection of high sounding statements. It must have practical value in our day to day business and each one of us must follow these principles in the spirit as well as the letter.

### Standard of Conduct

We conduct our operations with honesty, integrity and openness, and with respect for the human rights and interests of our employees.

We shall similarly respect the legitimate interests of those with whom we have relationships.

### Obeying the Law

Unilever companies and our employees are required to comply with the laws and regulations of the countries in which we operate.

### Employees

Unilever is committed to diversity in a working environment where there is mutual trust and respect and where everyone feels responsible for the performance and reputation of our company.

We will recruit, employ and promote employees on the sole basis of the qualifications and abilities needed for the work to be performed.

We are committed to safe and healthy working conditions for all employees. We will not use any form of forced, compulsory or child labour.

We are committed to working with employees to develop and enhance each individual's skills and capabilities.

We respect the dignity of the individual and the right of employees to freedom of association.

We will maintain good communications with employees through company based information and consultation procedures.

### Consumers

Unilever is committed to providing branded products and services which consistently offer value in terms of price and quality, and which are safe for their intended use. Products and services will be accurately and properly labelled, advertised and communicated.

### Shareholders

Unilever will conduct its operations in accordance with internationally accepted principles of good corporate governance. We will provide timely, regular and reliable information on our activities, structure, financial situation and performance to all shareholders.

### Business Partners

Unilever is committed to establishing mutually beneficial relations with our suppliers, customers and business partners. In our business dealings we expect our business partners to adhere to business principles consistent with our own.

### Community Involvement

Unilever strives to be a trusted corporate citizen and, as an integral part of society, to fulfil our responsibilities to the societies and communities in which we operate.

### Public Activities

Unilever companies are encouraged to promote and defend their legitimate business interests. Unilever will co-operate with governments and other organisations, both directly and through bodies such as trade associations, in the development of proposed legislation and other regulations which may affect legitimate business interests.

Unilever neither supports political parties nor contributes to the funds of groups whose activities are calculated to promote party interests.

### The Environment

Unilever is committed to making continuous improvements in the management of our environmental impact and to the longer-term goal of developing a sustainable business.

Unilever will work in partnership with others to promote environmental care, increase understanding of environmental issues and disseminate good practice.

### Innovation

In our scientific innovation to meet consumer needs we will respect the concerns of our consumers and of society. We will work on the basis of sound science applying rigorous standards of product safety.

### Competition

Unilever believes in vigorous yet fair competition and supports the development of appropriate competition laws. Unilever companies and employees will conduct their operations in accordance with the principles of fair competition and all applicable regulations.

## Appendix 6A – Code of Business Principles continued

### Business Integrity

Unilever does not give or receive whether directly or indirectly bribes or other improper advantages for business or financial gain. No employee may offer give or receive any gift or payment which is, or may be construed as being, a bribe. Any demand for, or offer of, a bribe must be rejected immediately and reported to management.

Unilever accounting records and supporting documents must accurately describe and reflect the nature of the underlying transactions. No undisclosed or unrecorded account, fund or asset will be established or maintained.

### Conflicts of Interests

All Unilever employees are expected to avoid personal activities and financial interests which could conflict with their responsibilities to the company.

Unilever employees must not seek gain for themselves or others through misuse of their positions.

### Compliance – Monitoring – Reporting

Compliance with these principles is an essential element in our business success. The Unilever Board is responsible for ensuring these principles are applied throughout Unilever.

The Chief Executive Officer is responsible for implementing these principles and is supported in this by the Global Code and Policy Committee comprising the Chief Legal Officer (Chairman of the Global Code and Policy Committee), the Chief Auditor, the Controller, the SVP Communications, the VP Risk and Compliance and relevant representatives from the Supply Chain and Human Resources. Quarterly reports are included in the Controller's Risk and Control Report.

Day to day responsibility is delegated to all senior management of the geographies, categories, functions and operating companies. They are responsible for implementing these principles, if necessary through more detailed guidance tailored to local needs, and are supported in this by Cluster Code Committees comprising the Cluster General Counsel together with representatives from all relevant functions and categories.

Assurance of compliance is given and monitored each year. Compliance with the Code is subject to review by the Board supported by the Corporate Responsibility and Reputation Committee and for financial and accounting issues the Audit Committee.

Any breaches of the Code must be reported in accordance with the procedures specified by the Chief Legal Officer. The Board of Unilever will not criticise management for any loss of business resulting from adherence to these principles and other mandatory policies and instructions.

The Board of Unilever expects employees to bring to their attention, or to that of senior management, any breach or suspected breach of these principles.

Provision has been made for employees to be able to report in confidence and no employee will suffer as a consequence of doing so.

## Appendix 6B – Terms of Reference of Global Code and Policy Committee

### 1. Constitution

The Global Code and Policy Committee (“GCPC”) assists the Board of Unilever, the Leadership Executive and in particular the Chief Executive Officer in fulfilling their responsibilities in respect of the Code of Business Principles and Unilever’s Code Policies.

### 2. Membership

There are three core members of the GCPC who are appointed by the Chief Executive Officer from time to time. These are the Chief Legal Officer, Controller and Chief Auditor. Other functions and/or regions may be represented on the GCPC.

The Chair of the GCPC is appointed by the Chief Executive Officer and is currently the Chief Legal Officer. The Secretary of the Committee is appointed by the Chair of the GCPC, in consultation with the other core members, and is currently the VP Code & Risk Governance.

### 3. Remit

The GCPC has responsibility for the oversight of Unilever’s conduct with regard to the Code of Business Principles and Unilever’s Code Policies. This shall include but is not limited to the following:

- 3.1 monitoring whether the Code of Business Principles and Unilever’s Code Policies are up to date, taking into account external developments as well as the needs of the business;
- 3.2 recommending amendments to the Code of Business Principles to the Leadership Executive and to the Board and recommending changes to any of Unilever’s Code Policies (including the Supplier Code) to the relevant sponsor(s) of each Unilever Code Policy;
- 3.3 being responsible for ensuring the effective communication of the Code of Business Principles and Unilever Code Policies into the business and as such shall determine the appropriate communication/training plans in relation to the Code of Business Principles and Unilever Code Policies;
- 3.4 determining the appropriate level of assurance activities that are required to be performed by the business so that the Board and Chief Executive Officer have reasonable assurance that the Code of Business Principles and Unilever Code Policies are being complied with;
- 3.5 determining who is responsible for executing the operational activities related to the Code of Business Principles and Unilever Code Policies within the business with respect to communication, training, reporting of breaches, investigating breaches, determining sanctions for an incident and assurance reporting;

- 3.6 monitoring the clusters’ embedding of and compliance with the Code of Business Principles and Unilever Code Policies;
- 3.7 ensuring the Code Operations Manual is relevant/appropriate;
- 3.8 determining the sanction guidelines in relation to the Code of Business Principles and Unilever Code Policies;
- 3.9 recommending business actions needed to address particular areas of non compliance;
- 3.10 reviewing the quarterly information on Code cases as prepared by the VP Code and Risk Governance (including details of all noteworthy cases);
- 3.11 involvement in particular Code cases, as determined by the GCPC from time to time, and making recommendations on the conduct or outcome of such cases as appropriate;
- 3.12 deciding which matters need to be brought to the attention of the Chief Executive Officer, Leadership Executive, Audit Committee, Corporate Responsibility and Reputation Committee and/or the Board.

Responsibility for the day-to-day management of the above responsibilities of the GCPC rests with its Secretary.

### 4. Authority

The GCPC is empowered to deal with any and all matters related to the Code of Business Principles and Unilever’s Code Policies. The GCPC is authorised to investigate any matter within its Terms of Reference, using, at Unilever’s expense, resources from within Unilever or from external sources as the GCPC considers necessary. The GCPC is authorised to seek information from any Director, member of the Leadership Executive, or other employee, and from any adviser, agent or representative of Unilever for the purpose of fulfilling its duties.

All core members of the GCPC and the Secretary to the GCPC shall have authority to communicate directly to the chairman of the Audit Committee and/or to the chairman of the CRRRC on matters relating to content of and compliance with the Code of Business Principles and Unilever Code Policies.

**5. Meetings**

The GCPC shall meet at least four times a year.

All members of the GCPC are expected to attend each meeting. The quorum for meetings is three persons, one of whom must either be the Chief Legal Officer, the Chief Auditor, or the Controller. Meetings of the GCPC may also be attended by Directors, members of the Leadership Executive and other employees or external advisors at the invitation of the GCPC. All or any members of the GCPC may participate in a meeting by teleconference or videoconference. A person so participating is deemed to be present in person at the meeting and shall be counted in a quorum accordingly.

Formal decisions are made by a simple majority vote, with the Chair of the GCPC holding a casting vote.

The Secretary to the GCPC shall be responsible, in conjunction with the Chair, for compiling and circulating the agenda, papers and minutes relating to each meeting.

**6. Reporting and Evaluation**

The GCPC reports to the Leadership Executive, the Audit Committee and the Corporate Responsibility and Reputation Committee (plus to the Board for noting) on, at least, a half-yearly basis.

The GCPC conducts an annual review of the adequacy of its Terms of Reference and an annual self assessment as to whether it is functioning in accordance with these. It reports thereon to the Leadership Executive, the Audit Committee and the Corporate Responsibility and Reputation Committee.

**7. Annual General Meeting**

The Chair or, failing the Chair, another member of the GCPC shall attend the Annual General Meetings of Unilever and is available to answer any questions referred to him or her by the Chairman of the Board.

## Appendix 7 – Profile of Unilever’s Board of Directors

### 1. General

The purpose of this profile is to provide guiding principles for the composition of the Unilever Board in line with the recommendations of the UK Combined Code on Corporate Governance, the Dutch Corporate Governance Code and the Corporate Governance Standards of the New York Stock Exchange as applicable to Foreign Private Issuers.

### 2. Composition

2.1 The composition and qualities of the Board as a whole should be in keeping with the size of Unilever, its portfolio, culture and geographical spread and its status as a listed company.

2.2 The Board should be of sufficient size that the balance of skills and experience is appropriate for the requirements of the business and should furthermore include a balance of Executive and Non-Executive Directors, with a majority of Independent Non-Executive Directors. The composition of the Board shall be such that the members are able to act critically and independently of one another and any particular interest.

2.3 With respect to diversity in the composition of the Board the objective pursued by the Board is to have a variation of age, gender, expertise, social background and nationality.

### 3. Desired expertise and experience

In view of Unilever’s objectives and activities, it is important that the Board has sufficient financial literacy, has at least one financial expert and is composed in such a way that the following expertise and experience are present in one or more of its members:

- (i) Understanding of the markets where Unilever is active, in particular also the developing and emerging markets;
- (ii) Experience in and understanding of the fast moving consumer goods (FMCG) market;
- (iii) Executive management experience and knowledge of corporate governance issues at main board level with a company comparable in size and international spread of activities with multiple stock exchange listings;
- (iv) Understanding of human resources and remuneration of large international companies;

(v) Experience with financial administration, accounting policies and internal control;

(vi) Risk management of multinationals with share listings;

(vii) Knowledge of marketing and commercial expertise;

(viii) Awareness of corporate social responsibility issues; and

(ix) Experience with R&D in those fields where the company is active.

### 4. Desired personal qualifications

4.1 Besides expertise, experience, contacts, vision and adequate availability, personal qualities such as impartiality, integrity, tolerance of other points of view, balance and ability to act critically and independently are evenly important.

4.2 Directors should be capable of assessing the broad outline of the overall policy and shall have the specific expertise required for the fulfilment of the duties assigned to the role designated to them within the framework of the Board profile.

4.3 Directors should observe the principles underlying the corporate governance codes of the Netherlands, the UK and the US.

4.4 Non-Executive Directors should be independent of Unilever (see Section 5.5 of The Governance of Unilever) and should avoid material conflicts of interest.

4.5 Business in the Board and its Committees will be conducted in the English language and Directors therefore should be fluent in English.

### 5. Availability

Each Board member shall have sufficient time available for the proper performance of his or her duties. Directors should be sufficiently free of other commitments to be able to devote the time needed to prepare for meetings and participate in induction, training, appraisal and other Board associated activities.

### 6. Profile

This profile will guide the Nomination Committee and the Board on the occasion of the nomination of Directors. It will be reviewed and updated by the Board periodically.

## Appendix 8 – Terms of Reference of Routine Business Committees

### A. NV – Routine Business Authorities, Powers of Representation

1. As provided for in Article 24.2 of the Articles of Association of NV, the Board has the power, without prejudice to its responsibility, to cause NV to be represented by one or more attorneys, which attorneys shall have such powers as shall be assigned to them by the Board on or after their appointment, in conformity with the Articles of Association of NV.
2. In accordance with the above the Board has resolved, pursuant to the resolution set out in Appendix 9, that Committees composed of any two or more of the following: Executive Directors and the persons for the time being holding the positions of Group Secretary, Deputy Secretary, Senior Corporate Counsel, Contoller and Treasurer have power:
  - (a) to do all such things in connection with the administration of any existing or future NV executive or employee share option scheme or other share based or share-option based incentive or reward plan and to purchase shares to meet obligations under any scheme or plan;
  - (b) to appoint any person or persons as NV's representative at any meeting of any company or other body of which NV is a member;
  - (c) to appoint any person or persons as NV's attorney or agent for carrying out any authorised purpose; and
  - (d) to sign any document relating to any authorised purpose;

without prior notice to other Directors or Officers of the meeting of any such Committee; provided that the Secretary shall cause Minutes of the proceedings of such Committees to be entered in the Minute Book of the Directors' Meetings and copies to be circulated to all Directors prior to, and as a part of the agenda for, the quarterly Board Meetings.

### B. PLC – Routine Business Committees

Committees composed of any two or more of the following: Executive Directors and the persons for the time being holding the positions of Group Secretary, Chief Legal Officer, Deputy Secretary, Senior Assistant Secretary, Contoller and Treasurer have power:

- (a) to authorise the allotment and issue of ordinary shares in the capital of PLC on the exercise of options granted under the Executive Share Option Schemes and the Share Save Scheme of PLC;
- (b) to do all such things in connection with the administration of any existing or future PLC executive or employee share option scheme or other share-based or share-option based incentive or reward plan and to purchase shares to meet obligations under any scheme or plan;
- (c) to appoint any person or persons as PLC's Company's representative at any meeting of any company or other body of which the Company is a member;
- (d) to appoint any person or persons as PLC's attorney or agent for carrying out any authorised purpose;
- (e) to sign any Deed or other document relating to any authorised purpose; and
- (f) to authorise the impression of the Seal of PLC on any Deed or other document and to attest its application thereon;

without prior notice to other Directors or Officers of the meeting of any such Committee; provided that the Secretary shall cause minutes of the proceedings of such Committees to be entered in the Minute Book of the Directors' Meetings and copies to be circulated to all Directors prior to, and as a part of the agenda for, the quarterly Board Meetings.

## Appendix 9 – Form of Delegation Resolution

The following is a resolution passed by the Boards of Unilever N.V. and Unilever PLC on 8 December 2011.

THAT with effect from 1 January 2012:

- (1) the Board hereby entrusts and confers upon the Chief Executive Officer all of its powers, authorities and discretions in relation to the operational running of the Unilever Group (with power to sub-delegate any such powers, authorities and discretions) and specifically all of its powers, authorities and discretions in relation to those matters set out in paragraphs 7.2 to 7.14 of The Governance of Unilever (whether or not those matters relate to the operational running of the Unilever Group) provided that all those matters set out in paragraphs 3.2 to 3.2.10 of The Governance of Unilever (whether or not those matters relate to the operational running of the Company) shall be reserved to the Board and the Board's powers, authorities and discretions in relation to those matters are not hereby delegated. This delegation of powers, authorities and discretions by the Board is made collaterally with (and not to the exclusion of) its own powers, authorities and discretions;
- (2) the Board hereby approves and adopts the terms of reference of each of the following committees as set out in the relevant Appendix to the Governance of Unilever as specified in the following table and delegates to each such committee the authorities and/or powers set out in such specified paragraph of the relevant Appendix as set out in the following table:

Name of Committee	Terms of Reference	Authorities
Nomination Committee	Appendix 1	Paragraph 4
Remuneration Committee	Appendix 2	Paragraph 5
Audit Committee	Appendix 3	Paragraph 4
Corporate Responsibility and Reputation Committee	Appendix 4	Paragraph 4
Disclosure Committee	Appendix 5	Paragraph 5
Global Code and Policy Committee	Appendix 6B	Paragraph 4
Routine Business Committees	Appendix 8	Paragraph A.2 and B

Without prejudice to the delegations set out in paragraph (1) and (2) of this resolution and without limiting the authority conferred by such delegations the document entitled "The Governance of Unilever" is approved and adopted by the Boards as internal practices and procedures to be followed by members of the Unilever Group and its officers and employees provided that the approval and adoption of "The Governance of Unilever" shall (i) in no way affect the scope or validity of the delegations set out in paragraphs (1) and (2) of this resolution, (ii) be binding only on members of Unilever Group and its officers and employees and shall be binding only as matters of internal policy and procedure, and (iii) not be relevant to, and shall not need to be taken into account by any third party dealing with any member of the Unilever Group in relation to, the question of whether any such dealing has been properly authorised and further provided that it is hereby confirmed that any failure to comply with any of the provisions of "The Governance of Unilever" shall have no effect in relation to the question of whether a dealing or transaction entered into by any member of the Unilever Group has been properly authorised;

PROVIDED that this resolution and any changes it makes to the powers, authorities and discretions delegated to any person or committee shall not affect the validity of, and shall be without prejudice to, any exercise of such powers, authorities or discretions prior to the date on which this resolution becomes effective including, without limitation, any exercise of the power to sub-delegate prior to that date.



**Unilever N.V.**

Weena 455, PO Box 760  
3000 DK Rotterdam  
The Netherlands  
T +31 (0)10 217 4000  
F +31 (0)10 217 4798

Commercial Register Rotterdam  
Number: 24051830

**Unilever PLC**

Unilever House  
100 Victoria Embankment  
London EC4Y 0DY  
United Kingdom  
T +44 (0)20 7822 5252  
F +44 (0)20 7822 5951

**Unilever PLC registered office**

Unilever PLC  
Port Sunlight  
Wirral  
Merseyside CH62 4ZD

United Kingdom  
Registered in England  
and Wales  
Company Number: 41424

[www.unilever.com](http://www.unilever.com)

