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Certain sections of the Unilever Annual Report and Accounts 2007 have been audited. Sections that have been audited are set out on pages 69 to 121, 125 to 126, 128 to 130 and 133 to 135. The auditable part of the Directors' Remuneration report as set out on page 49 has also been audited.

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The information is given as of the dates specified, is not updated, and any forward-looking statements are made subject to the reservations specified on the final page of the Report.

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Report of the Nomination Committee

Terms of Reference

The Nomination Committee comprises two Independent Non-Executive Directors and the Chairman. It is chaired by David Simon, Vice Chairman and Senior Independent Director. Its other members are Michael Treschow and Jeroen van der Veer. The Group Secretary acts as secretary to the Committee.

The Committee is responsible for drawing up selection criteria and appointment procedures for Directors. Under Unilever's corporate governance arrangements all Executive and Non-Executive Directors offer themselves for election each year at the Annual General Meetings, unless they are retiring. The Nomination Committee is responsible for recommending candidates for nomination as Executive Directors, including Group Chief Executive, and Non-Executive Directors each year. The Committee does so on the basis of an evaluation of the Boards, its Committees and its individual members. The Committee periodically assesses the size and the composition of the Board, and makes proposals for the composition profile of the Board.

After Directors have been appointed by shareholders the Committee recommends to the Board candidates for election as Chairman and Vice-Chairman.

In addition to its responsibility for succession planning within and to the Board, under its Terms of Reference the Committee has responsibility for supervising the policy of the Group Chief Executive on the selection criteria and appointment procedures for senior management.

The Committee keeps oversight of all matters relating to corporate governance and brings any issues to the attention of the Boards. The Committee's full Terms of Reference and the information used by it for succession planning are available on our website www.unilever.com/investorcentre/corpgovernance

Process for the appointment of Directors

Unilever has formal procedures for evaluation of the Boards, the Board Committees and the individual Directors. The results of the evaluations are provided to the Committee when it discusses the nominations for election as Directors. All Directors offer themselves for re-election every year, unless they are retiring.

Where a vacancy arises on the Boards, the Committee seeks the services of specialist recruitment firms and other external experts to assist in finding individuals with the appropriate skills and expertise.

In nominating Directors to the Boards, the Committee follows the agreed Board Profile of potential Non-Executive Directors, which takes into account the roles of Non-Executive Directors set out in the Dutch Corporate Governance Code and the UK Combined Code on Corporate Governance. Under the terms of the Governance of Unilever the Boards should comprise a majority of Non-Executive Directors and the Profile provides that three of these have strong financial experience, and staff the Audit Committee. To represent Unilever's areas of interest, the Profile also indicates there should be a strong representation from Developing and Emerging markets as well as from Europe and North America. Non-Executives should be independent of Unilever and free from any conflicts of interest.

The Profile looks at diversity in terms of nationality, race, gender and relevant expertise and directs that, wherever possible, the Boards should reflect Unilever's consumer base. For more details see www.unilever.com/investorcentre/corpgovernance

Activities of the Committee during the year

The Committee met six times in 2007. David Simon and Jeroen van der Veer attended all meetings. The other Committee members attended all meetings that they were eligible to attend, except Jean-Cyril Spinetta who attended three out of four meetings he was eligible to attend.

The Committee proposed the nomination of all Directors offering themselves for re-election at the 2007 AGMs. In 2007, the Committee also proposed the nomination of the new Chairman, and three new Non-Executive Directors. These were Michael Treschow, Genevieve Berger, Narayana Murthy and Hixonia Nyasulu respectively.

Michael Treschow is the first person from outside Unilever to hold the office of Chairman and, following the restructuring of the Boards in recent years, is the first independent, Non-Executive Chairman. Michael has been a member of the Nomination Committee since June 2007.

The three new Non-Executive Directors appointed in 2007 were chosen specifically to strengthen the Boards' knowledge in IT and science as well as to increase representation from the D&E markets and enhance diversity of both background and expertise. All three Non-Executive Directors are members of the Corporate Responsibility and Reputation Committee.

In 2007 an outside executive search firm was engaged to identify candidates for the role of Chief Financial Officer, following the retirement of Rudy Markham at the 2007 AGMs. Jim Lawrence was chosen by the Boards, through the selection process, to become Chief Financial Officer with effect from 1 September 2007, and he will be nominated for election as an Executive Director at the 2008 AGMs.

Following the appointment of an outside consultant to support the 2006 evaluation process, an internal review was undertaken during 2007 in relation to the evaluation of the Boards, the Chairman, the individual Directors and the Board Committees based on the completion of a questionnaire.

The Committee discussed general matters of succession planning and talent management with the Group Chief Executive. The Committee reviewed and agreed new the terms of appointment of Non-Executive Directors in line with best practice.

Changes to composition

Antony Burgmans left the Committee when stepping down as Chairman in May 2007 and Jean-Cyril Spinetta stepped down when he resigned as a Director in September 2007. Michael Treschow was appointed to the Committee on 27 June 2007. At all times, the majority of the Nomination Committee consisted of independent Non-Executive Directors.

The Board evaluated the performance of the Committee and the Committee carried out a self assessment of its performance.

David Simon Chairman of the Nomination Committee
Michael Treschow
Jeroen van der Veer

Report of the Audit Committee

The role of the Audit Committee is to assist the Unilever Boards in fulfilling their oversight responsibilities regarding the integrity of Unilever's financial statements, risk management and internal control, compliance with legal and regulatory requirements, the external auditors' performance, qualifications and independence, and the performance of the internal audit function. During the year ended 31 December 2007 the principal activities of the Committee were as follows:

Financial statements

The Committee considered reports from the Chief Financial Officer on the quarterly and annual financial statements including other financial statements and disclosures prior to their publication, issues reviewed by the Disclosure Committee, and reviewed the Annual Report and Accounts and Annual Report on Form 20-F prior to publication.

Audit of the Annual Accounts

PricewaterhouseCoopers, Unilever's external auditors, reported in depth to the Committee on the scope and outcome of the annual audit, including their audit of internal control over financial reporting as required by Section 404 of the US Sarbanes-Oxley Act of 2002. Their reports included accounting matters, governance and control, and accounting developments.

Risk management and internal control arrangements

The Committee reviewed Unilever's overall approach to risk management and control, and its processes, outcomes and disclosure, including specifically:

- review of level of disclosure in quarterly financial results announcements;
- review of accounting principles and judgements with respect to financial statements, including the annual impairment review of goodwill and intangibles;
- Corporate Audit's interim and year-end reports on the Status of Risk Management and Control, and management's response;
- annual report from the Chief Financial Officer on business risks and positive assurance on operating controls and corporate policies; and a quarterly review of business risks and safeguards;
- the interim and year-end reports from the Code of Business Principles Compliance Committee;
- monitoring the resolution of complaints received through the global Ethics hotline including procedures for handling complaints and concerns relating to accounting, internal control and auditing matters;
- quarterly review of progress of the application of the requirements under Section 404 of the US Sarbanes-Oxley Act of 2002 with respect to internal controls over financial reporting;
- review of the application of information and communication technology;
- a review of the annual pension report and pensions related accounting and proposals;
- annual review of anti-fraud arrangements;
- a review of tax planning policy; and
- review of treasury policies, the annual financial plan and consideration of proposals relating to debt issuance, investment hedge, dividends and a review of the financial implications of acquisitions.

External auditors

The Audit Committee conducted a formal evaluation of the effectiveness of the external audit process. The Committee has approved the extension of the current external audit contract by one year, and recommended to the Boards the reappointment of the external auditors. On the recommendation of the Audit

Committee, the Directors will be proposing the reappointment of PricewaterhouseCoopers at the AGMs in May 2008 (see pages 131 and 136).

Both Unilever and the auditors have for many years had safeguards in place to avoid the possibility that the auditors' objectivity and independence could be compromised. The Committee reviewed the report from PricewaterhouseCoopers on the actions they take to comply with the professional and regulatory requirements and best practice designed to ensure their independence from Unilever.

The Committee also reviewed the statutory audit, other audit, tax and other services provided by PricewaterhouseCoopers, and compliance with Unilever's policy, which prescribes in detail the types of engagements for which the external auditors can and cannot be used:

- statutory audit services – as detailed above, including audit of subsidiaries;
- other audit services – work which regulations or agreements with third parties require the auditors to undertake e.g. in connection with borrowings and shareholder services;
- other services – statutory auditors may carry out work that they are best placed to undertake, including internal control reviews;
- acquisition and disposal services – where the auditors are best placed to do this work;
- tax services – all significant tax consulting work is put to tender, except where the auditors are best placed to do this; and
- general consulting – external auditors may not tender for general consulting work.

All engagements over €100 000 require specific advance approval of the Audit Committee Chairman. The overall policy is regularly reviewed and, where necessary, updated in the light of internal developments, external developments and best practice.

The Committee held independent meetings with the external auditors during the year.

Internal audit function

The Committee engaged in discussion and review of the Corporate Audit Department's audit plan for the year, and approved its budget and resource requirements.

The Committee carried out a formal evaluation of the performance of the internal audit function and confirmed that they were satisfied with their relationship with the Chief Auditor.

The Committee held independent meetings with the Chief Auditor during the year.

Audit Committee terms of reference

The Audit Committee's terms of reference can be viewed on Unilever's website at www.unilever.com or supplied on request. In June 2007, the terms of reference were updated to include the review of 'other financial statements and disclosures' prior to their publication.

Board Assessment of the Audit Committee

The Board evaluated the performance of the Committee and the Committee carried out a self assessment of its performance.

Kees Storm Chairman of the Audit Committee
Wim Dik
Charles Golden
Byron Grote

Report of the Corporate Responsibility and Reputation Committee

Terms of reference

The Corporate Responsibility and Reputation Committee (CRRC) comprises four independent Non-Executive Directors and one Executive Director, the latter being the person who chairs Unilever's Corporate Responsibility Council.

In May 2007 three new independent members were appointed to the Committee – Genevieve Berger, Narayana Murthy and Hixonia Nyasulu. They replaced Antony Burgmans and Lynda Chalker who retired. Wim Dik stood down from the Committee in September 2007. Leon Brittan replaced Lynda Chalker as Chairman of the Committee and thanked departing members for their support and the valuable insights they had contributed to the Group's thinking.

The Committee has responsibility for overseeing Unilever's conduct as a responsible corporate citizen. It is also charged with ensuring that Unilever's reputation is protected and enhanced. Inherent in this is the need to identify any external developments which are likely to have an influence upon Unilever's standing in society and to bring these to the attention of the executive team.

One of the issues the Committee oversees is that of sustainable development. In this capacity the Committee is building links with the Unilever Sustainable Development Group (USDG) – a body of five eminent people who advise on Unilever's sustainability strategy. To facilitate greater synergy between the two groups, members of the CRRC share the briefings of the USDG and are invited to join their meetings.

Full details of the Corporate Responsibility and Reputation Committee's terms of reference and details of the members of the Unilever Sustainable Development Group are available at www.unilever.com/investorcentre/corpogovernance

Meetings

Committee meetings are held quarterly. In 2007 the Committee discussed a range of topics including Unilever's Code of Business Principles, human rights, its Business Partner Code and supplier assurance, corporate responsibility strategy, reporting and measurement. Further details of these discussions are set out below.

Code of Business Principles

At its April meeting in Durban, the Committee discussed the practices of Unilever South Africa in implementing and communicating the Code of Business Principles. Committee members commended Unilever on its thorough and rigorous approach to procedures for upholding the principles and its ongoing efforts to maintain awareness of the Code through diverse communications channels.

Human rights

The Committee supported a review of Unilever's approach to human rights. The aim of the review was to ensure that Unilever continues to live up to its ethical standards, as defined in the Code of Business Principles, and that effective communications and compliance mechanisms are in place. It concluded that further training was needed and that clearer definition of the various elements of human rights was required in order to increase employee awareness and understanding.

Currently, compliance monitoring of Unilever's human rights obligations is delivered via the positive assurance process. The

review proposed that this should be complemented by a system of continuous improvement (akin to the systems Unilever uses for safety, health and environment), based primarily on self-assessment at site level and supported by periodic external audits. The self-assessment methodology is designed to be consistent with that used to monitor suppliers' compliance with our Business Partner Code.

Business Partner Code

Unilever's Business Partner Code is based on its Code of Business Principles. It makes clear our expectations of suppliers in the areas of health and safety at work, business integrity, labour standards, consumer safety and the environment. Unilever's supply management is responsible for the roll-out of the Business Partner Code and for gaining supplier assurance.

As these areas are of increasing concern to both manufacturers and retailers, many companies are launching similar assurance initiatives, leading to multiple demands on suppliers to provide evidence of appropriate management policies and compliance with recognised social, environmental and labour standards.

As both a customer and a supplier, Unilever has a clear interest in avoiding this resource-intensive duplication of effort. To this end, Unilever initiated a collaborative forum with peer fast-moving consumer goods manufacturers to develop a common approach to supplier evaluation through self-assessment and shared audit. The Committee endorsed Unilever's commitment to responsible sourcing and offered suggestions to reinforce communication around the Business Partner Code.

Corporate responsibility strategy

Committee members reviewed Unilever's updated corporate responsibility strategy, including its CO₂ reduction targets. The importance of pursuing clear and realistic targets was emphasised, along with the need to engage retail customers on this agenda, which is becoming an increasingly important part of their business activities. The Committee recommended that the elements of the strategy be reflected clearly in Unilever's next sustainable development report. Members also studied the metrics Unilever uses to measure progress in its corporate responsibility initiatives and suggested ways in which these should be reinforced.

As part of its watching brief on current issues of concern to society, the Committee also received and commented on updates on a range of issues, including Unilever's approach to biofuels as a source of renewable energy, carbon footprinting, marketing to children, the use of 'size zero' models in advertising, sustainable sourcing of tea, packaging, and feedback on Unilever's participation in the World Economic Forum at Davos.

Board assessment of the Committee

The Board evaluated the performance of the Committee and the Committee carried out a self assessment of its performance.

More information about Unilever's corporate responsibility initiatives is available at www.unilever.com

Leon Brittan Chairman of the Corporate Responsibility and Reputation Committee

Genevieve Berger

Narayana Murthy

Hixonia Nyasulu

Ralph Kugler Executive Director