

UNILEVER PLC  
Form 20-F  
February 23, 2016  
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## SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

### FORM 20-F

(Mark one)

REGISTRATION STATEMENT PURSUANT TO SECTION 12(b) OR (g) OF THE  
SECURITIES EXCHANGE ACT OF 1934

OR

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES  
EXCHANGE ACT OF 1934

FOR THE FISCAL YEAR ENDED DECEMBER 31, 2015

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES  
EXCHANGE ACT OF 1934

OR

SHELL COMPANY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES  
EXCHANGE ACT OF 1934

Date of event requiring this shell company report

For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission file number 001-04546

# UNILEVER PLC

(Exact name of Registrant as specified in its charter)

ENGLAND

(Jurisdiction of incorporation or organization)

100 Victoria Embankment, London, England

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(Address of principal executive offices)

**T. E. Lovell, Group Secretary**

**Tel: +44(0)2078225252, Fax: +44(0)2078225464**

**100 Victoria Embankment, London EC4Y 0DY, UK**

(Name, telephone number, facsimile number and address of Company Contact)

Securities registered or to be registered pursuant to Section 12(b) of the Act:

| Title of each class   | Name of each exchange on which registered |
|---|---|
| <b>American Shares (evidenced by Depositary Receipts) each representing one ordinary share of the nominal amount of 3 1/9p each</b> | <b>New York Stock Exchange</b>            |

Securities registered or to be registered pursuant to Section 12(g) of the Act: **None**

Securities for which there is a reporting obligation pursuant to Section 15(d) of the Act: **None**

Indicate the number of outstanding shares of each of the issuer's classes of capital or common stock as of the close of the period covered by the annual report.

**The total number of outstanding shares of the issuer's capital stock at the close of the period covered by the annual report was:**  
**1,310,156,361 ordinary shares**

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act:

Yes  No

If this report is an annual or transition report, indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934:

Yes  No

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes  No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).

Yes  No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of accelerated filer and large accelerated filer in Rule 12b-2 of the Exchange Act.

Large Accelerated filer  Accelerated filer  Non-accelerated filer

Indicate by check mark which basis of accounting the registrant has used to prepare the financial statements included in this filing:

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U.S. GAAP

International Financial Reporting Standards  
as issued by the International Accounting  
Standards Board

Other

If Other has been checked in response to the previous question, indicate by check mark which financial statement item the registrant has elected to follow. Item 17  Item 18

If this is an annual report, indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act):

Yes  No

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**CAUTIONARY STATEMENT**

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

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

These forward-looking statements speak only as of the date of this document. Except as required by any applicable law or regulation, the Group expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements contained herein to reflect any change in the Group's expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based.

Further details of potential risks and uncertainties affecting the Group are described in the Group's filings with the London Stock Exchange, Euronext Amsterdam and the US Securities and Exchange Commission, including in the Group's Annual Report on Form 20-F for the year ended 31 December 2015 and the Annual Report and Accounts 2015.

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References in this Report on Form 20-F are to certain references in the Annual Report and Accounts 2015 of the Group (as defined below) that include pages incorporated therein, including any page references incorporated in the incorporated material, unless specifically noted otherwise.

The Group's Annual Report and Accounts 2015 was furnished separately on 23 February 2016 under Form 6-K. Pages 1 to 44 of the Group's Annual Report and Accounts 2015 were furnished as Exhibit 1 and pages 45 to 160 of the Group's Annual Report and Accounts 2015 were furnished as Exhibit 2 to this report on Form 6-K, respectively.

The following pages and sections of the Group's Annual Report and Accounts 2015 and specified information referenced therein, regardless of their inclusion in any cross-reference below, are hereby specifically excluded and are not incorporated by reference into this report on Form 20-F:

pages 4 to 9;

Seven-year historical Total Shareholder Return (TSR) Performance on page 81;

pages 85 to 89;

pages 148 to 159; and

information on our website or any other website or social media site, including our Facebook, Twitter and LinkedIn pages.

This report on Form 20-F and the Group's Annual Report and Accounts 2015 contain certain measures that are not defined by generally accepted accounting principles (GAAP) such as IFRS. We believe this information, along with comparable GAAP measurements, is useful to investors because it provides a basis for measuring our operating performance, ability to retire debt and invest in new business opportunities. Our management uses these financial measures, along with the most directly comparable GAAP financial measures, in evaluating our operating performance and value creation. Non-GAAP financial measures should not be considered in isolation from, or as a substitute for, financial information presented in compliance with GAAP. Non-GAAP financial measures as reported by us may not be comparable with similarly titled amounts reported by other companies. In addition, there are limitations on the usefulness of our reported non-GAAP financial measures.

We report on the following non-GAAP measures:

underlying sales growth;

underlying volume growth;

core operating profit and core operating margin (operating profit and operating margin before the impact of business disposals, acquisitions and disposal related costs, impairments and other one-off items);

core earnings per share (core EPS);

free cash flow; and

net debt.

The information set forth under the heading "Non-GAAP measures" on pages 38 and 39 of the Group's Annual Report and Accounts 2015 furnished separately on 23 February 2016 under Form 6-K is incorporated by reference. Within these pages further information about the above measures can be found.

**THE UNILEVER GROUP**

Unilever N.V. (NV) is a public limited company registered in the Netherlands, which has ordinary shares, depository receipts for such shares, 7% cumulative preference shares, listed depository receipts for such shares and 6% cumulative preference shares listed on Euronext Amsterdam and New York Registry Shares on the New York Stock Exchange. NV was incorporated under the name Naamlooze Vennootschap Margarine Unie in the Netherlands in 1927. Unilever PLC (PLC) is a public limited company registered in England and Wales, which has shares listed on



the London Stock Exchange and, as American Depositary Receipts, on the New York Stock Exchange. PLC was incorporated under the name Lever Brothers Limited in England and Wales in 1894.

The two parent companies, NV and PLC, together with their group companies have, since the Unilever Group was formed in 1930, operated as nearly as practicable as a single economic entity (the Unilever Group, also referred to as Unilever or the Group ). NV and PLC and their group companies constitute a single reporting entity for the purposes of presenting consolidated accounts. Accordingly, the accounts of the Unilever Group are presented by both NV and PLC as their respective consolidated accounts.

This document contains references to our website. Information on our website or any other website referenced in this document is not incorporated into this document and should not be considered part of this document. We have included any website as an inactive textual reference only.

## **ITEM 1. IDENTITY OF DIRECTORS, SENIOR MANAGEMENT AND ADVISERS**

Not applicable.

## **ITEM 2. OFFER STATISTICS AND EXPECTED TIMETABLE**

Not applicable.

**Table of Contents****ITEM 3. KEY INFORMATION****A. SELECTED FINANCIAL DATA**

The schedules below provide the Group's selected financial data for the five most recent financial years.

|  | <b>million</b> | million | million | million | million |
|--|----------------|---------|---------|---------|---------|
| <b>Consolidated income statement</b>   | <b>2015</b>    | 2014    | 2013    | 2012    | 2011    |
| <b>Turnover</b>  | <b>53,272</b>  | 48,436  | 49,797  | 51,324  | 46,467  |
| <b>Operating profit</b>  | <b>7,515</b>   | 7,980   | 7,517   | 6,977   | 6,420   |
| Net finance costs  | <b>(493)</b>   | (477)   | (530)   | (535)   | (543)   |
| Share of net profit/(loss) of joint ventures and associates and other income/(loss) from non-current investments | <b>198</b>     | 143     | 127     | 91      | 189     |
| <b>Profit before taxation</b>  | <b>7,220</b>   | 7,646   | 7,114   | 6,533   | 6,066   |
| Taxation   | <b>(1,961)</b> | (2,131) | (1,851) | (1,697) | (1,575) |
| <b>Net profit</b>  | <b>5,259</b>   | 5,515   | 5,263   | 4,836   | 4,491   |
| Attributable to:   |                |         |         |         |         |
| Non-controlling interests  | <b>350</b>     | 344     | 421     | 468     | 371     |
| Shareholders' equity   | <b>4,909</b>   | 5,171   | 4,842   | 4,368   | 4,120   |
| <b>Combined earnings per share<sup>(a)</sup></b>   | <b>2015</b>    | 2014    | 2013    | 2012    | 2011    |
| Basic earnings per share   | <b>1.73</b>    | 1.82    | 1.71    | 1.54    | 1.46    |
| Diluted earnings per share   | <b>1.72</b>    | 1.79    | 1.66    | 1.50    | 1.42    |

<sup>(a)</sup>For the basis of the calculations of combined earnings per share see Note 7 'Combined earnings per share' on page 108 of the Group's Annual Report and Accounts 2015 furnished separately on 23 February 2016 under Form 6-K and incorporated here by reference.

|                                   | <b>million</b> | million | million | million | million |
|-----------------------------------|----------------|---------|---------|---------|---------|
| <b>Consolidated balance sheet</b> | <b>2015</b>    | 2014    | 2013    | 2012    | 2011    |
| Non-current assets                | <b>39,612</b>  | 35,680  | 33,391  | 34,042  | 33,245  |
| Current assets                    | <b>12,686</b>  | 12,347  | 12,122  | 12,147  | 14,291  |
| <b>Total assets</b>               | <b>52,298</b>  | 48,027  | 45,513  | 46,189  | 47,536  |

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|   |                |         |         |         |         |
|---|----------------|---------|---------|---------|---------|
| Current liabilities   | <b>20,019</b>  | 19,642  | 17,382  | 15,815  | 17,929  |
| Non-current liabilities                                     | <b>16,197</b>  | 14,122  | 13,316  | 14,425  | 14,489  |
| <b>Total liabilities</b>                                    | <b>36,216</b>  | 33,764  | 30,698  | 30,240  | 32,418  |
| Shareholders' equity  | <b>15,439</b>  | 13,651  | 14,344  | 15,392  | 14,491  |
| Non-controlling interests                                   | <b>643</b>     | 612     | 471     | 557     | 628     |
| <b>Total equity</b>   | <b>16,082</b>  | 14,263  | 14,815  | 15,949  | 15,119  |
| <b>Total liabilities and equity</b>                         | <b>52,298</b>  | 48,027  | 45,513  | 46,189  | 47,537  |
|   | <b>million</b> | million | million | million | million |
| <b>Consolidated cash flow statement</b>                     | <b>2015</b>    | 2014    | 2013    | 2012    | 2011    |
| Net cash flow from operating activities                     | <b>7,330</b>   | 5,543   | 6,294   | 6,836   | 5,452   |
| Net cash flow from/(used in) investing activities           | <b>(3,539)</b> | (341)   | (1,161) | (755)   | (4,467) |
| Net cash flow from/(used in) financing activities           | <b>(3,032)</b> | (5,190) | (5,390) | (6,622) | 411     |
| <b>Net increase/(decrease) in cash and cash equivalents</b> | <b>759</b>     | 12      | (257)   | (541)   | 1,396   |
| Cash and cash equivalents at the beginning of the year      | <b>1,910</b>   | 2,044   | 2,217   | 2,978   | 1,966   |
| Effect of foreign exchange rates                            | <b>(541)</b>   | (146)   | 84      | (220)   | (384)   |
| <b>Cash and cash equivalents at the end of the year</b>     | <b>2,128</b>   | 1,910   | 2,044   | 2,217   | 2,978   |
|   | <b>2015</b>    | 2014    | 2013    | 2012    | 2011    |
| Underlying sales growth (%) <sup>(b)</sup>                  | <b>4.1</b>     | 2.9     | 4.3     | 6.9     | 6.5     |
| Underlying volume growth (%) <sup>(b)</sup>                 | <b>2.1</b>     | 1.0     | 2.5     | 3.4     | 1.6     |
| Core operating margin (%) <sup>(b)</sup>                    | <b>14.8</b>    | 14.5    | 14.1    | 13.7    | 13.5    |
| Free cash flow ( million) <sup>(b)</sup>                    | <b>4,796</b>   | 3,100   | 3,856   | 4,333   | 3,075   |

**Table of Contents****ITEM 3. KEY INFORMATION CONTINUED**

| <b>Ratios and other metrics</b>                           | <b>2015</b>   | 2014  | 2013  | 2012  | 2011  |
|---|---------------|-------|-------|-------|-------|
| Operating margin (%)                                      | <b>14.1</b>   | 16.5  | 15.1  | 13.6  | 13.8  |
| Net profit margin (%) <sup>(c)</sup>                      | <b>9.9</b>    | 10.7  | 9.7   | 8.5   | 8.9   |
| Net debt ( million) <sup>(b)</sup>                        | <b>11,505</b> | 9,900 | 8,456 | 7,355 | 8,781 |
| Ratio of earnings to fixed charges (times) <sup>(d)</sup> | <b>11.4</b>   | 12.3  | 11.7  | 10.2  | 9.8   |

<sup>(b)</sup> Non GAAP measures are defined and described on pages 38 and 39 of the Group's Annual Report and Accounts 2015 furnished separately on 23 February 2016 under Form 6-K and incorporated here by reference.

Reconciliations of non-GAAP measures to relevant GAAP measures are detailed below and should be read in conjunction with pages 38 and 39 of the Group's Annual Report and Accounts 2015.

<sup>(c)</sup> Net profit margin is expressed as net profit attributable to shareholders' equity as a percentage of turnover.

<sup>(d)</sup> In the ratio of earnings to fixed charges, earnings consist of net profit from continuing operations excluding net profit or loss of joint ventures and associates increased by fixed charges, income taxes and dividends received from joint ventures and associates. Fixed charges consist of interest payable on debt and a portion of lease costs determined to be representative of interest. This ratio takes no account of interest receivable although Unilever's treasury operations involve both borrowing and depositing funds.

|  | <b>2015</b>    | 2014    | 2013    | 2012    | 2011    |
|--|----------------|---------|---------|---------|---------|
| <b>Underlying sales growth (%)</b>                     | <b>vs 2014</b> | vs 2013 | vs 2012 | vs 2011 | vs 2010 |
| Underlying sales growth (%)                            | <b>4.1</b>     | 2.9     | 4.3     | 6.9     | 6.5     |
| Effect of acquisitions (%)                             | <b>0.7</b>     | 0.4     |         | 1.8     | 2.7     |
| Effect of disposals (%)                                | <b>(0.8)</b>   | (1.3)   | (1.1)   | (0.7)   | (1.5)   |
| Effect of exchange rates (%)                           | <b>5.9</b>     | (4.6)   | (5.9)   | 2.2     | (2.5)   |
| Turnover growth (%)                                    | <b>10.0</b>    | (2.7)   | (3.0)   | 10.5    | 5.0     |
|  | <b>2015</b>    | 2014    | 2013    | 2012    | 2011    |
| <b>Underlying volume growth (%)</b>                    | <b>vs 2014</b> | vs 2013 | vs 2012 | vs 2011 | vs 2010 |
| Underlying volume growth (%)                           | <b>2.1</b>     | 1.0     | 2.5     | 3.4     | 1.6     |
| Effect of price changes (%)                            | <b>1.9</b>     | 1.9     | 1.8     | 3.3     | 4.8     |
| Underlying sales growth (%)                            | <b>4.1</b>     | 2.9     | 4.3     | 6.9     | 6.5     |
|  | <b>million</b> | million | million | million | million |
| <b>Core operating margin and core operating profit</b> | <b>2015</b>    | 2014    | 2013    | 2012    | 2011    |
| Operating profit                                       | <b>7,515</b>   | 7,980   | 7,517   | 6,977   | 6,420   |
| Acquisition and disposal related cost                  | <b>105</b>     | 97      | 112     | 190     | 234     |
| (Gain)/loss on disposal of group companies             | <b>9</b>       | (1,392) | (733)   | (117)   | (221)   |

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|  |                |         |         |         |         |
|--|----------------|---------|---------|---------|---------|
| Impairments and other one-off items  | <b>236</b>     | 335     | 120     |         | (157)   |
| Core operating profit  | <b>7,865</b>   | 7,020   | 7,016   | 7,050   | 6,276   |
| Turnover   | <b>53,272</b>  | 48,436  | 49,797  | 51,324  | 46,467  |
| Operating margin (%)   | <b>14.1</b>    | 16.5    | 15.1    | 13.6    | 13.8    |
| Core operating margin (%)  | <b>14.8</b>    | 14.5    | 14.1    | 13.7    | 13.5    |
|  | <b>million</b> | million | million | million | million |
| <b>Free cash flow (FCF) to net profit</b>  | <b>2015</b>    | 2014    | 2013    | 2012    | 2011    |
| <b>Net profit</b>  | <b>5,259</b>   | 5,515   | 5,263   | 4,836   | 4,491   |
| Taxation   | <b>1,961</b>   | 2,131   | 1,851   | 1,697   | 1,575   |
| Share of net profit of joint ventures/associates and other income from non-current investments | <b>(198)</b>   | (143)   | (127)   | (91)    | (189)   |
| Net finance costs  | <b>493</b>     | 477     | 530     | 535     | 543     |
| Depreciation, amortisation and impairment  | <b>1,370</b>   | 1,432   | 1,151   | 1,199   | 1,029   |
| Changes in working capital   | <b>720</b>     | 8       | 200     | 822     | (177)   |
| Pensions and similar obligations less payments   | <b>(385)</b>   | (364)   | (383)   | (369)   | (540)   |
| Provisions less payments   | <b>(94)</b>    | 32      | 126     | (43)    | 9       |
| Elimination of (profits)/losses on disposals   | <b>26</b>      | (1,460) | (725)   | (236)   | (215)   |
| Non-cash charge for share-based compensation   | <b>150</b>     | 188     | 228     | 153     | 105     |
| Other adjustments  | <b>49</b>      | 38      | (15)    | 13      | 8       |
| <b>Cash flow from operating activities</b>   | <b>9,351</b>   | 7,854   | 8,099   | 8,516   | 6,639   |
| Income tax paid  | <b>(2,021)</b> | (2,311) | (1,805) | (1,680) | (1,187) |
| Net capital expenditure  | <b>(2,074)</b> | (2,045) | (2,027) | (2,143) | (1,974) |
| Net interest and preference dividends paid   | <b>(460)</b>   | (398)   | (411)   | (360)   | (403)   |
| <b>Free cash flow</b>  | <b>4,796</b>   | 3,100   | 3,856   | 4,333   | 3,075   |
| Net cash flow (used in)/from investing activities  | <b>(3,539)</b> | (341)   | (1,161) | (755)   | (4,467) |
| Net cash flow (used in)/from financing activities  | <b>(3,032)</b> | (5,190) | (5,390) | (6,622) | 411     |

**Table of Contents****ITEM 3. KEY INFORMATION CONTINUED**

|   | million         | million  | million  | million  | million  |
|---|-----------------|----------|----------|----------|----------|
| <b>Net debt to total financial liabilities</b>        | <b>2015</b>     | 2014     | 2013     | 2012     | 2011     |
| <b>Total financial liabilities</b>                    | <b>(14,643)</b> | (12,722) | (11,501) | (10,221) | (13,718) |
| Financial liabilities due within one year             | <b>(4,789)</b>  | (5,536)  | (4,010)  | (2,656)  | (5,840)  |
| Financial liabilities due after one year              | <b>(9,854)</b>  | (7,186)  | (7,491)  | (7,565)  | (7,878)  |
| <b>Cash and cash equivalents as per balance sheet</b> | <b>2,302</b>    | 2,151    | 2,285    | 2,465    | 3,484    |
| Cash and cash equivalents as per cash flow statement  | <b>2,128</b>    | 1,910    | 2,044    | 2,217    | 2,978    |
| Add bank overdrafts deducted therein                  | <b>174</b>      | 241      | 241      | 248      | 506      |
| <b>Other current financial assets</b>                 | <b>836</b>      | 671      | 760      | 401      | 1,453    |
| <b>Net debt</b>                                       | <b>(11,505)</b> | (9,900)  | (8,456)  | (7,355)  | (8,781)  |

**RATIO OF EARNINGS TO FIXED CHARGES (TIMES)**

For a calculation of our ratio of earnings to fixed charges see Item 19: Exhibits Calculation of Ratio of Earnings to Fixed Charges.

**DIVIDEND RECORD**

The following tables show the dividends declared and dividends paid by NV and PLC for the last five years, expressed in terms of the revised share denominations which became effective from 22 May 2006. Differences between the amounts ultimately received by US holders of NV and PLC shares are the result of changes in exchange rates between the equalisation of the dividends and the date of payment.

Following agreement at the 2009 Annual General Meetings (AGMs) and separate meetings of ordinary shareholders, the Equalisation Agreement was modified to facilitate the payment of quarterly dividends from 2010 onwards.

|  | 2015             | 2014      | 2013      | 2012      | 2011      |
|--|------------------|-----------|-----------|-----------|-----------|
| <b>Dividends declared for the year</b>                     |                  |           |           |           |           |
| <b>NV dividends</b>  |                  |           |           |           |           |
| Dividend per 0.16  | <b>1.21</b>      | 1.14      | 1.08      | 0.97      | 0.90      |
| Dividend per 0.16 (US Registry)                            | <b>US \$1.32</b> | US \$1.47 | US \$1.44 | US \$1.25 | US \$1.25 |
| <b>PLC dividends</b>                                       |                  |           |           |           |           |
| Dividend per 3 <sup>1</sup> / <sub>9</sub> p               | <b>£0.88</b>     | £0.90     | £0.91     | £0.79     | £0.78     |
| Dividend per 3 <sup>1</sup> / <sub>9</sub> p (US Registry) | <b>US \$1.32</b> | US \$1.47 | US \$1.44 | US \$1.25 | US \$1.25 |

**Dividends paid during the year****NV dividends**

|                                 |                  |           |           |           |           |
|---------------------------------|------------------|-----------|-----------|-----------|-----------|
| Dividend per 0.16               | <b>1.19</b>      | 1.12      | 1.05      | 0.95      | 0.88      |
| Dividend per 0.16 (US Registry) | <b>US \$1.32</b> | US \$1.51 | US \$1.40 | US \$1.23 | US \$1.24 |

**PLC dividends**

|  |                  |           |           |           |           |
|--|------------------|-----------|-----------|-----------|-----------|
| Dividend per 3 <sup>1</sup> / <sub>9</sub> p               | <b>£0.87</b>     | £0.91     | £0.89     | £0.77     | £0.77     |
| Dividend per 3 <sup>1</sup> / <sub>9</sub> p (US Registry) | <b>US \$1.32</b> | US \$1.51 | US \$1.40 | US \$1.23 | US \$1.24 |

**EXCHANGE RATES**

Unilever reports its financial results and balance sheet position in euros. Other currencies which may significantly impact our financial statements are sterling and US dollars. Average and year-end exchange rates for these two currencies for the last five years are given below.

|           | <b>2015</b>  | 2014  | 2013  | 2012  | 2011  |
|-----------|--------------|-------|-------|-------|-------|
| Year end  |              |       |       |       |       |
| 1 = US \$ | <b>1.092</b> | 1.215 | 1.378 | 1.318 | 1.294 |
| 1 = £     | <b>0.736</b> | 0.781 | 0.833 | 0.816 | 0.839 |
| Average   |              |       |       |       |       |
| 1 = US \$ | <b>1.111</b> | 1.334 | 1.325 | 1.283 | 1.396 |
| 1 = £     | <b>0.725</b> | 0.807 | 0.849 | 0.811 | 0.869 |

**Table of Contents****ITEM 3. KEY INFORMATION CONTINUED**

On 15 February 2016 (the latest practicable date for inclusion in this report), the exchange rates between euros and US dollars and between euros and sterling as published in the Financial Times in London were as follows: 1 = US \$1.124 and 1 = £0.778.

Noon Buying Rates in New York for cable transfers in foreign currencies as certified for customs purposes by the Federal Reserve Bank of New York were as follows:

|           | 2015         | 2014  | 2013  | 2012  | 2011  |
|-----------|--------------|-------|-------|-------|-------|
| Year end  |              |       |       |       |       |
| 1 = US \$ | <b>1.086</b> | 1.210 | 1.378 | 1.319 | 1.297 |
| Average   |              |       |       |       |       |
| 1 = US \$ | <b>1.110</b> | 1.330 | 1.328 | 1.286 | 1.393 |
| High      |              |       |       |       |       |
| 1 = US \$ | <b>1.202</b> | 1.393 | 1.382 | 1.346 | 1.488 |
| Low       |              |       |       |       |       |
| 1 = US \$ | <b>1.052</b> | 1.210 | 1.277 | 1.206 | 1.293 |

On 12 February 2016 (the latest available data for inclusion in this report), the Noon buying rate was 1 = US \$1.124.

High and low exchange rate values for each of the last six months:

|           | August       | September    | October      | November     | December     | January      | February            |
|-----------|--------------|--------------|--------------|--------------|--------------|--------------|---------------------|
|           | 2015         | 2015         | 2015         | 2015         | 2015         | 2016         | 2016 <sup>(e)</sup> |
| High      |              |              |              |              |              |              |                     |
| 1 = US \$ | <b>1.158</b> | <b>1.136</b> | <b>1.144</b> | <b>1.103</b> | <b>1.103</b> | <b>1.096</b> | <b>1.136</b>        |
| Low       |              |              |              |              |              |              |                     |
| 1 = US \$ | <b>1.087</b> | <b>1.110</b> | <b>1.096</b> | <b>1.056</b> | <b>1.057</b> | <b>1.074</b> | <b>1.089</b>        |

<sup>(e)</sup>Through 12 February 2016 (the latest available data for inclusion in this report).

**SHARE CAPITAL**

The information set forth under the heading Note 15A Share capital on page 116 of the Group's Annual Report and Accounts 2015 furnished separately on 23 February 2016 under Form 6-K is incorporated by reference.

**B. CAPITALISATION AND INDEBTEDNESS**

Not applicable.

**C. REASONS FOR THE OFFER AND USE OF PROCEEDS**



Not applicable.

#### **D. RISK FACTORS**

Our principal risks, as described on pages 40 and 41 of the Group's Annual Report and Accounts 2015 furnished separately on 23 February 2016 under Form 6-K, excluding the cross-reference to pages 53 to 57, are incorporated by reference.

Our business is subject to risks and uncertainties. The risks that we regard as the most relevant to our business are set out on pages 40 to 41 of the Group's Annual Report and Accounts 2015 furnished separately on 23 February 2016 under Form 6-K. These are the risks that we see as material to Unilever's business and performance at this time. There may be other risks that could emerge in the future. We have undertaken certain mitigating actions that we believe help us to manage the risks identified. However, we may not be successful in deploying some or all of these mitigating actions. If the circumstances in these risk factors occur or are not successfully mitigated, our cash flow, operating results, financial position, business and reputation could be materially adversely affected. In addition, risks and uncertainties could cause actual results to vary from those described in this document, or could impact on our ability to meet our targets or be detrimental to our profitability or reputation. The list is not intended to be exhaustive and there may be other risks and uncertainties that are not mentioned that could impact our future performance or our ability to meet published targets. The risks and uncertainties should be read in conjunction with the Group's consolidated financial statements and related notes and the portions of the Strategic Report and Corporate Governance section that are incorporated by reference from the Group's Annual Report and Accounts 2015 furnished separately on 23 February 2016 on Form 6-K and other information included in or incorporated by reference in this report on Form 20-F.

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**ITEM 4. INFORMATION ON THE COMPANY**

**A. HISTORY AND DEVELOPMENT OF THE COMPANY**

The information set forth under the following headings of the Group's Annual Report and Accounts 2015 furnished separately on 23 February 2016 under Form 6-K is incorporated by reference:

About Unilever on page 45;  
Developments in 2015 on page 33;  
Financial review 2015 on pages 35 to 39;  
Corporate governance compliance on pages 50 to 52;  
Note 10 Property, plant and equipment on pages 111 and 112;  
Consolidated cash flow statement on page 93;  
Note 21 Acquisitions and disposals on pages 131 and 133;  
Our shares on pages 47 and 48; and  
Shareholder information on page 44 (other than Website ).

In 2015 and 2014, the Group did not receive any public takeover offers by third parties in respect of NV or PLC shares or make any public takeover offers in respect of other companies' shares.

Please refer also to Financial review 2014 within Item 5A of this report and The Unilever Group on page 1 of this report.

**B. BUSINESS OVERVIEW**

The information set forth under the following headings of the Group's Annual Report and Accounts 2015 furnished separately on 23 February 2016 under Form 6-K is incorporated by reference:

About us on pages 2 and 3;  
Note 2 Segment information on pages 96 and 97;  
Our markets on pages 10 and 11;  
Our strategic focus on pages 12 and 13;  
A business model that creates value on pages 14 and 15;  
Delivering value for our stakeholders on pages 19 to 34 (excluding the saving water in Brazil case study on page 16);  
Financial review 2015 on pages 35 to 39; and  
Legal and regulatory on page 57.

Please refer also to Financial review 2014 within Item 5A of this report.

Please also refer to The Unilever Group on page 1 of this report.

**RAW MATERIALS**

Our products use a wide variety of raw and packaging materials which we source internationally, and which may be subject to price volatility. In 2015 we have seen relatively stable conditions in most key commodity markets, although crude oil and its derivatives have seen falls during the year. Looking ahead to 2016 we remain watchful for potential periods of renewed volatility, both in key commodities and in the foreign exchange markets.

## SEASONALITY

Certain of our businesses, such as ice cream, are subject to significant seasonal fluctuations in sales. However, Unilever operates globally in many different markets and product categories, and no individual element of seasonality is likely to be material to the results of the Group as a whole.

## INTELLECTUAL PROPERTY

We have a large portfolio of patents and trademarks, and we conduct some of our operations under licences that are based on patents or trademarks owned or controlled by others. We are not dependent on any one patent or group of patents. We use all appropriate efforts to protect our brands and technology.

## COMPETITION

As a fast-moving consumer goods (FMCG) company, we are competing with a diverse set of competitors. Some of these operate on an international scale like ourselves, while others have a more regional or local focus. Our business model centres on building brands which consumers know, trust, like and buy in conscious preference to competitors. Our brands command loyalty and affinity and deliver superior performance.

## INFORMATION PRESENTED

Unless otherwise stated, share refers to value share. The market data and competitive set classifications are taken from independent industry sources in the markets in which Unilever operates.

## IRAN-RELATED REQUIRED DISCLOSURE

Unilever operates in Iran through a non-US subsidiary. In 2015, sales in Iran were significantly less than one percent of Unilever's worldwide turnover. This non-US subsidiary had two euros (€ 2) in gross revenues and less than one euro (€ 1) in net profits attributable to the sale of food products to the Laleh Hotel, which is owned by the Government of Iran, in 2015. In addition, we advertised our products on television networks that are owned by the Government of Iran or affiliated entities. Income, payroll and other taxes, duties and fees (including for utilities) were payable to the Government of Iran and affiliated entities in connection with our operations. Our non-US subsidiary maintains bank accounts in Iran with various banks to facilitate our business in the country and make any required payments to the Government of Iran and affiliated entities. One of the financial institutions used by our non-US subsidiary is Bank Melli, an entity identified on the Specially Designated Nationals and Blocked Persons List maintained by the Office of Foreign Assets Control in the U.S. Department of the Treasury (the SDN list). The account maintained by our non-US subsidiary with Bank Melli was opened to comply with a requirement that any value added tax collected from customers within Iran is paid to the Iranian tax authorities through an account maintained within Bank Melli. On August 18 2015, our non-US subsidiary acquired an office building from Tidewater Middle East Co. PLC, an entity identified on the SDN list. The consideration for this real estate transaction was \$ 10,575,793. Our activities in Iran comply in all material respects with applicable laws and regulations, including US and other international trade sanctions, and we plan to continue these activities.

## C. ORGANISATIONAL STRUCTURE

The information set forth under the heading "Note 27 Group companies" on pages 136 to 147 of the Group's Annual Report and Accounts 2015 furnished separately on 23 February 2016 under Form 6-K is incorporated by reference.

Please also refer to "The Unilever Group" on page 1 of this report.

## D. PROPERTY, PLANT AND EQUIPMENT

We have interests in properties in most of the countries where there are Unilever operations. However, none are material in the context of the Group as a whole. The properties are used predominantly to house production and distribution activities and as offices. There is a mixture of leased and owned property throughout the Group. We are not aware of any environmental issues affecting the properties which would have a material impact upon the Group, and there are no material encumbrances on our properties. Any difference between the market value of properties held by the Group and the amount at which they are included in the balance sheet is not significant. We believe our existing facilities are satisfactory for our current business and we currently have no plans to construct new facilities or expand or improve our current facilities in a manner that is material to the Group.

The information set forth under the heading "Note 10 Property, plant and equipment" on pages 111 and 112 of the Group's Annual Report and Accounts 2015 furnished separately on 23 February 2016 under Form 6-K is incorporated by reference.

#### **ITEM 4A. UNRESOLVED STAFF COMMENTS**

Not applicable.

**Table of Contents****ITEM 5. OPERATING AND FINANCIAL REVIEW AND PROSPECTS****A. OPERATING RESULTS**

The information set forth under the following headings of the Group's Annual Report and Accounts 2015 furnished separately on 23 February 2016 under Form 6-K is incorporated by reference:

Financial performance on page 16;  
 Our markets on pages 10 and 11;  
 Our shareholders on pages 32 to 34;  
 Financial review 2015 on pages 35 to 39;  
 Currency risk on pages 122 and 123; and  
 Legal and regulatory on page 57.

Please refer also to Outlook within Item 5D of this report.

**FINANCIAL REVIEW 2014****BASIS OF REPORTING**

The information set forth under the heading Consolidated income statement on page 35 of the Group's Annual Report and Accounts 2015 furnished separately on 23 February 2016 under Form 6-K is incorporated by reference.

**GROUP RESULTS AND EARNINGS PER SHARE**

The following discussion summarises the results of the Group during the years 2014 and 2013. The figures quoted are in euros, at current rates of exchange, being the average rates applying in each period as applicable, unless otherwise stated. Information about exchange rates between the euro, pound sterling and US dollar is given on page 4 of this report.

In 2014 and 2013, no disposals qualified to be disclosed as discontinued operations for purposes of reporting.

|                                  | 2014   | 2013   | % change |
|----------------------------------|--------|--------|----------|
| Turnover ( million)              | 48,436 | 49,797 | (2.7)    |
| Operating profit ( million)      | 7,980  | 7,517  | 6        |
| Core operating profit ( million) | 7,020  | 7,016  |          |
| Profit before tax ( million)     | 7,646  | 7,114  | 7        |
| Net profit ( million)            | 5,515  | 5,263  | 5        |
| Diluted earnings per share ( )   | 1.79   | 1.66   | 8        |
| Core earnings per share ( )      | 1.61   | 1.58   | 2        |

Turnover at 48.4 billion decreased 2.7% in 2014, including a negative impact from both foreign exchange, of 4.6%, and acquisitions net of disposals of 0.9%. Underlying sales growth was 2.9% (2013: 4.3%), balanced between volume growth of 1.0% (2013: 2.5%) and pricing of 1.9% (2013: 1.8%). Emerging markets, consistent at 57% of total turnover, were down 2.2% at reported exchange rates, with underlying sales growth of 5.7% versus 8.7% in 2013. Developed markets underlying sales declined by 0.8%. Globally, our markets grew by around 2.5% with flat volumes.

Core operating margin was up 0.4 percentage points to 14.5%. Gross margin declined by 0.2 percentage points to 41.4%. This was driven by increased costs in emerging markets, largely currency related, partly offset by pricing, savings and margin-accretive innovation. Commodity costs increased around 4%, at constant exchange rates, as devaluing currencies had imported inflation into local raw material production partially offset by cost savings.

Significant efficiencies in the cost of producing advertising allowed Unilever to increase its share of spend in 2014 while maintaining brand and marketing investment at 14.8%. Overheads were reduced by 0.6 percentage points largely due to saving initiatives such as Project Half for Growth and some favourable one-off items such as property sales in India.

Operating profit was 8.0 billion in 2014, compared with 7.5 billion in 2013, up 6%. The increase was driven by non-core items which were a net credit of 960 million (2013: 501 million). Included within non-core items was the gain on disposal of the Ragu and Bertolli pasta sauces business and the Bifi and Peperami brands. Unilever sold the Slim-Fast business and recognised an impairment charge of 305 million on the related assets within non-core items.

The cost of financing net borrowings in 2014 was 383 million versus 397 million in 2013. The average interest rate on borrowings was 3.5% and the average return on cash deposits was 3.8%. Pensions financing was a charge of 94 million versus a charge of 133 million in 2013.

The effective tax rate was 28.2%, higher than the 26.4% in 2013 due to the impact of business disposals. Unilever's longer term expectation remains around 26%.

Net profit from joint ventures and associates, together with other income from non-current investments, contributed 143 million compared to 127 million in 2013. Diluted earnings per share for the full year was up 8% at 1.79. Core earnings per share were 1.61, up 2% from 1.58 in 2013 after a 9% currency headwind.

#### **ADDITIONAL COMMENTS ON 2014 EXPENSES AND OPERATING PROFIT**

Core operating profit improvement in Personal Care (increased by 119 million) was offset by the decline in Foods (down by 72 million) and Refreshments (down by 45 million). Home Care was broadly flat.

Cost of raw and packaging material and goods purchased for resale (material costs) decreased by 0.3 billion, driven primarily by the exchange rate depreciation of 1.0 billion; at constant exchange rates it was up by 0.7 billion. At constant exchange rates, the gross total input costs (before savings and including material costs, distribution and supply chain indirects) increase of 1.2 billion was more than offset by price increase of 1.0 billion, and material costs savings of 1.0 billion during the year. However, adverse currency impact on material costs of 0.7 billion led to a gross margin decline of 0.2 percentage points to 41.4%.

Staff costs were down by 0.1 billion on account of lower pension and share-based payments costs. We maintained our brand and marketing investment at 14.8% (increased by 0.1 billion at constant exchange rates) as we continued to invest in our brands.

The impact of input cost and investment in our brands is discussed further in our segmental disclosures, which also provide additional details of the impact of brands, products and subcategories on driving top-line growth.



**Table of Contents****ITEM 5. OPERATING AND FINANCIAL REVIEW AND PROSPECTS CONTINUED****PERSONAL CARE**

|                                  |        |        | %      |
|----------------------------------|--------|--------|--------|
|                                  | 2014   | 2013   | Change |
| Turnover ( million)              | 17,739 | 18,056 | (1.8)  |
| Operating profit ( million)      | 3,259  | 3,078  | 5.9    |
| Core operating profit ( million) | 3,325  | 3,206  | 3.7    |
| Core operating margin (%)        | 18.7   | 17.8   | 0.9    |
| Underlying sales growth (%)      | 3.5    | 7.3    |        |
| Underlying volume growth (%)     | 1.2    | 5.5    |        |
| Effect of price changes (%)      | 2.3    | 1.7    |        |

**KEY DEVELOPMENTS**

Personal Care delivered another year of underlying growth, although exchange rate movements (5.0%) led to turnover decreasing on 2013. Underlying sales growth, at 3.5%, remained above Unilever's markets which slowed to around 3% for 2014. Volume growth was lower than 2013 due to the slowdown of global markets and high competitive intensity. Growth benefited from a strong set of new product launches such as the Dove Advanced Hair Series and compressed deodorants in Europe.

Core operating profit improved by 119 million over 2013 despite a 300 million reduction from exchange rate movements. Underlying sales growth contributed 189 million while improved margin added 230 million. Margin improvement was driven by Unilever's savings programmes, an improved mix from margin accretive innovation and savings in the cost of producing advertising, which is highest in Personal Care.

**HOME CARE**

|                                  |       |       | %      |
|----------------------------------|-------|-------|--------|
|                                  | 2014  | 2013  | Change |
| Turnover ( million)              | 9,164 | 8,946 | 2.4    |
| Operating profit ( million)      | 576   | 524   | 9.9    |
| Core operating profit ( million) | 579   | 577   | 0.3    |
| Core operating margin (%)        | 6.3   | 6.4   | (0.1)  |
| Underlying sales growth (%)      | 5.8   | 8.0   |        |
| Underlying volume growth (%)     | 2.4   | 5.7   |        |
| Effect of price changes (%)      | 3.4   | 2.1   |        |

**KEY DEVELOPMENTS**

Home Care turnover showed strong underlying growth in 2014, supported by the impact of the Qinyuan acquisition in March 2014 of 1.8%, but this was partially offset by exchange rate movements (4.8%). This was the result of a strong portfolio of brands across price points, the depth of Unilever's distribution and sustained investment in product performance. Unilever successfully extended the Omo brand into Saudi Arabia and the Gulf, and launched a range of Omo stain removers and pre-treaters in Brazil.



## Edgar Filing: UNILEVER PLC - Form 20-F

Core operating profit at 579 million was broadly unchanged on 2013 after an adverse 84 million from exchange rates was offset by underlying sales growth adding 100 million with acquisitions adding 5 million. Decreasing margin reduced profit by 19 million as gross margins were impacted by cost increases from weaker currencies in emerging markets which were not fully offset by pricing and savings. There was a strong improvement in the second half of the year, which was boosted by gains from property sales in India.

### FOODS

|                                  | 2014   | 2013   | Change |
|----------------------------------|--------|--------|--------|
| Turnover ( million)              | 12,361 | 13,426 | (7.9)  |
| Operating profit ( million)      | 3,607  | 3,064  | 17.7   |
| Core operating profit ( million) | 2,305  | 2,377  | (3.0)  |
| Core operating margin (%)        | 18.6   | 17.7   | 0.9    |
| Underlying sales growth (%)      | (0.6)  | 0.3    |        |
| Underlying volume growth (%)     | (1.1)  | (0.6)  |        |
| Effect of price changes (%)      | 0.6    | 0.9    |        |

#### KEY DEVELOPMENTS

Foods turnover declined in 2014 primarily due to exchange rate movements (3.9%) and business disposals (3.6%) including the Ragu and Bertolli pasta sauces business. Savoury and dressings both grew but spreads declined due to lower consumer demand for margarine in Europe and North America. Unilever gained market share in margarine but this was insufficient to offset the decline of the category which also saw price deflation in a benign commodity cost environment.

Core operating profit was 72 million lower than 2013 after a 95 million adverse impact from exchange rates, a reduction of 105 million from disposals and a 23 million reduction from declining underlying sales. Improved margin added 152 million driven by savings in supply chain costs and Unilever's overheads reduction programme, particularly in Europe where Unilever has a large Foods business.

### REFRESHMENT

|                                  | 2014  | 2013  | Change |
|----------------------------------|-------|-------|--------|
| Turnover ( million)              | 9,172 | 9,369 | (2.1)  |
| Operating profit ( million)      | 538   | 851   | (36.8) |
| Core operating profit ( million) | 811   | 856   | (5.3)  |
| Core operating margin (%)        | 8.8   | 9.1   | (0.3)  |
| Underlying sales growth (%)      | 3.8   | 1.1   |        |
| Underlying volume growth (%)     | 2.0   | (1.8) |        |
| Effect of price changes (%)      | 1.8   | 2.9   |        |

#### KEY DEVELOPMENTS

Refreshment turnover declined in 2014 due to exchange rate movements (4.6%) and business disposals (1.6%), primarily Slim-Fast, offset by acquisitions of 0.4%, primarily Talenti Gelato & Sorbetto. Underlying sales growth was driven by good volume growth in ice cream due to a strong innovation programme. The more premium brands such as Ben & Jerry's and Magnum grew particularly well. Cornetto also had a strong 2014 with multi-media advertising building the core brand and new smaller products launched at lower price points. Tea grew, with a better performance in the US offsetting weaker sales in Russia and Poland.

## Edgar Filing: UNILEVER PLC - Form 20-F

Core operating profit was 45 million lower than 2013 due to underlying sales growth, which added 80 million, offset by a 73 million adverse impact of exchange rates and a 41 million reduction due to disposals. Margins declined, reducing profit by 11 million, as higher dairy and chocolate prices were not fully recovered by pricing and savings.

**Table of Contents****ITEM 5. OPERATING AND FINANCIAL REVIEW AND PROSPECTS CONTINUED****NON-GAAP MEASURES**

The information set forth under the heading "Non-GAAP measures" on pages 38 and 39 of the Group's Annual Report and Accounts 2015 furnished separately on 23 February 2016 under Form 6-K is incorporated by reference.

**UNDERLYING SALES GROWTH (USG)**

The reconciliation of USG to changes in the GAAP measure turnover is as follows:

**TOTAL GROUP**

|                                    | 2014<br>vs 2013 | 2013<br>vs 2012 |
|------------------------------------|-----------------|-----------------|
| Underlying sales growth (%)        | 2.9             | 4.3             |
| Effect of acquisitions (%)         | 0.4             |                 |
| Effect of disposals (%)            | (1.3)           | (1.1)           |
| Effect of exchange rates (%)       | (4.6)           | (5.9)           |
| Turnover growth (%) <sup>(a)</sup> | (2.7)           | (3.0)           |

**PERSONAL CARE**

|                                    | 2014<br>vs<br>2013 | 2013<br>vs<br>2012 |
|------------------------------------|--------------------|--------------------|
| Underlying sales growth (%)        | 3.5                | 7.3                |
| Effect of acquisitions (%)         |                    |                    |
| Effect of disposals (%)            | (0.1)              | (0.2)              |
| Effect of exchange rates (%)       | (5.0)              | (6.8)              |
| Turnover growth (%) <sup>(a)</sup> | (1.8)              | (0.2)              |

**FOODS**

|                                    | 2014<br>vs<br>2013 | 2013<br>vs<br>2012 |
|------------------------------------|--------------------|--------------------|
| Underlying sales growth (%)        | (0.6)              | 0.3                |
| Effect of acquisitions (%)         |                    |                    |
| Effect of disposals (%)            | (3.6)              | (3.7)              |
| Effect of exchange rates (%)       | (3.9)              | (3.8)              |
| Turnover growth (%) <sup>(a)</sup> | (7.9)              | (7.0)              |

**HOME CARE**

|  | 2014 | 2013 |
|--|------|------|
|  |      |      |

|                                    | vs<br>2013 | vs<br>2012 |
|------------------------------------|------------|------------|
| Underlying sales growth (%)        | 5.8        | 8.0        |
| Effect of acquisitions (%)         | 1.8        | 0.1        |
| Effect of disposals (%)            |            |            |
| Effect of exchange rates (%)       | (4.8)      | (8.6)      |
| Turnover growth (%) <sup>(a)</sup> | 2.4        | (1.2)      |

## REFRESHMENT

|                                    | 2014       | 2013       |
|------------------------------------|------------|------------|
|                                    | vs<br>2013 | vs<br>2012 |
| Underlying sales growth (%)        | 3.8        | 1.1        |
| Effect of acquisitions (%)         | 0.4        | 0.1        |
| Effect of disposals (%)            | (1.6)      |            |
| Effect of exchange rates (%)       | (4.6)      | (4.7)      |
| Turnover growth (%) <sup>(a)</sup> | (2.1)      | (3.7)      |

<sup>(a)</sup>Turnover growth is made up of distinct individual growth components namely underlying sales, currency impact, acquisitions and disposals. Turnover growth is arrived at by multiplying these individual components on a compounded basis as there is a currency impact on each of the other components. Accordingly, turnover growth is more than just the sum of the individual components.

## UNDERLYING VOLUME GROWTH (UVG)

The relationship between UVG and USG is set out below:

|                              | 2014    | 2013    |
|------------------------------|---------|---------|
|                              | vs 2013 | vs 2012 |
| Underlying volume growth (%) | 1.0     | 2.5     |
| Effect of price changes (%)  | 1.9     | 1.8     |
| Underlying sales growth (%)  | 2.9     | 4.3     |

## FREE CASH FLOW (FCF)

The reconciliation of FCF to net profit is as follows:

|  | million      | million      |
|--|--------------|--------------|
|  | 2014         | 2013         |
| <b>Net profit</b>  | <b>5,515</b> | <b>5,263</b> |
| Taxation   | 2,131        | 1,851        |
| Share of net profit of joint ventures/associates and other income from non-current investments | (143)        | (127)        |
| Net finance cost   | 477          | 530          |

|   |              |              |
|---|--------------|--------------|
| Depreciation, amortisation and impairment         | 1,432        | 1,151        |
| Changes in working capital                        | 8            | 200          |
| Pensions and similar obligations less payments    | (364)        | (383)        |
| Provisions less payments                          | 32           | 126          |
| Elimination of (profits)/losses on disposals      | (1,460)      | (725)        |
| Non-cash charge for share-based compensation      | 188          | 228          |
| Other adjustments                                 | 38           | (15)         |
| <b>Cash flow from operating activities</b>        | <b>7,854</b> | <b>8,099</b> |
| Income tax paid                                   | (2,311)      | (1,805)      |
| Net capital expenditure                           | (2,045)      | (2,027)      |
| Net interest and preference dividends paid        | (398)        | (411)        |
| <b>Free cash flow</b>                             | <b>3,100</b> | <b>3,856</b> |
| Net cash flow (used in)/from investing activities | (341)        | (1,161)      |
| Net cash flow (used in)/from financing activities | (5,190)      | (5,390)      |

### CORE OPERATING PROFIT AND CORE OPERATING MARGIN

The reconciliation of core operating profit to operating profit is as follows:

|  | million<br>2014 | million<br>2013 |
|--|-----------------|-----------------|
| Operating profit                           | 7,980           | 7,517           |
| Acquisition and disposal related costs     | 97              | 112             |
| (Gain)/loss on disposal of group companies | (1,392)         | (733)           |
| Impairments and other one-off items        | 335             | 120             |
| <b>Core operating profit</b>               | <b>7,020</b>    | <b>7,016</b>    |
| Turnover                                   | 48,436          | 49,797          |
| Operating margin                           | 16.5%           | 15.1%           |
| Core operating margin                      | 14.5%           | 14.1%           |
| <b>NET DEBT</b>                            |                 |                 |

The reconciliation of net debt to the GAAP measure total financial liabilities is as follows:

|   | million<br>2014 | million<br>2013 |
|---|-----------------|-----------------|
| <b>Total financial liabilities</b>                    | <b>(12,722)</b> | <b>(11,501)</b> |
| Current financial liabilities                         | (5,536)         | (4,010)         |
| Non-current financial liabilities                     | (7,186)         | (7,491)         |
| <b>Cash and cash equivalents as per balance sheet</b> | <b>2,151</b>    | <b>2,285</b>    |

|  |                |                |
|--|----------------|----------------|
| Cash and cash equivalents as per cash flow statement | 1,910          | 2,044          |
| Bank overdrafts deducted therein                     | 241            | 241            |
| <b>Current financial assets</b>                      | <b>671</b>     | <b>760</b>     |
| <b>Net debt</b>                                      | <b>(9,900)</b> | <b>(8,456)</b> |

**ACQUISITIONS AND DISPOSALS**

The information set forth under the following headings of the Group's Annual Report and Accounts 2015 furnished separately on 23 February 2016 under Form 6-K is incorporated by reference:

Note 21 Acquisitions and disposals on pages 131 to 133; and

Consolidated cash flow statement on page 93.

On 3 January 2013 the Group announced that it had signed a definitive agreement to sell its global Skippy business to Hormel Foods for a total cash consideration of approximately US \$700 million. The transaction completed on 31 January 2013, excluding

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**ITEM 5. OPERATING AND FINANCIAL REVIEW AND PROSPECTS CONTINUED**

the portion operated out of China, which completed on 26 November 2013.

On 8 April 2013 Unilever Czech Republic signed an agreement to acquire the SAVO and other consumer brands from Bochemie. This completed on 1 July 2013.

On 26 July 2013 Unilever signed an agreement to sell its Unipro bakery & industrial oils business in Turkey to AAK for an undisclosed sum. This completed on 2 September 2013.

On 6 September 2013 Unilever announced that it has entered into a definitive agreement to acquire T2, a premium Australian tea business, for an undisclosed amount. This completed on 3 October 2013.

On 1 October 2013 the Group completed the sale of its Wish-Bone and Western dressings brands to Pinnacle Foods Inc. for a total cash consideration of approximately US \$580 million.

On 19 November 2013 Unilever signed an agreement for the sale of its Soft & Beautiful, TCB and Pro-Line Comb-Thru brands to Strength of Nature for an undisclosed amount. The sale excludes TCB's business in Africa.

The Group's capital expenditure is mainly on purchase of property, plant and equipment as well as acquisition of group companies.

**B. LIQUIDITY AND CAPITAL RESOURCES**

**(I) INFORMATION REGARDING THE GROUP'S LIQUIDITY**

The information set forth under the following headings of the Group's Annual Report and Accounts 2015 furnished separately on 23 February 2016 under Form 6-K is incorporated by reference:

- Cash flow on page 37;
- Balance sheet on page 37;
- Finance and liquidity on page 38;
- Contractual obligations at 31 December 2015 on page 37;
- Note 16B Management of market risk on pages 122 to 124;
- Note 16A Management of liquidity risk on page 120 to 122;
- Note 15 Capital and funding on pages 115 and 116;
- Going concern on page 84;
- Consolidated cash flow statement on page 93;
- Note 15C Financial liabilities on page 119;
- Note 17A Financial assets on pages 126 and 127; and
- Note 17 Investment and return on pages 125 and 126.

Please refer also to Contractual obligations at 31 December 2015 on page 11 of this report.

**FINANCIAL INSTRUMENTS AND RISK**

The key financial instruments used by Unilever are short-term and long-term borrowings, cash and cash equivalents, and certain plain vanilla derivative instruments, principally comprising interest rate swaps and foreign exchange contracts. Treasury processes are governed by standards approved by the Unilever Leadership Executive. Unilever

manages a variety of market risks, including the effects of changes in foreign exchange rates, interest rates, commodity costs and liquidity.

The information set forth under the heading Note 16 Treasury risk management on pages 120 to 125 of the Group's Annual Report and Accounts 2015 furnished separately on 23 February 2016 under Form 6-K is incorporated by reference.

## **(II) INFORMATION REGARDING THE TYPE OF FINANCIAL INSTRUMENTS USED, THE MATURITY PROFILE OF DEBT, CURRENCY AND INTEREST RATE STRUCTURE**

The information set forth under the following headings of the Group's Annual Report and Accounts 2015 furnished separately on 23 February 2016 under Form 6-K is incorporated by reference:

- Note 15 Capital and funding on pages 115 and 116;
- Note 15C Financial liabilities on page 119;
- Note 16 Treasury risk management on pages 120 to 125;
- Note 17 Investment and return on pages 125 and 126;
- Note 17A Financial Assets on pages 126 and 127;
- Note 18 Financial instruments fair value risk on pages 127 to 129; and
- Our risk appetite and approach to risk management on page 53.

Please also refer to Information regarding the Group's liquidity within Item 5B(I) of this report.

## **(III) INFORMATION REGARDING THE GROUP'S MATERIAL COMMITMENTS FOR CAPITAL EXPENDITURE**

The information set forth under the following headings of the Group's Annual Report and Accounts 2015 furnished separately on 23 February 2016 under Form 6-K is incorporated by reference:

- Note 20 Commitments and contingent liabilities on pages 130 and 131; and
- Note 10 Property, plant and equipment on pages 111 and 112.

## **C. RESEARCH AND DEVELOPMENT, PATENTS AND LICENCES, ETC.**

The information set forth under the heading A business model that creates value on pages 14 and 15 and Note 3 Gross profit and operating costs on page 98 of the Group's Annual Report and Accounts 2015 furnished separately on 23 February 2016 under Form 6-K is incorporated by reference.

## **D. TREND INFORMATION**

Please refer also to Item 3D Risk factors on page 5 of this report.

The information set forth under the following headings of the Group's Annual Report and Accounts 2015 furnished separately on 23 February 2016 under Form 6-K is incorporated by reference:

- Our markets on pages 10 and 11;
- Our Financial Growth Model on page 34; and
- Financial review 2015 on pages 35 to 39.

## **OUTLOOK**



Unilever does not expect to see any significant or immediate improvement in the overall health of the world economy. It is clear that the economic recovery in the developed markets of Europe and North America will remain slow and protracted, while the slowdown in the emerging markets is likely to continue for some time to come. For all these reasons, Unilever remains prudent in its approach and single-mindedly focused in building the resilience and the agility of our portfolio and our organisation. Unilever made good progress on these fronts in 2015, which gives the Group further confidence that it can continue to deliver on its objective of consistent top and bottom line growth, to the benefit of its long-term shareholders and the many others who rely on Unilever.

Please refer also to *Financial review 2014* within Item 5A of this report.

#### **E. OFF-BALANCE SHEET ARRANGEMENTS**

The information set forth under the following headings of the Group's Annual Report and Accounts 2015 furnished separately on 23 February 2016 under Form 6-K is incorporated by reference:

- Note 16 Treasury risk management on pages 120 to 125;
- Note 18 Financial instruments fair value risk on pages 127 to 129; and
- Note 20 Commitments and contingent liabilities on pages 130 and 131.

**Table of Contents****ITEM 5. OPERATING AND FINANCIAL REVIEW AND PROSPECTS CONTINUED****F. TABULAR DISCLOSURE OF CONTRACTUAL OBLIGATIONS****CONTRACTUAL OBLIGATIONS AT 31 DECEMBER 2015**

|                                     | million       | million           | million          | million          | million             |
|-------------------------------------|---------------|-------------------|------------------|------------------|---------------------|
|                                     | Total         | Due within 1 year | Due in 1-3 years | Due in 3-5 years | Due in over 5 years |
| Long-term debt                      | 13,930        | 4,353             | 2,650            | 2,720            | 4,207               |
| Interest on financial liabilities   | 2,571         | 304               | 519              | 374              | 1,374               |
| Operating lease obligations         | 2,454         | 410               | 670              | 517              | 857                 |
| Purchase obligations <sup>(a)</sup> | 267           | 211               | 46               | 10               |                     |
| Finance leases                      | 302           | 51                | 47               | 38               | 166                 |
| Other long-term commitments         | 1,517         | 708               | 635              | 139              | 35                  |
| <b>Total</b>                        | <b>21,041</b> | <b>6,037</b>      | <b>4,567</b>     | <b>3,798</b>     | <b>6,639</b>        |

<sup>(a)</sup>For raw and packaging materials and finished goods.

Unilever's contractual obligations at the end of 2015 included capital expenditure commitments, borrowings, lease commitments and other commitments. A summary of certain contractual obligations at 31 December 2015 is provided in the preceding table.

The information set forth under the following headings of the Group's Annual Report and Accounts 2015 furnished separately on 23 February 2016 under Form 6-K is incorporated by reference:

Note 10 Property, plant and equipment on pages 111 and 112;

Note 15C Financial liabilities on pages 119; and

Note 20 Commitments and contingent liabilities on pages 130 and 131.

**G. SAFE HARBOUR**

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

Because these forward-looking statements involve risks and uncertainties, there are important factors that could cause actual results to differ materially from those expressed or implied by these forward-looking statements. Among other risks and uncertainties, the material or principal factors which could cause actual results to differ materially are: Unilever's global brands not meeting consumer preferences; Unilever's ability to innovate and remain competitive; Unilever's investment choices in its portfolio management; inability to find sustainable solutions to support long-term growth; customer relationships; the recruitment and retention of talented employees; disruptions in our supply chain; the cost of raw materials and commodities; the production of safe and high-quality products; secure and reliable IT

infrastructure; successful execution of acquisitions, divestitures and business transformation projects; economic and political risks and natural disasters; financial risks; failure to meet high ethical standards; and managing regulatory, tax and legal matters.

These forward-looking statements speak only as of the date of this document. Except as required by any applicable law or regulation, the Group expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements contained herein to reflect any change in the Group's expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based.

Further details of potential risks and uncertainties affecting the Group are described in the Group's filings with the London Stock Exchange, Euronext Amsterdam and the US Securities and Exchange Commission, including this report and the Group's Annual Report and Accounts 2015 furnished separately on 23 February 2016 under Form 6-K.

## **ITEM 6. DIRECTORS, SENIOR MANAGEMENT AND EMPLOYEES**

### **A. DIRECTORS AND SENIOR MANAGEMENT**

#### **(I) NAME, EXPERIENCE AND FUNCTIONS**

The information set forth under the following headings of the Group's Annual Report and Accounts 2015 furnished separately on 23 February 2016 under Form 6-K is incorporated by reference:

Unilever Leadership Executive (ULE) on page 59;  
Board of Directors on page 58; and  
Boards on page 45.

#### **(II) ACTIVITIES OUTSIDE THE ISSUING COMPANY**

The information set forth under the headings Board of Directors and Unilever Leadership Executive (ULE) on pages 58 and 59 of the Group's Annual Report and Accounts 2015 furnished separately on 23 February 2016 under Form 6-K is incorporated by reference.

#### **(III) AGE**

The information set forth under the headings Board of Directors and Unilever Leadership Executive (ULE) on pages 58 and 59 of the Group's Annual Report and Accounts 2015 furnished separately on 23 February 2016 under Form 6-K is incorporated by reference.

#### **(IV) FAMILY RELATIONSHIP**

There are no family relationships between any of our Executive Directors, members of the ULE or Non-Executive Directors.

#### **(V) OTHER ARRANGEMENTS**

None of our Non-Executive Directors, Executive Directors or other key management personnel are elected or appointed under any arrangement or understanding with any major shareholder, customer, supplier or otherwise.

## **B. COMPENSATION**

The information set forth under the following headings of the Group's Annual Report and Accounts 2015 furnished separately on 23 February 2016 under Form 6-K is incorporated by reference:

- Balance Sheet on page 37;
- Annual Remuneration Report on pages 69 to 83;
- Note 4A Staff and management costs – key management compensation on page 99;
- Note 4B Pensions and similar obligations on pages 99 to 104; and
- Note 4C Share-based compensation plans on pages 104 and 105.

## **C. BOARD PRACTICES**

The information set forth under the following headings of the Group's Annual Report and Accounts 2015 furnished separately on 23 February 2016 under Form 6-K is incorporated by reference:

- Board of Directors and Unilever Leadership Executive (ULE) on pages 58 and 59;
- Appointment on page 46;
- Appointment and reappointment of Directors on pages 64 and 65;
- Non-Executive Directors letters of appointment on page 80;
- Boards on page 45;
- Board Committees on page 45;
- Report of the Audit Committee on pages 60 and 61; and
- Directors Remuneration Report on pages 66 to 83.

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**ITEM 6. DIRECTORS, SENIOR MANAGEMENT AND EMPLOYEES CONTINUED**

**SERVICE CONTRACTS**

**POLICY IN RELATION TO NON-EXECUTIVE DIRECTOR SERVICE CONTRACTS AND PAYMENTS IN THE EVENT OF LOSS OF OFFICE**

Not applicable.

**POLICY IN RELATION TO EXECUTIVE DIRECTOR SERVICE CONTRACTS AND PAYMENTS IN THE EVENT OF LOSS OF OFFICE**

|                             |   |
|-----------------------------|---|
| <b>PROVISION</b>            | <b>CURRENT SERVICE CONTRACTS</b>  |
| <b>NOTICE PERIOD</b>        | <p>12 months notice from Unilever;<br/>6 months notice from the Executive Director.</p> <p>This is in line with both the practice of many comparable companies and the entitlement of other senior executives in Unilever. The intention is that the notice period for any new Executive Directors would reflect the above policy.</p>  |
| <b>EXPIRY DATE</b>          | <p>Starting dates of the service contracts:</p> <p>CEO: 1 October 2008 (signed on 7 October 2008);<br/>CFO: 1 February 2010 (signed on 19 March 2010). Jean-Marc Huët resigned as CFO on 18 May 2015, with effect from 1 October 2015. The new CFO, Graeme Pitkethly, started his service contract on 1 October 2015 (signed on 16 December 2015). He will be proposed for election as Executive Director at the 2016 AGMs.<br/>Both service contracts shall end upon termination.<br/>The service agreements are available to shareholders to view at the AGMs or on request from the Company Secretary.</p> |
| <b>TERMINATION PAYMENTS</b> | <p>A payment in lieu of notice can be made of no more than one year's base salary, fixed allowance and other benefits unless the Boards, at the proposal of the Compensation Committee (the Committee), find this manifestly unreasonable given the circumstances or unless dictated by applicable law.</p>   |

If applicable, the Executive Director shall be credited with 12 months' service for the purposes of any pension schemes based on length of service.

**OTHER ELEMENTS**

Executive Directors may, at the discretion of the Boards, remain eligible to receive an annual bonus for the financial year in which they cease employment. Such annual bonus will be determined by the Committee taking into account time in employment and performance.

Treatment of share awards as set out below.

All-employee share arrangements will be treated in accordance with HMRC-approved terms.

Other payments, such as legal or other professional fees, repatriation or relocation costs and/or outplacement fees, may be paid if it is considered appropriate.

**LEAVER PROVISIONS IN PLAN RULES**

|                                   | <b>GOOD LEAVERS AS DETERMINED BY THE COMMITTEE IN ACCORDANCE WITH THE PLAN RULES*</b>   | <b>LEAVERS IN OTHER CIRCUMSTANCES*</b>                      | <b>CHANGE OF CONTROL</b>   |
|-----------------------------------|---|---|--|
| <b>INVESTMENT SHARES (MCIP)</b>   | Investment shares are transferred in full upon termination (and are transferred to the personal representative of the Executive Director in the event of his or her death). | Investment shares are transferred in full upon termination. | Investment shares are transferred in full at the time of the change of control.<br><br>Alternatively, participants may be required to exchange the investment shares for equivalent shares in the acquiring company in the event of a reorganisation of the Group. |
| <b>MATCHING SHARES (MCIP) AND</b> | Awards will normally vest following the end of the original performance period, taking into account performance and pro-rated for time in employment                        | Awards will normally lapse upon termination.                | In accordance with Dutch law, matching shares and performance shares are shares that are obtained as part of the Executive Director's remuneration. Therefore, their value is frozen for a period of four weeks before   |

**PERFORMANCE  
SHARES (GSIP)**

(unless the Boards on the proposal of the Committee determine otherwise).

Alternatively, the Boards may determine that awards shall vest upon termination based on performance at that time and pro-rated for time in employment (unless the Boards on the proposal of the Committee determine otherwise).

an announcement of a public offer and four weeks after the conclusion of a public offer. Any increase in value in this period has to be reclaimed by Unilever from the Executive Director upon retirement or sale of these shares, if at that time the value of the shares is higher than the value four weeks before the announcement of the public offer.

Awards will vest based on performance at the time of the change of control and the Boards, at the proposal of the Committee, have the discretion to pro-rate for time.

Alternatively, participants may be required to exchange the awards for equivalent awards over shares in the acquiring company in the event of a reorganisation of the Group.

\* An Executive Director will usually be treated as a good leaver if he or she leaves due to death, ill-health, injury or disability, retirement with Unilever's agreement or redundancy. The Boards may decide to treat an Executive Director who leaves in other circumstances as a good leaver. An Executive Director will not be treated as a good leaver if he or she chooses to leave for another job elsewhere, if he or she is summarily dismissed or leaves because of concerns about performance. In deciding whether or not to treat an Executive Director as a good leaver, the Boards will have regard to his or her performance in the role.

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**ITEM 6. DIRECTORS, SENIOR MANAGEMENT AND EMPLOYEES CONTINUED**

If Unilever is affected by a demerger, special distribution or other transaction which may affect the value of awards, the Committee may allow matching shares under the MCIP and performance shares under the GSIP to vest early over such number of shares as it shall determine (to the extent that any performance conditions have been met) and may be pro-rated to reflect the acceleration of vesting at the Committee's discretion.

**COMPENSATION COMMITTEE**

The Committee is concerned with the remuneration of the Executive and Non-Executive Directors and the tier of management directly below the Boards. It also has responsibility for the cash and executive and all employee share-based incentive plans, the Remuneration Policy and performance evaluation of the Unilever Leadership Executive and senior corporate executives.

**D. EMPLOYEES**

The information set forth under the heading "Note 4A Staff and management costs - Average number of employees during the year" on page 99. of the Group's Annual Report and Accounts 2015 furnished separately on 23 February 2016 under Form 6-K is incorporated by reference.

The average number of employees during 2015 included 6,706 seasonal and 22,893 plantation workers. We believe our relationship with our employees and any labour unions of which they may be part is satisfactory in all material respects.

**E. SHARE OWNERSHIP**

The information set forth under the following headings of the Group's Annual Report and Accounts 2015 furnished separately on 23 February 2016 under Form 6-K is incorporated by reference:

- Single figure of remuneration and implementation of the Remuneration Policy in 2015 for Executive Directors (Audited) on page 71;

- Other implementation information for 2015 on pages 75 and 76;

- Information in relation to outstanding share incentive awards on pages 76 and 77;

- Single figure of remuneration in 2015 for Non-Executive Directors (Audited) on page 79;

- Non-Executive Directors' interests in shares (Audited) on page 80; and

- Note 4C Share-based compensation plans on pages 104 and 105.

**GLOBAL EMPLOYEE SHARE PLANS (SHARES)**

In November 2014, Unilever's new global employee plan "SHARES" was launched in 17 countries. SHARES gives eligible Unilever employees below senior management level the opportunity to invest between 25 and 200 per month from their net salary in Unilever shares. For every three shares our employees buy (Investment Shares), Unilever will give them one free Matching Share, which will vest if employees hold their Investment Shares for at least three years. The Matching Shares are not subject to any performance conditions. In 2015, SHARES was rolled out globally and is now offered in more than 100 countries. Executive Directors are not eligible to participate in SHARES. As of 15 February 2016, awards for 51,924 NV and 52,210 PLC shares were outstanding under SHARES.

**NORTH AMERICAN SHARE PLANS**



Unilever also maintains share plans for its North American employees that are governed by an umbrella plan referred to as the Unilever North America Omnibus Equity Compensation Plan. These plans are the North American equivalents of the GSIP, MCIP and SHARES plans. The rules governing these share plans are materially the same as the rules governing the GSIP, MCIP and SHARES plans, respectively. However, the plans contain non-competition and non-solicitation covenants and they are subject to US and Canadian employment and tax laws. The plans are administered by the North America Compensation Committee of Unilever United States Inc. and they are governed by New York law.

The foregoing description of the Unilever North America Omnibus Equity Compensation Plan does not purport to be complete and is qualified in its entirety by reference to the Unilever North America Omnibus Equity Compensation Plan, including all amendments thereto, filed as Exhibit 99.1 to the Form S-8 (File No. 333-185299) filed with the SEC on 6 December 2012, which is incorporated herein by reference.

## **ITEM 7. MAJOR SHAREHOLDERS AND RELATED PARTY TRANSACTIONS**

### **A. MAJOR SHAREHOLDERS**

The information set forth under the following headings of the Group's Annual Report and Accounts 2015 furnished separately on 23 February 2016 under Form 6-K is incorporated by reference:

Trust office on pages 47 and 48;  
About Unilever on page 45; and  
Our shareholders on pages 48 to 50.

The voting rights of the significant shareholders of NV and PLC are the same as for other holders of the class of share held by such significant shareholder.

The principal trading markets upon which Unilever shares are listed are Euronext Amsterdam for NV ordinary and 6% and 7% cumulative preference shares and the depositary receipts of these NV ordinary and 7% cumulative preference shares, and the London Stock Exchange for PLC ordinary shares. NV ordinary shares mainly trade in the form of depositary receipts for shares.

In the United States, NV New York Registry Shares and PLC American Depositary Receipts are traded on the New York Stock Exchange. Deutsche Bank Trust Company Americas (Deutsche Bank) acts for NV and PLC as issuer, transfer agent and, in respect of the PLC American Depositary Receipts, depositary.

At 15 February 2016 (the latest practicable date for inclusion in this report), there were 4,827 registered holders of NV New York Registry Shares and 980 registered holders of PLC American Depositary Receipts in the United States. We estimate that approximately 10% of NV's ordinary shares (including shares underlying NV New York Registry shares) were held in the United States (approximately 12% in 2014) and approximately 13% of PLC's ordinary shares (including shares underlying PLC American Depositary Receipts) were held in the United States (approximately 13% in 2014).

NV and PLC are separate companies with separate stock exchange listings and different shareholders. Shareholders cannot convert or exchange the shares of one for shares of the other and the relative share prices on the various markets can, and do, fluctuate. Each NV ordinary share represents the same underlying economic interest in the Unilever Group as each PLC ordinary share (save for exchange rate fluctuations).

If you are a shareholder of NV, you have an interest in a Dutch legal entity, your dividends will be paid in euros (converted into US dollars if you have shares registered in the United States) and you may be subject to tax in the Netherlands. If you are a shareholder of PLC, your interest is in a UK legal entity, your dividends will be paid in sterling (converted into US dollars if you have American Depositary Receipts) and you may be subject to UK tax.

Nevertheless, the Equalisation Agreement means that as a shareholder of either company you effectively have an interest in the whole of Unilever. On a going concern basis, you have largely equal rights over our combined net profit and capital reserves as shown in the consolidated accounts.

To Unilever's knowledge, the Unilever Group is not owned or controlled, directly or indirectly, by another corporation, any foreign government or by any other legal or natural person, severally or jointly. The Group is not aware of any arrangements the operation of which may at any subsequent date result in a change of control of Unilever.

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**ITEM 7. MAJOR SHAREHOLDERS AND RELATED PARTY TRANSACTIONS CONTINUED**

**B. RELATED PARTY TRANSACTIONS**

The information set forth under the heading "Note 23 Related party transactions" on page 134 of the Group's Annual Report and Accounts 2015 furnished separately on 23 February 2016 under Form 6-K is incorporated by reference.

Transactions with related parties are conducted in accordance with agreed transfer pricing policies and include sales to joint ventures and associates. Other than those disclosed in the Group's Annual Report and Accounts (and incorporated herein as above), there were no related party transactions that were material to the Group or to the related parties concerned that are required to be reported in 2015 up to 15 February 2015 (the latest practicable date for inclusion in this report).

**C. INTEREST OF EXPERTS AND COUNSEL**

Not applicable.

**ITEM 8. FINANCIAL INFORMATION**

**A. CONSOLIDATED STATEMENTS AND OTHER FINANCIAL INFORMATION**

Please refer also to Item 18 "Financial statements" on pages 22 to 28 of this report.

The information set forth under the following headings of the Group's Annual Report and Accounts 2015 furnished separately on 23 February 2016 under Form 6-K is incorporated by reference:

- Financial statements on page 84 and pages 90 to 147;
- Legal proceedings on page 131; and
- Financial calendar on page 44.

Also see "Dividend record" on page 4 of this report.

**B. SIGNIFICANT CHANGES**

The information set forth in "Note 26 Events after the balance sheet date" on page 135 of the Group's Annual Report and Accounts 2015 furnished separately on 23 February 2016 under Form 6-K is incorporated by reference.

**ITEM 9. THE OFFER AND LISTING**

**A. OFFER AND LISTING DETAILS**

Please refer to information given on page 13 under Item 7A "Major shareholders".

## SHARE PRICES AT 31 DECEMBER 2015

The share prices of the ordinary shares at the end of the year were as follows:

|  |                   |
|--|-------------------|
| NV per 0.16 ordinary share in Amsterdam                            | <b>40.11</b>      |
| NV per 0.16 ordinary share in New York                             | <b>US \$43.32</b> |
| PLC per 3 <sup>1</sup> / <sub>9</sub> p ordinary share in London   | <b>£29.26</b>     |
| PLC per 3 <sup>1</sup> / <sub>9</sub> p ordinary share in New York | <b>US \$43.12</b> |

## MONTHLY HIGH AND LOW PRICES FOR THE MOST RECENT SIX MONTHS

|   |      | August<br>2015 | September<br>2015 | October<br>2015 | November<br>2015 | December<br>2015 | January<br>2016 | February<br>2016           |
|---|------|----------------|-------------------|-----------------|------------------|------------------|-----------------|----------------------------|
| NV per 0.16 ordinary share<br>in Amsterdam (in )                                    | High | <b>42.32</b>   | <b>35.91</b>      | <b>41.63</b>    | <b>42.48</b>     | <b>41.91</b>     | <b>40.89</b>    | <b>40.88<sup>(a)</sup></b> |
|   | Low  | <b>34.23</b>   | <b>33.87</b>      | <b>35.82</b>    | <b>39.89</b>     | <b>38.19</b>     | <b>37.06</b>    | <b>36.69<sup>(a)</sup></b> |
| NV per 0.16 ordinary share<br>in New York<br>(in US \$)                             | High | <b>46.51</b>   | <b>40.69</b>      | <b>46.04</b>    | <b>45.40</b>     | <b>44.23</b>     | <b>44.41</b>    | <b>44.49<sup>(b)</sup></b> |
|   | Low  | <b>39.58</b>   | <b>38.43</b>      | <b>40.25</b>    | <b>42.67</b>     | <b>42.33</b>     | <b>40.27</b>    | <b>41.84<sup>(b)</sup></b> |
| PLC per 3 <sup>1</sup> / <sub>9</sub> p ordinary<br>share in London<br>(in £)       | High | <b>29.66</b>   | <b>26.86</b>      | <b>29.60</b>    | <b>28.81</b>     | <b>29.41</b>     | <b>30.85</b>    | <b>30.78<sup>(a)</sup></b> |
|   | Low  | <b>25.24</b>   | <b>25.38</b>      | <b>26.82</b>    | <b>27.54</b>     | <b>27.20</b>     | <b>27.63</b>    | <b>29.05<sup>(a)</sup></b> |
| PLC per 3 <sup>1</sup> / <sub>9</sub> p ordinary<br>share in New York<br>(in US \$) | High | <b>46.07</b>   | <b>41.10</b>      | <b>45.72</b>    | <b>44.60</b>     | <b>43.96</b>     | <b>44.27</b>    | <b>44.42<sup>(b)</sup></b> |
|   | Low  | <b>39.61</b>   | <b>39.08</b>      | <b>40.84</b>    | <b>42.00</b>     | <b>41.85</b>     | <b>40.09</b>    | <b>42.35<sup>(b)</sup></b> |

<sup>(a)</sup>Through 15 February 2016 (the latest practicable date for inclusion in this report).

<sup>(b)</sup>Through 12 February 2016 (the latest available data for inclusion in this report).

## QUARTERLY HIGH AND LOW PRICES FOR 2015 AND 2014

|   |      | 1st<br>Quarter<br>2015 | 2nd<br>Quarter<br>2015 | 3rd<br>Quarter<br>2015 | 4th<br>Quarter<br>2015 |
|---|------|------------------------|------------------------|------------------------|------------------------|
| NV per 0.16 ordinary share in Amsterdam (in )                                 | High | <b>40.52</b>           | <b>41.88</b>           | <b>42.32</b>           | <b>42.48</b>           |
|   | Low  | <b>31.55</b>           | <b>36.86</b>           | <b>33.87</b>           | <b>35.82</b>           |
| NV per 0.16 ordinary share in New York (in US \$)                             | High | <b>43.94</b>           | <b>44.98</b>           | <b>46.51</b>           | <b>46.04</b>           |
|   | Low  | <b>37.64</b>           | <b>41.40</b>           | <b>38.43</b>           | <b>40.25</b>           |
| PLC per 3 <sup>1</sup> / <sub>9</sub> p ordinary share in London (in £)       | High | <b>29.52</b>           | <b>30.15</b>           | <b>29.66</b>           | <b>29.60</b>           |
|   | Low  | <b>25.73</b>           | <b>27.30</b>           | <b>25.24</b>           | <b>26.82</b>           |
| PLC per 3 <sup>1</sup> / <sub>9</sub> p ordinary share in New York (in US \$) | High | <b>44.67</b>           | <b>45.08</b>           | <b>46.07</b>           | <b>45.72</b>           |
|   | Low  | <b>39.03</b>           | <b>41.83</b>           | <b>39.08</b>           | <b>40.84</b>           |

**Table of Contents****ITEM 9. THE OFFER AND LISTING CONTINUED**

|   |      | 1st<br>Quarter<br>2014 | 2nd<br>Quarter<br>2014 | 3rd<br>Quarter<br>2014 | 4th<br>Quarter<br>2014 |
|---|------|------------------------|------------------------|------------------------|------------------------|
| NV per 0.16 ordinary share in Amsterdam (in )                                 | High | 29.96                  | 32.59                  | 32.54                  | 33.49                  |
|   | Low  | 27.16                  | 29.70                  | 30.05                  | 28.96                  |
| NV per 0.16 ordinary share in New York (in US \$)                             | High | 41.12                  | 44.31                  | 44.08                  | 41.02                  |
|   | Low  | 36.72                  | 40.57                  | 39.34                  | 37.14                  |
| PLC per 3 <sup>1</sup> / <sub>9</sub> p ordinary share in London (in £)       | High | 25.61                  | 27.26                  | 27.29                  | 27.29                  |
|   | Low  | 23.06                  | 25.37                  | 25.42                  | 24.06                  |
| PLC per 3 <sup>1</sup> / <sub>9</sub> p ordinary share in New York (in US \$) | High | 42.78                  | 45.85                  | 45.85                  | 42.42                  |
|   | Low  | 37.85                  | 42.00                  | 41.71                  | 38.97                  |

**ANNUAL HIGH AND LOW PRICES**

|   |      | <b>2015</b>  | 2014  | 2013  | 2012  | 2011  |
|---|------|--------------|-------|-------|-------|-------|
| NV per 0.16 ordinary share in Amsterdam (in )                                 | High | <b>42.48</b> | 33.49 | 32.89 | 29.50 | 26.58 |
|   | Low  | <b>31.55</b> | 27.16 | 27.50 | 24.56 | 21.00 |
| NV per 0.16 ordinary share in New York (in US \$)                             | High | <b>46.51</b> | 44.31 | 42.78 | 38.75 | 35.06 |
|   | Low  | <b>37.64</b> | 36.72 | 37.27 | 30.79 | 29.07 |
| PLC per 3 <sup>1</sup> / <sub>9</sub> p ordinary share in London (in £)       | High | <b>30.15</b> | 27.29 | 28.85 | 24.29 | 21.73 |
|   | Low  | <b>25.24</b> | 23.06 | 23.19 | 19.94 | 17.93 |
| PLC per 3 <sup>1</sup> / <sub>9</sub> p ordinary share in New York (in US \$) | High | <b>46.07</b> | 45.85 | 43.54 | 39.37 | 34.30 |
|   | Low  | <b>39.03</b> | 37.85 | 37.67 | 31.04 | 28.65 |

There have not been any significant suspensions in the past three years.

**B. PLAN OF DISTRIBUTION**

Not applicable.

**C. MARKETS**

This information is set forth under the heading "The Unilever Group" on page 1 of this report.

**D. SELLING SHAREHOLDERS**

Not applicable.

**E. DILUTION**

Not applicable.

**F. EXPENSES OF THE ISSUE**

Not applicable.

## **ITEM 10. ADDITIONAL INFORMATION**

### **A. SHARE CAPITAL**

Not applicable.

### **B. ARTICLES OF ASSOCIATION**

The information set forth under the following headings of the Group's Annual Report and Accounts 2015 furnished separately on 23 February 2016 under Form 6-K is incorporated by reference:

About Unilever on page 45;

Corporate governance on pages 45 to 52;

Appointment and reappointment of Directors on pages 64 and 65;

Note 15A Share capital on page 116; and

Minimum shareholding requirement and Executive Director share interests (Unaudited) on page 76.

NV's Articles of Association contain, among other things, the objects clause, which sets out the scope of activities that NV is authorised to undertake. They are drafted to give a wide scope and provide that the primary objectives are: to carry on business as a holding company, to manage any companies in which it has an interest and to operate and carry into effect the Equalisation Agreement. At the 2010 PLC AGM, the shareholders agreed that the objects clause be removed from PLC's Articles of Association so that there are no restrictions on its objects.

### **DIRECTORS' BORROWING POWERS**

The borrowing powers of NV Directors on behalf of NV are not limited by NV's Articles of Association. PLC Directors have the power to borrow on behalf of PLC up to three times the PLC proportion of the adjusted capital and reserves of the Unilever Group, as defined in PLC's Articles of Association, without the approval of shareholders (by way of an ordinary resolution).

### **ALLOCATION OF PROFITS**

Under NV's Articles of Association, available profits are distributed first to 7% and 6% cumulative preference shareholders by a dividend of 7% and 6%, respectively, calculated on the basis of the original nominal value of 1,000 Dutch guilders converted to euros at the official conversion rate. The remaining profits are distributed to ordinary shareholders in proportion to the nominal value of their holdings.

Distributable profits of PLC are paid first at the rate of 5% per year on the paid-up nominal capital of 3<sup>1</sup>/<sub>9</sub>p of the ordinary shares, in a further such dividend and then at the rate of 6% per year on the paid-up nominal capital of the deferred stock of £100,000. The surplus is paid by way of a dividend on the ordinary shares.

### **LAPSE OF DISTRIBUTIONS**

The right to cash and the proceeds of share distributions by NV lapses five and 20 years, respectively, after the first day the distribution was obtainable. Unclaimed amounts revert to NV. Any PLC dividend unclaimed after 12 years from the date of the declaration of the dividend reverts to PLC.



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**ITEM 10. ADDITIONAL INFORMATION CONTINUED**

**REDEMPTION PROVISIONS AND CAPITAL CALL**

Under Dutch law, NV may only redeem treasury shares (including shares underlying depositary receipts) or shares whose terms permit redemption. Outstanding PLC ordinary shares and deferred shares cannot be redeemed. NV and PLC may make capital calls on money unpaid on shares and not payable on a fixed date. NV and PLC only issue fully paid shares.

**MODIFICATION OF RIGHTS**

Modifications to NV's or PLC's Articles of Association must be approved by a general meeting of shareholders. Any modification that prejudices the rights of 7% or 6% cumulative preference shareholders of NV must be approved by three quarters of votes cast (excluding treasury shares) at a meeting of affected holders.

Modifications that prejudicially affect the rights and privileges of a class of PLC shareholders require the written consent of three quarters of the affected holders (excluding treasury shares) or a special resolution passed at a general meeting of the class at which at least two persons holding or representing at least one third of the paid-up capital (excluding treasury shares) must be present. Every shareholder is entitled to one vote per share held on a poll and may demand a poll vote. At any adjourned general meeting, present affected class holders may establish a quorum.

**SINKING FUND AND CHANGE IN CONTROL**

Not applicable.

Please also refer to "The Unilever Group" on page 1 of this report.

**C. MATERIAL CONTRACTS**

The information set forth under the following headings of the Group's Annual Report and Accounts 2015 furnished separately on 23 February 2016 under Form 6-K is incorporated by reference:

About Unilever on page 45; and

Material Contracts on page 50.

The descriptions of the foundation agreements set forth in the Group's Annual Report and Accounts 2015 do not purport to be complete and are qualified in their entirety by reference to the Equalisation Agreement between Unilever N.V. and Unilever PLC, the Deed of Mutual Covenants and the Agreement for Mutual Guarantees of Borrowing, including all amendments thereto, filed as Exhibits 4.1(a), 4.1(b) and 4.1(c), respectively, to this report, which are incorporated herein by reference.

**D. EXCHANGE CONTROLS**

Under the Dutch External Financial Relations Act of 25 March 1994, the Minister of Finance is authorised to issue regulations relating to financial transactions concerning the movement of capital to or from other countries with respect to direct investments, establishment, the performing of financial services, the admission of negotiable instruments or goods with respect to which regulations have been issued under the Import and Export Act in the interest of the international legal system or an arrangement relevant thereto. These regulations may contain a prohibition to perform any of the actions indicated in those regulations without a licence. To date, no regulations of



this type, have been issued which are applicable to NV.

Other than certain economic sanctions which may be in place from time to time, there are currently no UK laws, decrees or regulations restricting the import or export of capital or affecting the remittance of dividends or other payments to holders of the company's shares who are non-residents of the UK. Similarly, other than certain economic sanctions which may be in force from time to time, there are no limitations relating only to non-residents of the UK under English law or the company's Articles of Association on the right to be a holder of, and to vote in respect of, the company's shares.

## **E. TAXATION**

### **TAXATION FOR US PERSONS HOLDING SHARES IN NV**

The following notes are provided for guidance. US persons should consult their local tax advisers, particularly in connection with potential liability to pay US taxes on disposal, lifetime gift or bequest of their shares. A US person is a US individual citizen or resident, a corporation organised under the laws of the United States, or any other legal person subject to United States Federal Income Tax on its worldwide income.

### **TAXATION ON DIVIDENDS IN THE NETHERLANDS**

As of 1 January 2007, dividends paid by companies in the Netherlands are in principle subject to dividend withholding tax of 15%. Where a shareholder is entitled to the benefits of the current Income Tax Convention (the Convention) concluded on 18 December 1992 between the United States and the Netherlands, when dividends are paid by NV to:

a corporation organised under the laws of the United States (or any territory of it) having no permanent establishment in the Netherlands of which such shares form a part of the business property; or  
any other legal person subject to United States Federal Income Tax with respect to its worldwide income, having no permanent establishment in the Netherlands of which such shares form a part of the business property, these dividends qualify for a reduction of withholding tax on dividends in the Netherlands from 15% to 5%, if the beneficial owner is a company which directly holds at least 10% of the voting power of NV shares.

Where a United States person has a permanent establishment in the Netherlands, which has shares in NV forming part of its business property, dividends it receives on those shares are included in that establishment's profit. They are subject to income tax or corporation tax in the Netherlands, as appropriate, and tax on dividends in the Netherlands will generally be applied at the full rate of 15% with, as appropriate, the possibility to claim a credit for that tax on dividends in the Netherlands against the income tax or corporation tax in the Netherlands. The net tax suffered may be treated as foreign income tax eligible for credit against shareholders' United States income taxes.

The Convention provides, subject to certain conditions, for a complete exemption from, or refund of, Dutch dividend withholding tax if the beneficial owner is a qualified Exempt Pension Trust as defined in Article 35 of the Convention or a qualified Exempt Organisation as defined in Article 36 of the Convention. It is noted that, subject to certain conditions, foreign (non-Dutch) tax exempt entities may also be entitled to a full refund of any Dutch dividend withholding tax suffered based on specific provisions in the Dividend Tax Act in the Netherlands. This tax refund opportunity under Dutch domestic tax law already applied to European Union and European Economic Area entities as of 1 January 2007 and has been extended as of 1 January 2012 to all foreign tax exempt entities including, if appropriate, United States tax exempt entities.

Under the Convention, qualifying United States organisations that are generally exempt from United States taxes and that are constituted and operated exclusively to administer or provide pension, retirement or other employee benefits may be exempt at source from withholding tax on dividends received from a Dutch corporation. A Competent Authority Agreement between the US and Dutch tax authorities on 6 August 2007, published in the US as Announcement 2007-75, 2007-2 Cumulative Bulletin 540, as amended by a Competent Authority Agreement

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published in the United States as Announcement 2010-26, 2010-1 Cumulative Bulletin 604, describes the eligibility of these US organisations for benefits under the Convention and procedures for claiming these benefits.

Under the Convention, a United States trust, company or organisation that is operated exclusively for religious, charitable, scientific, educational or public purposes is subject to an initial 15% withholding tax rate. Such an exempt organisation may be entitled to reclaim from tax authorities in the Netherlands a refund of the Dutch dividend tax, if and to the extent that it is exempt from

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**ITEM 10. ADDITIONAL INFORMATION CONTINUED**

United States Federal Income Tax and it would be exempt from tax in the Netherlands if it were organised and carried on all its activities there. If you are an NV shareholder resident in any country other than the United States or the Netherlands, any exemption from, or reduction or refund of, dividend withholding tax in the Netherlands may be governed by specific provisions in Dutch tax law, the Tax Regulation for the Kingdom of the Netherlands, or by the tax convention or any other agreement for the avoidance of double taxation, if any, between the Netherlands and your country of residence.

**UNITED STATES TAXATION ON DIVIDENDS**

If you are a United States person, the dividend (including the withheld amount) up to the amount of NV earnings and profits for United States Federal Income Tax purposes will be ordinary dividend income. Dividends received by an individual will be taxed at a maximum rate of 15% or 20%, depending on the income level of the individual, provided the individual has held the shares for more than 60 days during the 121-day period beginning 60 days before the ex-dividend date, that NV is a qualified foreign corporation and that certain other conditions are satisfied. NV is a qualified foreign corporation for this purpose. In addition, an additional tax of 3.8% will apply to dividends and other investment income received by individuals with incomes exceeding certain thresholds. The dividends are not eligible for the dividends received deduction allowed to corporations.

For US foreign tax credit purposes, the dividend is foreign source income, and withholding tax in the Netherlands is a foreign income tax that is eligible for credit against the shareholder's United States income taxes. However, the rules governing the US foreign tax credit are complex, and additional limitations on the credit apply to individuals receiving dividends eligible for the maximum tax rate on dividends described above.

Any portion of the dividend that exceeds NV's United States earnings and profits is subject to different rules. This portion is a tax-free return of capital to the extent of your basis in NV's shares, and thereafter is treated as a gain on a disposition of the shares.

Under a provision of the Dividend Tax Act in the Netherlands and provided certain conditions are satisfied, NV is entitled to a credit (up to a maximum of 3% of the gross dividend from which dividend tax is withheld) against the amount of dividend tax withheld before remittance to tax authorities in the Netherlands. The United States tax authority may take the position that withholding tax in the Netherlands eligible for credit should be limited accordingly.

**DISCLOSURE REQUIREMENTS FOR US INDIVIDUAL HOLDERS**

US individuals that hold certain specified foreign financial assets, including stock in a foreign corporation, with values in excess of certain thresholds are required to file Form 8938 with their United States Federal Income Tax return. Such Form requires disclosure of information concerning such foreign assets, including the value of the assets. Failure to file the form when required is subject to penalties. An exemption from reporting applies to foreign assets held through a US financial institution, generally including a non-US branch or subsidiary of a US institution and a US branch of a non-US institution. Investors are encouraged to consult with their own tax advisors regarding the possible application of this disclosure requirement to their investment in the shares.

**TAXATION ON CAPITAL GAINS IN THE NETHERLANDS**

Under the Convention, if you are a United States person and you have capital gains on the sale of shares of a Dutch company, these are generally not subject to taxation by the Netherlands. An exception to this rule generally applies if you have a permanent establishment in the Netherlands and the capital gain is derived from the sale of shares which form part of that permanent establishment's business property.

#### **SUCCESSION DUTY AND GIFT TAXES IN THE NETHERLANDS**

Under the Estate and Inheritance Tax Convention between the United States and the Netherlands of 15 July 1969, individual US persons who are not Dutch citizens who have shares will generally not be subject to succession duty in the Netherlands on the individual's death, unless the shares are part of the business property of a permanent establishment situated in the Netherlands.

A gift of shares of a Dutch company by a person who is not a resident or a deemed resident of the Netherlands is generally not subject to gift tax in the Netherlands. A non-resident Netherlands citizen, however, is still treated as a resident of the Netherlands for gift tax purposes for ten years and any other non-resident person for one year after leaving the Netherlands.

#### **TAXATION FOR US PERSONS HOLDING SHARES OR ADSs IN PLC**

The following notes are provided for guidance. US persons should consult their local tax advisers, particularly in connection with potential liability to pay US taxes on disposal, lifetime gift or bequest of their shares or American Depositary Shares (ADSs). A US person is a US individual citizen or resident, a corporation organized under the laws of the United States, or any other legal person subject to United States Federal Income Tax on its worldwide income.

#### **UNITED KINGDOM TAXATION ON DIVIDENDS**

Under United Kingdom law, income tax is not withheld from dividends paid by United Kingdom companies. Shareholders, whether resident in the United Kingdom or not, receive the full amount of the dividend actually declared.

#### **UNITED STATES TAXATION ON DIVIDENDS**

If you are a US person, the dividend up to the amount of PLC's earnings and profits for United States Federal Income Tax purposes will be ordinary dividend income. Dividends received by an individual will be taxed at a maximum rate of 15% or 20%, depending on the income level of the individual, provided the individual has held the shares or ADSs for more than 60 days during the 121-day period beginning 60 days before the ex-dividend date, that PLC is a qualified foreign corporation and certain other conditions are satisfied. PLC is a qualified foreign corporation for this purpose. In addition, an additional tax of 3.8% will apply to dividends and other investment income received by individuals with incomes exceeding certain thresholds. The dividend is not eligible for the dividends received deduction allowable to corporations. The dividend is foreign source income for US foreign tax credit purposes.

Any portion of the dividend that exceeds PLC's United States earnings and profits is subject to different rules. This portion is a tax-free return of capital to the extent of your basis in PLC's shares or ADSs, and thereafter is treated as a gain on a disposition of the shares or ADSs.

#### **DISCLOSURE REQUIREMENTS FOR US INDIVIDUAL HOLDERS**

US individuals that hold certain specified foreign financial assets, including stock in a foreign corporation, with values in excess of certain thresholds are required to file Form 8938 with their United States Federal Income Tax return. Such Form requires disclosure of information concerning such foreign assets, including the value of the assets. Failure to file the form when required is subject to penalties. An exemption from reporting applies to foreign assets held

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through a US financial institution, generally including a non-US branch or subsidiary of a US institution and a US branch of a non-US institution. Investors are encouraged to consult with their own tax advisors regarding the possible application of this disclosure requirement to their investment in the shares or ADSs.

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**ITEM 10. ADDITIONAL INFORMATION CONTINUED**

**UK TAXATION ON CAPITAL GAINS**

Under United Kingdom law, when you dispose of shares you may be liable to pay United Kingdom tax in respect of any gain accruing on the disposal. However, if you are either:

an individual who is not resident in the United Kingdom for the year in question; or  
a company which is not resident in the United Kingdom when the gain accrues  
you will generally not be liable to United Kingdom tax on any capital gains made on disposal of your shares.

Two exceptions are: if the shares are held in connection with a trade or business which is conducted in the United Kingdom through a branch, agency or permanent establishment; or if the shares are held by an individual who becomes resident in the UK having left the UK for a period of non-residence of five years or less and who was resident for at least four of the seven tax years prior to leaving the UK.

**UK INHERITANCE TAX**

Under the current estate and gift tax convention between the United States and the United Kingdom, ordinary shares held by an individual shareholder who is:

domiciled for the purposes of the convention in the United States; and  
is not for the purposes of the convention a national of the United Kingdom  
will generally not be subject to United Kingdom inheritance tax:

on the individual's death; or  
on a gift of the shares during the individual's lifetime.

An exception is if the shares are part of the business property of a permanent establishment of the individual in the United Kingdom or, in the case of a shareholder who performs independent personal services, pertain to a fixed base situated in the United Kingdom.

**F. DIVIDENDS AND PAYING AGENTS**

Not applicable.

**G. STATEMENT BY EXPERTS**

Not applicable.

**H. DOCUMENTS ON DISPLAY**

The information set forth under the headings "Contact details" and "Publications" on page 44 of the Group's Annual Report and Accounts 2015 furnished separately on 23 February 2016 under Form 6-K is incorporated by reference.

**UNILEVER ANNUAL REPORT ON FORM 20-F 2015**

Filed with the SEC on the SEC's website. Printed copies are available, free of charge, upon request to Unilever PLC, Investor Relations department, 100 Victoria Embankment, London, EC4Y 0DY United Kingdom.

## **DOCUMENTS ON DISPLAY IN THE UNITED STATES**

Unilever files and furnishes reports and information with the United States SEC. Such reports and information can be inspected and copied at the SEC's public reference facilities in Washington DC, Chicago and New York. Certain of our reports and other information that we file or furnish to the SEC are also available to the public over the internet on the SEC's website.

### **I. SUBSIDIARY INFORMATION**

Not applicable.

## **ITEM 11. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK**

Please refer also to Item 3D Risk Factors of this report.

The information set forth under the following headings of the Group's Annual Report and Accounts 2014 furnished separately on 6 March 2015 under Form 6-K is incorporated by reference:

Note 4B Pensions and similar obligations on pages 99 to 104;

Note 13 Trade and other current receivables on pages 113 and 114;

Note 14 Trade payables and other liabilities on page 114;

Note 15 Capital and funding on pages 115 to 116;

Note 16 Treasury risk management on pages 120 to 125;

Note 17 Investment and return on pages 125 to 126; and

Note 18 Financial instruments fair value risk on pages 127 to 129.

Please also refer to Outlook within Item 5D of this report.

## **ITEM 12. DESCRIPTION OF SECURITIES OTHER THAN EQUITY SECURITIES**

Deutsche Bank serves as both the transfer agent and registrar pursuant to the NV New York Registered Share Program and the depositary (Depositary) for PLC's American Depositary Receipt Program.

### **A. DESCRIPTION OF DEBT SECURITIES**

Not applicable.

### **B. DESCRIPTION OF WARRANTS AND RIGHTS**

Not applicable.

### **C. DESCRIPTION OF OTHER SECURITIES**

Not applicable.

**D.1 NAME OF DEPOSITARY AND ADDRESS OF PRINCIPAL EXECUTIVE**

Not applicable.

**D.2 TITLE OF ADRS AND BRIEF DESCRIPTION OF PROVISIONS**

Not applicable.

**D.3 TRANSFER AGENT FEES AND CHARGES FOR NV**

Although Items 12.D.3 and 12.D.4 are not applicable to Unilever N.V. the following fees, charges and transfer agent payments are listed, as any fee arrangement with Deutsche Bank will cover both programs.

Under the terms of the Transfer Agent Agreement for the Unilever N.V. New York Registered Share program, a New York Registry Share (NYRS) holder may have to pay the following service fees to the transfer agent:

Issuance of NYRSs: up to US 5¢ per NYRS issued.

Cancellation of NYRSs: up to US 5¢ per NYRS cancelled.

An NYRS holder will also be responsible to pay certain fees and expenses incurred by the transfer agent and certain taxes and governmental charges such as:

fees for the transfer and registration of shares charged by the registrar and transfer agent for the shares in the Netherlands (ie upon deposit and withdrawal of shares);  
expenses incurred for converting foreign currency into US dollars;  
expenses for cable, telex and fax transmissions and for delivery of securities;  
taxes and duties upon the transfer of securities (ie when shares are deposited or withdrawn from deposit); and  
fees and expenses incurred in connection with the delivery or servicing of shares on deposit.



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**ITEM 12. DESCRIPTION OF SECURITIES OTHER THAN EQUITY SECURITIES CONTINUED**

Transfer agent fees payable upon the issuance and cancellation of NYRSs are typically paid to the transfer agent by the brokers (on behalf of their clients) receiving the newly-issued NYRSs from the transfer agent and by the brokers (on behalf of their clients) delivering the NYRSs to the transfer agent for cancellation. The brokers in turn charge these transaction fees to their clients.

Note that the fees and charges an investor may be required to pay may vary over time and may be changed by us and by the transfer agent. Notice of any changes will be given to investors.

**D.3 DEPOSITARY FEES AND CHARGES FOR PLC**

Under the terms of the Deposit Agreement for the Unilever PLC American Depositary Shares (ADSs), an ADS holder may have to pay the following service fees to the depositary bank:

Issuance of ADSs: up to US 5¢ per ADS issued.

Cancellation of ADSs: up to US 5¢ per ADS cancelled.

Processing of dividend and other cash distributions not made pursuant to a cancellation or withdrawal: up to US 5¢ per ADS held.

An ADS holder will also be responsible for paying certain fees and expenses incurred by the depositary bank and certain taxes and governmental charges such as:

fees for the transfer and registration of shares charged by the registrar and transfer agent for the shares in the United Kingdom (ie upon deposit and withdrawal of shares);

expenses incurred for converting foreign currency into US dollars;

expenses for cable, telex and fax transmissions and for delivery of securities;

taxes and duties upon the transfer of securities (ie when shares are deposited or withdrawn from deposit);

fees and expenses incurred in connection with the delivery or servicing of shares on deposit; and

fees incurred in connection with the distribution of dividends.

Depositary fees payable upon the issuance and cancellation of ADSs are typically paid to the depositary bank by the brokers (on behalf of their clients) receiving the newly-issued ADSs from the depositary bank and by the brokers (on behalf of their clients) delivering the ADSs to the depositary bank for cancellation. The brokers in turn charge these transaction fees to their clients.

Note that the fees and charges an investor may be required to pay may vary over time and may be changed by us and by the depositary bank. Notice of any changes will be given to investors.

**D.4 TRANSFER AGENT PAYMENTS FISCAL YEAR 2015 FOR NV**

In relation to 2015, NV received \$1,225,000.00 from Deutsche Bank, the transfer agent and registrar for its New York Registered Share program since 1 July 2014, including the reimbursement of listing fees (NYSE), reimbursement of settlement infrastructure fees (including DTC feeds), reimbursement of proxy process expenses (printing, postage and distribution), tax reclaim services and program-related expenses (that include expenses incurred from the requirements of the Sarbanes-Oxley Act of 2002).

**D.4 DEPOSITARY PAYMENTS FISCAL YEAR 2015 FOR PLC**

In relation to 2015, PLC received \$4,047,412.64 from Deutsche Bank, the depositary bank for its American Depositary Receipt Program since 1 July 2014, including processing of cash distributions, reimbursement of listing fees (NYSE), reimbursement of settlement infrastructure fees (including DTC feeds), reimbursement of proxy process expenses (printing, postage and distribution), dividend fees and program-related expenses (that include expenses incurred from the requirements of the Sarbanes-Oxley Act of 2002).

### **ITEM 13. DEFAULTS, DIVIDEND ARREARAGES AND DELINQUENCIES**

#### **A. DEFAULTS**

There has been no material default in the payment of principal, interest, a sinking or purchase fund instalment or any other material default relating to indebtedness of the Group.

#### **B. DIVIDEND ARREARAGES AND DELINQUENCIES**

There have been no arrears in payment of dividends on, and material delinquency with respect to, any class of preferred stock of any significant subsidiary of the Group.

### **ITEM 14. MATERIAL MODIFICATIONS TO THE RIGHTS OF SECURITY HOLDERS AND USE OF PROCEEDS**

Not applicable.

### **ITEM 15. CONTROLS AND PROCEDURES**

The information set forth under the headings "Report of independent registered public accounting firm" in Item 18 on page 22 of this report, and "Our risk appetite and approach to risk management" on page 53, "The United States" on page 52 and "Risk management and internal control arrangements" on page 61 of the Group's Annual Report and Accounts 2015 furnished separately on 23 February 2016 under Form 6-K is incorporated by reference.

### **MANAGEMENT'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING**

In accordance with the requirements of Section 404 of the US Sarbanes-Oxley Act of 2002, the following report is provided by management in respect of the Group's internal control over financial reporting (as defined in rule 13a-15(f) or rule 15d-15(f) under the US Securities Exchange Act of 1934):

Unilever's management is responsible for establishing and maintaining adequate internal control over financial reporting for the Group;

Unilever's management has used the Committee of Sponsoring Organizations of the Treadway Commission (COSO) framework (2013) to evaluate the effectiveness of our internal control over financial reporting.

Management believes that the COSO framework (2013) is a suitable framework for its evaluation of our internal control over financial reporting because it is free from bias, permits reasonably consistent qualitative and quantitative measurements of internal controls, is sufficiently complete so that those relevant factors that would alter a conclusion about the effectiveness of internal controls are not omitted and is relevant to an evaluation of internal control over financial reporting;

Management has assessed the effectiveness of internal control over financial reporting as of 31 December 2015, and has concluded that such internal control over financial reporting is effective; and

KPMG LLP and KPMG Accountants N.V., who have audited the consolidated financial statements of the Group for the year ended 31 December 2015, have also audited the effectiveness of internal control over financial reporting as at 31 December 2015 and have issued an attestation report on internal control over financial reporting. For the Auditors' report please refer to Item 18 on page 22 of this report.

#### **ITEM 16. RESERVED**

Not applicable.

**Table of Contents****ITEM 16A. AUDIT COMMITTEE FINANCIAL EXPERT**

The information set forth under the headings "Independence and Conflicts" and "Report of the Audit Committee" on page 46 and pages 60 and 61, respectively, of the Group's Annual Report and Accounts 2015 furnished separately on 23 February 2016 under Form 6-K is incorporated by reference.

**ITEM 16B. CODE OF ETHICS**

The information set forth under the following headings of the Group's Annual Report and Accounts 2015 furnished separately on 23 February 2016 under Form 6-K is incorporated by reference:

- Foundation and principles on page 53;
- The United States on page 52; and
- Code of Business Principles on page 62.

**ITEM 16C. PRINCIPAL ACCOUNTANT FEES AND SERVICES**

The information set forth under the heading "Report of the Audit Committee" on pages 60 and 61 of the Group's Annual Report and Accounts 2015 furnished separately on 23 February 2016 under Form 6-K is incorporated by reference.

Following a competitive tender process KPMG LLP and KPMG Accountants N.V. (together referred to as "KPMG") were appointed as the Group's auditors on 14 May 2014. KPMG have served as Group auditor for the years ended 31 December 2015 and 2014. PricewaterhouseCoopers LLP and PricewaterhouseCoopers Accountants N.V. (together referred to as "PricewaterhouseCoopers") served as Group auditor for the year ended 31 December 2013. Remuneration of the Group's auditor in respect of 2015 and 2014 was payable to KPMG while in respect of 2013 it was payable to PricewaterhouseCoopers.

|                                   | <b>million</b><br><b>2015</b> | million<br>2014 | million<br>2013 |
|-----------------------------------|-------------------------------|-----------------|-----------------|
| Audit fees <sup>(a)</sup>         | <b>14</b>                     | 14              | 16              |
| Audit-related fees <sup>(b)</sup> | (c)                           | (c)             | 3               |
| Tax fees                          | (c)                           | (c)             | 1               |
| All other fees                    | (c)                           | (c)             | 1               |

<sup>(a)</sup>Excludes nil million fees paid in respect of services supplied for associated pension schemes. (2014: nil million; 2013: 1 million).

- (b) Includes other audit services which comprise audit and similar work that regulations or agreements with third parties require the auditors to undertake.
- (c) Amounts paid in relation to each type of service are individually less than 1 million. In aggregate the fees paid were 1 million (2014: less than 1 million).

#### ITEM 16D. EXEMPTIONS FROM THE LISTING STANDARDS FOR AUDIT COMMITTEES

Not applicable.

#### ITEM 16E. PURCHASES OF EQUITY SECURITIES BY THE ISSUER AND AFFILIATED PURCHASERS

##### SHARE PURCHASES DURING 2015

The information set forth under the heading "Our shares" on pages 47 and 48 of the Group's Annual Report and Accounts 2015 furnished separately on 23 February 2016 under Form 6-K is incorporated by reference.

|                         |                                     |  |  | million   |
|-------------------------|-------------------------------------|--|--|---|
|                         | Total number of<br>shares purchased | Average<br>price<br>paid per share ( ) | Of which, number<br>shares<br>purchased<br>as part of<br>publicly<br>announced plans | Maximum value that<br>may yet be purchased<br>as part of<br>publicly<br>announced plans |
| January                 |                                     |  |  |   |
| February <sup>(a)</sup> | 24,212                              | 37.54                                  |  |   |
| March                   |                                     |  |  |   |
| April                   |                                     |  |  |   |
| May                     |                                     |  |  |   |
| June <sup>(a)</sup>     | 2,037,000                           | 38.38                                  |  |   |
| July                    |                                     |  |  |   |
| August <sup>(a)</sup>   | 3,383,300                           | 39.69                                  |  |   |
| September               |                                     |  |  |   |
| October                 |                                     |  |  |   |
| November                |                                     |  |  |   |
| December                |                                     |  |  |   |
| <b>Total</b>            | <b>5,444,512</b>                    | <b>39.19</b>                           |  |   |

<sup>(a)</sup> Shares were purchased to satisfy commitments to deliver shares under our share-based plans as described in note 4C "Share-based compensation plans" on pages 104 and 105 of the Group's Annual Report and Accounts 2015 furnished

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separately on 23 February 2016 under Form 6-K and incorporated by reference.  
Between 31 December 2015 and 15 February 2016 (the latest practicable date for inclusion in this report) neither NV or PLC conducted any share repurchases.

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**ITEM 16F. CHANGE IN REGISTRANT'S CERTIFYING ACCOUNTANT**

In 2013 we conducted a tender process for the Unilever Group's statutory audit contract. The change in auditors was made in order to remain at the forefront of good governance and in recognition of regulatory changes in Europe and elsewhere. Accordingly, the engagement of PricewaterhouseCoopers LLP and PricewaterhouseCoopers Accountants N.V. (together, PricewaterhouseCoopers), was not renewed in 2014. As a result of the audit tender process we announced on 2 December 2013 that following completion of the audit of the Unilever Group financial statements for the year ended 31 December 2013 and the audit of the effectiveness of internal control over financial reporting as of 31 December 2013, KPMG LLP and KPMG Accountants N.V. (together, KPMG) would become Unilever's statutory auditor, following approval by shareholders at the 2014 Annual General Meeting of Unilever PLC and Unilever N.V.. The approval for this was delegated by the Board to a Board Committee comprising the Chairman, the Chief Financial Officer, the Chairman of the Audit Committee and the Vice-Chairman/Senior Independent Director.

During the two years prior to 31 December 2013 we did not consult with KPMG regarding either (i) the application of accounting principles to a specified transaction, either completed or proposed, or the type of audit opinion that might be rendered with respect to the consolidated financial statements of the Unilever Group; or (ii) any matter that was the subject of a disagreement as that term is used in Item 16F(a)(1)(iv) of Form 20-F or a reportable event as described in Item 16F(a)(1)(v) of Form 20-F.

**ITEM 16G. CORPORATE GOVERNANCE**

The information set forth under the heading Corporate governance on pages 45 to 52 of the Group's Annual Report and Accounts 2015 furnished separately on 23 February 2016 under Form 6-K is incorporated by reference.

**ITEM 16H. MINE SAFETY DISCLOSURES**

Not applicable.

**ITEM 17. FINANCIAL STATEMENTS**

Unilever has responded to Item 18 in lieu of this item.





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**ITEM 18. FINANCIAL STATEMENTS**

The information set forth under the heading "Financial statements" on page 84 and pages 90 to 147 of the Group's Annual Report and Accounts 2014 furnished separately on 6 March 2015 under Form 6-K is incorporated by reference.

**REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRMS**

**The Board of Directors and Shareholders**

We have audited the accompanying consolidated balance sheets of the Unilever Group (Unilever N.V. and Unilever PLC, together with their subsidiaries) as at 31 December 2015 and 2014 and the related consolidated income statements, consolidated statements of comprehensive income, consolidated statements of changes in equity, and consolidated cash flow statements for each of the years in the two-year period ended 31 December 2015 on pages 90 to 147 of the Unilever Group's Annual Report and Accounts (excluding note 25 on page 135) and the Guarantor financial information included in Item 18 of this Form 20-F (hereafter referred to as "Consolidated Financial Statements"). We also have audited the Unilever Group's internal control over financial reporting as at 31 December 2015, based on criteria established in Internal Control – Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). The Unilever Group's management is responsible for these Consolidated Financial Statements, for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting included in Item 15 of this Form 20-F. Our responsibility is to express an opinion on these Consolidated Financial Statements and an opinion on the Unilever Group's internal control over financial reporting based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the Consolidated Financial Statements are free of material misstatement and whether effective internal control over financial reporting was maintained in all material respects. Our audits of the Consolidated Financial Statements included examining, on a test basis, evidence supporting the amounts and disclosures in the Consolidated Financial Statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audits also included performing such other procedures as we considered necessary in the circumstances. We believe that our audits provide a reasonable basis for our opinions.

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and Directors of the company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the Consolidated Financial Statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

In our opinion, the Consolidated Financial Statements referred to above present fairly, in all material respects, the financial position of the Unilever Group as at 31 December 2015 and 2014, and the results of its operations and its cash flows for each of the years in the two-year period ended 31 December 2015, in conformity with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board and in conformity with IFRS as adopted by the European Union. Also in our opinion, the Unilever Group maintained, in all material respects, effective internal control over financial reporting as of 31 December 2015, based on criteria established in Internal Control – Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

KPMG LLP  
London, United Kingdom

KPMG Accountants N.V.  
Amsterdam, the Netherlands

17 February 2016

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**ITEM 18. FINANCIAL STATEMENTS CONTINUED**

To the Directors and shareholders

**REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRMS**

In our opinion, the consolidated income statement, consolidated cash flow statement, consolidated statement of comprehensive income and consolidated statement of changes in equity set forth under the heading Financial Statements on pages 90 to 147 of Unilever Group's Annual Report and Accounts 2015 and the Guarantor financial information included in Item 18 of this Form 20-F present fairly, in all material respects, the results of its operations and its cash flows for the year ended 31 December 2013, in conformity with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board and in conformity with IFRS as adopted by the European Union. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit of these statements in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

/s/ PricewaterhouseCoopers LLP  
London, United Kingdom  
As auditors of Unilever PLC  
4 March 2014

Amsterdam, The Netherlands, 4 March 2014  
PricewaterhouseCoopers Accountants N.V.  
As auditors of Unilever N.V.  
Original has been signed by P J van Mierlo RA

**Table of Contents****ITEM 18. FINANCIAL STATEMENTS CONTINUED****GUARANTOR STATEMENTS (AUDITED)**

On 30 September 2014, NV and Unilever Capital Corporation (UCC) filed a US Shelf registration, which is unconditionally and fully guaranteed, jointly and severally, by NV, PLC and Unilever United States, Inc. (UNUS) and that superseded the NV and UCC US Shelf registration filed on 1 November 2011, which was unconditionally and fully guaranteed, jointly and severally, by NV, PLC and UNUS. UCC and UNUS are each indirectly 100% owned by the Unilever parent entities (as defined below). Of the US Shelf registration, US \$5.6 billion of Notes were outstanding at 31 December 2015 (2014: US \$5.0 billion; 2013: US \$5.8 billion) with coupons ranging from 0.85% to 5.9%. These Notes are repayable between 10 February 2016 and 15 November 2032.

Provided below are the income statements, cash flow statements and balance sheets of each of the companies discussed above, together with the income statement, cash flow statement and balance sheet of non-guarantor subsidiaries. These have been prepared under the historical cost convention and, aside from the basis of accounting for investments at net asset value (equity accounting), comply in all material respects with International Financial Reporting Standards. The financial information in respect of NV, PLC and UNUS has been prepared with all subsidiaries accounted for on an equity basis. Information on NV and PLC is shown collectively as Unilever parent entities. The financial information in respect of the non-guarantor subsidiaries has been prepared on a consolidated basis.

|  | million<br>Unilever<br>Capital<br>Corporation<br>subsidiary<br>issuer | million<br>Unilever <sup>(a)</sup><br>parent<br>entities | million<br>Unilever<br>United<br>States Inc.<br>subsidiary<br>guarantor | million<br>Non-<br>guarantor<br>subsidiaries | million<br>Eliminations | million<br>Unilever<br>Group |       |
|--|---|--|---|--|-------------------------|------------------------------|-------|
| <b>Income statement</b><br>for the year ended 31 December 2015 |   |  |   |  |                         |                              |       |
| <b>Turnover</b>  |   |  |   | 53,272                                       |                         | 53,272                       |       |
| <b>Operating profit</b>  |   | 990  | (5)   | 6,530  |                         | 7,515                        |       |
| Net finance income/(costs)                                     |   | (103)  | (327)   | 58   |                         | (372)                        |       |
| Pensions and similar obligations                               |   | (3)  | (29)  | (89)   |                         | (121)                        |       |
| Other income/(losses)  |   | 439  |   | (241)  |                         | 198                          |       |
| <b>Profit before taxation</b>                                  |   | 1,323  | (361)   | 6,258  |                         | 7,220                        |       |
| Taxation   |   | (461)  | (87)  | (1,413)                                      |                         | (1,961)                      |       |
| <b>Net profit before subsidiaries</b>                          |   | 862  | (448)   | 4,845  |                         | 5,259                        |       |
| Equity earnings of subsidiaries                                |   | 4,047  | 690   | (9,408)                                      | 4,671                   |                              |       |
| <b>Net profit</b>  |   | 4,909  | 242   | (4,563)                                      | 4,671                   | 5,259                        |       |
| Attributable to:   |   |  |   |  |                         |                              |       |
| Non-controlling interests                                      |   |  |   | 350  |                         | 350                          |       |
| Shareholders' equity   |   | 4,909  | 242   | (4,913)                                      | 4,671                   | 4,909                        |       |
| <b>Total comprehensive income</b>                              |   | (1)  | 4,922   | 332  | (4,162)                 | 4,671                        | 5,762 |

<sup>(a)</sup>The term "Unilever parent entities" includes Unilever N.V. and Unilever PLC. Though Unilever N.V. and Unilever PLC are separate legal entities, with different shareholder constituencies and separate stock exchange listings, they operate as nearly as practicable as a single economic entity. Debt securities issued by entities in the Unilever Group are fully and unconditionally guaranteed by both Unilever N.V. and Unilever PLC.

**Table of Contents****ITEM 18. FINANCIAL STATEMENTS CONTINUED**

|  | million<br>Unilever<br>Capital<br>Corporation<br>subsidiary<br>issuer | million<br>Unilever <sup>(a)</sup><br>parent<br>entities | million<br>Unilever<br>United<br>States Inc.<br>subsidiary<br>guarantor | million<br>Non-<br>guarantor<br>subsidiaries | million<br>Eliminations | million<br>Unilever<br>Group |
|--|---|--|---|--|-------------------------|------------------------------|
| <b>Income statement</b><br>for the year ended 31 December 2014 |   |  |   |  |                         |                              |
| <b>Turnover</b>  |   |  |   | 48,436                                       |                         | 48,436                       |
| <b>Operating profit</b>  |   | 363  | (6)   | 7,623  |                         | 7,980                        |
| Net finance costs  |   | (97)   | (258)   | (28)   |                         | (383)                        |
| Pensions and similar obligations                               |   | (4)  | (26)  | (64)   |                         | (94)                         |
| Other income   |   |  |   | 143  |                         | 143                          |
| <b>Profit before taxation</b>                                  |   | 262  | (290)   | 7,674  |                         | 7,646                        |
| Taxation   |   | (93)   | (562)   | (1,476)                                      |                         | (2,131)                      |
| <b>Net profit before subsidiaries</b>                          |   | 169  | (852)   | 6,198  |                         | 5,515                        |
| Equity earnings of subsidiaries                                |   | 5,002  | 1,713   | (5,269)                                      | (1,446)                 |                              |
| <b>Net profit</b>  |   | 5,171  | 861   | 929  | (1,446)                 | 5,515                        |
| Attributable to:   |   |  |   |  |                         |                              |
| Non-controlling interests                                      |   |  |   | 344  |                         | 344                          |
| Shareholders' equity   |   | 5,171  | 861   | 585  | (1,446)                 | 5,171                        |
| <b>Total comprehensive income</b>                              | (1)   | 5,165  | 754   | (317)  | (1,446)                 | 4,155                        |
|  | million<br>Unilever<br>Capital<br>Corporation<br>subsidiary<br>issuer | million<br>Unilever <sup>(a)</sup><br>parent<br>entities | million<br>Unilever<br>United<br>States Inc.<br>subsidiary<br>guarantor | million<br>Non-<br>guarantor<br>subsidiaries | million<br>Eliminations | million<br>Unilever<br>Group |
| <b>Income statement</b><br>for the year ended 31 December 2013 |   |  |   |  |                         |                              |
| <b>Turnover</b>  |   |  |   | 49,797                                       |                         | 49,797                       |
| <b>Operating profit</b>  |   | 296  | 4   | 7,217  |                         | 7,517                        |
| Net finance costs  |   | (79)   | (190)   | (128)  |                         | (397)                        |
| Pensions and similar obligations                               |   | (4)  | (29)  | (100)  |                         | (133)                        |
| Other income   |   |  |   | 127  |                         | 127                          |
| <b>Profit before tax and subsidiaries</b>                      |   | 213  | (215)   | 7,116  |                         | 7,114                        |
| Taxation   |   | (13)   | (419)   | (1,419)                                      |                         | (1,851)                      |
| <b>Net profit before subsidiaries</b>                          |   | 200  | (634)   | 5,697  |                         | 5,263                        |
| Equity earnings of subsidiaries                                |   | 4,642  | 1,395   | (2,945)                                      | (3,092)                 |                              |
| <b>Net profit</b>  |   | 4,842  | 761   | 2,752  | (3,092)                 | 5,263                        |
| Attributable to:   |   |  |   |  |                         |                              |
| Non-controlling interests                                      |   |  |   | 421  |                         | 421                          |

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|                                   |      |       |       |       |         |       |
|-----------------------------------|------|-------|-------|-------|---------|-------|
| Shareholders' equity              |      | 4,842 | 761   | 2,331 | (3,092) | 4,842 |
| <b>Total comprehensive income</b> | (15) | 4,931 | 1,186 | 2,057 | (3,092) | 5,067 |

<sup>(a)</sup>The term "Unilever parent entities" includes Unilever N.V. and Unilever PLC. Though Unilever N.V. and Unilever PLC are separate legal entities, with different shareholder constituencies and separate stock exchange listings, they operate as nearly as practicable as a single economic entity. Debt securities issued by entities in the Unilever Group are fully and unconditionally guaranteed by both Unilever N.V. and Unilever PLC.

**Table of Contents****ITEM 18. FINANCIAL STATEMENTS CONTINUED**

|  | million<br>Unilever<br>Capital<br>Corporation<br>subsidiary<br>issuer | million<br>Unilever <sup>(a)</sup><br>parent<br>entities | million<br>Unilever<br>United<br>States Inc.<br>subsidiary<br>guarantor | million<br>Non-<br>subsidiary<br>guarantor | million<br>Eliminations | million<br>Unilever<br>Group |
|--|---|--|---|--|-------------------------|------------------------------|
| <b>Balance sheet at 31 December 2015</b>             |   |  |   |  |                         |                              |
| <b>Assets</b>  |   |  |   |  |                         |                              |
| <b>Non-current assets</b>                            |   |  |   |  |                         |                              |
| Goodwill and intangible assets                       |   | 2,429  |   | 22,630                                     |                         | 25,059                       |
| Deferred tax assets                                  |   | 160  | 90  | 935  |                         | 1,185                        |
| Other non-current assets                             |   | 8  | 3   | 13,357                                     |                         | 13,368                       |
| Amounts due from group companies                     | 12,961  | 2,763  |   |  | (15,724)                |                              |
| Net assets of subsidiaries (equity accounted)        |   | 39,770   | 18,952  |  | (58,722)                |                              |
|  | 12,961  | 45,130   | 19,045  | 36,922                                     | (74,446)                | 39,612                       |
| <b>Current assets</b>                                |   |  |   |  |                         |                              |
| Amounts due from group companies                     | 86  | 2,917  | 4,290   | 33,450                                     | (40,743)                |                              |
| Trade and other current receivables                  |   | 69   | 5   | 4,730                                      |                         | 4,804                        |
| Current tax assets                                   |   | 92   |   | 138  |                         | 230                          |
| Other current assets                                 |   | 4  | 1   | 7,647                                      |                         | 7,652                        |
|  | 86  | 3,082  | 4,296   | 45,965                                     | (40,743)                | 12,686                       |
| <b>Total assets</b>                                  | 13,047  | 48,212   | 23,341  | 82,887                                     | (115,189)               | 52,298                       |
| <b>Liabilities</b>                                   |   |  |   |  |                         |                              |
| <b>Current liabilities</b>                           |   |  |   |  |                         |                              |
| Financial liabilities                                | 1,990   | 1,551  | 4   | 1,244                                      |                         | 4,789                        |
| Amounts due to group companies                       | 6,077   | 27,351   | 22  | 7,293                                      | (40,743)                |                              |
| Trade payables and other current liabilities         | 57  | 170  | 38  | 13,523                                     |                         | 13,788                       |
| Current tax liabilities                              |   |  | 10  | 1,117                                      |                         | 1,127                        |
| Other current liabilities                            |   | 5  |   | 310  |                         | 315                          |
|  | 8,124   | 29,077   | 74  | 23,487                                     | (40,743)                | 20,019                       |
| <b>Non-current liabilities</b>                       |   |  |   |  |                         |                              |
| Financial liabilities                                | 4,589   | 3,723  |   | 1,542                                      |                         | 9,854                        |
| Amounts due to group companies                       |   |  | 12,960  | 2,764                                      | (15,724)                |                              |
| Pensions and post-retirement healthcare liabilities: |   |  |   |  |                         |                              |
| Funded schemes in deficit                            |   | 9  | 92  | 1,468                                      |                         | 1,569                        |
| Unfunded schemes                                     |   | 97   | 543   | 1,045                                      |                         | 1,685                        |
| Other non-current liabilities                        |   | 22   | 2   | 3,065                                      |                         | 3,089                        |



|                                     |               |               |               |               |                  |               |
|-------------------------------------|---------------|---------------|---------------|---------------|------------------|---------------|
|                                     | <b>4,589</b>  | <b>3,851</b>  | <b>13,597</b> | <b>9,884</b>  | <b>(15,724)</b>  | <b>16,197</b> |
| <b>Total liabilities</b>            | <b>12,713</b> | <b>32,928</b> | <b>13,671</b> | <b>33,371</b> | <b>(56,467)</b>  | <b>36,216</b> |
| <b>Shareholders' equity</b>         | <b>334</b>    | <b>15,284</b> | <b>9,670</b>  | <b>48,873</b> | <b>(58,722)</b>  | <b>15,439</b> |
| Non-controlling interests           |               |               |               | <b>643</b>    |                  | <b>643</b>    |
| <b>Total equity</b>                 | <b>334</b>    | <b>15,284</b> | <b>9,670</b>  | <b>49,516</b> | <b>(58,722)</b>  | <b>16,082</b> |
| <b>Total liabilities and equity</b> | <b>13,047</b> | <b>48,212</b> | <b>23,341</b> | <b>82,887</b> | <b>(115,189)</b> | <b>52,298</b> |

<sup>(a)</sup>The term "Unilever parent entities" includes Unilever N.V. and Unilever PLC. Though Unilever N.V. and Unilever PLC are separate legal entities, with different shareholder constituencies and separate stock exchange listings, they operate as nearly as practicable as a single economic entity. Debt securities issued by entities in the Unilever Group are fully and unconditionally guaranteed by both Unilever N.V. and Unilever PLC.

**Table of Contents****ITEM 18. FINANCIAL STATEMENTS CONTINUED**

|  | million<br>Unilever<br>Capital<br>Corporation<br>subsidiary<br>issuer | million<br>Unilever <sup>(a)</sup><br>parent<br>entities | million<br>Unilever<br>United<br>States Inc.<br>subsidiary<br>guarantor | million<br>Non-<br>guarantor<br>subsidiaries | million<br>Eliminations | million<br>Unilever<br>Group |
|--|---|--|---|--|-------------------------|------------------------------|
| <b>Balance sheet</b> at 31 December 2014             |   |  |   |  |                         |                              |
| <b>Assets</b>  |   |  |   |  |                         |                              |
| <b>Non-current assets</b>                            |   |  |   |  |                         |                              |
| Goodwill and intangible assets                       |   | 1,636  |   | 20,538                                       |                         | 22,174                       |
| Deferred tax assets                                  |   | 145  | 152   | 989  |                         | 1,286                        |
| Other non-current assets                             |   | 11   | 3   | 12,206                                       |                         | 12,220                       |
| Amounts due from group companies                     | 10,440  | 779  |   |  | (11,219)                |                              |
| Net assets of subsidiaries (equity accounted)        |   | 43,153   | 17,776  |  | (60,929)                |                              |
|  | 10,440  | 45,724   | 17,931  | 33,733                                       | (72,148)                | 35,680                       |
| <b>Current assets</b>                                |   |  |   |  |                         |                              |
| Amounts due from group companies                     |   | 5,077  | 3,156   | 37,248                                       | (45,481)                |                              |
| Trade and other current receivables                  |   | 82   | 11  | 4,936  |                         | 5,029                        |
| Current tax assets                                   |   | 64   |   | 217  |                         | 281                          |
| Other current assets                                 |   | 5  |   | 7,032  |                         | 7,037                        |
|  |   | 5,228  | 3,167   | 49,433                                       | (45,481)                | 12,347                       |
| <b>Total assets</b>                                  | 10,440  | 50,952   | 21,098  | 83,166                                       | (117,629)               | 48,027                       |
| <b>Liabilities</b>                                   |   |  |   |  |                         |                              |
| <b>Current liabilities</b>                           |   |  |   |  |                         |                              |
| Financial liabilities                                | 624   | 3,777  | 5   | 1,130  |                         | 5,536                        |
| Amounts due to group companies                       | 5,757   | 31,473   | 18  | 8,233  | (45,481)                |                              |
| Trade payables and other current liabilities         | 42  | 218  | 33  | 12,313                                       |                         | 12,606                       |
| Current tax liabilities                              |   |  | 39  | 1,042  |                         | 1,081                        |
| Other current liabilities                            |   | 11   |   | 408  |                         | 419                          |
|  | 6,423   | 35,479   | 95  | 23,126                                       | (45,481)                | 19,642                       |
| <b>Non-current liabilities</b>                       |   |  |   |  |                         |                              |
| Financial liabilities                                | 3,717   | 1,686  |   | 1,783  |                         | 7,186                        |
| Amounts due to group companies                       |   |  | 10,439  | 780  | (11,219)                |                              |
| Pensions and post-retirement healthcare liabilities: |   |  |   |  |                         |                              |
| Funded schemes in deficit                            |   | 8  | 140   | 2,074  |                         | 2,222                        |
| Unfunded schemes                                     |   | 109  | 570   | 1,046  |                         | 1,725                        |
| Other non-current liabilities                        |   | 21   | 2   | 2,966  |                         | 2,989                        |

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|                                     |        |        |        |        |           |        |
|-------------------------------------|--------|--------|--------|--------|-----------|--------|
|                                     | 3,717  | 1,824  | 11,151 | 8,649  | (11,219)  | 14,122 |
| <b>Total liabilities</b>            | 10,140 | 37,303 | 11,246 | 31,775 | (56,700)  | 33,764 |
| <b>Shareholders equity</b>          | 300    | 13,649 | 9,852  | 50,779 | (60,929)  | 13,651 |
| Non-controlling interests           |        |        |        | 612    |           | 612    |
| <b>Total equity</b>                 | 300    | 13,649 | 9,852  | 51,391 | (60,929)  | 14,263 |
| <b>Total liabilities and equity</b> | 10,440 | 50,952 | 21,098 | 83,166 | (117,629) | 48,027 |

<sup>(a)</sup>The term "Unilever parent entities" includes Unilever N.V. and Unilever PLC. Though Unilever N.V. and Unilever PLC are separate legal entities, with different shareholder constituencies and separate stock exchange listings, they operate as nearly as practicable as a single economic entity. Debt securities issued by entities in the Unilever Group are fully and unconditionally guaranteed by both Unilever N.V. and Unilever PLC.

**Table of Contents****ITEM 18. FINANCIAL STATEMENTS CONTINUED**

|   | million<br>Unilever<br>Capital<br>Corporation<br>subsidiary<br>issuer | million<br>Unilever <sup>(a)</sup><br>parent<br>entities | million<br>Unilever<br>United<br>States Inc.<br>subsidiary<br>guarantor | million<br>Non-<br>guarantor<br>subsidiaries | million<br>Eliminations | million<br>Unilever<br>Group |
|---|---|--|---|--|-------------------------|------------------------------|
| <b>Cash flow statement</b><br>for the year ended 31 December 2015 |   |  |   |  |                         |                              |
| <b>Net cash flow from/(used in)<br/>operating activities</b>      | (1)   | (699)  | (140)   | 8,170  |                         | 7,330                        |
| <b>Net cash flow from/(used in) investing<br/>activities</b>      | (1,005)   | 231  | (729)   | (2,955)                                      | 919                     | (3,539)                      |
| <b>Net cash flow from/(used in) financing<br/>activities</b>      | 1,000   | 558  | 871   | (4,542)                                      | (919)                   | (3,032)                      |
| Net increase/(decrease) in cash and cash<br>equivalents           | (6)   | 90   | 2   | 673  |                         | 759                          |
| <b>Cash and cash equivalents at<br/>beginning of year</b>         |   | 5  | (3)   | 1,908  |                         | 1,910                        |
| Effect of foreign exchange rates                                  | 6   | (91)   |   | (456)  |                         | (541)                        |
| <b>Cash and cash equivalents at end of<br/>year</b>               |   | 4  | (1)   | 2,125  |                         | 2,128                        |

|   | million<br>Unilever<br>Capital<br>Corporation<br>subsidiary<br>issuer | million<br>Unilever <sup>(a)</sup><br>parent<br>entities | million<br>Unilever<br>United<br>States Inc.<br>subsidiary<br>guarantor | million<br>Non-<br>guarantor<br>subsidiaries | million<br>Eliminations | million<br>Unilever<br>Group |
|---|---|--|---|--|-------------------------|------------------------------|
| <b>Cash flow statement</b><br>for the year ended 31 December 2014 |   |  |   |  |                         |                              |
| <b>Net cash flow from/(used in)<br/>operating activities</b>      |   | 579  | (764)   | 5,728  |                         | 5,543                        |
| <b>Net cash flow from/(used in) investing<br/>activities</b>      | (1,038)   | (2,284)  | (662)   | 2,606  | 1,037                   | (341)                        |
| <b>Net cash flow from/(used in) financing<br/>activities</b>      | 1,033   | 1,676  | 1,426   | (8,288)                                      | (1,037)                 | (5,190)                      |
| Net increase/(decrease) in cash and cash<br>equivalents           | (5)   | (29)   |   | 46   |                         | 12                           |
| <b>Cash and cash equivalents at<br/>beginning of year</b>         |   | 3  | (2)   | 2,043  |                         | 2,044                        |
| Effect of foreign exchange rates                                  | 5   | 31   |   | (182)  |                         | (146)                        |
| <b>Cash and cash equivalents at end of<br/>year</b>               |   | 5  | (2)   | 1,907  |                         | 1,910                        |

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|   | million<br>Unilever<br>Capital<br>Corporation<br>subsidiary<br>issuer | million<br>Unilever <sup>(a)</sup><br>parent<br>entities | million<br>Unilever<br>United<br>States Inc.<br>subsidiary<br>guarantor | million<br>Non-<br>guarantor<br>subsidiaries | million<br>Eliminations | million<br>Unilever<br>Group |
|---|---|--|---|--|-------------------------|------------------------------|
| <b>Cash flow statement</b><br>for the year ended 31 December 2013 |   |  |   |  |                         |                              |
| <b>Net cash flow from/(used in) operating activities</b>          | 1   | 402  | (167)   | 6,058  |                         | 6,294                        |
| <b>Net cash flow from/(used in) investing activities</b>          | (1,465)   | (1,527)  | (107)   | 473  | 1,465                   | (1,161)                      |
| <b>Net cash flow from/(used in) financing activities</b>          | 1,460   | 1,073 <sup>(b)</sup>                                     | 274   | (6,732)                                      | (1,465)                 | (5,390)                      |
| Net increase/(decrease) in cash and cash equivalents              | (4)   | (52)   |   | (201)  |                         | (257)                        |
| <b>Cash and cash equivalents at beginning of year</b>             |   | 3  | (3)   | 2,217  |                         | 2,217                        |
| Effect of foreign exchange rates                                  | 4   | 52   |   | 28   |                         | 84                           |
| <b>Cash and cash equivalents at end of year</b>                   |   | 3  | (3)   | 2,044  |                         | 2,044                        |

<sup>(a)</sup>The term "Unilever parent entities" includes Unilever N.V. and Unilever PLC. Though Unilever N.V. and Unilever PLC are separate legal entities, with different shareholder constituencies and separate stock exchange listings, they operate as nearly as practicable as a single economic entity. Debt securities issued by entities in the Unilever Group are fully and unconditionally guaranteed by both Unilever N.V. and Unilever PLC.

<sup>(b)</sup>Included within this balance is a cash outflow of 2,515 million to increase the Group's ownership of Hindustan Unilever Limited from 52% to 67%.

## ITEM 19. EXHIBITS

Please refer to the exhibit list located immediately following the signature page for this Form 20-F as filed with the SEC.

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**SIGNATURES**

The registrant hereby certifies that it meets all of the requirements for filing on Form 20-F and that it has duly caused and authorised the undersigned to sign this Annual Report on its behalf.

Unilever PLC.

(Registrant)

/s/ T. E. Lovell  
T. E. LOVELL,  
Group Secretary  
Date: 23 February 2016



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**UNILEVER PLC 20-F EXHIBIT LIST**

| Exhibit Number | Description of Exhibit  |
|----------------|---|
| 1.1            | Articles of Association of Unilever PLC 1   |
| 2.1            | Trust Deed dated as of July 22, 1994, among Unilever N.V., Unilever PLC, Unilever Capital Corporation, Unilever United States, Inc. and The Law Debenture Trust Corporation p.l.c., relating to Guaranteed Debt Securities 2                      |
| 2.2            | <u>Twentieth Supplemental Trust Deed as of May 1, 2015, incorporating the Trust Deed as of July 22, 1994, as Amended and Restated on May 1, 2015</u>  |
| 2.3            | Amended and Restated Indenture as of September 22, 2014, among Unilever Capital Corporation, Unilever N.V. Unilever PLC, Unilever United States, Inc. and The Bank of New York Mellon, as Trustee, relating to Guaranteed Debt Securities 3       |
| 2.4            | Second Amended and Restated Deposit Agreement dated as of July 1, 2014 by and among Unilever PLC and Deutsche Bank Trust Company Americas, as Depository, and the Holders and Beneficial Owners of American Depositary Shares issued thereunder 4 |
| 4.1(a)         | Equalisation Agreement between Unilever N.V. and Unilever PLC 5   |
| 4.1(b)         | Deed of Mutual Covenants 6  |
| 4.1(c)         | Agreement for Mutual Guarantees of Borrowing 7  |
| 4.2            | Service Contracts of the Executive Directors of Unilever PLC 8  |
| 4.3            | <u>Letters regarding compensation of Executive Directors of Unilever PLC</u>  |
| 4.4            | Unilever North America Omnibus Equity Compensation as Amended and Restated as of November 1, 2012 Plan 9  |
| 4.5            | The Unilever PLC International 1997 Executive Share Option Scheme 10  |
| 4.6            | The Unilever Long Term Incentive Plan 11  |
| 4.7            | Global Share Incentive Plan 2007 12   |
| 4.8            | The Management Co-Investment Plan 13  |
| 7.1            | <u>Calculation of Ratio of Earnings to Fixed Charges</u>  |
| 8.1            | List of Subsidiaries 14   |
| 12.1           | <u>Certifications of the Chief Executive Officer and Financial Director/Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002</u>   |
| 13.1           | <u>Certifications of the Chief Executive Officer and Financial Director/Chief Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002</u>   |
| 15.1           | <u>Annual Report and Accounts sections incorporated by reference</u>  |
| 15.2           | <u>Consent of KPMG LLP and KPMG Accountants N.V.</u>  |
| 15.3           | <u>Consent of PricewaterhouseCoopers Accountants N.V. and PricewaterhouseCoopers LLP</u>  |

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Certain instruments which define rights of holders of long-term debt of the Company and its subsidiaries are not being filed because the total amount of securities authorized under each such instrument does not exceed 10% of the total consolidated assets of the Company and its subsidiaries. The Company and its subsidiaries hereby agree to furnish a copy of each such instrument to the Securities and Exchange Commission upon request.

- 1 Incorporated by reference to Exhibit 1.1 of Form 20-F (File No: 001-04546) filed with the SEC on March 08, 2013.
- 2 Incorporated by reference to Exhibit 2.2 of Form 20-F (File No: 001-04546) filed with the SEC on March 28, 2002.
- 3 Incorporated by reference to Exhibit 2.3 of Form 20-F (File No: 001-04546) filed with the SEC on March 6, 2015.
- 4 Incorporated by reference to Exhibit 99(A) of Form F-6 (File No: 333-196985) filed with the SEC on June 24, 2014.
- 5 Incorporated by reference to Exhibit 4.1 of Form 20-F (File No: 001-04546) filed with the SEC on March 5, 2010.
- 6 Incorporated by reference to Exhibit 4.1(b) of Form 20-F (File No: 001-04546) filed with the SEC on March 6, 2015.
- 7 Incorporated by reference to Exhibit 4.1(c) of Form 20-F (File No: 001-04546) filed with the SEC on March 6, 2015.
- 8 Incorporated by reference to Exhibit 4.2 of Form 20-F (File No: 001-04546) filed with the SEC on March 4, 2011.
- 9 Incorporated by reference to Exhibit 99.1 of Form S-8 (File No: 333-185299) filed with the SEC on December 6, 2012.
- 10 Incorporated by reference to Exhibit 4.5 of Form 20-F (File No: 001-04546) filed with the SEC on March 28, 2002.
- 11 Incorporated by reference to Exhibit 4.7 of Form 20-F (File No: 001-04546) filed with the SEC on March 28, 2002.
- 12 Incorporated by reference to Exhibit 4.7 of Form 20-F (File No: 001-04546) filed with the SEC on March 26, 2008.
- 13 Incorporated by reference to Exhibit 4.8 of Form 20-F (File No: 001-04546) filed with the SEC on March 4, 2011.
- 14 The required information is set forth on pages 136 to 147 of the 2015 Annual Report and Accounts.