

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. THIS DOCUMENT CONTAINS A PROPOSAL WHICH, IF IMPLEMENTED, WILL RESULT IN THE CANCELLATION OF THE LISTING OF UNILEVER PLC ("PLC") SHARES ON THE UK OFFICIAL LIST AND OF TRADING OF PLC SHARES ON THE LONDON STOCK EXCHANGE'S MAIN MARKET FOR LISTED SECURITIES AND THE TERMINATION OF THE PLC ADS PROGRAMME. PART II OF THIS DOCUMENT COMPRISES AN EXPLANATORY STATEMENT IN COMPLIANCE WITH SECTION 897 OF THE UK COMPANIES ACT 2006.

THE SECURITIES PROPOSED TO BE ISSUED PURSUANT TO THE UK SCHEME WILL NOT BE REGISTERED WITH THE SEC UNDER THE US SECURITIES ACT OR THE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES. THE APPROVAL OF THE HIGH COURT OF JUSTICE IN ENGLAND AND WALES PROVIDES THE BASIS FOR THE SECURITIES TO BE ISSUED WITHOUT REGISTRATION UNDER THE US SECURITIES ACT, IN RELIANCE ON THE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE US SECURITIES ACT PROVIDED BY SECTION 3(a)(10) THEREOF.

If you are in any doubt about the contents of this document or as to what action you should take, you are recommended to seek your own independent advice immediately from your stockbroker, bank manager, solicitor, accountant, tax adviser or other independent financial adviser duly authorised under the Financial Services and Markets Act 2000 (as amended) if you are resident in the United Kingdom or, if you are in a territory outside the United Kingdom, from another appropriately authorised independent financial adviser.

This document is for PLC Shareholders, PLC ADS Holders and, for information only, participants in the Unilever Share Plans and Persons with Information Rights. If you are an NV Shareholder, please review the NV Shareholder Circular and the Dutch Merger Proposal, which detail the effect of Simplification on your NV Shares and NV NYRSs, the terms of the Dutch Merger and the actions available to you as an NV Shareholder in respect of Simplification.

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## Unilever PLC

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

**Recommended proposals for the simplification of the existing dual-parent structure of Unilever PLC and Unilever N.V.**

**Circular to PLC Shareholders, including the scheme of arrangement under Part 26 of the UK Companies Act 2006 and Explanatory Statement under section 897 of the UK Companies Act 2006, and Notices of the PLC Court Meeting and PLC Extraordinary General Meeting**

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PLC Shareholders should read the whole of this document and the information incorporated by reference. In addition, this document should be read in conjunction with the enclosed BLUE and YELLOW PLC Forms of Proxy. Definitions in this document are set out in Part VIII of this document. Your attention is drawn to the letter from the Chairman of Unilever PLC set out in Part I of this document, which contains the unanimous recommendation of the Boards that you vote in favour of the UK Scheme at the PLC Court Meeting and in favour of the Special Resolution to be proposed at the PLC Extraordinary General Meeting. An Explanatory Statement explaining the UK Scheme, the Dutch Merger and Simplification is set out in Part II of this document.

Notices of the PLC Court Meeting and the PLC Extraordinary General Meeting, which will both be held at Queen Elizabeth II Conference Centre, Broad Sanctuary, Westminster, London SW1P 3EE on 26 October 2018, are set out at the end of this document. The PLC Court Meeting will start at 11.00 a.m. and the PLC Extraordinary General Meeting at 11.10 a.m. (or as soon thereafter as the PLC Court Meeting has concluded or been adjourned). Unless otherwise stated, all references to times in this document are to London times.

PLC Shareholders will find enclosed with this document a BLUE PLC Form of Proxy for use at the PLC Court Meeting and a YELLOW PLC Form of Proxy for use at the PLC Extraordinary General Meeting. Whether or not you intend to attend the PLC Meetings in person, please complete and sign both the enclosed PLC Forms of Proxy in accordance with the instructions printed thereon, or register your proxy vote electronically using PLC's electronic voting facility via [www.unilever.com/simplification](http://www.unilever.com/simplification), or appoint a proxy electronically through CREST, as soon as possible. The PLC Forms of Proxy must be received by PLC's registrars, Computershare, no later than 11.00 a.m. on 24 October 2018 in the case of the PLC

**Court Meeting and 11.10 a.m. on 24 October 2018 in the case of the PLC Extraordinary General Meeting. If the BLUE PLC Form of Proxy for use at the PLC Court Meeting is not returned by the above time, it may be handed to a representative of PLC's registrars, Computershare, at the venue of the PLC Court Meeting or the Chairman of the PLC Court Meeting before the start of the PLC Court Meeting (or any adjournment thereof). However, in the case of the PLC Extraordinary General Meeting, unless the YELLOW PLC Form of Proxy is returned by the time mentioned above, it will be invalid. The completion and return of a PLC Form of Proxy will not prevent PLC Shareholders from attending and voting in person at either the PLC Court Meeting or the PLC Extraordinary General Meeting, or any adjournment thereof, if you so wish and are so entitled.**

If you have sold or otherwise transferred all of your PLC Shares, please forward this document and the accompanying documents (but not the personalised PLC Forms of Proxy) as soon as possible to the purchaser or transferee or to the bank, stockbroker or other agent through or to whom the sale or transfer was effected, for onward transmission to the purchaser or transferee. If you have sold or otherwise transferred part of your holding of PLC Shares or PLC ADSs, please consult the bank, stockbroker or other agent through whom the sale or transfer was effected.

The accompanying PLC Forms of Proxy are personalised. If you have recently purchased or been transferred PLC Shares, or if you have any questions relating to this document or the completion and return of the PLC Forms of Proxy, please contact PLC's registrars, Computershare, by calling the Shareholder Helpline on 0370 600 3977 if calling from the UK or +44 370 600 3977 if calling from outside the UK. The helpline is open between 8.30 a.m. and 5.30 p.m., Monday to Friday (excluding public holidays in England and Wales). Please note that PLC's registrars, Computershare, cannot provide any financial, legal or tax advice, or comment on the merits of Simplification and calls may be recorded and monitored for security and training purposes.

PLC ADS Holders who have any questions relating to this document or Simplification should contact Georgeson LLC by calling +1 866 482 5136. This helpline is open between 9.00 a.m. and 11.00 p.m. (New York time), Monday to Friday (excluding public holidays in the United States).

PLC Shareholders and PLC ADS Holders may not use any electronic address provided in either this document or any related documents (including the enclosed PLC Forms of Proxy and PLC ADS Voting Instruction Card) to communicate with PLC for any purposes other than those expressly stated.

The release, publication or distribution of this document and/or any accompanying documents (in whole or in part) in, into or from jurisdictions other than the United Kingdom, the United States or the Netherlands may be restricted by the laws of those jurisdictions, and therefore persons into whose possession this document and/or any accompanying documents come should inform themselves about, and observe, any such restrictions. Any failure to comply with any such restrictions may constitute a violation of the securities laws of any such jurisdiction.

Prior to the effective time of Simplification, New NV intends to apply to Euronext Amsterdam for the New NV Ordinary Shares to be admitted to listing and trading on Euronext in Amsterdam, to the FCA for the New NV Ordinary Shares to be admitted to the premium listing segment of the Official List of the UK Listing Authority and to the LSE for the New NV Ordinary Shares to be admitted to trading on the LSE's Main Market. New NV also intends to apply for the New NV ADSs to be traded on the NYSE. The EU Prospectus is available, subject to applicable securities laws, on Unilever's website at [www.unilever.com/simplification](http://www.unilever.com/simplification).

The New NV Ordinary Shares to be issued pursuant to the UK Scheme have not been, and will not be, registered under the US Securities Act, or under the securities laws of any state or other jurisdiction of the United States. Accordingly, the New NV Ordinary Shares may not be offered, sold, resold, delivered, distributed or otherwise transferred, directly or indirectly, in or into the United States absent registration under the US Securities Act or an exemption therefrom. The New NV Ordinary Shares to be issued pursuant to the UK Scheme are expected to be issued in reliance on the exemption from the registration requirements of the US Securities Act provided by section 3(a)(10) thereof. PLC Shareholders who are affiliates of PLC as at the UK Scheme Effective Time will be subject to certain US transfer restrictions relating to the New NV Ordinary Shares received in connection with the UK Scheme.

The availability of New NV Ordinary Shares to persons who are not resident in the United Kingdom, the United States or the Netherlands may be affected by the laws of the relevant jurisdiction in which they are located. Persons who are not resident in the United Kingdom, the United States or the Netherlands should inform themselves of, and observe, any applicable requirements. The New NV Ordinary Shares have not been, and will not be, registered under the applicable securities laws of any jurisdiction in which such act would constitute a violation of the relevant laws in such jurisdiction. Accordingly, the New NV Ordinary Shares may

not be offered, sold, delivered or transferred, directly or indirectly, in, into or from any jurisdiction in which such act would constitute a violation of the relevant laws in such jurisdiction or to or for the account or benefit of any national, resident or citizen of any jurisdiction in which such act would constitute a violation of the relevant laws in such jurisdiction.

UBS, which is authorised by the Prudential Regulation Authority and regulated by the FCA and the Prudential Regulation Authority in the UK, is acting as sponsor to New NV in connection with the UK Admission. UBS is not, and will not be, responsible to anyone other than New NV for providing the protections afforded to its clients or for providing advice in relation to the UK Admission, the contents of this document or any other matters referred to in this document and will not regard any other person (whether or not a recipient of this document) as its client in relation to the UK Admission, the contents of this document or any matter referred to in this document.

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

This document is dated 11 September 2018.

## IMPORTANT NOTICE

The release, publication or distribution of this document (in whole or in part) in, into or from jurisdictions other than the United Kingdom, the Netherlands or the United States may be restricted by law and therefore persons into whose possession this document comes should inform themselves about, and observe, any applicable restrictions or requirements. Any failure to comply with such restrictions may constitute a violation of the securities laws of any such jurisdiction. To the fullest extent permitted by applicable law, the companies involved in Simplification disclaim any responsibility or liability for the violation of such requirements by any person. This document has been prepared for the purposes of complying with English law and the information disclosed may not be the same as that which would have been disclosed if this document had been prepared in accordance with the laws and regulations of any jurisdiction outside England and Wales.

This document and the accompanying documents do not constitute an offer or form part of any offer or invitation to purchase, subscribe for, sell or issue, or a solicitation of any offer to purchase, subscribe for, sell or issue, any securities pursuant to this document or otherwise in any jurisdiction in which such offer or solicitation is unlawful. This document does not constitute a prospectus or a prospectus equivalent document. This document does not purport to inform you of the full details of Simplification, the Dutch Merger, the proposed admission of the New NV Ordinary Shares to listing and trading on Euronext in Amsterdam and to the Official List of the UK Listing Authority and the LSE's Main Market or the proposed listing of New NV ADSs on the NYSE. Further details on this are set out in the Dutch Merger Proposal and/or the EU Prospectus and the US Prospectus.

This document does not constitute a prospectus within the meaning of Part 23 of the Companies Act 2014 of Ireland. No offer of the New NV Ordinary Shares to the public is made, or will be made, that requires the publication of a prospectus pursuant to Irish prospectus law (within the meaning of Part 23 of the Companies Act 2014 of Ireland) in general, or in particular pursuant to the Prospectus (Directive 2003/71/EC) Regulations 2005 of Ireland (as amended from time to time). This document has not been approved, reviewed or registered with the Central Bank of Ireland.

New NV Ordinary Shares are not being offered to the public within New Zealand. In New Zealand, the New NV Ordinary Shares are being issued only to existing security holders of PLC with registered addresses in New Zealand in reliance on the Financial Markets Conduct (Incidental Offers) Exemption Notice 2016. This document has been prepared in compliance with the laws of England and Wales. This document is not a product disclosure statement under the Financial Markets Conduct Act 2013 (the "**FMC Act**") or other similar offering or disclosure document under New Zealand law and has not been registered, filed with, or approved by any New Zealand regulatory authority or under or in accordance with the FMC Act or any other relevant law in New Zealand. It does not contain all the information that a product disclosure document, under New Zealand law, is required to contain.

The statements contained herein are made as at the date of this document, unless some other time is specified in relation to them, and service of this document shall not give rise to any implication that there has been no change in the facts set forth herein since such date. Nothing contained in this document shall be deemed to be a forecast, projection or estimate of the future financial performance of PLC, NV, New NV and/or their respective groups, except where otherwise stated.

## ADDITIONAL US INFORMATION

Simplification relates to the shares of an English company and a Dutch company and is subject to English law and Dutch law requirements that are different from those of the US. Any financial statements or other financial information included in this document may have been prepared in accordance with non-US accounting standards that may not be comparable to the financial statements of US companies or companies whose financial statements are prepared in accordance with generally accepted accounting principles in the US. It may be difficult for US holders of shares to enforce their rights and any claims they may have arising under the US federal securities laws in connection with Simplification, since PLC, NV and New NV are each located in a country other than the US, and some or all of their officers and directors may be residents of countries other than the United States. As a result, it may not be possible for investors to effect service of process upon such persons or to enforce against them a judgment obtained in US courts. Original actions or actions for the enforcement of judgments of US courts relating to the civil liability provisions of the federal or state securities laws of the United States may not be directly enforceable outside the United States.

Neither the SEC nor any US federal, state or other securities commission or regulatory authority has registered, approved or disapproved the securities to be issued pursuant to the UK Scheme or passed upon the accuracy or adequacy of this document. Any representation to the contrary is a criminal offence in the United States.

Simplification will be implemented principally by means of the UK Scheme and the Dutch Merger. The UK Scheme (provided for under English company law) is subject to certain conditions, including the approval by the relevant PLC Shareholders at the PLC Meetings and the sanction of the UK High Court. If so carried out, it is expected that any New NV Ordinary Shares to be issued pursuant to the UK Scheme would be issued in reliance upon the exemption from the registration requirements of the US Securities Act provided by section 3(a)(10) thereof. In order to qualify for the exemption from the registration requirements of the US Securities Act provided by section 3(a)(10) thereof, there must be a hearing on the fairness of the UK Scheme's terms and conditions to the PLC Shareholders, which all the PLC Shareholders are entitled to attend in person or through representatives to oppose the sanctioning of the UK Scheme by the UK High Court, and with respect to which notification will be given to all PLC Shareholders. For the purpose of qualifying for the exemption from the registration requirements of the US Securities Act provided by section 3(a)(10) thereof, PLC and New NV intend to rely on the UK Scheme Court Hearing.

Investors are urged to read any documents related to Simplification filed, furnished or to be filed or furnished with the SEC because they will contain important information regarding Simplification. Such documents will be available free of charge at the SEC's website at [www.sec.gov](http://www.sec.gov) and from Unilever's website at [www.unilever.com/simplification](http://www.unilever.com/simplification).

#### **CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS**

Where relevant, these actions are subject to the appropriate consultations and approvals.

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', 'aims', 'expects', 'anticipates', 'intends', 'seeks', 'looks', 'believes', 'vision', or the negative of these terms and other similar expressions of future performance or results and their negatives, are intended to identify such forward-looking statements. These forward-looking statements are based upon current expectations and assumptions regarding anticipated developments and other factors affecting the Unilever Group. They are not historical facts, nor are they guarantees of future performance.

Because these forward-looking statements involve risks and uncertainties, there are important factors that could cause actual results to differ materially from those expressed or implied by these forward-looking statements. Among other risks and uncertainties, the material or principal factors which could cause actual results to differ materially from those expressed or implied by these forward-looking statements are: the Unilever Group's global brands not meeting consumer preferences; the Unilever Group's ability to innovate and remain competitive; the Unilever Group's investment choices in its portfolio management; inability to find sustainable solutions to support long-term growth; customer relationships; the recruitment and retention of talented employees; disruptions in Unilever Group's 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; the effect of climate change on the Unilever Group's business; financial risks; failure to meet high and ethical standards; and managing regulatory, tax and legal matters. These forward-looking statements speak only as of the date of this announcement. Except as required by any applicable law or regulation, the Unilever Group expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements contained herein to reflect any change in the Unilever Group's expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based. Further details of potential risks and uncertainties affecting the Unilever Group are described in the Unilever Group's filings with the LSE, the AFM and the SEC, including in the Annual Report on Form 20-F 2017 and the Unilever Annual Report and Accounts 2017.

#### **CURRENCIES**

All references to pounds, pounds sterling, sterling, £, pence, penny and p are to the lawful currency of the United Kingdom and all references to US dollars, \$, US\$, cents or c are to the lawful currency of the United States. All references to euro, EUR, € and eurocents are to the single currency of the member states of the European Union participating in the third stage of economic and monetary union pursuant to the Treaty of Rome of 25 March 1957 establishing the European Economic Community, as amended and supplemented from time to time.

## **ROUNDING**

Certain figures included in this document have been subjected to rounding adjustments. Accordingly, figures shown for the same category presented in different tables may vary slightly and figures shown as totals in certain tables may not be an arithmetic aggregation of the figures that precede them.

## **GENERAL NOTE**

This document is for PLC Shareholders, PLC ADS Holders and, for information only, participants in the Unilever Share Plans and Persons with Information Rights. If you are an NV Shareholder, please review the NV Shareholder Circular and the Dutch Merger Proposal which detail the effect of Simplification and the Dutch Merger on your NV Shares and NV NYRSs, the terms of the Dutch Merger and the actions available to you as an NV Shareholder in respect of Simplification.

The contents of this document are not to be construed as legal, business or tax advice. This document is for your information only and nothing in this document is intended to endorse or recommend a particular course of action. You should consult your own legal adviser, financial adviser or tax adviser for advice.

Investors should only rely on the information contained in this document and any document incorporated into this document by reference. Without limitation to the foregoing, reliance should not be placed on any information in announcements released by PLC or NV prior to the date hereof, except to the extent that such information is repeated or incorporated by reference into this document. No person has been authorised to give any information or make any representations other than those contained in this document and, if given or made, such information or representations must not be relied upon as having been so authorised.

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## ACTION TO BE TAKEN

Simplification will result in PLC Shareholders and NV Shareholders owning shares (or interests representing shares) in the Unilever Group's new listed holding company, New NV. New NV will be a listed public limited liability company (*naamloze vennootschap*) incorporated under the laws of the Netherlands and will be the sole holding company for the Unilever Group.

In order to implement Simplification, the Boards unanimously recommend that you vote in favour of:

- (i) the UK Scheme at the PLC Court Meeting; and
- (ii) the Special Resolution to be proposed at the PLC Extraordinary General Meeting,

by taking the actions below, as each of the PLC Directors intends to do in respect of his or her own entire legal and beneficial holdings of PLC Shares.

## DOCUMENTS

### *PLC Shareholders*

If you are a PLC Shareholder, please check that you have received the following with this document:

- (i) an explanatory brochure relating to the Simplification proposals;
- (ii) a BLUE PLC Form of Proxy for use in respect of the PLC Court Meeting;
- (iii) a YELLOW PLC Form of Proxy for use in respect of the PLC Extraordinary General Meeting; and
- (iv) a pre-paid envelope for use in the United Kingdom only.

### *PLC ADS Holders*

If you are a Registered PLC ADS Holder, please check that you have received an explanatory brochure relating to the Simplification proposals, a PLC ADS Voting Instruction Card and a pre-paid envelope for use in the United States only.

If you are an Indirect PLC ADS Holder please check that you have received an explanatory brochure relating to the Simplification proposals. Indirect PLC ADS Holders must rely on the procedures of the bank, broker, financial institution or share plan administrator through which you hold your PLC ADSs if you wish to provide voting instructions.

**If you have not received the correct documents, please contact the Shareholder Helpline or the PLC ADS Depositary referred to on page 12.**

## VOTING AT THE PLC MEETINGS

The UK Scheme will require approval at the PLC Court Meeting to be held at Queen Elizabeth II Conference Centre, Broad Sanctuary, Westminster, London SW1P 3EE. The PLC Court Meeting will start at 11.00 a.m. on 26 October 2018. Implementation of the UK Scheme also requires approval of the Special Resolution by PLC Shareholders at the PLC Extraordinary General Meeting to be held at the same venue at 11.10 a.m. on 26 October 2018 (or as soon thereafter as the PLC Court Meeting has concluded or been adjourned). Notices of the PLC Meetings are set out in Parts IX and X of this document.

PLC Shareholders are strongly encouraged to appoint a proxy for the PLC Meetings:

- (i) electronically using PLC's electronic voting facility via [www.unilever.com/simplification](http://www.unilever.com/simplification) (see "Electronic appointment of proxies" below);
- (ii) by completing, signing and returning both the PLC Forms of Proxy (see "Proxy appointment" below); or
- (iii) in the case of CREST members, by utilising the CREST proxy voting service (see "Voting instructions for PLC Shareholders holding shares in CREST" below).

**It is important that, for the PLC Court Meeting in particular, as many votes as possible are cast so that the UK High Court may be satisfied that there is a fair representation of shareholder opinion. You are therefore strongly encouraged to complete, sign and return both your PLC Forms of Proxy in accordance with the instructions thereon, or register your proxy vote electronically using PLC's electronic voting facility via [www.unilever.com/simplification](http://www.unilever.com/simplification), or appoint a proxy electronically through CREST, as soon as possible and in any event so as to be received by PLC's registrars, Computershare, at Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZY by no later than the following times and dates:**

- (i) BLUE PLC Forms of Proxy for the PLC Court Meeting by 11.00 a.m. on 24 October 2018; and
- (ii) YELLOW PLC Forms of Proxy for the PLC Extraordinary General Meeting by 11.10 a.m. on 24 October 2018,

or, in the case of an adjournment of either PLC Meeting, not later than 48 hours before the time and date set for the adjourned PLC Meeting.

This will enable your votes to be counted at the PLC Meetings in the event of your absence.

Alternatively, BLUE PLC Forms of Proxy (but NOT YELLOW PLC Forms of Proxy) may be handed to PLC's registrars, Computershare, or the Chairman of the PLC Court Meeting before the start of the PLC Court Meeting (or any adjournment thereof) and will still be valid. In the case of the PLC Extraordinary General Meeting, unless the YELLOW PLC Form of Proxy is returned by the time and date mentioned above, it will be invalid.

**The completion and return of a PLC Form of Proxy will not prevent you from attending and voting in person at the PLC Court Meeting, the PLC Extraordinary General Meeting or any adjournment thereof, if you so wish and are so entitled.**

Please see below for further details in respect of proxy appointment, multiple proxy voting instructions and the process for appointing a proxy if you hold your PLC Shares in CREST.

The implications of Simplification for Overseas Shareholders may be affected by the laws of jurisdictions outside the United Kingdom, the United States or the Netherlands. The attention of Overseas Shareholders is drawn to paragraph 9 of Part II of this document.

### **Proxy appointment**

A PLC Shareholder entitled to attend and vote at the PLC Meetings may appoint a proxy pursuant to the PLC Articles to attend and to speak and vote in his/her place. A PLC Shareholder may appoint more than one proxy in relation to each of the PLC Court Meeting and the PLC Extraordinary General Meeting, provided that each proxy is appointed to exercise the rights attached to a different PLC Share or PLC Shares held by that PLC Shareholder. A proxy need not be a PLC Shareholder. The appointment of a proxy will not preclude PLC Shareholders entitled to attend and vote at the PLC Meetings (or at any adjournment(s) thereof) from doing so in person if they wish.

Please note that the appointment of a proxy or proxies is separate for each of the PLC Court Meeting and the PLC Extraordinary General Meeting.

A person who has been nominated under section 146 of the UK Companies Act to enjoy information rights (a "**Nominated Person**") may have a right under an agreement between him/her and the member by whom he/she was nominated to be appointed, or to have someone else appointed, as a proxy for the PLC Meetings. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, he/she may have a right under such an agreement to give instructions to the member as to the exercise of voting rights. The statement of the rights of members to appoint proxies above does not apply to Nominated Persons. The rights described above can only be exercised by members.

To be effective, an appointment of a proxy must be returned using one of the following methods:

- (i) by sending the appropriate PLC Form of Proxy (together, if appropriate, with the power of attorney or other written authority under which it is signed or a certified copy of such power or authority) in the reply paid envelope provided or by hand (during normal business hours) or courier only to the office of PLC's registrars, Computershare, at Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZY;

- (ii) by registering your proxy vote electronically using PLC's electronic voting facility via [www.unilever.com/simplification](http://www.unilever.com/simplification), and selecting the electronic voting option. To do this, you will need your Shareholder Reference Number (SRN), five-digit PIN and six-digit Control Number, all of which are shown on the front of the appropriate PLC Form of Proxy, then follow the instructions; or
- (iii) in the case of CREST members, by utilising the CREST proxy voting service in accordance with the paragraph "Voting instructions for PLC Shareholders holding shares in CREST" below,

and, in each case, the appointment of a proxy (together with any relevant power/authority) must be received (or, in the case of the appointment of a proxy through CREST, retrieved by enquiry to CREST in the manner prescribed by CREST) by PLC's registrars, Computershare, not later than 11.00 a.m. on 24 October 2018 in the case of the PLC Court Meeting and not later than 11.10 a.m. on 24 October 2018 in the case of the PLC Extraordinary General Meeting (or, in the case of an adjourned meeting, not less than 48 hours prior to the time and date set for the adjourned PLC Meeting).

Alternatively, BLUE PLC Forms of Proxy (but NOT YELLOW PLC Forms of Proxy) may be handed to PLC's registrars, Computershare, or the Chairman of the PLC Court Meeting before the start of the PLC Court Meeting (or any adjournment thereof) and will still be valid. In the case of the PLC Extraordinary General Meeting, unless the YELLOW PLC Form of Proxy is returned by the time and date mentioned above, it will be invalid.

### **Multiple proxy voting instructions**

As a PLC Shareholder, you are entitled to appoint a proxy in respect of some or all of your PLC Shares. You are also entitled to appoint more than one proxy. A proxy need not be a PLC Shareholder. A space has been included on the PLC Forms of Proxy to allow you to specify the number of PLC Shares in respect of which that proxy is appointed.

If you wish to appoint more than one proxy in respect of your shareholding, photocopy the PLC Forms of Proxy or please call the Shareholder Helpline on 0370 600 3977 if calling from the UK or +44 370 600 3977 if calling from outside the UK. The helpline is open between 8.30 a.m. and 5.30 p.m., Monday to Friday (excluding public holidays in England and Wales). Please note that PLC's registrars, Computershare, cannot provide any financial, legal or tax advice, or comment on the merits of Simplification and calls may be recorded and monitored for security and training purposes.

PLC Shareholders may not use any electronic address provided in either this document or any related documents (including the enclosed PLC Forms of Proxy) to communicate with PLC for any purposes other than those expressly stated.

### **Voting instructions for PLC Shareholders holding shares in CREST**

PLC Shareholders who hold PLC Shares in CREST and who wish to appoint a proxy or proxies for the PLC Meetings or any adjournment(s) thereof by using the CREST electronic proxy appointment service may do so by following the procedures described in the CREST Manual (available at <https://my.euroclear.com>). CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s) who will be able to take the appropriate action on their behalf.

In order for a proxy appointment or instruction made by means of CREST to be valid, the appropriate CREST message (a "**CREST Proxy Instruction**") must be properly authenticated in accordance with Euroclear UK&I's specifications and must contain the information required for such instructions, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or an amendment to the instructions given to a previously appointed proxy, must, to be valid, be transmitted so as to be received by PLC's registrars, Computershare (ID is 3RA50), at least 48 hours before the PLC Court Meeting or the PLC Extraordinary General Meeting, as applicable (or, in the case of an adjournment of either PLC Meeting, at least 48 hours before such PLC Meeting). For this purpose, the time of receipt will be taken to be the time (as determined by the time stamp applied to the message by the CREST Applications Host) from which PLC's registrars, Computershare, are able to retrieve the message by enquiry to CREST in the manner prescribed by CREST.

CREST members and, where applicable, their CREST sponsors or voting service provider(s) should note that Euroclear UK&I does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal

member or sponsored member or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. CREST members and, where applicable, their CREST sponsor or voting service provider(s) are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

PLC may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the CREST Regulations.

### **Electronic appointment of proxies**

PLC Shareholders who prefer to register the appointment of their proxy electronically via the internet can register using PLC's electronic voting facility via [www.unilever.com/simplification](http://www.unilever.com/simplification), using the Shareholder Reference Number (SRN), Control Number and five-digit PIN shown on the front of the PLC Forms of Proxy.

A proxy appointment made electronically will not be valid if sent to any address other than that provided, and must be received not later than 11.00 a.m. on 24 October 2018 in the case of the PLC Court Meeting and not later than 11.10 a.m. on 24 October 2018 in the case of the PLC Extraordinary General Meeting (or, in the case of an adjourned meeting, not less than 48 hours prior to the time and date set for the adjourned PLC Meeting). Please note that any electronic communication found to contain a computer virus will not be accepted.

Please note that the appointment of a proxy or proxies is separate for the PLC Court Meeting and the PLC Extraordinary General Meeting.

### **PLC ADS Holders**

Registered PLC ADS Holders should complete and return the PLC ADS Voting Instruction Card sent separately by the PLC ADS Depositary or otherwise submit voting instructions in accordance with the voting instructions from the PLC ADS Depositary, as soon as possible, but in any event to be received by no later than 10.00 a.m. (New York time) on 17 October 2018. Indirect PLC ADS Holders must rely on the procedures of the bank, broker or financial institution through which you hold your PLC ADSs if you wish to provide voting instructions.

PLC ADS Holders who wish to receive New NV Ordinary Shares or interests therein (rather than New NV ADSs) must surrender their PLC ADSs to the PLC ADS Depositary, pay the PLC ADS Depositary's fees and charges in accordance with the PLC Deposit Agreement and become holders of PLC Shares prior to the UK Scheme Record Time subject to and in accordance with the terms of the PLC Deposit Agreement.

Please refer to paragraph 24 of Part II of this document for further information.

PLC ADS Holders who have any questions relating to this document or Simplification should contact Georgeson LLC by calling +1 866 482 5136. This helpline is open between 9.00 a.m. and 11.00 p.m. (New York time), Monday to Friday (excluding public holidays in the United States).

### **Opting out of the Mandatory PLC Share Transfers**

PLC Shareholders will find a description of the Mandatory PLC Share Transfers in paragraph 7.3 of Part II of this document. PLC Shareholders can opt out of the Mandatory PLC Share Transfers in respect of their PLC Shares. Any PLC Shareholder who opts out of the Mandatory PLC Share Transfers in respect of their PLC Shares will be an Excluded Shareholder and will receive one New NV Ordinary Share in registered form for each PLC Share they hold at the UK Scheme Record Time. Excluded Shareholders will not continue to hold shares in PLC and will be subject to the UK Scheme.

**Excluded Shareholders will not be able to settle trades in New NV Ordinary Shares through CREST or Euroclear Nederland without additional action being taken, and the formalities for transferring shares in an English company (such as PLC) will not apply in respect of New NV Ordinary Shares. The formalities for transferring New NV Ordinary Shares in registered form, including the execution of a private Dutch deed, will be unfamiliar to many PLC Shareholders and may give rise to disproportionate transaction costs for such shareholders.**

PLC Shareholders who wish to opt out of the Mandatory PLC Share Transfers in respect of their PLC Shares should contact PLC's registrars, Computershare, to request a form of instruction by calling the Shareholder Helpline on 0370 600 3977 if calling from the UK or +44 370 600 3977 if calling from outside the UK between 8.30 a.m. and 5.30 p.m., Monday to Friday (excluding public holidays in England and Wales), no later than 5.30 p.m. on 4 December 2018. Any such PLC Shareholders will be required to return the form of

instruction to be received by Computershare no later than 14 December 2018, accompanied by such evidence of their holding of PLC Shares as is prescribed by the form of instruction. PLC CREST Shareholders who wish to opt out will be required to rematerialise their PLC Shares prior to submission of the form of instruction. Any PLC Shareholder who opts out of the Mandatory PLC Share Transfers will be an Excluded Shareholder.

Any decision of a PLC Shareholder to opt out of the Mandatory PLC Share Transfers in respect of their PLC Shares should be based on independent financial, tax and legal advice and a full consideration of this document, including, without limitation, the factors outlined in paragraph 7.3 of Part II of this document. If you are in any doubt as to the particular consequences to you of the Mandatory PLC Share Transfers or being an Excluded Shareholder, you should seek your own independent advice.

### **Effect of Simplification on the Unilever Share Plans**

Participants in the Unilever Share Plans will be sent a separate communication explaining the implications of Simplification on their awards and options and what action, if any, they need to take. For further details, please refer to paragraph 19 of Part II of this document.

### **Shareholder Helplines**

#### *PLC Shareholders*

If you have any questions relating to this document or the completion and return of the PLC Forms of Proxy, please call the Shareholder Helpline on 0370 600 3977 if calling from the UK or +44 370 600 3977 if calling from outside the UK. The helpline is open between 8.30 a.m. and 5.30 p.m., Monday to Friday (excluding public holidays in England and Wales).

#### *PLC ADS Holders*

PLC ADS Holders who have any questions relating to this document or Simplification should contact Georgeson LLC by calling +1 866 482 5136. This helpline is open between 9.00 a.m. and 11.00 p.m. (New York time), Monday to Friday (excluding public holidays in the United States).

Please note that the operators cannot provide any financial, legal or tax advice, or comment on the merits of Simplification and calls may be recorded and monitored for security and training purposes.

PLC Shareholders and PLC ADS Holders may not use any electronic address provided in either this document or any related documents (including the enclosed PLC Forms of Proxy and PLC ADS Voting Instruction Card) to communicate with PLC for any purposes other than those expressly stated.

## EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Event	Time and/or date <sup>(1)</sup>
<b>Publication of this document, the EU Prospectus and US Prospectus</b> . . . . .	<b>11 September 2018</b>
Latest time and date for receipt by the PLC ADS Depositary of PLC ADS Voting Instruction Cards <sup>(2)</sup> . . . . .	10.00 a.m. (New York time) on 17 October 2018
<b>Latest time and date for receipt of BLUE PLC Forms of Proxy for the PLC Court Meeting<sup>(3)</sup></b> . . . . .	<b>11.00 a.m. on 24 October 2018</b>
Latest time and date for lodging an electronic proxy for the PLC Court Meeting by way of CREST Proxy Instruction or online at <a href="http://www.unilever.com/simplification">www.unilever.com/simplification</a> . . . . .	11.00 a.m. on 24 October 2018
<b>Latest time and date for receipt of YELLOW PLC Forms of Proxy for the PLC Extraordinary General Meeting<sup>(4)</sup></b> . . . . .	<b>11.10 a.m. on 24 October 2018</b>
Latest time and date for lodging an electronic proxy for the PLC Extraordinary General Meeting by way of CREST Proxy Instruction or online at <a href="http://www.unilever.com/simplification">www.unilever.com/simplification</a> . . . . .	11.10 a.m. on 24 October 2018
Voting Record Time in respect of the PLC Court Meeting and PLC Extraordinary General Meeting <sup>(5)</sup> . . . . .	8.00 p.m. on 24 October 2018
<b>NV Extraordinary General Meeting</b> . . . . .	<b>11.30 a.m. (Amsterdam time) on 25 October 2018</b>
<b>PLC Court Meeting</b> . . . . .	<b>11.00 a.m. on 26 October 2018</b>
<b>PLC Extraordinary General Meeting<sup>(6)</sup></b> . . . . .	<b>11.10 a.m. on 26 October 2018</b>
<i>The following dates are subject to change</i>	
Last day for receipt by the PLC ADS Depositary of instructions to withdraw PLC ADSs . . . . .	9.00 a.m. (New York time) on 5 December 2018
UK Scheme Court Hearing to sanction the UK Scheme and to confirm the PLC Capital Reduction . . . . .	7 December 2018
Last day for receipt of forms of instruction to opt out of the Mandatory PLC Share Transfers <sup>(7)</sup> . . . . .	14 December 2018
Last day of dealings in, and for registration of transfers of, and disablement in CREST of, PLC Shares on the LSE's Main Market . . . . .	Up until 5.00 p.m. on 21 December 2018
Last day for dealings in, and for registration of transfers of, PLC ADSs . . . . .	Up until 4.00 p.m. (New York time) on 21 December 2018
Mandatory PLC Share Transfers take place . . . . .	8.30 p.m. on 21 December 2018
UK Scheme Record Time . . . . .	9.00 p.m. on 21 December 2018
UK Scheme Effective Time <sup>(8)</sup> . . . . .	10.00 p.m. on 21 December 2018
Dutch Merger Effective Time . . . . .	11.00 p.m. on 22 December 2018
<b>Admission of New NV Ordinary Shares to the LSE's Main Market and Euronext in Amsterdam and commencement of dealings in New NV Ordinary Shares on the LSE's Main Market and Euronext in Amsterdam</b> . . . . .	<b>8.00 a.m. on 24 December 2018</b>

<b>Event</b>	<b>Time and/or date<sup>(1)</sup></b>
<b>Admission of New NV ADSs to the NYSE and commencement of dealings in New NV ADSs on the NYSE (being the ADS UK Scheme Effective Time)</b>	<b>8.00 a.m. (New York time) on 24 December 2018</b>

Notes:

- (1) **The dates and times given are indicative only and are based on current expectations and may be subject to change.** Unless otherwise stated, all references to times in this document are to London times. If any of the stated times and/or dates change, the revised times and/or dates will be announced via a Regulatory Information Service.
- (2) Only those PLC ADS Holders who hold PLC ADSs at 5.00 p.m. (New York time) on 31 August 2018 will be entitled to instruct the PLC ADS Depositary to exercise the voting rights in respect of the PLC Shares represented by their PLC ADSs at the PLC Meetings.
- (3) BLUE PLC Forms of Proxy for the PLC Court Meeting may, alternatively, be handed to Computershare or the Chairman of the PLC Court Meeting before the start of the PLC Court Meeting (or any adjournment thereof). However, if possible, PLC Shareholders are requested to lodge the BLUE PLC Forms of Proxy at least 48 hours before the time appointed for the PLC Court Meeting.
- (4) YELLOW PLC Forms of Proxy for the PLC Extraordinary General Meeting must be lodged with PLC's registrars, Computershare, by no later than 11.10 a.m. on 24 October 2018 in order to be valid, or, if the PLC Extraordinary General Meeting is adjourned, no later than 48 hours before the time fixed for the holding of the adjourned PLC Extraordinary General Meeting. If the YELLOW PLC Form of Proxy is not returned by such time, it will be invalid.
- (5) If either PLC Meeting is adjourned, the Voting Record Time for the adjourned PLC Meeting will be 8.00 p.m. on the date which is two days before the date set for the adjourned PLC Meeting.
- (6) To commence at the time fixed or, if later, immediately after the conclusion or adjournment of the PLC Court Meeting.
- (7) PLC Shareholders will find a description of the Mandatory PLC Share Transfers in paragraph 7.3 of Part II of this document. PLC Shareholders who wish to opt out of Mandatory PLC Share Transfers in respect of their PLC Shares should contact Computershare to request a form of instruction by calling the Shareholder Helpline on 0370 600 3977 if calling from the UK or +44 370 600 3977 if calling from outside the UK between 8.30 a.m. and 5.30 p.m., Monday to Friday (excluding public holidays in England and Wales), no later than 5.30 p.m. on 4 December 2018. Any such PLC Shareholders will be required to return the form of instruction to be received by Computershare no later than 14 December 2018, accompanied by such evidence of their holding of PLC Shares as is prescribed by the form of instruction. PLC CREST Shareholders who wish to opt out will be required to rematerialise their PLC Shares prior to submission of the form of instruction. Any PLC Shareholder who opts out of the Mandatory PLC Share Transfers will be an Excluded Shareholder.
- (8) The UK Scheme Court Order is expected to be delivered to the Registrar of Companies following UK High Court sanction of the UK Scheme, the time of such delivery being the UK Scheme Effective Time. The events which are stated as occurring on subsequent dates are conditional on, among other things, the UK Scheme Effective Time and operate by reference to this time.

**PART I**  
**LETTER FROM THE CHAIRMAN OF UNILEVER**



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

**PLC Directors:**

Dr Marijn Dekkers  
Paul Polman  
Graeme Pitkethly  
Nils Andersen  
Laura Cha  
Vittorio Colao  
Dr Judith Hartmann  
Andrea Jung  
Mary Ma  
Strive Masiyiwa  
Youngme Moon  
John Rishton  
Feike Sijbesma

**Registered office:**

Port Sunlight  
Wirral  
Merseyside  
CH62 4ZD

11 September 2018

To: *PLC Shareholders, PLC ADS Holders and, for information only, participants in the Unilever Share Plans and Persons with Information Rights*

Dear PLC Shareholder

**Recommended proposals for the simplification of the existing dual-parent structure of Unilever PLC and Unilever N.V.**

**1 Introduction**

On 15 March 2018, the Boards announced their intention to simplify the Unilever Group's dual-parent structure under a new single holding company, New NV. I am writing to PLC Shareholders to explain the background to and reasons for Simplification and to explain why the Boards consider Simplification and the UK Scheme to be in the best interests of Unilever and its shareholders as a whole, including PLC and the PLC Shareholders, and unanimously recommend that PLC Shareholders vote in favour of the UK Scheme at the PLC Court Meeting and in favour of the Special Resolution at the PLC Extraordinary General Meeting, as the PLC Directors intend to do in relation to their own entire legal and beneficial holdings of PLC Shares.

**2 Background to Simplification**

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

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

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

### **3 Reasons for Simplification**

Following a comprehensive strategic review of the Unilever business, the Boards concluded that Simplification will provide greater flexibility for strategic portfolio change, strengthen Unilever's corporate governance and help drive the long-term performance of Unilever.

The Boards believe that a single holding company will bring greater simplicity and more flexibility to make strategic changes to the Unilever Group's portfolio in the future, should Unilever choose to do so, including through equity-settled acquisitions or demergers. Although Unilever does not currently plan any major portfolio change, the Boards believe it is appropriate to create a corporate structure that provides Unilever with the strategic flexibility and optionality to do so.

The Boards conducted an extensive review of potential single holding company structures and the means of achieving Simplification of the existing dual-parent structure. The Boards considered many factors, including in particular tax, regulatory and legal matters and the fact that Unilever has operated effectively for many years with parent companies incorporated in both the Netherlands and the United Kingdom to deliver long-term growth for all its shareholders. In making their assessment, the Boards also took into account the proportion of the Unilever Group's combined ordinary share capital represented by NV Ordinary Shares and NV NYRSs, which is approximately 22 per cent. larger than that represented by PLC Shares; NV Ordinary Shares and NV Depositary Receipts having also traded with greater liquidity than PLC Shares in recent years. Having weighed all these various factors, the Boards concluded that Simplification through the establishment of a new Dutch holding company would meet Unilever's objectives of creating greater strategic flexibility, providing an opportunity to strengthen corporate governance and would help drive long-term performance.

Accordingly, Simplification will introduce a single holding company, New NV, with one class of shares and a global pool of liquidity. New NV will be incorporated and tax-resident in the Netherlands. A premium listing of New NV Ordinary Shares on the UK Official List and admission to trading on the LSE's Main Market, together with listings on Euronext in Amsterdam and a listing of New NV ADSs on the NYSE, will be sought.

Following Simplification, PLC Shareholders, PLC ADS Holders, NV Shareholders and NV NYRS Holders will share the same dividend and capital distribution interests in New NV, and in the same relative proportions in the combined Unilever Group, as before.

Simplification will also further strengthen Unilever's corporate governance, creating, for the first time, a "one share, one vote" principle for all shareholders. Prior to, or as part of, Simplification, the NV Preference Shares will be cancelled, and it is intended to terminate the NV Depositary Receipt structure. Unilever will also continue to apply both the UK and Dutch corporate governance codes.

Further details of the Boards' commitment to strengthening Unilever's corporate governance through the process of Simplification are set out below.

### **4 Effects of Simplification**

On implementation, subject to the terms of the UK Scheme and the Dutch Merger, Simplification will result in PLC Shareholders and NV Shareholders owning shares (or interests representing shares) in the Unilever Group's new listed holding company, New NV. New NV will be a listed public limited liability company (*naamloze vennootschap*) incorporated under the laws of the Netherlands and will be the sole holding company for the Unilever Group.

Simplification will result in PLC Shareholders, PLC ADS Holders, NV Shareholders and NV NYRS Holders receiving shares in the capital of New NV (or interests therein) that represent the equivalent economic interest in New NV upon implementation of Simplification as their respective holdings in the capital of PLC or NV represent at the UK Scheme Record Time or the Dutch Merger Effective Time, respectively.

Prior to the effective time of Simplification, New NV intends to apply to the FCA for the New NV Ordinary Shares to be admitted to the premium listing segment of the UK Official List, to the LSE for the New NV Ordinary Shares to be admitted to trading on the LSE's Main Market and to Euronext Amsterdam for the New NV Ordinary Shares to be admitted to listing and trading on Euronext in Amsterdam. New NV also intends to apply for the New NV ADSs to be traded on the NYSE.

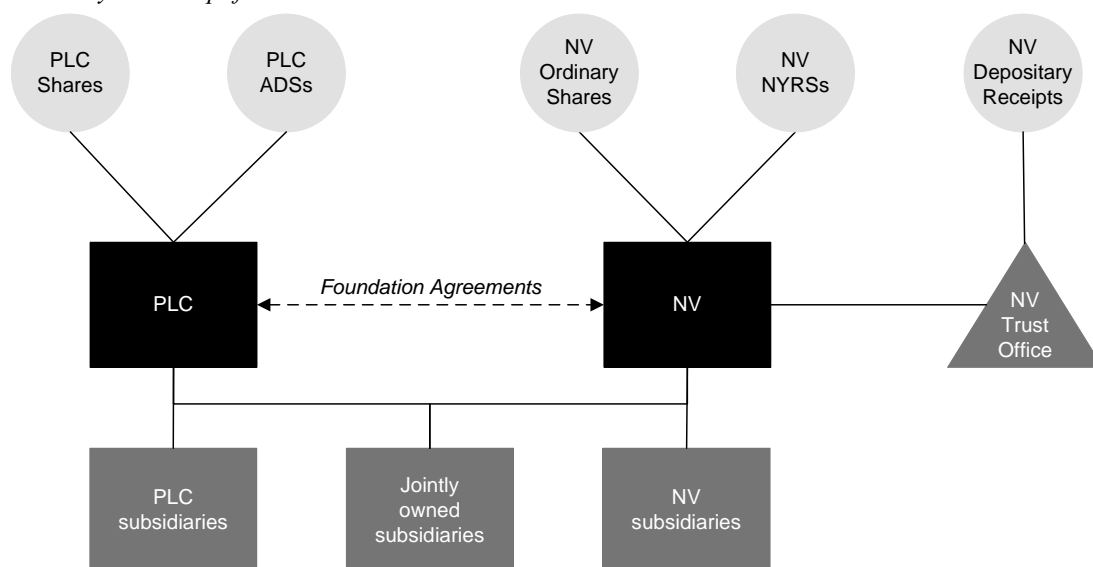
After the UK Scheme Effective Time, PLC Shares will be delisted from the LSE's Main Market. Upon the Dutch Merger Effective Time, the NV Ordinary Shares will be delisted from Euronext in Amsterdam. Following implementation of Simplification, the NV NYRSs and PLC ADSs will be delisted from the NYSE.

To implement Simplification in an efficient manner, a number of ancillary steps will be taken in advance of and following the UK Scheme and the Dutch Merger as more fully described in this document. New NV's name will be changed to Unilever N.V. at the Dutch Merger Effective Time.

As Simplification will result in the Unilever Group being simplified under a single holding company, the Foundation Agreements will no longer be necessary. Therefore, it is expected that the Foundation Agreements will be terminated on, or immediately after, Simplification.

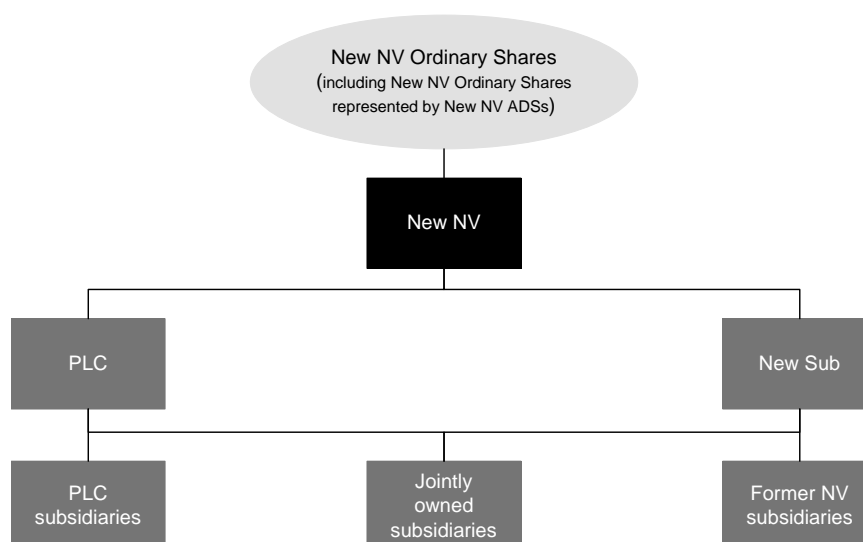
The following diagrams illustrate in simplified terms (i) the existing dual-parent structure of the Unilever Group, and (ii) the expected structure of the Unilever Group following the completion of Simplification.

*Summary Pre-Simplification Structure<sup>(1)</sup>*



Note:

- (1) As of 31 August 2018, the NV Trust Office held approximately 74.25 per cent. of the issued NV Ordinary Shares, and had issued NV Depository Receipts for these shares. Unilever intends to cancel the NV Depository Receipts shortly before the Dutch Merger Closing Date (as defined below).



## 5 Corporate Governance

Over the past 15 years, Unilever has taken major steps to be at the forefront of good corporate governance. In March 2018, Unilever made a clear commitment to strengthen its corporate governance further through Simplification.

### 5.1 Continuing with core corporate governance features

Unilever has committed to continuing with existing core corporate governance features following Simplification, including:

- applying both the UK Corporate Governance Code and the Dutch Corporate Governance Code;
- Dutch, US and UK Listing Rules applying to New NV (including related party and material transaction safeguards);
- every director on the New NV Board being subject to re-election every year;
- a separate Chairman and Chief Executive Officer;
- a one-tier board structure with diverse experiences;
- limiting the disapplication of pre-emption rights to 5 per cent. for general corporate purposes and 5 per cent. in case of mergers and acquisitions; and
- applying advisory votes on the Directors' Remuneration Report every year and binding votes on the Directors' Remuneration Policy at least every three years.

### 5.2 Additional shareholder rights

In addition to the commitments above and the actions already taken, a number of additional shareholder rights will be included in Unilever's governance on Simplification. Together these commitments include:

- "one share, one vote", with all shareholders voting on the same basis, on the same proposals and as a single class of shareholders;
- NV Preference Shares, which held disproportionate voting rights and have already been bought back, will be cancelled on or before Simplification;
- cancellation of the NV Trust Office and Depositary Receipt structure (subject to approval by the holders of NV Depositary Receipts);
- no protective devices (such as protective foundations or "*stichtingen*" as have been adopted by other listed companies in the Netherlands from time to time);

- shareholders (individually or together) holding 3 per cent. of the voting rights in New NV having a right to require a general meeting to be convened within eight weeks;
- shareholders (individually or together) holding 1 per cent. of the voting rights in New NV having a right to table resolutions and/or other agenda items at general meetings, including to propose or remove a director;
- requiring 75 per cent. or more of votes cast at a general meeting of New NV to pass resolutions to amend the New NV Articles pursuant to proposals made by the New NV Board or New NV Shareholders; and
- requiring 75 per cent. or more of votes cast at a general meeting of New NV to pass key resolutions that impact the capital structure of New NV, including the disapplication of pre-emption rights, authority to make share buy-backs and capital reductions.

## **6 The New NV Board**

Upon implementation of Simplification, the New NV Board is expected to comprise the same members as the existing PLC Board and NV Board (which are identical), being those individuals and positions set out in paragraph 2 of Part VII of this document. Each New NV Board member will hold the same position as on the existing PLC Board and NV Board, with a one tier structure. After implementation of Simplification, Unilever will continue to hold annual elections of all New NV Board members, approved by a simple majority of those voting at the relevant meeting.

## **7 Future arrangements for shareholder meetings**

Following the implementation of Simplification, Unilever will hold one annual general meeting which will be held in the Netherlands as required by Dutch law which all shareholders are entitled to attend. In addition, it is currently expected that Unilever will arrange a shareholder conference and presentation in the United Kingdom within a few days of the annual general meeting. Although the conference and presentation will not form part of the annual general meeting held in the Netherlands, it will give an update on business progress and allow attendees to ask questions of members of the New NV Board. All shareholders will be invited to attend, though since it will take place in the UK it may be of particular interest to UK resident shareholders.

## **8 Dividends and dividend policy**

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

Following implementation of Simplification, New NV intends to declare and make distributions on the same quarterly basis as PLC and NV.

PLC and NV have declared dividends on their respective shares in respect of the first and second quarters of 2018. The New NV Board will take the basis for and amounts of these dividends, together with any other dividends declared by PLC and NV during the year ended 31 December 2018, into account when determining the quarterly dividends that New NV expects to pay during the year ending 31 December 2019.

New NV will declare and make distributions in euro or such other currency as determined by the New NV Board. Following implementation of Simplification, holders of New NV DIs (including Unilever CSN Participants) and Excluded Shareholders will receive distributions in pounds sterling but arrangements will be made to enable such shareholders to elect to receive distributions in euro. New NV ADS Holders will receive payment in US dollars and will not be able to elect to receive distributions in any other currency.

New NV intends to take steps following implementation of Simplification which would enable New NV to make dividend substitution payments to shareholders prior to the abolition of the Dutch dividend withholding tax ("DWT") that qualify as repayments of nominal share capital for Dutch tax purposes and therefore would not be subject to DWT. Any such dividend substitution payments received by a New NV Shareholder or New NV ADS Holder resident in the UK for tax purposes should be treated as income distributions for UK tax purposes with the same UK tax consequences as a regular dividend.

For a description of UK, US federal and Dutch tax consequences of distributions, including DWT, please refer to Part V of this document.

## 9 Index inclusion

Unilever understands that the main providers of indices will make announcements following publication of this document regarding eligibility of the New NV Ordinary Shares for inclusion in the different indices following Simplification. It is expected that the New NV Ordinary Shares will have an increased weighting in the Euro and Europe ex-UK indices managed by STOXX, FTSE Russell, MSCI and other providers, as well as continued inclusion in the AEX-index, and various pan-European, Europe, Australasia and Far East (“EAFE”) and world indices. However, following a number of meetings with FTSE Russell, Unilever considers that it is extremely unlikely that the New NV Ordinary Shares will be eligible for inclusion in the FTSE UK Index Series.

## 10 The UK Takeover Code and the Dutch Offer Rules

The Executive of the UK Takeover Panel has confirmed that the UK Takeover Code will not apply to the simplification transaction.

Separately, following the UK Scheme Effective Time, Former PLC Shareholders who hold interests in New NV Ordinary Shares will no longer benefit from the protections provided under the UK Takeover Code. However, as shareholders in New NV they will benefit from the protections provided to shareholders under Dutch law (in particular, the Dutch Offer Rules) which will apply to New NV and the New NV Ordinary Shares following Simplification.

Further details on the Dutch Offer Rules are set out in paragraph 4 of Part III of this document.

## 11 Effect of Simplification on the Unilever Share Plans

Participants in the Unilever Share Plans will be sent a separate communication explaining the implications of Simplification on their awards and options and what action, if any, they need to take. For further details, please refer to paragraph 19 of Part II of this document.

## 12 Pensions

Simplification is not expected to have a material effect on any of the Unilever Group’s material pension schemes (which are located in the UK, the Netherlands, Germany and the United States) and will not trigger any statutory or mandatory funding obligations under any of the above schemes. It is expected that the Foundation Agreements will be terminated on, or immediately after, Simplification and accordingly Unilever has agreed with the trustee of the UK Pension Fund on a set of proposals to be adopted between New NV and PLC following termination of the Foundation Agreements. There is not expected to be any material change to PLC’s obligations in respect of the UK Pension Fund as a result of the implementation of Simplification.

## 13 PLC ADSs

Upon Simplification, New NV intends to establish an American depositary share programme on substantially similar terms as that of PLC. PLC ADS Holders will receive one New NV ADS in place of each PLC ADS held by them at the UK Scheme Record Time.

For further details, please refer to paragraph 24 of Part II of this document.

## 14 Taxation

PLC Shareholders should read Part V of this document which provides a general description of certain UK, US federal and Dutch tax consequences of Simplification relevant to PLC Shareholders who are resident in those jurisdictions for tax purposes. **If you are in any doubt as to your tax position, you should contact your professional adviser immediately.**

## 15 Overseas Shareholders

The implications of Simplification for Overseas Shareholders may be affected by the laws of jurisdictions outside the United Kingdom, the United States or the Netherlands. The attention of Overseas Shareholders is drawn to paragraph 9 of Part II of this document.

## 16 Additional information

Your attention is drawn to the Explanatory Statement set out in Part II of this document, which gives further details about Simplification, the terms of the UK Scheme which are set out in full in Part VI of this document,

the additional information set out in Part VII of this document and the definitions in Part VIII of this document. Please note that the information contained in this letter is not a substitute for reading the remainder of this document and the information incorporated by reference. The EU Prospectus is available, subject to applicable securities laws, on Unilever's website at [www.unilever.com/simplification](http://www.unilever.com/simplification).

## **17 Risk factors**

Your attention is drawn to the risk factors disclosed in the EU Prospectus which is available on Unilever's website at [www.unilever.com/simplification](http://www.unilever.com/simplification). PLC Shareholders should consider carefully these risk factors, some of which PLC Shareholders are already exposed to in respect of their current holding in PLC.

## **18 PLC Shareholder and UK High Court approvals required**

A detailed description of Simplification is set out in the Explanatory Statement in Part II of this document. Simplification can be implemented only if it receives sufficient support from PLC Shareholders at each of the PLC Meetings. Further details of the PLC Meetings are set out in paragraph 25 of Part II of this document. It is important that, for the PLC Court Meeting in particular, as many votes as possible are cast so that the UK High Court may be satisfied that there is a fair representation of PLC Shareholder opinion. **PLC Shareholders are therefore strongly urged to complete, sign and return their PLC Forms of Proxy as soon as possible.**

In order for Simplification to be implemented, the Boards unanimously recommend that you vote in favour of:

- (i) the UK Scheme at the PLC Court Meeting; and
- (ii) the Special Resolution at the PLC Extraordinary General Meeting.

Notices convening the PLC Court Meeting and the PLC Extraordinary General Meeting at which PLC Shareholders will be asked to provide the approvals required for Simplification are set out in Parts IX and X, respectively, of this document.

Both of the PLC Meetings will be held at Queen Elizabeth II Conference Centre, Broad Sanctuary, Westminster, London SW1P 3EE on 26 October 2018, with the PLC Court Meeting beginning at 11.00 a.m. and the PLC Extraordinary General Meeting beginning at 11.10 a.m. (or as soon thereafter as the PLC Court Meeting has concluded or been adjourned).

## **19 Action to be taken**

Attention is drawn to the section "Action to be taken" on pages 8 to 12 and paragraph 26 of Part II of this document which set out in detail the action PLC Shareholders should take in relation to Simplification in respect of voting at the PLC Court Meeting and PLC Extraordinary General Meeting. PLC ADS Holders should also refer to paragraph 24 of Part II of this document.

## **20 Recommendation**

**The Boards consider Simplification to be in the best interests of Unilever and its shareholders as a whole, including PLC and the PLC Shareholders. Accordingly, the Boards unanimously recommend that PLC Shareholders vote in favour of the UK Scheme at the PLC Court Meeting and the Special Resolution to be proposed at the PLC Extraordinary General Meeting, as each of the PLC Directors intends to do in respect of his or her own entire legal and beneficial holdings of PLC Shares.**

Yours sincerely



Marijn Dekkers  
Chairman  
for and on behalf of Unilever PLC

**PART II**  
**EXPLANATORY STATEMENT**

(Explanatory Statement in compliance with the provisions of s.897 of  
the UK Companies Act)



11 September 2018

To: *PLC Shareholders and, for information only, participants in the Unilever Share Plans and Persons with Information Rights*

Dear PLC Shareholder

**Recommended proposals for the simplification of the existing dual-parent  
structure of Unilever PLC and Unilever N.V.**

**1 Introduction**

On 15 March 2018, the Boards announced their intention to simplify the Unilever Group's dual-parent structure under a new single holding company, New NV. New NV's name will be changed to Unilever N.V. at the Dutch Merger Effective Time. Simplification will result in PLC Shareholders, PLC ADS Holders, NV Shareholders and NV NYRS Holders receiving shares in the capital of New NV (or interests therein) that represent the equivalent economic interest in New NV upon the implementation of Simplification as their respective holdings in the capital of PLC or NV represent at the UK Scheme Record Time or the Dutch Merger Effective Time, respectively. The proportionate economic interests of PLC Shareholders, PLC ADS Holders, NV Shareholders and NV NYRS Holders will not be affected as a result of Simplification.

**Attention is drawn to the letter from the Chairman of Unilever in Part I of this document, which outlines the background to and reasons for Simplification and contains the unanimous recommendation of the Boards to vote in favour of the UK Scheme at the PLC Court Meeting and the Special Resolution to be proposed at the PLC Extraordinary General Meeting. The letter from the Chairman forms part of this Explanatory Statement.**

Simplification will be implemented principally by means of:

- (a) a scheme of arrangement, under Part 26 of the UK Companies Act, whereby (i) PLC will become a wholly-owned subsidiary of New NV and (ii) New NV will issue shares in its capital to holders of PLC Shares (including PLC Shares represented by PLC ADSs); and
- (b) a Dutch triangular legal merger within the meaning of sections 2:309, 2:324 and 2:333a of the DCC in accordance with the Dutch Merger Proposal, as a result of which (i) New Sub, a wholly owned subsidiary of New NV, will acquire all of the assets, liabilities and legal relationships of NV under universal succession of title and NV will cease to exist, and (ii) New NV, the sole shareholder of New Sub, will allot shares in its capital to holders of NV Shares and NV NYRS Holders.

To implement Simplification in an efficient manner, a number of ancillary steps will be taken in advance of and following the UK Scheme and the Dutch Merger, further details of which are set out in this Part II.

The implementation of Simplification is subject to the Simplification Conditions set out or referred to in paragraph 6 of this Part II, the terms of the UK Scheme which are set out in detail in Part VI of this document and the terms of the Dutch Merger Proposal, which are described in paragraph 4 of Part III of this document.

Simplification can only become effective in accordance with its terms if the Simplification Conditions have been satisfied or waived. Accordingly, the Boards have also unanimously recommended that NV Shareholders

vote in favour of the Dutch Merger and any other resolutions relating to Simplification to be proposed at the NV Extraordinary General Meeting.

**Attention is also drawn to the EU Prospectus which contains further information on New NV and the New NV Ordinary Shares to be issued or allotted, as applicable, in connection with Simplification (which is available, subject to applicable securities laws, on Unilever's website [www.unilever.com/simplification](http://www.unilever.com/simplification)), and to the other parts of this document which are deemed to form part of this Explanatory Statement.**

## **2 Summary of the Simplification proposals**

Prior to the effective time of Simplification, New NV intends to apply to the FCA for the New NV Ordinary Shares to be admitted to the premium listing segment of the UK Official List, to the LSE for the New NV Ordinary Shares to be admitted to trading on the LSE's Main Market and to Euronext Amsterdam for the New NV Ordinary Shares to be admitted to listing and trading on Euronext in Amsterdam. New NV also intends to apply for the New NV ADSs to be traded on the NYSE.

On implementation of Simplification, holders of PLC Shares (including those PLC Shares represented by PLC ADSs) at the UK Scheme Record Time will be entitled to receive New NV Ordinary Shares or New NV ADSs on the following basis:

<b>for each PLC Share</b>	<b>one New NV Ordinary Share (or an interest therein)</b>
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<b>for each PLC ADS</b>	<b>one New NV ADS</b>
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If Simplification is implemented in full, NV Shareholders will be entitled to receive New NV Ordinary Shares or New NV ADSs on the following basis in each case subject to the treatment of fractional entitlements set out in the Dutch Merger Proposal:

<b>for each NV Ordinary Share</b>	<b>one New NV Ordinary Share</b>
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<b>for each NV NYRS held by an Indirect NV NYRS Holder</b>	<b>one New NV ADS</b>
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<b>for each NV NYRS held by a registered NV NYRS Holder</b>	<b>one New NV Ordinary Share which, at the election of the registered NV NYRS Holder, may be transferred for one New NV ADS</b>
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Based on the number of PLC Shares, NV Ordinary Shares and NV NYRSs outstanding on 31 August 2018, and assuming that Simplification is implemented (i) PLC Shareholders (including PLC ADS Holders) will receive a total of 1,190,520,645 New NV Ordinary Shares (including New NV Ordinary Shares represented by New NV ADSs) or interests therein, which are expected to represent 44.8 per cent. of the total number of New NV Ordinary Shares (including New NV Ordinary Shares represented by New NV ADSs) outstanding following Simplification; and (ii) NV Ordinary Shareholders and NV NYRS Holders will receive a total of 1,469,689,441 New NV Ordinary Shares (including New NV Ordinary Shares represented by New NV ADSs), which are expected to represent 55.2 per cent. of the total number of New NV Ordinary Shares (including New NV Ordinary Shares represented by New NV ADSs) outstanding following Simplification.

Accordingly, based on the number of NV Ordinary Shares, NV NYRSs and PLC Shares outstanding on 31 August 2018, New NV will have a total of 2,660,210,086 New NV Ordinary Shares outstanding upon implementation of Simplification (including New NV Ordinary Shares that will be represented by New NV ADSs), each of which will have been fully paid.

It is proposed that, subject to certain conditions being satisfied or waived, Simplification will be implemented in several steps as follows:

- (a) following the completion of certain preparatory reorganisation steps, the UK Scheme will become effective; and
- (b) following the UK Scheme becoming effective, the Dutch Merger will be implemented.

Following the Dutch Merger Effective Time, listing and settlement of the New NV Ordinary Shares and New NV ADSs will take place.

**If you are an NV Shareholder, please review the NV Shareholder Circular and the Dutch Merger Proposal which detail the effect of Simplification and the Dutch Merger on your NV Shares and NV NYRSs, the terms of the Dutch Merger and the actions available to you as an NV Shareholder in respect**

**of Simplification. If you are in any doubt about the contents of this document or what action you should take, you are recommended to seek your own independent advice.**

### **3 The UK Scheme**

#### **3.1 Description of the UK Scheme**

The UK Scheme is a legal process under Part 26 of the UK Companies Act, the purpose of which is to enable New NV to become the owner of the entire issued and to be issued share capital of PLC.

Under the UK Scheme, all PLC Shares will be cancelled at the UK Scheme Effective Time (which is expected to be around 10.00 p.m. on 21 December 2018).

Following cancellation of the PLC Shares, the ordinary share capital of PLC will be restored to its former amount, as the reserve arising in the books of PLC as a result of the cancellation will be applied in paying up in full at par new PLC Shares equal to the number of PLC Shares cancelled. Such new PLC Shares will be issued to New NV which will, as a result, become the single parent company of PLC and the sole holder of PLC Shares.

In consideration for the cancellation of the PLC Shares and the issue of the new PLC Shares to New NV, holders of PLC Shares (including those PLC Shares represented by PLC ADSs) at the UK Scheme Record Time will be entitled to receive New NV Ordinary Shares on the following basis:

<b>for each PLC Share</b>	<b>one New NV Ordinary Share (or an interest therein)</b>
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The last day of dealings in PLC Shares on the LSE's Main Market is expected to be 21 December 2018 and no transfers of PLC Shares (other than the Mandatory PLC Share Transfers and any transfers pursuant to the new article 151 of the PLC Articles) will be registered after 8.00 p.m. on this date. Further details of the Mandatory PLC Share Transfers are set out in paragraph 7.3 of this Part II.

Shortly before the UK Scheme becomes effective, entitlements to PLC Shares held within the CREST system will be cancelled. Once the UK Scheme becomes effective, share certificates in respect of PLC Shares will cease to be valid and every PLC Shareholder will be bound at the request of PLC to deliver their share certificate(s) to PLC (or any person appointed by PLC to receive the same) or to destroy the same.

The UK Scheme is conditional upon, among other things, the UK Scheme having been sanctioned by the UK High Court. All PLC Shareholders are entitled to attend the UK Scheme Court Hearing in person or through counsel to support or oppose the sanctioning of the UK Scheme.

**Once the UK Scheme becomes effective, it will be binding on PLC and all PLC Shareholders, including those who did not attend the PLC Meetings or vote to approve the UK Scheme, or who voted against the UK Scheme at the PLC Court Meeting.**

Following the UK Scheme becoming effective, it is expected that PLC Shares will cease to be listed on the UK Official List and traded on the LSE's Main Market.

#### **3.2 Conditions to the UK Scheme**

The UK Scheme is subject to the satisfaction or waiver (in whole or in part), as the case may be, of the Simplification Conditions. Further details of the Simplification Conditions are set out in paragraph 6 of this Part II.

The Boards will not take the necessary steps to implement the UK Scheme unless the Simplification Conditions have been satisfied or waived.

### **4 The Dutch Merger**

#### **4.1 Description of the Dutch Merger**

Following the UK Scheme becoming effective, NV, New NV and New Sub will enter into a Dutch triangular legal merger within the meaning of sections 2:309, 2:324 and 2:333a of the DCC in accordance with the Dutch Merger Proposal. The Dutch Merger will result in:

- (a) New Sub acquiring all of the assets, liabilities and legal relationships of NV under universal succession of title and NV ceasing to exist;

- (b) New NV (the sole shareholder of New Sub) allotting New NV Ordinary Shares at the Dutch Merger Exchange Ratio;
- (c) Indirect NV NYRS Holders receiving New NV ADSs at the Dutch Merger Exchange Ratio;
- (d) Registered NV NYRS Holders receiving New NV Ordinary Shares (which, at the election of the Registered NV NYRS Holders, may be transferred for New NV ADSs), at the Dutch Merger Exchange Ratio; and
- (e) other NV Shareholders receiving New NV Ordinary Shares in accordance with the Dutch Merger Exchange Ratio,

in each case subject to the treatment of fractional entitlements set out in the Dutch Merger Proposal.

The approval of the Dutch Merger at the NV Extraordinary General Meeting requires a simple majority of votes cast at the NV Extraordinary General Meeting, provided that 50 per cent. or more of NV's issued share capital is represented at the NV Extraordinary General Meeting. If less than 50 per cent. of NV's issued share capital is represented at the NV Extraordinary General Meeting, the approval of the Dutch Merger would require at least a two-thirds majority of votes cast. The NV Extraordinary General Meeting will be held on 25 October 2018 at 10.30 a.m. (11.30 a.m. Amsterdam time) at NV's head office at Weena 455 in Rotterdam, the Netherlands. The NV Shareholder Circular and the Dutch Merger Proposal are available on Unilever's website at [www.unilever.com/simplification](http://www.unilever.com/simplification).

## 4.2 Conditions to the Dutch Merger

The Dutch Merger is conditional upon the Simplification Conditions having been satisfied or waived. Further details of the Simplification Conditions are set out in paragraph 6 of this Part II.

Under the Simplification Agreement, NV, New NV and New Sub have undertaken to procure that all steps reasonably required to be taken in relation to the Dutch Merger be taken.

NV, New NV and New Sub have also undertaken to procure that the Dutch Merger will take effect following the UK Scheme Effective Time, but not before such time.

## 5 Information on New NV

New NV is a public limited liability company (*naamloze vennootschap*) incorporated under the laws of the Netherlands and will be the sole holding company for the Unilever Group. All of the outstanding shares in the capital of New NV are currently owned by NV. New NV will be renamed Unilever N.V. at the Dutch Merger Effective Time. Upon the issue of New NV Ordinary Shares or interests therein to PLC Shareholders in accordance with the UK Scheme, the shares that NV holds in the capital of New NV will be cancelled. As a result, and following the Dutch Merger taking effect, New NV will become the holding company of the Unilever Group.

## 6 The Simplification Agreement and Simplification Conditions

PLC, NV, New NV and New Sub entered into the Simplification Agreement on 11 September 2018 setting out certain mutual commitments in relation to Simplification. Under the terms of the Simplification Agreement, PLC, NV, New NV and New Sub have agreed to co-operate and use their reasonable endeavours to implement Simplification.

The implementation of Simplification is conditional on the satisfaction or waiver by PLC, NV, New NV and New Sub of the following conditions:

### *The UK Scheme and the Dutch Merger*

- (i) the approval of the UK Scheme by a majority in number of PLC Shareholders, present and voting, whether in person or by proxy, at the PLC Court Meeting or any adjournment thereof, representing not less than 75 per cent. in value of the PLC Shares (including PLC Shares represented by PLC ADSs) that are subject to the UK Scheme voted by such shareholders;
- (ii) the Special Resolution put to the PLC Extraordinary General Meeting having been duly passed by the requisite majority of PLC Shareholders;

- (iii) the resolution to approve Simplification, which includes approval to: (a) enter into the Dutch Merger; and (b) terminate the Equalisation Agreement at such time as may be determined by the Boards, having been adopted by the requisite majority of the NV general meeting;
- (iv) each meeting of holders of a specific class of NV Shares and NV NYRSs required to effect the Dutch Merger having approved the Dutch Merger;
- (v) no objection to the Dutch Merger having been filed by creditors or any objection having been withdrawn, resolved or lifted by an enforceable court order by the relevant court of the Netherlands;
- (vi) the sanctioning of the UK Scheme with or without modification (but subject to any modification being acceptable to PLC and New NV) by the UK High Court and the delivery of a copy of the UK Scheme Court Order to the Registrar of Companies;

#### *The European Admissions*

- (vii) the EU Prospectus (and any required supplement(s) thereto) having been approved by the AFM pursuant to the European Prospectus Rules;
- (viii) the AFM having notified its approval of the EU Prospectus (and any required supplement(s) thereto) to the UK Listing Authority and the European Securities and Markets Authority in accordance with Article 18 of the Prospectus Directive;
- (ix) the EU Prospectus (and any required supplement(s) thereto) having been published and made available in accordance with the European Prospectus Rules and being in full force and effect;
- (x) the UK Listing Authority having acknowledged to the Unilever Group or its agents (and such acknowledgement not having been withdrawn) that the application for the admission of the New NV Ordinary Shares to the UK Official List with a premium listing has been approved and (after satisfaction of any conditions to which such approval is expressed to be subject) will become effective as soon as a dealing notice has been issued by the FCA and any listing conditions having been satisfied and the LSE having acknowledged to the Unilever Group or its agents (and such acknowledgement not having been withdrawn) that the New NV Ordinary Shares will be admitted to trading on the LSE's Main Market;
- (xi) Euronext Amsterdam having approved (and such approval not having been withdrawn) the Euronext Admission and the Euronext Admission becoming effective on or prior to the effective date of Simplification or such other date as agreed in writing between the parties to the Simplification Agreement;
- (xii) the New NV Ordinary Shares having been accepted for book-entry transfers by Euroclear Nederland on or prior to the Euronext Admission;

#### *The US Conditions*

- (xiii) the US Registration Statement and the registration statement on Form F-6 having become effective under the US Securities Act and, prior to the effective date of Simplification, not being the subject of any stop order or proceeding seeking a stop order;
- (xiv) the New NV ADSs having been authorised for listing on the NYSE, upon official notice of allotment; and

#### *Clearances*

- (xv) each of the Clearances having been received (and not revoked) on terms satisfactory to the parties to the Simplification Agreement.

Simplification requires a number of Clearances to be received, including the granting of an exemption by the Securities and Exchange Board of India (“SEBI”) from the requirement for the Unilever Group to make a mandatory public offer (a “**Mandatory Public Offer**”) as a result of Simplification for up to 26 per cent. of the shares of Hindustan Unilever Limited (“HUL”), the Unilever Group’s Indian listed subsidiary, being the shares not held by a member of the Unilever Group (the “**SEBI Exemption**”). An application for the SEBI Exemption was made to SEBI by PLC and NV on 19 March 2018.

If PLC is unable to obtain the SEBI Exemption (whether in response to the current application or on appeal), the Unilever Group may be required to make a Mandatory Public Offer. The Unilever Group currently holds 67.2 per cent. of HUL and if, as a result of any Mandatory Public Offer and depending on the number of HUL

shares tendered, it were to hold more than 75 per cent. of the shares of HUL, to maintain HUL's listing the Unilever Group would be required, within a period of one year, to ensure that its shareholding in HUL is reduced to not more than 75 per cent. through certain methods prescribed by SEBI. These methods include an issue of shares by HUL to the public, a qualified institutional placement of HUL shares, a bonus issue by HUL to public shareholders only, or a sale of shares in HUL by the Unilever Group by way of an offer for sale ("**Sell Downs**") through the Bombay Stock Exchange. The Unilever Group cannot determine or predict currently: the offer price per HUL share that it would pay nor the number of HUL shares that would be tendered under any Mandatory Public Offer; if it were to proceed with Sell Downs, the price per HUL share it would receive nor the number of HUL shares required to be sold; or the £:INR exchange rate at the relevant times. Accordingly, and for illustrative purposes only, assuming: an offer price per HUL share of INR 1358 (being the HUL closing share price on 15 March 2018, the date Simplification was announced); the maximum number of HUL shares were tendered in a Mandatory Public Offer; the Unilever Group were required to sell the maximum number of HUL shares to restore the minimum public shareholding of 25 per cent. and a Sell Down price of INR 1358 per share were realised for all such sales; and an applicable exchange rate of £1:INR 91.83, the difference between the aggregate purchase price paid under such Mandatory Public Offer and the aggregate proceeds received from such Sell Downs would be approximately £2.5 billion (in addition to transaction costs and interest), in respect of an assumed net increase in PLC's shareholding in HUL of 7.8 per cent. (from 67.2 per cent. to 75 per cent.).

Simplification is also conditional on there being no other fact, matter or circumstance which, in the absolute discretion of New NV, may or may be reasonably likely to prevent, delay, hinder or otherwise adversely affect Simplification under New NV or the willingness of New NV to pursue Simplification as contemplated.

The UK Scheme is not subject to the Dutch Merger becoming effective; however, NV, New NV and New Sub have undertaken to procure that the Dutch Merger takes effect following the UK Scheme Effective Time but not before such time.

If any of the conditions to Simplification are not satisfied or waived in accordance with their terms, PLC and NV will make such announcements as necessary in accordance with their respective regulatory obligations. In accordance with the Simplification Agreement, Simplification can only be effected before the UK Scheme Long Stop Date.

In the event that, for any reason, the Unilever Group does not proceed with Simplification, the existing dual-parent structure will remain in place.

## **7 The Settlement Steps**

**PLC Shares are currently held by PLC Shareholders in a number of different ways and, for any given PLC Shareholder, the process of "settlement", that is, the process by which PLC Shareholders' interests in PLC are replaced by interests in New NV, will depend on how the relevant PLC Shares are held. It is therefore important that PLC Shareholders read this paragraph 7 carefully to ensure that they understand the arrangements that will apply to them in relation to, and following, Simplification.**

**Further information relating to the rights attaching to the New NV Ordinary Shares is set out in Part III of this document.**

### **7.1 Introduction to the Settlement Steps and summary of outcomes**

If implemented in full in accordance with and subject to the terms of the UK Scheme and the Dutch Merger, Simplification will result in PLC Shareholders, PLC ADS Holders, NV Shareholders and NV NYRS Holders receiving shares in the capital of New NV (or interests therein) that represent the equivalent economic interest in New NV upon implementation of Simplification as their respective holdings in the capital of PLC or NV represent at the UK Scheme Effective Time or the Dutch Merger Effective Time, respectively. New NV is incorporated in the Netherlands and will, following Simplification, be the sole holding company of the Unilever Group.

The precise effect of Simplification on a PLC Shareholder depends on how that PLC Shareholder currently holds their PLC Shares. A holder of PLC Shares currently holds such PLC Shares in one of three different ways:

- (i) PLC CREST Shares, being PLC Shares held in uncertificated form (that is, in CREST);
- (ii) PLC Certificated Shares, being PLC Shares held in certificated form (that is, represented by a share certificate); or

- (iii) PLC ADSs, being PLC Shares represented by American depositary shares issued by the PLC ADS Depositary.

In summary, the outcomes of Simplification for PLC Shareholders will be as follows:

- (a) PLC CREST Shareholders (other than Excluded Shareholders) will receive one New NV DI representing one New NV Ordinary Share for each PLC Share they hold. The New NV DIs will be credited directly to the CREST participant accounts in which such PLC CREST Shareholders hold their PLC Shares. See paragraph 7.4 of this Part II for further details.
- (b) PLC Certificated Shareholders (other than Excluded Shareholders) will receive an entitlement to one New NV DI representing one New NV Ordinary Share for each PLC Share they hold. Such New NV DIs will be held by the CSN Nominee as nominee for Former PLC Certificated Shareholders (other than Excluded Shareholders) under the Unilever CSN Facility. See paragraph 7.5 of this Part II for further details.
- (c) PLC ADS Holders will receive an entitlement to one New NV ADS representing one New NV Ordinary Share for each PLC ADS they hold at the UK Scheme Record Time. See paragraph 7.6 of this Part II for further details.

#### *Excluded Shareholders*

Excluded Shareholders will receive one New NV Ordinary Share in registered form for each PLC Share they hold. See paragraph 8 of this Part II for further details.

#### *Overseas Shareholders*

The implications of Simplification for Overseas Shareholders may be affected by the laws of jurisdictions outside the United Kingdom, the United States or the Netherlands. The attention of Overseas Shareholders is drawn to paragraph 9 of this Part II.

## **7.2 Background to the Settlement Steps**

Following Simplification, PLC Shareholders will hold shares (or interests therein) in the capital of a public limited liability company (*naamloze vennootschap*) incorporated under the laws of the Netherlands. As a result, special arrangements will need to be entered into before and after the UK Scheme becomes effective in order for the New NV Ordinary Shares issued by New NV to PLC Shareholders, pursuant to the UK Scheme, to be traded on the LSE's Main Market after the implementation of Simplification. The background to the special arrangements which will apply in respect of PLC Shareholders is set out below.

#### *New NV DIs—PLC CREST Shareholders*

New NV, as a company incorporated outside the UK and Ireland, is prohibited from having its shares held or settled directly in CREST. Former PLC CREST Shareholders (other than Excluded Shareholders) will instead hold, and settle transfers or trades of, New NV Ordinary Shares through CREST in the form of New NV DIs.

A New NV DI is a transferable depositary interest issued through CREST by the DI Issuer. Each New NV DI represents an entitlement to one underlying New NV Ordinary Share and, subject to the terms of the DI Deed, carries with it the same entitlement to economic and voting interests as a New NV Ordinary Share.

#### *Participation interests and the Unilever CSN Facility—PLC Certificated Shareholders*

Under the Dutch Securities Giro Transfer Act, trading of ordinary shares in dematerialised form in a Dutch listed company such as New NV must take place through the Euroclear Nederland system. Under this system, Euroclear Nederland is the registered shareholder of all dematerialised shares in every Dutch listed company. Euroclear Nederland creates representative interests over those dematerialised shares, known as “participation interests”, which are held by the ultimate holders of the beneficial interests in the underlying shares (or a holder's nominee). A company's “shareholders” in such an arrangement do not settle trades in the company's shares directly, but instead settle trades in the participation interests, while Euroclear Nederland holds the registered title to the company's shares that are represented by the participation interests at all times.

To facilitate the ability of a company's “shareholders” (who may not necessarily have access to the appropriate electronic accounts but who are receiving entitlements to shares in an overseas company) to hold, trade and settle trades in these participation interests, it is typical for a corporate sponsored nominee service to be put in place. Under these arrangements, a third-party institution holds the participation interests as a nominee on behalf of the underlying holder. In this case, Unilever has arranged for the CSN Nominee to provide the

Unilever CSN Facility pursuant to which the CSN Nominee will act as nominee for Former PLC Certificated Shareholders (other than Excluded Shareholders). Under this arrangement, the CSN Nominee will hold, and settle transfers of, New NV Participation Interests representing Former PLC Certificated Shareholders' New NV Ordinary Shares on behalf of Former PLC Certificated Shareholders (other than Excluded Shareholders). The Unilever CSN Facility will therefore allow Former PLC Certificated Shareholders (other than Excluded Shareholders) to hold, and settle transfers of, interests in New NV Ordinary Shares.

Unilever considers the Unilever CSN Facility arrangement to be significantly more attractive for Former PLC Certificated Shareholders than the alternative of holding registered interests in New NV Ordinary Shares. A market in registered interests in New NV Ordinary Shares would have significantly less liquidity than that in existing PLC Certificated Shares given the complexities in relation to the transfer of such interests imposed by Dutch law. For example, a transfer by Former PLC Certificated Shareholders of registered interests in New NV Ordinary Shares would require the execution of a private Dutch deed and would involve formalities that will be unfamiliar to many Former PLC Certificated Shareholders. This may give rise to disproportionate transaction costs for such shareholders.

#### *PLC ADS Holders*

Upon Simplification, New NV will establish an American depositary share programme on substantially similar terms as that of PLC. PLC ADS Holders will receive one New NV ADS in place of each PLC ADS held by them at the UK Scheme Record Time.

#### *Excluded Shareholders*

The issue of New NV DIs or the creation of New NV Participation Interests and the use of the Unilever CSN Facility will not apply to PLC Shares held by Excluded Shareholders, being those PLC Shareholders:

- (i) whose address as set out on the UK Register is in any of the Excluded Territories; or
- (ii) who opt out of the Mandatory PLC Share Transfers in respect of their PLC Shares in accordance with the instructions on pages 11 and 12 of this document prior to 14 December 2018.

Excluded Shareholders will receive one New NV Ordinary Share in registered form for each PLC Share they hold.

Excluded Shareholders should read paragraph 8 of this Part II carefully to ensure that they understand the arrangements that will apply to them following Simplification.

#### *Overseas Shareholders*

The attention of Overseas Shareholders is drawn to paragraph 9 of this Part II. Overseas Shareholders should inform themselves about, and observe, any applicable local legal requirements. PLC may, in its sole discretion, determine that New NV Ordinary Shares should not be issued to Restricted Overseas Persons. Should PLC exercise such discretion, shortly before the UK Scheme Record Time all PLC Shares held by such a Restricted Overseas Person will be transferred to a nominee. New NV Ordinary Shares received pursuant to the UK Scheme will be sold and the proceeds of such sale (less applicable expenses) will be paid to the relevant Restricted Overseas Person.

### **7.3 The pre-UK Scheme Mandatory PLC Share Transfers affecting PLC Shareholders (other than Excluded Shareholders)**

To enable the efficient creation of New NV Participation Interests representing New NV Ordinary Shares to Former PLC Certificated Shareholders and to support the issue of New NV DIs to Former PLC CREST Shareholders, as well as the establishment of the Unilever CSN Facility for Former PLC Certificated Shareholders, it is proposed that, shortly before the UK Scheme Record Time, all PLC Shares (other than those held by Excluded Shareholders) will be transferred from existing PLC Shareholders to the Mandatory Transfer Nominee as nominee for those existing PLC Shareholders. These transfers are referred to in this document as the Mandatory PLC Share Transfers and will be effected pursuant to new article 152 of the PLC Articles which will be adopted pursuant to the Special Resolution to be proposed at the PLC Extraordinary General Meeting. The proposed changes to the PLC Articles and the full text of the Special Resolution are set out in Part X of this document. The Mandatory PLC Share Transfers will have no effect on the economic and voting interests in New NV Ordinary Shares which PLC Shareholders will receive as a result of Simplification. No action will need to be taken by PLC Shareholders in relation to the completion of the Mandatory PLC Share Transfers.

The Mandatory PLC Share Transfers will result in the Mandatory Transfer Nominee becoming the registered shareholder of all PLC Shares (other than those held by Excluded Shareholders) prior to the UK Scheme Record Time, including the PLC Shares held by the PLC ADS Depositary. The Mandatory Transfer Nominee will hold such PLC Shares prior to their cancellation pursuant to the UK Scheme on behalf of PLC Shareholders (other than Excluded Shareholders) under the Mandatory Transfer Nominee Deed. In accordance with the Mandatory Transfer Nominee Deed, all PLC Shareholders (other than Excluded Shareholders) will remain the absolute beneficial holders of the relevant PLC Shares prior to their cancellation pursuant to the UK Scheme. The Mandatory Transfer Nominee Deed is available on Unilever's website at [www.unilever.com/simplification](http://www.unilever.com/simplification).

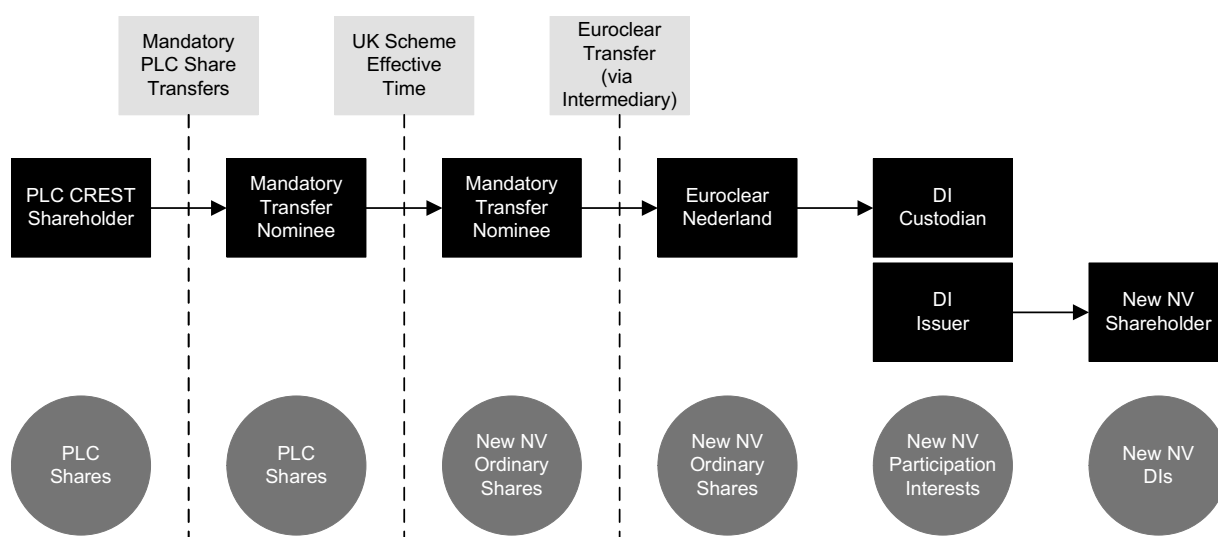
PLC Shares held by Excluded Shareholders will not be subject to the Mandatory PLC Share Transfers and, as a result, Excluded Shareholders will not benefit from the special arrangements put in place by Unilever to facilitate trading in New NV Ordinary Shares on the LSE's Main Market after Simplification. Excluded Shareholders, including those who intend to opt out of the Mandatory PLC Share Transfers, should read paragraph 8 of this Part II carefully to ensure that they understand the arrangements that will apply to them following Simplification.

#### 7.4 Settlement Steps in respect of Former PLC CREST Shareholders (other than Excluded Shareholders)

##### *Summary of outcome*

PLC CREST Shareholders (other than Excluded Shareholders) will receive one New NV DI representing one New NV Ordinary Share for each PLC Share that they hold at the UK Scheme Record Time. The New NV DIs will be credited directly to the CREST participant accounts in which such PLC CREST Shareholders hold their PLC Shares.

An illustration of the Settlement Steps in respect of PLC CREST Shareholders (other than Excluded Shareholders) is set out below:



##### *Settlement Steps*

Shortly after the Mandatory PLC Share Transfers take place, the UK Scheme will become effective. As a result, New NV Ordinary Shares will be issued by New NV to the Mandatory Transfer Nominee as a registered shareholder in PLC at the UK Scheme Record Time. The Mandatory Transfer Nominee will, on receipt of instruction from New NV, transfer registered title to the New NV Ordinary Shares issued to it pursuant to the UK Scheme to Euroclear Nederland.

Upon such transfer, Euroclear Nederland will create New NV Participation Interests and credit these in the name of the DI Custodian. The DI Custodian will hold the New NV Participation Interests as custodian for the DI Issuer.

On receipt of the New NV Participation Interests by the DI Custodian, the DI Issuer will issue the New NV DIs representing New NV Ordinary Shares previously held by the Mandatory Transfer Nominee on behalf of

Former PLC CREST Shareholders (other than Excluded Shareholders) directly to the CREST participant accounts in which those Former PLC CREST Shareholders previously held their PLC Shares. The DI Issuer will maintain a register of holders of New NV DIs and will make a copy of such register available to New NV. Former PLC CREST Shareholders will be able to settle trades in New NV Ordinary Shares through CREST in the form of New NV DIs in the same way as they traded PLC CREST Shares prior to Simplification.

#### *The DI Deed*

The New NV DIs will be created and issued under the terms of the DI Deed, which will govern the relationship between the DI Issuer and the holders of New NV DIs at any given time. Further details of the New NV DIs and the DI Deed are set out in Section 1 of Part IV of this document. The DI Deed is available on request from PLC's registrars, Computershare, by calling the Shareholder Helpline.

#### *Mandates*

All mandates, communication preferences and other instructions issued by Former PLC CREST Shareholders (other than Excluded Shareholders) in CREST in force at the time of the Mandatory PLC Share Transfers and relating to PLC Shares will be discontinued as from the UK Scheme Effective Time. Former PLC CREST Shareholders (other than Excluded Shareholders) will need to deliver new mandates, communication preferences and other instructions in CREST in respect of the New NV DIs after the UK Scheme Effective Time.

PLC Shareholders who participate in the Dividend Reinvestment Plan and who, following the final dividend payment prior to the UK Scheme Effective Time, have a residual balance being held on their behalf to be applied towards the acquisition of PLC Shares on the next dividend payment will, following the UK Scheme Effective Time, receive a payment of such residual balance by cheque. Any such residual balances are not capable of being applied towards the purchase of New NV Ordinary Shares. PLC Shareholders who participate in the Dividend Reinvestment Plan should read the New NV Dividend Reinvestment Plan Terms and Conditions in full. The New NV Dividend Reinvestment Plan Terms and Conditions are set out in full at Appendix II of this document and on Unilever's website at [www.unilever.com/simplification](http://www.unilever.com/simplification).

#### *Opt out / Excluded Shareholders*

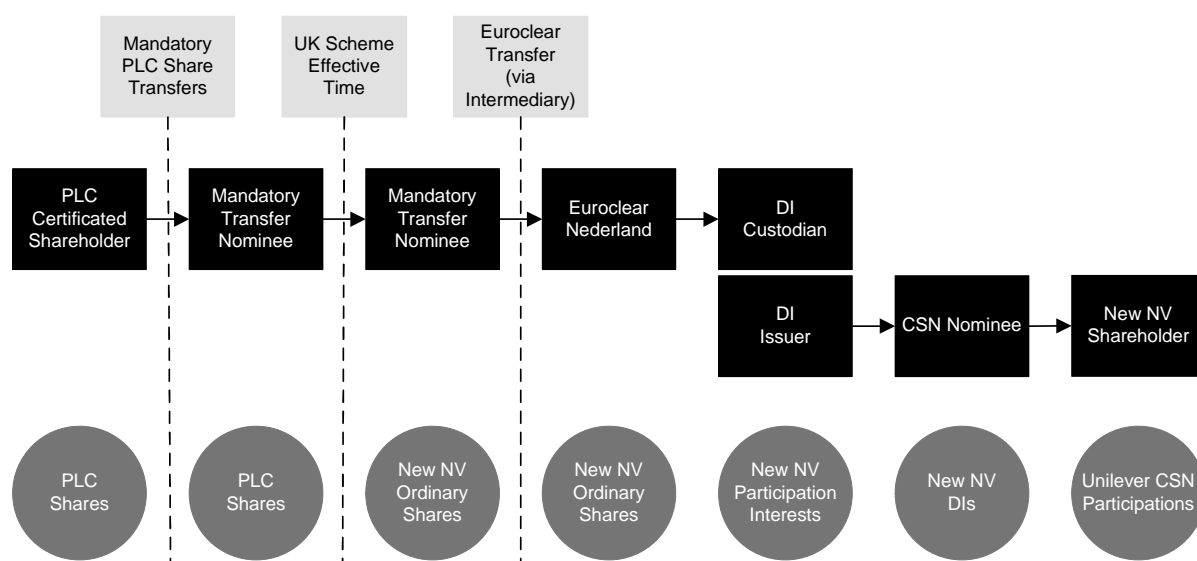
PLC CREST Shareholders may, however, elect NOT TO receive New NV DIs in respect of their holding of PLC Shares and NOT TO have their PLC Shares transferred pursuant to the Mandatory PLC Share Transfers, in which case they will be Excluded Shareholders. PLC CREST Shareholders who wish to elect NOT TO receive New NV DIs should contact Computershare to request a form of instruction by calling the Shareholder Helpline on 0370 600 3977 if calling from the UK or +44 370 600 3977 if calling from outside the UK between 8.30 a.m. and 5.30 p.m., Monday to Friday (excluding public holidays in England and Wales), no later than 5.30 p.m. on 4 December 2018. Any such PLC CREST Shareholders will be required to return the form of instruction to be received by Computershare no later than 14 December 2018, accompanied by such evidence of their holding of PLC Shares as is prescribed by the form of instruction. PLC CREST Shareholders who wish to opt out will be required to rematerialise their PLC Shares prior to submission of the form of instruction. **Any PLC CREST Shareholder who elects NOT TO receive New NV DIs will be an Excluded Shareholder. Excluded Shareholders will not be able to settle trades in New NV Ordinary Shares through CREST or Euroclear Nederland without additional action being taken. Excluded Shareholders should be aware that the formalities for transferring shares in an English company (such as PLC) will not apply in respect of New NV Ordinary Shares. The formalities for transferring New NV Ordinary Shares in registered form, including the execution of a private Dutch deed, will be unfamiliar to many PLC Shareholders and may give rise to disproportionate transaction costs for such shareholders.**

### **7.5 Settlement Steps in respect of Former PLC Certificated Shareholders (other than Excluded Shareholders)**

#### *Summary of outcome*

PLC Certificated Shareholders (other than Excluded Shareholders) will receive an entitlement to one New NV DI representing one New NV Ordinary Share for each PLC Share they hold at the UK Scheme Record Time. Such New NV DIs will be held by the CSN Nominee as nominee for Former PLC Certificated Shareholders (other than Excluded Shareholders) under the Unilever CSN Facility.

An illustration of the Settlement Steps in respect of PLC Certificated Shareholders (other than Excluded Shareholders) is set out below:



### *Settlement Steps*

Shortly after the Mandatory PLC Share Transfers take place, the UK Scheme will become effective. As a result, New NV Ordinary Shares will be issued by New NV to the Mandatory Transfer Nominee as a registered shareholder in PLC at the UK Scheme Record Time. The Mandatory Transfer Nominee will, on receipt of instruction from New NV, transfer registered title to the New NV Ordinary Shares issued to it pursuant to the UK Scheme to Euroclear Nederland.

Upon such transfer, Euroclear Nederland will create New NV Participation Interests and credit these in the name of the DI Custodian. The DI Custodian will hold the New NV Participation Interests as custodian for the DI Issuer.

On receipt of the New NV Participation Interests by the DI Custodian, the DI Issuer will issue New NV DIs representing New NV Ordinary Shares previously held by the Mandatory Transfer Nominee on behalf of Former PLC Certificated Shareholders (other than Excluded Shareholders) directly to the CSN Nominee's CREST account.

The CSN Nominee will, in turn, hold those New NV DIs in its CREST account as nominee for Former PLC Certificated Shareholders (other than Excluded Shareholders) under the Unilever CSN Facility. Former PLC Certificated Shareholders (other than Excluded Shareholders) will be beneficially entitled to the underlying New NV DIs and New NV Ordinary Shares and the economic and voting interests in the New NV Ordinary Shares. Former PLC Certificated Shareholders will each receive a statement of entitlement from the CSN Nominee detailing their holding and explaining how they may deal in their New NV Ordinary Shares through the Unilever CSN Facility, including details of ongoing services which are available to them under the Unilever CSN Facility.

Further details of the Unilever CSN Facility are set out in Section 2 of Part IV of this document. The Unilever CSN Facility Terms and Conditions are available in full at Appendix I of this document and on Unilever's website at [www.unilever.com/simplification](http://www.unilever.com/simplification).

### *Trading arrangements post-Simplification*

If, after Simplification, Unilever CSN Participants wish to trade in the New NV Ordinary Shares to which they are beneficially entitled, they will be able to lodge a trading instruction by contacting the CSN Nominee on the Shareholder Helpline and providing their unique holder identification number detailed on their statement.

### *Mandates*

All mandates, communication preferences and other instructions issued by Former PLC Certificated Shareholders (other than Excluded Shareholders) to PLC in force at the time of the Mandatory PLC Share

Transfers and relating to PLC Shares shall, to the extent possible, unless and until revoked or amended, be replicated as from the UK Scheme Effective Time as valid and effective mandates, communication preferences and instructions to the CSN Nominee in relation to the New NV DIs held through the Unilever CSN Facility issued in respect thereof.

PLC Shareholders who participate in the Dividend Reinvestment Plan and who, following the final dividend payment prior to the UK Scheme Effective Time, have a residual balance being held on their behalf to be applied towards the acquisition of PLC Shares on the next dividend payment will, following the UK Scheme Effective Time, receive a payment of such residual balance by cheque. Any such residual balances are not capable of being applied towards the purchase of New NV Ordinary Shares. PLC Shareholders who participate in the Dividend Reinvestment Plan should read the New NV Dividend Reinvestment Plan Terms and Conditions in full. The New NV Dividend Reinvestment Plan Terms and Conditions are set out in full at Appendix II of this document and on Unilever's website at [www.unilever.com/simplification](http://www.unilever.com/simplification).

#### *Opt out / Excluded Shareholders*

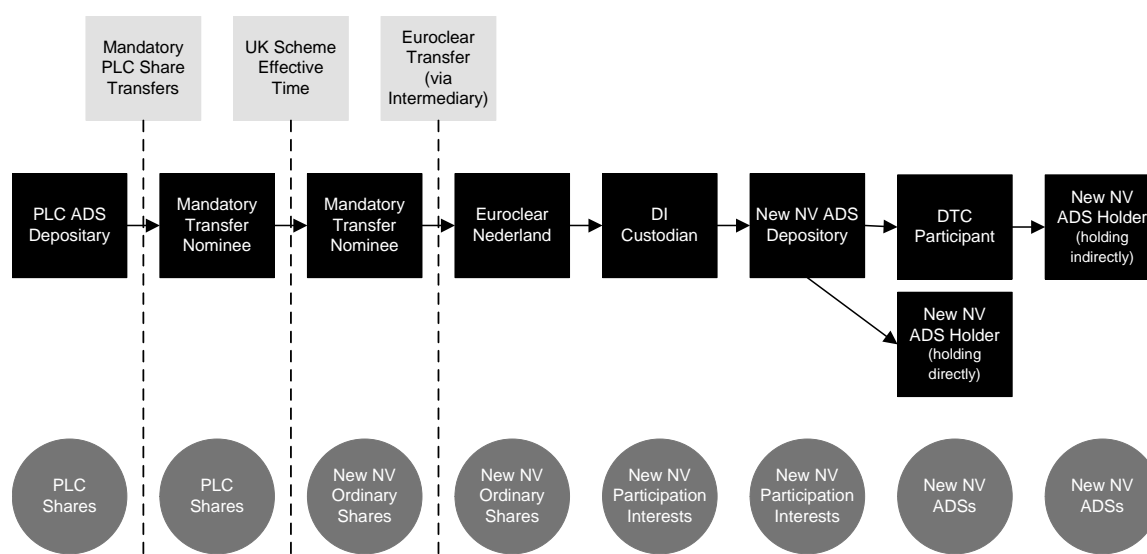
PLC Certificated Shareholders may, however, opt out of the Unilever CSN Facility and elect NOT TO have their PLC Shares transferred pursuant to the Mandatory PLC Share Transfer, in which case they will be Excluded Shareholders. PLC Certificated Shareholders who wish to opt out of the Unilever CSN Facility should contact Computershare to request a form of instruction by calling the Shareholder Helpline on 0370 600 3977 if calling from the UK or +44 370 600 3977 if calling from outside the UK between 8.30 a.m. and 5.30 p.m., Monday to Friday (excluding public holidays in England and Wales), no later than 5.30 p.m. on 4 December 2018. Any such PLC Certificated Shareholders will be required to return the form of instruction to be received by Computershare no later than 14 December 2018, accompanied by such evidence of their holding of PLC Shares as is prescribed by the form of instruction. **Any PLC Certificated Shareholder who opts out of the Unilever CSN Facility will be an Excluded Shareholder. Excluded Shareholders will not be able to settle trades in New NV Ordinary Shares through CREST or Euroclear Nederland without additional action being taken. Excluded Shareholders should be aware that the formalities for transferring shares in an English company (such as PLC) will not apply in respect of New NV Ordinary Shares. The formalities for transferring New NV Ordinary Shares in registered form, including the execution of a private Dutch deed, will be unfamiliar to many PLC Shareholders and may give rise to disproportionate transaction costs for such shareholders.**

### **7.6 Settlement Steps in respect of PLC ADS Holders**

#### *Summary of outcome*

PLC ADS Holders will receive one New NV ADS in place of each PLC ADS held by them at the UK Scheme Record Time.

An illustration of the Settlement Steps in respect of PLC ADS Holders is set out below:



### *Settlement Steps*

A nominee on behalf of the PLC ADS Depositary is the registered holder of the PLC Shares that represent the PLC ADSs. The PLC Shares held by the PLC ADS Depositary on behalf of PLC ADS Holders will be subject to the Mandatory PLC Share Transfers. Shortly after the Mandatory PLC Share Transfers take place, the UK Scheme will become effective. As a result, New NV Ordinary Shares will be issued by New NV to the Mandatory Transfer Nominee as a registered shareholder in PLC at the UK Scheme Record Time. The Mandatory Transfer Nominee will, on receipt of instruction from New NV, transfer registered title to the New NV Ordinary Shares issued to it pursuant to the UK Scheme to Euroclear Nederland.

Upon such transfer, Euroclear Nederland will create New NV Participation Interests and credit these in the name of the DI Custodian.

On receipt of the New NV Participation Interests by the DI Custodian, the DI Issuer will issue the New NV DIs representing New NV Ordinary Shares previously held by the Mandatory Transfer Nominee on behalf of the PLC ADS Depositary directly to the New NV ADS Depositary's CREST participant account. On receipt of the New NV DIs, the New NV ADS Depositary (being the former PLC ADS Depositary) will issue a request to the DI Issuer to transfer the New NV Participation Interests representing New NV Ordinary Shares previously held by the Mandatory Transfer Nominee on behalf of the New NV ADS Depositary directly to the New NV ADS Depositary's Euroclear Nederland account.

On receipt of the New NV Participation Interests, the New NV ADS Depositary will create New NV ADSs representing the New NV Ordinary Shares in respect of which it holds New NV Participation Interests and will issue these New NV ADSs:

- (i) in the case of Registered PLC ADS Holders, through DRS (unless such Registered PLC ADS Holders request certificated New NV ADSs); or
- (ii) in the case of Indirect PLC ADS Holders, through their bank, broker, other financial institution or other DTC participant.

On receipt of the New NV Participation Interests, the New NV ADS Depositary will subsequently call for the surrender of all outstanding PLC ADSs to be cancelled and exchanged for the newly issued New NV ADSs. PLC ADS Holders who hold their PLC ADSs in certificated form will need to surrender and return the certificates representing their PLC ADSs to the PLC ADS Depositary and complete a letter of transmittal (which will be provided to the relevant PLC ADS Holders in due course) in order to receive their entitlement to New NV ADSs.

Trading in new NV ADSs arising from the UK Scheme, subject to the official notice of issue, is expected to commence on 24 December 2018.

If PLC ADS Holders wish to instead receive New NV Ordinary Shares (or interests therein) under the UK Scheme, such holders must surrender their PLC ADSs to the PLC ADS Depositary for cancellation and withdraw (subject to any restrictions on cancellation or withdrawal which the PLC ADS Depositary may impose from time to time) the PLC Shares that their PLC ADSs represent prior to 9.00 a.m. (New York time) on 5 December 2018 to ensure there is sufficient time to enter such PLC ADS Holder in the UK Register. **Any withdrawal of the PLC Shares that represent a PLC ADS Holder's PLC ADSs will result in the incurrance of: (i) the charges specified in the PLC Deposit Agreement for the surrender of PLC ADSs; and (ii) any applicable taxes and/or governmental charges.** A PLC ADS Holder who makes such a withdrawal and whose address as set out on the UK Register is in any of the Excluded Territories (which includes the United States) will be an Excluded Shareholder. A PLC ADS Holder who wishes to receive New NV Ordinary Shares in registered form and whose address as set out on the UK Register is not in any of the Excluded Territories will be required to make such a withdrawal and to contact Computershare to request a form of instruction by calling the Shareholder Helpline on 0370 600 3977 if calling from the UK or +44 370 600 3977 if calling from outside the UK between 8.30 a.m. and 5.30 p.m., Monday to Friday (excluding public holidays in England and Wales), no later than 5.30 p.m. on 4 December 2018. Any such PLC ADS Holders will be required to return the form of instruction to be received by Computershare no later than 14 December 2018, accompanied by such evidence of their holding of PLC Shares as is prescribed by the form of instruction. PLC ADS Holders considering making such a withdrawal should read paragraph 8 of this Part II carefully to ensure that they understand the arrangements that will apply to them following Simplification.

## *PLC ADS Holder mandates and ADS Dividend Reinvestment Plan elections*

All existing mandates (including existing ADS Dividend Reinvestment Plan enrolment) for Registered PLC ADS Holders will be automatically rolled over to New NV ADSs and any residual balance being held on their behalf to be applied towards the acquisition of PLC ADSs on the next dividend payment date will, following the UK Scheme Effective Time, be rolled over into fractional entitlements to New NV ADSs.

Registered PLC ADS Holders who wish to dis-enrol from the New NV ADS Dividend Reinvestment Plan may do so by notifying the New NV ADS Depositary following implementation of Simplification and the New NV ADS Depositary (or an agent on their behalf) will sell all fractional share entitlements and distribute the cash-in-lieu of such fractions to the former ADS Dividend Reinvestment Plan participants.

## **8 Excluded Shareholders**

Excluded Shareholders will receive one New NV Ordinary Share in registered form for each PLC Share they hold.

**Excluded Shareholders will not be able to settle trades in New NV Ordinary Shares through CREST or Euroclear Nederland without additional action being taken, and the formalities for transferring shares in an English company (such as PLC) will not apply in respect of New NV Ordinary Shares, nor will they hold their entitlement through the CSN Nominee. The formalities for transferring New NV Ordinary Shares in registered form, including the execution of a private Dutch deed, will be unfamiliar to many PLC Shareholders and may give rise to disproportionate transaction costs for such shareholders.**

**If you are in any doubt as to the particular consequences for you of being an Excluded Shareholder, you should seek your own independent advice.**

### **8.1 Categories of Excluded Shareholder**

There are two categories of Excluded Shareholder:

#### *(i) PLC Shareholders in an Excluded Territory*

PLC Shareholders whose address as set out on the UK Register is in any of the Excluded Territories will be Excluded Shareholders. The full list of Excluded Territories appears in Part VIII of this document.

#### *(ii) PLC Shareholders opting out of the Mandatory PLC Share Transfers*

PLC Shareholders may elect not to have their PLC Shares transferred to the Mandatory Transfer Nominee pursuant to the Mandatory PLC Share Transfers and, as a result, will be treated as Excluded Shareholders. PLC Shareholders may wish to do this if, for example, they potentially face the risk of triggering a taxable event or other adverse consequences as a result of the Mandatory PLC Share Transfers.

PLC Shareholders who wish to opt out of the Mandatory PLC Share Transfers in respect of their PLC Shares should contact Computershare to request a form of instruction by calling the Shareholder Helpline on 0370 600 3977 if calling from the UK or +44 370 600 3977 if calling from outside the UK between 8.30 a.m. and 5.30 p.m., Monday to Friday (excluding public holidays in England and Wales), no later than 5.30 p.m. on 4 December 2018. Any such PLC Shareholders will be required to return the form of instruction to be received by Computershare no later than 14 December 2018, accompanied by such evidence of their holding of PLC Shares as is prescribed by the form of instruction. PLC CREST Shareholders who wish to opt out will be required to rematerialise their PLC Shares prior to submission of the form of instruction. **Any PLC Shareholder who opts out of the Mandatory PLC Share Transfers will be an Excluded Shareholder. Excluded Shareholders will not be able to settle trades in New NV Ordinary Shares through CREST or Euroclear Nederland without additional action being taken, and the formalities for transferring shares in an English company (such as PLC) will not apply in respect of New NV Ordinary Shares. The formalities for transferring New NV Ordinary Shares in registered form, including the execution of a private Dutch deed, will be unfamiliar to many PLC Shareholders and may give rise to disproportionate transaction costs for such shareholders.**

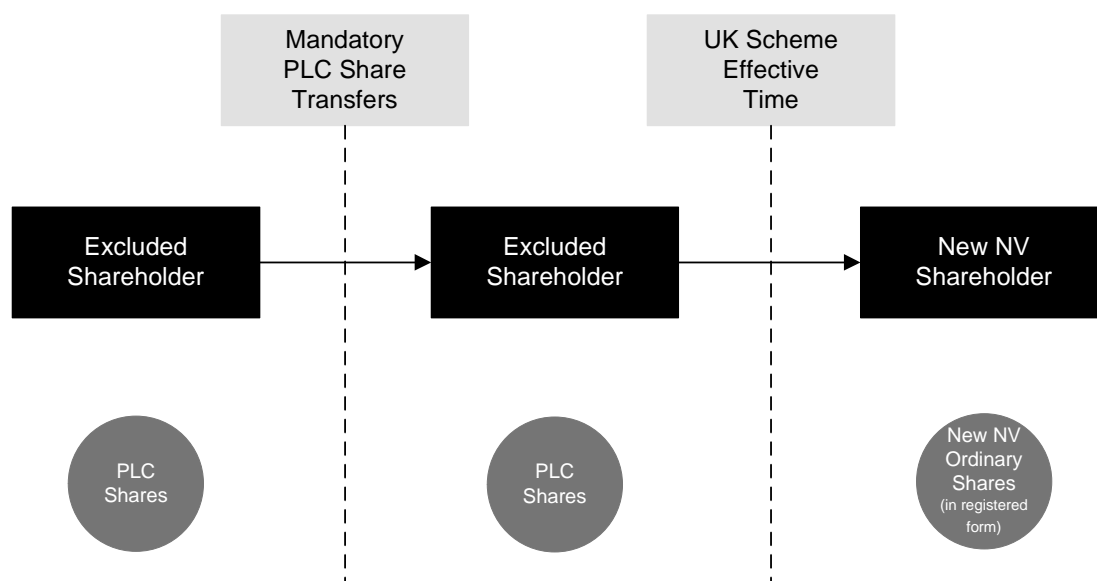
If you are an Excluded Shareholder whose address as set out on the UK Register is in an Excluded Territory and you instead wish to be subject to the Mandatory PLC Share Transfers, you should ensure that you transfer your shares such that they are held by a nominee, broker or other financial institution which is not an Excluded Shareholder prior to the UK Scheme Record Time.

## 8.2 Settlement Steps in respect of Excluded Shareholders

The Mandatory PLC Share Transfers will not apply to PLC Shares held by Excluded Shareholders. PLC Shares held by Excluded Shareholders in certificated form will continue to be held by the relevant PLC Shareholder until the UK Scheme Effective Time. PLC Shares held by Excluded Shareholders in CREST will be dematerialised and registered in the name of the relevant PLC Shareholder prior to the UK Scheme Record Time such that they are held in certificated form at the UK Scheme Record Time and will continue to be so held until the UK Scheme Effective Time.

Shortly after the Mandatory PLC Share Transfers, the UK Scheme will become effective. The New NV Ordinary Shares to which Excluded Shareholders will become entitled pursuant to the UK Scheme will be issued and the name of each such holder will be recorded in the register of shareholders of New NV as the registered holder of the relevant number of New NV Ordinary Shares. A statement of entitlement to such New NV Ordinary Shares will be issued and despatched to each Excluded Shareholder.

An illustration of the Settlement Steps in respect of Excluded Shareholders is set out below:



Excluded Shareholders who have received New NV Ordinary Shares in registered form and who wish to have such shares admitted to the Euroclear Nederland system, may make their own arrangements with an institution admitted to the Euroclear Nederland system to have them credited to Euroclear Nederland.

### *Mandates*

All mandates, communication preferences and other instructions issued by Excluded Shareholders to PLC in force at the time of the Mandatory PLC Share Transfers and relating to PLC Shares will be discontinued as from the UK Scheme Effective Time. Some mandates, communication preferences and other instructions may not be capable of being offered to Excluded Shareholders in respect of the New NV Ordinary Shares of which they will be registered holders after the UK Scheme Effective Time.

PLC Shareholders who participate in the Dividend Reinvestment Plan and who, following the final dividend payment prior to the UK Scheme Effective Time, have a residual balance being held on their behalf to be applied towards the acquisition of PLC Shares on the next dividend payment will, following the UK Scheme Effective Time, receive a payment of such residual balance by cheque. Any such residual balances are not capable of being applied towards the purchase of New NV Ordinary Shares. PLC Shareholders who participate in the Dividend Reinvestment Plan should read the New NV Dividend Reinvestment Plan Terms and Conditions in full. The New NV Dividend Reinvestment Plan Terms and Conditions are set out in full at Appendix II of this document and on Unilever's website at [www.unilever.com/simplification](http://www.unilever.com/simplification).

Excluded Shareholders will by default continue to receive dividend distributions subject to DWT, but New NV also intends to make arrangements to enable these holders to elect to receive payments that are not subject to DWT.

## **9 United States and Overseas Shareholders**

### **9.1 United States**

The New NV Ordinary Shares to be issued in connection with the UK Scheme have not been, and will not be, registered under the US Securities Act or the securities laws of any state or other jurisdiction of the United States. Accordingly, such New NV Ordinary Shares may not be offered, sold, resold, delivered, distributed or otherwise transferred, directly or indirectly, in or into or from the United States absent registration under the US Securities Act or an exemption therefrom. The New NV Ordinary Shares to be issued in connection with the UK Scheme are expected to be issued in reliance upon the exemption from the registration requirements of the US Securities Act provided by section 3(a)(10) thereof.

The New NV Ordinary Shares generally should not be treated as “restricted securities” within the meaning of Rule 144(a)(3) under the US Securities Act and persons who receive securities in the UK Scheme (other than “affiliates” as described in the paragraph below) may resell them without restriction under the US Securities Act.

Under the US securities laws, persons who are deemed to be affiliates of PLC or New NV as at the UK Scheme Effective Time may not resell the New NV Ordinary Shares received pursuant to the UK Scheme without registration under the US Securities Act, except pursuant to an applicable exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act. Whether a person is an affiliate of a company for such purposes depends upon the circumstances, but affiliates of a company can include certain officers and directors and significant shareholders. PLC Shareholders who believe they may be affiliates for the purposes of the US Securities Act should consult their own legal advisers prior to any resale of New NV Ordinary Shares received pursuant to the UK Scheme.

For the purposes of qualifying for the exemption from the registration requirements of the US Securities Act afforded by section 3(a)(10) thereof, PLC will advise the UK High Court through counsel that its sanctioning of the UK Scheme will be relied upon by New NV as an approval of the UK Scheme following a hearing on its fairness to PLC Shareholders, at which hearing all PLC Shareholders are entitled to attend in person or through counsel to support or oppose the sanctioning of the UK Scheme and with respect to which notification has been given to all PLC Shareholders.

Neither the SEC nor any US federal, state or other securities commission or regulatory authority has registered, approved or disapproved the securities to be issued pursuant to the UK Scheme or passed upon the accuracy or adequacy of this document. Any representation to the contrary is a criminal offence in the United States.

Investors are urged to read any documents related to Simplification filed, furnished or to be filed or furnished with the SEC because they will contain important information regarding Simplification and any related offer of securities. Such documents will be available free of charge at the SEC’s website at [www.sec.gov](http://www.sec.gov) and from New NV at [www.unilever.com/simplification](http://www.unilever.com/simplification).

### **9.2 Overseas Shareholders**

The distribution of this document, the EU Prospectus and the allotment or issue of New NV Ordinary Shares in jurisdictions other than the United Kingdom, the United States or the Netherlands may be restricted by law. No action has been taken by PLC or New NV to obtain any approval, authorisation or exemption to permit the allotment or issue, as applicable, of the New NV Ordinary Shares or the possession or distribution of this document and the EU Prospectus (or any other publicity material relating to the New NV Ordinary Shares) in any jurisdiction, other than in the United Kingdom, the United States and the Netherlands.

The implications of Simplification for Overseas Shareholders may be affected by applicable legal requirements of jurisdictions outside the United Kingdom, the United States or the Netherlands. It is the responsibility of any Overseas Shareholders to satisfy themselves as to the full observance of the legal requirements of the relevant jurisdiction in connection therewith, including the obtaining of any governmental, exchange control or other consents which may be required, the compliance with other necessary formalities and the payment of any issue, transfer or other taxes or duties or payments due in such jurisdiction. Any failure to comply with such legal requirements may constitute a violation of the securities laws of any such jurisdiction.

PLC may, in its sole discretion, determine that New NV Ordinary Shares should not be issued to Restricted Overseas Persons. Should PLC exercise such discretion, shortly before the UK Scheme Record Time all PLC Shares held by such a Restricted Overseas Person will be transferred to a nominee. New NV Ordinary Shares received pursuant to the UK Scheme will be sold and the proceeds of such sale (less applicable expenses) will be paid to the relevant Restricted Overseas Person.

Any such sale shall be carried out at the best price which can reasonably be obtained at the time of sale and the net proceeds of such sale (after the deduction of all expenses and commissions incurred in connection with such sale, including any value added tax payable on the proceeds of sale) will be paid to the relevant Restricted Overseas Person by sending a cheque to such Restricted Overseas Person as soon as practicable after the nominee receives such proceeds. The payment will be in full satisfaction of the rights of such Restricted Overseas Persons to receive New NV Ordinary Shares.

## **10 The Listing Steps**

Prior to the effective time of Simplification, New NV intends to apply to the UK Listing Authority for the New NV Ordinary Shares to be admitted to the premium listing segment of the UK Official List, to the LSE for the New NV Ordinary Shares to be admitted to trading on the LSE's Main Market and to Euronext Amsterdam for the New NV Ordinary Shares to be admitted to listing and trading on Euronext in Amsterdam. New NV also intends to apply for the New NV ADSs to be traded on the NYSE. The EU Prospectus is required to be published to effect the admission to the premium segment of the UK Official List and to trading on the LSE's Main Market and to listing and trading of the New NV Ordinary Shares on Euronext in Amsterdam. The EU Prospectus is available on Unilever's website at [www.unilever.com/simplification](http://www.unilever.com/simplification).

It is expected that the European Admissions will become effective and that dealings in New NV Ordinary Shares will commence at 8.00 a.m. on 24 December 2018 and that admission to the NYSE will become effective and that dealings in New NV ADSs will commence at 8.00 a.m. (New York time) on 24 December 2018. This date may be deferred, for example, if it is necessary to adjourn the PLC Meetings or if there is any delay in obtaining the UK High Court's sanction of the UK Scheme.

## **11 Future arrangements for shareholder meetings**

Following the implementation of Simplification, Unilever will hold one annual general meeting which will be held in the Netherlands as required by Dutch law. However, it is currently expected that Unilever will also arrange a shareholder conference and presentation in the United Kingdom within a few days of the annual general meeting. Although the conference and presentation will not form part of the annual general meeting held in the Netherlands, it will aim to give an update on business progress and allow attendees to ask questions of members of the Boards. All shareholders will be invited to attend, though since it will take place in the UK it may be of particular interest to UK resident shareholders.

## **12 Amendments to the PLC Articles**

At the PLC Extraordinary General Meeting, PLC Shareholders will be asked to authorise certain changes to the PLC Articles. These changes are being made in order to:

- (i) facilitate the Mandatory PLC Share Transfers so that, conditional on the UK High Court sanction of the UK Scheme, but prior to the UK Scheme Record Time, all PLC Shares (other than those held by Excluded Shareholders) will be transferred to the Mandatory Transfer Nominee as nominee for the underlying PLC shareholders. The Mandatory Transfer Nominee will hold these PLC Shares on behalf of the relevant PLC Shareholders on the terms set out in the Mandatory Transfer Deed;
- (ii) ensure that any PLC Shares which are allotted and issued after the PLC Articles are amended and before the UK Scheme Record Time (other than to New NV and/or its nominee(s)) will be allotted and issued subject to the terms of the UK Scheme and the holders of such PLC Shares will be bound by the terms of the UK Scheme;
- (iii) ensure that, subject to the UK Scheme becoming effective, any PLC Shares allotted and issued after the UK Scheme Effective Time (other than to New NV and/or its nominee(s)) will be compulsorily acquired by New NV, in consideration of (subject to certain terms and conditions) the issue of New NV Ordinary Shares on the same terms as under the UK Scheme;
- (iv) grant PLC the discretion to determine that New NV Ordinary Shares should not be issued to Restricted Overseas Persons and, should PLC exercise such discretion, shortly before the UK Scheme Record Time all PLC Shares held by such a Restricted Overseas Person will be transferred to a nominee, which will receive New NV Ordinary Shares pursuant to the UK Scheme, which will be sold and the proceeds of such sale (less applicable expenses) will be paid to the relevant Restricted Overseas Person; and
- (v) reflect the fact that, following Simplification, the Unilever Group will no longer have a dual-parent structure and PLC will be a wholly-owned unlisted subsidiary of New NV and so certain other governance changes are proposed, subject to the UK Scheme becoming effective, including to:

- (a) reduce the minimum number of PLC Directors to two;
- (b) reduce the quorum for PLC general meetings to one member; and
- (c) end the requirement for members of the PLC Board also to be members of the NV Board.

The proposed amendments to the PLC Articles referred to above are set out in full in the Notice of PLC Extraordinary General Meeting in Part X of this document.

### **13 Reorganisation of the PLC Deferred Shares**

Prior to the UK Scheme Record Time, the number of PLC Deferred Shares in issue will be reduced from 100,000 PLC Deferred Shares to two PLC Deferred Shares, in each case with a nominal value of £1.00 and the remaining two PLC Deferred Shares will be transferred to New NV. This reorganisation is expected to:

- enable the rights of holders of PLC Deferred Shares under article 11(c) of the PLC Articles to be retained by New NV as the proposed new holding company of the Unilever Group pending implementation of Simplification; and
- ensure that there will be no requirement under section 593 of the UK Companies Act for an independent valuation of the new PLC Shares to be issued pursuant to the UK Scheme to New NV.

If the Special Resolution is passed at the PLC Extraordinary General Meeting and, conditional on sanction of the UK Scheme by the UK High Court, prior to the UK Scheme Record Time:

- (i) 50,000 PLC Deferred Shares will be repurchased by PLC from Elma for their aggregate nominal value of £50,000 in accordance with the Simplification Agreement;
- (ii) 49,998 PLC Deferred Shares will be repurchased by PLC from United Holdings Limited for their aggregate nominal value of £49,998 in accordance with the Simplification Agreement; and
- (iii) United Holdings Limited will transfer the remaining two PLC Deferred Shares to New NV for nil consideration.

### **14 PLC Treasury Shares**

As part of Simplification, PLC Treasury Shares will be cancelled to rationalise the share capital structure of PLC. Subject to the UK High Court sanctioning the UK Scheme, the PLC Treasury Shares will be cancelled after the UK Scheme Court Hearing concludes but before the UK Scheme Record Time.

Cancellation of the PLC Treasury Shares requires the approval of the PLC and NV Boards and does not form part of the Special Resolution to be proposed at the PLC Extraordinary General Meeting.

### **15 The New NV Board**

The New NV Board will comprise the same members, who will each hold the same position, as the existing PLC Board and NV Board (which are identical), being those individuals and positions set out in paragraph 2 of Part VII of this document. After implementation of Simplification, Unilever will continue to hold annual elections of all New NV Board members, approved by a simple majority of those voting at the relevant meeting.

### **16 PLC Directors and the effect of the UK Scheme on their interests**

Details of the interests of the PLC Directors in the share capital of PLC and NV are set out in paragraph 4.3 of Part VII of this document and details of the interests of the PLC Directors in awards over PLC Shares are set out in paragraph 4.4 of Part VII of this document.

As for other PLC Shareholders, PLC Shares held by each of the PLC Directors at the UK Scheme Record Time will be subject to the UK Scheme.

The effect of Simplification on awards held by certain PLC Directors, in common with other participants in the Unilever Share Plans, is described in paragraph 19 of this Part II. The PLC Directors do not participate in UK ShareBuy or the Sharesave Plan.

Details of the service contracts and letters of appointment of the PLC Directors are set out in paragraph 4.2 of Part VII of this document.

Save as set out above, the effect of the UK Scheme on the interests of the PLC Directors does not differ from its effect on the like interests of any other PLC Shareholder.

## **17 Index inclusion**

Unilever understands that the main providers of indices will make an announcement following publication of this document regarding eligibility of the New NV Ordinary Shares for inclusion in the different indices following Simplification. It is expected that the New NV Ordinary Shares will have an increased weighting in the Euro and Europe ex-UK indices managed by STOXX, FTSE Russell, MSCI and other providers, as well as continued inclusion in the AEX-index, and various pan-European, EAFE and world indices. However, following a number of meetings with FTSE Russell, Unilever considers that it is extremely unlikely that the New NV Ordinary Shares will be eligible for inclusion in the FTSE UK Index Series.

## **18 The UK Takeover Code and the Dutch Offer Rules**

The Executive of the UK Takeover Panel has confirmed that the UK Takeover Code will not apply to the simplification transaction.

Separately, following the UK Scheme Effective Time, Former PLC Shareholders will no longer benefit from the protections provided under the UK Takeover Code. However, as shareholders in New NV they will benefit from the protections provided to shareholders under Dutch law (in particular, the Dutch Offer Rules) which will apply to New NV and the New NV Ordinary Shares following Simplification.

Further details on the Dutch Offer Rules are set out in paragraph 4 of Part III of this document.

## **19 Effect of Simplification on the Unilever Share Plans**

If you are a participant in any of the Unilever Share Plans, you will be sent a separate communication explaining the implications of Simplification for your awards and options and what action, if any, you need to take.

Simplification will not cause outstanding awards or options to vest or lapse under the Unilever Share Plans.

The intention is that all existing awards and Sharesave Plan options over PLC Shares (which for these purposes may include PLC ADSs) or NV Ordinary Shares (which for these purposes may include NV NYRSs) will be automatically exchanged for awards or Sharesave Plan options over New NV Ordinary Shares (which for these purposes may include New NV ADSs) where possible and subject to local legal requirements immediately following Simplification. These exchanges will be effected in accordance with the UK Scheme or the Dutch Merger Exchange Ratio, as appropriate. This will enable the participants to maintain their economic interests in the Unilever Group.

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

Where automatic exchange is not possible or desirable, participants may be offered the opportunity to voluntarily exchange their awards or Sharesave Plan options. Alternatively, other treatment may apply, which may include awards or Sharesave Plan options continuing over NV Ordinary Shares or PLC Shares.

The Special Resolution will be put to the PLC Extraordinary General Meeting to propose an amendment to the PLC Articles for the adoption and inclusion of a new article providing that any PLC Shares issued after the PLC Extraordinary General Meeting will either be subject to the UK Scheme or (after the UK Scheme Effective Time) will be immediately transferred to New NV (or as it may direct) in exchange for the same consideration as is due under the UK Scheme.

New NV will ensure that any directors' remuneration policy adopted by New NV will allow New NV to honour the outstanding entitlements of the Directors under the Unilever Share Plans as at Simplification.

## **20 Pensions**

Simplification is not expected to have a material effect on any of the Unilever Group's material pension schemes (which are located in the UK, the Netherlands, Germany and the United States) and will not trigger any statutory or mandatory funding obligations under any of the above schemes. It is expected that the Foundation Agreements will be terminated on, or immediately after, Simplification and accordingly Unilever has agreed with the trustee of the UK Pension Fund on a set of proposals to be adopted between New NV

and PLC following termination of the Foundation Agreements. There is not expected to be any material change to PLC's obligations in respect of the UK Pension Fund as a result of the implementation of Simplification.

## **21 Taxation**

Shareholders should read Part V of this document, which contains a general description of the tax consequences of Simplification for PLC Shareholders in the United Kingdom, the United States and the Netherlands, but all Shareholders are advised to consult a professional adviser with regard to the tax consequences of Simplification.

The UK Scheme should be treated as a scheme of reconstruction for the purposes of UK taxation of chargeable gains, and an application for clearance has been made to HMRC under section 138 of the Taxation of Chargeable Gains Act 1992.

## **22 Delisting of PLC Shares**

The last day of dealings in PLC Shares on the LSE's Main Market is expected to be 21 December 2018 and no transfers of PLC Shares (other than the Mandatory PLC Share Transfers and any transfers pursuant to the new article 151 of the PLC Articles) will be registered after 8.00 p.m. on this date.

A request will be made to the LSE and UKLA to cancel trading in PLC Shares on the LSE's Main Market and to remove the listing of the PLC Shares from the premium listing segment of the UK Official List, in each case by a time expected to be no later than 8.00 a.m. on 24 December 2018.

## **23 Existing PLC mandates**

All mandates, communication preferences and other instructions issued by Former PLC Certificated Shareholders (other than Excluded Shareholders) to PLC in force at the time of the Mandatory PLC Share Transfers and relating to PLC Shares will, to the extent possible, unless and until revoked or amended, be replicated as from the UK Scheme Effective Time as valid and effective mandates, communication preferences and instructions to the CSN Nominee in relation to the New NV DIs held through the Unilever CSN Facility issued in respect thereof.

All mandates, communication preferences and other instructions issued by Former PLC CREST Shareholders (other than Excluded Shareholders) in CREST in force at the time of the Mandatory PLC Share Transfers and relating to PLC Shares shall be discontinued as from the UK Scheme Effective Time. Former PLC CREST Shareholders (other than Excluded Shareholders) will need to deliver new mandates, communication preferences and other instructions in CREST in respect of the New NV DIs after the UK Scheme Effective Time.

All mandates, communication preferences and other instructions issued by Excluded Shareholders to PLC in force at the time of the Mandatory PLC Share Transfers and relating to PLC Shares will be discontinued as from the UK Scheme Effective Time. Some mandates, communication preferences and other instructions may not be capable of being offered to Excluded Shareholders in respect of the New NV Ordinary Shares of which they will be registered holders after the UK Scheme Effective Time.

All existing mandates (including existing ADS Dividend Reinvestment Plan enrolment) for Registered PLC ADS Holders will be automatically rolled over to New NV ADSs and any residual balance being held on their behalf to be applied towards the acquisition of PLC ADSs on the next dividend payment date will, following the UK Scheme Effective Time, be rolled over into fractional entitlements to New NV ADSs.

PLC Shareholders who participate in the Dividend Reinvestment Plan and who, following the final dividend payment prior to the UK Scheme Effective Time, have a residual balance being held on their behalf to be applied towards the acquisition of PLC Shares on the next dividend payment will, following the UK Scheme Effective Time, receive a payment of such residual balance by cheque. Any such residual balances are not capable of being applied towards the purchase of New NV Ordinary Shares. PLC Shareholders who participate in the Dividend Reinvestment Plan should read the New NV Dividend Reinvestment Plan Terms and Conditions in full. The New NV Dividend Reinvestment Plan Terms and Conditions are set out in full at Appendix II of this document and on Unilever's website at [www.unilever.com/simplification](http://www.unilever.com/simplification).

Registered PLC ADS Holders who wish to dis-enrol from the New NV ADS Dividend Reinvestment Plan may do so by notifying the New NV ADS Depositary following implementation of Simplification and the New NV ADS Depositary (or an agent on their behalf) will sell all fractional share entitlements and distribute the cash-in-lieu of such fractions to the former ADS Dividend Reinvestment Plan participants.

## **24 PLC ADSs**

### **24.1 The PLC Meetings**

Each outstanding PLC ADS represents one PLC Share deposited with the PLC ADS Depositary pursuant to the PLC Deposit Agreement. Only those PLC ADS Holders who hold PLC ADSs at the PLC ADS Voting Record Time will be entitled to instruct the PLC ADS Depositary, or (if for Indirect PLC ADS Holders) to instruct the bank, broker or other financial institution through which they hold their PLC ADSs, to exercise the voting rights in respect of the PLC Shares represented by their PLC ADSs at the PLC Meetings.

The PLC ADS Depositary will mail to Registered PLC ADS Holders: (i) the PLC ADS Voting Instruction Card; and (ii) a statement that the PLC ADS Holders at the PLC ADS Voting Record Time will be entitled, subject to any applicable law, the provisions of the PLC Deposit Agreement and PLC's constitutional documents, to instruct the PLC ADS Depositary as to the exercise of the voting rights pertaining to the PLC Shares represented by such PLC ADSs. Indirect PLC ADS Holders must rely on the procedures of the bank, broker, financial institution or share plan administrator through which you hold your PLC ADSs if you wish to provide voting instructions.

Upon the timely receipt of the signed and completed PLC ADS Voting Instruction Cards in the manner specified by the PLC ADS Depositary, the PLC ADS Depositary shall endeavour, insofar as practicable and permitted under applicable law, the provisions of the PLC Deposit Agreement and the PLC Articles, to vote or cause the custodian for the PLC ADS Depositary to vote the PLC Shares (in person or by proxy) represented by such PLC ADS Holder's PLC ADSs at the PLC Court Meeting and the PLC Extraordinary General Meeting in accordance with the voting instructions of such PLC ADS Holder.

### **24.2 The PLC Deposit Agreement and the New NV Deposit Agreement**

Following the UK Scheme Effective Time:

- (i) the PLC Deposit Agreement will be terminated in accordance with its terms;
- (ii) the PLC ADS programme will be terminated in accordance with the provisions of the PLC Deposit Agreement; and
- (iii) New NV will enter into the New NV Deposit Agreement with Deutsche Bank Trust Company Americas as depositary and all owners and beneficial owners from time to time of New NV ADSs, on substantially similar terms as the PLC Deposit Agreement.

### **24.3 Delisting of PLC ADSs**

Upon the UK Scheme becoming effective, PLC ADSs will be delisted from the NYSE and deregistered under the Exchange Act.

The last day of dealings in PLC ADSs on the NYSE is expected to be 21 December 2018. However, the last time and date for instructions to withdraw PLC Shares underlying a PLC ADS Holder's PLC ADSs is 9.00 a.m. (New York time) on 5 December 2018.

### **24.4 New NV ADSs**

PLC ADS Holders will receive one New NV ADS in place of each PLC ADS held by them at the UK Scheme Record Time. Further details of the settlement steps in respect of PLC ADS Holders are set out in paragraph 7.6 of this Part II.

New NV ADS Holders will not have the same rights as New NV Shareholders. The New NV ADS Depositary, being the holder of New NV Participation Interests representing the New NV Ordinary Shares which are held by Euroclear Nederland that underlie the New NV ADSs, is the New NV Shareholder representing New NV ADS Holders for the purposes of exercising New NV Shareholder rights. The New NV Deposit Agreement will set out New NV ADS Holder rights as well as the rights and obligations of the New NV ADS Depositary. The laws of the State of New York will govern the New NV Deposit Agreement and the New NV ADSs.

Trading in New NV ADSs arising from the UK Scheme, subject to the official notice of issue, is expected to commence at 8.00 a.m. (New York time) on 24 December 2018.

If PLC ADS Holders wish to instead receive New NV Ordinary Shares (or interests therein) under the UK Scheme, such holders must surrender their PLC ADSs to the PLC ADS Depositary for cancellation and

withdraw (subject to any restrictions on cancellation or withdrawal which the PLC ADS Depositary may impose from time to time) the PLC Shares that their PLC ADSs represent prior to 9.00 a.m. (New York time) on 5 December 2018 to ensure there is sufficient time to enter such PLC ADS Holder in the UK Register. **Any withdrawal of the PLC Shares that represent a PLC ADS Holder's PLC ADSs will result in the incurrence of: (i) the charges specified in the PLC Deposit Agreement for the surrender of PLC ADSs; and (ii) any applicable taxes and/or governmental charges.** A PLC ADS Holder who makes such a withdrawal and whose address as set out on the UK Register is in any of the Excluded Territories (which includes the United States) will be an Excluded Shareholder. A PLC ADS Holder who wishes to receive New NV Ordinary Shares in registered form and whose address as set out on the UK Register is not in any of the Excluded Territories will be required to make such a withdrawal and to contact Computershare to request a form of instruction by calling the Shareholder Helpline on 0370 600 3977 if calling from the UK or +44 370 600 3977 if calling from outside the UK between 8.30 a.m. and 5.30 p.m., Monday to Friday (excluding public holidays in England and Wales), no later than 5.30 p.m. on 4 December 2018. Any such PLC ADS Holders will be required to return the form of instruction to be received by Computershare no later than 14 December 2018, accompanied by such evidence of their holding of PLC Shares as is prescribed by the form of instruction. PLC ADS Holders considering making such a withdrawal should read paragraph 8 of this Part II carefully to ensure that they understand the arrangements that will apply to them following Simplification.

#### **24.5 Shareholder Helpline**

PLC ADS Holders who have any questions relating to this document or Simplification should contact Georgeson LLC by calling +1 866 482 5136. This helpline is open between 9.00 a.m. and 11.00 p.m. (New York time), Monday to Friday (excluding public holidays in the United States).

### **25 PLC Meetings**

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

Notices of the PLC Meetings are set out in Parts IX and X of this document. Save as set out below, all PLC Shareholders whose names appear on the UK Register at the Voting Record Time will be entitled to attend and vote at the PLC Court Meeting and PLC Extraordinary General Meeting in respect of the number of PLC Shares registered in their name at the relevant time.

#### **25.1 The PLC Court Meeting**

The PLC Court Meeting, which has been convened for 11.00 a.m. on 26 October 2018, is being held at the direction of the UK High Court to seek the approval of PLC Shareholders for the UK Scheme (with or without modification). The PLC Court Meeting will be held at Queen Elizabeth II Conference Centre, Broad Sanctuary, Westminster, London SW1P 3EE.

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

The Notice of PLC Court Meeting is set out in Part IX of this document.

**It is important that, for the PLC Court Meeting in particular, as many votes as possible are cast so that the UK High Court may be satisfied that there is a fair representation of PLC Shareholder opinion. PLC Shareholders are therefore strongly urged to complete and return the BLUE PLC Form of Proxy for use at the PLC Court Meeting as soon as possible and in any event so as to be received by no later than 11.00 a.m. on 24 October 2018 (or, in the case of an adjourned meeting, not less than 48 hours prior to the time and date set for the adjourned meeting). The BLUE PLC Form of Proxy for use at the PLC Court Meeting may, alternatively, be handed to PLC's registrars, Computershare, or the Chairman of the PLC Court Meeting before the start of the PLC Court Meeting (or any adjournment thereof). Detailed instructions on the action to be taken are set out in paragraph 26 of this Part II.**

## 25.2 The PLC Extraordinary General Meeting

The PLC Extraordinary General Meeting has been convened for 11.10 a.m. on 26 October 2018 (or as soon thereafter as the PLC Court Meeting has concluded or been adjourned) at Queen Elizabeth II Conference Centre, Broad Sanctuary, Westminster, London SW1P 3EE to consider and, if thought fit, pass the Special Resolution to:

- (i) approve Simplification, including the Mandatory PLC Share Transfers, the UK Scheme, the Dutch Merger Proposal and the transfer by the Mandatory Transfer Nominee to Euroclear Nederland of certain New NV Ordinary Shares issued pursuant to the UK Scheme;
- (ii) authorise the repurchase by PLC, prior to the UK Scheme Record Time, of the 50,000 PLC Deferred Shares from Elma for their aggregate nominal value of £50,000 and the 49,998 PLC Deferred Shares from United Holdings Limited for their aggregate nominal value of £49,998;
- (iii) authorise the PLC Directors to effect the UK Scheme;
- (iv) approve the terms of the DI Deed and the Unilever CSN Facility Terms and Conditions; and
- (v) approve certain amendments to the PLC Articles as described in paragraph 12 of this Part II.

The full text of the Special Resolution is set out in the Notice of PLC Extraordinary General Meeting in Part X of this document.

The UK Scheme is conditional upon, among other things, the approval by PLC Shareholders of the UK Scheme at the PLC Court Meeting and the passing of the Special Resolution at the PLC Extraordinary General Meeting and the UK Scheme having been sanctioned by the UK High Court. Full details of the Simplification Conditions and other parts of Simplification are set out in paragraph 6 of this Part II.

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

The quorum for the PLC Extraordinary General Meeting will be two or more PLC Shareholders present in person or by proxy. Detailed instructions on the action to be taken are set out in paragraph 26 of this Part II.

**PLC Shareholders are strongly urged to complete and return the YELLOW PLC Form of Proxy for use at the PLC Extraordinary General Meeting as soon as possible and in any event so as to be returned by no later than 11.10 a.m. on 24 October 2018 (or, in the case of an adjourned meeting, not less than 48 hours prior to the time and date set for the adjourned meeting). Detailed instructions on the action to be taken are set out in paragraph 26 of this Part II.**

## 26 Action to be taken

### 26.1 Documents

#### *PLC Shareholders*

If you are a PLC Shareholder, please check that you have received the following with this document:

- (i) an explanatory brochure relating to the Simplification proposals;
- (ii) a BLUE PLC Form of Proxy for use in respect of the PLC Court Meeting;
- (iii) a YELLOW PLC Form of Proxy for use in respect of the PLC Extraordinary General Meeting; and
- (iv) a pre-paid envelope for use in the United Kingdom only.

#### *PLC ADS Holders*

If you are a Registered PLC ADS Holder, please check that you have received an explanatory brochure relating to the Simplification proposals, a PLC ADS Voting Instruction Card and a pre-paid envelope for use in the United States only.

If you are an Indirect PLC ADS Holder please check that you have received an explanatory brochure relating to the Simplification proposals. Indirect PLC ADS Holders must rely on the procedures of the bank, broker,

financial institution or share plan administrator through which you hold your PLC ADSs if you wish to provide voting instructions.

**If you have not received the correct documents, please contact the Shareholder Helpline referred to on page 12.**

## **26.2 Voting**

In order to implement Simplification, the Boards unanimously recommend that you vote in favour of:

- (i) the UK Scheme at the PLC Court Meeting; and
- (ii) the Special Resolution to be proposed at the PLC Extraordinary General Meeting,

by taking the actions below, as each of the PLC Directors intends to do in respect of his or her own entire legal and beneficial holdings of PLC Shares.

PLC Shareholders are strongly encouraged to appoint a proxy for the PLC Meetings:

- (i) electronically using PLC's electronic voting facility via [www.unilever.com/simplification](http://www.unilever.com/simplification) (see further details on the electronic appointment of proxies below);
- (ii) by completing, signing and returning both of the PLC Forms of Proxy (see further details on completing the PLC Forms of Proxy below); or
- (iii) in the case of CREST members, by utilising the CREST proxy voting service (see further details on voting instructions for PLC Shareholders holding shares in CREST below).

**Whether or not PLC Shareholders intend to attend the PLC Court Meeting and/or the PLC Extraordinary General Meeting, they are requested to complete and sign the PLC Forms of Proxy and return them in accordance with the instructions printed on them or register their proxy vote electronically using PLC's electronic voting facility via [www.unilever.com/simplification](http://www.unilever.com/simplification), or appoint a proxy electronically through CREST, as soon as possible.**

The PLC Forms of Proxy must be received by PLC's registrars, Computershare, of Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZY by no later than the following times and dates:

- (i) BLUE PLC Forms of Proxy for the PLC Court Meeting by 11.00 a.m. on 24 October 2018; and
- (ii) YELLOW PLC Forms of Proxy for the PLC Extraordinary General Meeting by 11.10 a.m. on 24 October 2018,

in the case of an adjournment of either of the PLC Meetings, not later than 48 hours before the time and date set for the adjourned PLC Meeting.

This will enable your votes to be counted at the PLC Meetings in the event of your absence.

Alternatively, BLUE PLC Forms of Proxy (but NOT YELLOW PLC Forms of Proxy) may be handed to PLC's registrars, Computershare, or the Chairman of the PLC Court Meeting before the start of the PLC Court Meeting (or an adjournment thereof) and will still be valid. In the case of the PLC Extraordinary General Meeting, unless the YELLOW PLC Form of Proxy is returned by the time and date mentioned above, it will be invalid.

The completion and return of a PLC Form of Proxy will not prevent you from attending and voting in person at the PLC Court Meeting, the PLC Extraordinary General Meeting or any adjournments thereof, if you so wish and are so entitled.

As an alternative to completing and returning the PLC Forms of Proxy, PLC Shareholders may submit their PLC Forms of Proxy electronically using PLC's electronic voting facility via [www.unilever.com/simplification](http://www.unilever.com/simplification) and selecting the electronic voting option. To do this, you will need your Shareholder Reference Number (SRN), five-digit PIN and six-digit Control Number, all of which are shown on the front of the appropriate PLC Form of Proxy, then follow the instructions.

PLC CREST Shareholders may vote using the CREST voting service in accordance with the procedures set out in the CREST Manual (please also refer to the notes for the Notice of PLC Court Meeting and the Notice of PLC Extraordinary General Meeting set out in Parts IX and X of this document, respectively). Proxies submitted through CREST (under CREST participant 3RA50) must be received by Computershare no later than 11.00 a.m. on 24 October 2018 in the case of the PLC Court Meeting and by no later than 11.10 a.m. on

24 October 2018 in the case of the PLC Extraordinary General Meeting (or, in the case of an adjourned meeting, not less than 48 hours prior to the time and date set for the adjourned meeting).

PLC Shareholders are entitled to appoint a proxy in respect of some or all of their PLC Shares. PLC Shareholders are also entitled to appoint more than one proxy, provided each proxy is appointed to exercise rights attached to different shares. A space has been included in the PLC Forms of Proxy to allow PLC Shareholders to specify the number of PLC Shares in relation to which that proxy is appointed.

PLC Shareholders who wish to appoint more than one proxy in respect of their shareholding should complete a separate PLC Form of Proxy for each proxy appointed. Such PLC Shareholders should call the Shareholder Helpline on 0370 600 3977 if calling from the UK or +44 370 600 3977 if calling from outside the UK. The helpline is open between 8.30 a.m. and 5.30 p.m., Monday to Friday (excluding public holidays in England and Wales). Please note that PLC's registrars, Computershare, cannot provide any financial, legal or tax advice, or comment on the merits of Simplification and calls may be recorded and monitored for security and training purposes.

Shareholders can request further hard copies of the PLC Forms of Proxy by contacting Computershare on the Shareholder Helpline. **It is important that, for the PLC Court Meeting in particular, as many votes as possible are cast so that the UK High Court may be satisfied that there is a fair representation of PLC Shareholder opinion. PLC Shareholders are therefore strongly urged to complete, sign and return their PLC Forms of Proxy as soon as possible.**

#### *PLC ADS Holders*

Holders of PLC ADSs should refer to paragraph 24 of this Part II.

## **27 Shareholder Helplines**

#### *PLC Shareholders*

If you have any questions relating to this document or the completion and return of the PLC Forms of Proxy, please call the Shareholder Helpline on 0370 600 3977 if calling from the UK or +44 370 600 3977 if calling from outside the UK. The helpline is open between 8.30 a.m. and 5.30 p.m., Monday to Friday (excluding public holidays in England and Wales).

#### *PLC ADS Holders*

PLC ADS Holders who have any questions relating to this document or Simplification should contact Georgeson LLC by calling +1 866 482 5136. This helpline is open between 9.00 a.m. and 11.00 p.m. (New York time), Monday to Friday (excluding public holidays in the United States).

Please note that the operators cannot provide any financial, legal or tax advice, or comment on the merits of Simplification and calls may be recorded and monitored for security and training purposes.

PLC Shareholders and PLC ADS Holders may not use any electronic address provided in either this document or any related documents (including the enclosed PLC Forms of Proxy and PLC ADS Voting Instruction Card) to communicate with PLC for any purposes other than those expressly stated.

## **28 Additional information**

Your attention is drawn to the letter from the Chairman of Unilever set out in Part I of this document and to the terms of the UK Scheme which are set out in full in Part VI of this document. Your attention is also drawn to the further information contained in this document which forms part of this Explanatory Statement. An electronic version of this document is available to PLC Shareholders at [www.unilever.com/simplification](http://www.unilever.com/simplification).

## **PART III**

### **INFORMATION ON NEW NV AND NEW NV ORDINARY SHARES**

#### **1 Incorporation, registered office and activity**

New NV was formed by the Unilever Group for the purpose of effecting Simplification. New NV is a public limited liability company that was incorporated under the laws of the Netherlands under the name Unilever International Holdings N.V. on 21 December 2017. New NV's principal place of business and registered office is located at Weena 455, 3013 AL Rotterdam, the Netherlands, and New NV is registered with the Dutch Trade Register of the Chamber of Commerce under number 70363196. New NV's commercial name is Unilever.

New NV has not commenced operations, has no material assets or liabilities and has not carried on any activities other than in connection with Simplification. New NV Ordinary Shares are not currently listed on any securities exchange. Prior to the implementation of Simplification, New NV intends to apply to the UK Listing Authority for the New NV Ordinary Shares to be admitted to the premium listing segment of the UK Official List, to the LSE for the New NV Ordinary Shares to be admitted to trading on the LSE's Main Market and to Euronext Amsterdam for the New NV Ordinary Shares to be admitted to listing and trading on Euronext in Amsterdam. New NV also intends to apply for the New NV ADSs to be traded on the NYSE.

All of the issued shares in the capital of New NV are currently owned by NV.

As a result of Simplification, New NV will become the parent company of the Unilever Group. New NV will be renamed Unilever N.V. at the Dutch Merger Effective Time.

#### **2 New NV Ordinary Shares**

##### **2.1 Authorised Share Capital**

As of 31 August 2018, the authorised share capital of New NV amounted to €225,000 divided into 225,000 ordinary shares, each with a par value of €1.00, in the capital of New NV.

Upon the UK Scheme Effective Time, the New NV Articles will be amended to permit the issue of the New NV Ordinary Shares pursuant to the UK Scheme.

##### **2.2 Issued Share Capital**

As of 31 August 2018, the issued and paid up share capital of New NV consists of 45,000 ordinary shares issued, each with a par value of €1.00. All New NV Ordinary Shares are created under Dutch law. At the UK Scheme Effective Time, these 45,000 ordinary shares will be converted into New NV Ordinary Shares, repurchased by New NV for no consideration and cancelled.

Based on the number of PLC Shares, NV Ordinary Shares and NV NYRSs outstanding on 31 August 2018, and assuming that Simplification is implemented (i) PLC Shareholders (including PLC ADS Holders) will receive a total of 1,190,520,645 New NV Ordinary Shares (including New NV Ordinary Shares represented by New NV ADSs) or interests therein, which are expected to represent 44.8 per cent. of the total number of New NV Ordinary Shares (including New NV Ordinary Shares represented by New NV ADSs) outstanding following Simplification; and (ii) NV Ordinary Shareholders and NV NYRS Holders will receive a total of 1,469,689,441 New NV Ordinary Shares (including New NV Ordinary Shares represented by New NV ADSs), which are expected to represent 55.2 per cent. of the total number of New NV Ordinary Shares (including New NV Ordinary Shares represented by New NV ADSs) outstanding following Simplification.

Accordingly, based on the number of NV Ordinary Shares, NV NYRSs and PLC Shares outstanding on 31 August 2018, New NV will have a total of 2,660,210,086 New NV Ordinary Shares outstanding upon implementation of Simplification (including New NV Ordinary Shares that will be represented by New NV ADSs), each of which will have been fully paid.

##### **2.3 New NV Shareholders' Register**

Pursuant to the New NV Articles, New NV will keep a shareholders' register, which will be kept regularly updated. The shareholders' register will reflect, among other matters, the name and address of each New NV Shareholder, the number of New NV Ordinary Shares held, the amount paid on each New NV Ordinary Share and the date of registration in the shareholders' register. The shareholders' register will be maintained by the New NV Board.

### **3 Summary of the New NV Articles**

The following is a description of the material terms of the New NV Articles. This description is a summary only and is not a complete description of such terms. The rights of New NV Shareholders are governed by Dutch law and the New NV Articles.

#### **3.1 Issuance of New NV Ordinary Shares**

Pursuant to the New NV Articles, New NV may issue New NV Ordinary Shares, or grant rights to subscribe for New NV Ordinary Shares, pursuant to a resolution of the New NV Board, if and insofar as the New NV Board has been authorised to do so by the New NV general meeting. If and insofar as the New NV Board is not authorised, the New NV general meeting may only resolve to issue New NV Ordinary Shares or grant rights to subscribe for New NV Ordinary Shares upon a proposal of the New NV Board. The New NV general meeting may authorise the New NV Board to issue New NV Ordinary Shares or grant rights to subscribe for New NV Ordinary Shares, for a fixed period not exceeding five years, and such authorisation may be extended for a period not exceeding five years at a time. Any such authorisation must state the number of New NV Ordinary Shares that may be issued thereunder and will be irrevocable unless otherwise stated. No resolution of the New NV general meeting or New NV Board, if so authorised, is required for the issue of New NV Ordinary Shares pursuant to the exercise of a previously granted right to subscribe for New NV Ordinary Shares. New NV may not subscribe for its own New NV Ordinary Shares on issue.

Pursuant to a written shareholder's resolution of New NV expected to be adopted prior to the UK Scheme Effective Time, the New NV Board will be irrevocably authorised to resolve on the issue of New NV Ordinary Shares or grant of rights to subscribe for New NV Ordinary Shares for a period until 30 June 2019 or the end of the New NV annual general meeting in 2019, whichever is earlier. This authorisation is expected to be limited to one-third of New NV's issued share capital immediately following the implementation of Simplification. This resolution will give the New NV Board an authorisation that is substantially similar to the authorisations granted to the Boards at the annual general meetings of PLC and NV held in May 2018, provided that adjustments will be made to reflect the issued share capital of New NV upon Simplification.

Furthermore, pursuant to a written shareholder's resolution of New NV expected to be adopted prior to the UK Scheme Effective Time, New NV will issue such number of New NV Ordinary Shares as are required under the UK Scheme. Pre-emptive rights will not apply to the issue of New NV Ordinary Shares pursuant to the UK Scheme and the allotment of New NV Ordinary Shares pursuant to the Dutch Merger.

#### **3.2 Pre-emptive Rights**

Upon an issuance of New NV Ordinary Shares or a grant of rights to subscribe for New NV Ordinary Shares, each New NV Shareholder will have a pre-emptive right to subscribe for such newly-issued New NV Ordinary Shares in proportion to the aggregate amount of New NV Ordinary Shares held by such holder. New NV Shareholders will not have pre-emptive rights upon an issuance of, or a grant of rights to subscribe for, New NV Ordinary Shares (i) to employees of New NV or any of its group companies; (ii) that are issued against a contribution in kind; or (iii) that are issued upon the exercise of a right to subscribe for New NV Ordinary Shares.

The New NV Board may resolve to restrict or exclude pre-emptive rights in relation to the issue of New NV Ordinary Shares or grant of rights to subscribe for New NV Ordinary Shares if and insofar as the New NV Board has been authorised to do so by the New NV general meeting. The New NV general meeting may authorise the New NV Board to restrict or exclude pre-emptive rights in relation to the issue of New NV Ordinary Shares or grant of rights to subscribe for New NV Ordinary Shares for a period not exceeding five years and such authorisation may be extended for a period not exceeding five years at a time. Unless otherwise stated, the authorisation will be irrevocable. If and insofar as the New NV Board is not so authorised, pre-emptive rights may only be limited or excluded by a resolution of the New NV general meeting upon a proposal of the New NV Board. A resolution of the New NV general meeting to limit or exclude pre-emptive rights and a resolution to authorise the New NV Board to limit or exclude pre-emptive rights may only be adopted pursuant to a proposal of the New NV Board and requires a majority of three-quarters of the votes cast at the New NV general meeting.

Pursuant to a written shareholder's resolution of New NV expected to be adopted prior to the UK Scheme Effective Time, the New NV Board will be irrevocably authorised to resolve to limit or exclude statutory pre-emptive rights in connection with the issuance of, or grant of rights to subscribe for, New NV Ordinary Shares for a period until 30 June 2019 or the end of the New NV annual general meeting in 2019, whichever is earlier. This authorisation is expected to be limited to (i) 5 per cent. of New NV's issued share capital

immediately following the implementation of Simplification, which authorisation may be used for general corporate purposes, plus (ii) an additional 5 per cent. of New NV's issued share capital immediately following the implementation of Simplification, which authorisation may only be used in connection with an acquisition or specified capital investment which is announced contemporaneously with the issuance, or which has taken place in the preceding six-month period and is disclosed in the announcement of the issuance. This resolution will give the New NV Board an authorisation that is substantially similar to the authorisations granted to the Boards at the annual general meetings of PLC and NV held in May 2018, provided that adjustments will be made to reflect the issued share capital of New NV upon Simplification.

Furthermore, pursuant to a written shareholder's resolution of New NV expected to be adopted prior to the UK Scheme Effective Time, New NV will issue such number of New NV Ordinary Shares as are required under the UK Scheme. Pre-emption rights will not apply to the issue of New NV Ordinary Shares pursuant to the UK Scheme and the allotment of New NV Ordinary Shares pursuant to the Dutch Merger.

### **3.3 Acquisition of New NV Ordinary Shares by New NV**

New NV may acquire fully paid New NV Ordinary Shares against payment if and insofar as the New NV general meeting has authorised the New NV Board to do so, and provided that New NV's shareholder's equity, after giving effect to the payment of the New NV Ordinary Shares to be acquired, is at least equal to the sum of the paid-up and called-up part of New NV's issued capital and the reserves which must be maintained by law or the New NV Articles. The aggregate nominal value of the New NV Ordinary Shares to be acquired or that are already held by New NV and its subsidiaries, or of any New NV Ordinary Shares held in pledge by New NV, may not exceed 50 per cent. of New NV's issued share capital. The New NV general meeting will determine in its authorisation how many New NV Ordinary Shares New NV may repurchase, in what manner and at what price range. The authorisation may be granted for a period not exceeding 18 months and such authorisation may be extended for a period not exceeding 18 months at a time. A resolution of the New NV general meeting to authorise the New NV Board to acquire New NV Ordinary Shares against payment may only be adopted pursuant to a proposal of the New NV Board and requires a majority of three-quarters of the votes cast at the New NV general meeting. The authorisation of the New NV general meeting will not be required for the acquisition of fully paid-up New NV Ordinary Shares in order to transfer such New NV Ordinary Shares to employees of New NV or any of its group companies pursuant to an employee participation plan so long as the New NV Ordinary Shares are quoted on an official list of a stock exchange. New NV may also, at any time, acquire New NV Ordinary Shares, regardless of whether these have been fully paid up or not, under universal succession of title (*onder algemene titel*), meaning that the shares themselves are acquired under specifically defined transactions under Dutch law, such as by way of a merger (*juridische fusie*) or a demerger (*juridische splitsing*).

Pursuant to a written shareholder's resolution of New NV expected to be adopted prior to the UK Scheme Effective Time, the New NV Board will be irrevocably authorised to resolve on the acquisition of the New NV Ordinary Shares, on a stock exchange or otherwise, for a period until 30 June 2019 or the end of the New NV annual general meeting in 2019, whichever is earlier. This authorisation is expected to be limited to 10 per cent. of New NV's issued share capital immediately following the implementation of Simplification and at a purchase price per New NV Ordinary Share, excluding expenses, not lower than €0.16 (the par value) and not higher than 10 per cent. above the average of the closing price of the New NV Ordinary Shares on the trading venue where the purchase is carried out for the five business days before the day on which the purchase is made. This resolution will give the New NV Board an authorisation that is substantially similar to the authorisations granted to the Boards at the annual general meetings of PLC and NV held in May 2018, provided that adjustments will be made to reflect the issued share capital of New NV upon Simplification.

### **3.4 Reduction of Share Capital**

Subject to applicable Dutch law, the New NV general meeting may, following a proposal by the New NV Board, reduce New NV's issued share capital by: (i) cancelling New NV Ordinary Shares that are held by New NV; or (ii) reducing the nominal value of the New NV Ordinary Shares by amending the New NV Articles. A resolution to cancel New NV Ordinary Shares may only relate to New NV Ordinary Shares held by New NV itself. A reduction of the nominal value of New NV Ordinary Shares, with or without repayment, must be made pro rata on all New NV Ordinary Shares concerned.

A resolution of the New NV general meeting to reduce the share capital requires a majority of three-quarters of the votes cast at the New NV general meeting.

In addition, Dutch law contains detailed provisions regarding a reduction of capital. A resolution to reduce the issued share capital shall not take effect as long as creditors can have legal recourse against the resolution. Certain aspects of taxation of a reduction of share capital are described in Part V of this document.

Pursuant to a written shareholder's resolution of New NV expected to be adopted prior to the UK Scheme Effective Time, the New NV general meeting is expected to resolve on the reduction of New NV's issued share capital through the cancellation of New NV Ordinary Shares held by New NV for a period until 30 June 2019 or the end of the New NV annual general meeting in 2019, whichever is earlier. The number of New NV Ordinary Shares that will be cancelled pursuant to this resolution will be determined by the New NV Board and may in the aggregate extend to 10 per cent. of New NV's issued share capital immediately following the implementation of Simplification. This resolution will give the New NV Board an authorisation that is substantially similar to the authorisations granted to the Boards at the annual general meetings of PLC and NV held in May 2018, provided that adjustments will be made to reflect the issued share capital of New NV upon Simplification. Each time, the amount of the capital reduction will be stated in the resolution of the New NV Board that will be filed with the Dutch Chamber of Commerce.

### **3.5 Transfer of New NV Ordinary Shares**

A transfer of a registered New NV Ordinary Share will require a deed of transfer and, if New NV is not a party to such transfer, a written acknowledgement of such transfer by New NV. Service on New NV of the transfer deed or a certified notarial copy or extract of that deed equals such acknowledgement. The New NV Ordinary Shares that will be listed on Euronext in Amsterdam, and the LSE's Main Market and the NYSE upon the completion of the Dutch Merger, will be transferred in accordance with applicable laws.

### **3.6 Distributions to shareholders**

Pursuant to Dutch law and the New NV Articles, dividends may be paid by New NV in one of two ways. Either on an annual basis with shareholder approval or on an interim basis pursuant to a resolution of the New NV Board. Following Simplification, New NV will take the necessary steps to enable it to continue to declare and make distributions on the same quarterly basis as NV and PLC.

Distributions may be made only to the extent that New NV's Shareholders' equity exceeds the sum of the paid-up and called-up part of New NV's issued capital and the reserves that must be maintained pursuant to Dutch law and the New NV Articles. A distribution of profits can be made after the adoption of New NV's accounts by the New NV general meeting, provided that there are sufficient distributable profits as per the accounts. The New NV Board may determine that any amount of the profit will be added to the reserves, after which the profit remaining is distributed among the New NV Shareholders. Furthermore, the New NV Board may resolve to make an interim distribution, provided that there are sufficient distributable profits as per an interim statement of assets and liabilities. The New NV Board may further resolve that a distribution is made in kind or in the form of New NV Ordinary Shares.

The New NV Board may determine that distributions are payable either in euro or in any other currency. Distributions will be payable on such date as the New NV Board determines. Distributions which have not been claimed within five years and one day from the date they became payable will be forfeited to New NV and carried to the reserves. No distributions are made on New NV Ordinary Shares held by New NV, unless those shares are subject to a right of usufruct or a right of pledge.

### **3.7 New NV General Meetings**

New NV general meetings will be held in Rotterdam, Wageningen, The Hague, Utrecht, Amsterdam or Haarlemmermeer (Schiphol Airport).

The New NV annual general meeting must be held once a year, on the 30th day of June at the latest. New NV general meetings are convened by the New NV Board and shall be held either (i) when the New NV Board so decides or (ii) when one or more New NV Shareholders individually or collectively representing 3 per cent. of the issued capital so require the New NV Board in writing, specifying the resolution which they wish to be considered. If a New NV general meeting has not been held within eight weeks of the New NV Shareholder(s) making such request, the New NV Shareholders will be authorised to request in summary proceedings a Dutch district court to convene a New NV general meeting. In any event, within three months of it becoming apparent to the New NV Board that the shareholders' equity of New NV has decreased to an amount equal to or lower than one-half of the paid-up part of the capital, a New NV general meeting will be held to discuss any requisite measures.

The New NV Board shall provide to the New NV general meeting any information it requests, unless this would be contrary to an overriding interest of New NV. If the New NV Board invokes an overriding interest, the reasons for this must be explained.

Notice of a New NV general meeting must be given by the New NV Board at least 42 days prior to the date of the New NV general meeting. If the meeting notice is not given 42 days prior to the date of the New NV general meeting, no resolutions may be adopted other than by a unanimous vote of the entire issued share capital. The meeting notice must be published on New NV's website, where it must be able to be directly and continuously accessed until the New NV general meeting, and must include, among other matters, an agenda indicating the place, time and date of the meeting, the subjects to be dealt with at the meeting, the record date and the manner in which persons entitled to attend the New NV general meeting may register and exercise their rights.

New NV Shareholders representing individually or collectively at least 1 per cent. of New NV's issued share capital have the right to require a matter, including an agenda item in respect of a resolution for the New NV general meeting to approve the appointment of a new director to the board of New NV, to be included in a meeting notice if New NV has received such request not later than 60 days prior to the date of the relevant New NV general meeting.

Each person with meeting rights and each person with voting rights on the record date may attend the New NV general meeting, if such person or such person's proxy has notified New NV, prior to the New NV general meeting, of his or her intention to attend such meeting in writing no later than on the day and at the place mentioned in the notice convening the New NV general meeting. The notice must contain the name and the number of New NV Ordinary Shares the person will represent in the New NV general meeting. The record date for a New NV general meeting will be the 28<sup>th</sup> day prior to the date of such general meeting.

### **3.8 Voting Rights**

Under the New NV Articles, each New NV Ordinary Share confers the right to cast one vote in the New NV general meeting. No votes may be cast at a New NV general meeting in respect of New NV Ordinary Shares that are held by New NV or any of its subsidiaries. Holders of a right of usufruct or a right of pledge on a New NV Ordinary Share held by New NV or any of its subsidiaries are not excluded from voting if the right of usufruct or pledge was created before such New NV Ordinary Share was held by New NV or one of its subsidiaries and the voting rights were assigned to the holder of the right of usufruct or pledge when that right of usufruct or pledge was created. New NV or a subsidiary may not cast a vote in respect of a New NV Ordinary Share on which it holds a right of usufruct or pledge.

The New NV general meeting will adopt resolutions by a majority of the votes cast, unless the law or the New NV Articles provide otherwise. In case of a tie vote, the proposal is rejected. Blank votes, abstentions and invalid votes will be regarded as votes that have not been cast.

### **3.9 Amendment of the New NV Articles**

A resolution to amend the New NV Articles may only be adopted by the New NV general meeting pursuant to a proposal of the New NV Board or New NV Shareholders representing individually or collectively at least 1 per cent. of New NV's issued share capital. A proposal to amend the New NV Articles must be included in the agenda of the New NV general meeting, and a copy of such proposal must be deposited with New NV for inspection by New NV Shareholders from the date on which notice of the meeting is given until the end of the New NV general meeting. A copy of such proposal will also be made available through New NV's website. A resolution of the New NV general meeting to amend the New NV Articles requires a majority of three-quarters of the votes cast at the New NV general meeting.

### **3.10 Dissolution and Liquidation**

A resolution to dissolve New NV may only be adopted by the New NV general meeting pursuant to a proposal of the New NV Board by a majority of at least three-quarters of the votes cast at the New NV general meeting. If the New NV general meeting has adopted a resolution to dissolve New NV, the New NV Board will act as liquidators unless the New NV general meeting resolves otherwise. During such liquidation, the provisions of the New NV Articles will remain in force to the fullest extent possible.

New NV's surplus assets after satisfaction of its debts will be for the benefit of the New NV Shareholders in proportion to the nominal value of their respective shareholdings.

### 3.11 Corporate Objects and Interests

Under Article 2 of the New NV Articles, the objects of New NV are to acquire interests in companies and business enterprises, to manage and finance companies and business enterprises regardless of whether these are group companies and to do all things which, directly or indirectly, may be deemed to be incidental or conducive thereto, including providing security in any way and assuming liability for obligations of third parties, including Unilever Group companies, all this in the widest sense.

When pursuing its objects, consistent with Dutch law and corporate governance, New NV shall take into account the interests of the business enterprises associated with it, including the legitimate interests of the shareholders, suppliers, consumers, employees and the society and environment in which New NV carries out its activities. These interests are, among other things, represented by pursuing a policy aimed at sustainable long-term value creation.

## 4 The UK Takeover Code and the Dutch Offer Rules

The Executive of the UK Takeover Panel has confirmed that the UK Takeover Code will not apply to the simplification transaction.

Separately, following the UK Scheme Effective Time, Former PLC Shareholders will no longer benefit from the protections provided under the UK Takeover Code. However, as shareholders in New NV they will benefit from the protections provided to shareholders under Dutch law (in particular, the Dutch Offer Rules) which will apply to New NV and the New NV Ordinary Shares following Simplification.

The Dutch Offer Rules and the UK Takeover Code both comply with the European Takeovers Directive (2004/25/EC). The European Takeovers Directive established a series of general principles and minimum requirements for the protection of shareholders, which member states have transposed into domestic rules governing the takeovers of publicly traded companies.

As a result, the Dutch Offer Rules contain many features that are also contained in the UK Takeover Code. These include:

- a requirement for a potential offeror either to announce a firm intention to make an offer or to confirm that it has no intention to do so (so-called “put up or shut up” rules);
- a requirement to increase any offer price to the highest price paid for target shares during a recent time period (so-called “best price” rules); and
- requirement for confirmation that the offeror has sufficient financial resources for the offer consideration (when payable in cash).

However, because the UK and the Netherlands implemented the requirements of the European Takeovers Directive in different ways, there is some divergence between how these features and others are implemented as between the UK Takeover Code and the Dutch Offer Rules.

Certain other key features of the Dutch Offer Rules are set out below.

### 4.1 Obligations of New NV Shareholders to make a Public Offer

Pursuant to the DFSA, and in accordance with EU Directive 2004/25/EC, any person who acquires, alone or by acting in concert with others, directly or indirectly, the ability to exercise at least 30 per cent. of the voting rights in the New NV general meeting (whether directly or through the holding of New NV ADSs) is generally required to make a public offer for all of New NV’s issued and outstanding shares at a fair price. A fair price is a price which is equal to the highest price paid by such person or the persons acting in concert with it for the shares in the year prior to the announcement of the offer or, in the absence of such a purchase, the average share price in the year prior to the announcement of the offer. If a 30 per cent. shareholder fails to make a public offer, the enterprise chamber of the court of appeal in Amsterdam (*Ondernemingskamer van het Gerechtshof te Amsterdam*) may require such shareholder to do so upon the request of, among others, New NV or any of the New NV Shareholders. It is generally prohibited to launch a public offer for New NV Ordinary Shares unless the offer document has been approved by the AFM.

### 4.2 Dutch Statutory Buy-Out (“squeeze-out”)

Under Dutch law, a New NV Shareholder who for his own account holds at least 95 per cent. of New NV’s issued and outstanding share capital may initiate proceedings against the other New NV Shareholders to acquire their New NV Ordinary Shares. The proceedings are held before the enterprise chamber of the court of appeal

in Amsterdam (*Ondernemingskamer van het Gerechtshof te Amsterdam*) and must be instituted by means of a writ of summons served upon each of the minority shareholders in accordance with the provisions of the Dutch Code of Civil Procedure (*Wetboek van Burgerlijke Rechtsvordering*). The enterprise chamber may only grant the claim for buy-out in relation to all minority New NV Shareholders and will determine the price to be paid for the shares, if necessary, after the appointment of one or three experts who will offer an opinion to the enterprise chamber on the value to be paid for the shares of the minority New NV Shareholders. Once the order to transfer becomes final before the enterprise chamber, the person acquiring the shares must give written notice of the date and place of payment and the price to be paid to those holders of the shares whose addresses are known to such person. Unless the addresses of all such shareholders are known to such person, such person is required to publish the same in a daily newspaper with nationwide circulation.

An offeror that has made a public offer is also entitled to start takeover buy-out proceedings with respect to New NV Shareholders if, following the public offer, the offeror holds at least 95 per cent. of the issued and outstanding share capital and represents at least 95 per cent. of the total voting rights in the general meeting of New NV. The claim for a takeover buy-out needs to be filed with the enterprise chamber within three months following the expiration of the acceptance period of the offer. The enterprise chamber may only grant the claim for buy-out in relation to all minority New NV Shareholders and will determine the price to be paid for the shares, if necessary, after the appointment of one or three experts who will offer an opinion to the enterprise chamber on the value to be paid for the New NV Ordinary Shares of the New NV Shareholders. The offer price is assumed to be reasonable if the offer was a mandatory offer by the offeror or if at least 90 per cent. of the shares for which the public offer was made were acquired in the offer.

Under the DFSA, each minority shareholder that has not previously tendered its shares pursuant to a public offer has the right to require the holder of at least 95 per cent. of the issued and outstanding share capital of New NV and representing at least 95 per cent. of the total voting rights in the New NV general meeting to purchase its shares. The claim needs to be filed with the enterprise chamber within three months following the expiration of the acceptance period of the offer. With regard to price, the same procedure for determining a fair price in a takeover buy-out applies.

## **PART IV**

### **TERMS OF THE DI DEED AND THE UNILEVER CSN FACILITY**

The purpose of this Part IV is to provide PLC CREST Shareholders and PLC Certificated Shareholders (in each case other than Excluded Shareholders) with details of the terms of the DI Deed and New NV DIs and the Unilever CSN Facility respectively.

The summaries of the DI Deed and the Unilever CSN Facility set out in this Part IV are intended to be in general terms only. As such, PLC Shareholders (other than Excluded Shareholders) should read the rest of this document (including any documents incorporated into it by reference) as a whole and in conjunction with the PLC Forms of Proxy. In particular, PLC CREST Shareholders (other than Excluded Shareholders) should read the DI Deed in full and PLC Certificated Shareholders (other than Excluded Shareholders) should read the Unilever CSN Facility Terms and Conditions in full. The DI Deed is available on request from PLC's registrars, Computershare, by calling the Shareholder Helpline on page 12 of this document. The Unilever CSN Facility Terms and Conditions are set out in full at Appendix I of this document and on Unilever's website at [www.unilever.com/simplification](http://www.unilever.com/simplification).

### **SECTION 1**

#### **THE DI DEED**

#### **1 The purpose of New NV DIs**

A depositary interest (known as a DI) enables investors to hold and settle transfers of New NV Ordinary Shares through CREST. CREST is a paperless settlement system which allows securities to be transferred from one person's CREST account to another electronically without the need to use share certificates or written instruments of transfer. New NV, as a company incorporated outside the UK and Ireland, is prohibited from having its shares held or settled directly in CREST.

New NV will therefore enter into depositary arrangements to enable New NV Shareholders to hold, and settle transfers of, New NV Ordinary Shares through CREST in the form of New NV DIs. Each New NV DI will represent an entitlement to one underlying New NV Ordinary Share. The New NV Ordinary Shares representing the New NV DIs will be listed on the UK Official List and traded on the LSE's Main Market. New NV DIs will be transferred in CREST to settle those trades in the same way as other securities in CREST.

#### **2 Admission to CREST**

An application will be made for the depositary interests representing New NV Ordinary Shares to be admitted to CREST and for dealings to commence on 24 December 2018.

The New NV DIs will represent entitlements to New NV Ordinary Shares.

A New NV DI register of CREST participants will be maintained showing full details of the holders of the New NV DIs in a similar fashion to the register of legal ownership of the New NV Ordinary Shares. The ultimate beneficial entitlement to the New NV Ordinary Shares will remain with the relevant Former PLC CREST Shareholders, as holders of the New NV DIs. The New NV DIs will be in wholly uncertificated form and New NV DIs will only be capable of being held and transferred between CREST participants.

Each New NV DI will be treated as one New NV Ordinary Share for the purposes of determining, for example, eligibility for dividends. The New NV DIs will be independent securities constituted under English law which may be transferred through the CREST system.

#### **3 Summary of the principal terms of the DI Deed**

The New NV DIs will be created and issued under the DI Deed, which will govern the relationship between the DI Issuer and the holders of the New NV DIs at any given time. The DI Deed will be executed by the DI Issuer as a deed poll.

The rights of holders of New NV DIs will be set out in the DI Deed, as summarised below. Holders of New NV DIs will be bound to give such warranties and certifications as the DI Issuer may reasonably require. Holders of New NV DIs will be taken to warrant, *inter alia*, that New NV Ordinary Shares held by the DI Issuer (or the DI Custodian on behalf of the DI Issuer) are transferred or issued to the DI Issuer or the DI Custodian, as the case may be, free and clear of all liens, charges, encumbrances or third-party interests and that such transfers or issues are not in contravention of New NV's constitutional documents or any contractual obligation binding on the holder or transferor, law or regulation or an order binding on the holder of the New

NV DIs or the transferor. Each holder of New NV DIs indemnifies the DI Issuer against any liabilities that the DI Issuer may incur as a result of a breach of this warranty.

The DI Issuer must pass on and ensure that the DI Custodian passes on to holders of New NV DIs all rights and entitlements received in respect of the underlying New NV Ordinary Shares in accordance with the DI Deed. Rights and entitlements to cash distributions, to information, to make choices and elections and to attend and vote at general meetings shall, subject to the DI Deed, be passed on in the form in which they are received, together with amendments and additional documentation necessary to effect such passing-on.

The DI Issuer will be entitled to cancel New NV DIs and withdraw the underlying New NV Participation Interests in certain circumstances specified in the DI Deed.

The DI Deed will also contain provisions excluding and limiting the DI Issuer's liability. For example, the DI Issuer shall not be liable to any holder of New NV DIs or any other person for liabilities arising out of or in connection with the performance or non-performance of its obligations or duties under the DI Deed or otherwise, except as may result from the wilful default, negligence or fraud of the DI Issuer, or the DI Custodian or any agent, if such DI Custodian or agent is a member of the DI Issuer's group, or, if not being a member of the same group, the DI Issuer has failed to exercise reasonable care in the appointment and continued use of such DI Custodian or agent. Furthermore, except in the case of personal injury or death, the DI Issuer's liability to a holder of New NV DIs will be limited to the lesser of:

- (a) the value of the New NV Ordinary Shares that would have been properly attributable to the New NV DIs to which the liability relates, if such act, omission or other event giving rise to the liability had not occurred; and
- (b) that proportion of £5,000,000 which corresponds to the amount that the DI Issuer would otherwise be liable to pay to the holder of New NV DIs as a proportion of the aggregate of the amounts that the DI Issuer would otherwise be liable to pay to all such holders in respect of the same act, omission or event which gave rise to such liability or, if there are no such amounts, £5,000,000.

The DI Issuer will also be entitled to charge holders of New NV DIs fees and expenses for the provision of its services under the DI Deed. Such fees and expenses may be charged, for example, if a holder of New NV DIs wishes to take certain actions in respect of their New NV DIs, such as withdrawal from the New NV DI structure.

The DI Issuer will also not be liable for any losses attributable to or resulting from, *inter alia*, the negligence or wilful default or fraud of the CREST operator, New NV or the acts or omissions of any person who provides banking services in connection with the CREST system.

Each holder of New NV DIs shall be liable to indemnify the DI Issuer and the DI Custodian (and their respective agents, officers and employees) against all liabilities arising from or incurred in connection with, or arising from any act related to, the DI Deed, so far as they relate to the property held for the account of the New NV DIs held by that holder, other than those resulting from the wilful default, negligence or fraud of the DI Issuer, or the DI Custodian or any agent, if such DI Custodian or agent is a member of the DI Issuer's group, or, if not being a member of the same group, the DI Issuer has failed to exercise reasonable care in the appointment and continued use of such DI Custodian or agent.

The DI Issuer may terminate the DI Deed by giving not less than 30 days' prior notice to the holders of the New NV DIs. During such notice period, holders may cancel their New NV DIs and withdraw their deposited property and, if any New NV DIs remain outstanding after termination, the DI Issuer shall, as soon as reasonably practicable and at its discretion, deliver the deposited property in respect of the New NV DIs to an alternative third party provider or sell all or part of such deposited property and request that the CREST operator remove the relevant New NV DIs from the CREST system. If the latter occurs, the DI Issuer shall, as soon as reasonably practicable, deliver the net proceeds of any such sale, after deducting any sums due to the DI Issuer, together with any other cash held by it under the DI Deed, pro rata to holders of New NV DIs in respect of their New NV DIs.

The DI Issuer or the DI Custodian may require from any holder of New NV DIs, or former or prospective holder, information as to the capacity in which New NV DIs are owned or held and the identity of any other person then or previously interested in such New NV DIs or the underlying New NV Ordinary Shares and the nature of such interests. Holders of New NV DIs are bound to provide evidence or declaration of nationality or residence of the legal or beneficial owner(s) of the New NV DIs registered or to be registered in their name and such information as is required for the transfer of the relevant New NV DIs and such other information as may be necessary for the purposes of the DI Deed and relating to the CREST system. Furthermore, to the extent that

New NV's constitutional documents require disclosure to New NV of, or limitations in relation to, beneficial or other ownership of, or an interest of any kind whatsoever in, the New NV Ordinary Shares, the holders of New NV DIs are to comply with such provisions and with New NV's instructions with respect thereto.

It should also be noted that holders of New NV DIs may not have the opportunity to exercise all of the rights and entitlements available to holders of New NV Ordinary Shares. If arrangements are made which allow a holder to take up any rights in New NV DIs requiring further payment, the holder must, if it wishes the DI Issuer to exercise such rights on its behalf, put the DI Issuer in cleared funds before the relevant payment date or such other due date that the DI Issuer may notify the holders in respect of such rights. The DI Issuer will accept all compulsory purchase notices in respect of New NV DIs but will not exercise choices, elections or voting rights in the absence of express instructions from the relevant holder.

Prospective holders of the New NV DIs should note that they will have no rights enforceable against CREST or its subsidiaries in respect of the underlying New NV Ordinary Shares or the New NV DIs representing them.

A copy of the DI Deed can be made available to prospective holders of New NV DIs by contacting the Shareholder Helpline on 0370 600 3977 if calling from the UK or +44 370 600 3977 if calling from outside the UK. The helpline is open between 8.30 a.m. and 5.30 p.m., Monday to Friday (excluding public holidays in England and Wales). Please note that PLC's registrars, Computershare, cannot provide any financial, legal or tax advice, or comment on the merits of Simplification and calls may be recorded and monitored for security and training purposes.

#### **4 Withdrawal from the New NV DI structure**

Holders of New NV DIs will be able to cancel their New NV DIs by submitting an instruction in respect of the underlying New NV Ordinary Shares through CREST to the DI Issuer in the form of a CREST stock withdrawal message. This message must include the account information of the nominated Euroclear Nederland participant to which the New NV Participation Interests should be delivered, in accordance with the rules and practices of the DI Issuer, CREST and Euroclear Nederland. When submitting such cross-border instruction, holders of New NV DIs will be required by the DI Issuer to furnish it with such proof, certificates and representations and warranties, including as to his identity and with such further documents and information as the DI Issuer may deem necessary for the administration or implementation of the DI Deed.

The transfer or cancellation of New NV DIs is subject to a charge. The holder of New NV DIs shall bear all costs in connection with any transfer or cancellation of New NV DIs. For details of the current cancellation charges or for assistance in cancelling New NV DIs and lodging cross-border instructions, holders of New NV DIs should contact the DI Issuer on the Shareholder Helpline on 0370 600 3977 if calling from the UK or +44 370 600 3977 if calling from outside the UK. The helpline is open between 8.30 a.m. and 5.30 p.m., Monday to Friday (excluding public holidays in England and Wales). Please note that PLC's registrars, Computershare, cannot provide any financial, legal or tax advice, or comment on the merits of Simplification and calls may be recorded and monitored for security and training purposes.

## SECTION 2 THE UNILEVER CSN FACILITY

### 1 The purpose of the Unilever CSN Facility

Unilever has arranged for the CSN Nominee to provide the Unilever CSN Facility pursuant to which the CSN Nominee will act as nominee for Former PLC Certificated Shareholders (except Excluded Shareholders) and allow them to hold, and settle transfers of, interests in New NV Ordinary Shares through the Unilever CSN Facility.

Unilever considers the Unilever CSN Facility arrangement to be significantly more attractive for Former PLC Certificated Shareholders than the alternative of holding registered interests in New NV Ordinary Shares. A market in registered interests in New NV Ordinary Shares would have significantly less liquidity than that in existing PLC Certificated Shares given the complexities in relation to the transfer of such interests imposed by Dutch law. For example, a transfer by Former PLC Certificated Shareholders of registered interests in New NV Ordinary Shares would require the execution of a private Dutch law deed and would involve formalities that will be unfamiliar to many Former PLC Shareholders. This may give rise to disproportionate transaction costs for such shareholders.

The summary of the principal terms of the Unilever CSN Facility set out in this Section 2 is intended to be in general terms only. As such, PLC Shareholders (other than Excluded Shareholders) should read the rest of this document (including any documents incorporated into it by reference) as a whole and in conjunction with the PLC Forms of Proxy. In particular, PLC Certificated Shareholders (other than Excluded Shareholders) should read the Unilever CSN Facility Terms and Conditions, which are available in full at Appendix I of this document and on Unilever's website at [www.unilever.com/simplification](http://www.unilever.com/simplification).

### 2 Summary of the principal terms of the Unilever CSN Facility

The CSN Nominee will hold interests in the New NV Ordinary Shares (in the form of New NV DIs held in CREST) on behalf of Unilever CSN Participants in accordance with the Unilever CSN Facility Terms and Conditions. Unilever CSN Participants are the beneficial owners of the New NV Ordinary Shares and may give instructions to transfer the relevant New NV Ordinary Shares.

The CSN Nominee will inform the Unilever CSN Participants of the New NV's annual meetings and other shareholder meetings. The CSN Nominee will send voting forms to Unilever CSN Participants in respect of the shareholder meetings.

The CSN Nominee will vote in accordance with the voting instructions provided by a Unilever CSN Participant. If the Unilever CSN Participant does not provide any instructions, the CSN Nominee will not vote in relation to the New NV Ordinary Shares in which the Unilever CSN Participant holds an interest. To the extent permitted by CREST and provided that the CSN Nominee has been sent the relevant form correctly filled out and on time, a Unilever CSN Participant may be able to attend a shareholder meeting of New NV. The CSN Nominee will inform the Unilever CSN Participants when they are able to offer this service.

Unilever CSN Participants may instruct the CSN Nominee to hold their New NV Ordinary Shares for someone else or to add someone else as a joint holder of the New NV Ordinary Shares. If the CSN Nominee is instructed to transfer any interests in New NV Ordinary Shares, the Unilever CSN Participant agrees to indemnify the CSN Nominee against any liabilities or costs that they suffer, because of anything that the Unilever CSN Participant has done to prevent the transfer from completing. For further information, contact the CSN Nominee on the Shareholder Helpline on 0370 600 3977 if calling from the UK or +44 370 600 3977 if calling from outside the UK in order to obtain the relevant documentation. The helpline is open between 8.30 a.m. and 5.30 p.m., Monday to Friday (excluding public holidays in England and Wales). Please note that PLC's registrars, Computershare, cannot provide any financial, legal or tax advice, or comment on the merits of Simplification and calls may be recorded and monitored for security and training purposes.

The CSN Nominee will not charge the Unilever CSN Participants for holding and general administration of interests in the New NV Ordinary Shares. However, the CSN Nominee may charge for transferring interests in New NV Ordinary Shares or for other ancillary services provided under the Unilever CSN Facility Terms and Conditions. Unilever CSN Participants may cancel participation in the Unilever CSN Facility without charge 14 calendar days from the date of the European Admissions (the "**Cancellation Period**"). If a Unilever CSN Participant cancels their participation after the Cancellation Period ends, any fees and taxes associated with their withdrawal of participation will be payable by the Unilever CSN Participant.

The CSN Nominee will send each Unilever CSN Participant an opening statement setting out the number of New NV Ordinary Shares for which they are beneficial owners. Subsequently, the CSN Nominee will make an account statement available to each Unilever CSN Participant on at least a quarterly basis. A Unilever CSN Participant may request statements more frequently. The CSN Nominee reserves the right to introduce charges for providing these additional statements.

Any payments made by the CSN Nominee to a Unilever CSN Participant under the Unilever CSN Facility Terms and Conditions will be made after any deductions or withholdings required by law.

All communications made by Unilever CSN Participants under the Unilever CSN Facility Terms and Conditions must be in writing to Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZZ and include the full name and SRN of the relevant account.

The CSN Nominee will not be liable to the relevant Unilever CSN Participants for any losses unless they are foreseeable at the time of entering into the Unilever CSN Facility and caused by the CSN Nominee's breach of the Unilever CSN Facility Terms and Conditions, negligence, wilful default or fraud. In addition, the CSN Nominee will not be liable for any indirect losses or consequential loss of any kind and shall not be responsible for delays or failure to perform their services due to circumstances beyond their reasonable control. The Unilever CSN Participants remain responsible for all instructions sent to the CSN Nominee or arranged to be sent on their behalf. Each Unilever CSN Participant is required to keep the CSN Nominee indemnified against any losses and expenses it suffers as a result of (i) their failure to give sufficient funds to carry out their instructions, (ii) a breach of the Unilever CSN Facility Terms and Conditions by such Unilever CSN Participant and (iii) the CSN Nominee being required to pay taxes on behalf of such Unilever CSN Participant in carrying out their services.

Any variation of the Unilever CSN Facility Terms and Conditions must be notified to Unilever CSN Participants and where any changes materially disadvantage Unilever CSN Participants, they will be given not less than 20 business days' notice before such change becomes effective. During this period of 20 business days, if any Unilever CSN Participant disagrees with the change, they are able to withdraw from the Unilever CSN Facility without suffering any penalty.

The Unilever CSN Facility Terms and Conditions are governed by the laws of England.

The Unilever CSN Facility Terms and Conditions are set out in full at Appendix I of this document and on Unilever's website at [www.unilever.com/simplification](http://www.unilever.com/simplification).

### **3 Withdrawal from the Unilever CSN Facility**

Unilever CSN Participants will be able to withdraw from the Unilever CSN Facility at any time by writing to the CSN Nominee or by using the relevant form provided by the CSN Nominee. The Unilever CSN Participant must provide details of the full name and SRN of the relevant account to be closed and, if the Unilever CSN Participant wishes to close an account in the name of joint holders, then the form must be signed by all joint holders. Any such withdrawal and delivery shall be in accordance with the rules and practices of the CSN Nominee, CREST and Euroclear Nederland.

Following the Cancellation Period, withdrawal from the Unilever CSN Facility is subject to a charge, being £25 on 31 August 2018.

## PART V TAXATION

### SECTION A: Dutch dividend withholding tax (“DWT”)

New NV will take steps prior to and following the completion of Simplification which will enable New NV to make alternative payment arrangements to New NV Shareholders and New NV ADS Holders that will not be subject to DWT (“**dividend substitution payments**”). Any such dividend substitution payments received by a New NV Shareholder or New NV ADS Holder should be treated as income distributions for UK tax purposes with the same UK tax consequences as a dividend. These steps and related arrangements and elections are described further below.

#### **Current position under Dutch law**

Subject to any available relief or exemption, NV Shareholders and NV NYRS Holders are currently subject to DWT at a rate of 15 per cent. on dividends paid by NV, and NV is responsible for the withholding of such DWT at source. Similarly, New NV Shareholders and New NV ADS Holders would also ordinarily be subject to DWT at that rate on dividends paid by New NV, and New NV would also ordinarily be responsible for the withholding of such DWT.

#### **Anticipated abolition of DWT**

According to the Dutch coalition agreement of 10 October 2017, no DWT would be due nor required to be withheld by New NV as from 1 January 2020. However, any dividends paid by New NV in the period between the completion of Simplification and 1 January 2020 would, ordinarily, be subject to 15 per cent. DWT.

#### **Interim arrangements to be made by New NV to enable dividend substitution payments to shareholders free of DWT**

New NV will take steps pending the anticipated abolition of DWT which will enable New NV to make dividend substitution payments to New NV Shareholders and New NV ADS Holders that qualify as repayments of nominal share capital for DWT purposes. Payments made in this way will not be subject to DWT. These steps will include the conversion by New NV freely distributable of reserves, created on Simplification, into nominal share capital. This will be effected following a two-month creditor opposition period by means of amendments to the New NV Articles, approved prior to Simplification, to: (i) increase the nominal capital per share; and (ii) immediately thereafter, reduce the nominal capital per share to its original amount before the conversion. The aggregate amount of this reduction is then available, to make DWT-free dividend substitution payments (the “**initial headroom**”). By applying the same steps, the initial headroom can be increased with the approval of shareholders, by the conversion of reserves that may become available for distribution into further amounts of nominal capital which can also be reduced to enable further DWT-free dividend substitution payments to be made. Based on estimates of reserves available to New NV on Simplification, the New NV Board believes that the initial headroom will be sufficient to make dividend substitution payments free of DWT at least until the anticipated abolition of DWT on 1 January 2020.

New NV will make arrangements whereby Former PLC Shareholders (but not Excluded Shareholders and former PLC ADS Holders) will by default receive dividend substitution payments that are free of DWT, unless these holders elect to receive dividend payments from New NV that are subject to DWT.

Former NV Shareholders and former NV NYRS Holders (as well as Excluded Shareholders and Former PLC ADS Holders) will by default continue to receive dividend payments subject to DWT unless these holders elect to receive dividend substitution payments that are not subject to DWT.

If DWT were not abolished on 1 January 2020 as anticipated, New NV would continue to apply the arrangements described above to enable shareholders to receive dividend substitution payments free of DWT (depending on their elections), and the New NV Board will propose resolutions at New NV’s annual general meetings to increase the initial headroom, where necessary. The maximum aggregate amount of dividend substitution payments that New NV could make to New NV Shareholders and New NV ADS Holders free of DWT under these arrangements (the “**maximum capacity**”) will be determined principally by the market capitalisation of PLC on Simplification, less the aggregate amount of nominal share capital of those New NV Ordinary Shares to be issued to Former PLC Shareholders. This maximum capacity available to New NV may be increased by future share offers or cross-border mergers by New NV. For illustrative purposes only, based on PLC’s market capitalisation and number of PLC Shares in issue as at 31 August 2018, the maximum capacity which would be available to New NV to make dividend substitution payments free of DWT would be

approximately €58 billion. This compares with aggregate dividend payments made by PLC and NV in 2017 of €3.9 billion (€1.8 billion and €2.1 billion respectively).

In addition to the above arrangements, the New NV Board would also consider any alternative structures or measures to mitigate the impact of DWT were DWT not abolished on 1 January 2020 as anticipated; however, the availability or suitability of such structures or measures cannot be guaranteed.

## **SECTION B: United Kingdom Taxation**

### **UK Tax Considerations**

The following is a general summary of material UK tax considerations relating to the UK Scheme and the ownership and disposal of New NV Ordinary Shares or New NV ADSs. The comments set out below are based on UK tax law as applied in England and Wales and what is understood to be the practice of HMRC (which may not be binding on HMRC) as at the date of this document, both of which are subject to change, possibly with retrospective effect. They are intended as a general guide and apply only to PLC Shareholders and PLC ADS Holders who, respectively, will become New NV Shareholders or New NV ADS Holders. Unless expressly stated otherwise, the comments set out below apply only to PLC Shareholders and PLC ADS Holders resident and, in the case of an individual, domiciled for tax purposes in the UK and to whom “split year” treatment does not apply, who hold their PLC Shares and PLC ADSs (and who will hold their New NV Ordinary Shares and New NV ADSs) as an investment and who are the absolute beneficial owners thereof. In particular, PLC ADS Holders and New NV ADS Holders should note that they may not always be the absolute beneficial owners of the underlying PLC Shares or New NV Ordinary Shares, as the case may be. References to New NV Ordinary Shares include, unless the context otherwise requires, such shares held through New NV DIs and Unilever CSN Participations.

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

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

### **1 Taxation of chargeable gains**

#### *Mandatory PLC Share Transfers*

A UK-resident PLC Shareholder or PLC ADS Holder who participates in the Mandatory PLC Share Transfers, as described in paragraph 7.3 of Part II of this document, will not be subject to UK tax on chargeable gains as a result of such transfer, as such a transfer will not result in a disposal of the beneficial interest in the PLC Shares for this purpose.

#### *UK Scheme*

A UK-resident PLC Shareholder or PLC ADS Holder who does not hold (either alone or together with persons connected with him) more than 5 per cent. of, or of any class of, shares in or debentures of PLC should not be treated as having made a disposal of their PLC Shares or PLC ADSs as a result of the UK Scheme. Instead, the New NV Ordinary Shares or New NV ADSs should be treated as the same asset as the PLC Shares or PLC ADSs acquired at the same time and for the same consideration as those PLC Shares or PLC ADSs.

Any such holder who holds (either alone or together with persons connected with him) more than 5 per cent. of, or of any class of, shares in or debentures of PLC will only be eligible for the treatment described in the preceding paragraph if the UK Scheme is effected for *bona fide* commercial reasons and does not form part of

a scheme or arrangement of which the main purpose, or one of the main purposes, is the avoidance of liability to tax on capital gains. Such holders are advised that clearance has been obtained from HMRC under section 138 of the Taxation of Chargeable Gains Act 1992 in respect of the UK Scheme that HMRC are satisfied that the UK Scheme will be effected for *bona fide* commercial reasons and will not form part of such a scheme or arrangement. As a result, any such holder should be treated in the manner described in the preceding paragraph.

#### *Subsequent disposals of New NV Ordinary Shares and New NV ADSs*

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

As a result of the treatment described under “UK Scheme” above, any chargeable gain or allowable loss on a disposal of the New NV Ordinary Shares or New NV ADSs should be calculated taking into account the allowable cost to the holder of acquiring their PLC Shares or PLC ADSs.

## **2 Taxation of Dividends**

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

#### *Individual New NV Shareholders or New NV ADSs Holders*

A UK-resident New NV Shareholder or New NV ADS Holder will not be subject to income tax on a dividend such individual receives from New NV if the total amount of the dividend income received by the individual in the tax year (including any dividend from New NV) does not exceed a dividend allowance of £2,000, which will be taxed at a nil rate (the “**Dividend Allowance**”).

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

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

Any Dutch withholding tax withheld from the payment of a dividend may be available as a credit against income tax payable by an individual shareholder in respect of the dividend.

#### *Corporate New NV Shareholders or New NV ADS Holders*

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

#### *Non-UK holder of New NV Ordinary Shares or New NV ADSs*

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

### *Dividends paid prior to the abolition of DWT*

As described in Section A of this Part V above, New NV intends to take steps prior to and immediately following implementation of Simplification which would enable New NV to make dividend substitution payments to shareholders prior to the abolition of DWT that qualify as repayments of nominal share capital for Dutch tax purposes and therefore would not be subject to DWT. Any such dividend substitution payments received by a New NV Shareholder or New NV ADS Holder resident in the UK for tax purposes should be treated as income distributions for UK tax purposes with the same UK tax consequences as a regular dividend, as described above.

## **3 Inheritance Tax**

### *Holders of PLC Shares or PLC ADSs prior to the UK Scheme being implemented*

PLC Shares, prior to the UK Scheme being implemented, will be assets situated in the UK for the purposes of UK inheritance tax. The situs of PLC ADSs representing ownership of such PLC Shares (and any other securities, cash or other property situated in the UK for purposes of UK inheritance tax) which are registered in the PLC ADS Depositary's records outside the UK is uncertain. Although there are arguments to the contrary, HMRC may contend that such PLC ADSs are situated in the UK for the purposes of UK inheritance tax. A gift of assets situated in the UK by, or the death of, an individual holder of such assets may (subject to certain exemptions and reliefs) give rise to a liability to UK inheritance tax, even if the holder is neither domiciled in the UK nor deemed to be domiciled there (under certain rules relating to long residence or previous domicile). Generally, UK inheritance tax is not chargeable on gifts to individuals if the transfer is made more than seven complete years prior to the death of the donor. For inheritance tax purposes, a transfer of assets at less than full market value may be treated as a gift and particular rules apply to gifts where the donor reserves or retains some benefit. Special rules also apply to close companies and to trustees of settlements who acquire, dispose of or hold PLC Shares or PLC ADSs which could bring them within the charge to inheritance tax.

PLC Shareholders and PLC ADS Holders should consult an appropriate professional adviser if they intend to make a gift or transfer at less than market value of, or intend to hold any PLC Shares or PLC ADSs through such a company or trust arrangement prior to the UK Scheme becoming effective. They should also seek professional advice in a situation where there is potential for a double charge to UK inheritance tax and an equivalent tax in another country or if they are in any doubt about their UK inheritance tax position.

### *Holders of New NV Ordinary Shares, New NV ADSs and New NV DIs pursuant to the UK Scheme being implemented*

New NV Ordinary Shares will be assets situated outside the UK for the purposes of UK inheritance tax provided such shares are not registered in any register kept in the UK. Similarly, New NV ADSs representing ownership of such New NV Ordinary Shares (and any other securities, cash or other property situated outside the UK for the purposes of UK inheritance tax) which are registered in the New NV ADS Depositary's records outside the UK are situated outside the UK for the purposes of UK inheritance tax. A gift of such assets by, or the death of, an individual holder of such assets who is domiciled or is deemed to be domiciled in the UK (under certain rules relating to long residence or previous domicile) may (subject to certain exemptions and reliefs) give rise to liability to UK inheritance tax.

The situs of New NV DIs which are registered in the DI Issuer's records in the UK and issued in respect of New NV Ordinary Shares is uncertain. Although there are arguments to the contrary, HMRC may contend that such New NV DIs issued in respect of New NV Ordinary Shares are situated in the UK for the purposes of UK inheritance tax. A gift of assets situated in the UK by, or the death of, an individual holder of such assets may (subject to certain exemptions and reliefs) give rise to a liability to UK inheritance tax, even if the holder is neither domiciled in the UK nor deemed to be domiciled there (under certain rules relating to long residence or previous domicile).

Generally, UK inheritance tax is not chargeable on gifts to individuals if the transfer is made more than seven complete years prior to the death of the donor. For inheritance tax purposes, a transfer of assets at less than full market value may be treated as a gift and particular rules apply to gifts where the donor reserves or retains some benefit. Where a holder is neither domiciled nor deemed domiciled (under certain rules relating to long residence or previous domicile) in the UK, neither a gift of such assets by the holder nor the death of such holder will give rise to a liability to UK inheritance tax.

Special rules also apply to close companies and to trustees of settlements who acquire, dispose of or hold New NV Ordinary Shares, New NV ADSs or New NV DIs, which could bring them within the charge to inheritance

tax. New NV Shareholders, New NV ADS Holders and holders of New NV DIs should consult an appropriate tax adviser if they make a gift or transfer at less than market value or hold or intend to hold any New NV Ordinary Shares, New NV ADSs or New NV DIs through a close company or trust. They should also seek professional advice in a situation where there is potential for a double charge to UK inheritance tax and an equivalent tax in another country or if they are in any doubt about their UK inheritance tax position.

#### **4 Stamp duty and stamp duty reserve tax (“SDRT”)**

The statements in this section are intended as a general guide to the current UK stamp duty and SDRT position. Investors should note that certain categories of person are not liable to stamp duty or SDRT and others may be liable at a higher rate or may, although not primarily liable to tax, be required to notify and account for SDRT under the Stamp Duty Reserve Tax Regulations 1986.

##### *Stamp duty and SDRT consequences of the Mandatory PLC Share Transfers*

No UK stamp duty or SDRT should arise on the Mandatory PLC Share Transfers.

##### *Stamp duty and SDRT consequences of the UK Scheme*

No UK stamp duty or SDRT will be payable on the cancellation of PLC Shares or PLC ADSs or the issue of New NV Ordinary Shares or New NV ADSs pursuant to the UK Scheme.

##### *Stamp duty and SDRT consequences of future dealings in New NV Ordinary Shares, New NV ADSs and New NV DIs*

No UK stamp duty should be required to be paid on a transfer of New NV Ordinary Shares, New NV ADSs or New NV DIs provided that no instrument of transfer is executed in the UK and the transfer does not relate to any property situated, or any matter or thing done or to be done, in the UK. No SDRT will be payable on any agreement to transfer New NV Ordinary Shares (including in DI form within CREST) or New NV ADSs provided that, as is intended to be the case, the New NV Ordinary Shares are not registered in any register kept in the UK and New NV is resident only in the Netherlands for tax purposes.

#### **SECTION C: United States Taxation**

The following discussion sets forth the material US federal income tax consequences of the UK Scheme to US holders (as defined below) of PLC Shares and PLC ADSs who exchange their PLC Shares or PLC ADSs for New NV Ordinary Shares or New NV ADSs (including, in each case, in DI form within CREST). This discussion is based upon the Internal Revenue Code of 1986, as amended (the “**Code**”), the regulations of the US Treasury Department and court and administrative rulings and decisions in effect on the date of this document. These laws may change, possibly retroactively, and any change could affect the continuing validity of this discussion. In addition, we will not seek any ruling from the Internal Revenue Service or an opinion of counsel regarding the UK Scheme, and as a result, there can be no assurance that the Internal Revenue Service will not disagree with or challenge any of the conclusions presented herein.

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

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

If a partnership holds PLC Shares or PLC ADSs, the tax treatment of a partner will generally depend on the status of the partners and the activities of the partnership. If you are a partner of a partnership holding PLC Shares or PLC ADSs, you should consult your own tax advisers.

This discussion assumes that you hold your PLC Shares or PLC ADSs as capital assets within the meaning of section 1221 of the Code. Further, this discussion does not address all aspects of US federal income taxation

that may be relevant to you in light of your particular circumstances or that may be applicable to you if you are subject to special treatment under the US federal income tax laws, including if you are:

- a shareholder that will hold at least 5 per cent. (applying certain attribution rules) of both the total voting power and the total value of the stock of New NV immediately after the transaction;
- a bank or other financial institution;
- a tax-exempt organisation;
- an S corporation or other pass-through entity;
- an insurance company;
- a mutual fund;
- a regulated investment company or real estate investment trust;
- a dealer or broker in stocks and securities, or currencies;
- a trader in securities that elects mark-to-market treatment;
- a person subject to the alternative minimum tax;
- a person that received PLC Shares or PLC ADSs through the exercise of an employee stock option or pursuant to a tax-qualified retirement plan;
- a person that has a functional currency other than the US dollar;
- a person that holds PLC Shares or PLC ADSs as part of a hedge, straddle, constructive sale, conversion or other integrated transaction; or
- a US expatriate.

In addition, this discussion does not address any US state or local, or any non-US, tax consequences of the UK Scheme.

**ALL PLC SHAREHOLDERS AND PLC ADS HOLDERS SHOULD CONSULT THEIR OWN TAX ADVISERS AS TO THE SPECIFIC US FEDERAL INCOME TAX CONSEQUENCES TO THEM OF THE UK SCHEME, INCLUDING THE APPLICABILITY AND EFFECT OF ANY STATE, LOCAL, FOREIGN AND OTHER TAX LAWS.**

## **1 US Federal Income Tax consequences of the UK Scheme**

The UK Scheme will be treated as an exchange of PLC Shares or PLC ADSs for New NV Ordinary Shares or New NV ADSs, as applicable. You will not recognise gain or loss for US federal income tax purposes upon the exchange of PLC Shares or PLC ADSs for New NV Ordinary Shares or New NV ADSs pursuant to the UK Scheme. Accordingly, your aggregate tax basis in the New NV Ordinary Shares or New NV ADSs will equal your aggregate tax basis in the PLC Shares or PLC ADSs you surrender in the UK Scheme in exchange therefor. In addition, your holding period for the New NV Ordinary Shares or New NV ADSs will include your holding period for the PLC Shares or PLC ADSs you surrender in the UK Scheme in exchange therefor. If you acquired different blocks of PLC Shares or PLC ADSs at different times or at different prices, your tax basis and holding period for your New NV Ordinary Shares or New NV ADSs will be determined separately with reference to each block of PLC Shares or PLC ADSs.

## **2 Material US Federal Income Tax considerations relating to the ownership and disposal of New NV Ordinary Shares or New NV ADSs received in the UK Scheme**

The following is a discussion of the material US federal income tax consequences of the ownership and disposal by US holders of New NV Ordinary Shares or New NV ADSs received in the UK Scheme.

### *Taxation of Dividends*

The gross amount of distributions on the New NV Ordinary Shares or New NV ADSs (including any amounts withheld in respect of Dutch withholding taxes and including any distributions treated as a return of nominal share capital for Dutch tax purposes) will be taxable as dividends to the extent paid out of our current or accumulated earnings and profits, as determined under US federal income tax principles. You should expect that the full amount of a distribution will generally be treated as a taxable dividend. Such income (including any withheld taxes) will be includable in your gross income as ordinary income on the day actually or

constructively received by you. Such dividends will generally not be eligible for the dividends received deduction allowed to corporations under the Code.

With respect to non-corporate US investors, certain dividends received from a qualified foreign corporation are eligible for reduced rates of taxation. A qualified foreign corporation includes a foreign corporation that is eligible for the benefits of the tax treaty between the United States and the Netherlands, and we believe that New NV will be eligible for the benefits of that treaty.

The amount of any dividend paid in euro will equal the US dollar value of the euro received, calculated by reference to the exchange rate in effect on the date the dividend is received by you, regardless of whether the euro are converted into US dollars. If the euro received as a dividend are converted into US dollars on the date they are received, you generally will not be required to recognise foreign currency gain or loss in respect of the dividend income. If the euro received as a dividend are not converted into US dollars on the date of receipt, you will have a basis in the euro equal to their US dollar value on the date of receipt. Any gain or loss realised on a subsequent conversion or other disposal of the euro will be treated as US source ordinary income or loss.

Subject to certain conditions and limitations, Dutch withholding taxes on dividends may be treated as foreign taxes eligible for credit against your US federal income tax liability. The rules governing the foreign tax credit are complex. You are urged to consult your own tax advisers regarding the availability of the foreign tax credit under your particular circumstances.

#### *Taxation of Capital Gains*

You will recognise gain or loss on any sale or other taxable disposition of New NV Ordinary Shares or New NV ADSs in an amount equal to the difference between the amount realised for the New NV Ordinary Shares or New NV ADSs and your tax basis in the New NV Ordinary Shares or New NV ADSs. Such gain or loss will generally be capital gain or loss. Capital gains of non-corporate US holders (including individuals) derived with respect to capital assets held for more than one year are eligible for reduced rates of taxation. The deductibility of capital losses is subject to limitations. Any gain or loss recognised by you will generally be treated as US source gain or loss.

#### *Information with respect to Foreign Financial Assets*

US owners of “specified foreign financial assets” with an aggregate value in excess of \$50,000 (or, in some circumstances, a higher threshold) may be required to file an information report with respect to such assets with their tax returns. “Specified foreign financial assets” may include stocks and securities issued by non-US persons. You are urged to consult your own tax advisers regarding the application of this reporting requirement to your ownership of New NV Ordinary Shares or New NV ADSs.

This summary of certain US federal income tax consequences of the UK Scheme to PLC Shareholders and PLC ADS Holders is not tax advice. The determination of the actual tax consequences of the UK Scheme to a PLC Shareholder or PLC ADS Holder will depend on the holder’s specific situation. PLC Shareholders and PLC ADS Holders should consult their own tax advisers as to the tax consequences of the UK Scheme in their particular circumstances, including the applicability and effect of any state, local, foreign or other tax laws and of any changes in those laws.

### **SECTION D: Dutch Taxation**

This Section D outlines the Dutch tax consequences of the allotment, acquisition, holding, settlement, redemption and disposal of the New NV Ordinary Shares. It does not present a comprehensive or complete description of all aspects of Dutch tax law which could be of relevance to a New NV Shareholder or New NV ADS Holder. For Dutch tax purposes, a New NV Shareholder or New NV ADS Holder also includes an individual, or an entity, that does not hold the legal title to the New NV Ordinary Shares or New NV ADSs, but to whom nevertheless the New NV Ordinary Shares or New NV ADSs, or their income, are attributed based either on this individual or entity owning a beneficial interest in the New NV Ordinary Shares or New NV ADSs or based on specific statutory provisions. These include statutory provisions under which shares are attributed to an individual who is, or who has directly or indirectly inherited from a person who was, the settlor, grantor or similar originator of a trust, foundation or similar entity that holds the New NV Ordinary Shares or New NV ADSs, respectively.

A prospective New NV Shareholder or New NV ADS Holder should consult his own tax adviser regarding the tax consequences of any acquisition, holding or disposal of New NV Ordinary Shares or New NV ADSs.

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

Any reference in this Section D made to Dutch taxes, Dutch tax or Dutch tax law must be construed as a reference to taxes of whatever nature levied by or on behalf of the Netherlands or any of its subdivisions or taxing authorities or to the law governing such taxes, respectively. The Netherlands means the part of the Kingdom of the Netherlands located in Europe.

Any reference made to a treaty for the avoidance of double taxation concluded by the Netherlands includes the Tax Regulation for the Kingdom of the Netherlands (*Belastingregeling voor het Koninkrijk*), the Tax Regulation for the country of the Netherlands (*Belastingregeling voor het land Nederland*), the Tax Regulation for the Netherlands Curacao (*Belastingregeling Nederland Curacao*), the Tax Regulation for the Netherlands Saint Martin (*Belastingregeling Nederland Sint Maarten*) and the Agreement between the Taipei Representative Office in the Netherlands and the Netherlands Trade and Investment Office in Taipei for the avoidance of double taxation.

This Section D does not describe the possible Dutch tax considerations or consequences that may be relevant to a prospective New NV Shareholder or New NV ADS Holder:

- who is an individual and for whom the income or capital gains derived from the New NV Ordinary Shares or New NV ADSs are attributable to employment activities, the income from which is taxable in the Netherlands;
- which has a substantial interest (*aanmerkelijk belang*) or a fictitious substantial interest (*fictief aanmerkelijk belang*) in New NV within the meaning of chapter 4 of the Dutch Income Tax Act 2001 (*Wet inkomstenbelasting 2001*). Generally, a substantial interest in New NV arises if the New NV Shareholder or New NV ADS Holder, alone or—in case of an individual—together with his partner, owns or holds certain rights to shares, including rights to directly or indirectly acquire shares, representing, directly or indirectly, 5 per cent. or more of the issued capital of New NV or of the issued capital of any class of New NV Ordinary Shares or New NV ADSs;
- that is an entity which under the Dutch Corporate Income Tax Act 1969 (*Wet op de vennootschapsbelasting 1969*) (the “CITA”), is not subject to Dutch corporate income tax or is in full or in part exempt from Dutch corporate income tax (such as a qualifying pension fund);
- that is an investment institution (*beleggingsinstelling*) as described in Section 6a or 28 CITA; or
- that is required to apply the participation exemption (*deelnemingsvrijstelling*) with respect to the New NV Ordinary Shares or New NV ADSs (as defined in section 13 CITA). Generally, a New NV Shareholder or New NV ADS Holder is required to apply the participation exemption if it is subject to Dutch corporate income tax and it, or a related entity, holds an interest of 5 per cent. or more of the nominal paid-up share capital in New NV.

## **1 The UK Scheme**

### *Corporate Income Tax and Individual Income Tax*

For Dutch corporate income tax and individual income tax purposes, the exchange of the PLC Shares and PLC ADSs for New NV Ordinary Shares or New NV ADSs under the UK Scheme will be considered as a disposal of the PLC Shares and PLC ADSs, as the case may be, followed by an acquisition of the relevant New NV Ordinary Shares or New NV ADSs.

To the extent that a PLC Shareholder or PLC ADS Holder is subject to Dutch corporate income tax or Dutch individual income tax as a result of a gain realised upon this deemed disposal, such person may elect for non-recognition of that gain for Dutch tax purposes by applying for a roll-over of the tax book value of these PLC Shares and PLC ADSs, as applicable, into the tax book value of the relevant New NV Ordinary Shares or New NV ADSs acquired in the UK Scheme if certain conditions are met.

The above tax neutral treatment of the UK Scheme including the fulfilment of all conditions has been confirmed in a tax ruling from the Dutch Tax Authorities stating that the PLC Shareholders and the PLC ADS Holders benefit from tax neutrality through the application of applicable Dutch tax laws.

The exchange of the PLC Shares and PLC ADSs for New NV Ordinary Shares or New NV ADSs under the UK Scheme will not be subject to withholding or deduction for any taxes of whatsoever nature imposed, levied, withheld or assessed by the Netherlands or any political subdivision or taxing authority thereof or therein.

## 2 Withholding Tax

Please see Section A of this Part V for further information on DWT.

### *When receiving or opting for an ordinary distribution subject to DWT*

If a New NV Shareholder or New NV ADS Holder is resident or deemed to be resident in the Netherlands, such New NV Shareholder or New NV ADS Holder receiving or opting for an ordinary distribution subject to DWT may be entitled to an exemption from or a credit for any DWT against his Dutch tax liability and may be entitled to a refund of any residual DWT.

Depending on his specific circumstances, a New NV Shareholder or New NV ADS Holder resident in a country other than the Netherlands may be entitled to exemptions from, reduction of, or full or partial refund of, DWT under Dutch law, European Union (“EU”) law or treaties for the avoidance of double taxation.

A New NV Shareholder or New NV ADS Holder that is resident (i) in an EU member state, or (ii) in a state that is a party to the Agreement on the European Economic Area, or (iii) in a designated third state with which the Netherlands has agreed to an arrangement for the exchange of information on tax matters, is entitled to a full or partial refund of DWT incurred in respect of the New NV Ordinary Shares or New NV ADSs if the final tax burden in respect of the dividends distributed by New NV of a comparable Dutch resident shareholder is lower than the withholding tax incurred by the non-Dutch resident New NV Shareholder or New NV ADS Holder. The refund is granted upon request and is subject to conditions and limitations. No entitlement to a refund exists if the disadvantage for the non-Dutch resident New NV Shareholder or New NV ADS Holder is entirely compensated in his state of residence under the provisions of a treaty for the avoidance of double taxation concluded between this state of residence and the Netherlands.

According to Dutch domestic anti-dividend stripping rules, no credit against Dutch tax, exemption from, reduction of, or refund of DWT will be granted if the recipient of the dividends paid by New NV is not considered to be the beneficial owner (*uiteindelijk gerechtigde*) of those dividends.

The 1965 Dividend Withholding Tax Act (*Wet op de dividendbelasting 1965*) provides for a non-exhaustive negative description of a beneficial owner. According to the 1965 Dividend Withholding Tax Act, a New NV Shareholder or New NV ADS Holder will not be considered the beneficial owner of the dividends for this purpose if as a consequence of a combination of transactions:

- a person other than the New NV Shareholder or New NV ADS Holder wholly or partly, directly or indirectly, benefits from the dividends;
- whereby this other person retains or acquires, directly or indirectly, an interest similar to that in the New NV Ordinary Shares or New NV ADSs on which the dividends were paid; and
- that other person is entitled to a credit, reduction or refund of DWT that is less than that of the New NV Shareholder or New NV ADS Holder.

## 3 Taxes on Income and Capital Gains

### *Residents of the Netherlands*

The description of certain Dutch tax consequences in this section is only intended for the following New NV Shareholders or New NV ADS Holders:

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

### *Dutch Individuals engaged or deemed to be engaged in an enterprise or in miscellaneous activities*

Dutch Individuals engaged or deemed to be engaged in an enterprise or in miscellaneous activities (*resultaat uit overige werkzaamheden*) are generally subject to income tax at statutory progressive rates with a maximum of

51.95 per cent. with respect to any benefits derived or deemed to be derived from the New NV Ordinary Shares or New NV ADSs, including any capital gains realised on their disposal, that are attributable to:

- an enterprise from which a Dutch Individual derives profit, whether as an entrepreneur (*ondernemer*) or pursuant to a co-entitlement (*medegerechtigde*) to the net worth of this enterprise other than as an entrepreneur or a shareholder; or
- miscellaneous activities, including, without limitation, activities which are beyond the scope of active portfolio investment activities (*meer dan normaal vermogensbeheer*).

#### *Dutch Individuals not engaged or deemed to be engaged in an enterprise or in miscellaneous activities*

The New NV Ordinary Shares or New NV ADSs held by a Dutch Individual who is not engaged or deemed to be engaged in an enterprise or in miscellaneous activities, or who is so engaged or deemed to be engaged but the New NV Ordinary Shares or New NV ADSs are not attributable to that enterprise or miscellaneous activities will be subject annually to an income tax imposed on a fictitious yield on the New NV Ordinary Shares or New NV ADSs. The New NV Ordinary Shares or New NV ADSs held by this Dutch Individual will be taxed under the regime for savings and investments (*inkomen uit sparen en beleggen*). Irrespective of the actual income or capital gains realised, the annual taxable benefit of the assets and liabilities of a Dutch Individual that are taxed under this regime, including the New NV Ordinary Shares or New NV ADSs, is set at a percentage of the positive balance of the fair market value of these assets, including the New NV Ordinary Shares or New NV ADSs, and the fair market value of these liabilities. The percentage for 2018 increases:

- from 2.02 per cent. of this positive balance up to €70,800;
- to 4.33 per cent. of this positive balance of €70,800 up to €978,000; and
- to a maximum of 5.38 per cent. of this positive balance of €978,000 or higher.

No taxation occurs if this positive balance does not exceed a certain threshold (*heffingsvrij vermogen*) (€30,000 for 2018). The fair market value of assets, including the New NV Ordinary Shares or New NV ADSs, and liabilities that are taxed under this regime is measured exclusively on 1 January of every calendar year. The tax rate under the regime for savings and investments is a flat rate of 30 per cent.

#### *Dutch Corporate Entities*

Dutch Corporate Entities are subject to corporate income tax at statutory rates up to 25 per cent. with respect to any benefits derived or deemed to be derived from the New NV Ordinary Shares or New NV ADSs, including any capital gains realised on their disposal.

#### *Non-residents of the Netherlands*

The description of certain Dutch tax consequences in this section is only intended for the following New NV Shareholders or New NV ADS Holders:

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

#### *Non-Dutch Individuals*

A Non-Dutch Individual will not be subject to any Dutch taxes on income or capital gains in respect of the purchase, ownership and disposal or transfer of the New NV Ordinary Shares or New NV ADSs, other than withholding tax as described above, unless:

- the Non-Dutch Individual derives profits from an enterprise, whether as entrepreneur or pursuant to a co-entitlement to the net worth of this enterprise other than as an entrepreneur or a shareholder, which enterprise is, in whole or in part, carried on through a permanent establishment (*vaste inrichting*) or a permanent representative (*vaste vertegenwoordiger*) in the Netherlands, to which the New NV Ordinary Shares or New NV ADSs are attributable;
- the Non-Dutch Individual derives benefits from miscellaneous activities carried on in the Netherlands in respect of the New NV Ordinary Shares or New NV ADSs, including (without limitation) activities which are beyond the scope of active portfolio investment activities; or

- the Non-Dutch Individual is entitled to a share in the profits of an enterprise, other than by way of securities, which enterprise is effectively managed in the Netherlands and to which enterprise the New NV Ordinary Shares or New NV ADSs are attributable.

#### *Non-Dutch Corporate Entities*

A Non-Dutch Corporate Entity will not be subject to any Dutch taxes on income or capital gains in respect of the purchase, ownership and disposal or transfer of the New NV Ordinary Shares or New NV ADSs, other than withholding tax as described above, unless:

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

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

#### **4 Dutch Gift Tax or Inheritance Tax**

No Dutch gift tax or inheritance tax is due in respect of any gift of the New NV Ordinary Shares or New NV ADSs by, or inheritance of the New NV Ordinary Shares or New NV ADSs on the death of, a New NV Shareholder or New NV ADS Holder, unless:

- at the time of the gift or death of the New NV Shareholder or New NV ADS Holder, the New NV Shareholder or New NV ADS Holder is resident, or is deemed to be resident, in the Netherlands;
- the New NV Shareholder or New NV ADS Holder dies within 180 days after the date of the gift of the New NV Ordinary Shares or New NV ADSs while being, or being deemed to be, resident in the Netherlands at the time of his death but not at the time of the gift; or
- the gift of the New NV Ordinary Shares or New NV ADSs is made under a condition precedent and the New NV Shareholder or New NV ADS Holder is resident, or is deemed to be resident, in the Netherlands at the time the condition is fulfilled.

#### **5 Other Taxes and Duties**

No other Dutch taxes, including taxes of a documentary nature, such as capital tax, stamp or registration tax or duty, are payable by, or on behalf of, the New NV Shareholder or New NV ADS Holder by reason only of the purchase, ownership and disposal of the New NV Ordinary Shares or New NV ADSs.

#### **6 Residency**

A New NV Shareholder or New NV ADS Holder will not become resident, or be deemed to be resident, in the Netherlands by reason only of holding the New NV Ordinary Shares or New NV ADSs.

### **SECTION E: Other Taxation**

PLC Shareholders and PLC ADS Holders who may be subject to taxation in any jurisdiction other than the United Kingdom, the US or the Netherlands should consult with their own professional advisers immediately.

In certain circumstances India imposes tax on non-resident shareholders that realise gains when transferring shares in non-Indian companies, where those companies derive 50 per cent. or more of their value from Indian assets. Persons subject to this tax include a shareholder which, together with its associated enterprises, has held more than 5 per cent. of the voting rights or share capital in such a non-Indian company at any time in the twelve months preceding the transfer. In addition, a secondary withholding obligation may be sought to be imposed on the transferee of such shares (which could include New NV in the case of Simplification), although under the terms of the UK Scheme there is no cash payment from which such withholding could be made.

PLC has taken advice from leading tax counsel in India and, on the basis of that advice and on the basis that the UK Scheme Effective Time occurs prior to the UK Scheme Long Stop Date, PLC does not believe that relevant PLC Shareholders will be subject to such tax liability as a result of Simplification.

**The above is for general information purposes only and is not intended to be, nor should it be considered to be, legal or tax advice to any particular PLC Shareholder. PLC Shareholders who may be subject to Indian taxation should consult their own professional advisers immediately.**

**PART VI**  
**THE SCHEME OF ARRANGEMENT**

**IN THE HIGH COURT OF JUSTICE  
BUSINESS AND PROPERTY COURTS  
OF ENGLAND AND WALES  
COMPANIES COURT (ChD)**

**CR-2018-007259**

**IN THE MATTER OF UNILEVER PLC**

—and—

**IN THE MATTER OF THE COMPANIES ACT 2006**

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SCHEME OF ARRANGEMENT  
*(under Part 26 of the Companies Act 2006)*

BETWEEN

UNILEVER PLC

AND

ITS SCHEME SHAREHOLDERS  
*(as hereinafter defined)*

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**PRELIMINARY**

(A) In this Scheme, unless inconsistent with the subject or context, the following expressions have the following meanings:

“ <b>Act</b> ”	the Companies Act 2006 (as amended)
“ <b>business day</b> ”	a day (excluding Saturdays, Sundays and public holidays) on which banks are generally open for business in the City of London
“ <b>certificated</b> ” or “ <b>in certificated form</b> ”	not in uncertificated form (that is, not in CREST)
“ <b>Company</b> ”	Unilever PLC, incorporated in England and Wales with registered number 00041424
“ <b>Court</b> ”	the High Court of Justice in England and Wales
“ <b>Court Meeting</b> ”	the meeting of the Scheme Shareholders convened by order of the Court pursuant to section 896 of the Act to consider and, if thought fit, approve this Scheme, including any adjournment thereof
“ <b>CREST</b> ”	the system for the paperless settlement of trades in securities and the holding of uncertificated securities operated by Euroclear UK&I in accordance with the Uncertificated Securities Regulations 2001 (as amended)
“ <b>Euroclear UK&amp;I</b> ”	Euroclear UK & Ireland Limited, incorporated in England and Wales with registered number 02878738
“ <b>holder</b> ”	a registered holder and includes a person entitled by transmission
“ <b>members</b> ”	members of the Company on the register of members at any relevant date or time
“ <b>New NV</b> ”	Unilever International Holdings N.V., incorporated in the Netherlands and registered with the Dutch Trade Register of the Chamber of Commerce under number 70363196
“ <b>New NV Ordinary Shares</b> ”	ordinary shares in the capital of New NV, each with a par value of €0.16

<b>“PLC Implementation Date”</b> . . . . .	21 December 2018, or, if the Company so elects prior to 8.15 p.m. on the Scheme Determination Date, such other date between the Scheme Determination Date and 28 December 2018 as the Company may in its sole discretion determine
<b>“Reduction of Capital”</b> . . .	the reduction of capital provided for in Clause 1.1
<b>“Reduction Record Time”</b> . .	8.00 p.m. on the business day immediately prior to the Scheme Determination Date
<b>“Registrar of Companies”</b> . .	the Registrar of Companies in England and Wales
<b>“Scheme”</b> . . . . .	this scheme of arrangement in its present form or with or subject to any modification, addition or condition approved or imposed by the Court and agreed to by the Company and New NV
<b>“Scheme Determination Date”</b> . . . . .	the date on which the determination of the Court is made as to whether or not to sanction this Scheme and confirm the Reduction of Capital
<b>“Scheme Effective Time”</b> . .	the time and date at which this Scheme becomes effective in accordance with Clause 6
<b>“Scheme Record Time”</b> . . .	9.00 p.m. on the PLC Implementation Date
<b>“Scheme Shareholder”</b> . . .	a holder of Scheme Shares at any relevant date or time
<b>“Scheme Shares”</b> . . . . .	(i) the Shares in issue at the date of this Scheme; (ii) any Shares issued after the date of this Scheme and before the Voting Record Time; and (iii) any Shares issued at or after the Voting Record Time and before the Reduction Record Time on terms that the holder thereof shall be bound by this Scheme, or in respect of which the original or any subsequent holders thereof shall have agreed in writing to be bound by this Scheme, and in each case (where the context requires) remaining in issue at the Scheme Record Time
<b>“Shares”</b> . . . . .	ordinary shares of 3 <sup>1</sup> / <sub>9</sub> pence each in the capital of the Company
<b>“Statement of Capital”</b> . . .	the statement of capital scheduled to the order of the Court sanctioning this Scheme and confirming the Reduction of Capital, and approved by the Court
<b>“uncertificated” or “in uncertificated form”</b> . . .	recorded on the relevant register as being held in uncertificated form in CREST and title to which may be transferred by means of CREST
<b>“Voting Record Time”</b> . . .	8.00 p.m. on the day which is two days before the date of the Court Meeting or, if the Court Meeting is adjourned, 8.00 p.m. on the day which is two days before the date of such adjourned meeting

References to Clauses are to clauses of this Scheme, and references to time are to London time.

- (B) The issued share capital of the Company as at the close of business on 31 August 2018 (being the latest practicable date prior to the date of this Scheme) was £37,422,840.74 divided into 1,199,662,738 ordinary shares of 3<sup>1</sup>/<sub>9</sub> pence each, all of which were credited as fully paid and 9,142,093 of which were held in treasury, and 100,000 deferred shares of £1.00 each, all of which were credited as fully paid.
- (C) As at the close of business on 31 August 2018 (being the latest practicable date prior to the date of this Scheme), the Company does not hold any shares in New NV. Prior to the Scheme Record Time, it is expected that 99,998 of the deferred shares of £1.00 each in the capital of the Company will be repurchased and cancelled by the Company and that two of such deferred shares will be transferred to New NV.
- (D) New NV was incorporated on 21 December 2017 under Dutch law as a public limited liability company. The issued share capital of New NV at the date of this Scheme is €45,000 divided into 45,000 ordinary

shares of €1.00 each, all of which are credited as fully paid. Upon this Scheme becoming effective in accordance with Clause 6, the ordinary shares in the capital of New NV currently in issue will be converted into 281,250 ordinary shares of €0.16 each and will be acquired by New NV and cancelled in accordance with Dutch law simultaneously with the issue of New NV Ordinary Shares to Scheme Shareholders pursuant to Clause 3.1.

- (E) New NV has agreed to appear by Counsel at the hearing to sanction this Scheme and to submit to be bound by and to undertake to the Court to be bound by this Scheme and to execute and do or procure to be executed and done all such documents, acts and things as may be necessary or desirable to be executed or done by it for the purpose of giving effect to this Scheme.

## **THE SCHEME**

### **1 Cancellation of the Scheme Shares**

- 1.1** At the Scheme Effective Time, the share capital of the Company shall be reduced by cancelling and extinguishing the Scheme Shares.
- 1.2** Subject to and forthwith upon the Reduction of Capital taking effect and notwithstanding anything to the contrary in the articles of association of the Company, the reserve arising in the books of account of the Company as a result of the Reduction of Capital shall be capitalised and applied in paying up in full at par such number of new Shares as shall be equal to the number of Scheme Shares cancelled pursuant to Clause 1.1, and such new Shares shall be allotted and issued credited as fully paid to New NV and/or its nominee(s).

### **2 Consideration for the cancellation of the Scheme Shares**

- 2.1** In consideration of the cancellation of the Scheme Shares and the allotment and issue of the new Shares as provided in Clause 1, New NV shall issue New NV Ordinary Shares to the Scheme Shareholders (as appearing in the register of members of the Company at the Scheme Record Time) on the following basis:

<b>For each Scheme Share</b>	<b>one New NV Ordinary Share</b>
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- 2.2** The New NV Ordinary Shares issued pursuant to Clause 2.1 shall be issued credited as fully paid, shall rank equally in all respects with all other fully paid New NV Ordinary Shares in issue at the Scheme Effective Time and shall be entitled to all dividends and other distributions declared, paid or made by New NV by reference to a record time at or after the Scheme Effective Time.

### **3 Settlement of consideration**

- 3.1** As soon as practicable after the Scheme Effective Time, New NV shall issue the New NV Ordinary Shares which it is required to issue to Scheme Shareholders pursuant to Clause 2.
- 3.2** The New NV Ordinary Shares shall be issued to Scheme Shareholders in registered form, represented by entries in the register of shareholders maintained by or on behalf of New NV. New NV shall procure that:

- 3.2.1** the relevant Scheme Shareholder is recorded in the register of shareholders maintained by or on behalf of New NV, as the registered holder in respect of such New NV Ordinary Shares; and
- 3.2.2** a statement of entitlement to such New NV Ordinary Shares is issued and despatched to the relevant Scheme Shareholder,

in each case as soon as reasonably practicable and in any event no later than 14 days following the Scheme Effective Time.

- 3.3** All deliveries of statements of entitlement pursuant to this Scheme shall be effected by sending the same from the Netherlands by standard post (or international standard post, if overseas) in prepaid envelopes addressed to the persons entitled thereto at their respective addresses as appearing in the register of members of the Company or, in the case of joint holders, at the address of that one of the joint holders whose name stands first in such register in respect of such joint holding at the Scheme Record Time, and none of the Company, New NV or their respective agents shall be responsible for any loss or delay in the transmission or delivery of any statements of entitlement sent in accordance with this Clause 3.3 which shall be sent at the risk of the persons entitled thereto.
- 3.4** The provisions of this Clause 3 shall be subject to any condition or prohibition imposed by law.

### **4 Share certificates and cancellation of entitlements**

With effect from, or as soon as practicable after, the Scheme Effective Time:

- 4.1** all certificates representing Scheme Shares shall cease to have effect as documents of title to the Scheme Shares comprised therein and every Scheme Shareholder shall be bound at the request of the Company to deliver up their share certificate(s) to the Company (or any person appointed by the Company to receive the same) or to destroy the same;

- 4.2 the Company shall procure that Euroclear UK&I is instructed to cancel the entitlements of Scheme Shareholders to Scheme Shares in uncertificated form and that entitlements to such Scheme Shares are rematerialised; and
- 4.3 the Company shall procure that appropriate entries are made in the register of members of the Company to reflect the cancellation of the Scheme Shares.

## **5 Mandates**

All mandates and other instructions to the Company in force at the Scheme Record Time relating to Scheme Shares shall cease to be valid and effective from the Scheme Effective Time.

## **6 Scheme Effective Time**

- 6.1 This Scheme shall become effective as soon as a copy of the order of the Court sanctioning this Scheme under section 899 of the Act and confirming under section 648 of the Act the Reduction of Capital, together with the Statement of Capital, shall have been delivered to the Registrar of Companies and, if so ordered by the Court, the order of the Court sanctioning this Scheme and confirming the Reduction of Capital and the Statement of Capital shall have been registered by the Registrar of Companies.
- 6.2 Unless this Scheme shall have become effective on or before 30 December 2018, or such later time and date, if any, as the Company and New NV may agree, and the Court may allow, this Scheme shall never become effective.

## **7 Modification**

The Company and New NV may jointly consent on behalf of all concerned to any modification of, or addition to, this Scheme or to any condition which the Court may approve or impose.

Dated 11 September 2018

## PART VII ADDITIONAL INFORMATION

### 1 Responsibility

PLC and the PLC Directors, whose names are set out in paragraph 2 below, accept responsibility for the information contained in this document. To the best of the knowledge and belief of PLC and the PLC Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

### 2 PLC and the PLC Directors

PLC is a public limited company that was incorporated under the laws of England and Wales in 1894 under the name Lever Brothers Limited. PLC's principal place of business is located at 100 Victoria Embankment, London EC4Y 0DY, United Kingdom, its registered office is located at Port Sunlight, Wirral, Merseyside CH62 4ZD, United Kingdom, and its telephone number is +44 (0)20 7822 5252. PLC Shares are currently listed on the premium segment of the UK Official List under the symbol "ULVR" and admitted to trading on the LSE's Main Market. PLC ADSs are currently traded under the symbol "UL" on the NYSE.

The PLC Directors and their respective functions are as follows:

Name	Function
Dr Marijn Dekkers . . . . .	Chairman
Paul Polman . . . . .	Chief Executive Officer
Graeme Pitkethly . . . . .	Chief Financial Officer
Nils Andersen . . . . .	Non-Executive Director
Laura Cha . . . . .	Non-Executive Director
Vittorio Colao . . . . .	Non-Executive Director
Dr Judith Hartmann . . . . .	Non-Executive Director
Andrea Jung . . . . .	Non-Executive Director
Mary Ma . . . . .	Non-Executive Director
Strive Masiyiwa . . . . .	Non-Executive Director
Youngme Moon . . . . .	Non-Executive Director
John Rishton . . . . .	Non-Executive Director
Feike Sijbesma . . . . .	Non-Executive Director

### 3 Unilever Leadership Executive

The senior management of the Unilever Group under New NV is expected to comprise the same members as the current Unilever Leadership Executive. Unilever Leadership Executive members are expected to hold the same positions following the implementation of Simplification as they do in the current Unilever Leadership Executive.

### 4 Interests of Unilever's Directors in Simplification

#### 4.1 Overview

You should be aware that members of the Boards have interests in Simplification that are in addition to, or may be different from, the interests of PLC Shareholders, PLC ADS Holders, NV Shareholders and NV NYRS Holders generally. These interests include service or employment arrangements with New NV or other Unilever Group companies, shareholdings in PLC and NV and the treatment of awards under certain of the Unilever Share Plans that are held by executive members of the Boards. The members of the Boards were aware of and considered these interests, among other matters, in evaluating Simplification. No change of control payments or additional compensation will be payable to the Directors in connection with Simplification. Certain relocation costs and expenses may be reimbursed by Unilever in accordance with the remuneration policy in force at the time of payment.

#### 4.2 Appointment Letters and Service Contracts

Prior to or upon the implementation of Simplification, the Non-Executive Directors are expected to sign letters of appointment with New NV to serve as New NV Non-Executive Directors on the same terms as the letters of appointment into which they entered to serve on the Boards. Except in exceptional circumstances, the New NV Board will not propose New NV Non-Executive Directors for renomination when nine years have elapsed since

the date of their appointment which, in the case of the members of the Board, will not be more than nine years from the date of their original appointment to the Boards of PLC and NV.

The Executive Directors are expected to enter into service contracts with New NV or other Unilever Group companies for the same positions in New NV that they currently hold in the Unilever Group.

The legal relationship between the New NV Directors and New NV does not constitute an employment agreement under Dutch law.

#### 4.3 NV and PLC Security Ownership by Directors

The following table presents, to the knowledge of Unilever, information regarding the total amount of PLC Shares, PLC ADSs, NV Ordinary Shares and NV NYRSs beneficially owned, directly or indirectly, by members of the Boards (and each of their connected persons) as of 31 August 2018:

<u>Directors</u>	<u>Share Type</u>	<u>Amount<sup>(1)</sup></u>
Marijn Dekkers . . . . .	NV NYRS	20,000
Paul Polman . . . . .	NV Ordinary Share	1,117,079 <sup>(2)</sup>
	PLC Share	319,276 <sup>(2)</sup>
Graeme Pitkethly . . . . .	NV Ordinary Share	35,011
	PLC Share	72,993
Nils Andersen . . . . .	NV Ordinary Share	6,014
Laura Cha . . . . .	NV Ordinary Share	2,660
	PLC Share	858
Vittorio Colao . . . . .	NV Ordinary Share	4,600
Judith Hartmann . . . . .	NV Ordinary Share	2,500
Andrea Jung . . . . .	NV NYRS	4,705
Mary Ma . . . . .	PLC Share	860
	NV Ordinary Share	860
Strive Masiyiwa . . . . .	PLC Share	1,130
Youngme Moon . . . . .	NV NYRS	2,000
John Rishton . . . . .	NV Ordinary Share	3,340
	PLC Share	2,000
Feike Sijbesma . . . . .	NV Ordinary Share	10,000

Notes:

- (1) None of the Directors' shareholdings amounted to more than 1 per cent. of the issued shares in that class of share, excluding the holdings of the Leverhulme Trust and the Leverhulme Trade Charities Trust, which together amounted to 5.9 per cent. of the PLC Shares (including PLC Shares represented by PLC ADSs) entitled to vote at the PLC Extraordinary General Meeting and the PLC Court Meeting as at 31 August 2018. See paragraph 5 of this Part VII for more information on the holdings of the Leverhulme Trust and the Leverhulme Trade Charities Trust. The respective shareholdings in this table as of 31 August 2018 do not reflect any incremental increases resulting from participation in the dividend reinvestment program for the quarterly interim dividend paid by PLC and NV on 5 September 2018.
- (2) 68,531,182 PLC Shares are held by the Leverhulme Trust and 2,035,582 PLC Shares are held by the Leverhulme Trade Charities Trust, of which Paul Polman is a director.

#### 4.4 Outstanding NV and PLC Share Incentive Awards and Unilever Share Plans

##### *Executive Directors*

As of 31 August 2018, Paul Polman held awards over a total of 208,271 NV Ordinary Shares and 91,856 PLC Shares that are subject to performance conditions and Graeme Pitkethly held awards over a total of 65,983 NV Ordinary Shares and 65,983 PLC Shares that are subject to performance conditions. There are no awards of shares without performance conditions and no awards in the form of options. The anticipated impact of Simplification on Unilever Share Plan awards is set out in paragraph 19 of Part II of this document.

##### (i) MCIP / Unilever Share Plan 2017

The following conditional share awards were outstanding under the MCIP / Unilever Share Plan 2017 as of 31 August 2018:

	<u>Share Type</u>	<u>Number of Shares</u>
Paul Polman . . . . .	NV Ordinary Share	116,415
Graeme Pitkethly . . . . .	NV Ordinary Share	22,743
	PLC Share	22,743

(ii) GSIP

The following conditional share awards were outstanding under the GSIP as of 31 August 2018:

	Share Type	Number of Shares
Paul Polman . . . . .	NV Ordinary Share	91,856
	PLC Share	91,856
Graeme Pitkethly . . . . .	NV Ordinary Share	43,240
	PLC Share	43,240

#### 4.5 New NV Security Ownership by New NV Directors

None of the members of the Boards held any New NV Ordinary Shares as of 31 August 2018.

The following table presents, to the knowledge of Unilever and based on information as of 31 August 2018, information regarding the total amount of New NV Ordinary Shares expected to be beneficially owned, directly or indirectly, by members of the New NV Board (and each of their connected persons) immediately following the implementation of Simplification:

Directors	Amount <sup>(1)</sup>
Marijn Dekkers . . . . .	20,000
Paul Polman . . . . .	1,436,355 <sup>(2)</sup>
Graeme Pitkethly . . . . .	108,004
Nils Andersen . . . . .	6,014
Laura Cha . . . . .	3,518
Vittorio Colao . . . . .	4,600
Judith Hartmann . . . . .	2,500
Andrea Jung . . . . .	4,705
Mary Ma . . . . .	1,720
Strive Masiyiwa . . . . .	1,130
Youngme Moon . . . . .	2,000
John Rishton . . . . .	5,340
Feike Sijbesma . . . . .	10,000

Notes:

- (1) It is expected that none of the Directors' shareholdings will amount to more than 1 per cent. of the issued share capital of New NV immediately following the implementation of Simplification, excluding the holdings of the Leverhulme Trust and the Leverhulme Trade Charities Trust, which are expected to amount to 2.7 per cent. immediately following the implementation of Simplification. See paragraph 5 of this Part VII for more information on the holdings of the Leverhulme Trust and the Leverhulme Trade Charities Trust. The respective shareholdings in this table as of 31 August 2018 do not reflect any incremental increases resulting from participation in the dividend reinvestment program for the quarterly interim dividend paid by PLC and NV on 5 September 2018.
- (2) It is expected that 68,531,182 New NV Ordinary Shares will be held by the Leverhulme Trust and 2,035,582 New NV Ordinary Shares will be held by the Leverhulme Trade Charities Trust, of which Paul Polman is a director.

## 5 Existing Major Shareholders of PLC and New NV

### 5.1 Existing Major Shareholders in PLC

PLC Shareholders can cast one vote for each PLC Share they hold, and can vote in person or by proxy. This means that PLC Shareholders can cast one vote for each PLC Share. Therefore, the total number of voting rights attached to outstanding PLC Shares as of 31 August 2018 was as follows:

	Total Number of Votes	% of Issued Share Capital
PLC Shares . . . . .	1,199,662,738 <sup>(1)</sup>	99.73
£100,000 of PLC Deferred Shares . . . . .	3,214,285	0.27

Note:

- (1) Of which 9,142,093 PLC Shares were held by PLC in treasury and 5,938,580 PLC Shares were held by NV group companies. Neither these shares nor the PLC Deferred Shares are voted on at a general meeting of PLC.

The table below presents, to the knowledge of PLC on the basis of notifications received under the rules and regulations made by the FCA in its capacity as the UK Listing Authority under FSMA, and contained in the

UK Disclosure Guidance and Transparency Rules, and other notifications received from shareholders by PLC, information regarding the total amount of PLC Shares directly or indirectly owned by PLC's major shareholders (other than PLC Shares held in treasury), including, in accordance with UK Disclosure Guidance and Transparency Rules, each shareholder that is known to PLC to have voting rights of 3 per cent. or more as of 31 August 2018 (apart from PLC Shares held in treasury):

<u>Shareholder</u>	<u>Class of Shares</u>	<u>Total Number of Shares Held<sup>(1)</sup></u>	<u>% of Relevant Class</u>	<u>% of Total Voting Rights</u>
BlackRock, Inc. . . . .	PLC Shares	84,013,193	7.0	7.1
The Leverhulme Trust and the Leverhulme Trade Charities Trust . . . . .	PLC Shares	70,566,764 <sup>(2)</sup>	5.9	5.9

Notes:

- (1) The respective shareholdings in this table as of 31 August 2018 do not reflect any incremental increases resulting from participation in the dividend reinvestment program for the quarterly interim dividend paid by PLC and NV on 5 September 2018.
- (2) As of 31 August 2018, the Leverhulme Trust beneficially owned 68,531,182 PLC Shares and the Leverhulme Trade Charities Trust beneficially owned 2,035,582 PLC Shares. The group constituted by the Leverhulme Trust and the Leverhulme Trade Charities Trust beneficially owns 70,566,764 PLC Shares, which represented 5.9 per cent. of PLC's outstanding share capital exclusive of shares held on behalf of PLC as of 31 August 2018.

As of 31 August 2018, there were 867 registered holders of PLC ADSs in the United States. PLC estimates that approximately 11 per cent. of PLC Shares (including PLC Shares represented by PLC ADSs) were held in the United States.

Except as set out in the PLC Annual Report for the financial year ended 31 December 2017, to the knowledge of management, none of the above shareholders hold voting rights which are different from those held by PLC's other shareholders and there are no shareholdings that carry special rights relating to control of PLC.

## 5.2 Holdings in New NV immediately upon Simplification

As far as PLC is aware, on the basis of information on 31 August 2018 from (i) the AFM register on substantial holdings (in relation to shareholdings in NV) and (ii) notifications received by PLC under the UK Disclosure Guidance and Transparency Rules and other notifications received from shareholders (in relation to shareholdings in PLC), the following persons are expected to hold, directly or indirectly, 3 per cent. or more of New NV's share capital and/or voting rights immediately upon Simplification having been implemented:

<u>Shareholder</u>	<u>Total Number of New NV Ordinary Shares Held<sup>(1)</sup></u>	<u>Percentage</u>
BlackRock, Inc. . . . .	150,960,211	5.7

Note:

- (1) The shareholdings in this table as of 31 August 2018 do not reflect any incremental increases resulting from participation in the dividend reinvestment program for the quarterly interim dividend paid by PLC and NV on 5 September 2018.

All New NV Ordinary Shares will have the same voting rights. None of the above shareholders will hold voting rights which are different from those held by New NV's other shareholders and there will not be any shareholdings that carry special rights relating to control of New NV.

New NV is not expected to be directly or indirectly owned or controlled by another corporation or by any government. New NV does not know of any arrangement that may, at a subsequent date, result in a change of control.

## 6 Treasury Shares

As part of Simplification, PLC Treasury Shares will be cancelled to rationalise the share capital structure of PLC. Subject to the UK High Court sanctioning the UK Scheme, PLC Treasury Shares will be cancelled after the UK Scheme Court Hearing concludes but before the UK Scheme Record Time.

PLC Shares held by NV to satisfy obligations under share-based incentive schemes will be subject to the UK Scheme, resulting in the issue of New NV Ordinary Shares to NV at the UK Scheme Effective Time. Pursuant to the Dutch Merger, New Sub will acquire all of the assets and liabilities and legal relationships of NV under universal succession of title and NV will cease to exist. Such New NV Ordinary Shares will subsequently be held by New Sub as if in treasury.

All NV Ordinary Shares and NV NYRSs held in treasury by NV at the Dutch Merger Effective Time will be cancelled and cease to exist by operation of law.

The NV Ordinary Shares and NV NYRSs held by NV to satisfy obligations under share-based incentive schemes will be transferred to a Unilever Group company prior to the Dutch Merger Effective Time and exchanged for New NV Ordinary Shares upon the Dutch Merger by operation of law. Such New NV Ordinary Shares will subsequently be held as if in treasury.

Elma and United Holdings Limited together hold all of the NV Special Shares. The NV Special Shares will be exchanged for New NV Ordinary Shares upon the Dutch Merger by operation of law.

## 7 Checklist of information incorporated by reference

Where the information described below itself incorporates information by reference to another document (“further information”), the further information is not intended to form part of this document for any purpose.

Information incorporated by reference	Document reference
Audited consolidated accounts for the last two years . . . . .	<p><a href="https://www.unilever.com/Images/unilever-annual-report-and-accounts-2017_tcm244-516456_en.pdf">https://www.unilever.com/Images/unilever-annual-report-and-accounts-2017_tcm244-516456_en.pdf</a></p> <p>The audited consolidated accounts of Unilever Group for the financial year ended 31 December 2017 are set out on pages 86 to 155 (both inclusive) in Unilever Group’s annual report for the financial year ended 31 December 2017 available from Unilever Group’s website (at the link referred to above).</p> <p><a href="https://www.unilever.com/Images/unilever-annual-report-and-accounts-2016_tcm244-498880_en.pdf">https://www.unilever.com/Images/unilever-annual-report-and-accounts-2016_tcm244-498880_en.pdf</a></p> <p>The audited consolidated accounts of Unilever Group for the financial year ended 31 December 2016 are set out on pages 84 to 154 (both inclusive) in Unilever Group’s annual report for the financial year ended 31 December 2016 available from Unilever Group’s website (at the link referred to above).</p>

The above documents have been made public and are available on Unilever’s website at [www.unilever.com](http://www.unilever.com).

## 8 Consents

UBS has given and not withdrawn its written consent to the issue of this document with the inclusion of the references to its name in the form and context in which it appears.

## 9 Documents available for inspection

Copies of the following documents are available for inspection during normal business hours on any weekday (Saturdays, Sundays and public holidays excepted) at PLC’s head office at Unilever House, 100 Victoria Embankment, London EC4Y 0DY, United Kingdom and at PLC’s registered office at Port Sunlight, Wirral, Merseyside CH62 4ZD, United Kingdom, from the date of this document up to and including the date of the UK Scheme Effective Time:

- (i) this document (including any documents incorporated by reference herein) and the PLC Forms of Proxy;
- (ii) the PLC Articles;
- (iii) the Deferred Share Repurchase Agreement; and
- (iv) a draft copy of the PLC Articles as proposed to be amended at the PLC Extraordinary General Meeting.

## PART VIII DEFINITIONS

In this document (with the exception of Part VI of this document) and the PLC Forms of Proxy, the following words and expressions have the following meanings, unless the context requires otherwise:

### **ADS Dividend**

**Reinvestment Plan** . . . . . the dividend reinvestment plan offered by the PLC ADS Depositary that allows PLC ADS Holders to reinvest their cash dividends into additional PLC ADSs on or around the relevant dividend payment date.

### **ADS UK Scheme Effective**

**Time** . . . . . the time at which New NV ADSs are admitted to, and dealings will commence on, the NYSE which is expected to be at 8.00 a.m. (New York time) on 24 December 2018.

**AFM** . . . . . the Dutch Authority for the Financial Markets (*Stichting Autoriteit Financiële Markten*).

### **Agreement for Mutual**

**Guarantees of Borrowing** an agreement dated 9 June 1983 between PLC and NV.

**Authority** . . . . . any Tax Authority or Regulatory Authority or any other relevant government or governmental, quasi-governmental, supranational, statutory, regulatory, environmental or investigative body, court, trade agency, association, institution, any entity owned or controlled by any relevant government or state, or any other body or person whatsoever in any relevant jurisdiction (in each case) whose consent, or with whom a submission, filing or notification, is necessary in order to satisfy the conditions to Simplification.

**Boards** . . . . . the PLC Board and the NV Board.

**Business Day** . . . . . a day (excluding Saturdays, Sundays and public holidays) on which banks are generally open for business in Amsterdam, London and New York.

### **certificated or in**

**certificated form** . . . . . in relation to a share or other security, not in uncertificated form (that is, not in CREST).

**Clearances** . . . . . all consents, clearances, confirmations, permissions and waivers that are required to be obtained, all filings that are required to be made and all waiting periods that may need to have expired, from or under the laws, regulations or practices applied by any Authority in connection with the implementation of Simplification.

**Computershare** . . . . . Computershare Investor Services PLC, incorporated and registered in England and Wales with registered number 03498808 and its registered office address at The Pavilions, Bridgwater Road, Bristol BS13 8AE.

**connected person** . . . . . has the meaning set out in section 252 of the UK Companies Act, and “persons connected” should be interpreted in the same way.

**CREST** . . . . . the system for the paperless settlement of trades in securities and the holding of uncertificated securities operated by Euroclear UK&I in accordance with the CREST Regulations.

**CREST Manual** . . . . . the manual describing the CREST system (as amended), produced and supplied by Euroclear UK&I to users and participants thereof.

### **CREST Proxy**

**Instruction** . . . . . the instruction whereby CREST members send a CREST message appointing a proxy for the PLC Extraordinary General Meeting and instructing the proxy on how to vote.

**CREST Regulations** . . . . . the Uncertificated Securities Regulations 2001 (SI 2001 No. 3755) (as amended).

<b>CSN Nominee</b> . . . . .	a Computershare group company, initially Computershare Company Nominees Limited, nominated by Computershare to provide the Unilever CSN Facility subject to, and on the terms of, the Unilever CSN Facility Terms and Conditions.
<b>DCC</b> . . . . .	the Dutch Civil Code ( <i>Burgerlijk Wetboek</i> ).
<b>Decree on Public Offers</b> . .	the Dutch Decree on Public Offers ( <i>Besluit openbare biedingen</i> ).
<b>Deed of Mutual Covenants</b>	an agreement dated 28 June 1946 between PLC and NV, as amended pursuant to a supplemental agreement dated 15 May 2006.
<b>Deferred Share Repurchase Agreement</b> . . . . .	the proposed agreement between PLC, Elma and United Holdings Limited for the repurchase by PLC of the 50,000 PLC Deferred Shares from Elma and the 49,998 PLC Deferred Shares from United Holdings Limited.
<b>DFSA</b> . . . . .	the Dutch Financial Supervision Act ( <i>Wet op het financieel toezicht</i> ).
<b>DI</b> . . . . .	a transferable depositary interest issued through CREST.
<b>DI Custodian</b> . . . . .	the one or more persons appointed to act for the DI Issuer as custodian in respect of the New NV DIs, being initially Citibank, N.A.
<b>DI Deed</b> . . . . .	the deed poll made by the DI Issuer, constituting New NV DIs, as described in Part IV of this document.
<b>DI Issuer</b> . . . . .	Computershare Investor Services PLC, incorporated and registered in England and Wales with registered number 03498808 and its registered office address at The Pavilions, Bridgwater Road, Bristol BS13 8AE.
<b>Dividend Reinvestment Plan</b> . . . . .	the dividend reinvestment plan offered by Computershare that allows PLC Shareholders to reinvest their cash dividends into additional PLC Shares on or around the relevant dividend payment date.
<b>DRS</b> . . . . .	the Direct Registration System, a system administered by DTC pursuant to which ownership of uncertificated American depositary shares may be registered.
<b>DTC</b> . . . . .	the Depository Trust Company, a New York limited purpose trust company having its principal place of business in the State of New York.
<b>Dutch Merger</b> . . . . .	the triangular legal merger between NV, New NV and New Sub.
<b>Dutch Merger Closing Date</b>	22 December 2018, being the date on which the Dutch notarial deed relating to the Dutch Merger is expected to be executed before a Dutch civil law notary by NV, New NV and New Sub.
<b>Dutch Merger Effective Time</b> . . . . .	00.00 a.m. (Amsterdam time) on the first day in the Netherlands after the Dutch Merger Closing Date, being 11.00 p.m. (London time) and 6.00 p.m. (New York time) on the Dutch Merger Closing Date.
<b>Dutch Merger Exchange Ratio</b> . . . . .	the exchange ratio set out in the Dutch Merger Proposal.
<b>Dutch Merger Proposal</b> . .	the Dutch merger proposal dated 11 September 2018 made by the NV Board, the New NV Board and the New Sub Board.
<b>Dutch Offer Rules</b> . . . . .	the rules in relation to public offers, as regulated by Part 5 of DFSA and the Decree on Public Offers.
<b>Dutch Securities Giro Transfer Act</b> . . . . .	Wet Giraal Effectenverkeer.
<b>DWT</b> . . . . .	Dutch dividend withholding tax.
<b>Elma</b> . . . . .	Naamloze Vennootschap Elma.

<b>Equalisation Agreement</b> . . .	an agreement dated 28 June 1946 between PLC and NV, as amended pursuant to supplemental agreements dated 20 July 1981, 21 December 1981, 15 May 2006 and 20 May 2009 respectively.
<b>EU Prospectus</b> . . . . .	the prospectus published by New NV for the purposes of the European Admissions and as approved by the AFM.
<b>Euroclear Nederland</b> . . . .	Nederlands Centraal Instituut voor Giraal Effectenverkeer B.V.
<b>Euroclear UK&amp;I</b> . . . . .	Euroclear UK & Ireland Limited, incorporated and registered in England and Wales with registered number 2878738 and its registered office address at 33 Cannon Street, London, EC4M 5SB.
<b>Euronext Admission</b> . . . .	the admission of the New NV Ordinary Shares to be issued and allotted pursuant to Simplification to listing and trading on Euronext in Amsterdam, under the symbol “UNA”.
<b>Euronext Amsterdam</b> . . . .	Euronext Amsterdam N.V.
<b>Euronext in Amsterdam</b> . .	the regulated market operated by Euronext Amsterdam.
<b>European Admissions</b> . . .	the Euronext Admission and the UK Admission.
<b>European Prospectus Rules</b>	(i) Directive 2003/71/EC of the European Parliament and the Council and the amendments thereto (including those resulting from the Prospectus Directive as implemented in the relevant Member State of the European Union; and (ii) European Commission Regulation (EC) No 809/2004 of 29 April 2004, as amended.
<b>Exchange Act</b> . . . . .	US Securities Exchange Act of 1934.
<b>Excluded Shareholders</b> . . .	PLC Shareholders whose address as set out on the UK Register is in any of the Excluded Territories and those PLC Shareholders opting out of the Mandatory PLC Share Transfers.
<b>Excluded Territories</b> . . . .	any territory other than: Argentina, Austria, Belgium, Botswana, Brazil, Bulgaria, Chile, Croatia, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Gibraltar, Greece, Guernsey, Guinea, Hong Kong, Hungary, Iceland, Indonesia, Ireland, Isle of Man, Italy, Jersey, Latvia, Liechtenstein, Lithuania, Luxembourg, Malta, Mexico, Namibia, the Netherlands, Norway, Paraguay, Peru, Poland, Portugal, Romania, Slovakia, Slovenia, South Africa, South Korea, Spain, Sweden, Switzerland, Taiwan and the United Kingdom.
<b>Executive Directors</b> . . . . .	the Chief Executive Officer and Chief Financial Officer of PLC and NV.
<b>Exemption Decree</b> . . . . .	the Dutch Exemption Decree on Public Offers ( <i>Vrijstellingsbesluit overnamebiedingen Wft</i> ).
<b>Exemption Regulation</b> . . .	the Dutch Exemption Regulation of the DFSA ( <i>Vrijstellingsregeling Wft</i> ).
<b>Explanatory Statement</b> . . .	the explanatory statement relating to the UK Scheme as set out in Part II of this document.
<b>FCA</b> . . . . .	the UK Financial Conduct Authority or its successor from time to time.
<b>Former PLC ADS Holders</b>	PLC ADS Holders immediately prior to the Mandatory PLC Share Transfers.
<b>Former PLC Certificated Shareholders</b> . . . . .	PLC Certificated Shareholders immediately prior to the Mandatory PLC Share Transfers.
<b>Former PLC CREST Shareholders</b> .	PLC CREST Shareholders immediately prior to the Mandatory PLC Share Transfers.
<b>Former PLC Shareholders</b>	Former PLC Certificated Shareholders and Former PLC CREST Shareholders, together.
<b>Foundation Agreements</b> . .	the Equalisation Agreement, the Deed of Mutual Covenants and the Agreement for Mutual Guarantees of Borrowing.

<b>FSMA</b> . . . . .	the Financial Services and Markets Act 2000 (as amended).
<b>GSIP</b> . . . . .	the Global Share Incentive Plan 2007.
<b>HMRC</b> . . . . .	HM Revenue & Customs.
<b>Holder/holder</b> . . . . .	a registered holder of shares, including any person entitled by transmission.
<b>Indirect NV NYRS Holders</b>	NV NYRS Holders who hold their NV NYRSs in book-entry form through a bank, broker or other DTC participant.
<b>Indirect PLC ADS Holders</b>	PLC ADS Holders who hold their PLC ADSs indirectly through a bank, broker, other financial institution or DTC participant.
<b>INR</b> . . . . .	the Indian Rupee; the official currency of the Republic of India.
<b>LSE</b> . . . . .	London Stock Exchange plc, incorporated and registered in England and Wales, with registered number 2075721 and its registered office address at 10 Paternoster Square, London EC4M 7LS.
<b>LSE's Main Market</b> . . . .	the LSE's main market for listed securities.
<b>Mandatory PLC Share Transfers</b> . . . . .	the mandatory transfers of PLC Shares referred to in paragraph 7.3 of Part II of this document.
<b>Mandatory Transfer Nominee</b> . . . . .	Computershare Services Nominees Limited, incorporated and registered in Scotland with registered number SC167176 and its registered office address at Leven House, 10 Lochside Place, Edinburgh EH12 9RG.
<b>Mandatory Transfer Nominee Deed</b> . . . . .	the nominee deed to be executed by the Mandatory Transfer Nominee in relation to the Mandatory PLC Share Transfers.
<b>MCIP</b> . . . . .	the Management Co-Investment Plan.
<b>Members</b> . . . . .	unless the context otherwise requires, members of PLC, as the case may be, on the relevant register of members at any relevant date.
<b>New NV</b> . . . . .	Unilever International Holdings N.V., a public limited liability company incorporated under the laws of the Netherlands by the Unilever Group for the purpose of effecting Simplification, which will be renamed Unilever N.V. at the Dutch Merger Effective Time.
<b>New NV ADS Depositary</b> .	Deutsche Bank Trust Company Americas in its capacity as depositary under the New NV Deposit Agreement.
<b>New NV ADS Holders</b> . . .	a holder of New NV ADSs.
<b>New NV ADSs</b> . . . . .	American depositary shares of New NV each representing one New NV Ordinary Share.
<b>New NV Articles</b> . . . . .	the articles of association of New NV.
<b>New NV Board or New NV Directors</b> . . . . .	the board of directors of New NV and "New NV Director" means any member of the New NV Board.
<b>New NV Deposit Agreement</b> . . . . .	the deposit agreement, to be entered into among New NV, Deutsche Bank Trust Company Americas, as depositary, and the holders and beneficial owners of New NV ADSs issued thereunder.
<b>New NV ADS Dividend Reinvestment Plan</b> . . . .	the dividend reinvestment plan to be offered by the New NV ADS Depositary that will allow New NV ADS Holders to reinvest their cash dividends into additional New NV ADSs on or around the relevant dividend payment date.

<b>New NV Dividend</b>	
<b>Reinvestment Plan . . . .</b>	the dividend reinvestment plan to be offered by Computershare that will allow New NV Shareholders to reinvest their cash dividends into additional New NV Ordinary Shares or interests therein on or around the relevant dividend payment date.
<b>New NV Dividend</b>	
<b>Reinvestment Plan</b>	
<b>Terms and Conditions .</b>	the terms and conditions of the New NV Dividend Reinvestment Plan as set out in full at Appendix II of this document.
<b>New NV DI . . . . .</b>	a transferable depository interest in New NV Ordinary Shares issued through CREST by the DI Issuer.
<b>New NV Executive</b>	
<b>Directors . . . . .</b>	the Chief Executive Officer and Chief Financial Officer of New NV.
<b>New NV Non-Executive</b>	
<b>Directors . . . . .</b>	any non-executive member of the New NV Board.
<b>New NV Ordinary Shares</b>	the ordinary shares in the capital of New NV, each with a par value of €0.16.
<b>New NV Participation</b>	
<b>Interests . . . . .</b>	Euroclear Nederland participation interests, each representing one New NV Ordinary Share.
<b>New NV Shareholders . . .</b>	holders of New NV Ordinary Shares.
<b>New Sub . . . . .</b>	Unilever International Holding B.V., a private limited liability company incorporated under the laws of the Netherlands by New NV for the purpose of effecting the Dutch Merger.
<b>New Sub Board . . . . .</b>	the board of directors of New Sub.
<b>Non-Executive Directors . .</b>	the non-executive members of the Boards.
<b>Notice of PLC Court</b>	
<b>Meeting . . . . .</b>	the notice of the PLC Court Meeting set out in Part IX of this document.
<b>Notice of PLC</b>	
<b>Extraordinary General</b>	
<b>Meeting . . . . .</b>	the notice of the PLC Extraordinary General Meeting set out in Part X of this document.
<b>Notices of the PLC</b>	
<b>Meetings . . . . .</b>	the Notice of PLC Court Meeting and the Notice of PLC Extraordinary General Meeting.
<b>NV . . . . .</b>	Unilever N.V., a public limited liability company incorporated under the laws of the Netherlands.
<b>NV Articles . . . . .</b>	the articles of association of NV.
<b>NV Bearer Subshares . . .</b>	subshares of NV Ordinary Shares, each amounting to $\frac{3}{112}$ <sup>th</sup> part of one NV Ordinary Share, in bearer form.
<b>NV Board . . . . .</b>	the board of directors of NV.
<b>NV Depositary Receipts .</b>	depositary receipts for NV Ordinary Shares issued by the NV Trust Office, each representing one NV Ordinary Share.
<b>NV Extraordinary General</b>	
<b>Meeting . . . . .</b>	the extraordinary general meeting of NV to be held on 25 October 2018 in order to, among other things, approve Simplification, including the Dutch Merger and any adjournment of such meeting.
<b>NV NYRSs . . . . .</b>	ordinary shares, each with a par value of €0.16, in the capital of NV, held in New York registry form.
<b>NV NYRS Agent . . . . .</b>	Deutsche Bank Trust Company Americas in its capacity as US registrar, transfer agent, paying agent and shareholder services agent for the NV NYRSs.

<b>NV NYRS Holders</b> . . . . .	the holders of NV NYRSs.
<b>NV Ordinary Shareholders</b>	the holders of NV Ordinary Shares.
<b>NV Ordinary Shares</b> . . . . .	ordinary shares, each with a par value of €0.16, in the capital of NV, excluding NV NYRSs.
<b>NV Preference Shares</b> . . . . .	NV 6% Preference Shares, NV 7% Preference Shares, NV 6% Subshares and NV 7% Subshares, together.
<b>NV 6% Preference Shares</b>	6% cumulative preference shares, each with a par value of €428.57, in the capital of NV.
<b>NV 7% Preference Shares</b>	7% cumulative preference shares, each with a par value of €428.57, in the capital of NV.
<b>NV Registered Subshares</b> . . . . .	subshares of NV Ordinary Shares, each amounting to $\frac{3}{112}$ <sup>th</sup> part of one NV Ordinary Share.
<b>NV Shareholder Circular</b> . . . . .	the shareholder circular relating to the proposals to the extraordinary general meeting of NV Shareholders to be held on 25 October 2018, at Weena 455, Rotterdam, the Netherlands.
<b>NV Shareholders</b> . . . . .	the holders of NV Shares.
<b>NV Shares</b> . . . . .	NV Ordinary Shares, NV Preference Shares, NV Special Shares, NV Bearer Subshares and NV Registered Subshares, together.
<b>NV Special Shares</b> . . . . .	ordinary shares, each with a par value of €428.57 in the capital of NV numbered 1 up to and including 2,400.
<b>NV Trust Office</b> . . . . .	Foundation Unilever N.V. Trust Office ( <i>Stichting Administratiekantoor Unilever N.V.</i> ).
<b>NV 6% Subshares</b> . . . . .	subshares of NV 6% Preference Shares, each amounting to $\frac{1}{10}$ <sup>th</sup> part of one NV 6% Preference Share.
<b>NV 7% Subshares</b> . . . . .	subshares of NV 7% Preference Shares, each amounting to $\frac{1}{10}$ <sup>th</sup> part of one NV 7% Preference Share.
<b>NYSE</b> . . . . .	the New York Stock Exchange.
<b>Overseas Shareholders</b> . . . . .	PLC Shareholders with a registered address in, or who are citizens, residents or nationals of jurisdictions, outside the United Kingdom, United States or the Netherlands or whom PLC reasonably believes to be citizens, residents or nationals of jurisdictions outside the United Kingdom, United States or the Netherlands.
<b>Persons with Information</b>	
<b>Rights</b> . . . . .	a person in respect of whom a nomination pursuant to the provisions of section 146 of the UK Companies Act has been made (and not been suspended, revoked or ceased to have effect) by a PLC Shareholder.
<b>PLC</b> . . . . .	Unilever PLC, a public limited company incorporated and registered in England and Wales with registration number 0041424 and its registered office address at Port Sunlight, Wirral, Merseyside, CH62 4ZD.
<b>PLC ADS Depositary</b> . . . . .	Deutsche Bank Trust Company Americas in its capacity as depositary under the PLC Deposit Agreement.
<b>PLC ADS Holders</b> . . . . .	a holder of PLC ADSs.
<b>PLC ADS Voting</b>	
<b>Instruction Card</b> . . . . .	the voting instruction card for use by the PLC ADS Holders that hold registered PLC ADSs to instruct the PLC ADS Depositary in connection with the PLC Meetings.
<b>PLC ADSs</b> . . . . .	the American depositary shares of PLC, each representing one PLC Share.

<b>PLC ADS Voting Record</b>	
<b>Time</b> . . . . .	5.00 p.m. (New York time) on 31 August 2018 or, if the PLC Meetings are adjourned, such later time or date as may be announced.
<b>PLC Articles</b> . . . . .	the articles of association of PLC from time to time.
<b>PLC Board or PLC</b>	
<b>Directors</b> . . . . .	the board of directors of PLC and “ <b>PLC Director</b> ” means any member of the PLC Board.
<b>PLC Capital Reduction</b> . .	the proposed reduction of the share capital of PLC pursuant to the UK Scheme.
<b>PLC Certificated</b>	
<b>Shareholders</b> . . . . .	the holders of PLC Certificated Shares.
<b>PLC Certificated Shares</b> .	PLC Shares in certificated form.
<b>PLC Court Meeting</b> . . . .	the meeting of the Scheme Shareholders to be held at the Queen Elizabeth II Conference Centre, Broad Sanctuary, Westminster, London SW1P 3EE, at 11.00 a.m. on 26 October 2018 convened by order of the UK High Court pursuant to section 896 of the UK Companies Act to consider and, if thought fit, approve the UK Scheme, including any adjournment, postponement or reconvention thereof.
<b>PLC CREST Shareholders</b>	the holders of PLC CREST Shares.
<b>PLC CREST Shares</b> . . . .	PLC Shares in uncertificated form.
<b>PLC Deferred Shares</b> . . .	the deferred shares of £1.00 each in the capital of PLC.
<b>PLC Deposit Agreement</b> . .	the Second Amended and Restated Deposit Agreement dated 1 July 2014 by and among PLC, Deutsche Bank Trust Company Americas, as PLC ADS Depositary, and the holders and beneficial owners of American depositary shares issued thereunder.
<b>PLC Extraordinary</b>	
<b>General Meeting</b> . . . . .	the general meeting of PLC Shareholders to be held at Queen Elizabeth II Conference Centre, Broad Sanctuary, Westminster, London SW1P 3EE at 11.10 a.m. on 26 October 2018 (or as soon thereafter as the PLC Court Meeting has concluded or been adjourned), notice of which is set out in Part X of this document, for the purposes of considering and, if thought fit, approving the Special Resolution and any adjournment of such meeting.
<b>PLC Forms of Proxy</b> . . . .	as the context may require, either of: (i) the BLUE form of proxy for use at the PLC Court Meeting; or (ii) the YELLOW form of proxy for use at the PLC Extraordinary General Meeting, each of which accompanies this document.
<b>PLC Implementation Date</b>	21 December 2018, or, if PLC so elects prior to 8.15 p.m. on the Scheme Determination Date, such other date between the Scheme Determination Date and 28 December 2018 as PLC may in its sole discretion determine.
<b>PLC Meetings</b> . . . . .	the PLC Court Meeting and the PLC Extraordinary General Meeting, and “ <b>PLC Meeting</b> ” means either of them.
<b>PLC Shareholders</b> . . . . .	the holders of PLC Shares.
<b>PLC Shares</b> . . . . .	the ordinary shares of 3 <sup>1</sup> / <sub>9</sub> pence each in the capital of PLC.
<b>PLC Treasury Shares</b> . . . .	those PLC Shares held by PLC in treasury.
<b>Prospectus Directive</b> . . . .	Directive 2003/71/EC of the European Parliament and of the Council (as amended).
<b>Registered Book-Entry NV</b>	
<b>NYRS Holders</b> . . . . .	NV NYRS Holders who hold their NV NYRSs in registered book-entry form on the books of the NV NYRS Agent.
<b>Registered Certificated NV</b>	
<b>NYRS Holders</b> . . . . .	NV NYRS Holders who hold their NV NYRSs in physical certificated form.

<b>Registered NV NYRS Holders</b> . . . . .	Registered Book-Entry NV NYRS Holders and Registered Certificated NV NYRS Holders.
<b>Registered PLC ADS Holders</b> . . . . .	PLC ADSs that are held: (a) by having an American depositary receipt, which is a certificate evidencing a specific number of PLC ADSs previously registered in a PLC ADS Holder's name; or (b) by holding PLC ADSs in the DRS.
<b>Registrar of Companies</b> . . . . .	the Registrar of Companies in England and Wales.
<b>Regulatory Authority</b> . . . . .	any central bank, ministry, court or competition, antitrust, national, supranational or supervisory body or other government, governmental, environmental, trade or regulatory agency or body, in each case in any jurisdiction (including the several States of the United States).
<b>Regulatory Information Service</b> . . . . .	any channel recognised as a channel for the dissemination of regulatory information by listed companies as defined in the UK Listing Rules.
<b>Restricted Overseas Person</b> . . . . .	an Overseas Shareholder who PLC elects to be treated as a Restricted Overseas Person for the purposes of the new article 151 of the PLC Articles.
<b>Scheme Determination Date</b> . . . . .	the date on which the determination of the UK High Court is made as to whether or not to sanction the UK Scheme.
<b>Scheme Shareholder</b> . . . . .	a holder of Scheme Shares at any relevant date or time.
<b>Scheme Shares</b> . . . . .	has the meaning given in the UK Scheme.
<b>SEC</b> . . . . .	US Securities and Exchange Commission.
<b>Shareholder Helpline</b> . . . . .	the helpline for questions relating to this document, completion and return of the PLC Forms of Proxy, the Unilever CSN Facility, New NV DI arrangements and general enquiries in relation to Simplification, the details of which are set out on page 12 of this document.
<b>Shareholders</b> . . . . .	PLC Shareholders and NV Shareholders, together.
<b>Sharesave Plan</b> . . . . .	Unilever PLC 2005 Sharesave Plan.
<b>Simplification</b> . . . . .	the UK Scheme, the Dutch Merger and the other implementation steps related thereto pursuant to which New NV will become the parent company of NV and PLC.
<b>Simplification Agreement</b> . . . . .	the agreement to be entered into between NV, PLC, New NV and New Sub, setting out certain mutual commitments in relation to Simplification.
<b>Simplification Conditions</b> . . . . .	the conditions to Simplification as set out in the Simplification Agreement.
<b>Special Resolution</b> . . . . .	the special resolution, as set out in the Notice of PLC Extraordinary General Meeting in Part X of this document, to be proposed at the PLC Extraordinary General Meeting.
<b>Tax Authority</b> . . . . .	any taxing or other authority competent to impose any liability in respect of taxation or responsible for the assessment, administration or collection of taxation or enforcement of any law in relation to taxation.
<b>UBS</b> . . . . .	UBS Limited, incorporated and registered in England and Wales with registered number 02035362, and its registered office address at 5 Broadgate, London, EC2M 2QS.
<b>UK or United Kingdom</b> . . . . .	the United Kingdom of Great Britain and Northern Ireland.
<b>UK Admission</b> . . . . .	the admission of the New NV Ordinary Shares to the premium listing segment of the UK Official List and to trading on the LSE's Main Market under the symbol "ULVR".

<b>UK Companies Act</b> . . . . .	UK Companies Act 2006 (as amended).
<b>UK Disclosure Guidance and Transparency Rules</b>	the disclosure guidance and transparency rules made by the FCA pursuant to section 73A of the FSMA.
<b>UK High Court</b> . . . . .	the High Court of Justice in England and Wales.
<b>UK Listing Authority or UKLA</b> . . . . .	the Financial Conduct Authority acting in its capacity as the competent authority for the purposes of Part VI of the FSMA.
<b>UK Listing Rules</b> . . . . .	the rules and regulations made by the FCA in its capacity as the UK Listing Authority under the FSMA, and contained in the UKLA's publication of the same name.
<b>UK Official List</b> . . . . .	the official list of the UK Listing Authority.
<b>UK Pension Fund</b> . . . . .	the Unilever UK Pension Fund.
<b>UK Register</b> . . . . .	PLC's principal share register maintained in the UK on behalf of PLC by Computershare.
<b>UK Scheme</b> . . . . .	the proposed scheme of arrangement under Part 26 of the UK Companies Act between PLC and PLC Shareholders as set out in Part VI of this document, with or subject to any modification, addition or condition approved or imposed by the UK High Court and agreed to by PLC.
<b>UK Scheme Court Hearing</b>	the hearing by the UK High Court to sanction the UK Scheme and to confirm the PLC Capital Reduction.
<b>UK Scheme Court Order</b> .	the order of the UK High Court sanctioning the UK Scheme and confirming the PLC Capital Reduction.
<b>UK Scheme Effective Time</b>	the time and date at which the UK Scheme has become effective pursuant to its terms.
<b>UK Scheme Long Stop Date</b> . . . . .	11.59 p.m. on 30 December 2018.
<b>UK Scheme Record Time</b> .	9.00 p.m. on the PLC Implementation Date.
<b>UK Takeover Code</b> . . . . .	the City Code on Takeovers and Mergers, issued by the Panel on Takeovers and Mergers.
<b>uncertificated or in uncertificated form</b> . . . . .	in relation to UK Shareholders, recorded on the UK Register as being held in uncertificated form in CREST and title to which, by virtue of the Uncertificated Securities Regulations 2001 (as amended), may be transferred by means of CREST.
<b>Unilever CSN Facility</b> . . .	the corporate sponsored nominee facility arranged by New NV with Computershare.
<b>Unilever CSN Facility Terms and Conditions</b> .	the terms and conditions of the Unilever CSN Facility as set out in full at Appendix I of this document.
<b>Unilever CSN Participant</b> .	a holder of a Unilever CSN Participation.
<b>Unilever CSN Participation</b>	an interest in a New NV Ordinary Share held through the Unilever CSN Facility.
<b>Unilever Group</b> . . . . .	prior to the implementation of Simplification, refers to PLC, NV and the companies they control, and following the implementation of Simplification refers to New NV and the companies it will control.
<b>Unilever Leadership Executive</b> . . . . .	the Unilever Group's senior management both prior to and following the implementation of Simplification.

<b>Unilever Share Plans</b> . . . . .	MCIP, GSIP, the global employee share plan (known as “ <b>SHARES</b> ”), the North America Omnibus Equity Compensation Plan, the Unilever Share Plan, the Share Incentive Plan (known as “ <b>UK ShareBuy</b> ”) and the Sharesave Plan.
<b>United States</b> or <b>US</b> . . . . .	the United States of America, its territories and possessions, any state of the United States, and the District of Columbia.
<b>US Prospectus</b> . . . . .	the prospectus forming a part of the US Registration Statement.
<b>US Registration Statement</b>	the registration statement on Form F-4 filed with the SEC by New NV.
<b>US Securities Act</b> . . . . .	US Securities Act of 1933.
<b>Voting Record Time</b> . . . . .	8.00 p.m. on the day which is two days before the date of the PLC Court Meeting or, if the PLC Court Meeting is adjourned, 8.00 p.m. on the day which is two days before the date of such adjourned meeting.

In this document and the PLC Forms of Proxy, the expressions “**subsidiary**”, “**subsidiary undertaking**”, “**associated undertaking**” and “**undertaking**” have the meanings given by the UK Companies Act.

In this document and the PLC Forms of Proxy, references to the singular include the plural and vice versa, unless the context otherwise requires. Unless otherwise stated, all references to times in this document are to London times.

This document is dated 11 September 2018.

**PART IX  
NOTICE OF COURT MEETING**

**IN THE HIGH COURT OF JUSTICE  
BUSINESS AND PROPERTY COURTS  
OF ENGLAND AND WALES  
COMPANIES COURT (ChD)  
MR JUSTICE NUGEE**

**CR-2018-007259**

**IN THE MATTER OF UNILEVER PLC**

—and—

**IN THE MATTER OF THE COMPANIES ACT 2006**

NOTICE IS HEREBY GIVEN that by an Order dated 5 September 2018 made in the above matters the Court has given permission for a meeting (the “**Court Meeting**”) to be convened of the Scheme Shareholders (as defined in the scheme of arrangement referred to below) for the purpose of considering and, if thought fit, approving (with or without modification) a scheme of arrangement (the “**Scheme of Arrangement**”) proposed to be made between Unilever PLC (the “**Company**”) and the Scheme Shareholders, and that such meeting shall be held at Queen Elizabeth II Conference Centre, Broad Sanctuary, Westminster, London SW1P 3EE on 26 October 2018 at 11.00 a.m., at which place and time all Scheme Shareholders are requested to attend.

A copy of the Scheme of Arrangement and a copy of the explanatory statement required to be furnished pursuant to section 897 of the Companies Act 2006 are incorporated in the document of which this Notice forms part.

**Scheme Shareholders entitled to attend and vote at the Court Meeting may vote in person or they may appoint another person, whether a member of the Company or not, as their proxy to attend and vote in their stead.**

A BLUE form of proxy for use in connection with the Court Meeting is enclosed with this Notice or shall be sent in a separate mailing to those Scheme Shareholders who have elected or are deemed to have elected to receive documents and notices from the Company via the Company’s website. Scheme Shareholders entitled to attend and vote at the meeting who hold their shares in CREST may appoint a proxy using the CREST electronic proxy appointment service.

Scheme Shareholders entitled to attend and vote at the Court Meeting may appoint a proxy electronically using the Company’s electronic voting facility via [www.unilever.com/simplification](http://www.unilever.com/simplification). Full details of the procedure to be followed to appoint a proxy electronically are given on the website. Scheme Shareholders should note that they may not appoint more than one proxy in respect of their shareholding using the Company’s electronic voting facility via [www.unilever.com/simplification](http://www.unilever.com/simplification) or using the CREST electronic proxy appointment service, and if they wish to appoint more than one proxy, they should request BLUE forms of proxy from the Company’s registrars, Computershare, at Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZY or on 0370 600 3977 if calling from the UK or +44 370 600 3977 if calling from outside the UK and submit them as set out below.

**Completion and return of the BLUE form of proxy, or the appointment of a proxy through CREST or electronically using the Company’s electronic voting facility, shall not prevent a Scheme Shareholder from attending and voting in person at the Court Meeting or any adjournment thereof.**

Scheme Shareholders are entitled to appoint a proxy in respect of some or all of their Scheme Shares (as defined in the Scheme of Arrangement). Scheme Shareholders are also entitled to appoint more than one proxy, provided that each proxy is appointed to exercise the rights attached to a different share or shares held by such Scheme Shareholder. A space has been included in the BLUE form of proxy to allow Scheme Shareholders to specify the number of shares in respect of which that proxy is appointed. Scheme Shareholders who return the BLUE form of proxy duly executed but leave this space blank shall be deemed to have appointed the proxy in respect of all their Scheme Shares.

Scheme Shareholders who wish to appoint more than one proxy in respect of their shareholding should photocopy the BLUE form of proxy or contact the Company’s registrars, Computershare, for further BLUE forms of proxy at Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZY or on 0370 600 3977 if calling from the UK or +44 370 600 3977 if calling from outside the UK. Such Scheme

Shareholders should also read the information regarding the appointment of multiple proxies set out on page 10 of the document of which this Notice forms part and on the BLUE form of proxy.

It is requested that BLUE forms of proxy, and any power of attorney or other authority under which they are executed (or a duly certified copy of any such power or authority), be lodged with the Company's registrars, Computershare, at Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol, BS99 6ZY, or be submitted through CREST or electronically using the Company's electronic voting facility via [www.unilever.com/simplification](http://www.unilever.com/simplification), by no later than 11.00 a.m. on 24 October 2018 (or not less than 48 hours before the time appointed for any adjourned meeting), but if forms are not so lodged or submitted, they may be handed to the Chairman, or the Company's registrars, Computershare, on behalf of the Chairman, at the start of the Court Meeting.

In the case of joint holders of Scheme Shares, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the vote(s) of the other joint holder(s) and, for this purpose, seniority shall be determined by the order in which the names stand in the register of members of the Company in respect of the joint holding.

Entitlement to attend and vote at the Court Meeting or any adjournment thereof and the number of votes which may be cast thereat shall be determined by reference to the register of members of the Company at 8.00 p.m. on the day which is two days before the date of the Court Meeting or adjourned meeting (as the case may be). In each case, changes to the register of members of the Company after such time shall be disregarded.

By the said Order, the Court has appointed Marijn Dekkers or, failing him, Paul Polman or, failing him, any other director of the Company, to act as Chairman of the Court Meeting and has directed the Chairman to report the result thereof to the Court.

The Scheme of Arrangement shall be subject to the subsequent sanction of the Court.

Dated 11 September 2018

LINKLATERS LLP  
One Silk Street  
London EC2Y 8HQ  
*Solicitors for Unilever PLC*

**PART X**  
**NOTICE OF PLC EXTRAORDINARY GENERAL MEETING**

**Unilever PLC**

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

NOTICE IS HEREBY GIVEN that a GENERAL MEETING of Unilever PLC (the “**Company**”) shall be held at Queen Elizabeth II Conference Centre, Broad Sanctuary, Westminster, London SW1P 3EE on 26 October 2018 at 11.10 a.m. (or as soon thereafter as the PLC Court Meeting (as defined in the document of which this Notice forms part) has concluded or been adjourned) for the purpose of considering and, if thought fit, passing the following resolution, which shall be proposed as a special resolution.

**SPECIAL RESOLUTION**

**THAT:**

- (1) the proposals to simplify the Unilever group’s dual-parent structure under a single holding company be and are hereby approved, including:
  - (a) the transfer of certain ordinary shares in the capital of the Company to Computershare Services Nominees Limited pursuant to the new article 152 to be adopted pursuant to paragraph (4) below;
  - (b) the scheme of arrangement dated 11 September 2018 (the “**Scheme**”) between the Company and its Scheme Shareholders (as defined in the Scheme);
  - (c) the Dutch merger proposal dated 11 September 2018 made by the boards of directors of Unilever N.V., Unilever International Holdings N.V. (“**New NV**”) and Unilever International Holding B.V.; and
  - (d) the transfer by Computershare Services Nominees Limited to Nederlands Centraal Instituut voor Giraal Effectenverkeer B.V. of the ordinary shares in the capital of New NV issued to Computershare Services Nominees Limited pursuant to the Scheme following the transfers referred to in paragraph (a) above, other than any such ordinary shares in respect of which the Company has received a prior instruction in writing from the relevant Scheme Shareholder that such ordinary shares to which they are beneficially entitled should not be so transferred, accompanied by such evidence as is prescribed by the Mandatory Transfer Deed (as defined in paragraph (4) below), which shall instead be transferred to and recorded in the name of the relevant Scheme Shareholder in the register of shareholders maintained by or on behalf of New NV,and that the directors of the Company be authorised to take all such action as they may consider necessary or appropriate for carrying such proposals into effect;
- (2) the terms of a proposed contract (a draft of which has been produced to this meeting) between holders of the deferred shares of £1.00 each in the capital of the Company and the Company, providing for the purchase, prior to the Scheme Record Time (as defined in the Scheme), by the Company of 99,998 of such deferred shares to be immediately cancelled for their aggregate nominal value of £99,998, be and are hereby approved and authorised for the purposes of section 694 of the Companies Act 2006 and otherwise, provided that such approval and authority shall expire on the fifth anniversary of the date of this resolution;
- (3) for the purpose of giving effect to the Scheme, a print of which has been produced to this meeting and for the purposes of identification signed by the chairman thereof, in its original form or subject to any modification, addition or condition agreed by the Company and New NV and approved or imposed by the Court:
  - (a) the share capital of the Company be reduced by cancelling and extinguishing all the Scheme Shares (as defined in the Scheme);
  - (b) subject to and forthwith upon the reduction of capital referred to in paragraph (a) above taking effect and notwithstanding anything to the contrary in the articles of association of the Company:
    - (i) the reserve arising in the books of account of the Company as a result of the reduction of capital referred to in paragraph (a) above be capitalised and applied in paying up in full at par such number of new ordinary shares of 3<sup>1</sup>/<sub>9</sub> pence each in the capital of the Company (the “**New Ordinary Shares**”) as shall be equal to the aggregate number of Scheme Shares cancelled

pursuant to paragraph (a) above, and such New Ordinary Shares be allotted and issued credited as fully paid to New NV and/or its nominee(s); and

- (ii) the directors of the Company be generally and unconditionally authorised pursuant to and in accordance with section 551 of the Companies Act 2006 to allot the New Ordinary Shares referred to in paragraph (i) above, provided that: (1) the maximum aggregate nominal amount of the shares which may be allotted under this authority shall be the aggregate nominal amount of the said New Ordinary Shares created pursuant to paragraph (i) above; (2) this authority shall expire on the fifth anniversary of the date of this resolution; and (3) this authority shall be in addition and without prejudice to any other authority under the said section 551 previously granted and in force on the date on which this resolution is passed;
- (4) with effect from the passing of this resolution, the articles of association of the Company be amended by the adoption and inclusion of the following new articles 151, 152 and 153:

#### **“SCHEME OF ARRANGEMENT AND MANDATORY TRANSFERS**

**151 (A)** In this article, article 152 and article 153, (i) the “**Scheme**” means the scheme of arrangement dated 11 September 2018 between the Company and its Scheme Shareholders (as defined in the Scheme) under Part 26 of the Companies Act 2006 in its original form or with or subject to any modification, addition or condition approved or imposed by the Court and agreed by the Company and Unilever International Holdings N.V. (“**New NV**”), (ii) the “**Excluded Territories**” means any territory other than: Argentina, Austria, Belgium, Botswana, Brazil, Bulgaria, Chile, Croatia, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Gibraltar, Greece, Guernsey, Guinea, Hong Kong, Hungary, Iceland, Indonesia, Ireland, Isle of Man, Italy, Jersey, Latvia, Liechtenstein, Lithuania, Luxembourg, Malta, Mexico, Namibia, the Netherlands, Norway, Paraguay, Peru, Poland, Portugal, Romania, Slovakia, Slovenia, South Africa, South Korea, Spain, Sweden, Switzerland, Taiwan and the United Kingdom, and (iii) save as defined in this article, in article 152 or in article 153, expressions defined in the Scheme shall have the same meanings in this article, article 152 and article 153.

- (B)** If, in respect of any Scheme Shareholder with a registered address in a jurisdiction outside the United Kingdom, the United States or the Netherlands or whom the Company reasonably believes to be a citizen, resident or national of a jurisdiction outside the United Kingdom, the United States or the Netherlands, the Company is advised that the issue of New NV Ordinary Shares to such holder would or may infringe the laws of such jurisdiction or would or may require the Company or New NV to comply with any governmental or other consent or any registration, filing or other formality with which the Company or New NV is unable to comply or compliance with which the Company or New NV regards as unduly onerous then, conditional upon Court sanction of the Scheme and if the Company (in its sole discretion) so elects then at 8.15 p.m. (London time) on the PLC Implementation Date, all Scheme Shares on the register of members of the Company at such time which are held by such a holder shall be transferred to a person nominated by the Company and resident in the United Kingdom or the Netherlands (the “**Interim Holder**”) for the benefit of such holder. Upon the Scheme becoming effective, the Interim Holder shall receive New NV Ordinary Shares on behalf of such Scheme Shareholder.
- (C)** All New NV Ordinary Shares issued to the Interim Holder shall, as soon as practicable following the Scheme Effective Time, be sold.
- (D)** Any sale under paragraph (C) above shall be carried out at the best price which can reasonably be obtained at the time of sale and the net proceeds of such sale (after the deduction of all expenses and commissions incurred in connection with such sale, including any value added tax payable on the proceeds of sale) shall be paid to the relevant Scheme Shareholder as soon as practicable after the Interim Holder receives such proceeds. Such payment shall be in full satisfaction of the rights of such Scheme Shareholder to receive New NV Ordinary Shares.
- (E)** To give effect to any transfer or sale pursuant to this article, the Interim Holder shall be authorised as attorney or agent on behalf of the Scheme Shareholder concerned and shall be authorised to execute and deliver as transferor form(s) of transfer or other instrument(s) or instruction(s) of transfer and to give such instructions and to do all other things which he or she may consider necessary or expedient in connection with any such transfer or sale, and every form, instrument or instruction of transfer so executed shall be as effective as if it had been executed by the relevant Scheme Shareholder. In the absence of bad faith or wilful default,

neither the Company nor the Interim Holder shall have any liability for any determination made pursuant to this article or for any loss or damage arising as a result of the timing or terms of any transfer or sale pursuant to this article.

- 152 (A) At 8.30 p.m. (London time) on the PLC Implementation Date all Scheme Shares on the register of members of the Company at such time other than those referred to in paragraph (B) below shall be transferred to Computershare Services Nominees Limited (the “**Mandatory Transfer Nominee**”) (the “**Mandatory PLC Share Transfers**”), provided that if the Scheme does not become effective in accordance with its terms by 6.00 p.m. on the day following the PLC Implementation Date, or such later time and date as the Company may in its sole discretion determine (the “**Reversal Time**”), the Mandatory Transfer Nominee shall, as soon as practicable after the Reversal Time, transfer such Scheme Shares back to the relevant Scheme Shareholders (the “**Reverse Transfers**”). Upon the Mandatory PLC Share Transfers, the Mandatory Transfer Nominee shall become the registered holder of such Scheme Shares and shall hold such Scheme Shares (prior to their cancellation pursuant to the Scheme) on behalf of the relevant Scheme Shareholders on the terms set out in the deed to be executed by the Mandatory Transfer Nominee in respect of Scheme Shares (the “**Mandatory Transfer Deed**”).
- (B) Scheme Shares which are registered in the name of Scheme Shareholders: (i) whose address as set out on the Company’s register of members is in any of the Excluded Territories; or (ii) who have elected not to have their Scheme Shares transferred to the Mandatory Transfer Nominee by return of a form of instruction in accordance with the terms set out on such form, shall not be subject to the Mandatory PLC Share Transfers and shall continue to be held by the relevant Scheme Shareholder or (if in CREST) shall be rematerialised and registered in the name of the relevant underlying holder.
- (C) The Mandatory PLC Share Transfers and (if applicable) the Reverse Transfers shall be effected by means of a form or forms of transfer or other instrument(s) or instruction(s) of transfer and, to give effect to such transfer(s), any person may be appointed by the Company as agent and attorney on behalf of the relevant Scheme Shareholder (or, in the case of the Reverse Transfers, the Mandatory Transfer Nominee) and shall be authorised to execute and deliver as transferor form(s) of transfer or other instrument(s) or instruction(s) of transfer and to give such instructions and to do all other things which he or she may consider necessary or expedient in connection with any such transfer, and every form, instrument or instruction of transfer so executed shall be as effective as if it had been executed by the relevant Scheme Shareholders (or, in the case of the Reverse Transfers, the Mandatory Transfer Nominee). In the absence of bad faith or wilful default, neither the Company nor the Mandatory Transfer Nominee shall have any liability for any determination made pursuant to this article or for any loss or damage arising as a result of the timing or terms of any transfer pursuant to this article.
- 153 (A) Notwithstanding any other provision of these articles, if the Company issues any Shares (other than to New NV and/or its nominee(s)) after the adoption of this article and before the Scheme Record Time, such shares shall be issued subject to the terms of the Scheme (and shall be Scheme Shares for the purposes thereof) and the holders of such shares shall be bound by the Scheme accordingly.
- (B) Notwithstanding any other provision of these articles and subject to the Scheme becoming effective, if any Shares are issued to any person (a “**New Member**”) (other than under the Scheme or to New NV and/or its nominee(s)) after the Scheme Record Time (the “**Post-Scheme Shares**”), they shall be immediately transferred to New NV (or as it may direct) in consideration of (subject as hereinafter provided) the allotment and issue or transfer to the New Member of such number of New NV Ordinary Shares (the “**Consideration Shares**”) for each Post-Scheme Share equal to the consideration per Scheme Share due pursuant to the Scheme, provided that, if, in respect of any New Member with a registered address in a jurisdiction outside the United Kingdom, the United States or the Netherlands or whom the Company reasonably believes to be a citizen, resident or national of a jurisdiction outside the United Kingdom, the United States or the Netherlands, the Company is advised that the allotment and/or issue or transfer of Consideration Shares pursuant to this article would or may infringe the laws of such jurisdiction or would or may require the Company or New NV to comply with any governmental or other consent or any registration, filing or other formality with which the Company or New NV is unable to comply or compliance with which the Company or New NV regards as unduly onerous, the Company may, in its sole discretion, determine that such Consideration Shares shall

be sold or a cash amount equal to the value of the Consideration Shares shall be paid to the New Member. In the event that the Consideration Shares are to be sold, the Company shall appoint a person to act as attorney or agent for the New Member pursuant to this article and such person shall be authorised on behalf of such New Member to procure that any shares in respect of which the Company has made such determination shall, as soon as practicable following the allotment, issue or transfer of such shares, be sold, including being authorised to execute and deliver as transferor a form of transfer or other instrument or instruction of transfer on behalf of the New Member. The net proceeds of such sale (after the deduction of all expenses and commissions incurred in connection with such sale, including any value added tax payable on the proceeds of sale), or the cash amount equal to the value of the Consideration Shares, shall be paid to the persons entitled thereto in due proportions as soon as practicable, save that any fractional cash entitlements shall be rounded down to the nearest whole penny.

- (C) The Consideration Shares allotted and issued or transferred to a New Member pursuant to paragraph (B) of this article shall be credited as fully paid and shall rank equally in all respects with all other fully paid New NV Ordinary Shares in issue at that time (other than as regards any dividend or other distribution payable by reference to a record date preceding the date of allotment or transfer).
  - (D) On any reorganisation of, or material alteration to, the share capital of either the Company or New NV (including, without limitation, any subdivision and/or consolidation) effected after the Scheme Effective Time, the number of Consideration Shares to be allotted and issued or transferred to a New Member for each Post-Scheme Share pursuant to paragraph (B) of this article may be adjusted by the Directors in such manner as the auditors of the Company may determine to be appropriate to reflect such reorganisation or material alteration. References in this article to New NV Ordinary Shares shall, following such adjustment, be construed accordingly.
  - (E) To give effect to any transfer of Post-Scheme Shares, the Company may appoint any person as attorney or agent for the New Member to transfer the Post-Scheme Shares to New NV and/or its nominee(s) and do all such other things and execute and deliver all such documents as may in the opinion of the attorney or agent be necessary or desirable to vest the Post-Scheme Shares in New NV or its nominee(s) and, pending such vesting, to exercise all such rights attaching to the Post-Scheme Shares as New NV may direct. If an attorney or agent is so appointed, the New Member shall not thereafter (except to the extent that the attorney or agent fails to act in accordance with the directions of New NV) be entitled to exercise any rights attaching to the Post-Scheme Shares unless so agreed by New NV. The attorney or agent shall be empowered to execute and deliver as transferor a form or forms of transfer or other instrument(s) or instruction(s) of transfer on behalf of the New Member in favour of New NV and/or its nominee(s) and the Company may give a good receipt for the consideration for the Post-Scheme Shares and may register New NV and/or its nominee(s) as holder thereof and issue to it certificates for the same. The Company shall not be obliged to issue a certificate to the New Member for the Post-Scheme Shares. New NV shall, subject to paragraph (B) of this article, allot and issue or transfer the Consideration Shares to the New Member within 10 Business Days of the issue of the Post-Scheme Shares to the New Member.
  - (F) Notwithstanding any other provision of these articles, neither the Company nor the Directors shall register the transfer of any Scheme Shares between the Scheme Record Time and the Scheme Effective Time.”;
- (5) the terms and conditions of:
- (a) the depositary interest deed to be entered into by Computershare Investor Services PLC as a deed poll governing the issue of depositary interests to holders of Scheme Shares which were subject to the Mandatory PLC Share Transfers and which were, immediately prior to the Mandatory PLC Share Transfers, held in uncertificated form; and
  - (b) the corporate sponsored nominee facility to be provided by Computershare Investor Services PLC governing the arrangements for holders of Scheme Shares which were subject to the Mandatory PLC Share Transfers and which were, immediately prior to the Mandatory PLC Share Transfers, held in certificated form,

the principal terms of which are summarised in Part IV of the document of which this Notice forms part, be approved; and

- (6) with effect from the Scheme Effective Time, the articles of association of the Company be amended by the adoption and inclusion of the following amendments:
- (a) the words “(unless only one person holds the shares of that class, in which case the quorum shall be that one person)” be added after the words “one-third of the capital paid up on the issued shares of the class” in article 11(A);
  - (b) the words “(unless the Company has one member, in which case one member of the Company)” be added after the words “two members of the Company” in article 61;
  - (c) the words “seven members” in article 63 be replaced by the words “two members of the Company (unless the Company has one member, in which case the quorum shall be one member of the Company)”;
  - (d) the word “six” in article 86 be replaced by the word “two”;
  - (e) the following words in article 89 be deleted:

“or the corresponding annual general meeting of Unilever N.V. (whichever is the later). If the annual general meeting of the Company and the annual general meeting of Unilever N.V. conclude at the same time, such retirement will become effective at the conclusion of those meetings”; and
  - (f) the following words in article 91 be deleted:

“and is prepared to accept a nomination to be appointed as a member of the board of directors of Unilever N.V.

Where a resolution to appoint a person as a Director is passed at a general meeting of the Company, such appointment shall not become effective unless or until a resolution to appoint such person as a Director of Unilever N.V. has been or is passed at the corresponding general meeting of Unilever N.V. or at any adjournment thereof (and if such a resolution has not been or is not passed, such appointment shall not be capable of becoming effective).

The corresponding general meeting of Unilever N.V. means the Unilever N.V. general meeting which is closest in time to, or which takes place at the same time as, the relevant general meeting of the Company.”.

By order of the Board

**R.L.L. Sotamaa, Company Secretary**

11 September 2018

*Registered office*  
Port Sunlight  
Wirral  
Merseyside  
CH62 4ZD  
United Kingdom

## Notes:

1. Shareholders will have the right to attend and vote at the general meeting. As at 31 August 2018, being the latest practicable date prior to the publication of this document, the total number of issued ordinary shares of the Company was 1,199,662,738. The Company holds 9,142,093 ordinary shares in treasury and therefore the total number of voting rights for the ordinary shares is 1,190,520,645. The total number of deferred shares was 100,000 (representing 3,214,285 voting rights). The holders of the deferred shares will not exercise their voting rights at the general meeting. If you are attending the general meeting please sign the attendance card which is attached to the proxy form, bring it with you and hand it in on arrival. It is necessary for your admission to the meeting. If you do not bring this card with you then proof of ID will be required for you to gain admittance to the general meeting. Tea and coffee will be available from 10.00 a.m.
2. Entitlement to attend and vote at the meeting, and the number of votes which may be cast at the meeting, will be determined by reference to the Company's register of members at 8.00 p.m. on 24 October 2018 or, if the meeting is adjourned, 8.00 p.m. on the date which is two days before the date set for the adjourned meeting. In each case, changes to the Company's register of members after such time will be disregarded.
3. A shareholder who is unable or does not wish to attend the general meeting is entitled to appoint one or more proxies to exercise all or any of his/her rights to attend and to speak and vote on his/her behalf at the meeting. A proxy need not be a shareholder. A proxy form which may be used to make such appointment and give proxy instructions accompanies this notice. If you do not have a proxy form and believe that you should have one, or if you require additional forms, please contact the Company's registrars, Computershare Investor Services PLC ("**Computershare**"), by calling the Shareholder Helpline on 0370 600 3977 if calling from the UK or +44 370 600 3977 if calling from outside the UK. The helpline is open between 8.30 a.m. and 5.30 p.m., Monday to Friday (excluding public holidays in England and Wales). Please note that Computershare cannot provide any financial, legal or tax advice, or comment on the merits of Simplification and calls may be recorded and monitored for security and training purposes. You can only appoint a proxy using the procedures set out in these notes and the notes to the proxy form.
4. A shareholder may appoint more than one proxy in relation to the general meeting, provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that shareholder. To do this, that shareholder must complete a separate proxy form for each proxy. Shareholders can copy their original proxy form, or additional proxy forms can be obtained from Computershare on 0370 600 3977. A shareholder appointing more than one proxy should indicate the number of shares for which each proxy is authorised to act on his or her behalf and place an 'X' in the box provided on the proxy form to confirm the instruction is one of a multiple.
5. To appoint a proxy, the form of proxy must be either (a) sent to the Company's registrars, Computershare at The Pavilions, Bridgwater Road, Bristol BS99 6ZY, (b) lodged using the CREST electronic proxy appointment service in accordance with Note 10 below or (c) registered electronically using the Company's electronic voting facility by logging on to [www.unilever.com/simplification](http://www.unilever.com/simplification) and selecting the electronic voting option. To do this, a shareholder will need their Shareholder Reference Number (SRN), five-digit PIN and six-digit Control Number (shown on the front of the proxy form), in each case so as to be received no later than 11.10 a.m. on 24 October 2018. If option (c) is used and the shareholder has not previously registered to use the share portal, the shareholder will first be asked to register as a new user, for which that shareholder will require its investor code (which can be found on the enclosed proxy form, share certificate and dividend tax voucher), family name and postcode (if resident in the United Kingdom). Please note that an electronic communication in respect of the appointment of a proxy which contains a computer virus may not be accepted. The Company will try to inform the shareholder in question of a rejected communication and will try to ensure that its outgoing electronic communications are, as far as reasonably practicable, virus free.
6. In the case of a shareholder which is a company, the proxy form must be executed under its common seal or be signed on its behalf by an attorney or officer duly authorised. All signatories must state their capacity (e.g. director, secretary).
7. Any power of attorney or any other authority under which the proxy form is signed (or a duly certified copy of any such power or authority) must be included with the proxy form.

8. A 'Vote withheld' is not a vote in law, which means that the vote will not be counted in the proportion of votes 'For' and 'Against' the resolutions. A shareholder who does not give any voting instructions in relation to the resolutions should note that his/her proxy will have authority to vote or to withhold a vote on the resolution as he/she thinks fit. A proxy will also have authority to vote or to withhold a vote on any other business (including amendments to the resolutions) which properly comes before the general meeting as he/she thinks fit.
9. The return of a completed proxy form, other such instrument or any CREST Proxy Instruction (as described in Notes 10 to 13 below) will not prevent a shareholder from attending the general meeting and voting in person if he or she wishes to do so, in which case any instructions given to a proxy will be ineffective.
10. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the general meeting and any adjournment(s) thereof by using the procedures described in the CREST Manual. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.
11. In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a "**CREST Proxy Instruction**") must be properly authenticated in accordance with the specifications of Euroclear UK and Ireland Limited ("**Euroclear**"), and must contain the information required for such instruction, as described in the CREST Manual (available via [www.euroclear.com](http://www.euroclear.com)). The message, regardless of whether it constitutes the appointment of a proxy or is an amendment to the instruction given to a previously appointed proxy, must, in order to be valid, be transmitted so as to be received by the Company's agent (ID number 3RA50) by the latest time for receipt of proxy appointments specified in Note 5 above. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the Company's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.
12. CREST shareholders and, where applicable, their CREST sponsors or voting service providers should note that Euroclear does not make available special procedures in CREST for any particular message. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST shareholder concerned to take (or, if the CREST shareholder is a CREST personal shareholder, or sponsored shareholder or has appointed a voting service provider, to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In connection with this, CREST shareholders and, where applicable, their CREST sponsors or voting system providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timing.
13. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001 (as amended).
14. Any or all joint holders of shares may attend the general meeting, although only one holder may vote in person or by proxy. In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's register of holders in respect of the joint holding (the first-named being the most senior).
15. If two or more valid but differing appointments of a proxy are received in respect of the same share for use at the same meeting, the one which is last received (regardless of its date or the date of its signature) shall be treated as replacing and revoking the others as regards that share; if the Company is unable to determine which was last received, none of them shall be treated as valid in respect of that share.
16. Any person to whom this notice is sent who is a person nominated under section 146 of the Companies Act 2006 to enjoy information rights (a "**Nominated Person**") may, under an agreement between him/her and the shareholder by whom he/she was nominated, have a right to be appointed (or to have someone else appointed) as a proxy for the general meeting. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, he/she may, under any such agreement, have a right to give instructions to the shareholder as to the exercise of voting rights. The statement of the rights of

shareholders in relation to the appointment of proxies in Notes 2 and 3 above does not apply to Nominated Persons. The rights described in those paragraphs can only be exercised by shareholders of the Company.

17. Voting on the resolutions will be conducted by way of a poll rather than on a show of hands. This is a more transparent method of voting as shareholder votes are to be counted according to the number of shares held. This will ensure an exact and definitive result. Shareholders and proxies will be asked to complete a poll card to indicate how they wish to cast their votes. These cards will be collected at the end of the meeting. The results of the poll will be published on the Company's website and notified to the UKLA once the votes have been counted and verified.
18. Any corporation which is a shareholder can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a shareholder provided that they do not do so in relation to the same shares.
19. Any shareholder attending the meeting has the right to ask questions relevant to the business of the meeting. The Company must cause to be answered any such question relating to the business being dealt with at the meeting but no such answer need be given if: (a) to do so would interfere unduly with the preparation for the meeting or involve the disclosure of confidential information; (b) the answer has already been given on a website in the form of an answer to a question; or (c) it is undesirable in the interests of the Company or the good order of the meeting that the question be answered.
20. A copy of this notice, and other information required by section 311A of the Companies Act 2006, can be found at [www.unilever.com/simplification](http://www.unilever.com/simplification).
21. Except as provided above, shareholders who have general queries about the general meeting should use the following means of communication (no other methods of communication will be accepted), please contact the Company's registrars, Computershare, by calling the Shareholder Helpline on 0370 600 3977 if calling from the UK or +44 370 600 3977 if calling from outside the UK. The helpline is open between 8.30 a.m. and 5.30 p.m., Monday to Friday (excluding public holidays in England and Wales). Please note that Computershare cannot provide any financial, legal or tax advice, or comment on the merits of Simplification and calls may be recorded and monitored for security and training purposes.

Shareholders may not use any electronic address provided in either this notice of meeting or any related documents (including the enclosed form of proxy) to communicate with the Company for any purposes other than those expressly stated.

## **ROUTE DESCRIPTION**

The Queen Elizabeth II Conference Centre is in close proximity to Westminster and St James's Park underground stations, both within walking distance.



# Key information about this Service

## CORPORATE SPONSORED NOMINEE ACCOUNT TERMS AND CONDITIONS

### 1.1 What Service are we providing?

We agree to provide you with access to the Unilever N.V. (formerly Unilever International Holdings N.V.) corporate sponsored nominee account (Service). The type of Security held in the corporate sponsored nominee account for you by our Nominee will be depositary interests ("DIs"). We are authorised and regulated by the Financial Conduct Authority. These legally binding terms explain to you the relationship between you and us in relation to the Service.

The price of Securities can go down as well as up and the income from Securities is not guaranteed. You may suffer a loss and receive back less than you originally invested. Remember that past performance is no guide to future performance.

Please read these terms and conditions carefully. If there is anything you do not understand, please contact us or seek independent professional advice. We may change these terms and conditions, if we do so, we will let you know beforehand.

We only make the Service available to people over 18 years old living in one of the Permitted Countries and to companies in one of the Permitted Countries. You may not use this Service unless you live in a Permitted Country or (for companies) you are registered in a Permitted Country. In any event, you may not use this Service in a country where it would be either illegal to do so or that would require us to observe regulatory procedures or legal formalities in addition to those required in England and Wales. The Permitted Countries section has further details.

### 1.2 How much will it cost you to use the Service?

We will not charge you for holding your Securities. The Company is charged an annual administration fee for the provision of the Service. We may charge you a fee for transferring your Securities, or for using some of the services provided under these terms and conditions. If the Company makes a distribution or pays a cash dividend then where we carry out a currency conversion for you, we will charge a fee of up to 1.5% of the distribution or cash dividend. So for example if we converted a cash dividend of £100 into another currency for you, you would be charged £1.50.

If, following your instructions, we transfer your Securities to a third party brokerage account, we will charge you £25. We may deduct our fees directly from your Account before arranging for monies to be sent to you by one of the methods set out in these terms and conditions, or we may request you send us a cheque or make payment to us by another means. You may request an itemised breakdown of total costs and charges. Further information on our charges is available in the What are our Costs section.

Should you wish to buy or sell Securities through our dealing facility, you can review the relevant terms and conditions at [www.computershare.trade](http://www.computershare.trade)

### 1.3 Are we providing you with any advice?

We will not provide you with any investment, taxation or legal advice in relation to either the Service or the purchase, sale or transfer of Securities. We will not assess the suitability or appropriateness of any product, service or transaction and we will not recommend or invite you to sell, transfer or hold your Securities. You will not benefit from the protection of the FCA Rules on assessing appropriateness.

It is your responsibility to make sure the Service is right for you and you may wish to seek independent professional advice before using it.

### 1.4 How do you contact us?

You can contact us by e-mail at [web.queries@computershare.co.uk](mailto:web.queries@computershare.co.uk) or by post. You can also telephone us on +44 (0)370 600 3977 between 08:30 to 17:30 on Business Days. The Contacting Each Other section has further details.

### 1.5 How do you keep your personal information up to date?

When we contact you we will use the most recent contact details we have for you on our records. Where we make a payment to you it will be to the bank account details we have for you on our records or by cheque that we will send to the most recent address we have for you on our records. You must tell us immediately if you change your contact details or your bank account.

### 1.6 What happens if something goes wrong?

We will always aim to provide the Service with reasonable care and skill. If you are not happy with any aspect of the Service, please contact us. The Complaints and Compensation section has further information. Please note that we limit our liability to you under these terms and conditions. Further information is contained in the Limits on our Liability section.

## List of technical words used in these terms and what they mean

When a word appears in these terms that starts with a capital letter, check to see if it appears in the list of defined terms below for its specific meaning.

<b>"Account"</b>	means the account managed by our Nominee who shall use it to hold Securities on your behalf;
<b>"Business Day"</b>	means any day on which the London Stock Exchange ("LSE") is open for business;
<b>"Company"</b>	means the company in which we hold Securities on your behalf and any other company it has control of or that is controlled by the same people who also control the company, as the context requires;
<b>"CSD"</b>	means a central securities depository which is a computer-based system enabling securities to be held and transferred electronically. Relevant depositories include CREST in the UK, the Direct Registration System in the USA, Nominatif Pur in France and Issuer Sponsored Subregister in Australia;
<b>"FCA"</b>	means the UK Financial Conduct Authority;
<b>"FCA Rules"</b>	means the rules, guidance and principles set out in the FCA Handbook;
<b>"Nominee"</b>	means one of our group companies which we may nominate to provide the Service, and whose business shall consist solely of acting as a nominee holder of shares or other securities on behalf of others. This company shall initially be Computershare Company Nominees Limited;
<b>"Security"</b>	means financial instruments issued by the Company which may include: <ul style="list-style-type: none"> <li>• stock, or shares which are a unit of share capital;</li> <li>• depository interests or CREST Depository Interests which represent shares and can be held and settled electronically through a CSD; and</li> <li>• debenture, loan note, right, warrant, or any other type of financial instrument,</li> </ul> and <b>"Securities"</b> shall mean any one or combination of these;
<b>"us", "we", "our" or "Computershare"</b>	means Computershare Investor Services PLC (Company No: 3498808) whose registered address is The Pavilions, Bridgwater Road, Bristol, BS13 8AE, Financial Services Register No. 188534; and
<b>"you"</b>	means the person holding an interest in the Security. Where our Nominee holds your Security for more than one person, references to "you" in these terms and conditions are to be treated as references to each joint holder jointly and severally.

**Interpretation** We have referred to some statutes, regulations or other rules. References to them include references to them as amended or replaced from time to time. Where we have referred to a time of day this means UK time, unless we say otherwise. Where we start a phrase with the words 'including' or 'include', the phrase is to be construed as illustrative only and does not limit the sense of the words preceding those terms.

# How the Service will operate

## 2. Nominee Arrangements

- 2.1 Our Nominee normally holds your Securities electronically in a relevant CSD. Nothing in these terms varies in any way any of the rights or duties our Nominee has as legal owner in relation to the Company.
- 2.2 Our Nominee will hold your Securities on trust for you which means that they will be the legal owner of the Securities and you will remain the beneficial owner.
- 2.3 You agree that the Company may issue Securities to our Nominee and require our Nominee to hold the Securities. Under these terms neither we nor our Nominee will have any claim over or interest in your Securities other than where we use them as security against a debt you owe to us (subject to FCA Rules), or where we do so under a separate agreement.
- 2.4 You agree that you alone have all interests and rights in the Securities and that you will not pledge or charge the Securities to any third party. Therefore you must not give any other person rights over your Securities, or give them any benefits or rights under these terms. We will not recognise any duty or responsibility to any third party. We will only recognise our responsibilities to you under these terms and conditions. You must tell us immediately if someone is claiming an interest in your Securities or may try to stop you from transferring them.
- 2.5 We will only accept instructions from you in writing or via your online account, and which contain your Shareholder Reference Number ("SRN"). We put this number on all statements we send to you. You must keep the SRN secure and maintain the security of your account at all times. You must use your SRN in all communications you send to us about your Securities. If you lose or fail to quote your SRN we may delay acting upon your instruction. If you ask us we will acknowledge your instructions to transfer by an amended statement of holdings. We will confirm any other instructions by simply following them. We will not write to you to tell you we have done so.

## 3. Company meetings and communications

- 3.1 Where we are reasonably able to, we will let you know about the Company's annual meetings and other shareholder meetings. We will also send you a form you can give to our Nominee with your voting instructions to vote by proxy, on a poll, or by show of hands. If you want to attend a shareholders' meeting we will appoint you as our proxy in respect of your Securities (as long as this is permitted by the Company's constitutional documents), provided you have sent us the relevant form correctly filled out and on time, with your instructions. We can only offer you these services in so far as they are allowed by the CSD. We will let you know when we are able to offer this service.

## 4. Entitlements attaching to Securities and corporate actions

- 4.1 In the event of a corporate action (for example a takeover or rights issue) we will treat you as far as reasonably possible as if you were a shareholder. Where you want to exercise any rights over your Securities we will follow your reasonable written instructions, provided you instruct us following these terms and conditions and in accordance with any instructions we provide you with at that time. Where a payment is required on your behalf, we will not act on your instructions until you have sent us money to cover that payment.
- 4.2 Where our Nominee holds Securities or other rights in the Securities for other investors, our Nominee will share them among

all investors on a pro rata basis. If any fractions in the Securities arise as a result of our Nominee holding the Security for a number of investors then our Nominee will aggregate the fractions and sell them with the sale proceeds shared among all investors on a pro rata basis.

- 4.3 If the Company offers a dividend reinvestment plan, it will be subject to separate terms and conditions which will be provided to you when the dividend reinvestment plan becomes available.
- 4.4 If you choose to take part in any currency election that we offer you, we will convert any distribution or cash dividend payable and attributable to your account with our Nominee into any other available currency. We will pay you this money by cheque or by electronic transfer into your nominated UK bank account, at about the same time as this happens for other Company shareholders.
- 4.5 We will hold this money in a client money bank account in our name which will be governed by the FCA rules on client money. We will not pay you interest. We will charge you a currency conversion fee every time we convert your cash dividend or distribution into another currency, which we will deduct from your dividend or distribution before sending to you. Refer to the What are our Costs section for more information.
- 4.6 We will carry out the currency conversion using a competitive rate based on a wholesale exchange rate. The wholesale rate is a point in time rate that is updated throughout the day subject to the availability of currencies for online trading. It will be derived from a reliable foreign exchange feed such as Reuters or Bloomberg and will also be dependent upon the ability to buy and/or sell currencies and the bulk buying position.
- 4.7 We may combine a number of foreign currency conversion instructions for payments denominated in the same currency, in order to provide a more favourable exchange rate than if each order were carried out separately. We will not accept from you any instruction that the conversion must be carried out at a minimum currency exchange rate.
- 4.8 You agree that the currency exchange rate may vary after you send us your instructions but before we are able to convert the currency, which may reduce the value of the proceeds we send you. We accept no liability for any losses or expenses which you may suffer as a result of any such movement in the currency exchange rate.
- 4.9 The payment of any cash dividends or other distributions from your Securities may attract withholding tax, a tax required to be applied by us on any dividend or other distribution payable to you. We may deduct any withholding tax from the cash dividend or other distribution payable to you, and pay it to the relevant tax authority. We may appoint a "Withholding Agent" to send any withholding tax to the tax authorities for you. We may require you to send us a dividend withholding form or such other information as we require to work out exactly how much withholding tax you owe.

## 5. Statements

- 5.1 When we open an Account for you we will send you a statement setting out how many Securities you have in the Account. After that we will send you a statement at least quarterly i.e. at regular intervals not less than four times a year for as long as we hold assets or cash for you. You may request statements more frequently, but we may charge you for providing these.
- 5.2 You must check your statements and if anything is wrong or you have any questions about the statement you must contact us straightaway.

## 6. What are our Costs?

- 6.1 Our fees are set out in the Key Information section.
- 6.2 We will not charge you for holding your Securities in the Account and taking care of much of the administration.

6.3 We may charge you for other ancillary services provided under these terms and conditions such as providing duplicate tax vouchers, acquisition costs, withdrawal and statutory fees or other charges associated with carrying out your instructions. Our current fees and charges for these other services are available upon request from us.

6.4 We may increase our charges and we will notify you in writing at least 20 Business Days in advance of any proposed new charge or before we increase our charges. If we do this, you may withdraw from the Service within the notice period without incurring any penalties. We may increase our charges for any reason, which may include:

- (a) increases in inflation;
- (b) changes in interest rates;
- (c) increases in our running costs of the Service;
- (d) additional charges imposed by parties we work with in connection with the provision of the Service;
- (e) new services being offered under the Service;
- (f) alterations in the provision of the Service being provided; and/or
- (g) tax or legal changes.

6.5 All applicable UK Value Added Tax (VAT) on our fees, commissions and charges is payable by you to us. All our fees, commissions and charges are inclusive of any applicable VAT unless specifically stated otherwise. Our dealing and currency conversion fees are exclusive of VAT, but currently no VAT is applicable to these fees. If that situation changes in the future we will charge you VAT without notifying you beforehand.

6.6 If you instruct us to transfer any of your Securities you agree to indemnify us and our Nominee against any liabilities or costs we or the Nominee may suffer, because of anything you have done that stops the transfer from completing.

## 7. Purchases and Sales of Securities

7.1 If the Company permits it, you may buy more Company Securities and put them in your Account at any time. There may be other instances where we will permit our Nominee to accept additional Securities into your Account.

7.2 If you take part in a dividend reinvestment plan you will have more Securities added to your Account.

7.3 You can only buy or sell your Securities through a facility we may provide, which will be subject to its own terms and conditions.

## 8. How to Exit or Transfer from the Service

### Transfer

8.1 You may instruct us to arrange for our Nominee to hold your Securities for someone else or to add someone else as a joint holder of the Securities with you. We will only do this if you send us the correct form confirming that this transfer is a gift from you to them. We will not charge you for this transfer.

8.2 We may reject any transfer instruction provided using the wrong or incorrectly filled in form. You may not amend or cancel any transfer instruction once you have sent it to us.

8.3 We will not accept transfer of Securities into our Nominee unless the Company allows us to do so.

8.4 We may choose to reject an instruction to transfer Securities into the Nominee's name (provided we have a reasonable basis to do so, for example, if you owe us money or your transfer request is incompatible with these terms and conditions or our legal and regulatory obligations).

### Cancellation Rights

8.5 You may cancel participation in the Service up to fourteen calendar days after activation (the Cancellation Period). However, you will lose your cancellation right if you ask us during the Cancellation Period to process any payment to you or sell any of your Securities for you, in accordance with separate dealing terms and conditions.

8.6 If you want to cancel your participation in the Service you must tell us before the Cancellation Period ends. We will not charge you any fees when you cancel. After you have cancelled and we have transferred any Securities these terms and conditions will cease to apply to you. If you do not cancel then we will provide the Service in accordance with these terms and conditions.

### Withdrawal Rights

8.7 You may end this agreement for the Service with us at any time. You will have to pay any fees and taxes associated with withdrawing.

### What you need to know about both your Withdrawal and Cancellation Options.

8.8 When you cancel or decide to withdraw from the Service we will, depending on your instructions and the options available to you as set out in the Key Information Section, transfer your Securities from the Service to:

- (a) you, so that you may hold a share certificate and be named directly on the Company share register;
- (b) you, so that you may hold your Securities through a relevant CSD; or
- (c) a third party stock brokerage account.

8.9 You can end the Service by either writing to us, or by using the form we send you. You must give details of the full name and SRN of the account you wish to end and if you wish to end an account in the name of joint holders, then the form must be signed by all joint holders.

## 9. Our Right to end this Agreement

9.1 We may stop you using the Account at any time on five days' notice if:

- (a) we think you are in material breach of these terms and conditions; or
- (b) we or our Nominee is unable to comply with any obligation we or our Nominee are subject to in relation to your Securities.

9.2 If this happens or if the agreement between us and the Company governing the Account ends (in whole or in part) or if you or we choose to end this agreement for the Service or if the Account closes for any other reason then we will, depending on your instructions and the options available, transfer your Securities from the Account to either:

- (a) you, so that you may hold a share certificate and be named directly on the Company share register;
- (b) you, so that you may hold your Securities through a relevant CSD;
- (c) a third party stock brokerage account; or
- (d) a third party provider of an alternative type of Security, which may include American Depositary Receipts held via the Direct Registration System operated by the Depository Trust Company in the United States of America and, in such circumstances, you will be subject to the charges applicable to that type of Security as set out in the relevant terms and conditions of that third party provider.

If none of the above options for transfer are possible, we may sell your Securities and deliver the proceeds of such sale to you.

9.3 Even if we end this Service for any of the reasons set out above we will still honour any instructions which you have already sent to us, subject to these terms and conditions. When this Service ends for whatever reasons yours and our rights and responsibilities to

each other that continue afterwards, in relation to the Service, shall still be governed by these terms and conditions.

- 9.4 Whenever we transfer Securities into your name on the Company share register, the Company may apply any mandates or other instructions given by you under the Service to your registered holding.
- 9.5 You agree to appoint us to be your agent for the purpose of issuing any instructions to the relevant CSD to give effect to the transfers referred to in these terms and conditions.

## **10. Joint holders**

- 10.1 We will send all notices and other documents under these terms and conditions to the first named holder on the nominee register, which will then be treated as sent to all of the other joint holders. The first named joint holder who receives the notices or other documents agrees to notify the other joint holders. Only the first named joint holder may be nominated as proxy to attend, speak and vote at meetings of the Company's shareholders (where that proxy facility is made available by the CSD and where it is possible under the Company's constitutional documents).
- 10.2 Each joint holder therefore agrees that:
- (a) we and our Nominee are liable to the joint holders taken together and not separately; and
  - (b) the joint holders are liable to us and the Nominee together and not separately.
- 10.3 We will only accept transfer instructions given by or on behalf of all of the joint holders, but we may accept other instructions signed by one or more joint holders which means the joint holder(s) giving the instructions warrant(s) to us that they have the necessary authority to act on behalf of all joint holders. We will only hold Securities for up to four joint holders.
- 10.4 Where we receive transfer instructions from a corporate holder, we will assume the signatory has the necessary authority to act on behalf of the corporate holder.

# General information

## 1. Limits on our liability

- 1.1 We and our Nominee will provide the Service with reasonable care and skill.
- 1.2 We are not liable for losses unless they are foreseeable by each of us at the time we enter into an agreement governed by these terms and conditions and are caused by our or our Nominee's breach of these terms and conditions, negligence, wilful default or fraud.
- 1.3 We are not liable for losses or expenses suffered by you that are caused by:
  - (a) your failure to obey the law;
  - (b) third parties (which for this purpose includes banks, custodians the Nominee and CSDs but otherwise excludes our own sub-contractors) subject to the provisions of these terms and conditions;
  - (c) documents getting lost or delayed in the post;
  - (d) delays over the internet before your communication reaches the Computershare website;
  - (e) your online communication being intercepted or hacked before it reaches the Computershare website;
  - (f) any planned maintenance that we have to carry out which will normally take place outside Business Hours;
  - (g) fraudulent instructions;
  - (h) us acting on your instructions; and/or
  - (i) unclear instructions.
- 1.4 We are not liable for any indirect losses or consequential loss of any kind and in any event we are not liable for:
  - (a) loss of opportunity (including investment opportunity);
  - (b) loss of potential future income, revenue, or increase in value;
  - (c) loss of income including interest;
  - (d) loss of goodwill;
  - (e) loss of anticipated savings; or
  - (f) any wasted time,

whether they amount to direct or indirect loss.
- 1.5 Nothing in these terms and conditions excludes or limits in any way our liability for:
  - (a) death or personal injury caused by our negligence; or
  - (b) fraud or fraudulent misrepresentation; or
  - (c) any other matter for which it would be illegal or unlawful for us to exclude or limit or attempt to exclude or limit our liability.
- 1.6 We shall not be responsible for delays or failure to perform the Service due to circumstances beyond our reasonable control which may include for example market conditions, halts on trading in a market, power failures or natural disasters. Where we do suffer such delays we will try to resume the Service as soon as reasonably possible.
- 1.7 You accept responsibility for all instructions you send to us or arrange to be sent to us on your behalf.

## 2. Contacting Each Other

- 2.1 When you write to us you must send all correspondence to:

Computershare Investor Services PLC,  
The Pavilions, Bridgwater Road,  
Bristol BS99 6ZZ

and include the full name and SRN of your Account.

- 2.2 When we send documents by post to you we will treat them as delivered two Business Days after we have sent them if you live in the UK, or five Business Days after if you live outside the UK. Where we send documents by courier, we will treat them as received by you on delivery.
  - 2.3 If we send you an email or communicate with you via the Computershare website we shall regard the communications as being delivered instantly.
  - 2.4 We will not accept any instructions from you by fax, email or photocopied forms.
  - 2.5 Ours and your obligations under these terms and conditions shall be binding on us and you and your successors, executors, administrators and other legal representatives.
  - 2.6 Where we are reasonably satisfied someone has proved they are authorised to act on your behalf in relation to your Securities, we will be entitled to rely and act upon any instructions they give us on your behalf as if they came from you. We will only act on an instruction sent under a power of attorney if you send the original power of attorney or a copy certified by a solicitor or notary public to us by post, which will be inspected and returned to you.
  - 2.7 We provide these terms and conditions in English and we will only communicate with you in English when providing the Service.
- ## 3. General
- 3.1 These terms and conditions and the Service are governed by the laws of England. You agree that any claim under these terms must be brought before an English court.
  - 3.2 You agree under these terms and conditions that your Securities and your rights and interests in your Securities are provided to us as security. You will indemnify us against any losses and expenses we suffer because:
    - (a) you fail to give us sufficient funds to carry out your instructions;
    - (b) you are in breach of these terms and conditions; or
    - (c) we have had to pay taxes on your behalf arising out of your use of the Service.
  - 3.3 Where we owe you money and you owe us money under the Service, we will deduct the monies you owe us from the monies we owe you, and only send you the net amount (if any).
  - 3.4 We will round down any money payable to you to the nearest penny and keep the difference for our own benefit.
  - 3.5 Unless we waive any of our rights in writing you cannot take any conduct or delay on our part to mean we have given up those rights.
  - 3.6 We reserve the right to reject instructions from you. We may do this if we think we need to:
    - (a) obtain further information from you;
    - (b) comply with any legal requirements (for example: obtaining evidence of identity to comply with anti-money laundering regulations);
    - (c) investigate any other issues we may have with your instructions;
    - (d) check that you are not breaching money laundering legislation; and/or
    - (e) carry out a credit check against you.

Where you fail to provide us with the evidence we need we may stop holding Securities and/or stop making payments to you. We may also notify the relevant authorities. We will notify you in writing as soon as possible if we decide not to accept an instruction from you. By agreeing to use this Service, you give us permission to check your identity using electronic identity checking services where necessary.

- 3.7 Neither we nor our Nominee will lend your Securities to any third party or borrow money using them as security.
- 3.8 When we arrange for the sale of Securities for you we could be:
- (a) acting for an associated company which is dealing as principal for its own account by buying Securities from you;
  - (b) buying Securities where an associated company is involved in a new issue, rights issue, takeover or similar transaction concerning the Company Security; or
  - (c) otherwise in a position where we have a material interest in the transaction.
- 3.9 Conflicts of interest which may be detrimental to you may arise between us, our agents, our other corporate clients, our employees and those who use the Service. We will make every effort to identify and prevent such conflicts. Where this is not possible, we will manage and mitigate the conflicts. Where we cannot prevent, manage or mitigate such conflicts we will disclose details to you. You may obtain a copy of our Conflicts of Interest Policy, which we update regularly, on our website or you may request a copy by writing to us at Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS13 8AE, United Kingdom.
- 3.10 In performing the Service we may on occasion employ agents to carry out certain activities. Before doing so we will satisfy ourselves that they are able to do the job we are asking them to do.
- 3.11 The Service (and as a result all or some client money and assets) may at any time be moved to another provider. You will be notified in advance of when this will occur (the transfer date). The new provider may notify you of any changes to the scope of the Service and details of their terms and conditions as well as any associated information such as changes of address and banking details. Rights you may have against us which relate to the period before the transfer date will not be affected, but we and the Nominee shall have no liability to you in respect of the period after the transfer date.
- 3.12 We may at any time move all or part of our business (and as a result all or some client money and assets) to another provider, including for example as part of a restructure or amalgamation. The new provider will assume our rights and obligations under these terms and conditions and we will notify you in advance of when this will occur (the transfer date). This notice will include details of any changes to the Service and to these terms and conditions necessary because of the transfer, for example changes of address and banking details. Rights you may have against us which relate to the period before the transfer date will not be affected, but we and the Nominee shall have no liability to you in respect of the period after the transfer date.
- Subject to the contents of the notice referred to above, from the transfer date:
- (a) these terms and conditions will be treated for all purposes as being entered into by you and the new provider rather than us;
  - (b) references to us will be read as references to the new provider and references to the Nominee will be read as references to the new provider or its new nominee; and
  - (c) we and the Nominee will be released and discharged from all of our obligations under these terms and conditions.
- 3.13 In these circumstances, we will satisfy ourselves that the new provider will hold monies in accordance with the FCA Rules on client money or if not, we will exercise due skill, care and diligence in assessing whether the new provider will apply

adequate equivalent measures to protect your client money. You agree that from the transfer date we will no longer hold your money in a client money bank account and we will no longer treat it as client money under the FCA Rules.

- 3.14 In offering the Service we will treat you as a "retail client". As a retail client you are protected by the FCA Rules and you may be eligible for compensation under the FSCS, as described further in the Complaints and Compensation section.
- 3.15 Only you or we have any right to enforce these terms and no third party has right to enforce any of the terms by virtue of the Contracts (Rights of Third Parties) Act 1999.
- 3.16 We will not do anything which we think would or might break any relevant laws, rules, regulations or codes, or risk exposing us to criticism for behaving improperly or not acting in accordance with good market practice.
- 3.17 We will notify you when we change these terms and conditions and if we make any changes that are to your material disadvantage, we will give you not less than twenty Business Days' notice before such change becomes effective, and you will be able to withdraw from the Service without suffering any penalty during this period of twenty Business Days if you disagree with the change.
- 3.18 We may change these terms and conditions without telling you beforehand if we need to change them because the law or regulation changes.

#### 4. Client Money and Assets

- 4.1 When we provide you with the Service you agree that we can hold your money in a UK bank chosen by us. The money will be held in a separate pooled client money bank account together with other clients' monies but separate from our money. You will still have the same rights to your money. The account will be governed by the FCA Rules on client money. All money belonging to clients will be held on trust for the sole benefit of clients. We will not pay interest on monies we hold for you.
- 4.2 Assets will be segregated and held with assets of other customers of our nominee services. You agree that by pooling your Securities with those of other shareholders you retain all rights you have as the legal owner of your assets, but that your entitlement will not be identifiable by separate share certificates or other physical or electronic records of title.
- 4.3 We will not be responsible for anything a UK bank or any sub-custodian in relation to the assets, does or fails to do with your money or assets.
- 4.4 Under the FCA Rules, if we, a bank or any sub-custodian becomes insolvent and cannot repay all the money or assets owed to clients this could result in a shortfall. In that case, we will treat money or assets as pooled, which means that any shortfall will be shared equally and proportionally with other shareholders of the Company and other customers of ours who are affected by the shortfall. You may not recover all of your money or assets. In this situation, you may be eligible to claim under the Financial Services Compensation Scheme (FSCS). For more information, please see the Complaints and Compensation section.
- 4.5 Sometimes, in exceptional circumstances we may hold your money or assets in a bank or sub-custodian based outside of the UK. If we do so, we will take all reasonable steps to protect your money or assets in line with local laws, which may be different from the laws in the UK, and your rights in the event of insolvency of the bank or sub-custodian may be reduced.
- 4.6 If you hold client money with us and there has been no movement in your balance for at least six years, other than charges we may have levied, we may remove this money from the client money bank account and donate it to a registered

charity of our choice. You may later claim this sum of money back from us, but you will not be entitled to claim any interest on it. We will let you know at least 28 days before we do this by writing to you at the last email or postal address we have for you. Where the amount is no more than £25 (or equivalent) and you fail to claim it before the 28 day notice period expires, we will donate the money without attempting to contact to you again. If the amount is more than £25 (or equivalent), after the 28 day notice period expires, we will make at least one further attempt to contact you using other means, before donating the money to charity.

- 4.7 If we have not received any instructions from you for at least twelve years, we may sell assets we hold for you at market value if the law and applicable regulations allow it. You may later claim from us a sum equal to the value of the proceeds at the time your assets were sold. You will not be entitled to claim any interest on this sum. We will let you know at least 28 days before we do this by writing to you at the last email or postal address we have for you. If we have not heard from you within the 28 days' notice period, we will make at least one further attempt to contact you using other means. After a further 28 day period, we will donate the assets or proceeds to a registered charity of our choice.

## 5. Permitted Countries

- 5.1 The 'Permitted Countries' are: Argentina, Austria, Belgium, Botswana, Brazil, Bulgaria, Chile, Croatia, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Gibraltar, Greece, Guernsey, Guinea, Hong Kong, Hungary, Iceland, Indonesia, Ireland, Isle of Man, Italy, Jersey, Latvia, Liechtenstein, Lithuania, Luxembourg, Malta, Mexico, Namibia, The Netherlands, Norway, Paraguay, Peru, Poland, Portugal, Romania, Slovakia, Slovenia, South Africa, South Korea, Spain, Sweden, Switzerland, Taiwan and the United Kingdom.
- 5.2 This list may be updated from time to time with the current list displayed on our website. In the event of conflict, the list on our website takes precedence. If you are resident in another territory you will be excluded from the Service. If you are unsure of your status please call us.

## 6. Data Protection

- 6.1 In order to provide the Service to you we need to use your personal information. We may also transfer your personal information to other countries which have different data protection laws. We will only do this if we are satisfied that there are adequate safeguards in place to protect your personal information.
- 6.2 For full details about how we use and share your personal information please see our Privacy Policy, which is available on our website. The Privacy Policy also explains your rights in relation to your personal information and how you can exercise them.

## 7. Complaints and Compensation

- 7.1 If you are dissatisfied with the Service we have provided you or wish to receive a copy of our complaints procedure please write to us or find a copy of our complaints procedure on the Computershare website. If we cannot resolve your complaint, you may refer it to the Financial Ombudsman Service, Telephone: +44 (0)800 023 4567 (free from UK landlines) or 0300 123 9123 (from UK mobiles) or at [www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk).
- 7.2 Under the FSCS you may be entitled to compensation if we cannot meet our financial obligations. You may be covered for up to 100% of the first £50,000 (£85,000 from 1 April 2019) of your investments (i.e. a maximum of £50,000 (or £85,000) per

person). Where we hold your money in a client bank account and the relevant UK approved bank becomes insolvent, you may be covered under the FSCS for up to £85,000 of the money on deposit with that bank. Details about our external banking partners are available on request. These amounts may be subject to change. Where we are required to hold your client money in a jurisdiction outside the UK, your rights in the event of insolvency may be reduced. Further details of your rights under the FSCS can be found here: [www.fscs.org.uk](http://www.fscs.org.uk).

Computershare Investor Services PLC is authorised and regulated by the Financial Conduct Authority, Registered Office: 12 Endeavour Square, London E20 1JN. Computershare Investor Services PLC is on the Financial Conduct Authority Register with registration number 188534. Computershare Investor Services PLC is registered in England & Wales, Company No. 3498808, Registered Office: The Pavilions, Bridgwater Road, Bristol, BS13 8AE. The main business of Computershare Investor Services PLC is the provision of share registry and shareholder services.

## APPENDIX II

### THE NEW NV DIVIDEND REINVESTMENT PLAN TERMS AND CONDITIONS



# Key information about this Service

## DIVIDEND REINVESTMENT PLAN TERMS AND CONDITIONS - ONLINE AND POSTAL

### 1.1 What Service are we providing?

We agree to allow you to participate in the Unilever N.V. (formerly Unilever International Holdings N.V.) dividend reinvestment plan with the opportunity to use your cash dividend to buy new Shares through a special dealing arrangement (Plan) arranged by us or a Broker, on an execution only basis. The Plan is administered in the UK by Computershare Investor Services PLC (Service) and not by the Company. We are authorised and regulated by the Financial Conduct Authority.

As a participant of the Plan you are bound by these legally binding terms and conditions. Please read them and keep them safe so you can refer to them in the future. We may change these terms and conditions, if we do so, we will let you know beforehand.

The price of Shares can go down as well as up and the income from Shares is not guaranteed. You may suffer a loss and receive back less than you originally invested. The price may even change from when you send us an instruction to trade Shares to when we receive it and are able to conclude the transaction. Remember that past performance is no guide to future performance. Please note that your order may be combined with other orders which may result in a more or less favourable price than if your instruction had been carried out separately. See the At what price will the Shares be bought and how many Shares will you receive section for further details.

### 1.2 How much will it cost you to use the Service?

We do not charge you any fees for joining the Plan but each time we buy Shares for you we will charge you a dealing fee of 0.5% of the total price of the Shares purchased. If stamp duty reserve tax is applicable, then purchases will be subject to stamp duty reserve tax of 0.5%.

For example if we use £1,000 of your cash dividend to reinvest in new Shares valued at £1 each, we will charge you a dealing fee of £5.00. In addition, £5.00 of stamp duty reserve tax will be deducted. Charges would therefore reduce the number of Shares purchased from 1,000 to 990.

If you choose to participate in the Plan:

- if the Company offers a choice of receiving the cash dividend payment net or gross of Dutch dividend withholding tax, we will make an election on your behalf for the payment to be made gross;
- where the Company offers a choice of receiving the cash dividend in GBP or another currency, we will make an election on your behalf for the payment to be made in GBP;
- if the Company pays the dividend in a currency other than GBP, the cash payment received will be converted to GBP and will be subject to the FX charges set out below; and
- the GBP cash payment will be used to buy new Shares on your behalf.

If the Company pays the dividend in a currency other than GBP then the payment will be converted to GBP and we will charge an FX fee of up to 1.5% of the cash dividend. So for example if we converted a cash dividend of €100 into another currency for you, you would be charged €1.50.

We will deduct these amounts from your cash dividends before buying the Shares. You may request an itemised breakdown of total costs and charges. We may pay the Broker a fee for providing its service to us. Please see the What are our Costs section for further information on our charges.

### 1.3 Are we providing you with any advice?

We will not provide you with any investment, taxation or legal advice, or advice on whether or not the transaction is right for you. We will not assess the suitability or appropriateness of any product, service or transaction and we will not recommend or invite you to sell, buy, transfer or hold Shares. You will not benefit from the protection of the FCA Rules on assessing appropriateness.

It is your responsibility to make sure the Service is right for you and you may wish to seek independent professional advice before using it.

### 1.4 How do you contact us?

You can contact us by e-mail at [web.queries@computershare.co.uk](mailto:web.queries@computershare.co.uk) or post. You can also telephone us on +44 (0)370 600 3977 between 08:30 to 17:30 on Business Days. The Contacting Each Other section has further details.

### 1.5 How do you keep your personal information up to date?

When we contact you we will use the most recent contact details we have for you on our records. You may create an online account at [www.investorcentre.co.uk](http://www.investorcentre.co.uk). Where we make a payment to you, for example if there is a cash surplus when you leave the Plan, we will either:

- send a cheque to the most recent address we have for you on our records;
- use the bank account details we have for you on our records; or
- make payment electronically via CREST (if applicable).

It is your responsibility to keep your log in details secure. You must tell us if you change your contact details or your bank account. You can log in to your online account and update your personal details at any time.

## 1.6 What happens if something goes wrong?

We will always aim to provide the Service with reasonable care and skill. If you are not happy with any aspect of the Service, please contact us. The Complaints and Compensation section has further information. Please note that we limit our liability to you under these terms and conditions. Further information is contained in the Limits on our Liability section.

### List of technical words used in these terms and what they mean

When a word appears in these terms that starts with a capital letter, check to see if it appears in the list of defined terms below for its specific meaning.

<b>"Broker"</b>	means the stockbroker or Market Maker who we use from time to time in order to execute your instructions;
<b>"Business Day"</b>	means any day on which the London Stock Exchange (LSE) is open for business;
<b>"Business Hours"</b>	means the hours within any day during which the LSE is open for normal business;
<b>"Company"</b>	means the company whose Shares may be reinvested under these terms and any other company it has control of or that is controlled by the same people who also control the company, as the context requires;
<b>"Company's Record Date"</b>	means the date determined by the Company as the date on which a Shareholder must appear on its register as the owner of the Shares in order to be entitled to a dividend;
<b>"Costs"</b>	means our fees, commission or any other charges payable on the purchase of Shares;
<b>"CSD"</b>	means a central securities depository which is a computer-based system enabling securities to be held and transferred electronically. The relevant CSD in the UK is CREST;
<b>"FCA"</b>	means the Financial Conduct Authority;
<b>"FCA Rules"</b>	means the rules, guidance and principles set out in the FCA handbook;
<b>"First Dividend Payment Date"</b>	means the first date following a Company's Record Date on which dividends are paid;
<b>"Market Maker"</b>	means the broker-dealer firm which buys shares and makes shares available to purchase at published prices in order to facilitate trading;
<b>"Second Dividend Payment Date"</b>	means the next date on which dividends are paid following the First Dividend Payment Date;
<b>"Shares"</b>	means shares, or interests representing shares, which are a unit of share capital issued by the Company;
<b>"us", "we", "our" or "Computershare"</b>	means Computershare Investor Services PLC (Company No: 3498808) whose registered address is The Pavilions, Bridgwater Road, Bristol, BS13 8AE, Financial Services Register No. 188534; and
<b>"you"</b>	means the person holding an interest in the Shares.

**Interpretation** We have referred to some statutes, regulations or other rules. References to them include references to them as amended or replaced from time to time. Where we have referred to a time of day this means UK time, unless we say otherwise. Where we start a phrase with the words 'including' or 'include', the phrase is to be construed as illustrative only and does not limit the sense of the words preceding those terms.

# How the Plan will operate

## 2. Who may participate in the Plan?

- 2.1 If we find out that you are subject to laws, procedures or regulations of a country outside the UK which does not allow you to participate in the Plan, you may not be permitted to benefit from the Service and we may cancel your participation in the Plan.

## 3. How do you join the Plan?

- 3.1 If you would like to join the Plan, please complete the online form at [www.investorcentre.co.uk](http://www.investorcentre.co.uk) or, complete, sign and return the election form to us. If you do not have an election form please contact us. If you are a CREST member or sponsored by a CREST member and you wish to participate in the Plan you must submit your election using the CREST system. Further details are contained in the CREST Procedures section.
- 3.2 If you have more than one shareholding in the Company that you want included in the Plan then you should complete a separate form for each shareholding. If you would like to combine your shareholdings in the Company please contact us. If your Shares are held jointly with others and you are joining the plan online, you must confirm that you have obtained the consent of all other joint shareholders to use the Plan before you are able to join. If you are using an election form, it must be signed by all joint shareholders. We must receive your application at least 15 Business Days before the dividend payment date. Any applications we receive after that date will apply to the next dividend payment, if there is one.
- 3.3 If you have not completed the application properly, we may request further information from you or ask you to complete the form correctly. We will not accept any forms sent by fax, e-mail or telephone instruction or a photocopied form.
- 3.4 If we decide not to accept a particular instruction, we will notify you in writing as soon as we reasonably can.
- 3.5 By joining the Plan, you instruct us to reinvest all future dividends from your Shares until you notify us of your intention to withdraw from the Plan or we suspend or terminate the Plan. However, if you hold your Shares in uncertificated form in CREST the CREST Procedures section of these terms and conditions will apply.

## 4. Can you join the Plan with just some of your Shares?

- 4.1 If you choose to participate in the Plan all the Shares you hold in the Company falling under a single shareholder reference number will be included within the Plan.
- 4.2 Where you are a corporate shareholder or you are acting on behalf of more than one beneficial owner, (e.g. a nominee arrangement) we may allow part of your shareholding to apply to the Plan. A cash dividend will be paid on the balance of the Shares not included in the Plan. This instruction will not be applied to future dividends.

## 5. How does the Plan work?

- 5.1 We will use the cash dividend paid to you by the Company to buy new Shares in the Company. We will buy as many whole Shares as possible from the proceeds of each cash dividend. Purchases are made on or as soon as reasonably practicable after each dividend payment date. The Plan may not be available for a particular dividend and where the Plan is not available, cash dividends will be paid.

- 5.2 We must receive your election form at least 15 Business Days before the dividend payment date.

- 5.3 When we execute your instruction we are irrevocably and unconditionally appointed to act as your agent. We will then carry out your instructions as your agent, which means that we will have your authority to sign, complete and deliver any transfer form or other document, or do anything else which we think is necessary to carry out your instructions.

- 5.4 Where we hold a cash-balance for you at the end of a quarter we will send you a statement which may be included with an advice note. We will continue to send you a statement on a quarterly basis (i.e. at regular intervals not less than four times a year) for as long as we hold a cash-balance for you. You may request statements more frequently, but we may charge you for providing these.

## 6. What are our Costs?

*Refer to the Key Information section for further details*

- 6.1 Our Costs are set out in the Key Information section.
- 6.2 Where the Key Information Section states that we will pay the Broker a fee for providing its service to us, such fee will be taken from the fee we charge you. If you would like further information on this arrangement please contact us using the details in the Contacting Each Other section.
- 6.3 Where the Key Information section states that purchases are subject to stamp duty reserve tax, it will be deducted at the time your Shares are purchased.
- 6.4 All applicable UK Value Added Tax ("VAT") on our fees, commissions and charges is payable by you to us. All our fees, commissions and charges are inclusive of any applicable VAT unless specifically stated otherwise. Our dealing fees are exclusive of VAT, but currently no VAT is applicable to these fees. If that situation changes in the future we will charge you VAT without notifying you beforehand.
- 6.5 If we provide you with any information, ancillary services or other services not mentioned in these terms and conditions, we may write and ask you to pay for that service or information.
- 6.6 Where we are required to make a change to the Service due to a change in applicable law or regulations, we may amend the Plan without giving you any notice, and will inform you in writing of the change as soon as we can. In all other cases, we will notify you in writing at least 20 Business Days in advance of any proposed new charge or before we increase our charges.
- 6.7 We may increase our charges for any reason, which may include:
- (a) increases in inflation;
  - (b) changes in interest rates;
  - (c) increases in our running costs of the Plan;
  - (d) increases in our running costs of the Service;
  - (e) additional charges imposed by parties we work with in connection with the provision of the Plan;
  - (f) alterations in the provision of the Service being provided; and/or
  - (g) tax or legal changes.

## 7. What happens if you buy or sell Shares?

- 7.1 If you buy more or sell some (but not all) of your Shares, the Plan will continue to apply to the Shares from your increased or decreased shareholding. If you sell all of your Shares, there will be no dividend entitlement and your participation in the Plan will end unless you are a CREST participant in which case the CREST Procedures section of these terms and conditions will

apply. Any cash surplus will be returned to you, please see the Cash Surplus on leaving the Plan section for more information.

- 7.2 If you sell your Shares on or after a specific date (known as the ex-dividend date) it will be you, rather than any buyer of your Shares who will remain entitled to that dividend.

## 8. At what price will the Shares be bought and how many Shares will you receive?

- 8.1 On payment of a dividend by the Company, we will pool your cash dividends with the cash dividends of all other Plan participants. We will follow the instructions you give us on our website and your election form, or via the CREST system. We will instruct the Broker to buy as many whole Shares from the pooled cash dividends after the Broker deducts our dealing fee and any applicable stamp duty reserve tax. The pooled monies will be used to pay for the completed trades when payment becomes due.
- 8.2 When you instruct us to deal with your Shares we will take reasonable care in appointing a Broker to carry out your instructions from our panel of approved Brokers, listed in our Order Handling Policy. We and the Broker will then take reasonable steps to obtain the best possible results for you. Through the appointed Broker, we will execute your orders through the execution venues as listed in our Order Handling Policy which you can access on our website or by writing to us at The Pavilions, Bridgwater Road, Bristol BS13 8AE, United Kingdom. In deciding which execution venue to use we and the Broker will focus on a number of factors, primarily price, but also the likelihood of concluding the transaction, size of your order, nature of stock, speed of settlement, market volume, market impact and transaction venue. Information on our top five execution venues from the previous year is available on our website. The Broker will normally carry out your instructions in regulated markets, organised trading facilities or multi-lateral trading facilities. However to obtain the best result for you the Broker may decide to carry out your instructions outside of these regulated markets, for example where the Broker carries out your instructions with a Market Maker or matches your instructions with instructions received from another client.
- 8.3 By using the Service you expressly agree that the Broker may use a venue that is not a regulated market, an organised trading facility or a multilateral trading facility.
- 8.4 We may combine your order with orders received from other clients using the Service. The Broker may combine your order with orders received from their other clients. This may result in a more or less favourable price than if your instruction had been carried out separately. Where the Broker executes a number of instructions for us then it may average the price obtained for all the orders if different instructions were dealt at different prices.
- 8.5 Where the overall transaction is above a certain size then we may need two UK Business Days (or more) to process it.
- 8.6 When you instruct us to deal for you, there may be occasions when we are unable to complete a transaction. When this happens you agree that we may carry out further trades to complete the transaction you originally instructed. We will act in compliance with our Order Handling Policy in order to correct any errors.
- 8.7 We and the Broker have to get you the best price reasonably available when we buy your Shares. We or the Broker may therefore sometimes delay a purchase of Shares for several Business Days if we think that is in your best interests.
- 8.8 You agree that you can only use the Service in accordance with the Company's share dealing Policy, available upon request from the Company.

- 8.9 Where trading in the Company's Shares is halted or suspended we will not be able to process any outstanding instructions you have given us until trading resumes. In the meantime we will treat your money in the same way as described in the What happens when money is left over after Shares have been bought section. We accept no responsibility for the impact that any such suspension may have on the price we may then have to buy the Shares for.

- 8.10 We and the Broker check that the correct number of Shares have been purchased. We will only treat the purchase of new Shares as complete and properly executed when we have:

- (a) determined the total number of Shares purchased;
- (b) received and allocated the Shares;
- (c) carried out the necessary internal audit procedures; and
- (d) received the printed confirmation note from the Broker.

- 8.11 Depending on the nature of the trade, this process can take up to 14 Business Days. The prices at which the Shares are purchased may vary between transactions, but we will calculate the average price across all Shares of the Company which have been purchased as part of this trade to ensure that all Plan participants receive the same share price. This may operate to your advantage or disadvantage.

- 8.12 When we are satisfied that the purchase of Shares are complete and properly executed we will send an advice note to the address of the first named shareholder setting out the number of Shares purchased, the Costs that have been charged and any other commission or charges.

- 8.13 We will send you the advice note by post within one Business Day of the Broker confirming the purchase to us. If you are a CREST member you may also be notified via the CREST system.

- 8.14 The Broker we use to execute your instructions is chosen in accordance with our Broker Selection Policy. We will only select Brokers whose stated Policy is to obtain the best possible result for you. Our Order Handling Policy identifies factors affecting the carrying out of client instructions by the Broker. You agree that you are legally bound by our Order Handling Policy. Both Policies are available on our website, alternatively please contact us if you would like copies. If you would like additional information on how we review our Order Handling policy and arrangements with the brokers on our approved panel, please contact us.

## 9. What happens when money is left over after Shares have been bought?

- 9.1 Only whole Shares can be bought under the Plan so there will usually be a cash surplus left (insufficient to buy another whole Share). This cash surplus will be carried forward and held in a client money account under the FCA Rules. The cash surplus will be added to future cash dividends for reinvestment in the Company's Shares. All advice notes we send to you will include a statement of any cash surplus.

## 10. What if there is a cash Surplus when you leave the Plan?

- 10.1 If you leave the Plan, you will be paid any cash surplus that we have collected for you. We will treat you as leaving the Plan if:
- (a) you cancel or withdraw from the Plan;
  - (b) you sell or transfer all of your Shares and do not purchase more Shares under the same Shareholder Reference Number prior to the next dividend record date;
  - (c) you request that we pay to you any cash surplus that would otherwise be carried forward for reinvestment;
  - (d) we receive proper notice of your bankruptcy, mental incapacity or death;

- (e) you are a shareholder which is a corporate entity and we receive proper notice that you have become insolvent, been placed in administration or are the subject of similar proceedings and as a result we determine it is appropriate for you to cease to be a Plan participant;
- (f) the Company has become insolvent, been placed in administration or is the subject of similar proceedings and we determine it is appropriate for you to cease to be a Plan participant as a result;
- (g) the Plan is terminated, suspended or withdrawn for any reason; or
- (h) you cease to be a Plan participant for any other reason.

10.2 If we treat you as having left the Plan, we will return any money to you:

- (a) on the First Dividend Payment Date if you leave before the Company's Record Date; or
- (b) on the Second Dividend Payment Date if you leave on or after the Company's Record Date.

## 11. Our right to end the Plan

11.1 We and the Company reserve the right to suspend or terminate the Plan at any time. When exercising this right, we will try to ensure you are provided with notice before such suspension or termination takes place.

## 12. Your right to cancel or withdraw from the Plan.

12.1 **Cancellation rights** – if you want to cancel your participation in the Plan, you should notify us within 14 Business Days from the date we receive your election form (the Cancellation Period). You will lose the right to cancel the Plan, if during the Cancellation Period, you make a request for us to reinvest your cash dividend. We need to know the number of participants in the Plan at least 15 Business Days before a dividend payment date. We refer to the first day of this 15 Business Day period as the Cut-Off Date. If you choose to submit your election form to us at a time which would result in your Cancellation Period expiring on or after the Cut-Off Date, we will treat you as having instructed us to reinvest your cash dividend during the Cancellation Period. If we do not receive a notice of cancellation from you prior to the Cut-Off Date, you will lose your cancellation rights.

12.2 **Withdrawal** – If you decide to withdraw from the Plan, you must let us know in writing. You can withdraw at any time provided that your notice to withdraw from the Plan is received before the Cut-Off Date (if you do not want that dividend reinvested in Shares).

12.3 If you make an online request for your cash surplus to be returned, this will be treated as a notice that you wish to withdraw from the Plan.

12.4 If we receive notice of your death, bankruptcy or mental incapacity (or, in the case of a corporate shareholder, your insolvency, administration or similar proceedings) your participation in the Plan will stop unless the Shares are held jointly with others in line with our Policies and procedures. For further information please contact us.

## 13. CREST Procedures

*Please read this section if you are a CREST Member*

13.1 If you hold your Shares in uncertificated form in CREST and you wish to receive the Services you must comply with the CREST procedures. If you elect via CREST you confirm that you agree to receive the Service in line with these terms and conditions, and you appoint us as your agent to arrange the purchase of Shares.

13.2 If we buy Shares for you, these will be credited to your CREST member account unless we or the Company decides that the Shares should be issued by certificate.

13.3 You may only remove an election which has been made via CREST by following the CREST procedure set out in the CREST Manual, unless we or the Company agrees another form of removal (which we notify to you in writing). If your holding is reduced to zero, any future Shares you acquire will be subject to the previous election, unless you change it.

13.4 We recommend that you input any messages to delete an election at least 24 hours in advance of the deadline to give us and the Company sufficient time to accept the deletion. There is no facility to amend an election which has been made by Dividend Election Input Message. If you wish to change your election details you must first delete the existing election and then input a Dividend Election Input Message with the required new details.

# General information

## 1. Limits on our Liability

- 1.1 We will provide the Service with reasonable care and skill.
- 1.2 We are not liable for losses unless they are foreseeable by each of us at the time we enter into an agreement governed by these terms and conditions and are caused by our breach of these terms and conditions, negligence, wilful default or fraud.
- 1.3 We are not liable for losses or expenses suffered by you that are caused by:
  - (a) your failure to obey the law;
  - (b) third parties (which for this purpose includes banks and custodians and CSDs but otherwise excludes our own sub-contractors) subject to the provisions of these terms and conditions;
  - (c) documents getting lost or delayed in the post;
  - (d) delays over the internet before your communication reaches our website;
  - (e) your online communication being intercepted or hacked before it reaches our website;
  - (f) any planned maintenance that we have to carry out which will normally take place outside Business Hours;
  - (g) fraudulent instructions;
  - (h) us acting on your instructions; and/or
  - (i) unclear instructions.
- 1.4 We are not liable for any indirect losses or consequential loss of any kind and in any event we are not liable for:
  - (a) loss of opportunity (including investment opportunity);
  - (b) loss of potential future income, revenue, or increase in value;
  - (c) loss of income including interest;
  - (d) loss of goodwill;
  - (e) loss of anticipated savings; or
  - (f) any wasted time,whether they amount to direct or indirect loss.
- 1.5 Our maximum aggregate liability to you arising in connection with the Service shall not exceed the total value of the dividend payments we receive on your behalf for reinvestment in the 12 month period immediately before you first issue a claim against us, or if you have left the Plan at that point, in the 12 month period immediately before you left the Plan, or if higher the total fees you have paid us for using the Service since you joined the Plan. The maximum liability will cover the aggregate of all losses, costs, interest and expenses whether arising under contract, tort (including negligence) or otherwise suffered by you or any other party in connection with the Service we provide to you. This liability cap shall apply to all claims you make while you are a participant of the Plan and after you have left the Plan.
- 1.6 Nothing in these terms and conditions excludes or limits in any way our liability for:
  - (a) death or personal injury caused by our negligence;
  - (b) fraud or fraudulent misrepresentation; or
  - (c) any other matter for which it would be illegal or unlawful for us to exclude or limit or attempt to exclude or limit our liability.
- 1.7 We shall not be responsible for delays or failure to perform the Service due to circumstances beyond our reasonable control which may include for example market-conditions, halts on trading in a market, power failures or natural disasters. Where we do suffer such delays we will try to resume the Service as soon as reasonably possible.

- 1.8 Where we have sent you details on how to access your account online it is your responsibility to keep these details secure. So if you suspect that any of these details have been obtained by anyone else you must tell us immediately, or you will be liable for any fraudulent instructions that we may receive as we will always accept any instructions as valid if they contain these details. If you have any doubt about an instruction you should telephone us immediately.

- 1.9 You accept responsibility for all instructions you send to us or arrange to be sent to us on your behalf.

## 2. Contacting Each Other

- 2.1 If you want to contact us then you may do so using the details in the Key Information section or by writing to us at Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZZ. We will normally contact you by email if we have your email address, otherwise we will use the post.
- 2.2 When we send you a communication we will treat it as received by you if:
  - (a) delivered by hand or courier, on delivery;
  - (b) sent by UK domestic post, two Business Days after sending;
  - (c) sent by international post (outside the UK), five Business Days after sending; and
  - (d) delivered by email or via our website, immediately.
- 2.3 We provide these terms and conditions in English and we will only communicate with you in English when providing the Service. If we translate these terms and conditions into another language they should be treated as being informative only. We will only be bound by the English version of these terms and conditions which govern the Service.

## 3. General

- 3.1 In performing the Service we may on occasion employ agents to carry out certain activities. Before doing so we will satisfy ourselves that they are able to do the job we are asking them to do.
- 3.2 We will not do anything which we think would or might break any relevant laws, rules, regulations or codes, or risk exposing us to criticism for behaving improperly or not acting in accordance with good market practice.
- 3.3 When we provide you with the Service you agree that we can hold your money in a UK bank chosen by us. Under the law that will apply, we will not be responsible for anything a UK bank does or fails to do with your money. The money will be held in a separate pooled client money bank account together with other clients' monies but separate from our money. You will still have the same rights to your money. The account will be governed by the FCA Rules on client money. All money belonging to clients will be held on trust for the sole benefit of clients. We will not pay interest on monies we hold for you. If the bank becomes insolvent we will try to recoup your money on your behalf. If there is a shortfall in the money held in the client money account, all clients will share any shortfall proportionately. In this situation you may not recover all your money. You may then be able to make a claim under the Financial Services Compensation Scheme (FSCS). Sometimes, in exceptional circumstances, it may be necessary for us to hold your money in a bank based outside of the UK, (for example, to facilitate payments to you if you are based outside the UK). If so, we will take all reasonable steps to protect your money in line with local laws, which may be different from the laws in the UK. Your rights if the bank becomes insolvent may be reduced in this instance.

- 3.4 If we hold your money and there has been no movement in your balance for at least six years, other than for charges we may have levied, we may remove this money from the client money bank account and donate it to a registered charity of our choice. You may later claim this sum of money back from us, but you will not be entitled to claim any interest on it. We will let you know at least 28 days before we do this by writing to you at the last email or postal address we have for you. Where the amount is no more than £25 (or equivalent) and you fail to claim it before the 28 day notice period expires we will donate the money without attempting to contact you again. If the amount is more than £25 (or equivalent) after the 28 day notice period expires, we will make at least one further attempt to contact you using other means, before donating the money to charity.
- 3.5 If we move all or part of our business to another provider, after the move is complete we will no longer hold your money in the client money bank account. We will exercise due skill, care and diligence in assessing whether the provider that we are transferring your client money to will follow the requirements of the FCA Rules or apply adequate equivalent measures to protect your client money.
- 3.6 Where we owe you money we will round down the monies payable to the nearest penny. Where you owe us money we will round it up to the nearest penny. In each case we will keep the difference for our own benefit.
- 3.7 These terms and conditions and the Service are governed by the laws of England. You agree that any action must be brought in an English Court.
- 3.8 You lose your entitlement to any benefit associated with your Shares, such as a dividend payment, on the day your Shares are sold which will be before the Shares are registered with the new owners. If you receive such a benefit after your Shares are sold you may have to transfer it to the new owners of the Shares. If we become aware of such a claim when we have received the money from selling your Shares then we will account for it to the new owner of the Shares and may deduct the same amount from the proceeds of the sale.
- 3.9 We may withdraw the Service from you immediately due to a change in law or because we find out that you are not entitled to participate in the Service under local laws. We will settle any outstanding instructions from you before we do this, in so far as we are permitted to do so by law.
- 3.10 In offering the Service we will treat you as a "retail client". As a retail client you are protected by the FCA Rules and you may be eligible for compensation under the FSCS, as described further in the Complaints and Compensation section.
- 3.11 Conflicts of interest which may be detrimental to you, may arise between us, our agents, our other corporate clients, our employees and those who use this service. We will make every effort to identify and prevent such conflicts. Where this is not possible, we will manage and mitigate the conflicts. Where we cannot prevent, manage or mitigate such conflicts we will disclose details to you. You may obtain a copy of our Conflicts of Interest Policy, which we update regularly, on our website or you may request a copy by writing to us at Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS13 8AE, United Kingdom.
- 3.12 Only you or us have any right to enforce these terms and no third party has any right to enforce any of the terms by virtue of the Contracts (Rights of Third Parties) Act 1999.
- 3.13 If you owe us money we may deduct the amount that you owe to us from any amounts that we owe to you. If you owe us money we may sell enough of your Shares to recover our own costs, even if this means we sell your Shares at a loss and/or you suffer any tax liability as a result. We may also offset any monies due to you against any monies you owe us. If we plan to sell your Shares we will let you know one month before we

do so. However even if we do or we offset any sums of money you may owe us, we still reserve the right to go to court to recover any outstanding monies you may owe us.

- 3.14 If any of these terms and conditions is found to be unfair we will not be able to rely upon it. However, that will not have any impact on the other terms and conditions which will remain in force.
- 3.15 You may not use this Service in a country where it would either be illegal to do so or would require us to observe regulatory procedures or legal formalities in addition to those required in England and Wales.
- 3.16 We will notify you when we change these terms and conditions and if we make any changes that are to your material disadvantage, we will give you not less than twenty Business Days' notice before such change becomes effective, and you will be able to withdraw from the Service.
- 3.17 We may change these terms and conditions without telling you beforehand if we need to change them because the law or regulation changes.

## 4. Data Protection

- 4.1 In order to provide the Service to you we need to use your personal information. We may also transfer your personal information to other countries which have different data protection laws. We will only do this if we are satisfied that there are adequate safeguards in place to protect your personal information.
- 4.2 For full details about how we use and share your personal information please see our Privacy Policy, which is available on our website or you may request a copy by writing to us at Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS13 8AE, United Kingdom. The Privacy Policy also explains your rights in relation to your personal information and how you can exercise them.

## 5. Complaints and Compensation

- 5.1 If you are dissatisfied with the Service we have provided you or wish to receive a copy of our complaints procedure please write to us or find a copy of our complaints procedure on our website. If we cannot resolve your complaint, you may refer it to the Financial Ombudsman Service, Telephone: +44 (0)800 023 4567 (free from UK landlines) or 0300 123 9123 (from UK mobiles) or at [www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk).
- 5.2 Under the FSCS you may be entitled to compensation if we cannot meet our financial obligations. You may be covered for up to 100% of the first £50,000 of your investments (i.e. a maximum of £50,000 per person). Where we hold your money in a client bank account and the relevant UK approved bank becomes insolvent, you may be covered under the FSCS for up to £85,000 of the money on deposit with that bank. Details about our external banking partners are available on request. These amounts may be subject to change. Where we are required to hold your client money in a jurisdiction outside the UK, your rights in the event of insolvency may be reduced. Further details of your rights under the FSCS can be found here: [www.fscs.org.uk](http://www.fscs.org.uk).

Computershare Investor Services PLC is authorised and regulated by the Financial Conduct Authority, Registered Office: 12 Endeavour Square, London E20 1JN. Computershare Investor Services PLC is on the Financial Conduct Authority Register with registration number 188534. Computershare Investor Services PLC is registered in England & Wales, Company No. 3498808, Registered Office: The Pavilions, Bridgwater Road, Bristol, BS13 8AE. The main business of Computershare Investor Services PLC is the provision of share registry and shareholder services.

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