**2023 Annual Report**
of
UNILEVER FINANCE NETHERLANDS B.V.

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| Registered office | : | Weena 455, 3013 AL Rotterdam, Netherlands |

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# 2023 ANNUAL REPORT OF UNILEVER FINANCE NETHERLANDS B.V.

## *Directors' Report*

**Board of Directors**

Executive Board Members:

Mr. Sebastiaan Pieter de Buck (Appointed 29 November 2020)
Ms. Margot Martine Fransen (Appointed 29 November 2020)
Ms. Johanna Wilhelmiina Hyttinen (Appointed 29 November 2020)

Non-Executive Board Members:

Joost André Folkers (Appointed 01 October 2021), Audit Committee chair
Herman Ulko Post (Appointed 10 March 2021), Audit Committee member

Unilever Finance Netherlands B.V. has a one tier Board of Directors. The Board consists of 3 Executive Directors and 2 Non-Executive Directors. The Executive Directors are charged with the day-to-day management of the Company. The Non-Executive Directors are charged with governance.

**Review of activities**

Unilever Finance Netherlands B.V. (also referred to as the "Company") is one of the entities within the "Unilever Group" (also referred to as "Unilever"). The Company was incorporated as a result of the demerger of Unilever NV on 26 November 2020.

At the time of the demerger, the Company received euro bonds having a notional amount of € 10,850m including the rights, obligations and liabilities in respect of the bonds and all intra-group receivables which resulted from the on-lending of the funds received on the bonds. The obligations and liabilities in respect of the bonds and intra-group receivables have initially been valued at fair value. The difference between the carrying value of the assets and liabilities received and their fair value has been recognised as a notional capital contribution and is therefore recorded as share premium.

In this context, Unilever Group companies are companies in which Unilever PLC, either directly or indirectly, has control either through a majority of the voting rights or the right to exercise a controlling influence or to obtain the majority of the benefits and be exposed to the majority of the risks. Unilever PLC, a company incorporated in England and Wales, is the "Ultimate Parent Company" of the Unilever Group.

The purpose of the Company is to provide funding to the Unilever Group primarily through Unilever Finance International AG, a wholly owned subsidiary of Unilever PLC. The Company will raise funds by issuing debt in the form of long-term bonds and short-term money market instruments to provide funding to the Unilever Group.

The bonds issued by the Company are traded on the regulated market of the Amsterdam Stock Exchange.

All proceeds from the debt is passed on to Unilever Finance International AG on identical terms except for a 4-basis point mark up on the relevant bond coupon rate or relevant short term money market instrument's yield to maturity, which limits the interest rate risk, currency risk and liquidity risk of the Company.

The Company is an issuer in Unilever's debt issuance programme, including the EMTN programme for issuing bonds, a US commercial paper (USCP) programme and a multi-currency EURO commercial paper (ECP) programme. Bonds and USCP issuances under these programmes by the Company are guaranteed on joint and several basis by Unilever PLC and Unilever United States Inc. ECP issuances by the company are guaranteed by Unilever PLC.

**2023 developments, results and Cash flows during the year**

During the year, the Company raised €1,000 million of funds in February 2023 via bond issuance comprising of:

- €500 million maturing in 2031 @3.25%; and
- €500 million maturing in 2035 @3.50%.

Also, the Company raised short term debt of approximately US$5,242.3 million through US Dollars denominated and €440 million through Euro denominated commercial papers.

The Company repaid the 0.375% €600 million bond; 1.00% €500 million; 0.50% €500 million and all commercial papers (US$5,242.3 million and €440 million) on the scheduled maturity dates.

The proceeds of the bonds and commercial paper issuances were on lent to Unilever Finance International AG at mark up of 4 basis points over relevant paper's yield to maturity. All loans were repaid by Unilever Finance International AG on the scheduled maturity dates.

The financial income of the Company amounted to € 99.5 million (2022: € 21.3 million). The financial expense of the Company amounted € 97.6 million (2022: € 19.4 million). The increase in financial income is the result of the increased average interest rates on group loans offset by the lower amortization of the fair value premium of € (11) million. The increase in financial expense is the result of the increased average interest rates on bonds and commercial paper offset by the lower amortization of the fair value premium of € (10) million. The profit for the period ended 31 December 2023 amounted to € 1.3 million (2022: € 1.3 million).

The company has Net Assets of €23.4million (2022: €22.2million) and net current assets of €14.0 million (2022: €10.3million).

Solvency and liquidity ratios do not give rise to concerns with respect to the going concern of the Company in the current year. The Company is highly dependent on the performance of the Unilever Group. Unilever Group has assessed the impact of climate change risks and concluded in its consolidated financial statements that there is no material impact. Further operations in Russia are operating at limited scale in constrained manner. There is limited impact on the the Company due to the climate change risk and ongoing conflicts between Russia and Ukraine and the Middle East

The Company does not employ any staff and makes use of the services of the Unilever Group.
This is not expected to change in 2024.

The financing activities are fully dependent on the developments and funding needs within the Unilever group. No significant change in the business of the Company has taken place during the period or is expected to in the immediately foreseeable future.

The rendering of services by the service companies of the Unilever Group to the Company will be continued as deemed necessary.

**Risk management and internal controls**

Within the Unilever Group a single overall control framework is in place, which is designed to manage rather than eliminate the risk of failure to achieve business objectives and only provides reasonable and not absolute assurance against a material misstatement or loss. The Company is part of this framework. In certain aspects where the group internal control framework does not explicitly cover the internal controls relevant to the financial statements of the Company, an entity level risk management and internal controls framework has been designed. The Directors of the Company are responsible for the application of, adherence to and safeguarding of internal systems for risk management.

The policy of the Company is to provide funding at fixed rates to the Unilever Group, primarily through Unilever Finance International AG on identical terms except for a 4-basis point mark up on the relevant bond coupon rate or relevant short term money market instrument's yield to maturity, which limits the interest rate risk and liquidity risk to the Company.

The Directors consider the risk appetite of the Company to be low on account of the back-to-back nature of the Company's financing activities with the Unilever Group. Further reference is made to note 11 on page 22 where the risks are discussed.

The Board is of the opinion that the risk management and internal control framework of the Company has operated as intended in year 2023. In year 2023 there have not been any newly identified (fraud) risks and/ or circumstances with a significant impact on the Company.

**Code of Conduct**

The Company adopts the Unilever Group Code of Business Principles that sets non-negotiable standards of expected behaviour from anyone conducting business on behalf of the Company. Assurance of compliance with the Code of Business Principles is obtained on an annual basis from anyone acting on behalf of the Company.

**Fraud Risk Assessment**

During year 2023, nothing has come to the attention of the board to suggest any material misstatement with respect to suspected or actual fraud which override the Internal controls and/ or non-compliance with laws and regulations.

**Sustainable development**

The Directors of the Company are responsible for the preparation of the financial statements, including considering whether the implications from climate change risks have been appropriately accounted for and disclosed. Sustainable development is rooted in the General Business Principles of all Unilever companies. For a detailed report on the sustainability and safety performance of Unilever Group, please refer to the Sustainability report that can be found on [www.unilever.com/sustainable-living](www.unilever.com/sustainable-living).

**Research and Development**

The Company does not perform research and development activities.

**Information Systems Security**

The Unilever Group has a set of IT security standards to monitor and protect systems and information. The Directors of the Company are responsible for application of, adherence to and safeguarding of internal systems for risk management.

**Diversity & Inclusion**

The Company operates under the diversity and inclusion practices and policies of the Unilever Group. Unilever group is committed to contribute to a fairer, more socially inclusive world. Unilever aims to achieve an equitable and inclusive culture by eliminating any bias and discrimination in our practices and policies. Unilever believes that a completely inclusive place to work will make us a stronger, better business. Unilever takes a holistic approach making sure people feel welcome and are treated fairly at Unilever, regardless of their race, gender, gender identity, age, sexual orientation, religion or experience. The Company employs no staff but only has a board of Directors, hence practical application of these practices and policies is limited.

The Directors confirm that the financial statements provide a true and fair view of Company's financial position and performance. The Director's report provides a true and fair view and, together with note 11 of the financial statements, provides an overview of the significant risks and uncertainties to which the Company is exposed.

**Subsequent Events**

The Board has evaluated all events and transactions subsequent to 31 December 2023 through 14th May 2024, the date these financial statements were issued. The following events or transactions were identified that require recognition or disclosure in these financial statements.

Debt Issuance
On 15 February 2024, the Company issued €600 million 3.50% notes maturing in 2037 and €600 million 3.25% notes maturing in 2032.

On 11 March 2024. The company issued €100 million 3.25% notes as a tap to bonds issued in February 2024 maturing in 2032.

The proceeds from these issuances were on lent to Unilever Finance International AG on identical terms except for a 4-basis point mark up on the relevant notes coupon rate or commercial paper's yield to maturity.

Debt Repayment
On 29 April 2024, the Company repaid €500 million 0.50% notes.

**Outlook for 2024**

Depending upon the funding requirements of the Unilever Group, the Company will raise funds through long term bonds and short-term money market borrowing instruments.

On behalf of
the Board of Directors

Date: 14 May 2024

# Financial Statements

## Balance sheet as at 31 December 2023

(Before proposed appropriation of net result)

| | Note | 2023 €'000 | 2022 €'000 |
|---|---|---|---|
| **Fixed Assets** | | | |
| Financial fixed assets | 2 | 11,592,929 | 11,210,342 |
| **Current assets** | | | |
| Current receivables | 3 | 634,786 | 1,712,927 |
| Cash and cash equivalents | | 0 | 0 |
| **Total assets** | | **12,227,715** | **12,923,269** |
| **Shareholder's equity** | 4 | | |
| Issued share capital | | 0 | 0 |
| Share premium | | 21,261 | 21,261 |
| Other Reserve | | 940 | (329) |
| Unappropriated profit/(loss) | | 1,259 | 1,269 |
| | | **23,460** | **22,201** |
| **Provisions** | 10 | 3,326 | 4,211 |
| **Non-current liabilities** | 5 | 11,580,142 | 11,194,280 |
| **Current Liabilities** | 6 | 620,787 | 1,702,577 |
| **Total shareholder's equity and liabilities** | | **12,227,715** | **12,923,269** |

The notes on pages 15 till 22 are an integral part of these financial statements.

# Profit and Loss Account for 2023

| | Notes | 2023 | 2022 |
|---|---|---|---|
| | | €'000 | €'000 |
| Financial income | 7 | 99,514 | 21,260 |
| Financial expenses | 8 | (97,628) | (19,399) |
| Financial result | | **1,886** | **1,861** |
| Operating expenses | 9 | (207) | (209) |
| **Result before tax** | | **1,679** | **1,652** |
| Tax on result | 10 | (420) | (383) |
| **Result after tax** | | **1,259** | **1,269** |

The notes on pages 15 till 22 are an integral part of these financial statements.

# NOTES TO THE FINANCIAL STATEMENTS

## General

### Group affiliation and principal activities

Unilever Finance Netherlands B.V. (the "Company"), having its legal address in Rotterdam, Weena 455, 3013 AL Rotterdam, The Netherlands, is a private limited liability company under Dutch law and is registered as a financial holding under number 81003889 in the Trade Register.

The shares of the Company are held by Unilever PLC, having its legal address in Port Sunlight, Wirral, Merseyside CH62 4ZD, United Kingdom and is a public limited liability company under English law.

The Company is one of the companies of the Unilever Group. The term "Companies of the Unilever Group" ("Group companies") means companies in which Unilever PLC, based in the United Kingdom, either directly or indirectly, has control either through a majority of the voting rights or the right to exercise a controlling influence and/or to obtain the majority of the benefits and be exposed to the majority of the risks. The financial information of the Company is incorporated in the consolidated financial statements of Unilever PLC which form part of the Annual Report and Accounts for the year ended 31 December 2023 of Unilever PLC. Unilever PLC, a company incorporated in England and Wales, is the ultimate parent company of the Unilever Group.

The Company's principal activity is to obtain funds by issuing bonds, notes or commercial paper to the public or otherwise and to make the proceeds of such funds available in whatever form to Unilever Finance International AG to fund the Unilever Group.

The Company will make use of the exemption from the licensing requirement for banks and finance companies provided in Section 3:2 Dutch Financial Supervision Act. In connection therewith on 28 April 2021 Unilever PLC has given or (as regards future liabilities) will give an unconditional and irrevocable guarantee for all the Company's liabilities resulting from receipt by the Company of the bonds/notes/ commercial paper and Unilever PLC ensures that the Company can at any time meet its obligations arising from the bonds/notes/commercial paper.

### Financial reporting period

These financial statements cover the year 2023, which ended at the balance sheet date of 31 December 2023. The Company does not prepare its own separate cash flow statement as an equivalent cash flow statement is included in the consolidated financial statements of Unilever Group. The Unilever Group consolidated financial statements are available on the website www.unilever.com.

### Basis of preparation

The annual accounts are drawn up in accordance with the legal requirements of Part 9, Book 2 of the Netherlands Civil Code and the authoritative statements in the Dutch Accounting standards (DAS) for Annual Reporting in the Netherlands as issued by the Dutch Accounting Standards Board. The Company's financial statements were prepared on 14th May 2024.

The accompanying accounts have been prepared under the historical cost convention, unless otherwise mentioned, in accordance with generally accepted accounting principles in the Netherlands and in conformity with the provisions of Part 9, Book 2 of the Dutch Civil Code.

The financial statements are presented in EUR. The Company has an EUR functional currency, which reflects the primary economic environment in which the Company operates.

## NOTES TO THE FINANCIAL STATEMENTS

The Company was incorporated as a result of the demerger of Unilever NV on 26 November 2020. Under the demerger, the Company issued one share with a nominal value of 1 EUR and received the euro bonds including the rights, obligations and liabilities in respect of the bonds and all intra-group receivables which resulted from the on-lending of the funds received on the bonds. The assets acquired and liabilities assumed were measured at fair value on initial recognition. The net value of the assets acquired and liabilities assumed was recognised as share premium.

The balance sheet and profit and loss account include reference numbers, matching the corresponding numbers in the notes.

# 1. Accounting policies for the measurement of assets and liabilities and the determination of the result

## 1.1 Going Concern

The financial statements are prepared on a going concern basis.

## 1.2 Historical cost

If not specifically stated otherwise, the assets and liabilities are recognised at the amounts at which they were acquired or incurred.

## 1.3 Judgments and estimates

The preparation of financial statements in conformity with the relevant rules requires the use of certain critical accounting estimates and uncertainties. If necessary, for the purposes of providing the insight required under Section 362 (1), Book 2, of the Netherlands Civil Code, the nature of these estimates and judgements, including key related assumptions, is disclosed in the notes to the financial statement items in question.

## 1.4 Foreign currency translation

The financial statements are prepared in EUR, the functional and presentation currency of the entity. Each entity in the Unilever Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency.

Transactions in foreign currencies
At initial recognition, transactions denominated in a foreign currency are translated into the functional currency of the Company at the exchange rates at the date of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated at the balance sheet date into to the reporting currency at the exchange rate applying on that date (year-end rate 2023: 1 EUR= 1.11 USD; year-end rate 2022: 1 EUR= 1.07 USD). Exchange differences resulting from the settlement of monetary items or resulting from the translation of monetary items denominated in foreign currency, are recognised in the profit and loss account in the period in which the exchange difference arise.

Non-monetary assets and liabilities denominated in foreign currency that are measured based on historical cost, are translated into the functional currency at the exchange rates at the date of the transactions.

## 1.5 Financial fixed assets

Loans granted and other receivables are initially recognised at fair value including any direct attributable transaction costs and subsequently carried at amortised cost on the basis of the effective interest method, less impairment losses. For the loans received on 26 November 2020, the amount which represents the difference between the initially recognised fair value and nominal value of the loans is amortised on an effective interest rate basis over the life of the loans (''Fair value premium'') and taken to the profit and loss account. Impairment losses, if any, are directly recognised in the profit and loss account. Purchases and sales of financial assets that belong to the category loans granted and other receivables are accounted for at the value date.

Gains and losses are taken to the Profit and loss account when the assets are derecognised.

**1.6 Impairment of assets**

The Company assesses at each balance sheet date whether an asset or group of assets is impaired. If there is objective evidence of impairment, the amount of the impairment loss is determined and recognised in the profit and loss account for all categories of assets.

The amount of impairment losses on financial assets stated at amortised cost are measured as the difference between the carrying amount of the asset and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate (i.e., the effective interest rate computed at initial recognition).

Impairment losses are recognised in the profit and loss account and reflected in an allowance account against loans and receivables. Interest on the impaired asset continues to be recognised by using the asset's original effective interest rate.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss shall be reversed. The reversal shall not result in a carrying amount of the financial asset that exceeds what the amortised cost would have been had the impairment not been recognised at the date the impairment is reversed. The amount of the reversal shall be recognised in the profit and loss account.

The Directors of the Company are responsible for the preparation of the financial statements, including considering whether the implications from climate change risks have been appropriately accounted for and disclosed. Unilever Group has assessed the impact of climate change risks and concluded in its consolidated financial statements that there is no material impact.

**1.7 Bonds and Commercial Papers**

Bonds

Bonds are initially recognised at fair value less attributable transaction costs and subsequently recognised at amortised cost, including the corresponding discount or premium amount which represents the difference between the initially recognised fair value and the nominal value of the bonds. The discount and/ or premium is amortised on an effective interest rate basis over the life of the debt and taken to the profit and loss account. Coupon payments are recognised on an accrual basis. Issuance and maturity of bonds are accounted for at the value date.

Commercial Paper

Commercial paper is recognised at fair value less attributable costs and subsequently recognised at amortised cost. The interest which represents the difference between the initially recognised fair value and the nominal value of the commercial paper is accrued and taken to the profit and loss account using the effective interest basis over the period till the maturity of the commercial paper. Issuance and maturity of commercial paper is accounted for at value date.

**1.8 Current receivables**

Current receivables are amounts receivable from group companies in less than twelve months.

**1.9 Cash and cash equivalents**

Cash at bank includes bank balances and notes. Cash at banks is stated at face value. The company has two- way zero balance sweep arrangement with Unilever Finance International AG. This means that on a daily basis the balance (positive or negative) is swept and results in a payable or receivable.

**1.10 Non-current liabilities**

Non-current liabilities are initially recognised at fair value, less directly attributable transaction costs, in the case of financial liabilities not carried at fair value through profit and loss.

After initial measurement, liabilities are carried at amortised cost using the effective interest method. Gains and losses are taken to the profit and loss account when the liabilities are derecognised, as well as through the amortisation process.

**1.11 Shareholder’s equity**

Financial instruments that are designated as equity instruments by virtue of the economic reality are presented under shareholders’ equity. The company’s share capital is denominated in EUR.

The amounts contributed by the shareholder of the Company in excess of the nominal share capital, are accounted for as share premium. This also includes additional capital contributions by existing shareholders without the issue of shares or issue of rights to acquire shares of the Company.

**1.12 Financial instruments**

Financial instruments on the balance sheet include accounts receivable, cash and cash equivalents, derivatives and other financial fixed assets and current or non-current liabilities.

**1.13 Financial Income**

Interest income is recognised in the profit and loss account on an accrual basis, using the effective interest method. The effective interest rate for the asset concerned is taken into account, provided the income can be measured and the income is probable to be received. Financial income includes amortisation related to the loans to group companies. If the effective interest is negative, it is presented based on economic substance and presented under financial expense.

**1.14 Expenses**

Expenses are determined with due observance of the aforementioned accounting policies and allocated to the financial year to which they relate. Foreseeable and other obligations as well as potential losses arising before the financial year-end are recognised if they are known before the financial statements are prepared and provided all other conditions for forming provisions are met. Financial services performed by the Company are exempted for VAT. This exemption means that the financial services provided by the Company to its customers do not have a VAT charge. As a result of this exemption, the Company cannot deduct the VAT it has paid and economically VAT is therefore a cost to the Company instead of being an exemption.

**1.15 Financial expenses**

Interest expense is allocated to the successive financial reporting periods in proportion to the outstanding principal. Premiums and discounts are treated as annual interest charges so that the effective interest rate, together with the interest payable on the loan, is recognised in the profit and loss account, with the amortised cost of the liabilities being recognised in the balance sheet. Period interest charges and similar charges are recognised in the year in which they fall due. Finance expense includes amortisation related to bonds. If the effective interest is negative, it is presented based on economic substance and presented under financial income.

**1.16 Corporate income tax**

Corporate income tax comprises the current and deferred corporate income tax payable and receivable for the reporting period. Corporate income tax is recognised in the profit and loss account.

Current tax comprises the expected tax payable or recoverable on the taxable profit or loss for the financial year, calculated using tax rates enacted or substantively enacted at the reporting date, and any adjustments to tax payable in respect of previous years.

If the carrying amount of assets and liabilities for financial reporting purposes differ from their values for tax purposes (tax base), this results in temporary differences.

For taxable temporary differences, a provision for deferred tax liabilities is recognised.

For deductible temporary differences, available tax losses and unused tax credits, a deferred tax asset is recognised, but only to the extent that it is probable that future taxable profits will be available for set-off or compensation. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred tax assets and deferred tax liabilities are offset in the balance sheet if the company has a legally enforceable right to offset current tax assets against current tax liabilities, insofar as they relate to the same financial year and deferred tax assets relate to income taxes levied by the same tax authority on the same taxable Company.

The measurement of deferred tax liabilities and deferred tax assets is based on the tax consequences following from the manner in which the Company expects, at the balance sheet date, to realise or settle its assets, provisions, debts and accrued liabilities. Deferred tax assets and liabilities are measured at nominal value.

### 1.17 Related parties

All legal entities that can be controlled, jointly controlled or significantly influenced by Unilever PLC are considered to be a related party. Also, individuals and entities which can control and/ or significantly influence the Company are considered to be a related party. In addition, statutory directors, or the ultimate parent company and close relatives are regarded as related parties.

Transactions with related parties are disclosed in the notes, refer to notes 2, 3, 7, 8 and 13.

### 1.18 Determination of fair value

The fair value of a financial instrument is the amount for which an asset can be sold or a liability settled, involving parties who are well informed regarding the matter, willing to enter into a transaction and are independent from each other.

### 1.19 Derivatives

Derivatives are held in order to hedge foreign exchange exposure on certain balance sheet items. Derivatives consist of plain vanilla foreign currency forwards and swaps which are carried at fair value with changes being recognised in the income statement. No hedge accounting is applied to these derivatives.

## Notes to the Financial Statement

### 2. Financial fixed assets

| **Loans to Group companies** | **€'000** |
|---|---|
| **Carrying amount at 1 January 2022** | **10,311,702** |
| Amortisation of fair value premium | (125,050) |
| Amortisation of discount and transaction cost | 1,515 |
| Loans reclassified to current receivables | (1,606,218) |
| New Loans | 2,628,393 |
| **Carrying amount at 31 December 2022** | **11,210,342** |
| Amortisation of fair value premium | (108,643) |
| Amortisation of discount and transaction cost | 3,124 |
| Loans reclassified to current receivables | (501,439) |
| New Loans | 989,545 |
| **Carrying amount at 31 December 2023** | **11,592,929** |

**Loans to Group companies**

Included in loans to Group companies is an unamortised fair value premium of €471 million (2022: €580 million) and unamortised discount and transaction cost of €(27) million (2022: €(20) million), which will be amortised over the remaining term of the related loans.

The fair value premium only relates to the loans transferred from Unilever NV upon the demerger in 2020.

During the year, the company provided additional loans of face value €1,000 million which includes discount and transaction cost of €10.5 million.

Loans to Group companies represent the onlending of proceeds of the corresponding bond. These loans have identical characteristics and present value calculations of the corresponding bonds except for the agreed transfer pricing mark-up.

The maturity profiles and terms applicable to long term debt (as detailed in Note 5) are identical with those for financial assets except for an impact of 4 basis point mark up on the relevant bond coupon rate and therefore approximates the fair value.

Loans to group companies (including the current portion) bear interest between 0.54% and 3.54% (2022: 0.42% and 2.29%). The face value of loans to group companies is €11,650 million (2022: €12,250 million).

The maturity dates of the loans to group companies range from 2024 up to 2035 (2022: 2023 up to 2034). The carrying amounts of the loans to group companies can be split based on the maturity dates as follows:

- Loans maturing within 1 year: €501 million (2022: €1,606 million)
- Loans maturing between 1-5 years: €5,573 million (2022: €4,739 million)
- Loans maturing after 5 years: €6,020 million (2022: €6,472 million)

No allowance for bad debt has been recognised in the accounts (2022: Nil). As detailed in Note 11, credit risk is judged to be low given that the on-lending of funds is made to Unilever Finance International AG, which is a wholly owned subsidiary of Unilever PLC with significant size, credit status and importance within the Unilever group.

## 3. Current receivables

| | 2023 €'000 | 2022 €'000 |
|---|---|---|
| Amount receivable from group companies | | |
| • From proceeds of bonds # | 501,439 | 1,606,218 |
| • From proceeds of commercial papers | - | - |
| • Other receivables | 11,118 | 7,261 |
| Accrued interest income | 122,229 | 99,448 |
| **Total** | **634,786** | **1,712,927** |

The fair value of the receivable approximates the book value, given the short-term character of these receivables.

[#] This loan relates to the current portion of the loans as disclosed in note 2 and includes the unamortised portion of fair value premium on the loan amounting to €1 million (2022: €6 million).

## 4. Shareholder's Equity

### Issued share capital

The Company's issued and fully paid share capital comprises 1 ordinary share with a nominal value of €1.

Movement in individual items of equity as follows:

| | Issued capital €'000 | Share premium* €'000 | Other reserves €'000 | Unappropriated Profit / (loss) €'000 | Total Equity €'000 |
|---|---|---|---|---|---|
| **Balance at 1 January 2022** | **0** | **21,261** | **(138)** | **(191)** | **20,932** |
| Appropriation of result 2021 | | | (191) | 191 | - |
| Profit/(Loss) for the period 2022 | - | - | - | 1,269 | **1,269** |
| **Balance at 31 December 2022** | **0** | **21,261** | **(329)** | **1,269** | **22,201** |
| Appropriation of result 2022 | | | 1,269 | (1,269) | - |
| Profit/(Loss) for the period 2023 | - | - | - | 1,259 | **1,259** |
| **Balance at 31 December 2023** | **0** | **21,261** | **940** | **1,259** | **23,460** |

* Share premium represent the difference between the initially recognised assets and liabilities received from Unilever NV under the demerger.

**Appropriation of result of 2022**

The financial statements for the reporting year 2022 have been adopted by the General Meeting of Shareholders on 15 May 2023. The General Meeting has adopted the appropriation of result after tax for the reporting year 2022 as proposed by the Board of Directors.

**Proposal for profit appropriation 2023**

The Board of Directors propose to the General Meeting to appropriate the profit after tax for 2023 as follows: Unappropriated profit amounting to €1.3 million to be added to the other reserves.

## 5. Non-current liabilities

| **Payable to Bondholders** | **€'000** |
|---|---|
| **Carrying amount at 1 January 2022** | **10,291,545** |
| Amortisation of fair value premium | (121,196) |
| Amortisation of discount and transaction cost | 1,521 |
| Payables reclassified to current liabilities | (1,605,983) |
| New Bonds | 2,628,393 |
| **Carrying amount at 31 December 2022** | **11,194,280** |
| Amortisation of fair value premium | (105,440) |
| Amortisation of discount and transaction cost | 3,131 |
| Payables reclassified to current liabilities | (501,374) |
| New Bonds | 989,545 |
| **Carrying amount at 31 December 2023** | **11,580,142** |

Included in the payable to the bond holders is an unamortised fair value premium of €459million (2022: €564 million) and an unamortised discount and transaction cost of €(27) million (2022: €(20) million ), which will be amortised over the remaining term of the bonds.

The fair value premium only relates to the bonds transferred from Unilever NV upon the demerger in 2020.

During the year, the company raised €1,000 million funds (including discount and transaction cost of 9.7 million) via bond issuance comprising of:

a. €500 million maturing in 2031 @3.25%; and €500 million maturing in 2035 @3.50% issued in the month of February 2023

The non-current liabilities consist of bonds/notes payable to the holders thereof. These are jointly & several guaranteed by Unilever PLC and Unilever United States Inc. The non-current liabilities carry interest rates varying between 0.50% to 3.50% (2022: 0.50% to 2.25%).

Long-term liabilities with a remaining term of less than one year, including repayment commitments for the following year, are recognised under current liabilities.

**Analysis of bonds included in non-current liabilities:**

**€'000**

| | **2023** | **2022** |
|---|---|---|
| 0.500% Notes 2024 (€)* | - | 505,602 |
| 0.875% Notes 2025 (€) | 661,806 | 669,299 |
| 0.500% Bonds 2025 (€) | 655,227 | 660,399 |
| 1.250% Notes 2025 (€) | 1,017,959 | 1,032,566 |
| 0.750% Notes 2026 (€) | 499,207 | 498,845 |
| 1.000% Notes 2027 (€) | 622,260 | 629,421 |
| 1.125% Bonds 2027 (€) | 728,643 | 737,872 |
| 1.125% Bonds 2028 (€) | 738,557 | 747,489 |
| 1.750% Notes 2028 (€) | 645,498 | 644,626 |
| 1.375% Notes 2029 (€) | 810,763 | 821,668 |
| 1.375% Notes 2030 (€) | 713,699 | 723,266 |
| 1.750% Notes 2030 (€) | 1,106,934 | 1,124,044 |
| 1.250% Notes 2031 (€) | 647,649 | 647,339 |
| 3.250% Notes 2031 (€) | 494,682 | - |
| 1.625% Notes 2033 (€) | 901,704 | 912,741 |
| 2.250% Notes 2034 (€) | 839,944 | 839,103 |
| 3.500% Notes 2035 (€) | 495,610 | - |
| **Total** | **11,580,142** | **11,194,280** |

*reclassified to current liabilities refer note 6.

**Payable to the bondholders:**

| **2023 (€'000)** | **Due within 1 year** | **Due between 1-2 years** | **Due between 2-3 years** | **Due between 3-4 years** | **Due between 4-5 years** | **Due after 5 years** | **Total** |
|---|---|---|---|---|---|---|---|
| **Maturity at face value:** | | | | | | | |
| € | (500,000) | (2,300,000) | (500,000) | (1,300,000) | (1,350,000) | (5,700,000) | (11,650,000) |
| **Maturity at fair value:** | | | | | | | |
| € | (494,657) | (2,237,961) | (477,962) | (1,237,573) | (1,278,492) | (5,395,257) | (11,121,902) |

| 2022 (€'000) | Due within 1 year | Due between 1-2 years | Due between 2-3 years | Due between 3-4 years | Due between 4-5 years | Due after 5 years | Total |
|---|---|---|---|---|---|---|---|
| **Maturity at face value:** | | | | | | | |
| € | (1,600,000) | (500,000) | (2,300,000) | (500,000) | (1,300,000) | (6,050,000) | (12,250,000) |
| **Maturity at fair value:** | | | | | | | |
| € | (1,590,120) | (483,535) | (2,188,597) | (463,060) | (1,192,843) | (5,338,295) | (11,256,450) |

No loan covenants are in place in respect of the Company's debt.

## 6. Current liabilities

| | 2023 €'000 | 2022 €'000 |
|---|---|---|
| Amount payable to bondholders# | 501,374 | 1,605,983 |
| Amount payable to commercial paper holders | - | - |
| Accrued interest expense | 118,995 | 96,147 |
| Corporate income tax payable | 418 | 447 |
| Other | - | - |
| **Total** | **620,787** | **1,702,577** |

#Includes the € 500 million bond 0.50% due in April 2024 (2022: € 600 million bond 0.375% due in February 2023, € 500 million bond 1.00% due in June 2023 and € 500 million bond 0.50% due in August 2023) and € 1 million (2022: € 6 million) unamortised portion of fair value premium on bonds.

## 7. Financial income

| 2023 In €'000 | Group Companies | Banks and Similar Parties | Others | Total |
|---|---|---|---|---|
| Interest income and similar income | 175,243 | - | - | **175,243** |
| Amortisation of fair value premium on loan to group companies | (114,862) | - | - | **(114,862)** |
| Amortisation of discount and transaction costs on loan to group companies | 3,125 | - | - | **3,125** |
| Interest income on loans on-lent from the proceeds of Commercial Papers | 35,647 | - | - | **35,647** |
| Other Income | 361 | - | - | **361** |

| | | | | |
|---|---|---|---|---|
| **Total** | **99,514** | **-** | **-** | **99,514** |

| **2022<br>In €'000** | **Group Companies** | **Banks and Similar Parties** | **Others** | **Total** |
|---|---|---|---|---|
| Interest income and similar income | 139,366 | - | - | **139,366** |
| Amortisation of fair value premium on loan to group companies | (125,648) | - | - | **(125,648)** |
| Amortisation of discount and transaction costs on loan to group companies | 1,521 | - | - | **1,521** |
| Interest income on loans on-lent from the proceeds of Commercial Paper | 5,710 | - | - | **5,710** |
| Other Income | 311 | - | - | **311** |
| **Total** | **21,260** | **-** | **-** | **21,260** |

## 8. Financial expenses

| **2023<br>In €'000** | **Group Companies** | **Banks and Similar Parties** | **Others** | **Total** |
|---|---|---|---|---|
| Interest expense on bonds | - | 170,410 | - | **170,410** |
| Amortisation of fair value premium on bonds | - | (111,422) | - | **(111,422)** |
| Amortisation of discount and transaction costs on bonds | - | 3,130 | - | **3,130** |
| Interest expense on Commercial Paper | - | 35,488 | - | **35,488** |
| Other Interest and similar Expense | 0 | 24 | - | **24** |
| Currency exchange Loss | - | - | (2) | **(2)** |
| **Total** | **0** | **97,630** | **(2)** | **97,628** |

| **2022<br>In €'000** | **Group Companies** | **Banks and Similar Parties** | **Others** | **Total** |
|---|---|---|---|---|
| Interest expense on bonds | - | 134,734 | - | **134,734** |
| Amortisation of fair value premium on bonds | - | (121,761) | - | **(121,761)** |
| Amortisation of discount and transaction costs on bonds | - | 1,521 | - | **1,521** |
| Interest expense on Commercial paper | - | 4,856 | - | **4,856** |
| Other Interest and similar Expense | 19 | 10 | - | **29** |
| Currency exchange Loss | - | | 20 | **20** |
| **Total** | **19** | **19,360** | **20** | **19,399** |

## 9. Operating expenses

| | 2023 | 2022 |
|---|---|---|
| | €'000 | €'000 |
| Bank charges | 29 | 43 |
| Audit fees | 178 | 166 |
| **Total** | **207** | **209** |

## 10. Taxation

The major components of the tax charge are as follows:

| | 2023 | 2022 |
|---|---|---|
| | €'000 | €'000 |
| Tax expense for current financial year | 1,305 | 1,415 |
| Movement in temporary differences | (885) | (1,032) |
| Income tax expense/ (benefit) | **420** | **383** |

Temporary differences arising from the difference in valuations of financial fixed assets and liabilities.

The numerical reconciliation between the applicable and the effective tax rate is as follows:

| | 2023 | 2022 |
|---|---|---|
| | €'000 | €'000 |
| Result before tax | 1,679 | 1,652 |
| Income tax using the applicable tax rate in the Netherlands | 420 | 383 |
| Tax expense / (benefit) | **420** | **383** |

The nominal corporation tax rate in the Netherlands is 25.8%, with a step up of 15% on the profit up to € 395 thousand. The effective tax rate in 2023 of 25% (2022: 23%) is driven by the overall mix in current and deferred tax.

The provision for deferred tax liabilities comprises the tax effect of the taxable temporary differences between the valuation principles for financial reporting purposes and for tax purposes.

The Company has recognised a provision for deferred taxes for differences between the valuation principles for financial reporting purposes and for tax purposes related to the loans to group companies and bonds upon the demerger in 2020.

**Provisions: Deferred Tax**

| | | €'000 |
|---|---|---|
| **Carrying amount at 31 December 2022** | | **4,211** |
| Deferred tax liabilities on loans to group companies | 160,459 | |
| Deferred tax assets on bonds | (156,248) | |
| **Movement during the year** | | **(885)** |
| Deferred tax liabilities on loans to group companies | (31,678) | |
| Deferred tax assets on bonds | 30,793 | |
| **Carrying amount at 31 December 2023** | | **3,326** |
| Deferred tax liabilities on loans to group companies | 128,781 | |
| Deferred tax assets on bonds | (125,455) | |

Out of the € 3.3 million provision for the deferred tax outstanding at 31st December 2023 € 0.79 million is current from which is net of deferred tax liability on loans €28.98 million and deferred tax asset on bonds €28.19mn.

## 11. Treasury and Risk Management

The Company's activities are exposed to a variety of financials risks, including currency risks, interest rate risk, liquidity risk and credit risk. As to these risks, Unilever Finance Netherlands B.V. has a conservative approach. A financial risk management framework is in place in the form of a Treasury policy. This policy provides guidance over all Treasury and finance related matters.

In accordance with its Treasury policy, the Company actively monitors and manages financial risks as follows:

- *Currency risk:* The Company holds financial Instruments denominated in foreign currencies and is therefore exposed to foreign currency risk. These instruments comprise of commercial paper borrowing and related loans to Unilever Finance International AG. This risk is low due to back-to-back nature of lending arrangements. Any residue exposure from back-to-back lending would generally be hedged through foreign exchange forward contracts. At 31st December 2023 the currency exposure to the company from holding financial instruments was Nil (2022: Nil).

- *Interest rate risk:* The Company pays a fixed interest rate on the issued bonds and commercial paper. The proceeds of the issued bonds and the commercial paper are on lent to Unilever Finance International AG at a fixed interest rate. As a result of the structure, the Company has limited exposure to the variability in cashflows as a result of interest rates.

- *Liquidity risk:* The Company is not significantly exposed in relation to its liquidity. The Company on-lends funds generated from issuance of bond and commercial paper to Unilever Finance International AG with complete alignment of its assets and liabilities and corresponding payment schedule which results in a limited cashflow risk.

Unilever PLC and Unilever United States Inc have fully and unconditionally guaranteed (on a senior unsecured basis) the due and punctual payment of the principal of and any premium and interest on the debt securities issued by the Company to the bond/note holders. Bonds and USCP issuance under these programmes by the Company is guaranteed on joint and several basis by Unilever PLC and Unilever United States Inc. ECP issuance by the Company is guaranteed by Unilever PLC. There is no explicit guarantee on loans with Unilever Finance International AG. As a result, the liquidity risk is considered to be low. Furthermore, to facilitate the Company's liquidity management, a cash pooling arrangement is in place between Unilever Finance International AG and the Company.

- *Credit risk:* The Company on-lends funds generated from issuance of bonds and commercial paper to Unilever Finance International AG, which is a wholly owned subsidiary of Unilever PLC with significant size and importance within the Unilever group and exposes the Company to a significant concentration of credit risk. Unilever Finance International AG has a long and proven track record of being a reliable debtor and its suitability for future credit is monitored on an ongoing basis. Unilever Finance International AG is not separately rated by rating agencies. The current long term credit rating for the Unilever Group by Moody's is A1 and S&P is A+.

## 12. Related parties

Transactions with related parties are assumed when a relationship exists between the Company and a natural person or entity that is affiliated with the Company. This includes, amongst others, the relationship between the Company and subsidiaries of Unilever PLC, the shareholder and the Directors. Transactions are transfers of resources, services or obligations, regardless of whether anything has been charged.

Transactions with related parties are disclosed in the notes insofar as they are not transacted under normal market conditions. The nature, extent and other information is disclosed if this is required to provide the true and fair view. The related party transactions are disclosed in notes 2, 3,7, 8 and 13 for the related party transactions.

## 13. Employees and salary costs

The Company employed no personnel during the period ended 31 December 2023 and therefore incurred no salary or related costs of employment. The board is not compensated by the Company (nor are costs allocated from Unilever PLC or its Group companies) as they do not spend significant time on managing the entity. The Company does not receive charges from other group companies for funding, salaries and other overhead costs.

## 14. Audit fees

The following fees were charged by KPMG Accountants N.V. to the Company, as referred to in Section 2:382a (1) and (2) of the Dutch Civil Code.

| | 2023 | 2022 |
|---|---|---|
| | € | € |
| Audit of the financial statements | 178,330 | 166,477 |
| Other audit engagements | - | - |
| Tax-related advisory services | - | - |
| Other non-audit services | - | - |
| **Total** | **178,330** | **166,477** |

The fees mentioned in the table for the audit of the financial statements are recorded on an accrual basis. The amounts presented include VAT.

## 15. Subsequent events

The Board have evaluated all events and transactions subsequent to 31 December 2023 through 14th May 2024, the date these financial statements were issued. The following events or transactions were identified that require recognition or disclosure in these financial statements.

Debt Issuance:

On 15 February 2024, the Company issued €600 million 3.50% notes maturing in 2037 and €600 million 3.25% notes maturing in 2032.

On 11 March 2024, the Company issued €100 million 3.25% notes as a tap to bonds issued in February 2024 maturing in 2032.

The proceeds from these issuances were on lent to Unilever Finance International AG on identical terms except for a 4-basis point mark up on the relevant notes coupon rate or commercial paper's yield to maturity.

Debt Repayment:

On 29 April 2024, the Company repaid €500 million 0.50% notes.

## 16. Proposed appropriation of the result for 2023

If the general meeting of shareholders accepts the appropriation of the result proposal, the profit of € 1.3 million, will be added to the other reserves.

**Signatories to the 2023 Annual Report**
For signature of the annual accounts:

The Board of Directors

Weena 455, 3013 AL Rotterdam, Netherlands, 14th May 2024

____________________________
Sebastiaan Pieter de Buck

____________________________
Margot Martine Fransen

____________________________
Johanna Wilhelmiina Hyttinen

____________________________
Herman Ulko Post

____________________________
Joost André Folkers

## Other information

### Articles of Association provisions governing profit appropriation

Profit is appropriated in accordance with Article 21 of the Articles of Association, which states that profits shall be at the disposal of the General Meeting of Shareholders.

### Independent auditor's report

The next pages contain the independent auditor's report pertaining to the annual report of the Company for 2023

# Independent auditor's report

To: the General Meeting of Shareholders and the Audit Committee of Unilever Finance Netherlands B.V.

## Report on the audit of the financial statements 2023 included in the Annual Report

### *Our opinion*

In our opinion the accompanying financial statements give a true and fair view of the financial position of Unilever Finance Netherlands B.V. as at 31 December 2023 and of its result for the year 2023 then ended in accordance with Part 9 of Book 2 of the Dutch Civil Code.

### *What we have audited*

We have audited the financial statements 2023 of Unilever Finance Netherlands B.V. (the Company) based in Rotterdam.

The financial statements comprise:

1. the balance sheet as at 31 December 2023;
2. the profit and loss account for 2023; and
3. the notes to the financial statements comprising a summary of the accounting policies and other explanatory information.

### *Basis for our opinion*

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. Our responsibilities under those standards are further described in the 'Our responsibilities for the audit of the financial statements' section of our report.

We are independent of Unilever Finance Netherlands B.V. in accordance with the 'Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten' (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore, we have complied with the 'Verordening gedrags- en beroepsregels accountants' (VGBA, Dutch Code of Ethics).

We designed our audit procedures in the context of our audit of the financial statements as a whole and in forming our opinion thereon. The information in respect of going concern, fraud and non-compliance with laws and regulations, climate-related risks and the key audit matter was addressed in this context, and we do not provide a separate opinion or conclusion on these matters.

We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Information in support of our opinion

### *Summary*

| Materiality |
|---|
| Materiality of EUR 100 million<br>0.8% of total assets |

| Risk of material misstatements related to Fraud, NOCLAR, Going concern and Climate risks |
|---|
| • Fraud risks: presumed risk of management override of controls identified and further described in the section 'Audit response to the risk of fraud and non-compliance with laws and regulations'.<br>• Non-compliance with laws and regulations (NOCLAR) risks: no reportable risk of material misstatements related to NOCLAR risks identified.<br>• Going concern risks: no going concern risks identified.<br>• Climate risks: We have considered the impact of climate-related risks on the financial statements and described our approach and observations in the section 'Audit response to climate-related risks'. |

| Key audit matter |
|---|
| • Valuation of loans to Group companies |

### *Materiality*

Based on our professional judgement we determined the materiality for the financial statements as a whole at EUR 100 million (2022; EUR 100 million). The materiality is determined with reference to total assets (0.8%). We consider total assets as the most appropriate benchmark because the attention of the users of the financial statements tends to be focused on total assets as the entity is a financing company rather than Shareholders' equity or Result after tax. We have also taken into account misstatements and/or possible misstatements that in our opinion are material for the users of the financial statements for qualitative reasons.

Based on our professional judgement, we have applied a lower materiality of EUR 1.2 million for the interest expense on bonds, as part of the financial expenses.

We agreed with the Audit Committee that misstatements identified during our audit in excess of EUR 5 million would be reported to them, as well as smaller misstatements that in our view must be reported on qualitative grounds.

## *Audit response to the risk of fraud and non-compliance with laws and regulations*

In the Directors' report, the Board of Directors described the outcome of its procedures in respect of the risk of fraud and non-compliance with laws and regulations.

As part of our audit, we have gained insights into the Company and its business environment and the Company's risk management in relation to fraud and non-compliance with laws and regulations. Our procedures included, among other things, assessing the code of conduct as applied within the Company. Furthermore, we performed relevant inquiries with the Board of Directors and the Audit Committee. In addition, we performed procedures to obtain an understanding of the legal and regulatory frameworks that are applicable to the Company. Our audit procedures did not reveal indications and/or reasonable suspicion of fraud and non-compliance that are considered material for our audit and did not identify areas that likely have a material impact on the financial statements.

As a result from our risk assessment, we did not identify laws and regulations that most likely have a material effect on the financial statements in case of non-compliance.

Further, we assessed the presumed fraud risk on revenue recognition as not significant,  given the nature of the activities of the Company, the perceived pressure and opportunity to commit fraud is limited.

Based on the above and on the auditing standards, we identified the following presumed fraud risk laid down in the auditing standards that is relevant to our audit, and responded as follows:

**Management override of controls (a presumed risk)**

*Risk*
Management is in a unique position to manipulate accounting records and prepare fraudulent financial statements by overriding controls that otherwise appear to be operating effectively.

*Responses*

- We evaluated the design and the implementation of internal controls that mitigate fraud such as processes related to journal entries.
- We performed a data analysis of high-risk journal entries related to cash transactions which do not relate to the normal operations of the entity. Where we identified instances of unexpected journal entries through our data analytics, we performed additional audit procedures to address each identified risk, including testing of transactions back to source information.

- We incorporated an element of unpredictability in our audit, as we randomly selected commercial paper issued and repaid during 2023 and vouched the selected items to underlying  transaction documentation and recalculated the related interest expense.

Our evaluation of procedures performed related to fraud did not result in a key audit matter.

We communicated our risk assessment, audit response and results to the Board of Directors and Audit Committee.

Our audit procedures did not reveal indications and/or reasonable suspicion of fraud that are considered material for our audit.

### *Audit response to going concern*

The Board of Directors has performed a going concern assessment and has not identified any going concern risks. To assess the Board of Directors' assessment, we have performed amongst others the following procedures:

- We considered whether the assessment of the Board of Directors of the going concern risk includes all relevant information of which we are aware of from the performance of our audit.
- We analysed the Company's financial position as at year-end and compared it to the previous financial year in terms of indicators that could identify a going concern risk. We considered whether the outcome of our audit procedures to assess the ability of Unilever Finance International AG to fulfill its obligations to the Company indicate a going concern risk.

The outcome of our risk assessment procedures did not give reason to perform additional audit procedures on the Company's going concern assessment.

### *Audit response to climate-related risks*

The Board of Directors prepared the financial statements, including considering whether the implications from climate-related risks have been appropriately accounted for and disclosed. As part of our audit we performed a risk assessment of the impact of climate-related risks in respect of the valuation of the loans to Group companies. In doing so we obtained an understanding of the Company's processes over the identification of indicators for impairment related to climate-risks.

Based on the procedures performed, we found climate-related risks have no material impact on the current financial statements under the requirements of Dutch GAAP and do not result in a key audit matter.

### *Our key audit matter*

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements. We have communicated the key audit matter to the Audit Committee. The key audit matter is not a comprehensive reflection of all matters discussed.

## Valuation of loans to Group companies

### Description

As disclosed in notes 2 and 3 of the financial statements, the Company has provided loans to Group Companies (Unilever Finance International AG) which are valued at cost less accumulated impairment losses. As at 31 December 2023, the carrying value of these loans amounted to EUR 12.1 billion and zero cumulative impairment losses.

The Company is dependent on the performance of Unilever Finance International AG for repayment of these loans to the Company and a risk exists of non-timely identification of (indicators for) impairment of the loans. Given the pervasive impact of these loans on the financial statements of the Company as a whole, we consider the valuation of these loans to Group companies to be a key audit matter.

### Our response

The following are the primary procedures we performed to address this this risk:

- We obtained an understanding of the Company's processes and controls over the identification of indicators for impairment.
- We obtained and evaluated the Company's assessment whether there were indicators for impairment of the loans to Unilever Finance International AG.
- We analysed the financial performance and financial position of Unilever Finance International AG to determine whether Unilever Finance International AG has the ability to fulfil the contractual obligations to the Company.

### Our observation

The results of our testing were satisfactory and we consider the valuation of the loans to Group companies to be acceptable.

## Report on the other information included in the annual report

In addition to the financial statements and our auditor's report thereon, the annual report contains other information.

Based on the following procedures performed, we conclude that the other information:

- is consistent with the financial statements and does not contain material misstatements; and
- contains the information as required by Part 9 of Book 2 of the Dutch Civil Code for the Directors' report and other information.

We have read the other information. Based on our knowledge and understanding obtained through our audit of the financial statements or otherwise, we have considered whether the other information contains material misstatements.

By performing these procedures, we comply with the requirements of Part 9 of Book 2 of the Dutch Civil Code and the Dutch Standard 720. The scope of the procedures performed is less than the scope of those performed in our audit of the financial statements.

The Board of Directors is responsible for the preparation of the other information, including the information as required by Part 9 of Book 2 of the Dutch Civil Code.

## Report on other legal and regulatory requirements

### *Engagement*

We were initially appointed by the General Meeting of Shareholders as auditor of the Company on 23 March 2021, as of the audit for the year 2020 and have operated as statutory auditor ever since that financial year. Our first appointment as statutory auditor of Unilever N.V. (predecessor of the Company) was to audit the 2014 financial statements. As a consequence of the mandatory firm rotation legislation in The Netherlands, 2023 was the last financial year of our engagement as statutory auditor of the Company.

### *No prohibited non-audit services*

We have not provided prohibited non-audit services as referred to in Article 5(1) of the EU Regulation on specific requirements regarding statutory audits of public-interest entities.

## Description of responsibilities regarding the financial statements

### *Responsibilities of the Board of Directors and the Audit Committee for the financial statements*

The Board of Directors is responsible for the preparation and fair presentation of the financial statements in accordance with Part 9 of Book 2 of the Dutch Civil Code. Furthermore, the Board of Directors is responsible for such internal control as it determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error. In that respect the Board of Directors, under supervision of the Audit Committee, is responsible for the prevention and detection of fraud and non-compliance with laws and regulations, including determining measures to resolve the consequences of it and to prevent recurrence.

As part of the preparation of the financial statements, the Board of Directors is responsible for assessing the Company’s ability to continue as a going concern. Based on the financial reporting frameworks mentioned, the Board of Directors should prepare the financial statements using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. The Board of Directors should disclose events and circumstances that may cast significant doubt on the Company’s ability to continue as a going concern in the financial statements.

The Audit Committee is responsible for overseeing the Company’s financial reporting process.

### *Our responsibilities for the audit of the financial statements*

Our objective is to plan and perform the audit engagement in a manner that allows us to obtain sufficient and appropriate audit evidence for our opinion.

Our audit has been performed with a high, but not absolute, level of assurance, which means we may not detect all material errors and fraud during our audit.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. The materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

A further description of our responsibilities for the audit of the financial statements is located at the website of de 'Koninklijke Nederlandse Beroepsorganisatie van Accountants' (NBA, Royal Netherlands Institute of Chartered Accountants) at eng_oob_01.pdf (nba.nl) / eng_beursgenoteerd_01.pdf (nba.nl). This description forms part of our auditor's report.

Amstelveen, 14 May 2024

KPMG Accountants N.V.

G.D. Diamandas RA