Independent Limited Assurance Report
to the Directors of Unilever PLC

Scope of engagement

The Directors of Unilever PLC ("Unilever") commissioned DNV GL Business Assurance Services UK Limited ("DNV GL") to conduct a limited assurance engagement in order to form a conclusion on whether the Selected information is fairly stated and properly prepared against the Criteria Measurement of Unilever's Green Bond Environmental Protocol ("the Criteria"), as shown in Appendix 1.

No assurance is provided over the financial performance of the Unilever Green Sustainability Bond ("the Bond"), or the value of any investments in the Bond within the Unilever Green Sustainability Bond Report ("the Report"), issued on 26th April 2018.

Selected information

The scope and boundary of our work is restricted to the claims and assertions on the five projects funded by the Bond included within the Unilever Green Sustainability Bond Assurance Statements section of the Report ("Selected information"), for the year ended 31 December 2017. To assess the Selected information, which includes an assessment of the risk of material misstatement in the Report, we have used the Criteria.

We have not performed any work, and do not express any conclusion, on any other information that may be published in the Report or on Unilever's website for the current reporting period or for previous periods.

Our conclusion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Selected information is not fairly stated and has not been prepared, in all material respects, in accordance with the Criteria.

This conclusion relates only to the Selected information, and is to be read in the context of this Assurance Report, in particular the inherent limitations explained below.

Standard and level of assurance

We performed a **limited** assurance engagement in accordance with the International Standard on Assurance Engagements (ISAE) 3000 revised – 'Assurance Engagements other than Audits and Reviews of Historical Financial Information' (revised), issued by the International Auditing and Assurance Standards Board. This standard requires that we comply with ethical requirements and plan and perform the assurance engagement to obtain limited assurance.

DNV GL applies its own management standards and compliance policies for quality control, in accordance with ISO/IEC 17021:2011 - Conformity Assessment Requirements for bodies providing audit and certification of management systems, and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement; and the level of assurance obtained is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. We planned and performed our work to obtain the evidence we considered sufficient to provide a basis for our opinion, so that the risk of this conclusion being in error is reduced but not reduced to very low.

Basis of our conclusion

We are required to plan and perform our work in order to consider the risk of material misstatement of the Selected information; our work included, but was not restricted to:

- Assessing the appropriateness of the Criteria for the Selected information;
- Updating the review framework and associated procedures;
- Conducting interviews with relevant Unilever management responsible for the delivery of each eligible project to obtain understanding of the key systems, processes and controls in place to generate the Selected information;
- Conducting site visits to the following projects: the retrofitted factory in the US, and the new factories in China, South Africa and Turkey. This included performing limited substantive testing on a selective basis of the Selected information to check that underlying data had been appropriately measured, recorded, collated, and reported; as well as evaluating the quality of key systems, processes and controls for preparing and reporting project-related greenhouse gas emissions, water and waste data;
- Reviewing evidence that confirms that the managers of each project have signed a declaration that they are in compliance with the Unilever Code of Business Principles and Code Policies;

- Reviewing that the evidence, measurements and their scope provided to us by Unilever are prepared in line with the Criteria, and the underlying Unilever's Basis of Preparation 2017; and
- Reading the Report and the Selected information within it with regard to the Criteria.

Inherent limitations

Our assurance relies on the premise that the data and information provided by Unilever to us as part of our review procedures have been provided in good faith. Because of the selective nature (sampling) and other inherent limitations of both procedures and systems of internal control, there remains the unavoidable risk that errors or irregularities, possibly significant, may not have been detected. Energy use data used in GHG emissions calculations are subject to inherent limitations, given the nature and the methods used for determining such data. Finally, the selection of different but acceptable measurement techniques may result in materially different measurements.

By their very nature, forward-looking statements, such as production forecasts and performance projections relevant to the Selected information, are not statements of historical or current facts. To that effect, any assertions for the suitability of design and implementation of controls to meet the Criteria in future periods cannot be objectively assured because conditions may change.

DNV GL expressly disclaims any liability or co-responsibility for any decision a person or an entity may make based on this Assurance Report.

Our competence, independence and quality control

DNV GL has established policies and procedures that are designed to ensure that DNV GL, its personnel and, where applicable, others are subject to independence requirements (including personnel of other entities of DNV GL) and maintain independence where required by relevant ethical requirements. This engagement work was carried out by an independent team of sustainability assurance professionals, whose members have not been involved in the development of any of the Green Bond Environmental Criteria or other engagements DNV GL holds with Unilever. DNV GL holds other audit and assurance contracts with Unilever, none of which conflict with the scope of this work. Our multi-disciplinary team consisted of professionals with a combination of environmental and sustainability assurance experience.

Responsibilities of the Directors of Unilever and DNV GL

The Directors of Unilever have sole responsibility for:

- Preparing and presenting the Selected information in accordance with the Criteria;
- Designing, implementing and maintaining effective internal controls over the information and data, resulting in the preparation of the Selected information that is free from material misstatements;
- Measuring and reporting the Selected information based on their established Criteria; and
- Contents and statements contained within the Report; and
- The content of Unilever's Basis of Preparation 2017.

Our responsibility is to express a conclusion on whether the Selected information has been prepared in accordance with the Criteria and to report to Unilever in the form of an independent limited assurance conclusion, based on the work performed and the evidence obtained. We have not been responsible for the design and delivery of the eligible projects, nor the preparation of the Report.

For and on behalf of DNV GL Business Assurance Services UK Limited

London
26th April 2018

Douglas Farquhar
Lead Auditor and Principal Consultant

Gareth Manning
Quality Reviewer and Principal Consultant

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About DNV GL

Driven by our purpose of safeguarding life, property and the environment, DNV GL enables organisations to advance the safety and sustainability of their business. With our origins stretching back to 1864, we are today a leading provider of services for managing risk, with a global presence of more than 300 offices in over 100 different countries. Our 16,000 professionals are dedicated to helping customers make the world safer, smarter and greener.

Combining leading technical and operational expertise, risk methodology and in-depth industry knowledge, we empower our customers' decisions and actions with trust and confidence. We continuously invest in research and collaborative innovation to provide customers and society with operational and technological foresight. This means continuously developing new approaches to health, safety, quality and environmental management, so businesses can run smoothly in a world full of surprises.

Global impact for a safe and sustainable future

www.dnvgl.co.uk/BetterAssurance

Appendix 1: Environmental protocol and Eligible projects, development phase and applicable criteria

Environmental Protocol

Pillar	Environmental criteria		Criteria measurement*
Project nomination	PN 1	The project managers have signed that they are in compliance with Unilever's Code of Business Principles.	• Evidence to be provided that the project managers have read and confirmed compliance with the Code of Business Principles.
Greenhouse Gas (GHG) emissions	GHG1	The project will result in operational reductions in CO_2 emissions from energy of: • at least 50% of CO_2 emissions per tonne of product from new factories against the 2008 baseline; or • at least 30% of CO_2 emission per tonne of product from retrofitted factories against the 2008 baseline.	**Design phase:** • Unilever has assessed the total CO_2 emissions resulting from the operational factory after project completion. Emissions calculation methodologies are based on the WBCSD GHG protocol. • Unilever has assessed the production capacity and utilisation after project completion. • The design includes individual technologies and initiatives that are specifically designed to decrease CO_2 emissions during the operations of the factory. • The minimum standards of LEED silver or BREEAM 'very good' (or other agreed independent external rating system), have been met. • The design includes appropriate technologies for measurement and monitoring of CO_2 emissions after project completion. • The expected CO_2 emissions per tonne of product from new factories are less than 50% of the 2008 baseline, or less than 30% from retrofitted factories, after project completion. • The verified 2008 CO_2 baseline has been used in the assessment. **Construction phase:** • The design is implemented as expected in relation to achieving CO_2 emissions targets. **Operational phase:** • The project's performance achieves the CO_2 reductions established by the criteria.
	GHG2	Where achievable, energy used for the operation of the factory will in part be sourced from renewables, contributing to the company target to source 40% of energy from renewable sources.	**Design phase:** • The contribution of renewable energy to the project has been assessed. • Where feasible a target for the contribution of renewable energy has been set. • The design includes appropriate technologies for measurement and monitoring of energy consumption after project completion, split by renewable and non-renewable sources. **Construction phase:** • The design phase is implemented as expected. **Operational phase:** • The project's performance achieves the renewables contributions established by the criteria.
	GHG3	The project will replace Hydroflurocarbon (HFC) freezer cabinets with cabinets using natural hydrocarbon refrigerants, significantly reducing GHG emissions compared to the HFC based 2008 baseline model.	• Cabinets using natural hydrocarbon refrigerants are distributed to retailers or installed in factory developments.

Pillar	Environmental criteria		Criteria measurement
Water	WAT1	The project will result in operational reductions of water use of: • at least 50% of m^3 per tonne of product from new factories against the 2008 baseline; or • at least 30% of m^3 per tonne of product from retrofitted factories against the 2008 baseline.	**Design phase:** • Unilever has assessed the total water use for the factory once operational. • The design includes technologies and initiatives that are specifically designed to decrease water use during the operations of the factory. • The design includes appropriate technologies for measurement and monitoring of water use after project completion. • The expected water use per tonne of product from new factories are less than 50% of the 2008 baseline, or less than 30% from retrofitted factories, after project completion. • The verified 2008 baseline has been used in the assessment. **Construction phase:** • The design is implemented as expected in relation to achieving water use targets. **Operational phase:** • The project's performance achieves the water use reductions established by the criteria.
Waste	WAS1	The project will result in waste generation reductions of: • at least 50% per tonne of product from new factories against the 2008 baseline; or • at least 30% per tonne of product from retrofitted factories against the 2008 baseline.	**Design phase:** • Unilever has assessed the total waste generation from the operational factory after project completion. • Unilever has assessed the production capacity and utilisation after project completion. • The design includes technologies and initiatives that are specifically designed to reduce waste generation during the operation of the factory. • The design includes appropriate technologies for measurement and monitoring of waste during the operation of the factory • The expected waste generation per tonne of product from new factories are less than 50% of the 2008 baseline, or less than 30% from retrofitted factories, after project completion. • The verified 2008 baseline has been used in the assessment. **Construction phase:** • The design is implemented as expected in relation to achieving waste generation targets. **Operational phase:** • The project's performance achieves the waste reductions established by the criteria.
	WAS2	The project, for both new build and retrofit, will result in sending zero non-hazardous waste to landfill.	**Design phase:** • The classification of waste streams generated as a result of the factory operations includes a split between hazardous and non-hazardous waste streams. • Disposal routes for these waste streams have been identified. Definitions of non-hazardous waste should be based on Unilever guidelines. • Non-hazardous waste is not disposed to landfill. **Construction phase:** • The design is implemented as expected in relation to achieving zero waste to landfill. **Operational phase:** • The project's performance achieves zero non-hazardous waste to landfill.
Annual verification	AV1	Unilever must ensure that the sustainability criteria above are met over the lifetime of the bond through external assurance.	• External assurance to be provided as part of annual audit by external auditors.

Eligible projects, development phase and applicable criteria

Project	Location	Development phase for 2017	Applicable criteria							
			PN1	GHG1	GHG2	GHG3	WAT1	WAS1	WAS2	AV1
Homecare new build factory	China	Operational	v	v			v	v	v	v
Homecare new build factory	South Africa	Operational	v	v			v	v	v	v
Home and personal care new build factory	Turkey	(Early) operational	v	v			v	v	v	v
Spreads retrofitted factory	US	Operational	v	v			v	v	v	v
Environmentally friendly freezer cabinets	Turkey, Russia, and the U.S.A.	Completed	v			v				v