

Report of the Nomination Committee

Terms of Reference

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

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

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

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

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

Process for the appointment of Directors

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

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

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

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

Activities of the Committee during the year

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

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

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

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

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

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

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

Changes to composition

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

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

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