

**2024 Annual Report**  
of  
UNILEVER FINANCE NETHERLANDS B.V.

File number at the Trade Registry of Chamber of Commerce and Industry:	81003889
Registered office	: Weena 455, 3013 AL Rotterdam, Netherlands

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# 2024 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. Johanna Wilhelmiina Hyttinen (Appointed 29 November 2020)

Ms. Margot Martine Fransen (on Board till 01 March 2025)

Mr. Saswata Mukherjee (Appointed 04 March 2025)

#### Non-Executive Board Members:

Mr. Joost André Folkers (Appointed 01 September 2021), Audit Committee chair

Mr. 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.

### **Disclosure of Executive Director Resignation**

#### **Name and Position:**

Ms. Margot Martine Fransen, Executive Director

#### **Date of Resignation:**

Martine Fransen remained employed with the company until 01st March 2025. Her resignation was formally approved during the General Shareholders' Meeting held in March 2025.

### **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.

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All proceeds from the debt are 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.

### 2024 developments, results and Cash flows during the year

During the year, the Company raised €1,200 million of funds in February 2024 & €100 million in March 2024 via bond issuance comprising of:

- €600 million maturing in 2032 @3.25%; and
- €600 million maturing in 2037 @3.50%; and
- €100 million maturing in 2032 @3.25%:

The Company raised short term debt of approximately \$900 million through US Dollars denominated and €1,510 million through Euro denominated commercial papers.

The Company repaid the 0.5% €500 million bond and all commercial papers (\$900 million and €1,510 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 € 124.5 million (2023: € 99.5 million). The financial expense of the Company amounted € 122.02 million (2023: € 97.6 million). The increase in financial income is the result of the increased average interest rates on group loan and due to net increase of the loan of €800 million. The increase in financial expense is the result of the increased average interest rates on bonds and due to net increase of the bond of €800 million. The profit for the period ended 31 December 2024 amounted to € 1.7 million (2023: € 1.3 million).

The company has Net Assets of €25.2million (2023: €23.4million) and net current assets of €18.2 million (2023: €14.0million).

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 on its going concern in the foreseeable future. Further operations in Russia sold by Unilever Group. The impact of climate change risk and geopolitical conflicts on the Company is limited.

The Company does not employ any staff and makes use of the services of the Unilever Group. This is not expected to change in 2025.

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The financing activities are fully dependent on the developments and funding needs within the Unilever group. No significant change 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 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 2024. In year 2024 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 2024, 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. The company has implemented robust internal control measures for bank payments and access management. There is a four-eye principle applied to manual journals, bank payments etc. These controls are designed to minimize the risk of errors and prevent any potential occurrence of fraud.

### **Corruption Risk Assessment**

The company has implemented relevant measures to reduce the risk of fraud such as segregation of duties, as well as internal controls over financial reporting. The risk of fraud is therefore assessed low.

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### 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](https://www.unilever.com/sustainable-living).

### Research and Development

The Company does not perform research and development activities.

### Tax law and Transfer pricing policy

On 1 July 2022, the Dutch Transfer Pricing Decree of the State Secretary of Finance was published. The decree updates and replaces the Transfer pricing decree of 22 April 2018 and addresses new developments included in the recently updated OECD Transfer pricing guidelines. The new Decree does not require the entity to change its position in terms of the remuneration applied. Entity has the appropriate substance (snr Board and sufficient equity) and functionality (Board and access to treasury team) that fits its profile of a derisked financial service company. UFN BV continued the remuneration which is calculated based on the quantity of the bonds.

Pillar Two DMTT rule applies to UL Group entities in Netherlands for 2024. Under Netherlands DMTT rule, a top-up tax for the difference between the Pillar Two effective tax rate per jurisdiction and the 15% minimum rate is introduced. We have performed an assessment of the Company's potential exposure to Pillar Two income taxes based on the most recent financial information available.

It is not anticipated that this legislation will have any impact on Unilever Finance Netherlands B.V. for FY2024.

The Company has applied the exemption to not recognize or disclose any deferred tax related to Pillar 2 income taxes.

### 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. There are no specific targets regarding diversity in the board.

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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 2024 through to 15th May 2025, 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

The Company raised short term debt of approximately \$3,358.50 million through US Dollar denominated and €150 million through Euro denominated commercial papers in 2025.

#### Debt Repayment

On 06 January 2025, the company repaid €650 million 0.50% notes.

On 25 March 2025, the company repaid €1000 million 1.25% notes.

### **Outlook for 2025**

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: 15 May 2025

Sebastiaan Pieter de Buck

Johanna Wilhelmiina Hyttinen

Saswata Mukherjee

Herman Ulko Post

Joost André Folkers

## 2024 ANNUAL REPORT OF UNILEVER FINANCE NETHERLANDS B.V.

### Financial Statements

#### Balance sheet as at 31 December 2024

(Before proposed appropriation of net result)

	Note	2024 €'000	2023 €'000
<b>Fixed Assets</b>			
Financial fixed assets	2	10,479,751	11,592,929
<b>Current assets</b>			
Current receivables	3	2,481,874	634,786
Cash and cash equivalents		0	0
		<b>12,961,624</b>	<b>12,227,715</b>
<b>Total assets</b>			
<b>Shareholder's equity</b>	4		
Issued share capital		0	0
Share premium		21,261	21,261
Other Reserve		2,199	940
Unappropriated profit/(loss)		1,707	1,259
		<b>25,167</b>	<b>23,460</b>
<b>Provisions</b>	5	2,534	3,326
<b>Non-current liabilities</b>	6	10,470,220	11,580,142
<b>Current Liabilities</b>	7	2,463,703	620,787
<b>Total shareholder's equity and liabilities</b>		<b>12,961,624</b>	<b>12,227,715</b>

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



Profit and Loss Account for 2024

		2024	2023
	Note	€'000	€'000
Financial income	8	124,489	99,514
Financial expenses	9	(122,023)	(97,628)
Financial result		<b>2,466</b>	<b>1,886</b>
Operating expenses	10	(185)	(207)
<b>Result before tax</b>		<b>2,281</b>	<b>1,679</b>
Tax on result	5	(575)	(420)
<b>Result after tax</b>		<b>1,707</b>	<b>1,259</b>

The notes on pages 16 till 24 are an integral part of these financial statements.

# 2024 ANNUAL REPORT OF UNILEVER FINANCE NETHERLANDS B.V.

## 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 2024 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 2024, which ended at the balance sheet date of 31 December 2024. The Company does not prepare a separate cash flow statement, as it utilizes the exemption provided under Dutch Accounting standards (DAS) 360.104. An equivalent cash flow statement is included in the consolidated financial statements of the Unilever Group. The Unilever Group consolidated financial statements are available on the website [Unilever annual report](#).

#### 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 15th May 2025.

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.

The accounting principles have remained unchanged compared to prior years.

## **2024 ANNUAL REPORT OF UNILEVER FINANCE NETHERLANDS B.V.**

### **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.

### **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 mainly in Fair valuation of loans and bonds. 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 the reporting currency at the exchange rate applying on that date (year-end rate 2024: 1 EUR= 1.04 USD; year-end rate 2023: 1 EUR= 1.11 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.

An asset is recognised in the balance sheet when it is probable that the expected future economic benefits that are attributable to the asset will flow to the Company and the asset has a cost price or value of which the amount can be measured reliably. Assets that are not recognised in the balance sheet are considered as off-balance sheet assets.

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### **NOTES TO THE FINANCIAL STATEMENTS**

A liability is recognised in the balance sheet when it is expected that the settlement of an existing obligation will result in an outflow of resources embodying economic benefits and the amount necessary to settle this obligation can be measured reliably. Provisions are included in the liabilities of the Company.

Liabilities that are not recognised in the balance sheet are considered as off-balance sheet liabilities. An asset or liability that is recognised in the balance sheet, remains recognised on the balance sheet if a transaction (with respect to the asset or liability) does not lead to a major change in the economic reality with respect to the asset or liability. Such transactions will not result in the recognition of results. When assessing whether there is a significant change in the economic circumstances, the economic benefits and risks that are likely to occur in practice are taken into account. The benefits and risks that are not reasonably expected to occur, are not taken into account in this assessment.

An asset or liability is no longer recognised in the balance sheet, and thus derecognised, when a transaction results in all or substantially all rights to economic benefits and all or substantially all of the risks related to the asset or liability are transferred to a third party. In such cases, the results of the transaction are directly recognised in the profit and loss account, taking into account any provisions related to the transaction.

If assets are recognised of which the Company does not have the legal ownership, this fact is being disclosed. Income is recognised in the profit and loss account when an increase in future economic potential related to an increase in an asset or a decrease of a liability arises of which the size can be measured reliably. Expenses are recognised when a decrease in the economic potential related to a decrease in an asset or an increase of a liability arises of which the size can be measured with sufficient reliability.

#### **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.

Financial asset and a financial liability are offset when the entity has a legally enforceable right to set off the financial asset and financial liability and the Company has the firm intention to settle the balance on a net basis, or to settle the asset and the liability simultaneously.

## 2024 ANNUAL REPORT OF UNILEVER FINANCE NETHERLANDS B.V.

### NOTES TO THE FINANCIAL STATEMENTS

#### 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.

Current receivables are recognized when the Company has an unconditional right to receive cash or other financial assets. They are initially measured at fair value and subsequently measured at amortized cost using the effective interest method, less any impairment losses.

#### 1.9 Current payables

Current payables are amounts payable in relation to Bond, commercial paper in less than twelve months. They are initially measured at fair value and subsequently measured at amortized cost using the effective interest method.

## 2024 ANNUAL REPORT OF UNILEVER FINANCE NETHERLANDS B.V.

### NOTES TO THE FINANCIAL STATEMENTS

#### 1.10 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.

#### 1.11 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.

#### 1.12 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.

#### 1.13 Financial instruments

Financial instruments on the balance sheet include accounts receivable, cash and cash equivalents, other financial fixed assets and current or non-current liabilities. Financial assets and liabilities are recognised in the balance sheet at the moment that the contractual risks or rewards with respect to that financial instrument originate. Financial instruments are derecognised if a transaction results in a considerable part of the contractual risks or rewards with respect to that financial instrument being transferred to a third party. A financial asset and a financial liability are offset when the entity has a legally enforceable right to set off the financial asset and financial liability and the Company has the firm intention to settle the balance on a net basis, or to settle the asset and the liability simultaneously.

#### 1.14 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.

#### 1.15 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.

## **2024 ANNUAL REPORT OF UNILEVER FINANCE NETHERLANDS B.V.**

### **NOTES TO THE FINANCIAL STATEMENTS**

#### **1.16 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.

#### **1.17 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.

#### **1.18 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.

#### **1.19 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.

#### **1.20 Off balance sheet items**

There are no off-balance sheet items within this financial statement.

# 2024 ANNUAL REPORT OF UNILEVER FINANCE NETHERLANDS B.V.

## NOTES TO THE FINANCIAL STATEMENTS

### Notes to the Financial Statement:

#### 2. Financial fixed assets

<b>Loans to Group companies</b>	<b>€'000</b>
<b>Carrying amount at 1 January 2023</b>	<b>11,210,342</b>
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
<b>Carrying amount at 31 December 2023</b>	<b>11,592,929</b>
Amortisation of fair value premium	(104,358)
Amortisation of discount and transaction cost	3,652
Loans reclassified to current receivables	(2,307,952)
New Loans	1,295,480
<b>Carrying amount at 31 December 2024</b>	<b>10,479,751</b>

#### Loans to Group companies

Included in loans to Group companies is an unamortised fair value premium of €358 million on €5,200 million Loan as on 2024 (2023: €471 million on €7,500 million Loan as on 2023) and unamortised discount and transaction cost of €(28) million (2023: €(27) 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 €1,300 million which includes discount and transaction cost of €4.5 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% (2023: 0.54% and 3.54%). The face value of loans to group companies is €12,450 million (2023: €11,650 million).

The maturity dates of the loans to group companies range from 2025 up to 2037 (2023: 2024 up to 2035). The carrying amounts of the loans to group companies can be split based on the maturity dates as follows:

- Loans maturing within 1 year: €2,308 million (2023: €501 million)
- Loans maturing between 1-5 years: €4,013 million (2023: €5,573 million)
- Loans maturing after 5 years: €6,466 million (2023: €6,020 million)



## 2024 ANNUAL REPORT OF UNILEVER FINANCE NETHERLANDS B.V.

### NOTES TO THE FINANCIAL STATEMENTS

#### Loan to Group Company:

2024 (€'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
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#### Maturity at face value:

€	2,300,000	500,000	1,300,000	1,350,000	750,000	6,250,000	12,450,000
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#### Maturity at fair value:

€	2,290,325	489,098	1,270,060	1,315,590	722,674	6,307,814	12,395,561
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No allowance for bad debt has been recognised in the accounts (2023: 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

	2024 €'000	2023 €'000
Amount receivable from group companies		
• From proceeds of bonds #	2,307,952	501,439
• From proceeds of commercial papers	-	-
• Other receivables	14,515	11,118
Accrued interest income	159,407	122,229
<b>Total</b>	<b>2,481,874</b>	<b>634,786</b>

The fair value of the receivable approximates the book value, given the short-term character of these receivables. All current receivables have maturity less than 1 year.

# 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 €7.9 million (2023: €1 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.

## 2024 ANNUAL REPORT OF UNILEVER FINANCE NETHERLANDS B.V.

### NOTES TO THE FINANCIAL STATEMENTS

Movement in individual items of equity as follows:

	Issued capital	Share premium*	Other reserves	Unappropriated Profit / (loss)	Total Equity
	€'000	€'000	€'000	€'000	€'000
<b>Balance at 1 January 2023</b>	<b>0</b>	<b>21,261</b>	<b>(329)</b>	<b>1,269</b>	<b>22,201</b>
Appropriation of result 2022			1,269	(1,269)	-
Profit/(Loss) for the period 2023	-	-	-	1,259	<b>1,259</b>
<b>Balance at 31 December 2023</b>	<b>0</b>	<b>21,261</b>	<b>940</b>	<b>1,259</b>	<b>23,460</b>
Appropriation of result 2023			1,259	(1,259)	-
Profit/(Loss) for the period 2024	-	-	-	1,707	<b>1,707</b>
<b>Balance at 31 December 2024</b>	<b>0</b>	<b>21,261</b>	<b>2199</b>	<b>1,707</b>	<b>25,167</b>

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

#### Appropriation of result of 2023

The financial statements for the reporting year 2023 have been adopted by the General Meeting of Shareholders on 15 May 2024. The General Meeting has adopted the appropriation of result after tax for the reporting year 2023 as proposed by the Board of Directors.

#### Proposal for profit appropriation 2024

The Board of Directors propose to the General Meeting to appropriate the profit after tax for 2024 as follows: Unappropriated profit amounting to €1.7 million to be added to the other reserves.

## 5. Taxation

The major components of the tax charge are as follows:

	2024	2023
	€'000	€'000
Tax expense for current financial year	1,367	1,305
Movement in temporary differences	(792)	(885)
Income tax expense/ (benefit)	<b>575</b>	<b>420</b>

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

## 2024 ANNUAL REPORT OF UNILEVER FINANCE NETHERLANDS B.V.

### NOTES TO THE FINANCIAL STATEMENTS

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

	2024	2023
	€'000	€'000
Result before tax	2,281	1,679
Income tax using the applicable tax rate in the Netherlands	575	420
Tax expense / (benefit)	<u>575</u>	<u>420</u>

The nominal corporation tax rate in the Netherlands is 25.8%, with a step up of 19% on the profit up to € 200 thousand. The effective tax rate in 2024 of 25% (2023: 25%) 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
<b>Carrying amount at 31 December 2023</b>	<b>3,326</b>
Deferred tax liabilities on loans to group companies	128,781
Deferred tax assets on bonds	(125,455)
<b>Movement during the year</b>	<b>(792)</b>
Deferred tax liabilities on loans to group companies	(28,978)
Deferred tax assets on bonds	28,186
<b>Carrying amount at 31 December 2024</b>	<b>(2,534)</b>
Deferred tax liabilities on loans to group companies	(99,803)
Deferred tax assets on bonds	97,269

Out of the € 2.5 million provision for the deferred tax outstanding at 31st December 2024 € 0.60 million is current from which is net of deferred tax liability on loans €22.85 million and deferred tax asset on bonds €22.25mn. (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.)

On 1 July 2022, the Dutch Transfer Pricing Decree of the State Secretary of Finance was published. The decree updates and replaces the Transfer pricing decree of 22 April 2018 and addresses new developments included in the recently updated OECD Transfer pricing guidelines. The new Decree does not require the entity to change its position in terms of the remuneration applied.

## 2024 ANNUAL REPORT OF UNILEVER FINANCE NETHERLANDS B.V.

### NOTES TO THE FINANCIAL STATEMENTS

Entity has the appropriate substance (snr Board and sufficient equity) and functionality (Board and access to treasury team) that fits its profile of a derisked financial service company. UFN BV continued the remuneration which is calculated based on the quantity of the bonds.

Pillar Two DMTT rule applies to UL Group entities in Netherlands for 2024. Under Netherlands DMTT rule, a top-up tax for the difference between the Pillar Two effective tax rate per jurisdiction and the 15% minimum rate is introduced. We have performed an assessment of the Company's potential exposure to Pillar Two income taxes based on the most recent financial information available.

It is not anticipated that this legislation will have any impact on Unilever Finance Netherlands B.V. for FY2024.

The Company has applied the exemption to not recognize or disclose any deferred tax related to Pillar 2 income taxes.

#### 6. Non-current liabilities

<b>Payable to Bondholders</b>	<b>€'000</b>
<b>Carrying amount at 1 January 2023</b>	<b>11,194,280</b>
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
<b>Carrying amount at 31 December 2023</b>	<b>11,580,142</b>
Amortisation of fair value premium	(101,354)
Amortisation of discount and transaction cost	3,658
Payables reclassified to current liabilities	(2,307,706)
New Bonds	1,295,480
<b>Carrying amount at 31 December 2024</b>	<b>10,470,220</b>

Included in the payable to the bond holders is an unamortised fair value premium of €348 Million on €5,200 million bonds as on 2024 (2023: €459 million on €7,500 million bonds as on 2023) and an unamortised discount and transaction cost of € (28) million (2023: € (27) million), which will be amortised over the remaining term of the bonds. The yields for the non-current liabilities rates between -0.18% to 3.6% (2023: -0.29% to 3.6%).

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

During the year, the company raised €1,300 million funds (including discount and transaction cost of €4.5 million) via bond issuance comprising of:

€600 million maturing in 2032 @3.25%; and €600 million maturing in 2037 @3.50% issued in the month of February 2024 and €100 million maturing in 2032 @3.25% issued in the month of March 2024.

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 0.75% to 3.50% (2023: 0.50% to 3.50%).

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

**2024 ANNUAL REPORT OF UNILEVER FINANCE NETHERLANDS B.V.**  
**NOTES TO THE FINANCIAL STATEMENTS**

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

	<b>€'000</b>	
	<b>2024</b>	<b>2023</b>
0.875% Notes 2025 (€) *		661,806
0.500% Bonds 2025 (€) *		655,227
1.250% Notes 2025 (€) *		1,017,959
0.750% Notes 2026 (€)	499,572	499,207
1.000% Notes 2027 (€)	615,111	622,260
1.125% Bonds 2027 (€)	719,427	728,643
1.125% Bonds 2028 (€)	729,605	738,557
1.750% Notes 2028 (€)	646,386	645,498
1.375% Notes 2029 (€)	799,841	810,763
1.375% Notes 2030 (€)	704,124	713,699
1.750% Notes 2030 (€)	1,089,746	1,106,934
1.250% Notes 2031 (€)	647,964	647,649
3.250% Notes 2031 (€)	495,348	494,682
1.625% Notes 2033 (€)	890,640	901,704
2.250% Notes 2034 (€)	840,807	839,944
3.500% Notes 2035 (€)	495,934	495,610
3.250% Notes 2032 (€)	598,357	
3.500% Notes 2037 (€)	597,140	
3.250% Notes 2032 (€)	100,218	
<b>Total</b>	<b>10,470,220</b>	<b>11,580,142</b>

\*Reclassified to current liabilities refer note 6.

**Payable to the bondholders:**

<b>2024</b>	<b>Due within</b>	<b>Due</b>	<b>Due</b>	<b>Due</b>	<b>Due</b>	<b>Due</b>	<b>Total</b>
<b>(€'000)</b>	<b>1 year</b>	<b>between</b>	<b>between</b>	<b>between</b>	<b>between</b>	<b>after</b>	
		<b>1-2 years</b>	<b>2-3 years</b>	<b>3-4 years</b>	<b>4-5 years</b>	<b>5 years</b>	

**Maturity at face value:**

€	(2,300,000)	(500,000)	(1,300,000)	(1,350,000)	(750,000)	(6,250,000)	(12,450,000)
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**Maturity at fair value:**

€	(2,288,373)	(489,580)	(1,263,380)	(1,298,795)	(711,518)	(6,032,355)	(12,084,001)
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**2024 ANNUAL REPORT OF UNILEVER FINANCE NETHERLANDS B.V.**  
**NOTES TO THE FINANCIAL STATEMENTS**

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

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

**7. Current liabilities**

	<b>2024</b> <b>€'000</b>	<b>2023</b> <b>€'000</b>
Amount payable to bondholders <sup>#</sup>	2,307,706	501,374
Amount payable to commercial paper holders	-	-
Accrued interest expense	155,846	118,995
Corporate income tax payable	150	418
Other	-	-
<b>Total</b>	<b>2,463,703</b>	<b>620,787</b>

<sup>#</sup>Includes the nominal amounts of €650 million bond 0.50% due in Jan 2025, €1000 million bond 1.25% due in Mar 2025, €650 million bond 0.875% due in July 2025, (2023: €500 million bond 0.50% due in April 2024). All current payables have maturity less than 1 year.

**8. Financial income**

<b>2024</b> <b>In €'000</b>	<b>Group</b> <b>Companies</b>	<b>Banks and</b> <b>Similar</b> <b>Parties</b>	<b>Others</b>	<b>Total</b>
Interest income and similar income	213,175	-	-	<b>213,175</b>
Amortisation of fair value premium on loan to group companies	(105,798)	-	-	<b>(105,798)</b>
Amortisation of discount and transaction costs on loan to group companies	3,652	-	-	<b>3,652</b>
Interest income on loans on-lent from the proceeds of Commercial Papers	12,992	-	-	<b>12,992</b>
Other Income	468	-	-	<b>468</b>
<b>Total</b>	<b>124,489</b>	<b>-</b>	<b>-</b>	<b>124,489</b>

**2024 ANNUAL REPORT OF UNILEVER FINANCE NETHERLANDS B.V.**  
**NOTES TO THE FINANCIAL STATEMENTS**

<b>2023</b> <b>In €'000</b>	<b>Group Companies</b>	<b>Banks and Similar Parties</b>	<b>Others</b>	<b>Total</b>
Interest income and similar income	175,243	-	-	<b>175,243</b>
Amortisation of fair value premium on loan to group companies	(114,862)	-	-	<b>(114,862)</b>
Amortisation of discount and transaction costs on loan to group companies	3,125	-	-	<b>3,125</b>
Interest income on loans on-lent from the proceeds of Commercial Paper	35,647	-	-	<b>35,647</b>
Other Income	361	-	-	<b>361</b>
<b>Total</b>	<b>99,514</b>	<b>-</b>	<b>-</b>	<b>99,514</b>

**9. Financial expenses**

<b>2024</b> <b>In €'000</b>	<b>Group Companies</b>	<b>Banks and Similar Parties</b>	<b>Others</b>	<b>Total</b>
Interest expense on bonds	-	208,192	-	<b>208,192</b>
Amortisation of fair value premium on bonds	-	(102,727)	-	<b>(102,727)</b>
Amortisation of discount and transaction costs on bonds	-	3,658	-	<b>3,658</b>
Interest expense on Commercial Paper	-	12,889	-	<b>12,889</b>
Other Interest and similar Expense	-	14	-	<b>14</b>
Currency exchange result	-	-	(3)	<b>(3)</b>
<b>Total</b>	<b>-</b>	<b>122,026</b>	<b>(3)</b>	<b>122,023</b>

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

## 2024 ANNUAL REPORT OF UNILEVER FINANCE NETHERLANDS B.V.

### NOTES TO THE FINANCIAL STATEMENTS

#### 10. Operating expenses

	2024 €'000	2023 €'000
Bank charges	28	29
Audit fees	157	178
<b>Total</b>	<b>185</b>	<b>207</b>

#### 11. Treasury and Risk Management

The Company's activities are exposed to a variety of financial 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 31<sup>st</sup> December 2024 the currency exposure to the company from holding financial instruments was Nil (2024: 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



## **2024 ANNUAL REPORT OF UNILEVER FINANCE NETHERLANDS B.V.**

### **NOTES TO THE FINANCIAL STATEMENTS**

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+. As of December 31, 2024, the company's maximum credit risk exposure amounts to €12,961 million.

#### **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 2024 and therefore incurred no salary or related costs of employment (31st December 2023 nil cost). 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.

## 2024 ANNUAL REPORT OF UNILEVER FINANCE NETHERLANDS B.V.

### NOTES TO THE FINANCIAL STATEMENTS

#### 14. Audit fees

The following fees were charged by BDO Audit & Assurance B.V. to the Company in 2024, as referred to in Section 2:382a (1) and (2) of the Dutch Civil Code.

	2024 €	2023 €
Audit of the financial statements	157,088	178,330
Other audit engagements	-	-
Tax-related advisory services	-	-
Other non-audit services	-	-
<b>Total</b>	<b>157,088</b>	<b>178,330</b>

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 2024 through 15th May 2025, 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:

The Company raised short term debt of approximately \$3,358.50 million through US Dollars denominated and €150 million through Euro denominated commercial papers in 2025.

##### Debt Repayment:

On 06 January 2025, the company repaid €650 million 0.50% notes.

On 25 March 2025, the company repaid €1000 million 1.25% notes.

#### 16. Proposed appropriation of the result for 2024

If the general meeting of shareholders accepts the appropriation of the result proposal, the profit of € 1.7 million, will be added to the other reserves.

## 2024 ANNUAL REPORT OF UNILEVER FINANCE NETHERLANDS B.V.

### Signatories to the 2024 Annual Report

For signature of the annual accounts:

The Board of Directors

Weena 455, 3013 AL Rotterdam, Netherlands, 15th May 2025

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Sebastiaan Pieter de Buck

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Johanna Wilhelmiina Hyttinen

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Saswata Mukherjee

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Herman Ulko Post

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Joost André Folkers

## **2024 ANNUAL REPORT OF UNILEVER FINANCE NETHERLANDS B.V.**

### **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 2024.

# 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 2024 included in the annual report

### Our opinion

We have audited the financial statements 2024 of Unilever Finance Netherlands B.V. based in Rotterdam.

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 2024 of its result for 2024 in accordance with Part 9 of Book 2 of the Dutch Civil Code.

The financial statements comprise:

- ▶ the balance sheet as at 31 December 2024;
- ▶ the profit and loss account for 2024; and
- ▶ the notes 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 EU Regulation on specific requirements regarding statutory audit of public-interest entities, the 'Wet toezicht accountantsorganisaties' (Wta, Audit firms supervision act), 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 for Professional Accountants).

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

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 following information in support of our opinion was addressed in this context, and we do not provide a separate opinion or conclusion on these matters.

### Materiality

Based on our professional judgement we determined the materiality for the financial statements as a whole at € 129,000,000. The materiality is calculated as 1% of the total assets, which we consider to be the principal considerations for users of the financial statements in assessing the financial performance of the company. 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.

We agreed with the Board of Directors that misstatements in excess of € 6,450,000, which are identified during the audit, would be reported to them, as well as smaller misstatements that in our view must be reported on qualitative grounds.

### Audit approach going concern

The financial statements are prepared on the basis of the going concern assumption, which assumes that Unilever Finance Netherlands B.V. will continue to operate as a going concern for the foreseeable future. As explained in the section 'Going concern' on page 5 of the directors' report, the board of directors has carried out a going concern assessment and has not identified any events or circumstances that may cause reasonable doubt on the entity's ability to continue as a going concern (hereinafter: 'going concern risks').

Our procedures to evaluate the going concern assessment of the board of directors include:

- ▶ considered whether the board's going concern assessment contains all relevant information that we have knowledge of, as a result of our audit and inquiring with the board on key assumptions and estimates;
- ▶ determining the impact of the results of the audit procedures performed on the valuation of loans granted to Unilever Finance International AG on the ability of the company to repay the related financial obligation;
- ▶ considering that the parent company Unilever PLC guarantees all of the bonds issued by the company, we performed a high-level overview of the financials of the Unilever PLC. This is because bondholders will review the Unilever PLC financials to assess whether they want to invest in bonds issued by Unilever Finance Netherlands B.V., as the underlying results of the Unilever Group determine the Group's ability to settle intercompany loans and, consequently, the external bonds. Additionally, we assessed the most recent financial information of the counterparty of the loan issued, Unilever Finance International AG;
- ▶ we examined relevant news articles and publicly available information on macroeconomic updates, industry developments, and company-specific events that would have potential adverse effects on the performance and financial position of the company. Obtained information from the board about its knowledge of going concern risks beyond the period of the going concern assessment carried out by the board;
- ▶ obtaining information from the board about its knowledge of going concern risks beyond the period covered by their going concern assessment.

Our audit procedures indicated that the going concern assumption used by the board is appropriate and no going concern risks have been identified.

### Audit approach fraud risks and non-compliance with laws and regulations

We identified and assessed the risks of material misstatements of the financial statements due to fraud and non-compliance with laws and regulations. During our audit we obtained an understanding of the entity and its environment and the components of the system of internal

control, including the risk assessment process and management's process for responding to the fraud risks and monitoring the system of internal control and how the Board of Directors exercises oversight, as well as the results thereof. We refer to section "Fraud risk assessment" on page 6 of the Directors' report in which among other is described the company has put in place internal controls like a four eye principle control on payment authorization and manual journal entries.

We evaluated the design and relevant aspects of the system of internal control and in particular the fraud risk assessment, as well as among others the code of business principles and code policies (code of conduct) of Unilever Group including the Business integrity, Speak-up platform and investigating code breaches (whistle blower policy) (incident reporting). We evaluated the design and the implementation of internal controls designed to mitigate fraud risks. We have communicated recommendations in internal control in writing to the management.

As part of our process of identifying risks of material misstatements of the financial statements due to fraud, we evaluated fraud risk factors with respect to fraudulent financial reporting, misappropriation of assets and bribery and corruption. We evaluated whether these fraud risk factors indicate that a risk of material misstatement due fraud is present.

We incorporated elements of unpredictability in our audit. We also considered the outcome of our other audit procedures and evaluated whether any findings were indicative of fraud or non-compliance. We considered available information and inquired with relevant executives.

We considered available information and made enquiries of relevant executives and directors. Our audit procedures did not lead to indications or suspicions for fraud potentially resulting in material misstatements.

The fraud risks identified by us and the specific procedures performed are as follows:

MANAGEMENT OVERRIDE OF CONTROL	
Description:	<p>Management is in a unique position to perpetrate fraud because management is able to manipulate accounting records and prepare fraudulent financial statements by overriding controls that otherwise appear to be operating effectively.</p> <p>Therefore, in all our audits, we pay attention to the risk of management override of controls for;</p> <ul style="list-style-type: none"> <li>▶ Journal entries and other adjustments made throughout the year and during the course of preparing the financial statements.</li> <li>▶ Estimates and estimation processes.</li> <li>▶ Significant transactions outside the ordinary course of business.</li> </ul> <p>In this context, we paid particular attention to a possible misstatement relating to important judgment areas and significant accounting estimates related to the valuation of the loans, issued to group companies as disclosed in Note 2 of the financial statements.</p>

<p>Our audit approach and observations:</p>	<p>We:</p> <ul style="list-style-type: none"> <li>▶ evaluated the design and existence of internal control measures in the processes for generating and processing journal entries and making estimates, assuming a risk of management override of controls of that process;</li> <li>▶ evaluated the design and existence of internal control measures in the process for the preparation of financial statements;</li> <li>▶ selected journal entries based on risk criteria, such as manual journal entries. We performed audit procedures on these journal entries, in which we also paid attention to significant transactions outside the ordinary course of business;</li> <li>▶ investigated all manual journal entries for interest income above our clearly trivial threshold. We have determined that the amounts of the journals reconcile to the amounts as included in the signed loan contracts with the counterparty. Additionally we verified that the actual cashflows over the bank for interest income reconciles to the contract details;</li> <li>▶ performed audit procedures on significant estimates, which mainly consists of the valuation of the loans issued to group companies as disclosed in Note 2 of the financial statements.</li> </ul> <p>We also refer to our procedures regarding the valuation of loans as included in the key audit matter.</p>
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#### THE RISK OF FRAUDULENT FINANCIAL REPORTING DUE TO MANUAL REVENUE POSTINGS

<p>Description:</p>	<p>Based on our professional standards, we recognize an presumed fraud risk regarding revenue recognition. Based on our risk analysis, we do acknowledge an increased (fraud) risk in manual revenue postings</p>
<p>Our audit approach and observations:</p>	<p>The company has only one type of simple revenue-generating transactions where the amounts are easily traceable to the underlying contracts.</p> <ul style="list-style-type: none"> <li>▶ We have investigated all manual journal entries for interest income above our clearly trivial threshold. We have determined that the amounts of the journals reconcile to the amounts as included in the signed loan contracts with the counterparty. Additionally we verified that the actual cashflows over the bank for interest income reconciles to the contracts details.</li> </ul> <p>Our audit procedures did not reveal any specific indications of fraud or suspicions of fraud in respect of management override of controls, potentially resulting in material misstatements.</p>



### 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 Board of Directors. The key audit matter is not a comprehensive reflection of all matters discussed.

#### INCORRECT VALUATION OF LOANS AND RECEIVABLES TO GROUP COMPANIES

Description:	<p>The company is exposed to credit risk on loans to group companies. We considered the valuation of these loans as a key audit matter due to the size of the portfolio and due to the fact that non-performance on the loans may lead to impairment losses that have a negative impact on the income statement. Judgement arises in the assessment whether there is objective evidence that a loan is impaired and in the determination of the impairment loss.</p> <p>The bonds are being guaranteed by Unilever PLC (which proceeds have been used to provide the loans, at similar conditions, to Group companies).</p> <p>Based on the impairment assessment performed by the Board of Directors, the Board of Directors concluded that no objective evidence exists that a loan is impaired and as a result no impairment loss was recognized.</p>
Our audit approach:	<p>Our audit procedures in relation to the valuation of the loans included:</p> <ul style="list-style-type: none"> <li>▶ an examination of the impairment analysis methodology applied by the Board of Directors;</li> <li>▶ inspecting the Master loan agreement entered into between the company and the loan counter party;</li> <li>▶ inspecting the audited financial statements as per 31 December 2023 of Unilever Finance International AG;</li> <li>▶ inspecting the unaudited 2024 financial position and profit and loss account of Unilever Finance International AG;</li> <li>▶ inspecting the audited financial statements 2024 of Unilever PLC;</li> <li>▶ an analysis of the completeness of the identified impairment triggers by challenging the fair values of the loans and bonds determined by the Board of Directors;</li> <li>▶ reviewing news articles on Google, Bloomberg and Reuters of Unilever Finance International AG;</li> <li>▶ evaluating the information derived from credit rating agencies: Moody's, and S&amp;P;</li> <li>▶ reviewing the market values and development bond price of the outstanding bonds;</li> <li>▶ searching and evaluating the information for investors on the Unilever Group website;</li> <li>▶ evaluating the stock price development of Unilever PLC.</li> <li>▶ assessing the adequacy of disclosures in the financial statements related to the loans issued to Unilever Finance International AG.</li> </ul>

## 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 that consists of:

- ▶ the Directors' report;
- ▶ other information as required by Part 9 of Book 2 of the Dutch Civil Code.

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

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

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 substantially 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 directors' report in accordance with Part 9 of Book 2 of the Dutch Civil Code and other information as required by Part 9 of Book 2 of the Dutch Civil Code.

## Report on other legal and regulatory requirements

### Engagement

We were engaged by the shareholders as auditor of Unilever Finance Netherlands B.V. on 5 August 2024, as of the audit for the year 2024.

### 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 audit 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 the Board of Directors determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

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 framework 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 misstatements, whether due to fraud or error 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.

We have exercised professional judgement and have maintained professional scepticism throughout the audit, in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. Our audit included among others:

- ▶ identifying and assessing the risks of material misstatement of the financial statements, whether due to fraud or error, designing and performing audit procedures responsive to those risks, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- ▶ obtaining an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control;
- ▶ evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors;
- ▶ concluding on the appropriateness of Board of Directors' use of the going concern basis of accounting, and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause a company to cease to continue as a going concern;
- ▶ evaluating the overall presentation, structure and content of the financial statements, including the disclosures; and
- ▶ evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant findings in internal control that we identify during our audit. In this respect we also submit an additional report to the audit committee in accordance with Article 11 of the EU Regulation on specific requirements regarding statutory audit of public-interest entities. The information included in this additional report is consistent with our audit opinion in this auditor's report.

We provide the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Board of Directors, we determine the key audit matters: those matters that were of most significance in the audit of the financial statements. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, not communicating the matter is in the public interest.

Amstelveen, 16 May 2025

For and on behalf of BDO Audit & Assurance B.V.,

W.J.P. Hoeve RA