

Disclaimer

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Certain sections of the Unilever Annual Report and Accounts 2006 have been audited. Sections that have been audited are set out on pages 70 to 123, 129 to 130, 132 to 134 and 137 to 139. The auditable part of the Directors' Remuneration report as set out on page 49 has also been audited.

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The information is given as of the dates specified, is not updated, and any forward-looking statements are made subject to the reservations specified on the final page of the Report.

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During 2006 the Committee has reviewed the remuneration policy and practice of the past few years, and on the basis of this experience has decided to prioritise five strategic principles to serve as the platform for Unilever's approach to remuneration.

This strategy is not only for our Executive Directors but for all Unilever's leadership levels. These principles, which improve the structure of our existing remuneration framework as explained in greater detail in the following pages, are that pay should be:

- robustly linked to performance;
- aligned with strategic priorities;
- aligned with shareholders' interests;
- market competitive; and
- finally, easy to understand and communicate.

Our overriding objective is to ensure that Unilever recruits and retains the best performers and then optimises the return on investment from the reward system for Unilever's leadership group. It is also our aim to manage the differing elements of total remuneration in a fully integrated manner.

The five principles will from 2007 provide the foundation of some important changes to executive remuneration that we are proposing for the level and structure of Unilever incentive plans. Our proposals have been the subject of consultation with our major shareholders and their representatives. In summary, these changes enhance variable rewards relative to fixed pay and simplify the share-based incentives.

The details of the proposed changes to Unilever's long-term incentive arrangements are described in the Notices to Shareholders for the 2007 AGMs.

In short, we believe that we have developed an approach which incorporates the right mix and level of incentives for our leadership team which also aligns with shareholders' interests. It would also be more understandable and simpler to communicate to our staff.

The year 2006 showed a continuing improvement in top-line growth, whilst trading contribution was proximate to but slightly below the targets we had set.

To remain competitive the base salaries for the Unilever Executive team were increased by an average of 3.9% from the beginning of 2006. Based on the performance over 2006 the annual incentive awards were on average 52% of base salary across the Unilever Executive team. However, in industry ranked terms we are not yet in a payout position for the TSR Long-Term Incentive Plan.

In 2007, we are strengthening the linkage between business performance and executive rewards.

We hope to see continued improvement in business results in 2007, with the leadership team appropriately rewarded commensurate with these improved results.

David Simon Chairman of the Remuneration Committee
Jean-Cyril Spinetta
Jeroen van der Veer

Definition of auditable part of the report of the Remuneration Committee

In compliance with the UK Directors' Remuneration Report Regulation 2002, and under Title 9, Book 2 of the Civil Code in the Netherlands, the auditable part of the report of the Remuneration Committee comprises the 'Aggregate remuneration for Executive Directors' on page 55, the 'Remuneration for individual Executive Directors' on page 55, the 'Executive Directors' Global Performance Share Plan' on page 56, the 'Executive Directors' conditional share awards under the TSR Long-Term Incentive Plan' on page 56, the 'Executive Directors' Share Matching Plan' on page 57, 'Executive Directors' share options' on page 58, 'Executive Directors' pensions' on page 59, 'Executive Directors' interests – share capital' on page 60, 'Non-Executive Directors' remuneration on page 61 and 'Non-Executive Directors' interests – share capital' on page 62.

Report of the Remuneration Committee (continued)

Unilever reward policy table 2006

	Element	Payment vehicle	Indicative levels at face value as % of base pay	Plan objectives/Key drivers	Performance measures
Short-term (one year)	Base salary	Cash	Market competitive	Attraction and retention of key executives	Individual performance
	Annual incentive	Cash (75%)	Executive Director: 60% on target (range of 0% – 100%)	Delivery of trading contribution (Unilever's primary internal measure of economic value added – see page 51) and top-line growth targets	Trading contribution (Executive Director: 40%, Group Chief Executive: 50%)
		Shares (25%)	Group Chief Executive: 90% on target (range of 0% – 150%)		Underlying sales growth (Executive Director: 40%, Group Chief Executive: 50%)
Long-term (three years)	Global Performance Share Plan	Shares	Grant level: around 25%	Ungeared Free Cash Flow as the basic driver of Unilever shareholder returns	Ungeared Free Cash Flow (50%)
			Vesting level: 0% – 200% of grant		Underlying sales growth (50%)
	TSR Long-Term Incentive Plan	Shares	Grant level: around 60%	Shareholder return at upper half of peer group with 20 other companies	Relative total shareholder return
			Vesting level: 0% – 200% of grant		
Share Matching Plan	Shares	25% of annual incentive earned in return for the deferral of 25% of bonus earned	Alignment with shareholders' interests		

A significant proportion of the Executive Directors' total reward is linked to a number of key measures of Group performance to create alignment with the strategy and business priorities.

Depending on the level of performance the variable component could vary between 0% and around 70% of the total reward package (excluding pensions).

Unilever's reward policy is benchmarked regularly against arrangements of other global companies based in Europe. This ensures that Executive Directors' reward levels remain competitive. An internal comparison is made with the reward arrangements for other senior executives within Unilever to support consistent application of Unilever's executive reward policies.

In setting targets for the performance measures, the Committee is guided by what needs to happen to drive underlying performance. This is reflected in both the short-term and long-term performance targets.

Base salary

The Remuneration Committee reviews base salary levels annually, taking into account external benchmarks in the context of Group and individual performance.

Annual incentive

The annual incentive arrangement rewards Executive Directors for the delivery of trading contribution (Unilever's primary internal measure of economic value added) and top-line growth targets, as well as for their individual contribution to Unilever's business strategy.

In 2006, the Group Chief Executive had a maximum opportunity of 150% of base salary. The maximum level is only payable in the case of exceptional performance. The opportunity for other Executive Directors in 2006 was between 0% and 100%.

The performance criteria for the annual incentive are:

- Trading contribution: Unilever's primary internal measure of economic value added. It is calculated from Trading Result after a deduction for tax and a charge for asset use. (Trading result is the internal management measure of profit that is the most consistent with operating profit). Increases in trading contribution reflect the combined impact of top-line growth, margin improvement and capital efficiency gains. It is well aligned with our objective of a progressive improvement in return on invested capital and with shareholder value creation;
- Underlying sales growth: focus on the organic growth of Unilever's turnover; and
- Individual business targets: tailored to each individual's responsibilities to deliver certain business objectives supporting the strategy. Individual contribution is assessed against robustly set measures and targets to ensure both objectivity and 'stretch'.

Achievement of targets is measured at the end of the year and the payment takes place the following March. Part of the annual incentive (25%) is delivered to the Executive Directors in the form of shares in NV and PLC, which are matched by a conditional award of 'matching shares', as further described under the section on long-term incentives below.

Long-term incentives

The long-term incentives for Executive Directors in 2006 consist of three elements, all of which are delivered in shares:

- Global Performance Share Plan;
- TSR Long-Term Incentive Plan; and
- Share Matching Plan (linked to the annual incentive).

Executive Directors are required to demonstrate a significant personal shareholding commitment to Unilever. Within five years of appointment, they are expected to hold shares worth 150% of their annual base salary. This reinforces the link between the executives and other shareholders.

Global Performance Share Plan (GPSP)

Under the GPSP conditional rights over shares in NV and PLC are awarded annually to Executive Directors. For Executive Directors the value of a grant of conditional shares will not exceed 50% of base salary. The number of shares actually received at the end of the performance periods of the three years depends on the satisfaction of the performance targets.

The performance measures for vesting are underlying sales growth (for 50% of the award) and ungeared free cash flow (for 50% of the award). These are key performance measures in Unilever's external reporting. Underlying sales growth focuses on the organic growth of Unilever's turnover. Ungeared free cash flow expresses the translation of profit into cash and thus longer-term economic value.

In respect of performance targets, there is a minimum and a maximum performance range for each of the two measures and associated vesting levels. Each year, the Remuneration Committee reviews the performance targets by taking account of market conditions and internal financial planning.

Total Shareholder Return (TSR) Long-Term Incentive Plan

This plan rewards Executive Directors for creating more value for Unilever's shareholders when compared with the investment returns generated by competitors.

Under this plan conditional rights over shares in NV and PLC are awarded annually to Executive Directors.

The level of conditional annual award in 2006 is as follows:

- Group Chief Executive: Shares in NV and PLC to the combined value of €800 000; and
- Other Executive Directors: Shares in NV and PLC to the combined value of €500 000.

Vesting is subject to Unilever's relative TSR performance. TSR measures the returns received by a shareholder, capturing both the increase in share price and the value of dividend income (assuming dividends are reinvested). Unilever's TSR performance is compared with a peer group of competitors over a three-year performance period. The TSR results are compared on a single reference currency basis.

No shares will vest if Unilever is ranked below position 11 of the TSR ranking table over the three-year period. Between 25% and 200% of the shares will vest if Unilever is ranked in the top half of the table as shown below:

Vested award	% of original conditional award that will vest
TSR peer group ranking	
12th to 21st	0%
10th or 11th	25%
8th or 9th	50%
5th to 7th	100%
3rd or 4th	150%
1st or 2nd	200%

Peer group:

Avon	Kraft
Beiersdorf	Lion
Cadbury Schweppes	L'Oréal
Clorox	Nestlé
Coca-Cola	Orkla
Colgate	Pepsico
Danone	Procter & Gamble
Heinz	Reckitt Benckiser
Kao	Sara Lee
Kimberly-Clark	Shiseido

Share Matching Plan (linked to the annual incentive)

The Share Matching Plan enhances the alignment with shareholders' interests and supports the retention of key executives. In addition, the necessity to hold the shares for a minimum period of three years supports the shareholding requirements set out on page 51.

The Executive Directors receive 25% of their annual incentive in the form of NV and PLC shares. These are matched with an equivalent number of matching shares. The matching shares will vest after three years provided that the underlying shares have been retained during this period and the Executive Director has not resigned or been dismissed.

The Remuneration Committee considers that there is no need for further performance conditions on the vesting of the matching shares because the number of shares is directly linked to the annual incentive (which is itself subject to demanding performance conditions). In addition, during the three-year vesting period the share price of NV and PLC will be influenced by the performance of Unilever. This, in turn, will affect the ultimate value of the matching shares on vesting.

Executive Directors' pensions

The Remuneration Committee has decided that from 2007 new Executive Directors will be members of the all-employee pension arrangement of their home country. Executive Directors appointed prior to 2007 have a defined benefit pension of two-thirds of final salary payable at retirement from age 60. Annual incentive is not pensionable except for Executive Directors appointed prior to the change of policy for Executive Directors in 2005 for whom annual incentive is pensionable up to a maximum of 20% of base salary.

Other benefits and allowances

Executive Directors enjoy similar benefits to many other employees of Unilever. For example, like other employees, Executive Directors are able to participate in the UK Employee ShareSave Plan, the UK Share Incentive Plan ('ShareBuy') and the All Employee Option Plan in the Netherlands.

Some of the Executive Directors serve as a non-executive on the Board of another company. Unilever requires that all remuneration and fees earned from outside directorships are paid directly to Unilever.

Future developments

Changes will be proposed for the structure and level of the Unilever incentive plans. In summary these changes enhance variable awards relative to fixed pay and simplify the share-based incentives.

Details of the proposed changes to Unilever's long-term incentive arrangements are described in the notice to shareholders for the 2007 AGMs.

The Remuneration Committee intends to continue monitoring trends and changes in the market. It keeps a watching brief on the continuing alignment between Unilever's strategic objectives and the reward policy for Executive Directors.

Commentary on Executive Directors' Remuneration paid in 2006

The tables on pages 55 to 60 give details of the specific elements of Executive Directors' reward packages in 2006.

Base salary

In 2006, base salary levels were benchmarked against those paid in other major global companies based in Europe, excluding companies in the financial sector. The increases for 2006 reflect the change in market levels as well as individual and Group performance. The 2006 annual base salary levels for the Executive Directors are set out below:

Based in the UK	
Patrick Cescau	£972 500
Ralph Kugler	£587 500
Rudy Markham	£664 500
Based in the Netherlands	
Kees van der Graaf	€798 000

Annual incentive

The annual incentive awards for 2006 were subject to achievement of underlying sales growth and trading contribution targets in combination with individual key strategic business targets. The Committee measured the results against the targets set and determined the annual incentive amounts for 2006.

Long-term incentive arrangements

- **Global Performance Share Plan**

The performance period of the first award ends on 31 December 2007 and therefore no award vested in 2006. The second award was made in 2006 for the performance period 2006-2008.

- **TSR Plan**

The conditional shares awarded in 2003 lapsed in 2006 because the vesting was based on the TSR performance of Unilever (when ranked against its defined peer group with competitors) over the three-year performance period which ended 31 December 2005. For this period, Unilever was ranked 14 in this peer group and therefore no vesting occurred for this award in March 2006 and the shares lapsed.

- **Share Matching Plan**

The matching shares originally granted in 2003 on a conditional basis vested in 2006, subject to fulfilment of the retention conditions.

- **Executive Share Options**

The grants of executive share options made in 2003 became exercisable as from 2006. As the 2003 grant was based on Unilever's EPS performance, the options at vesting were subject to no further conditions.

Pensions

The Netherlands all-employee pension plan benefit basis was changed from final salary to career average earnings at 31 December 2006. This had a small impact on the accrued pension of the Netherlands-based Executive Director.

During 2006, in line with the treatment adopted for other UK-based employees, individual contributions paid by Executive Directors in the UK are now paid through a salary sacrifice arrangement.

Non-Executive Directors

The Non-Executive Directors receive fees from both NV and PLC. No other remuneration is given in respect of their Non-Executive duties from either NV or PLC, such as annual incentives, share-based incentives or pension benefits.

The level of their fees reflects their commitment and contribution to the companies. The levels were increased in 2006 as a market analysis against Unilever's peers showed that Unilever had fallen behind in this area. The Remuneration Committee believes that the levels outlined below are fair in the light of the responsibilities carried out by Non-Executive Directors and in view of the need to attract and retain Non-Executive Directors of the appropriate calibre and standing.

The current fee levels are set out below:

Non-Executive Role	Fees payable by PLC	Fees payable by NV
Chairman	£175 000	€255 000
Senior Independent Director	£45 000	€65 000
Chairman of Audit Committee	£38 000	€55 000
Board Committee Chairman	£35 000	€50 000
Other Non-Executive Directors	£31 000	€45 000

An additional £5 000 per meeting will be paid to Non-Executive Directors who have to travel to meetings from outside Europe.

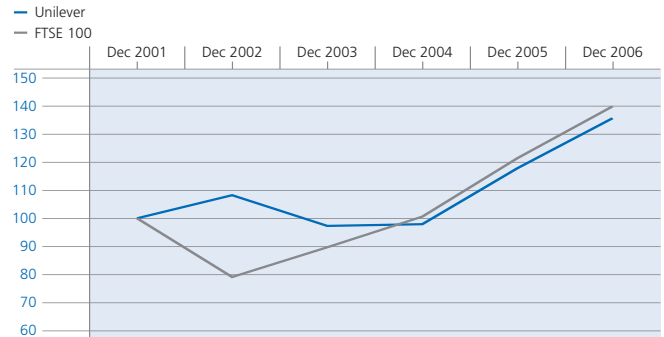
Other items

Unilever's share performance relative to broad-based equity indices

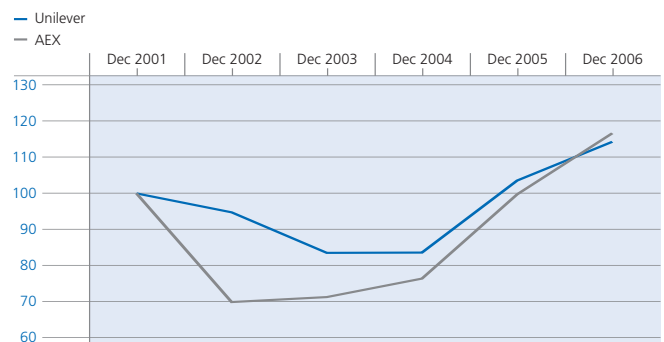
The UK Companies Act 1985 (schedule 7A) requires us to show Unilever's relative share performance, based on Total Shareholder Return, against a holding of shares in a broad-based equity index for the last five years. The Remuneration Committee has decided to show Unilever's performance against two indices, namely the FTSE 100 Index, London, and the Euronext AEX Index, Amsterdam as these are the most generally used indices in the UK and the Netherlands, where we have our principal listings.

Five-Year Historical TSR Performance

Growth in the value of a hypothetical £100 holding over five years FTSE 100 comparison based on 30 trading day average values



Growth in the value of a hypothetical investment over five years AEX comparison based on 30 day average values



Remuneration committee

Role and responsibilities

The Committee is responsible for making proposals to the Boards on the reward policy for Executive Directors. It is also responsible for setting individual reward packages for Executive Directors and for monitoring and approving all share-based incentive arrangements. The Committee meets at least three times a year and, during 2006, it met on six occasions.

Structure and role

Bertrand Collomb stepped down as Chairman of the Committee at the AGM 2006. At the same time David Simon became the new Chairman of the Committee and Jean-Cyril Spinetta joined as member of the Committee. The other Non-Executive Director of the Committee is Jeroen van der Veer.

Advice and assistance

The Committee does not formally retain remuneration consultants. It seeks professional advice from external advisers as and when required. During 2006, the Committee sought advice from Towers Perrin (an independent firm of human resources specialists) on market data, reward trends and performance-related pay. Towers Perrin also provides general consultancy advice to Unilever group companies on employee rewards, pension, communications and other human resource matters.

The Group Chief Executive can be invited to attend Committee meetings to provide his own insights to the Committee on business objectives and the individual performance of his direct reports. Naturally, he does not attend when his own remuneration is being discussed.

The Non-Executive Chairman can, in his role as Chairman of the Board, also attend the meetings.

Report of the Remuneration Committee (continued)

The following section contains detailed information on the Executive Directors' annual remuneration, long-term incentives, pension benefits and share interests in respect of 2006.

Aggregate remuneration for Executive Directors

The following table gives details of the aggregate remuneration (including value of the vesting of matching shares and exercise of options) as a group.

	€ '000 2006	€ '000 2005
Annual emoluments		
Base salary	4 061	5 219
Allowances and other payments:		
Allowances	178	255
Other payments ^(a)	735	2 586
Benefits	111	264
Performance-related payments (annual incentive)	2 409	2 752
Sub-total of annual emoluments	7 494	11 076
Other income arising from vesting/exercise of long-term incentives^(b)		
Gains on exercise of share options	427	10
Vesting of matching shares	566	1 149
Vesting of TSR Long-Term Incentive Plans	–	–
Total of annual emoluments and other income arising from long-term incentives	8 487	12 235

(a) Other payments include payments to Antony Burgmans and André van Heemstra following contractual obligations.

(b) Includes the gains realised in 2006 following the exercise of share options granted in earlier years and the value of matching shares vested in 2006. No value is attributed to TSR Long-Term Incentive Plan as the shares which were conditionally granted in 2003 did not vest and lapsed in 2006.

Remuneration for individual Executive Directors

The following table gives details of the remuneration received in 2006 (including the value of vested share match and options exercised at the end of the exercise period) by each Executive Director individually.

Name and Base Country	Annual Emoluments 2006				Total 2006 € '000	Total 2005 € '000	Other income arising from long-term incentives and exercise of options in 2006			Grand total 2006 € '000	Grand total 2005 € '000
	Base salary € '000	Allowances and other payments ^(a) € '000	Benefits ^(b) € '000	Bonus ^(c) € '000			Option gains € '000	Share match € '000	TSR/LTIP € '000		
Patrick Cescau (UK) ^(d)	1 426	109	51	1 141	2 727	2 544	–	213	–	2 940	2 742
Kees van der Graaf (NL)	798	14	23	367	1 202	1 119	–	85	–	1 287	1 173
Ralph Kugler (UK)	862	27	10	414	1 313	817	–	101	–	1 414	827
Rudy Markham (UK)	975	28	27	487	1 517	1 425	427 ^(e)	167	–	2 111	1 610

Following notice period payments made to former Executive Directors:

Antony Burgmans (NL) Jan – May	674	674	674
André van Heemstra (NL) January	61	61	61

(a) Include: allowance in lieu of company car; blind trust fees compensation; compensation for loss of net income because part of the salary had to be paid in the Netherlands; entertaining allowance; allowance for cost on chauffeur driven cars and employers cost for the all-employee savings plan in the Netherlands. All allowances are taxable in the country of residence apart from the entertaining allowance which is currently tax free in the Netherlands. Also includes payments to Antony Burgmans and André van Heemstra following contractual obligations.

(b) Include: benefits for company car; medical insurance; private use chauffeur driven cars; and housing (for business use) instead of hotel. Included are benefits that are taxable in the country of residence. In addition, Unilever provides support to Executive Directors in relation to spouse's travel expenses when travelling together on company business. This amount is capped at 5% of base salary and for 2006 totalled €206 083 (including related taxes payable).

(c) Bonus of the year 2006. Include: the value of both the cash element and the element paid in shares of Unilever N.V. and PLC. In addition to the element of the bonus paid in shares each Executive Director is awarded, on a conditional basis, an equivalent number of matching shares.

(d) Group Chief Executive.

(e) All shares under option purchased and retained.

Figures have been translated into euros using the following exchange rate: €1 = £0.6818 (2005: €1 = £0.6837)

Report of the Remuneration Committee (continued)

Executive Directors' Global Performance Share Plan

The following conditional shares were outstanding, awarded or vested during 2006 under the Global Performance Share Plan:

	Share type	Balance of conditional shares at 1 January 2006	Conditional grant made 21 March 2006 (Performance period 2006 to 2008) ^(b)		Balance of conditional shares at 31 December 2006
		No. of shares ^(a)	No. of shares ^(a)	Price at award ^(a)	No. of shares
Patrick Cescau	NV	9 000	9 000	€19.10	18 000
	PLC	9 000	9 000	1 301.11p	18 000
Kees van der Graaf	NV	6 000	6 000	€19.10	12 000
	PLC	6 075	6 075	1 301.11p	12 150
Ralph Kugler	NV	6 000	6 000	€19.10	12 000
	PLC	6 075	6 075	1 301.11p	12 150
Rudy Markham	NV	6 000	6 000	€19.10	12 000
	PLC	6 075	6 075	1 301.11p	12 150

(a) Number of shares and share prices have been recalculated following the share split and consolidation.

(b) Each award of performance shares is conditional and vests subject to certain conditions three years after the date of the award. The 2006 awards are subject to the performance period 1 January 2006 to 31 December 2008.

Executive Directors' conditional share awards under the TSR Long-Term Incentive Plan

Conditional rights to ordinary shares in NV and PLC were outstanding, granted or vested/lapsed in 2006 as shown in the table below:

	Share type	Balance of conditional shares at 1 January 2006	Conditional award made 21 March 2006 (Performance period 2006 to 2008) ^(a)		Conditional awards lapsed 25 March 2006 (Performance period 2003 to 2005) ^(b)		Balance of conditional shares at 31 December 2006
		No. of shares ^(c)	No. of shares ^(c)	Price at award ^(c)	No. of shares ^(c)	Original price at award ^(c)	No. of shares
Patrick Cescau	NV	51 144	20 943	€19.10	(13 611)	€18.37	58 476
	PLC	52 118	21 326	1 301.11p	(12 995)	1 300p	60 449
Kees van der Graaf	NV	31 281	13 089	€19.10	(8 169)	€18.37	36 201
	PLC	31 888	13 329	1 301.11p	(7 795)	1 300p	37 422
Ralph Kugler	NV	31 281	13 089	€19.10	(8 169)	€18.37	36 201
	PLC	31 888	13 329	1 301.11p	(7 795)	1 300p	37 422
Rudy Markham	NV	42 267	13 089	€19.10	(13 611)	€18.37	41 745
	PLC	42 845	13 329	1 301.11p	(12 995)	1 300p	43 179

(a) The end date of the performance period in respect of the conditional award made in 2006 is 31 December 2008.

(b) The conditional awards made in 2003, which vested in 2006 were based on the TSR performance of Unilever (when ranked against its defined peer group) over the three-year performance period ending 31 December 2005. For this period, Unilever was ranked 14 out of its peer group and therefore no vesting occurred for this award in March 2006 and the awarded shares of the award 2003 lapsed.

(c) The numbers of shares and prices have been converted following the share split and share consolidation which took place on 22 May 2006.

Antony Burgmans changed from Executive to Non-Executive Director at the 2005 AGMs and assumed his new role of Non-Executive Chairman. In his capacity as an Executive Director Antony Burgmans was granted conditional shares under the TSR Long-Term Incentive Plan.

Below are details of the balances and vesting of shares under this Plan:

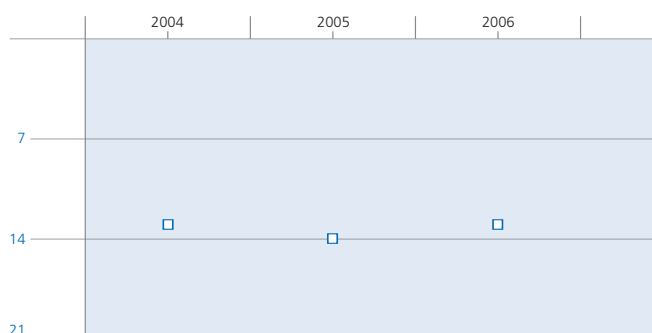
	Balance 1 January 2006 ^(a)	Conditional award lapsed 25 March 2006 ^{(a)(b)}	Balance 31 December 2006
NV	43 962	(21 780)	22 182
PLC	43 814	(20 790)	23 024

(a) The number of shares and prices have been converted following the share split and share consolidation which took place on 22 May 2006.

(b) The conditional shares awarded in 2003 lapsed in March 2006.

In his capacity as a Non-Executive Chairman, Antony Burgmans does not participate in any share-based remuneration.

Executive Directors' conditional share awards under the TSR Long-Term Incentive Plan (continued)
Unilever's position relative to the TSR reference group



The reference group, including Unilever, consists of 21 companies. Unilever's position is based on TSR over a three-year rolling period.

Executive Directors' Share Matching Plan

The following conditional shares were outstanding, awarded or vested during 2006 under the share matching plan:

	Share type	Balance of conditional shares at 1 January 2006	Conditional shares awarded in 2006 ^{(a)(b)}			Shares vested on 24 March 2006 ^{(a)(c)}		Balance of conditional shares at 31 December 2006
		No. of shares ^(a)	No. of shares	Price at award	No. of shares	price at vesting	Market price at award	Original No. of shares
Patrick Cescau	NV	7 932	6 552	€19.10	(5 706)	€19.15	€18.37	8 778
	PLC	7 770	6 671	1 301.11p	(5 449)	1 298.89p	1 300p	8 992
Kees van der Graaf	NV	4 293	2 211	€19.10	(2 238) ^(d)	€19.15	€18.37	4 266
	PLC	4 439	2 254	1 301.11p	(2 299) ^(d)	1 298.89p	1 300p	4 394
Ralph Kugler	NV	4 359	2 175	€19.10	(2 703)	€19.15	€18.37	3 831
	PLC	4 305	2 215	1 301.11p	(2 584)	1 298.89p	1 300p	3 936
Rudy Markham	NV	6 675	2 739	€19.10	(4 482)	€19.15	€18.37	4 932
	PLC	6 552	2 788	1 301.11p	(4 269)	1 298.89p	1 300p	5 071

- (a) The numbers of shares and prices have been converted following the share split and share consolidation which took place on 22 May 2006.
- (b) Each award of matching shares is conditional and vests three years after the date of the award subject to certain conditions. The 2006 award was made on 21 March 2006 and will vest on 21 March 2009.
- (c) The conditional shares awarded on 25 March 2003 (relating to the 2002 performance period) vested on 24 March 2006.
- (d) Includes conditional shares awarded in 2001: 1 041 NV (original granted at €20.97) and 1 155 PLC (original granted at 1 174p).

Antony Burgmans changed from Executive to Non-Executive Director at the 2005 AGMs and assumed his new role of Non-Executive Chairman. In his capacity as an Executive Director Antony Burgmans was granted conditional share under the Executive Directors' Share Plan.

Below details of the balances and vesting of shares under this Plan:

	Balance 1 January 2006 ^(a)	Conditional shares awarded in 2006 ^{(a)(b)}	Shares vested 24 March 2006 ^{(a)(c)}	Balance 31 December 2006
NV	9 909	1 743	(7 083)	4 569
PLC	9 698	1 773	(6 759)	4 712

- (a) The number of shares and prices have been converted following the share split and share consolidation which took place on 22 May 2006.
- (b) The award was made 21 March 2006 and related to the period January to May 2005. The award will vest on 21 March 2009.
- (c) The conditional shares awarded 25 March 2003 vested on 24 March 2006.

In his capacity as a Non-Executive Chairman, Antony Burgmans does not participate in any share-based remuneration.

Report of the Remuneration Committee (continued)

Executive Directors' share options

Details of the option plans under which Executive Directors and employees are able to acquire ordinary shares of NV and PLC are shown in note 29 on pages 117 to 121.

Options to acquire NV ordinary shares of €0.16 each and options to acquire PLC ordinary shares of 31/9p each were granted, exercised, lapsed and held during 2006 as follows:

Share type	Balance of options at 1 January 2006 ^(a)	Number of options granted in 2006	Number of options exercised/lapsed in 2006	Balance of options at 31 December 2006	Options outstanding below market price at 31 December 2006		Options outstanding above market price at 31 December 2006		First exercisable date	Final expiry date	
					Number of shares	Weighted average exercise price	Number of shares	Weighted average exercise price			
Patrick Cescau											
Executive Plan	NV	269 166	–	–	269 166	135 237	€17.66	133 929	€22.08	08/05/01	08/11/15
Executive Plan	PLC	272 967	–	–	272 967	245 967	1 175p	27 000	1 483p	08/05/01	08/11/15
NL All-Employee Plan	NV	750	150 ^(b)	(150) ^(c)	750	600	€17.53	150	€22.63	12/06/02	17/05/11
UK ShareSave Plan	PLC	–	1 374 ^(d)	–	1 374	1 374	1 171p	–	–	01/10/11	31/03/12
Kees van der Graaf											
Executive Plan	NV	135 450	–	–	135 450	83 250	€18.30	52 200	€21.94	24/03/02	08/11/15
Executive Plan	PLC	135 450	–	–	135 450	135 450	1 203p	–	–	24/03/02	08/11/15
NL All-Employee Plan	NV	750	150 ^(b)	(150) ^(c)	750	600	€17.53	150	€22.63	12/06/02	17/05/11
UK ShareSave Plan	PLC	1 374	–	–	1 374	1 374	1 202p	–	–	01/10/10	31/03/11
Ralph Kugler											
Executive Plan	NV	176 625	–	–	176 625	120 600	€18.19	56 025	€22.04	24/03/02	20/03/15
Executive Plan	PLC	176 625	–	–	176 625	176 625	1 163p	–	–	24/03/02	20/03/15
NL All-Employee Plan	NV	150	150 ^(b)	–	300	300	€17.59	–	–	18/05/05	17/05/11
UK ShareSave Plan	PLC	1 374	–	–	1 374	1 374	1 202p	–	–	01/10/10	31/03/11
Rudy Markham											
Executive Plan	NV	264 150	–	(27 000) ^(e)	237 150	130 500	€17.60	106 650	€22.21	08/05/01	20/03/15
Executive Plan	PLC	278 682	–	(41 532) ^{(f)(g)}	237 150	203 400	1 167p	33 750	1 483p	08/05/01	20/03/15
NL All-Employee Plan	NV	750	150 ^(b)	(150) ^(c)	750	600	€17.53	150	€22.63	12/06/02	17/05/11
UK ShareSave Plan	PLC	1 373	–	–	1 373	1 373	1 190p	–	–	01/10/09	31/03/10

(a) The number of shares and the share prices have been converted following the share split and share consolidation which took place on 22 May 2006.

(b) Grants made under the Dutch All-Employee Option Plan on 18 May 2006 at an option price of €17.50.

(c) Options lapsed without value on 30 May 2006.

(d) Grants made under the UK All-Employee ShareSave Plan on 3 July 2006 at an option price of 1 171p.

(e) Options exercised on 1 December 2006 at a market price of €19.97. The options had originally been granted on 2 June 1997 at a price (after taking into account the share split in May 2006) of €14.26.

(f) Options in respect of 14 532 shares exercised on 2 June 2006 at a market price of 1 188p. The options had originally been granted on 6 December 1996 at a price (after taking into account the share consolidation in May 2006) of 762p.

(g) Options in respect of 27 000 shares exercised on 1 December 2006 at a market price of 1 363p. The options had originally been granted on 2 June 1997 at a price (after taking into account the share consolidation in May 2006) of 904p.

The value, calculated in accordance with an adjusted Black-Scholes pricing method in respect of options granted in 2006 to the current Executive Directors was as follows: Patrick Cescau €6 155; Kees van der Graaf €432; Ralph Kugler €432; and Rudy Markham €432.

The term 'Executive Plan' refers to options granted under the PLC or NV Executive Option Plans.

The closing market prices of ordinary shares at 31 December 2006 were €20.70 (NV shares) and 1 428p (PLC shares). During 2006 the highest market prices were €20.84 and 1 428p respectively, and the lowest market prices were €16.53 and 1 125p respectively.

Antony Burgmans changed from Executive to Non-Executive Director at the 2005 AGMs and assumed his new role of Non-Executive Chairman. In his capacity as an Executive Director Antony Burgmans was granted share options under the Executive Plan and the Dutch All-Employee Plan.

Below are details of his outstanding options under the Option plans:

Plan	Share type	Balance of options at 1 January 2006	Number of options granted in 2006	Number of options exercised/lapsed in 2006	Balance of options at 31 December 2006	Balance below market price	Weighted average exercise price	Balance above market price	Weighted average exercise price	First exercisable date	Final expiry date
Executive Option	PLC	316 800	–	–	316 800	316 800	1 163p	–	–	24/03/02	13/02/09
NL All-Employee Plan		600	–	(150) ^(a)	450	300	€17.47	150	€22.63	12/06/02	12/05/09

(a) Options lapsed without value on 30 May 2006.

In his capacity as a Non-Executive Chairman, Antony Burgmans does not participate in any share-based remuneration.

Executive Directors' pensions^(a)

Pension values for the year ended 31 December 2006 are set out below.

Name and base country	Age at 31/12/06	Accrued pension at 31/12/05 ^(b) €'000 pa	Increase in accrued pension during 2006 ^(c) €'000 pa	Accrued pension at 31/12/06 ^(b) €'000 pa	Transfer value of accrued pension at 31/12/05 ^(d) €'000	Increase in transfer value during 2006 (less individual contributions) ^(e) €'000	Individual contributions made during 2006 ^(f) €'000	Transfer value of accrued pension at 31/12/06 ^(d) €'000
Patrick Cescau (UK)	58	933	67	1 000	16 770	1 874	18	18 662
Kees van der Graaf ^(g) (NL)	56	538	64	602	6 942	1 147	9	8 098
Ralph Kugler (UK)	50	396	45	441	5 411	862	10	6 283
Rudy Markham (UK)	60	752	41	793	15 147	741	21	15 909

(a) Figures have been translated into euros where necessary using the following exchange rates: 31 December 2005 €1.00 = £0.6864; 31 December 2006 €1.00 = £0.6712; Average for the year ended 31 December 2006 €1.00 = £0.6818.

(b) Based on the Executive Directors' current pension letters and calculated on a deferred basis using the Executive Directors' service to 31 December 2005 and 31 December 2006 respectively on the basis that the Executive Directors remain in service until at least age 60 and that the pension payment commences at that time. It includes all pensions provided from Unilever pension plans. In the event that an Executive Director leaves service prior to age 60 and the payment of pension commences earlier than age 60, the pension payable would be on a reduced basis.

(c) Includes the effect of inflation on the accrued pension at 31 December 2005.

(d) For the Netherlands-based Executive Directors' arrangement calculated on the basis used by the Unilever Netherlands pension plan ('Progress'), as prescribed by the Netherlands Ministry of Social Affairs and Employment. For the UK-based Executive Directors' arrangement calculated on the market related basis used by Unilever United Kingdom pension plan (UUKPF), in line with the GN11 guidance note published by the Institute and Faculty of Actuaries in the United Kingdom.

(e) The increase in transfer value during 2006 includes the effect of salary increases and additional service together with exchange rate movements (for pensions denominated in currencies other than Euro) and the Executive Directors being one year closer to retirement.

(f) Consistent with other Netherlands and UK-based employees, the rate of individual contributions in the Netherlands is 1% of pensionable salary and in the UK 5% of pensionable salary (above the relevant thresholds). In line with the treatment adopted for other UK-based employees, individual contributions paid by Executive Directors' in the UK are now paid through a salary sacrifice arrangement. Individual contributions shown above represent the contributions paid before the change to salary sacrifice.

(g) Consistent with the treatment adopted for other Netherlands-based employees, the increase in pension accrued during the year includes the impact of the changes to the Unilever Netherlands pension plan.

The Listing Rules of the Financial Services Authority are different from the Directors' Remuneration Report Regulations 2002 and require the following disclosures for defined benefit pension plans which are calculated on an alternative basis to those disclosed in the table above:

- Increase (or decrease) in accrued pension during 2006 (excluding the effect of inflation on the accrued pension at 31 December 2005): Patrick Cescau €33 000; Kees van der Graaf €56 000; Ralph Kugler €10 000; Rudy Markham €(4 000); and
- Transfer value at 31 December 2006 of the increase (or decrease) in accrued pension during 2006 (excluding the effect of inflation on the accrued pension at 31 December 2005 and less individual contributions): Patrick Cescau €605 000; Kees van der Graaf €754 000; Ralph Kugler €134 000; Rudy Markham €(110 000).

The Dutch Corporate Governance Code requires the following disclosure of pension service costs charged to operating profit: Patrick Cescau €842 000; Kees van der Graaf €258 000; Ralph Kugler €299 000; Rudy Markham €167 000.

The accrued pension of Antony Burgmans at 1 June 2006 (the date his pension payment commenced) was €1 136 000; increase in accrued pension during the year €22 000 (€21 000 excluding inflation); transfer value of the increase in accrued pension during the year (less individual contributions) €652 000 (€337 000 excluding inflation); individual contributions made during the year €10 000; pension cost charged to operating profit €621 000.

Report of the Remuneration Committee (continued)

Executive Directors' interests – share capital

The interests in the share capitals of NV and PLC and their group companies of those who were Executive Directors at 31 December 2006 and of their immediate families were as shown in the table below:

Name	Share type ^(a)	Shares held at 1 January 2006 (excluding unvested matching shares) ^(b)	Shares held at 31 December 2006 (excluding unvested matching shares)
Patrick Cescau ^(c)	NV	69 351	85 059
	PLC	40 230	52 347
Kees van der Graaf	NV	18 708	23 157
	PLC	12 037	16 718
Ralph Kugler	NV	41 628	45 396
	PLC	16 264	20 124
Rudy Markham	NV	127 044	161 265
	PLC	64 606	113 329

(a) NV shares are ordinary €0.16 shares and PLC shares are ordinary 3¹/₉p shares.

(b) The numbers have been converted into the new denomination following the NV/PLC share split and share consolidation which took place on 22 May 2006.

(c) Balances include under NV 38 715 NV New York shares and under PLC 10 220 PLC ADRs.

The Executive Directors, in common with other employees of PLC and its United Kingdom subsidiaries, had beneficial interests in 19 454 453 PLC ordinary shares at 1 January 2006 (converted into the new denomination following the shares split and consolidation) and 16 678 871 PLC ordinary shares at 31 December 2006, acquired by the Unilever Employee Share Trust (Jersey) for the purpose of satisfying options and vesting of shares under various group share plans (including the PLC Executive Option Plans and the UK Employee ShareSave Plan). Further information, including details of the NV and PLC ordinary shares acquired by certain group companies in connection with other share-based compensation plans, is given in note 29 on pages 117 to 121.

The voting rights of the Directors who hold interests in the share capitals of NV and PLC are the same as for other holders of the class of shares indicated. None of the Directors' or other executive officers' shareholdings amounts to more than 1% of the issued shares in that class of share. Except as stated above, all shareholdings are beneficial.

The only changes in the interests of the Executive Directors and their families in NV and PLC ordinary shares between 31 December 2006 and 1 March 2007 were that:

- The holding of the Unilever Employee Share Trust (Jersey) has reduced to 16 313 295 PLC ordinary shares; and
- Kees van der Graaf, Ralph Kugler and Rudy Markham each acquired further interests in 18 PLC ordinary shares during January and February due to monthly ShareBuy purchases.

Report of the Remuneration Committee (continued)

Non-Executive Directors' remuneration

The total fees payable to each Non-Executive Director in 2006 are set out below:

	€ Total fees paid in 2006 ^(a)	€ Total fees paid in 2005 ^(a)
Current Non-Executive Directors		
Leon Brittan ^(b)	82 712	67 102
Antony Burgmans ^(c)	299 614	–
Lynda Chalker ^(d)	94 403	80 415
Wim Dik ^{(b)(e)}	84 663	67 102
Charles Golden ^{(e)(f)(g)}	89 478	n/a
Byron Grote ^{(e)(f)}	60 311	n/a
David Simon ^(h)	109 735	67 102
Jean-Cyril Spinetta ^{(f)(i)}	60 311	n/a
Kees Storm ^{(f)(i)}	75 137	n/a
Jeroen van der Veer ⁽ⁱ⁾	82 712	67 102
Former Non-Executive Directors		
Bertrand Collomb ^{(k)(l)}	42 001	100 654
Oscar Fanjul ^{(e)(l)}	28 000	67 102
Hilmar Kopper ^{(j)(l)}	33 557	80 415

(a) Covers fees and allowances received from both NV and PLC.

(b) Member of the Corporate Responsibility and Reputation Committee.

(c) Chairman NV and PLC, and Nomination Committee member. Received fee as Chairman since June 2006.

(d) Chairman of the Corporate Responsibility and Reputation Committee.

(e) Member of the Audit Committee.

(f) Appointed at 2006 AGMs.

(g) Total fees include €29 167 allowance for travel from outside Europe.

(h) Senior Independent Director, Vice Chairman and Chairman of the Remuneration and Nomination Committees as from 2006 AGMs. Until 2006 AGMs member of the Nomination and Remuneration Committees.

(i) Member of the Nomination and Remuneration Committees.

(j) Chairman of the Audit Committee.

(k) Senior Independent Director, Vice Chairman and Chairman of the Remuneration and Nomination Committees until 2006 AGMs.

(l) Stepped down at the 2006 AGMs.

Report of the Remuneration Committee (continued)

Non-Executive Directors' interests – share capital

The interests in the share capitals of NV and PLC and their group companies of those who were Non-Executive Directors as at 31 December 2006 (including those of their immediate families) were as shown below:

Name	Share type ^(a)	Shares held at 1 January 2006 ^(b)	Shares held at 31 December 2006
Leon Brittan	NV	–	–
	PLC	–	–
Antony Burgmans	NV	133 848	137 334
	PLC	58 511	62 054
Lynda Chalker	NV	–	–
	PLC	1 136	1 136
Wim Dik	NV	–	–
	PLC	–	–
Charles Golden	NV	–	–
	PLC	–	–
Byron Grote	NV	3 000 ^{(c)(d)}	3 000 ^(d)
	PLC	1 800 ^{(c)(e)}	1 800 ^(e)
David Simon	NV	–	–
	PLC	1 421	1 492
Jean-Cyril Spinetta	NV	–	–
	PLC	–	–
Kees Storm	NV	–	–
	PLC	–	–
Jeroen van der Veer	NV	16 800	16 800
	PLC	–	–

(a) NV shares are ordinary €0.16 shares and PLC shares are ordinary 31/9p shares.

(b) The numbers have been converted into the new denomination following the share split and share consolidation which took place on 22 May 2006.

(c) Balance at date of appointment at the AGMs in May 2006.

(d) Held in the form of NV New York shares.

(e) Held in the form of PLC ADRs.

There were no changes in the interests of the Non-Executive Directors and their immediate families in NV and PLC ordinary shares between 31 December 2006 and 1 March 2007.

The Report has been approved by the Boards and has been signed on their behalf by the Joint Secretaries, J A A van der Bijl and S G Williams.

By order of the Boards

J A A van der Bijl
S G Williams

Joint Secretaries of Unilever N.V. and Unilever PLC

6 March 2007