

Your Unilever pension

Final salary plan



Unilever

Unilever UK Pension Fund

Welcome to your Final salary plan guide

This guide outlines the valuable benefits available through the Final salary plan (part of the Unilever UK Pension Fund), along with the contributions you need to pay as a member.

You should read it alongside these other guides:



- the **Investing plan** guide, which explains how you can pay extra contributions to add to your Final salary plan benefits and includes information about your investment fund choices; and
- the **General information** guide, which includes important background details – for example, about tax and legal issues – that you need to know about.

Please note that the aim of this guide is to outline the benefits available from the Final salary plan. It does not go into as much detail as the legal document governing the Unilever UK Pension Fund – its 'trust deed and rules'. If there are any differences between the trust deed and rules from time to time in force and this guide, the trust deed and rules will apply.

This guide does not give any rights to particular levels of contributions or benefits and must be read together with the other guides. Unilever reserves the right to end your employer's participation in the Final salary plan and, with the Trustees' agreement, to change the Final salary plan.

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Special terms

Annual allowance

This is the yearly amount of tax-approved retirement benefits you can build up – in pension plans inside or outside the Unilever UK Pension Fund – without paying a special pensions tax charge on them. ('Tax-approved' means that you build up the benefits in a plan registered with HM Revenue & Customs.)

More details are in the General information guide.

Dependant

This can mean anyone who (in the Trustees' opinion) wholly or partly depends on you either for financial reasons, or because of a disability.

Extra contributions

These are additional payments you can make on top of your normal contributions to add to your benefits. You can make them regularly, or as occasional 'one-off' payments, subject to the terms of the Investing plan – see the Investing plan guide for more details.

Final pensionable salary

For most members, this is your pensionable salary over the 12 months before you retire, or leave. It may also include any fluctuating pensionable salary you receive normally averaged over the three-year period before you retire, or leave.

There are safeguards in place which can take account of salary in earlier years, should your pensionable salary go down in the 10 years before you retire.

Guaranteed Minimum Pension ('GMP')

Because the plan is 'contracted out' of the second level of State benefit, it must provide a certain level of pension in its place. For pension you built up before 6 April 1997, this level was the GMP. See page 5 of the General information guide for more details about State benefits.

Inflation

This is the general rise in prices, normally shown by the 'Retail Prices Index' – a figure taken from measuring how costs increase across a range of goods and services.

Lifetime allowance

This is the total amount of tax-approved benefits you can build up over your working life without paying a special pensions tax charge on them.

More details are in the General information guide.

Lower earnings limit

The lower earnings limit is an amount roughly equal to the basic State pension. It normally increases each April. You do not pay National Insurance, or pension contributions, on any salary below this limit.

When you retire, 1/80 of the lower earnings limit for each year of pensionable service is taken away from your pension. This allows for the basic State pension you would start receiving at State pension age, if you have paid enough National Insurance contributions.

Normal retirement age

This is age 65 for men and women.

Pensionable salary

This is normally your basic pay, but may include other earnings from time to time (your employer will tell you if this applies to you). If you take part in the Unilever Contribution Arrangement (see below), your pensionable salary is based on your pay before it is reduced.

Pensionable service

This is the length of time you have been a plan member, including any period you were in the Unilever Superannuation Fund, in years and months (worked out when you retire to the nearest month), plus any service credits you have bought or received. Pensionable service is normally restricted to 40 years.

Unilever

Unilever is the Unilever Group company that employs you and has agreed to take part in the Unilever UK Pension Fund. But, in some places in this guide it means Unilever PLC.

Unilever Contribution Arrangement

This is the normal way of making contributions to the plan. Instead of you paying contributions from your salary, Unilever pays an amount equal to what your contributions would have been straight into the plan. You agree that your pay is reduced by the same amount. In this way, you and Unilever make savings on the National Insurance that would be payable if you made the contributions yourself. Further details are in the General information guide.

At a glance

Here are the main features of the Final salary plan.

- Your pension is based on your final pensionable salary and your pensionable service at the time you retire.
- Your pension is normally paid at age 65 – but you may have the option of retiring early or late.
- The plan offers valuable protection benefits during your pensionable service in the plan – you may receive a serious ill-health pension if you have to stop work (provided you are aged at least 23 and you have been in the plan for at least five years), and your family may receive a cash sum and pension benefits if you die while in pensionable service.
- You pay 7% of your pensionable salary (less the government's lower earnings limit) towards these benefits. You also currently have the option of paying 8.5% for potentially higher increases to your pension once in payment. (This option will be reviewed in 2010 and may change or end from 1 January 2011.) You can also add to your benefits by paying extra contributions into the Investing plan.
- Unilever meets the costs of your Final salary plan benefits not covered by your chosen level of contributions.



Membership

Staying in the plan

The Final salary plan is now generally closed to new members.

It was open to Unilever employees who:

- were working at Unilever before 1 January 2008;
- were permanent, or temporary for at least 12 months;
- were aged 18 or over; and
- met any other conditions set by their particular Unilever employer.

As an existing member of the Final salary plan, your pensionable service will simply continue – you do not have to do anything else to confirm your membership.

Belonging to other funds

You are allowed to save in other pension arrangements – such as a personal pension or a stakeholder – at the same time as building up your Final salary plan pension.

If you are thinking of doing this, you should bear in mind:

- The Unilever UK Pension Fund allows you to pay extra contributions, through the Investing plan. If you decide to save more in this way, you currently benefit from Unilever covering the running costs of the plan while you are in pensionable service. If you save in a personal or stakeholder pension plan elsewhere, you will pay this kind of charge yourself.
- The Unilever Contribution Arrangement allows you to make savings on National Insurance (see page 3).
- Contributions and benefits in other tax-approved arrangements count towards the HM Revenue & Customs tax allowances. The General information guide outlines the allowances in more detail.

If you have left benefits in a tax-approved arrangement you were in before joining Unilever, you may be able to transfer them into the Investing plan, as long as the Trustees agree and the benefits meet certain conditions. For example, they must be worth more than a certain level (currently £10,000) and they cannot normally be transferred from a 'contracted out' scheme (see page 5 of the General information guide). Please get in touch with Unilever Peoplelink if you would like more details.

Opting out of the plan

You can leave the plan if you want to, even if you still work at Unilever – this is called 'opting out'. If you decide to do this, you must contact Unilever Peoplelink at least one month before you want your membership to end.

Before you opt out, please consider:

- You will miss out on valuable benefits if you leave the plan. These include serious ill health and life cover benefits in place for you and your family while you are in pensionable service. Unilever pays towards your pension in the Final salary plan and covers its running costs.
- The Final salary plan is generally closed to new members. So, if you opt out, then change your mind at a later date, you will not be able to re-join. The Career average plan will be open to you, provided you meet the conditions for joining at the time. You will need Unilever's agreement and you may have to undergo a medical or give evidence you are in good health. Unilever reserves the right to restrict benefits if you re-join. You will receive details at the time you ask to re-join.

If you are thinking about opting out, or you are uncertain about any area of your financial planning, you should take independent financial advice – see page 8 of the General information guide.

Paying into the plan

Your contributions

Your contributions are 7% of your pensionable salary above the lower earnings limit.

You may have the option to increase your contributions to 8.5% of your pensionable salary above the lower earnings limit (this is currently available until December 2010). Any pension you build up with '8.5% contributions' will receive potentially higher increases once in payment:

- If you choose '7% contributions', pension built up from 1 January 2008 will increase in payment in line with inflation up to 3% a year.
- If you choose '8.5% contributions', pension built up from 1 January 2008 will increase in payment in line with inflation up to 5% a year.

Adjusting for part time

If you work part time, your contributions are adjusted to reflect this. You pay contributions based on the pensionable salary you would receive if you were full-time, less the lower earnings limit, but reduced in line with the number of hours you actually work compared with 'full-time' hours.

If you work three days a week on £12,000 pensionable salary:

£12,000 adjusted upwards to the 'full-time' equivalent is
 $£12,000 \times 5$ (days in a full working week)
then divided by 3 (the days you work)
= £20,000.
Take away the lower earnings limit
(for the 2008/2009 tax year):
 $£20,000 - £4,680 = £15,320$.
Adjust back down for working 3 days a week:
 $3/5 \times £15,320 = \mathbf{£9,192}$.

So, your contributions will be based on £9,192 a year.

Tax advantages

The real cost to you is lower than 7% (or 8.5% if it applies to you), because of the tax advantages that apply to your contributions.

Tax relief applies to your contributions at your highest rate of tax. So, if you pay the basic rate of tax (20% from 6 April 2008), every £1 contribution you make only costs you 80p. If you pay the higher rate of tax (currently 40%), the same £1 contribution only costs you 60p.

As a plan member, you also take part in the 'Unilever Contribution Arrangement', unless:

- you choose not to; or
- your Unilever pay is less than £5,200 a year at 1 January 2008 (because you work part-time, for example).

Broadly speaking, this means that Unilever pays directly into the Unilever UK Pension Fund an amount equal to the contributions you would otherwise have paid (instead of you paying them out of your salary). You agree that your pay is reduced by the same amount. This allows you and Unilever to make National Insurance savings on the amount. You can find details of how this works in the General information guide.

Unilever contributions

Unilever pays the running costs of the plan, and the balance of the amounts needed to provide the plan benefits not covered by the members' contributions.

This means that Unilever's contributions vary from time to time. Each time the plan undergoes a 'valuation' (a regular 'healthcheck' on its finances), Unilever and the Trustees agree the level of contributions Unilever should pay.

Paying into the plan

Paying extra

Whether you choose 7% or 8.5% contributions, you have the option to make extra contributions to add to your benefits. These extra contributions go into an account for you in the Investing plan. You decide how you want to invest the account from the range of funds available, and you choose how to use the value of your Investing plan account to provide additional benefits when you retire. The Investing plan guide gives details about how you can pay extra contributions and the choices you have available for investing your account.

Please note that any extra contributions you make count alongside your main Final salary benefits towards the annual allowance – if you go over this allowance, you would pay a special pensions tax charge on the excess. However, the annual allowance is set at a high level and should only affect very few people. You can read more details in the General information guide.

Members who joined on or before 1 October 1987

If you joined the Unilever UK Pension Fund or Unilever Superannuation Fund on or before 1 October 1987, you can choose to stop contributions at age 60 even though you are continuing to work at Unilever. See page 7 for further details of this option.

Retiring from the plan

Your pension

If you retire at normal retirement age (65), your pension is worked out like this:

1/60 of your final pensionable salary for each year of pensionable service
less
1/80 of the Government's lower earnings limit (averaged over the last 12 months) for each year of pensionable service.

So, if you retire in April 2009 at age 65 after 40 years' pensionable service, with a final pensionable salary of £24,000, your pension would be:

$1/60 \times £24,000 \times 40 \text{ years} = £16,000$
less
 $1/80 \times £4,680 \text{ (using the lower earnings limit for the 2008/2009 tax year)} \times 40 \text{ years} = £2,340$
making a total pension of **£13,660 a year.**

Adjusting for part time

If you work (or have worked) part-time, your pension is based on the pensionable salary you would have earned as a full-time member – but your pensionable service is adjusted downwards to take account of the hours you actually worked.

So, to take a simple example – if you worked 3 days a week for 10 years, this would in practice count as 6 years' pensionable service (3/5 of 10 years).

If you have worked full time and part time, the different periods of service will be treated separately.

Retiring early

If you have the Trustees' consent, you can currently retire and draw a pension at any age from 50 onwards. From 6 April 2010, however, this goes up to age 55 onwards.

Your pension is worked out in exactly the same way as if you retired at 65, but using:

- your final pensionable salary and pensionable service built up at the date you actually retire; and
- the lower earnings limit averaged over the last 12 months of pensionable service.

As a result, the pension will be smaller than if you had worked to age 65.

Your pension may then be reduced further to take account of its early payment – that is, the expectation that you will receive it for longer than if you had started it at age 65. The reduction is 5% for each year you retire before age 65. However, different terms may apply to you, depending partly on when you joined the plan, and partly on Unilever's 'discretionary practice' for early retirement benefits.

If you joined the Unilever UK Pension Fund or the Unilever Superannuation Fund after 1 October 1987, you have the right to take your pension benefits without any reduction from age 65. However, it is currently Unilever's discretionary practice to apply a reduction only to benefits drawn before age 60.

If you joined the Unilever UK Pension Fund or the Unilever Superannuation Fund on or before 1 October 1987, your benefits are affected by the rule changes to make men's and women's retirement ages equal at 65:

- If you are a woman, you have the right to take all your pension benefits from age 60 without any reduction.

Retiring from the plan

- If you are a man, you have the right to take the pension benefits you built up from 17 May 1990 from age 60 without any reduction. The pension you built up before 17 May 1990 is subject to Unilever's discretionary practice (see above).

(17 May 1990 is the date of the 'Barber' verdict – the court case resulting in equal treatment of men's and women's pension benefits from that date.)

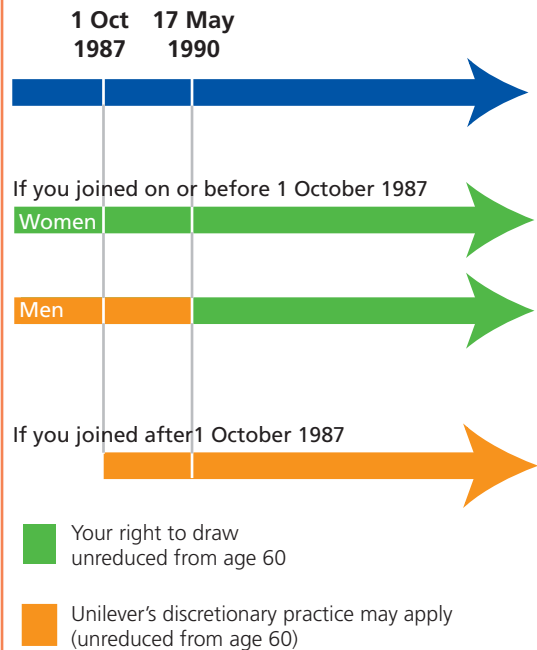
Please be aware that Unilever's discretionary practice may change in the future, and that different terms may apply if you leave the plan before you retire (see page 11 for details).

To follow the earlier example using a final pensionable salary of £24,000 – if you retired in April 2009 from Unilever with Trustee consent at 55 after 30 years' service, and the discretionary practice still applied, your pension would be:

$1/60 \times £24,000 \times 30 \text{ years} = £12,000$
 less
 $1/80 \times £4,680$ (again, the lower earnings limit for the 2008/2009 tax year) $\times 30 \text{ years} = £1,755$
 works out to £10,245 a year -
 then reduced by $5\% \times 5$ (number of years retiring before age 60) = 25%
 gives a pension of **£7,684 a year.**

If you retire early, your income will normally receive an increase at State pension age, when you start receiving your basic State pension on top of your plan pension. You may have the option to draw a higher level of plan pension (up to the basic State pension amount) before State pension age, then a lower level afterwards, so that your overall income remains constant. If you are interested in 'levelling out' your pension in this way, details will be available in the run-up to retirement.

This chart shows the key dates on a timeline:



So, women who joined on or before 1 October 1987 have the right to their whole pension from age 60 without a reduction. Men who joined on or before 1 October 1987 have the right to the pension they built up after 17 May 1990 from age 60 without a reduction, but the discretionary practice applies to the pension they built up before then.

For anyone who joined after 1 October 1987, the discretionary practice applies to all their benefits.

Retiring late

If Unilever agrees, you may be able to keep working past age 65. If you decide to do this, you have several choices about how your benefits are treated.

- You can continue your chosen level of contributions and carry on building up pensionable service.
- You can stop the contributions at age 65. Your pension will be worked out at age 65 then increased each year until you actually retire. Further details will be available in the run-up to your 65th birthday.
- If you joined before 1 June 1989, you have the option of drawing your pension while continuing to work.

Members who joined on or before 1 October 1987

If you joined the Unilever UK Pension Fund or the Unilever Superannuation Fund on or before 1 October 1987, you can choose to stop contributions at age 60 even though you are continuing to work at Unilever. If you do this, your pension will be worked out at age 60 then increased each year until you actually retire.

Or, you can continue your chosen level of contributions. Then, when you retire, you will receive the higher of:

- Your pension worked out on the date you actually retire; and
- Your pension worked out as if you had stopped contributions at age 60.

Retiring due to ill health

If you have to stop work because of serious ill health, you may be eligible to receive a pension provided you are aged at least 23 and have five or more years' pensionable service in the plan.

The pension is worked out in the same way as a normal retirement pension, using the final pensionable salary you would have had if your pensionable salary had stayed the same to age 65, and the total pensionable service you could have completed if you had worked to age 65.

Please note that 'serious ill health' is defined in the plan rules – Unilever has the final say (consulting a company doctor if appropriate) about whether your condition is severe enough for you to receive a serious ill-health pension. If your health improves, Unilever has the right to stop or suspend any serious ill-health pension you are receiving.

Exchanging pension for cash

With Unilever's and the Trustees' consent, you can normally exchange some of the pension you have built up for a cash sum, currently paid tax free – whatever age you retire.

There are some restrictions on how much cash you can take, so we will let you know the highest amount available to you, as you near retirement.

The amount of cash you can take for each £1 of pension you give up depends on your age, among other things.

We will provide information about your cash sum options as you near retirement.

Retiring from the plan

Pension increases

Once in payment, your pension increases on 1 April each year. Parts of your pension may receive different increases:

- Pension you built up before 1 January 2008 goes up each year in line with inflation up to **5%** (apart from any GMP element).
- Pension you build up from 1 January 2008 with **7% contributions** goes up each year in line with inflation up to **3%**.
- Any pension you build up with **8.5% contributions** will go up each year in line with inflation up to **5%**.

To give a simple example, say you have five years of pensionable service before 1 January 2008 and five years after (with 7% contributions). Once your pension starts, half your pension (not counting any GMP) increases in line with inflation up to 5% and the other half in line with inflation up to 3%. So, if inflation is 4% in the first year of your retirement, half your pension goes up by 4% and the other half by 3%.

Please note that you will only receive higher increases on pension you have built up with 8.5% contributions in years when inflation is above 3%. So, in a year when inflation is 4%, any part of your pension you built up with 7% contributions increases by 3% that year. Any part of your pension you built up with 8.5% contributions increases by the full 4%.

So, if your overall pension from your 10 years' pensionable service is £4,000 a year in the first year of your retirement, this is the effect of 8.5% contributions on your pension:

| Your pension increases (assuming inflation is 4%) | Contribution rate | |
|---|-------------------|-------------|
| | 7% | 8.5% |
| For 5 years' pension before 1 January 2008 | £80 | £80 |
| For 5 year's pension from 1 January 2008 | £60 | £80 |
| Total pension increase | £140 | £160 |

However, if inflation is lower than 3%, you receive the same increase as a member on the 7% contribution level, even though you chose 8.5% contributions.

So, if inflation was 2.5%, the 8.5% contributions would make no difference to the increase the example pension receives:

| Your pension increases (assuming inflation is 2.5%) | Contribution rate | |
|---|-------------------|-------------|
| | 7% | 8.5% |
| For 5 years' pension before 1 January 2008 | £50 | £50 |
| For 5 year's pension from 1 January 2008 | £50 | £50 |
| Total pension increase | £100 | £100 |

Discretionary pension increases

In the past, the Unilever UK Pension Fund has tended to pay pension increases above the 5% limit in years when inflation has been above 5%. These higher increases are at Unilever's discretion. It currently intends to allow in its funding of the Final salary plan for discretionary increases on pension built up before 1 January 2008 only. You should not expect that discretionary increases will be granted for pension built up since that date (whether you choose the 7% or 8.5% contribution level).

Additional benefits

If you have paid extra contributions into the Investing plan, you will be able to provide additional benefits when you retire. Within limits, you can take your account as cash (currently tax free), use it to buy extra pension, or combine the two.

For example, one way of using your Investing plan benefits might be to take all the cash you want from your account, so that you have to exchange as little of your Final salary pension as possible to get the cash sum you want on retirement. Or, you may decide to use all of your account for extra pension.

You can find details of your options in the Investing plan guide.

Tax allowances

Please note that the pension you are building up counts towards the Government's annual and lifetime allowances – if you go over either of them, you would pay a special pensions tax charge on the excess. However, these allowances should only affect very few people. You can read more details in the General information guide.

You are liable for income tax on your pension, once it comes into payment.

State benefits

You should also receive a State pension on top of your Final salary pension (provided you have paid enough National Insurance over your working life). State benefits do not count towards the tax allowances – see the General information guide for more details.

Leaving the plan

If you leave the plan before normal retirement age (65), your benefits may depend on how long you have been in pensionable service.

With two or more years' pensionable service

Your pension is worked out using:

- your final pensionable salary and the pensionable service you have built up at the date you leave the plan; and
- the lower earnings limit over the last 12 months of your pensionable service.

Your pension then becomes 'deferred'. This means it stays in the plan for you to draw when you retire. To protect it against inflation, the pension is increased each year until you retire in line with inflation up to 5% a year.

Under current pension law, the plan increase rates are subject to a minimum increase to your overall pension. This is the lower of the rate of inflation and 5% a year compound between your dates of leaving and retiring.

You can also transfer your plan benefits (including your Investing plan benefits) to another tax-approved arrangement – such as your new employer's scheme or a personal or stakeholder pension plan, so long as that arrangement agrees to and can accept the transfer.

If you want to take a transfer, let us know (see page 9 of the General information guide). We work out how much your benefits are worth – the 'transfer value' – based on pension law and investment conditions at the time.

This means that transfer values change. The transfer value we give you for your Final salary plan benefits is guaranteed for three months – if you take longer than that to make your decision, you will need to ask for a new transfer value.

Please bear in mind that until you and the new arrangement complete the necessary paperwork, the transfer cannot go through.

With less than two years' pensionable service

With the Trustees' agreement, you can currently choose a pension if you have less than two years' pensionable service.

Or, you can transfer your plan benefits (including your Investing plan benefits) into another arrangement.

Or, you can choose to receive an amount from Unilever equal to the contributions (with interest) made for you through the Unilever Contribution Arrangement – or a refund from the Unilever UK Pension Fund of any normal contributions (again, with interest) made to it. This amount is paid less the cost of buying you back into the second level of the State pension (see page 5 of the General information guide), tax and National Insurance.

You will also receive a payment to cover any extra contributions made to your Investing plan account. You will receive an amount from Unilever equal to any fixed-term voluntary contributions, less tax (under current rules, normally 20%). The Unilever UK Pension Fund will refund the value of any variable additional voluntary contributions at the date you leave, less tax.

Please note that if you do not make a decision about your benefits within four months of leaving, we will assume you do not want a deferred pension or transfer and make the payments described above.

Service in previous schemes

Service relating to any benefits you have transferred in from a previous pension scheme counts towards your pensionable service for deciding your benefits on leaving. You are treated as having two years' pensionable service automatically if you have transferred in benefits from a personal pension.

Drawing your deferred pension

If you have the Trustees' consent, you can draw your pension from age 50 onwards (increasing to age 55 from 6 April 2010).

If you decide to take your pension before normal retirement age, it will normally be reduced by 5% for each year before age 65.

Under Unilever's current 'discretionary practice' (in force at 1 January 2008), your deferred pension may be reduced for each year before age 60 only (in the same way as pensions for employees retiring straight from pensionable service), if your pensionable service ended:

- when you were age 50 or more;
- because you worked for a Unilever company that was sold or outsourced and left that company aged 50 or more; or
- because you were made redundant, either from Unilever or your sold or outsourced company.

If you find yourself in one of these situations, please keep all the paperwork to do with your leaving Unilever, or the sold or outsourced company – it may affect the amount of pension you receive. However, please note that there is no guarantee this discretionary practice will continue.

If you decide to draw pension while continuing to work for a Unilever company that was sold or outsourced, the discretionary practice will not apply. Your pension will be reduced from normal retirement age.

Special rules also apply to your pension if you joined on or before 1 October 1987.

Protection for you and your family

If you retire due to ill health

If you have to stop work because of serious ill health, you may be eligible to receive a pension provided you are aged at least 23 and have five or more years' pensionable service in the plan. Please see page 7 for more details.

If you die in pensionable service

The following benefits are payable:

- A life cover cash sum (currently tax free) of three times your pensionable salary at the date you die.
- A further payment equal to your contributions to the plan (or those paid for you through the Unilever Contribution Arrangement), with interest.
- A pension for your eligible husband or wife of half your pension, based on your pensionable salary at the date you died and the pensionable service you could have completed up to age 65.
- Pensions for eligible children up to age 18 (or 23 if they are in full-time education).

These benefits will still apply if you have already reached 40 years' pensionable service and still work at Unilever.

If you work past the age of 65 with Unilever's agreement, then die while still working at Unilever, the benefit payable will depend on the decision you made about your pension (see page 7):

- If you carried on your pensionable service, the benefits will be worked out as above, using your actual pensionable service up to the 40-year maximum (as you have passed age 65).
- If you stopped your pensionable service, the benefits will be worked out as though you had retired the day before you died – so, they will take into account the increases your pension received after you reached 65.
- If you started drawing pension while continuing to work, then die before leaving Unilever, the benefits payable will be the same as if you had died in retirement (see the next section).

If you joined the Unilever UK Pension Fund or the Unilever Superannuation Fund on or before 1 October 1987, choose to stop contributions at 60, then die while still working at Unilever, the benefits payable will be the greater of:

- the benefits payable as if you had retired the day before you died; and
- the benefits payable as if you had died in pensionable service (see above).

If you die in retirement

Your eligible husband or wife will receive a pension of half your pension at the date you died (ignoring any reduction from retiring early or taking a cash sum). Eligible children – who must be aged less than 18 (or 23 if they are in full-time education) – will also receive pensions.

If you die within five years of retiring, the balance of your pension for the rest of that five-year period – based on the monthly rate of pension you are receiving at the date of your death – will be payable as a cash sum (currently tax free).

If you die between leaving the plan and retiring

The following benefits are payable:

- A payment equal to your contributions to the plan (or those paid for you through the Unilever Contribution Arrangement), with interest.
- A pension for your eligible husband or wife of half your deferred pension, including increases up to the date you died.
- Pensions for eligible children up to age 18 (or 23 if they are in full-time education).

Eligible husbands and wives

Your husband or wife is automatically eligible for benefits on your death if you married them before your pensionable service ended.

If you married your husband or wife after your pensionable service ended, they do not become eligible for these benefits until you have been married for six months.

Allowing for age difference

If your husband or wife is more than ten years younger than you, the pension they receive

will be reduced, since it is likely to be paid for a longer period. Their pension will be reduced by 1.5% for each year of age difference above ten years.

Increasing pension for your husband or wife

When you retire, you can choose to start with a smaller pension yourself and increase the amount payable to your husband or wife after you die (up to two-thirds of your pension). Let us know nearer the time if you are considering doing this and we will go through the details with you.

Civil partners

Civil partners are entitled to the same benefits as a husband or wife – but based only on:

- pension you have built up from 5 December 2005 (when the law recognising civil partnerships took effect); plus
- additional ‘contracted-out’ benefits (see page 5 of the General information guide), you built them up between 6 April 1988 and 4 December 2005.

Pensions for other dependants

If you do not leave a husband, wife or civil partner, the Trustees may agree to provide benefits to another dependant who relied on you financially or because of disability. It is important you let the Trustees know if you want them to consider someone like this (contact Unilever Peoplelink for the relevant form).

You can also apply for another dependant to receive a pension in addition to your husband or wife. If the Trustees agree to this, the husband’s or wife’s pension would be reduced to take account of the amount payable to the dependant.

Working out children’s pensions

Children’s pensions are worked out as a percentage of your pension, which depends on whether or not a pension is also payable to your husband, wife, civil partner or other adult dependant, and how many children are entitled to receive benefits. The table shows the total children’s pension payable in each situation (as a percentage of your pension):

| Number of children | 1 | 2 | 3 | 4 or more |
|---|-----|-----|-----|-----------|
| If a husband, wife, civil partner or other adult dependant is also receiving a pension: | 20% | 30% | 40% | 50% |
| If no other pension is paid: | 30% | 45% | 60% | 75% |

A child’s pension stops when the child reaches age 18, or 23 if they are still in full-time education. If a child is severely disabled, the Trustees can decide to pay them a pension for life.

Your nomination form

It is important that you fill in a nomination form to guide the Trustees about who should receive the cash sum benefit if you die in pensionable service. The form has two sections.

- Section A – please fill in here the names of close family only. The Trustees will automatically follow your instructions in this section, unless:
 - the person you have nominated dies before you, or less than 28 days after you;
 - you were single or not in a civil partnership when you made the nomination and have married or entered a civil partnership since (unless you have told us that your new status should not affect your nomination); or
 - your nomination only covers part of the cash sum.
- Section B – you can name anyone in this section. The Trustees do not have to follow your instructions in this section, but they will take them into account.

If your nomination in Section A does not apply, the Trustees will decide how to pay the cash sum.

Please remember to keep your nomination form up to date. If your personal situation changes and you need to fill in a new form, please contact Unilever Peoplelink. Please note that nomination forms held by the Trustees continue to apply until replaced.

