Consolidated Financial Statements Unilever Group

Consolidated income statement

for the year ended 31 December

	Notes	€ million 2021	€ million 2020	€ million 2019
Turnover	2	52,444	50,724	51,980
Operating profit	2	8,702	8,303	8,708
Which includes non-underlying item credits/(charges) of	3	(934)	(1,064)	(1,239)
Net finance costs	5	(354)	(505)	(627)
Pensions and similar obligations		(10)	(9)	(30)
Finance income		147	232	224
Finance costs		(491)	(728)	(821)
Which includes non-underlying costs of	3	10	(56)	—
Non-underlying item net monetary gain/(loss) arising from hyperinflationary economies	1,3	(74)	20	32
Share of net profit/(loss) of joint ventures and associates	11	191	175	176
Which includes non-underlying item credits/(charges) of	3	—	—	3
Other income/(loss) from non-current investments and associates		91	3	—
Profit before taxation		8,556	7,996	8,289
Taxation	6A	(1,935)	(1,923)	(2,263)
Which includes tax impact of non-underlying items of	3	178	126	113
Net profit		6,621	6,073	6,026
Attributable to:				
Non-controlling interests		572	492	401
Shareholders' equity		6,049	5,581	5,625
Combined earnings per share	7			
Basic earnings per share (€)		2.33	2.13	2.15
Diluted earnings per share (€)		2.32	2.12	2.14

Consolidated statement of comprehensive income

for the year ended 31 December

	Notes	€ million 2021	€ million 2020	€ million 2019
Net profit		6,621	6,073	6,026
Other comprehensive income	6C			
Items that will not be reclassified to profit or loss, net of tax:				
Gains/(losses) on equity instruments measured at fair value through other comprehensive income		166	78	29
Remeasurement of defined benefit pension plans	15B	1,734	215	353
Items that may be reclassified subsequently to profit or loss, net of tax:				
Gains/(losses) on cash flow hedges		279	60	176
Currency retranslation gains/(losses)	15B	1,177	(2,590)	(15)
Total comprehensive income		9,977	3,836	6,569
Attributable to:				
Non-controlling interests		749	286	407
Shareholders' equity		9,228	3,550	6,162

Note references in the consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in equity, consolidated balance sheet and consolidated cash flow statement relate to notes on pages 118 to 166, which form an integral part of the consolidated financial statements.

Consolidated statement of changes in equity

for the year ended 31 December

Consolidated statement of changes in equity	€ million Called up share capital	€ million Share premium account	€ million Unification reserve	€ million Other reserves	€ million Retained profit	€ million Total	€ million Non-controlling interests	€ million Total equity
31 December 2018	464	129	—	(15,218)	26,022	11,397	720	12,117
Impact of adopting IFRIC 23	—	—	—	—	(38)	(38)	—	(38)
1 January 2019 (restated)	464	129	—	(15,218)	25,984	11,359	720	12,079
Profit or loss for the period	—	—	—	—	5,625	5,625	401	6,026
Other comprehensive income, net of tax:								
Gains/(losses) on:								
Equity instruments	—	—	—	25	—	25	4	29
Cash flow hedges	—	—	—	176	—	176	—	176
Remeasurements of defined benefit pension plans	—	—	—	—	352	352	1	353
Currency retranslation gains/(losses)	—	—	—	(18)	2	(16)	1	(15)
Total comprehensive income	—	—	—	183	5,979	6,162	407	6,569
Dividends on ordinary capital	—	—	—	—	(4,223)	(4,223)	—	(4,223)
Cancellation of treasury shares[(a)]	(44)	—	—	9,416	(9,372)	—	—	—
Other movements in treasury shares[(b)]	—	—	—	64	(231)	(167)	—	(167)
Share-based payment credit[(c)]	—	—	—	—	151	151	—	151
Dividends paid to non-controlling interests	—	—	—	—	—	—	(435)	(435)
Currency retranslation gains/(losses) net of tax	—	5	—	—	—	5	—	5
Hedging gain/(loss) transferred to non-financial assets	—	—	—	32	—	32	—	32
Other movements in equity	—	—	—	(51)	(76)	(127)	2	(125)
31 December 2019	420	134	—	(5,574)	18,212	13,192	694	13,886
Profit or loss for the period	—	—	—	—	5,581	5,581	492	6,073
Other comprehensive income, net of tax:								
Gains/(losses) on:								
Equity instruments	—	—	—	68	—	68	10	78
Cash flow hedges	—	—	—	62	—	62	(2)	60
Remeasurements of defined benefit pension plans	—	—	—	—	217	217	(2)	215
Currency retranslation gains/(losses)	—	—	—	(2,356)	(22)	(2,378)	(212)	(2,590)
Total comprehensive income	—	—	—	(2,226)	5,776	3,550	286	3,836
Dividends on ordinary capital	—	—	—	—	(4,300)	(4,300)	—	(4,300)
Issue of PLC ordinary shares as part of Unification[(d)]	51	—	—	—	(51)	—	—	—
Cancellation of NV ordinary shares as part of Unification[(d)]	(233)	(20)	—	—	253	—	—	—
Other effects of Unification[(e)]	(146)	73,364	(73,364)	132	14	—	—	—
Movements in treasury shares[(b)]	—	—	—	220	(158)	62	—	62
Share-based payment credit[(c)]	—	—	—	—	108	108	—	108
Dividends paid to non-controlling interests	—	—	—	—	—	—	(559)	(559)
Currency retranslation gains/(losses) net of tax	—	(6)	—	—	—	(6)	—	(6)
Hedging gain/(loss) transferred to non-financial assets	—	—	—	10	—	10	2	12
Net gain arising from Horlicks acquisition[(f)]	—	—	—	—	2,930	2,930	1,918	4,848
Other movements in equity[(g)]	—	—	—	(44)	(236)	(280)	48	(232)
31 December 2020	92	73,472	(73,364)	(7,482)	22,548	15,266	2,389	17,655
Profit or loss for the period	—	—	—	—	**6,049**	**6,049**	**572**	**6,621**
Other comprehensive income, net of tax:								
Gains/(losses) on:								
Equity instruments	—	—	—	147	—	147	**19**	166
Cash flow hedges	—	—	—	**276**	—	**276**	**3**	**279**
Remeasurements of defined benefit pension plans	—	—	—	—	1,728	1,728	6	1,734
Currency retranslation gains/(losses)	—	—	—	1,025	**3**	**1,028**	149	**1,177**
Total comprehensive income	—	—	—	1,448	**7,780**	9,228	749	9,977
Dividends on ordinary capital	—	—	—	—	(4,458)	(4,458)	—	(4,458)
Share capital reduction[(h)]	—	(20,626)	—	—	20,626	—	—	—
Repurchase of shares[(i)]	—	—	—	(3,018)	—	(3,018)	—	**(3,018)**
Movements in treasury shares[(b)]	—	—	—	95	(143)	(48)	—	**(48)**
Share-based payment credit[(c)]	—	—	—	—	161	161	—	**161**
Dividends paid to non-controlling interests	—	—	—	—	—	—	(503)	**(503)**
Hedging gain/(loss) transferred to non-financial assets	—	—	—	(171)	—	(171)	(3)	(174)
Other movements in equity[(g)]	—	(2)	—	(82)	231	147	7	154
31 December 2021	92	52,844	(73,364)	(9,210)	46,745	17,107	2,639	19,746

(a) During 2019, 254,012,896 NV ordinary shares and 18,660,634 PLC ordinary shares were cancelled. The amount paid to repurchase these shares was initially recognised in other reserves and is transferred to retained profit on cancellation.
(b) Includes purchases and sales of treasury shares, other than the share buyback programme and the transfer from treasury shares to retained profit of share-settled schemes arising from prior years and differences between exercise and grant price of share options in 2019 and 2020.
(c) The share-based payment credit relates to the non-cash charge recorded against operating profit in respect of the fair value of share options and awards granted to employees.
(d) As part of Unification, NV shareholders were issued new PLC ordinary shares, all issued NV shares were cancelled. The impact is recognised in retained profit.
(e) Includes the reduction of PLC's share capital following the cessation of the Equalisation Agreement. Prior to Unification, a conversion rate of £1= €5.143 was used in accordance with the Equalisation Agreement to translate PLC's share capital. Following Unification, PLC's share capital has been translated using the exchange rate at the date of Unification. To reflect the legal share capital of the PLC company, an increase to share premium of €73,364 million and a debit unification reserve for the same amount have been recorded as there is no change in the net assets of the Group. This debit is not a loss as a matter of law.
(f) Consideration for the Horlicks Acquisition included the issuance of shares in a group subsidiary, Hindustan Unilever Limited, which resulted in a net gain being recognised within equity. See note 21 for further details.
(g) 2021 includes a hyperinflation adjustment of €280 million and €82 million related to the Welly acquisition. 2020 includes €163 million paid for purchase of the non-controlling interest in Unilever Malaysia.
(h) Share premium has been adjusted to reflect the legal share capital of the PLC company, which reduced by £18,400 million following court approval on 15 June 2021.
(i) Repurchase of shares reflects the cost of acquiring ordinary shares as part of the share buyback programme announced on 29 April 2021.

Consolidated balance sheet

for the year ended 31 December

	Notes	€ million 2021	€ million 2020
Assets			
Non-current assets			
Goodwill	9	20,330	18,942
Intangible assets	9	18,261	15,999
Property, plant and equipment	10	10,347	10,558
Pension asset for funded schemes in surplus	4B	5,119	2,722
Deferred tax assets	6B	1,465	1,474
Financial assets	17A	1,198	876
Other non-current assets	11	974	931
		57,694	51,502
Current assets			
Inventories	12	4,683	4,462
Trade and other current receivables	13	5,422	4,939
Current tax assets		324	372
Cash and cash equivalents	17A	3,415	5,548
Other financial assets	17A	1,156	808
Assets held for sale	22	2,401	28
		17,401	16,157
Total assets		75,095	67,659
Liabilities			
Current liabilities			
Financial liabilities	15C	7,252	4,461
Trade payables and other current liabilities	14	14,861	14,132
Current tax liabilities		1,365	1,451
Provisions	19	480	547
Liabilities held for sale	22	820	1
		24,778	20,592
Non-current liabilities			
Financial liabilities	15C	22,881	22,844
Non-current tax liabilities		148	149
Pensions and post-retirement healthcare liabilities:			
Funded schemes in deficit	4B	831	1,109
Unfunded schemes	4B	1,295	1,326
Provisions	19	611	583
Deferred tax liabilities	6B	4,530	3,166
Other non-current liabilities	14	275	235
		30,571	29,412
Total liabilities		55,349	50,004
Equity			
Shareholders' equity		17,107	15,266
Non-controlling interests		2,639	2,389
Total equity		19,746	17,655
Total liabilities and equity		75,095	67,659

Note references in the consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in equity, consolidated balance sheet and consolidated cash flow statement relate to notes on pages 118 to 166, which form an integral part of the consolidated financial statements.

These financial statements have been approved by the Directors.

The Board of Directors
2 March 2022

Consolidated cash flow statement

for the year ended 31 December

	Notes	€ million 2021	€ million 2020	€ million 2019
Net profit		6,621	6,073	6,026
Taxation		1,935	1,923	2,263
Share of net profit of joint ventures/associates and other income/(loss) from non-current investments		**(282)**	(178)	(176)
Net monetary (gain)/loss arising from hyperinflationary economies		**74**	(20)	(32)
Net finance costs	5	354	505	627
Operating profit		8,702	8,303	8,708
Depreciation, amortisation and impairment		1,763	2,018	1,982
Changes in working capital:		(47)	680	(9)
Inventories		**(458)**	(587)	313
Trade and other receivables		(307)	1,125	(445)
Trade payables and other liabilities		718	142	123
Pensions and similar obligations less payments		**(183)**	(182)	(260)
Provisions less payments		**(61)**	(53)	7
Elimination of (profits)/losses on disposals		23	60	60
Non-cash charge for share-based compensation		161	108	151
Other adjustments		**(53)**	(1)	2
Cash flow from operating activities		10,305	10,933	10,641
Income tax paid		**(2,333)**	(1,875)	(2,532)
Net cash flow from operating activities		7,972	9,058	8,109
Interest received		148	169	146
Purchase of intangible assets		**(232)**	(158)	(210)
Purchase of property, plant and equipment		**(1,108)**	(863)	(1,316)
Disposal of property, plant and equipment		101	89	97
Acquisition of businesses and investments in joint ventures and associates		**(2,131)**	(1,426)	(1,122)
Disposal of businesses, joint ventures and associates		43	39	177
Acquisition of other non-current investments		**(142)**	(128)	(160)
Disposal of other non-current investments		137	51	55
Dividends from joint ventures, associates and other non-current investments		185	188	164
(Purchase)/sale of financial assets		(247)	558	(68)
Net cash flow (used in)/from investing activities		**(3,246)**	(1,481)	(2,237)
Dividends paid on ordinary share capital		**(4,483)**	(4,279)	(4,209)
Interest paid		**(488)**	(624)	(694)
Net change in short-term borrowings		**656**	722	337
Additional financial liabilities		**4,748**	3,117	5,911
Repayment of financial liabilities		(3,550)	(3,577)	(4,912)
Capital element of lease rental payments		(464)	(443)	(435)
Repurchase of shares	24	**(3,018)**	—	—
Other movements on treasury shares		**—**	—	(201)
Other financing activities [(a)]		**(500)**	(720)	(464)
Net cash flow (used in)/from financing activities		**(7,099)**	(5,804)	(4,667)
Net increase/(decrease) in cash and cash equivalents		(2,373)	1,773	1,205
Cash and cash equivalents at the beginning of the year		5,475	4,116	3,090
Effect of foreign exchange rate changes		**285**	(414)	(179)
Cash and cash equivalents at the end of the year	17A	3,387	5,475	4,116

(a) Other financing activities include cash paid for the purchase of non-controlling interests and dividends paid to minority interests.

The cash flows of pension funds (other than contributions and other direct payments made by the Group in respect of pensions and similar obligations) are not included in the Group cash flow statement.

Notes to the Consolidated Financial Statements Unilever Group

1. Accounting information and policies

Basis of consolidation

Group companies included in the consolidated financial statements for 2021 are PLC and all subsidiary undertakings, which are those entities controlled by PLC. Control exists when the Group has the power to direct the activities of an entity so as to affect the return on investment.

The net assets and results of acquired businesses are included in the consolidated financial statements from their respective dates of acquisition, being the date on which the Group obtains control.

The results of disposed businesses are included in the consolidated financial statements up to their date of disposal, being the date control ceases.

Intra-group transactions and balances are eliminated.

On 29 November 2020, the Unilever Group underwent a reorganisation so that there were no longer two parent companies, Unilever N.V. ('NV')
and Unilever PLC ('PLC'), but one parent company PLC. This reorganisation is referred to as 'Unification' in the Group consolidated financial statements.

Prior to 29 November 2020, the Group operated with two parent companies, NV and PLC, who together with the group companies operated as a single economic entity.

Company legislation and accounting standards

The consolidated financial statements have been prepared in accordance with international financial reporting standards (IFRS) as issued by the International Accounting Standards Board (IASB), and UK-adopted international accounting standards.

These financial statements are prepared under the historical cost convention unless otherwise indicated.

These financial statements have been prepared on a going concern basis. The Group has considerable financial resources together with established business relationships with many customers and suppliers in countries throughout the world. As a consequence, the Group is well placed to manage its business risks successfully for at least twelve months from the date of approval of the financial statements.

Accounting policies

The accounting policies adopted are the same as those which were applied for the previous financial year except as set out below under the heading ‘Recent accounting developments’.

Accounting policies are included in the relevant notes to the consolidated financial statements. These are presented as text highlighted in grey on pages 118 to 166. The accounting policies below are applied throughout the financial statements.

Foreign currencies

The consolidated financial statements are presented in euros. The functional currency of PLC is pound sterling. Items included in the financial statements of individual group companies are recorded in their respective functional currency which is the currency of the primary economic environment in which each entity operates.

Foreign currency transactions in individual group companies are translated into functional currency using exchange rates at the date of the transaction. Foreign exchange gains and losses from settlement of these transactions, and from translation of monetary assets and liabilities at year-end exchange rates, are recognised in the income statement except when deferred in equity as qualifying hedges.

In preparing the consolidated financial statements, the balances in individual group companies are translated from their functional currency into euros. Apart from the financial statements of group companies in hyperinflationary economies (see below), the income statement, the cash flow statement and all other movements in assets and liabilities are translated at average rates of exchange as a proxy for the transaction rate, or at the transaction rate itself if more appropriate. Assets and liabilities are translated at year-end exchange rates.

The financial statements of group companies whose functional currency is the currency of a hyperinflationary economy are adjusted for inflation and then translated into euros using the balance sheet exchange rate. Amounts shown for prior years for comparative purposes are not modified. To determine the existence of hyperinflation, the Group assesses the qualitative and quantitative characteristics of the economic environment of the country, such as the cumulative inflation rate over the previous three years.

The ordinary share capital of PLC is translated to euro using the historical rate at the date the shares were issued (see note 15B on page 146).

The effect of exchange rate changes during the year on net assets of foreign operations is recorded in equity. For this purpose, net assets include loans between group companies and any related foreign exchange contracts where settlement is neither planned nor likely to occur in the foreseeable future.

The Group applies hedge accounting to certain exchange differences arising between the functional currencies of a foreign operation and the functional currency of the parent entity, regardless of whether the net investment is held directly or through an intermediate parent. Differences arising on retranslation of a financial liability designated as a foreign currency net investment hedge are recorded in equity to the extent that the hedge is effective. These differences are reported within profit or loss to the extent that the hedge is ineffective.

Cumulative exchange differences arising since the date of transition to IFRS of 1 January 2004 are reported as a separate component of other reserves. In the event of disposal or part disposal of an interest in a group company either through sale or as a result of a repayment of capital, the cumulative exchange difference is recognised in the income statement as part of the profit or loss on disposal of group companies.

Hyperinflationary economies

The Argentinian economy was designated as hyperinflationary from 1 July 2018. As a result, application of IAS 29 ‘Financial Reporting in Hyperinflationary Economies’ has been applied to all Unilever entities whose functional currency is the Argentinian Peso. The application of IAS 29 includes:

- Adjustment of historical cost non-monetary assets and liabilities for the change in purchasing power caused by inflation from the date of initial recognition to the balance sheet date;
- Adjustment of the income statement for inflation during the reporting period;
- The income statement is translated at the period-end foreign exchange rate instead of an average rate; and
- Adjustment of the income statement to reflect the impact of inflation and exchange rate movement on holding monetary assets and liabilities in local currency.

The main effects of the Group consolidated financial statements for 2021 are:

- Total assets are increased by €106 million.
- Turnover is increased by €124 million.
- Operating profit is reduced by €2 million.
- A net monetary loss of €74 million is recognised.

Climate change

In preparing these consolidated financial statements we have considered the impact of both physical and transition climate change risks on the current valuation of our assets and liabilities. We do not believe that there is a material impact on the financial reporting judgements and estimates arising from our considerations and as a result the valuations of our assets or liabilities have not been significantly impacted by these risks as at 31 December 2021. In concluding, we specifically considered the impact of climate change on the growth rates and projected cash flows as part of our goodwill impairment testing (see note 9). As government policies evolve as a result of commitments to limit global warming to 1.5°C, we will continue to monitor implications on the valuations of our assets and liabilities that could arise in future years.

Critical accounting estimates and judgements

The preparation of financial statements requires management to make estimates and judgements in the application of accounting policies that affect the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and judgements are continuously evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future period affected.

The following estimates are those that management believe have the most significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are:

- Measurement of defined benefit obligations – the valuations of the Group's defined benefit pension plan obligations are dependent on a number of assumptions. These include discount rates, inflation and life expectancy of scheme members. Details of these assumptions and sensitivities are in note 4B.

The following judgements are those that management believe have the most significant effect on the amounts recognised in the Group's financial statements:

- Separate presentation of items in the income statement – certain items of income or expense are presented separately as non-underlying items. These are excluded in several of our performance measures, including underlying operating profit and underlying earnings per share due to their nature and/or frequency of occurrence. See note 3 for further details.
- Disclosure of ekaterra assets and liabilities – following the announcement to dispose of part of our Tea business ('ekaterra'), management has assessed whether this would meet the criteria for presentation as a discontinued operation. As the contribution of ekaterra to the overall Group is approximately 4% of Group turnover and 3% of total assets, management has concluded that it does not represent a separate major line of business, nor separate component of the Group and so should not be presented as a discontinued operation. ekaterra assets and liabilities have been presented in the financial statements as held for sale – see note 22.
- Utilisation of tax losses and recognition of other deferred tax assets – the Group operates in many countries and is subject to taxes in numerous jurisdictions. Management uses judgement to assess the recoverability of tax assets such as whether there will be sufficient future taxable profits to utilise losses – see note 6B.
- Likelihood of occurrence of provisions and contingent liabilities – events can occur where there is uncertainty over future obligations. Judgement is required to determine if an outflow of economic resources is probable, or possible but not probable. Where it is probable, a liability is recognised and further judgement is used to determine the level of the provision. Where it is possible but not probable, further judgement is used to determine if the likelihood is remote, in which case no disclosures are provided; if the likelihood is not remote then judgement is used to determine the contingent liability disclosed. Unilever does not have provisions and contingent liabilities for the same matters. External advice is obtained for any material cases. See notes 6A, 19 and 20.
- Recognition of pension surplus – where there is an accounting surplus on a defined benefit plan, management uses judgement to determine whether the Group can realise the surplus through refunds, reductions in future combinations or a combination of both.

Recent accounting developments adopted by the Group

The Group applied for the first-time amendments to the following standards from 1 January 2021.

Applicable standard	Key requirements	Impact on Group
Interest Rate Benchmark Reform (Phase 2) **Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16**	The amendments are applicable when an existing interest rate benchmark is replaced by another interest rate benchmark. The amendments provide a practical expedient that modifications to asset and liability values as a direct consequence of the interest rate benchmark reform and made on an economically equivalent basis (i.e. where the basis for determining contractual cash flows is the same), can be accounted for by only updating the effective interest rate. Additionally, hedge accounting is not discontinued solely because of the replacement of another interest rate benchmark. Hedging relationships (and related documentation) must instead be amended to reflect modifications to the hedged item, hedging instrument and hedged risk.	We do not have significant financial instruments that refer to an interest rate benchmark so these amendments have not had a material impact on Unilever.

All other standards or amendments to standards that have been issued by the IASB and were effective by 1 January 2021 were not applicable or material to Unilever.

New standards, amendments and interpretations of existing standards that are not yet effective and have not been early adopted by the Group

IFRS 17 'Insurance Contracts' has been released but is not yet adopted by the Group. The standard is effective from the year ended 31 December 2023 and introduces a new model for accounting for insurance contracts. We have reviewed existing arrangements and concluded that IFRS 17 is not expected to be material for Unilever.

All other new standards or amendments that are not yet effective that have been issued by the IASB are not applicable or material to Unilever.

2. Segment information

Segmental reporting

Beauty & Personal Care	• primarily sales of skin cleansing (soap, shower), hair care (shampoo, conditioner, styling), skin care (face, hand and body moisturisers) and deodorant categories.
Foods & Refreshment	• primarily sales of ice cream, savoury (soups, bouillons, seasoning), dressings (mayonnaise, ketchup) and tea (including ekaterra) categories.
Home Care	• primarily sales of fabric care (washing powders and liquids, rinse conditioners) and a wide range of cleaning products.

Revenue

Turnover comprises sales of goods after the deduction of discounts, sales taxes and estimated returns. It does not include sales between group companies. Discounts given by Unilever include rebates, price reductions and incentives given to customers, promotional couponing and trade communication costs and are based on the contractual arrangements with each customer. Discounts can either be immediately deducted from the sales value on the invoice or off-invoice and settled later through credit notes when the precise amounts are known. Rebates are generally off-invoice. Amounts provided for discounts at the end of a period require estimation; historical data and accumulated experience is used to estimate the provision using the most likely amount method and in most instances, the discount can be estimated using known facts with a high level of accuracy. Any differences between actual amounts settled and the amounts provided are not material and recognised in the subsequent reporting period.

Customer contracts generally contain a single performance obligation and turnover is recognised when control of the products being sold has transferred to our customer as there are no longer any unfulfilled obligations to the customer. This is generally on delivery to the customer but depending on individual customer terms, this can be at the time of dispatch, delivery or upon formal customer acceptance. This is considered the appropriate point where the performance obligations in our contracts are satisfied as Unilever no longer has control over the inventory.

Our customers have the contractual right to return goods only when authorised by Unilever. At 31 December 2021, an estimate has been made of goods that will be returned and a liability has been recognised for this amount. An asset has also been recorded for the corresponding inventory that is estimated to return to Unilever using a best estimate based on accumulated experience.

Some of our customers are distributors who may be able to return unsold goods in consignment arrangements.

Underlying operating profit

Underlying operating profit means operating profit before the impact of non-underlying items within operating profit (see note 3). Underlying operating profit represents our measure of segment profit or loss as it is the primary measure used for the purpose of making decisions about allocating resources and assessing performance of segments. Underlying operating margin is calculated as underlying operating profit divided by turnover.

Our segments are comprised of similar product categories. 10 categories (2020: 10; 2019: 9) individually accounted for 5% or more of our revenue in one or more of the last three years. The following table shows the relevant contribution of these categories to Group revenue for the periods shown:

Category	Segment	2021	2020	2019
Fabric	Home Care	14 %	14 %	15 %
Ice Cream	Foods & Refreshment	13 %	13 %	13 %
Skin Cleansing	Beauty & Personal Care	11 %	12 %	10 %
Hair Care	Beauty & Personal Care	11 %	11 %	12 %
Savoury	Foods & Refreshment	10 %	11 %	11 %
Deodorant	Beauty & Personal Care	7 %	8 %	8 %
Skin Care	Beauty & Personal Care	7 %	7 %	8 %
Dressings	Foods & Refreshment	6 %	6 %	5 %
Tea*	Foods & Refreshment	5 %	6 %	6 %
Home & Hygiene	Home Care	5 %	5 %	4 %
Other		11 %	7 %	8 %

* Tea includes ekaterra as well as the retained tea business.

2. Segment information continued

The Group operating segment information is provided based on three product areas: Beauty & Personal Care, Foods & Refreshment and Home Care.

	Notes	€ million Beauty & Personal Care	€ million Foods & Refreshment	€ million Home Care	€ million Total
2021					
Turnover		21,901	19,971	10,572	52,444
Operating profit		4,471	2,937	1,294	8,702
Non-underlying items	3	271	540	123	934
Underlying operating profit		4,742	3,477	1,417	9,636
Share of net profit/(loss) of joint ventures and associates		10	174	7	191
Significant non-cash charges:					
Within underlying operating profit:					
Depreciation and amortisation		621	816	309	1,746
Share-based compensation and other non-cash charges[(a)]		102	103	44	249
Within non-underlying items:					
Impairment and other non-cash charges[(b)]		13	33	12	58
2020					
Turnover		21,124	19,140	10,460	50,724
Operating profit		4,311	2,749	1,243	8,303
Non-underlying items	3	280	508	276	1,064
Underlying operating profit		4,591	3,257	1,519	9,367
Share of net profit/(loss) of joint ventures and associates		7	163	5	175
Significant non-cash charges:					
Within underlying operating profit:					
Depreciation and amortisation		710	946	362	2,018
Share-based compensation and other non-cash charges[(a)]		77	85	41	203
Within non-underlying items:					
Impairment and other non-cash charges[(b)]		38	77	35	150
2019					
Turnover		21,868	19,287	10,825	51,980
Operating profit		4,520	2,811	1,377	8,708
Non-underlying items	3	440	571	228	1,239
Underlying operating profit		4,960	3,382	1,605	9,947
Share of net profit/(loss) of joint ventures and associates		1	171	4	176
Significant non-cash charges:					
Within underlying operating profit:					
Depreciation and amortisation		693	902	369	1,964
Share-based compensation and other non-cash charges[(a)]		62	56	50	168
Within non-underlying items:					
Impairment and other non-cash charges[(b)]		105	159	46	310

(a) Other non-cash charges within underlying operating profit include movements in provisions from underlying activities, excluding movements arising from non- underlying activities.
(b) Other non-cash charges within non-underlying items includes movements in restructuring provisions and movements in certain legal provisions.

2. Segment information continued

The Unilever Group is not reliant on turnover from transactions with any single customer and does not receive 10% or more of its turnover from transactions with any single customer.

Segment assets and liabilities are not provided because they are not reported to or reviewed by our chief operating decision-maker, which is the Unilever Leadership Executive (ULE).

Turnover and non-current assets for the country of domicile, the United States and India (being the two largest countries outside the home country) and for all other countries are:

	€ million United Kingdom	€ million United States	€ million India	€ million Others	€ million Total
2021					
Turnover	2,443	9,864	5,618	34,519	52,444
Non-current assets[(a)]	3,858	16,692	6,755	22,607	49,912
2020					
Turnover	2,391	9,363	4,993	33,977	50,724
Non-current assets[(a)]	3,587	12,946	6,264	23,633	46,430
2019					
Turnover	2,306	8,702	4,964	36,009	51,980
Non-current assets[(a)]	3,891	13,326	1,137	25,391	43,744

(a) For the purpose of this table, non-current assets include goodwill, intangible assets, property, plant and equipment and other non-current assets as shown on the consolidated balance sheet. Goodwill is attributed to countries where acquired business operated at the time of acquisition; all other assets are attributed to the countries where they were acquired.

No other country had turnover or non-current assets (as shown above) greater than 10% of the Group total.

Additional information by geographies

Although the Group’s operations are managed by product area, we provide additional information based on geographies. The analysis of turnover by geographical area is stated on the basis of origin.

	€ million Asia/ AMET/RUB	€ million The Americas[(a)]	€ million Europe	€ million Total
2021				
Turnover	24,264	16,844	11,336	52,444
Operating profit	4,536	2,696	1,470	8,702
Non-underlying items	297	284	353	934
Underlying operating profit	4,833	2,980	1,823	9,636
Share of net profit/(loss) of joint ventures and associates	(3)	127	67	191
2020				
Turnover	23,440	16,080	11,204	50,724
Operating profit	4,137	2,723	1,443	8,303
Non-underlying items	409	249	406	1,064
Underlying operating profit	4,546	2,973	1,848	9,367
Share of net profit/(loss) of joint ventures and associates	8	122	45	175
2019				
Turnover	24,129	16,482	11,369	51,980
Operating profit	4,418	2,683	1,607	8,708
Non-underlying items	439	395	405	1,239
Underlying operating profit	4,857	3,078	2,012	9,947
Share of net profit/(loss) of joint ventures and associates	(5)	126	55	176

(a) Americas sales in North America were €10,627 million (2020: €10,117 million; 2019: €9,411 million) and in Latin America were €6,217 million (2020: €5,963 million; 2019: €7,071 million).

The Group's turnover classified by markets are:

	€ million 2021	€ million 2020	€ million 2019
Emerging markets	30,407	29,281	31,021
Developed markets	22,037	21,443	20,959

Transactions between the Unilever Group’s geographical regions are immaterial and are carried out on at arm’s length basis.