Deutsche Bank Global Consumer Conference 2021

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This presentation may contain forward-looking statements, including ‘forward-looking statements’ within the meaning of the United States Private Securities Litigation Reform Act of 1995. Words such as ‘will’, ‘aim’, ‘expects’, ‘anticipates’, ‘intends’, ‘looks’, ‘believes’, ‘vision’, or the negative of these terms and other similar expressions of future performance or results, and their negatives, are intended to identify such forward-looking statements. These forward-looking statements are based upon current expectations and assumptions regarding anticipated developments and other factors affecting the Unilever Group (the ‘Group’). They are not historical facts, nor are they guarantees of future performance.

Because these forward-looking statements involve risks and uncertainties, there are important factors that could cause actual results to differ materially from those expressed or implied by these forward-looking statements. Among other risks and uncertainties, the material or principal factors which could cause actual results to differ materially are: Unilever’s global brands not meeting consumer preferences; Unilever’s ability to innovate and remain competitive; Unilever’s investment choices in its portfolio management; the effect of climate change on Unilever’s business; Unilever’s ability to find sustainable solutions to its plastic packaging; significant changes or deterioration in customer relationships; the recruitment and retention of talented employees; disruptions in our supply chain and distribution; increases or volatility in the cost of raw materials and commodities; the production of safe and high quality products; secure and reliable IT infrastructure; execution of acquisitions, divestitures and business transformation projects; economic, social and political risks and natural disasters; financial risks; failure to meet high and ethical standards; and managing regulatory, tax and legal matters. A number of these risks have increased as a result of the current Covid-19 pandemic.

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Further details of potential risks and uncertainties affecting the Group are described in the Group’s filings with the London Stock Exchange, Euronext Amsterdam and the US Securities and Exchange Commission, including in the Unilever Annual Report and Accounts 2020.
Agenda

1. Unilever Overview
2. Portfolio: Prestige Beauty and Functional Nutrition
3. Markets: Digitalisation in India
4. Summary
14 of the top 50 global consumer brands

Unilever Overview

Key facts

- €51bn turnover
- 18.5% underlying operating margin
- 190 countries
- €7.7bn free cash flow
- 60% sales in emerging markets

Top 5 markets:
- USA
- India
- Brazil
- China
- Indonesia

Unilever

Most effective marketer for 4 consecutive years

Top 5sectors:
- Beauty & Personal Care
  - 42%
- Foods & Refreshment
  - 37%
- Home Care
  - 21%

Note: all figures as of full year 2020
Unilever’s differentiating strengths

**Powerful portfolio of leading category and brand positions**

- **81%** brands #1 or #2 in their market
- **50%** of turnover from 13 billion Euro brands

**Strong presence in growth markets of the future**

- **Leading positions** in top 10 future growth markets
- **12** markets with >€1bn annual sales

**The global leader in sustainable business**

- **Top** of GlobeScan Sustainability Leaders survey for 10 years
- **Leader** in Dow Jones Sustainability Index since 2014
Strong start to the year

Operational excellence
- Penetration
- Innovation
- Design for channel
- Brand purpose
- Fuel for growth

Competitiveness
57% % Business Winning MAT

Q1 Growth
Underlying Sales Growth
5.7%
Underlying Volume Growth
4.7%
Five strategic choices

1. Develop our **portfolio** into high growth spaces

2. Win with our **brands** as a force for good, powered by purpose & innovation

3. Accelerate in USA, India, China and leverage EM strength

4. Lead in the **channels** of the future

5. Build a purpose-led, future-fit **organisation and growth culture**
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Portfolio evolution into higher growth spaces

Priority focus area

€16bn M&A capital deployed ‘15-20

Laundry
Home & Hygiene
Skin Cleansing
Deodorants
Oral Care
Hair Care
Skin Care
Prestige Beauty
Functional nutrition
Plant-based foods
Scratch cooking
Ice Cream

4%
5%
17%

72%
Focus on high growth spaces

Portfolio

**Prestige Beauty**
- $156bn market, growing ~7%

**Functional Nutrition**
- VMS: $140bn market, growing >7%

- Scale
- High growth
- Potential in growth countries
- Route to leadership
- Branding & technology sensitive
Prestige Beauty: Future fit operating model

€3bn ambition

€0.7bn

+21%
Q1 USG

>50%
% eCommerce

Geography footprint
- North America: 63%
- Europe: 22%
- Asia: 14%

Category footprint
- Skin Care: 80%
- Hair: 12%
- Other: 8%

Portfolio


€0.7bn ambition
8 purpose led prestige beauty brands

- Dermalogica
- Kate Somerville
- Murad
- REN
- Living Proof
- Hourglass
- Garancia
- Tatcha
Prestige Beauty: Framework for growth

String of pearls model

Growth channels

Purpose led

Digital first

Impactful innovation
Functional Nutrition: Building scale

- €3bn ambition
- €1.1bn annualised

- +54% Q1 USG
- SMARTYPANTS #1 selling multivitamin on Amazon
- >80% sales via eCommerce
- OLLY #1 VMS brands in Target
6 acquired Functional Nutrition brands since 2018

- Equilibra
- Olly
- Horlicks
- Liquid I.V.
- SmartyPants
- Onnit
Functional Nutrition: Framework for growth

**Differentiated model**

**Priority markets**

**Health & Wellbeing**

**Channel shift**

**Digital and DTC**

*FOR A HEALTHIER TOMORROW*

Sign up and get 10% OFF your first order of SmartyPants!

Plus, you’ll get VIP access to exclusive sales and new launches.

Enter email address and submit.
1. Develop our portfolio into high growth spaces

2. Win with our brands as a force for good, powered by purpose & innovation

3. Accelerate in USA, India, China and leverage EM strength

4. Lead in the channels of the future

5. Build a purpose-led, future-fit organisation and growth culture
HUL: India’s largest FMCG Company

- **€5 bn** Turnover
- **+ €3 bn** In last decade
- **25%** Operating margin
- **+1000bps** In last decade
- **9 out of 10** Households use one or more of our brands
- **5th Largest** Indian company by market capitalisation of **€ 66 bn**
- **c. 90%** Of our business has category leadership
- **Employer of choice** Across industries
- **+2200bps** Gender balance in last decade
- **136k** Shakti women micro entrepreneurs
- **Plastic neutral** By 2021
- **>1.3 tn litres** Water conservation potential created

- Brands in **8m+** Stores
- **Largest M&A** in FMCG in India
India a land of opportunities

India is reforming

- Insolvency and Bankruptcy Code
- GST
- Ease of doing business rank improved +79

Demographics dividend

- 1.05 bn working class population
- 1/3rd are millennials
- 80% nuclear households by 2030

FMCG has huge headroom to grow

- Health Food Drinks: 24%
- Instant Coffee: 2%
- Face Wash: 2%
- Body Lotion: 2%
- Washing Liquids: 2%
- Dishwash Liquid: 2%
- Soup: 2%
- Hair Conditioner: 2%
- Body Wash: 2%

Low category penetration

- India: X
- Indonesia: 2X
- China: 3X

Income pyramid moving towards a diamond

- 2016:
  - Elite: 1%
  - Affluent: 6%
  - Aspirers: 15%
  - Strivers: 45%
  - Strugglers: 31%

- 2025:
  - Elite: 5%
  - Affluent: 11%
  - Aspirers: 20%
  - Strivers: 44%
  - Strugglers: 18%
Beauty & Personal Care

Hair care

CAGR 11%

Relative Market Share 3X

FY’10-11 FY20-21

Straddling price-benefit pyramid

Hair

- Indulekha
- TRESemmé
- CLEAR
- Dove
- Sunsilk
- Clinic Plus

- Mass beauty
- Daily damage care
- Salon care
- Anti-dandruff
- High end naturals

- Family
- Sachet at Rs. 1 (€0.012)

Portfolio transformation

India

€2.1 bn
Home Care

Fabric Wash

- CAGR 11%
- Profitability 8X
- Relative Market Share 2X

Upgrading with new benefits

Impactful Innovations

- More benefits
- Rising income

Rs. 1.7 bn

India
Foods & Refreshment

Tea

CAGR 12%

Secured market leadership in Tea

FY’10-11 FY20-21

Winning in many Indias’

Recognising Heterogeneity

Punjab & Karnataka

Same brand designed for different preferences

Market Development

€1.6 bn
India’s Digital Evolution

Internet penetration

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<th>2021</th>
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<tbody>
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<td>Value</td>
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<td>761m</td>
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Cost of 1 GB data

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<th>Year</th>
<th>2015</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cost</td>
<td>US$ 4</td>
<td>US$ 10c</td>
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Average monthly data consumption per user

<table>
<thead>
<tr>
<th>Year</th>
<th>2015</th>
<th>2021</th>
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<tr>
<td>Value</td>
<td>0.8 GB</td>
<td>13 GB</td>
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Reimagining HUL: Journey to an Intelligent Enterprise

Yesterday

Source → Manufacture → Distribute → Sales

Tomorrow

- Consumer Ecosystem
- Data, Tech & Analytics
- Operations Ecosystem
- Customer Ecosystem

Transforming from linear value chain to non-linear and interconnected ecosystems
Consumer Ecosystem

Generating Better Insights
Faster & Better Innovation
Crafting Effective Communication
Deploying Communication Effectively
Navigate the shopper to purchase
Engagement & Feedback

Interconnected Engagement Systems

Agile Innovation Hub
Attributing media to growth

Consumer signal to launch in half the time
Customer Ecosystem

**Demand Generation**
- eComm, USHOP (DTC) & MyKirana (B2C)

**Demand Capture**
- Shikhar (eB2B ordering)
- Digi Payment

**Demand Fulfilment**
- Data & Analytics
- Route optimisation, assortment recommendation
- Last mile Delivery
- Next day delivery

**Capability**
- Ambition to double contribution
- App based call & personalised recommendation
- Retailer credit

**Impact**
- > 500k Kiranas (traditional grocers) connected; 2 Year plan folded in 6 months
Operations Ecosystem

Plan & Source
- Artificial Intelligence led commodity and demand forecasting
- Machine Learning powered intelligent planning for distributors

Make
- Manufacturing & distribution network transformation
- Digitally enabled agile manufacturing

Deliver & Service
- Automated storage & picking
- Integrated routing & delivery

Moving towards a Hi-Tech and Intelligent Supply Chain
Powered by Data, Tech & Analytics

Augmenting decision making
Summary

- Good start to the year through continued focus on operational excellence
- Clear strategic choices
- Portfolio evolution underway and new businesses building well
- Driving competitive advantage through digitalisation
Our vision is to be the **global leader in sustainable business**. We will demonstrate how our purpose-led, future-fit business model **drives superior performance**, consistently delivering financial results in the top third of our industry.