Unilever China

Rohit Jawa, EVP North Asia
Waifung Loh, VP Customer Development
Jun Fang, VP Data and Digital
Safe harbour statement

This announcement 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; inability to find sustainable solutions to support long-term growth including to plastic packaging; the effect of climate change on Unilever’s business; 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.

These forward-looking statements speak only as of the date of this announcement. Except as required by any applicable law or regulation, the Group expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements contained herein to reflect any change in the Group’s expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based.

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 Annual Report on Form 20-F 2018 and the Unilever Annual Report and Accounts 2018.
China: Sustained growth

GDP
6% ~ 6.5%

Consumption
7% ~ 8%

Source: China bureau of statistics
China: Significant growth opportunity

Market growth
~6%

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Online</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Offline</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Per capita consumption (Euro)
China vs. Developed markets

<table>
<thead>
<tr>
<th>Category</th>
<th>US</th>
<th>JP</th>
<th>CN</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hair</td>
<td>34</td>
<td>40</td>
<td>34</td>
</tr>
<tr>
<td>Laundry</td>
<td>5</td>
<td>6</td>
<td>31</td>
</tr>
</tbody>
</table>
Changing China: Digitization

Digital life

Omni channel

Media fragmentation

Source: PHD estimation, FMCG

Source: Kantar
Changing China: Upgradation

Increasing aspiration
- Personalization
- Sub culture
- Experiential
- China pride
- Convenience
- Balanced life

Rise of lower tier cities
- Population 2030E: 67%
- Total Consumption 2030E: 59%

More choice
- No. of new brands
  - Shampoo
  - Offline: +200
  - Online: +520

Sources: Kantar, Nielsen, Kantar, 2017-2018
Unilever in China: History

1913 Lever Jr China visit
Trading began

1923 China Soap Co.

1986 Re-entry

1999 Unilever Co. Ltd

2002 Hefei largest site

2009 Global R&D centre
in Shanghai

2012 Tianjin site

2014 Meishan factory

2012 Hefei largest site

2013 Water M&A

2014 Meishan factory

2017 Korea M&A

2019 Japan M&A

2014 Meishan factory
Unilever in China: Built to scale

**World class manufacturing**
- 8 sites, 90% made in China
- 30 3P manufacturing and design

**Deep and wide reach**
- No. of Distributors
  - 2015: 400
  - 2019: 800
  - 2X increase
- 26 logistic centers
- 30 key account relations
- 80% weighted reach

**Digital commerce**
- 25% share of business
- 200 dedicated team
Unilever China: Unique, strong talent proposition

Local leadership

- 11 of 12 top team are Chinese
- 97% managers local
- ~1000 strong alumni

Top employer

- #1 FMCG employer for 2 years
- 90% engagement score
- 3 drivers: Growth mindset, Career development, Well being

Diverse team

- 50% women
- 40% below 30 years of age

Source: ChinaHR.com
Unilever China: Consistent, profitable growth

TO (Euro) 1.5 Bn


UOM% 3 Bn

F&R
HC
BPC

2019*: Q3 YTD TO annualized, and H1 UOM annualized
China for China

- Decide in China
- Design for China
- Move at China speed
- Do it the China way
Unilever China: Growth priorities

- Grow core brand penetration
- Future fit portfolio
- Go digital, deep and wide

Key enablers

- New organization
- Fuel for growth
- Sustainability
Grow the core penetration: 10 brands, 80% business

Superior product

100%
Winning vs. benchmark

Mental availability

No 1.
Brand power
Skin cleansing

Physical availability

600 Cities
c. 1 M total coverage
>2M Chefs direct connect
<table>
<thead>
<tr>
<th>New Brand</th>
<th>New Benefit</th>
<th>New Formats</th>
</tr>
</thead>
<tbody>
<tr>
<td><img src="image1" alt="Image" /></td>
<td><img src="image2" alt="Image" /></td>
<td><img src="image3" alt="Image" /></td>
</tr>
<tr>
<td>Good for you, good for the planet</td>
<td>Naturals</td>
<td>New Bath Experience</td>
</tr>
<tr>
<td></td>
<td>Indulgence</td>
<td></td>
</tr>
</tbody>
</table>
Future fit portfolio: Scale skin care business

No. 1 Body care brand in Tmall

No. 1 Facial wash Company in Tmall

No. 1 Volume brand in Tmall International

New J-Beauty
Go Digital: eCommerce all models at 25% contribution

### Business to consumers
- Pure play
- Social commerce
- Alibaba.com
- JD.com
- suning.com

### Omni
- Foods delivery
- Home delivery
- Mini program
- Ali Ling shou tong
- JD Xin tong lu

### Business to business
- Ali Ling shou tong
- JD Xin tong lu

+30% CAGR
Go Digital: Winning strategy

- Portfolio designed for channel
- Content to convert
- Perfect execution

Talent and organization
Go Deep: Lower tier cities

Distributors to cover lower tier cities
Focus on priority city clusters

11% growth like to like
25% total growth

Business to Business to cover grocery
1M small stores
Go Wide: New channels

Health & Beauty

Best Supplier Award 2019

Out of home

Traditional big restaurants
Small restaurants
4-5 star Hotels
Chains

Leading Food Service Team
Pride in ‘Chefmanship’
Enabled by new organizational model

**GROW**

- Hair
- PW
- Fab Sol
- Fab Sen
- Skin
- Life Essential
- Food Solution
- IC
- Omni Channel Team
- Dedicated Customer Development Teams

**POWER**

- Data and Digital Hubs
- Marketing Services
- Supply Chain
- R&D
- Expertise Partners

**RUN**

- Plan
- Execute
- Deliver
- Collect
Enabled by new organization: Data and Digital Hub

Dedicated team
100+ FTE

Data assets
Significant scale in 1st party data

Digital capability
AI
Machine learning
Natural language processing

Foundry
40 pilots landed
100+ ideas inspired
700+ start-up referrals
Data and Digital Hub – Faster Innovation

Category trend forecast by AI
Data and Digital Hub – Precision at mass scale

Well defined segments

- Trend addicts
- Love seekers
- Ingredient lovers

Identify audience segments via big data algorithm

Tailored assets based on sharp consumer insights
Data and Digital Hub – Consumer Journey Marketing


Push: Business to business

Sell in to stores on Ali LST platform

Location based precision marketing to consumer with ads and coupon

Conversion in stores with coupon redemption

Pull: to consumer

Ali Ling shou tong → Youku video app → Coupon function on Alipay → Tmall CVS
Enabled by fuel for growth and sustainability

Fuel for growth

5S

CHANGE PROGRAM

Better, Less, No Plastic 2019

Recyclable 80%
PCR 20%
Unilever in China for China!