Unilever at Deutsche Bank

GRAEME PITKETHLY
CFO

FERNANDO FERNANDEZ
PRESIDENT
BEAUTY & WELLBEING

JUN 2023
This document 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. Forward-looking statements also include, but are not limited to, statements and information regarding the Unilever Group’s (the ‘Group’) emissions reduction targets and other climate change related matters (including actions, potential impacts and risks associated therewith). These forward-looking statements are based upon current expectations and assumptions regarding anticipated developments and other factors affecting the Group. They are not historical facts, nor are they guarantees of future performance or outcomes.

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 Russia/Ukraine war.

These forward-looking statements speak only as of the date of this document. 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 Unilever Annual Report and Accounts 2022 and the Annual Report on Form 20-F 2022.
Agenda

Unilever Overview
Graeme Pitkethly

Beauty & Wellbeing
Fernando Fernandez
Unilever

€60bn
Turnover

16.1%
Underlying operating margin

€5.2bn
Free cash flow

5 Business Groups

Beauty & Wellbeing
€12bn

Personal Care
€14bn

Home Care
€12bn

Nutrition
€14bn

Ice Cream
€8bn

Top 5 markets

1. United States
2. India
3. China
4. Brazil
5. Indonesia

3.4bn people use our products everyday

59% of turnover in Emerging Markets

Note: all figures as of Full Year 2022
14 billion Euro brands

3 bigger than €4bn
Dove, Knorr, OMO

3 between €2bn and €4bn
Rexona, Hellmann’s

8 between €1bn and €2bn
Ben & Jerry’s, Magnum, Lifebuoy, AXE, Comfort, Sunlight, sunsilk, LUX

54% of turnover

>50% of innovation funnel has differentiated technology

>€900m annual spend on R&D

Top Sustainability leader for 12 years (Globescan)

Masters status for 5th year running (Gartner’s Supply Chain report)

Note: all figures as of Full Year 2022
Building blocks in place for higher growth

Clear strategy

Portfolio focus

Priority to big brands

Growth markets

Channels of the future

- 5 Business Groups with sharpened category focus
- Billion Euro brands grow ahead of Unilever average
- US, India and China our top priority markets
- Digital commerce now 15% of turnover

Note: all figures as of Q1 2023
Building blocks in place for higher growth

Clear strategy

- Portfolio focus
- Priority to big brands
- Growth markets
- Channels of the future

Sharpened portfolio

Out
- Suave
- Lipton
- Flora

In
- NUTRAFOL
- Horlicks
- OLLY
- PAULA'S CHOICE

17% of portfolio rotated since 2017

Note: all figures as of Q1 2023
Building blocks in place for higher growth

**Clear strategy**
- Portfolio focus
- Priority to big brands
- Growth markets
- Channels of the future

**Sharpened portfolio**
- Product superiority
- Impactful innovation
- Digital transformation
- Sustainability

Note: all figures as of Q1 2023
Investing for higher growth

Brand and marketing investment

Increasing absolute BMI

- €7.8bn

2021  2022  2023-25

Research & development

Increasing absolute R&D

- €0.9bn

2021  2022  2023-25

Capex

Increasing Capex as % turnover

- 2.7%

2021  2022  2023-25
Q1 results show continued progress

**Q1 growth**

- **10.5%**
  - Underlying sales growth

- **10.7%**  **(0.2)%**
  - UPG  UVG

**Price and volume**

- **UPG**
  - Q1'22: 8.3%
  - Q2'22: 11.2%
  - Q3'22: 12.5%
  - Q4'22: 13.3%
  - Q1'23: 10.7%

- **UVG**
  - Q1'22: (1.0)%
  - Q2'22: (2.1)%
  - Q3'22: (1.6)%
  - Q4'22: (3.6)%
  - Q1'23: (0.2)%

**Competitiveness**

- **48%**
  - % Business Winning MAT¹

¹Moving Annual Total / Last 52 weeks
A new organisation, better strategic and operational execution

Unilever Corporate Centre

Beauty & Wellbeing
- Dove
- Sunsilk
- Sunlight
- Liquidum
- Dermalogica

Personal Care
- Dove
- Rexona
- Axe
- Comfort
- Signal

Home Care
- OMO
- Sunlight
- Comfort
- Hellmann's
- Brooke Bond

Nutrition
- Knorr
- Knorr
- Knorr
- Ben & Jerry's
- Magnum

Ice Cream

Clear priorities, executed at speed

Unilever Business Operations
Beauty & Wellbeing

FERNANDO FERNANDEZ
PRESIDENT
BEAUTY & WELLBEING

JUN 2023
A fast-growing market, premiumising and pivoting to online

Sizeable, fast-growing
€ 385bn at 4-6% growth

- Skin Care € 145 bn
- Hair Care € 80 bn
- Health and Wellbeing (VMS) € 160 bn

Fragmenting and Premiumising

Source: Euromonitor (FY 2022)

A unique channel footprint

<table>
<thead>
<tr>
<th></th>
<th>Health &amp; Beauty/ Specialist Retail</th>
<th>Digital Commerce</th>
<th>Grocery</th>
</tr>
</thead>
<tbody>
<tr>
<td>VMS</td>
<td>50%</td>
<td>29%</td>
<td>22%</td>
</tr>
<tr>
<td>SKIN</td>
<td>55%</td>
<td>28%</td>
<td>17%</td>
</tr>
<tr>
<td>HAIR</td>
<td>36%</td>
<td>17%</td>
<td>46%</td>
</tr>
<tr>
<td>FMCG</td>
<td>10%</td>
<td>10%</td>
<td>80%</td>
</tr>
</tbody>
</table>

Source: Kantar (FY 2022), Euromonitor (FY 2022).
A €12bn Unilever Beauty & Wellbeing business

€12bn
FY'22 Turnover

3.8%
3Y USG CAGR
('20-'22)

Europe
Latin America
North America
Asia Pacific
Africa

Health & Wellbeing (H&W)
Prestige Beauty
Skin Care
Hair Care

Hair Care
Skin Care
Prestige Beauty
Health & Wellbeing

Other Hair Care
Vaseline
Dermaologica
Nutriol

Hair Care
Skin Care
Prestige Beauty
Health & Wellbeing
Positions of strength in Emerging Markets, investing in portfolio development

**Margin-accrative to Unilever**

- **Turnover**: 
  - Beauty & Wellbeing: 20% (80% Rest of Unilever)
  - Profit: 
    - Beauty & Wellbeing: 28%
    - Rest of Unilever: 72%

**Strongholds in Emerging Markets**

- **Turnover**: 52% (48% North America, Europe and North Asia, 2.3 Relative Market Share)
- **Investing in portfolio development**
  - Turnover: >20% (<80% Prestige Beauty and Health & Wellbeing, 70% Core Hair & Skin)

**North America, Europe and North Asia**

- Margin-accretive to Unilever
- Strongholds in Emerging Markets
- Investing in portfolio development

**Emerging Markets**

- Margin-accretive to Unilever
- Strongholds in Emerging Markets
- Investing in portfolio development
We must accelerate growth in our Core and sustain strong performance of Prestige and H&W

Growth vs Market

UL  Market
Core Hair & Skin

UL  Market
Prestige Beauty

UL  Market
Health & Wellbeing

B&W ’22 Operating Margin
19%
## Our financial growth model

### Ruthless focus on volume growth and mix, shift to high growth channels

<table>
<thead>
<tr>
<th></th>
<th>Turnover</th>
<th>Margin</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Beauty &amp; Wellbeing</strong></td>
<td><strong>Growth &gt;5%</strong></td>
<td><strong>100%</strong></td>
</tr>
<tr>
<td>Core Hair &amp; Skin</td>
<td><strong>Accelerate</strong></td>
<td><strong>70%</strong></td>
</tr>
<tr>
<td>Prestige and Health &amp; Wellbeing</td>
<td><strong>Sustained Double Digit</strong></td>
<td><strong>30%</strong></td>
</tr>
</tbody>
</table>
Consumer trends that inform our strategy

**Increased demand for authenticity, transparency and science**
Due to unprecedented access to information

- **Inclusive Beauty**
- **Transformational Results**
- **Indulgence**
- **Blurring of Beauty and Wellbeing**

**Premiumisation**
Makes specialist and online channels economically viable
<table>
<thead>
<tr>
<th>CORE HAIR &amp; SKIN</th>
<th>PRESTIGE AND HEALTH &amp; WELLBEING</th>
</tr>
</thead>
<tbody>
<tr>
<td>Shift resources to high growth potential and most profitable cells</td>
<td>Focus on market-beating growth in the US</td>
</tr>
<tr>
<td>Focus and increased investment in 6 strongest brands</td>
<td>Use strongest brands to step change growth in Developed Markets</td>
</tr>
</tbody>
</table>
Portfolio development increasing exposure to premium

**Acquisitions**

Leading positions in well-defined segments

- **DTC Skin Ingredients Expert**
- **PRESTIGE BEAUTY**
- **Hair Growth**
- **HEALTH & WELLBEING**

Strong organic growth (€bn)

- 1.0
- ~2.5

<table>
<thead>
<tr>
<th>Acquired Turnover</th>
<th>Growth Post Acquisition</th>
<th>Full Year '22 Turnover</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.5</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Disposals**

Sale of Suave

Reduces exposure to low-growth value segment in North America
Future-fit portfolio in the US, with potential for global expansion

Reshaping our US Portfolio...

- Prestige and Health & Wellbeing
- Core Hair & Skin

... with a stable of brands to expand internationally

- Paula's Choice Skincare
- Dermalogica
- Hourglass
- Tatcha
- Nutrafol
- Liquid.IV.
Codifying how we will win

PURPOSE
A distinctive strength

SCIENCE
Plans to scale

DESIRE
Knowledge built through acquisitions
Unilever brings outstanding science leveraged across Core Hair, Skin and Prestige

**Winning Science**

- **10x** Anti-Oxidant Power through GAP
- **75%** increase in Skin Strength through Pro-Lipids
- **8x** Stronger Hair through 3D Bonding

**Application at Scale**

- Fast-growing Consumer Cohorts
- Premium Segments and Formats
- High-value Hero Products

4 major global innovation hubs

100+ innovation partnerships

140 Patents in '22

100 innovation partnerships

200+ PhDs
Prestige activity systems are being scaled in the Core

Premium Innovation
- Aesthetics
- Sensorials

Marketing Capability
- Influencer Marketing
- Expert Recommendation

Channel Expertise
- In-Store Execution/Partnership
- Digital Commerce
India Hair from 43% to 55% share in 10 years

#StopTheBeautyTest

PURPOSE

98% less breakage

SCIENCE

Skinification of hair

DESIRE
VASELINE winning in Asia and on its way to the €1bn mark

PURPOSE
Heal the world’s skin

SCIENCE
10x power of Vitamin C

DESIRE
Premium sensorials
LIQUID I.V. >€0.6bn turnover, 5x since acquisition

PURPOSE
Hydration for all

SCIENCE
3x electrolytes vs sports drinks

DESIRE
Influencer network at scale
PAULA’S CHOICE, largest Prestige acquisition, growing 20%+

Research-first skin care

Expert Credentialing: 8 US Beauty Awards in Q1

Global TikTok Views +250% YOY
NUTRAFOL, largest H&W acquisition, growing at 80%+

PURPOSE

You are NOT ALONE.

Shed the Silence

SCIENCE

These hair supplements for work for all hair types

#1 Dermatologist-recommended

DESIRE

Industry-leading retention rate
Priority: accelerate growth through volume and premiumisation

Restore competitive growth in core

Shift resource to Emerging Markets, focus India

Anchor Developed Markets and China portfolio in Prestige and H&W

Win through Purpose. Science. Desire
Thank you.
Beauty & Wellbeing

FERNANDO FERNANDEZ
PRESIDENT
BEAUTY & WELLBEING

JUN 2023