Unilever Business Operations

8 Dec 2022

Reginaldo Ecclissato
Chief Business Operations Officer
Safe harbour statement

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. 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 current Covid-19 pandemic.

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 2021.
Unilever Business Operations serving our 5 Business Groups

Supply Chain:
- Plan
- Buy
- Make
- Deliver

- >400 brands
- 71k SKUs
- 445 warehouses
- 53k supply partners
- 20m tons of product
- 200 UL sites
- 920 3rd party sites
- Serving 250k + customers

IT & Enterprise Services:
- Tech & Data
- Cyber security
- Employee services
- D Commerce
- Financial Processes
- Supplier Management

- ~250 workplaces
- 1,350 IT services
- 20m customer orders
- 470 legal entities
Our strengths have helped us navigate 3 years of disruption

Service

- Strong in Emerging Markets
- Recovering in Developed

Cost

- Continued delivery of Productivity Savings*

Cash

- Top quartile Working Capital

Customers who rate us ‘Supplier of Choice’ *

- 46% 61%

*Advantage Group Survey

*Business Operations (including Supply Chain)
The external context remains volatile and uncertain

- **Recession**: Volatility in demand
- **Currency**: Devaluation in EM
- **Weather**: Low crop yields and supply
- **Inflation**: Energy and labour costs
Our key strategic priorities to fuel growth

Superior Availability
Structural resilience & agility

Superior Value
Operational excellence

Superior Product
Hero product quality

Superior Experiences
Frictionless, user centric

Enabled by
Every day safe execution
Sustainability
Future fit talent & partnerships
Tech, data & cyber
Superior Availability: Higher investment in agility and resilience

- Reset networks
  - Capex > 3% of TO

- Resilient material sourcing
  - % Spend single sourced
    - 15% in 2020
    - 8% in 2022
    - 5% in 2025 (Ambition)

- % Spend localised
  - 73% in 2019
  - 76% in 2022
  - 85% in 2025 (Ambition)

- Unique material spec reduction %
  - 17% in 2022
  - 30% in 2025 (Ambition)

- Speed to market in EM
  - Tech led integration of distributive trade
    - >90% orders delivered next day
    - Access to wider SKU assortment
    - Incremental growth opportunity

- Priority markets for investment
  - USA
  - China
  - India
Superior Value: Step-up in productivity with operational excellence

Gross Productivity Savings in Bus Ops

<table>
<thead>
<tr>
<th>Year</th>
<th>€bn</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019</td>
<td>1.0</td>
</tr>
<tr>
<td>2020</td>
<td>1.0</td>
</tr>
<tr>
<td>2021</td>
<td>1.1</td>
</tr>
<tr>
<td>2022</td>
<td>1.2</td>
</tr>
<tr>
<td>2023-2025 p.a</td>
<td>1.5</td>
</tr>
</tbody>
</table>

Radically simplify
- SKU Portfolio 20% ↓
- Product Spec 20% ↓

Step-up efficiencies
- +5%

Leverage One Unilever scale
- Consolidate vendors, IT
- ‘Manufacture’ vs ‘Outsource’

Integrate upstream
- Palm Processing
- Ingredients & Chemicals
Superior Product: To be a key source of competitive advantage

- Products designed through integrated & digitised consumer insights
- Touchless & predictive E2E Quality for flawless execution
- Quality culture – everywhere by everyone
Superior Experiences: Make it personalised, intelligent and resilient

**Consumer Experience**

1.5bn +
consumer touchpoints driving

300m+
Personalised experiences

**Customer Experience**

Digitally empowering

3.5m
store owners with the most advanced mobile capabilities

**Operations**

19
interconnected technologies creating frictionless

hands off
experiences
Our strategic enablers

**Superior Availability**
Structural resilience & agility

**Superior Value**
Operational excellence

**Superior Product**
Hero product quality

**Superior Experiences**
Frictionless, user centric

Enabled by

- **Every day safe execution**
- **Sustainability**
- **Future fit talent & partnerships**
- **Tech, data & cyber**
Our employee ‘TRFR’ (recorded incidents) is best in our industry.

We aim to deploy the same standards across our eco-system
Sustainability: Enable growth, reduce costs and secure supply

Enabling Growth

Local tomato sourcing with 18,000+ farmers using regenerative practices experiences

Impact & Efficiency

86% renewable energy at reduced costs

Resilience

Investing €300m in palm oil sourcing
Talent: Be ready for today and fit for tomorrow

- Passion for performance through Diversity & Inclusion
- Future fit capabilities in Data and Tech
- Business Operations Talent Powerhouse
Technology: Transition into a digital powerhouse

Digitise our business: faster, shorter, safer, data-led
We will fuel growth through:
Superior Availability, Value, Product & Experiences

Enabled by:
- A significant step-up in investment in resilient & sustainable networks
- Relentless focus on operational excellence
- Deploying the best in technology, talent and service levels
- Delivering €1.5bn per annum of productivity savings