

Unilever Investor Event
Graeme Pitkethly, Chief Financial Officer
30th November 2016



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; customer relationships; the recruitment and retention of talented employees; disruptions in our supply chain; the cost of raw materials and commodities; the production of safe and high quality products; secure and reliable IT infrastructure; successful execution of acquisitions, divestitures and business transformation projects; economic 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 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 Group’s Annual Report on Form 20-F for the year ended 31 December 2015 and the Annual Report and Accounts 2015.

Unlocking value

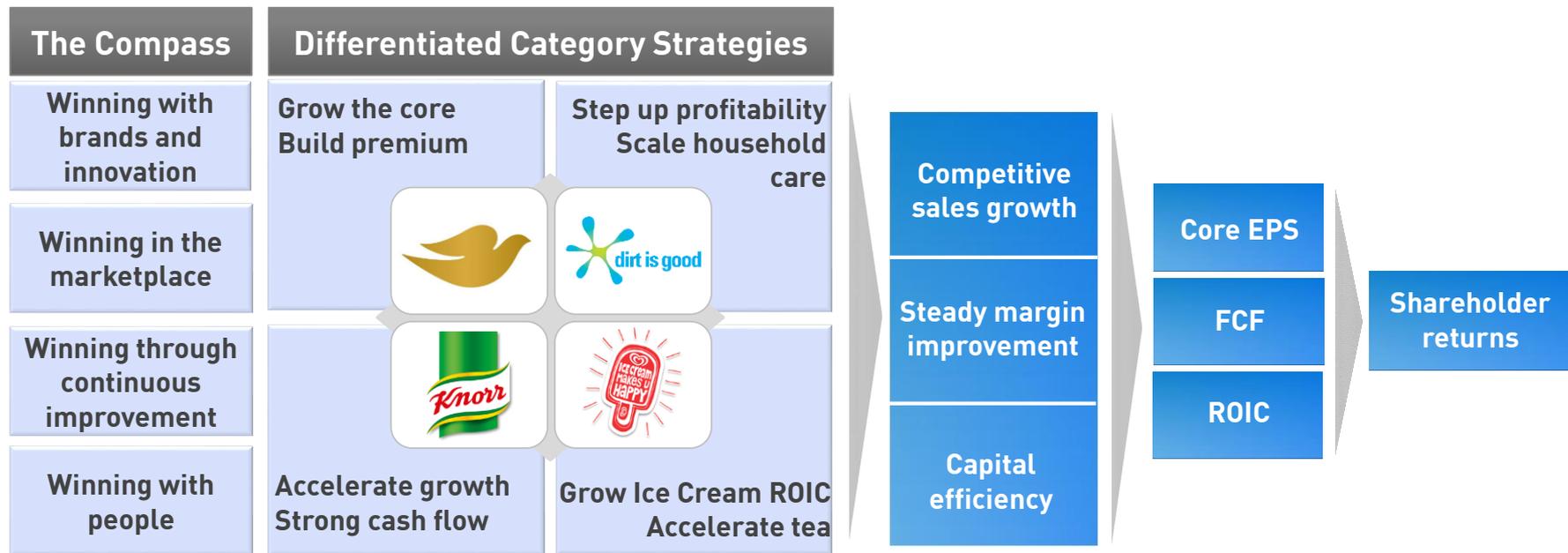
1

Connected 4 Growth

2

Accelerating financial returns

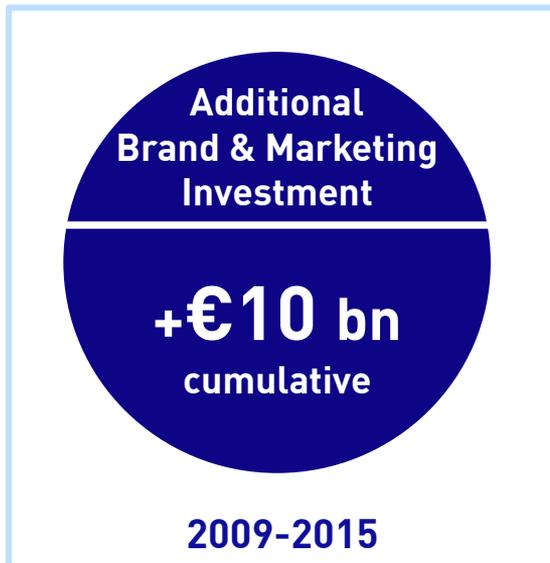
Our strategy for long-term value creation



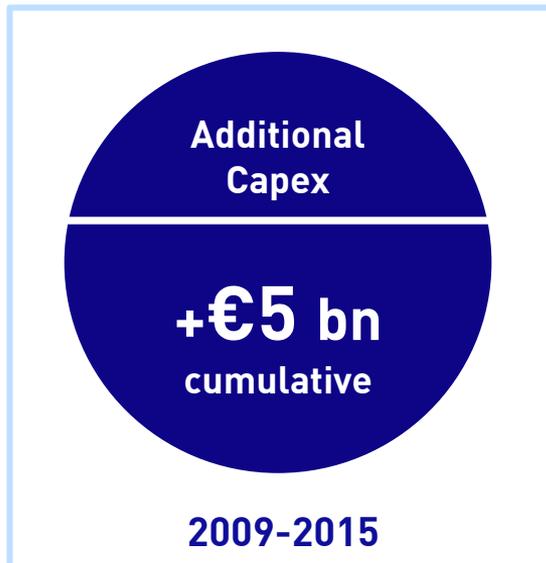
Sustainable Living: more growth, lower costs, less risk, more trust

Substantial investments made

Brands



Supply Chain and IT



M&A

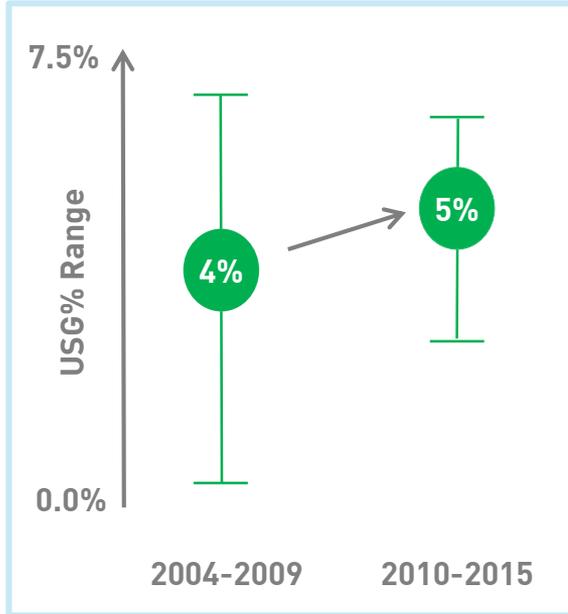
	€
Acquisitions	10 bn
Disposals, after tax	(4 bn)
Subsidiaries	3 bn
Leverhulme	1 bn
<hr/>	
Total	10 bn

2009-2016

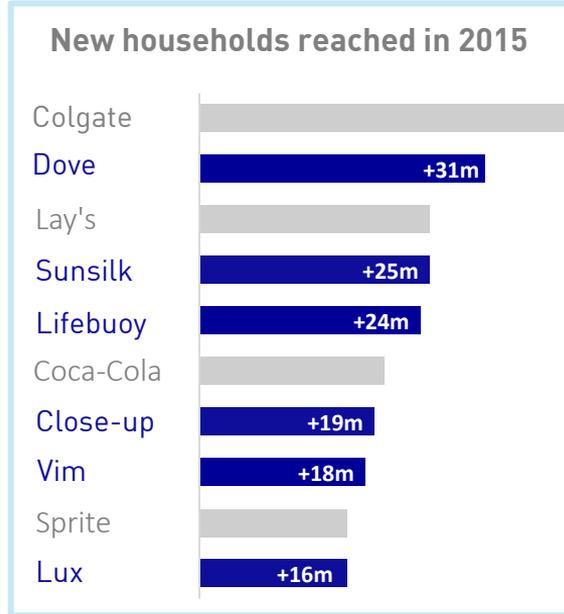
Investment allocation driven by the Category strategies

Resulting in a more resilient Unilever

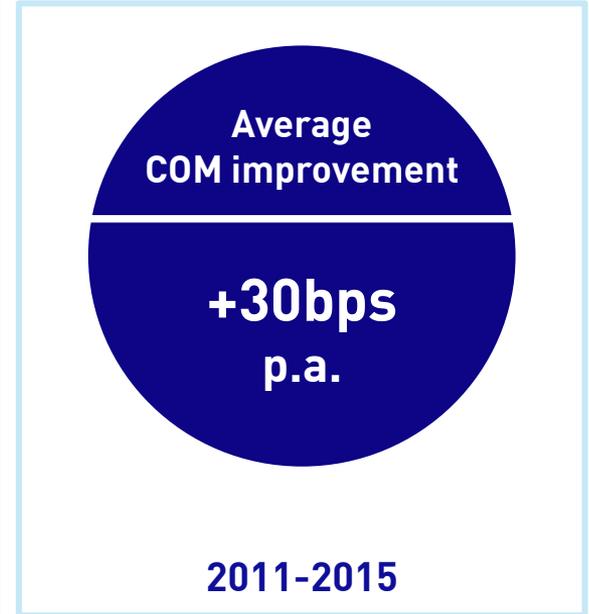
Consistent growth



Competitive growth



Profitable growth



Source: Kantar World Panel Report

Managing volatility, through people, portfolio & supply chain

Divergent market conditions

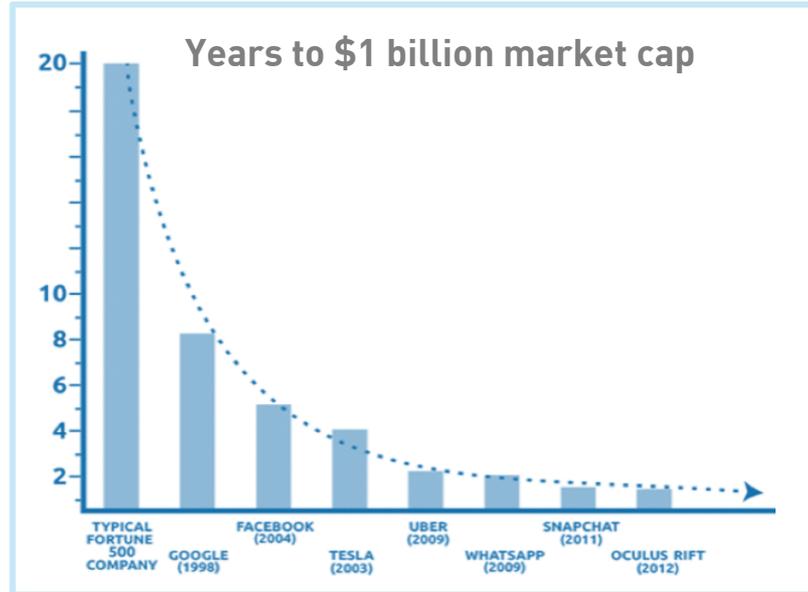


Managed by

- Consistent investment
 - Portfolio mix
 - Local management
 - Supply chain agility
- ⇒ **Focus on volume and value share**

Pace of change continues to accelerate

Faster disruption from new models



Fragmentation



A premium on innovation and agility

Winning in a connected world



CONNECTED 4 GROWTH

On-trend innovation, delivered faster

Driving the core



Evolving the portfolio



Developing channels



Enabled by:

Net Revenue Management

Zero Based Budgeting

Digital 2.0



Faster, more agile and stronger Unilever

A more global and more local organisation

Country - Category Business Teams (CCBTs)



Global Brand Communities



On-trend innovation, delivered faster

Driving the core – our first priority



- ❑ Increase penetration through highest frequency SKUs
- ❑ Expanding the core in high-growth segments
- ❑ Fewer variants, more channel specific packs and sizes

Evolving the portfolio and developing new channels

Evolving the portfolio



Blueair

seventh
generation.

dermatologica[®]

a skin care system researched and developed by The International Dermal Institute

Developing channels



淘宝网

Taobao.com

G R O M

IL GELATO COME UNA VOLTA



- Faster growing, higher-margin segments
- New channels, direct business models
- Building flexibility into our operations
- Acquiring & building new capabilities

Building our agility and capabilities

Net Revenue Management



Zero Based Budgeting



Digital 2.0



Winning in a connected world



CONNECTED 4 GROWTH

On-trend innovation, delivered faster

Driving the core



Evolving the portfolio



Developing channels



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Faster, more agile and stronger Unilever

Unlocking value

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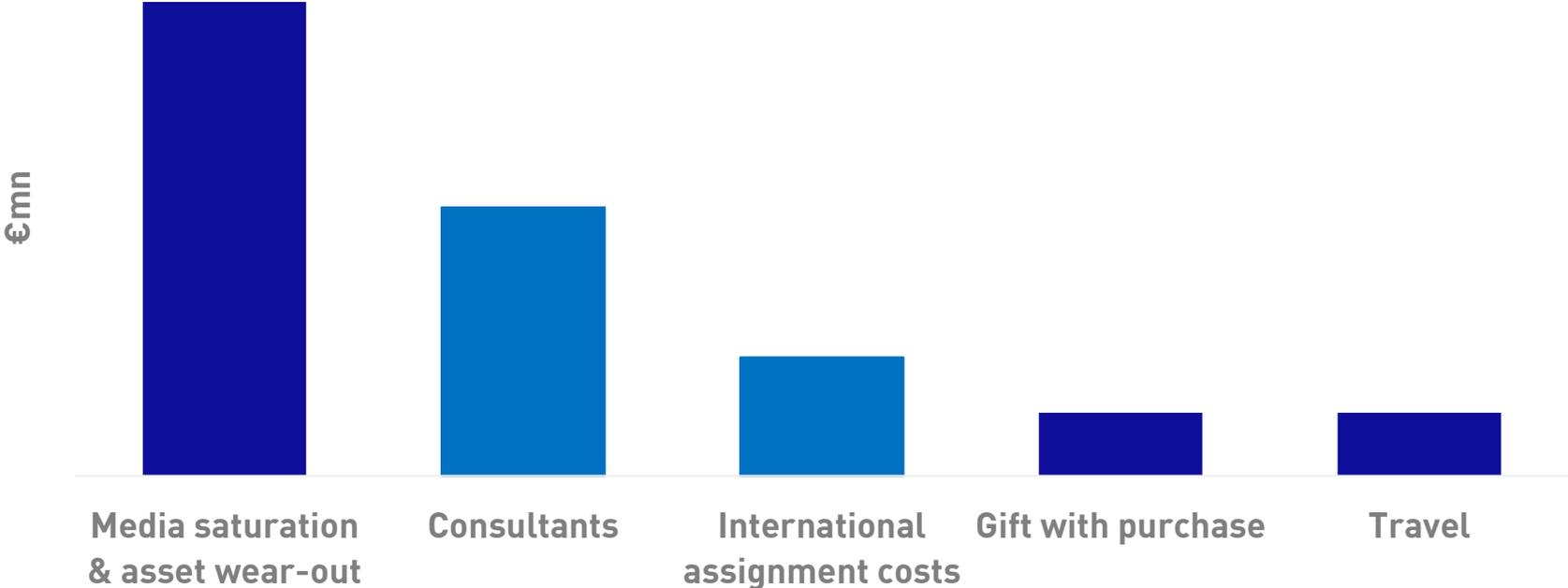
Connected 4 Growth

2

Accelerating financial returns

Zero Based Budgeting

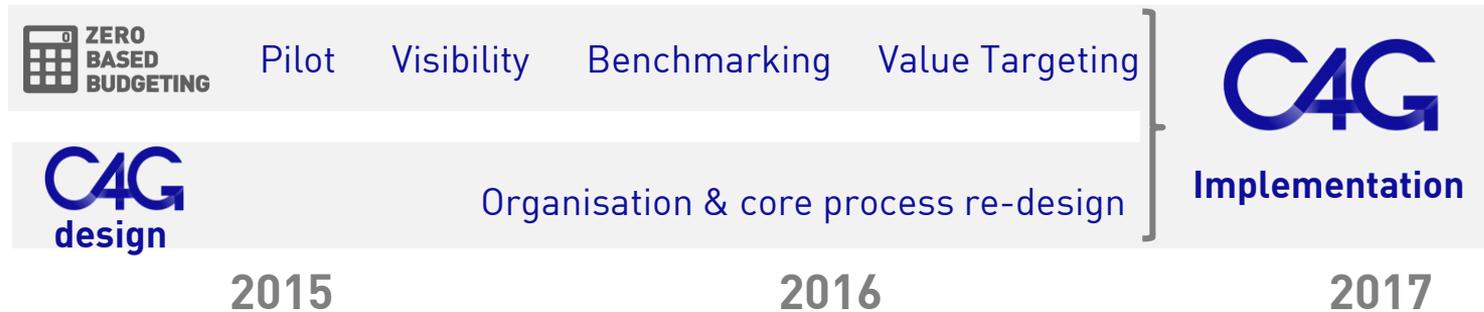
Gross savings examples



ZBB: Unlocking savings & increasing agility

- ❑ Greater cost accountability
- ❑ New and disruptive thinking
- ❑ Investing well
- ❑ A key enabler of Connected 4 Growth

More than
€1bn
savings



Benefitting from the investments we have made

Advertising

Better, faster multi-screen



STUDIO

Supply chain

Efficient manufacturing base



IT

Lower cost, better functionality



Allowing greater retention of savings

C4G: Accelerating core operating margin improvement

Continued mix improvement



Category Strategies & innovation

Zero Based Budgeting



More than €1bn of savings

Organisational Simplification

Greater returns on investment



More of our savings retained

Increasing cash productivity

Working capital

Average working capital % turnover

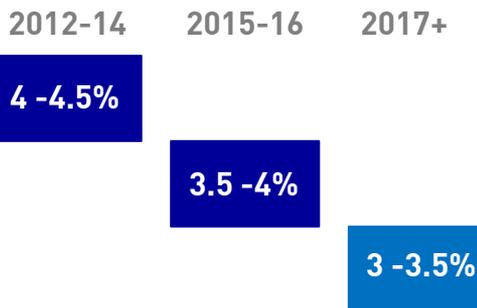


Stocks



Capex

Capex % turnover



Pensions

Funding
review

Unlocking value

From:

To: 2017-2019

Underlying Sales Growth

Ahead of market



Ahead of market

Core Operating Margin improvement

+20-40
bps p.a.



+40-80
bps p.a.

Cash Conversion rate

FCF as % of Core Net Profit

80%



90%

Core operating margin improvement expected to be in the lower half of the new 40-80 bps range in both 2016 and 2017

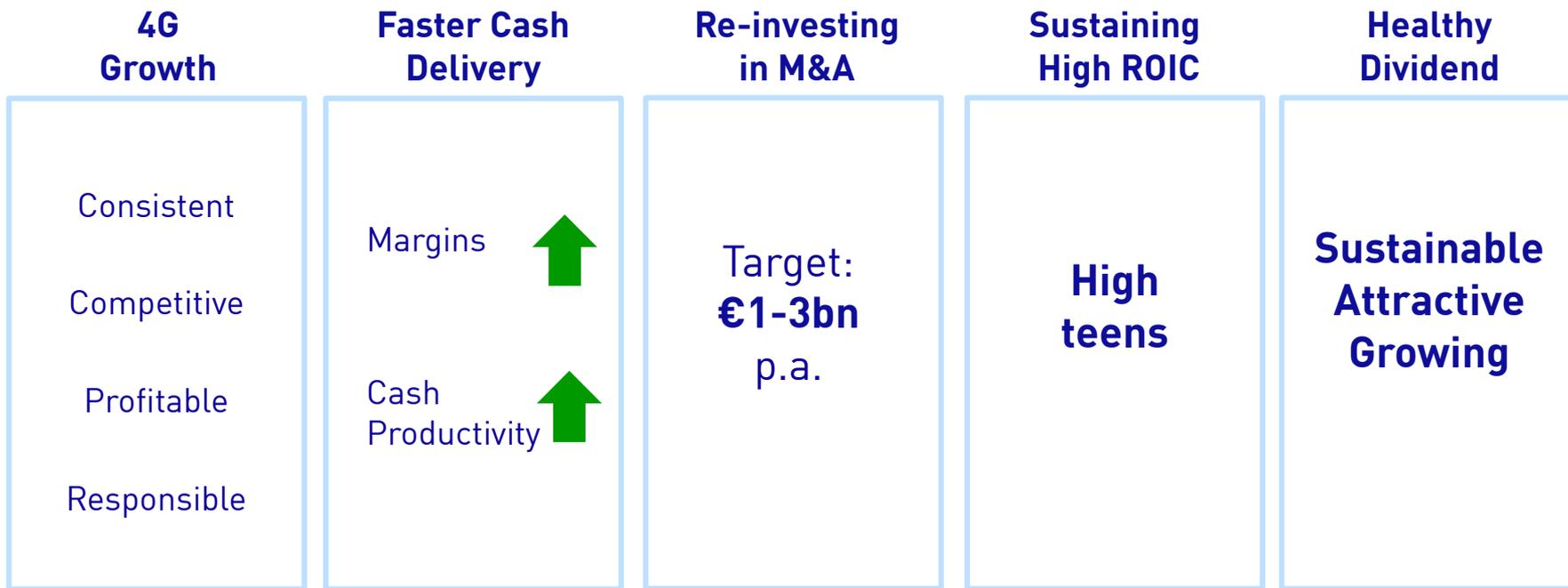
Tax

27%

Interest Rate

3-3.5%

Strong financial strategy



Financial flexibility from a robust balance sheet

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