

**CAGNY 2026****Orlando, 1:00pm, Tuesday 17<sup>th</sup> February 2026**

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| <b>Fernando Fernandez</b> | <b>Chief Executive Officer</b> |
| <b>Herrish Patel</b>      | <b>President, Unilever USA</b> |
| <b>Srinivas Phatak</b>    | <b>Chief Financial Officer</b> |

**STEVE (MODERATOR):**

All right. Good afternoon. It's my pleasure to introduce Unilever, one of the world's most important global consumer franchises, with category-leading positions across wellness, home, personal care, and food, and deep exposure to the world's fastest growing markets. Over the past year, Unilever has reached a clear inflexion point under a refreshed board of directors, new CEO and CFO; the company's moving with urgency, simplifying its portfolio, completing the Magnum Ice Cream demerger in December, and sharpening its focus on volume-led growth, margin expansion, and returns on invested capital. Fernando and Srinu bring several decades of experience from Unilever and a proven track record of building the company's fastest-growing highest-quality businesses. Please join me in welcoming Unilever management, CEO Fernando Fernandez and Srinu Phatak, to the stage.

[video]

**FERNANDO FERNANDEZ:**

Good. Thank you -- thank you, Steve, for such a kind introduction, and thank you, everyone, for having us today. I hope you have had a good lunch. We are your forty-minute dessert; I don't know if that's very good, but we will try to give you a bit of an inner view in what is Unilever now, what are the changes we are introducing into the company now. I will be on stage doing the first part of the presentation, fundamentally showing this kind of profound change that is going on in Unilever. And then I will be

followed by Herrish Patel, that is the head of our U.S. business. He will cover how our desire of the scale model has been landing now in our most important market, the U.S., and how this has helped deliver 4% growth in volume terms in the last three years. Then, Srinu Phatak, our CFO, will share with you the value creation model of Unilever, but also even his previous experience as the CFO of our subsidiary in India, Hindustan Unilever, during a very, very successful period. He will show how Unilever is very well suited to take, probably, the best -- the biggest exponential growth opportunity you can find in the world now in terms of potential volume growth with Unilever there. And then I will close.

Let me show you what is Unilever today. We are a €50 - close to €51 billion business, 20% operating margin, more than €10 billion in underlying operating profit. We have delivered very, very solid cash with cash conversion at 100%, €6 billion cash delivered in the last year. €6 billion cash -- €6 billion capital returned to shareholders in the last couple of years, and a kind of 75/25 split between dividends and share buyback. We are present in 185 countries. Every single day, 3.7 billion consumers use a Unilever product in the globe. But if I have to leave with you one important message today, it's that many things have changed at Unilever in the last few years. We have not been in CAGNY since February '22, so four years without being present here. And many, many, many things have changed in the company. We moved from a historically geographically led model into a simpler, category-led organization in 2022. We have made significant interventions in our portfolio. In the last year only, we rotated 15% of our portfolio, including the separation of ice cream that, as you know, was a business with very low level of complementarity with our current portfolio. And we are focusing our business in a much higher portfolio-growth footprint. We have made volume growth the most important metric in the company. This is very different to the Unilever of the past that has been very inconsistent about it. We have restored competitive level of investment in our brands. Recently, in an internal town hall, I was telling my people that being consciously uncompetitive is a criminal act.

And we have built a much leaner structure with higher degrees of accountability and very clear incentive systems to ensure that we grow our top line and our bottom line in hard currency.

We have made very clear what are our seven priorities at the category level, geographical level, segment level, and channel level. This doesn't mean that the rest of the organization, the rest of the business is not important, but these are the areas in which we will invest disproportionately for disproportional growth. In category terms, we are really shifting our portfolio into more Beauty, more Wellbeing, more Personal Care. Urbanisation, wealth expansion, massive entry of the female gender in the labour market, low fertility rates, massive adoption of healthy lifestyles. This all plays in favour of categories in which you invest in your own, and this is what Personal Care, Beauty and Wellbeing are. Personal Care, Beauty and Wellbeing are now 51% of our portfolio. Our intention in the medium to long term is to make it two-thirds of our business. We believe that these businesses structurally have more potential growth and they have more scope for premiumization.

In terms of geographical focus, we have made U.S. and India the two clear anchors of our portfolio. They represent today 33% of our business, but our intention is to make it 45% in the medium to long run. U.S. is 21%; India is 12%. It's very, very important for us to focus in U.S. because historically Unilever has been a kind of federation of local and regional brands. We believe that the U.S. is the only market that provides simultaneously critical mass to build a big business locally but at the same time provides a platform for international brands. And this is what we are doing with acquisitions that we are doing in the U.S., in order to build a portfolio that can travel internationally in the premium segment.

The times of Unilever buying a sole company in Colombia or a food company in Egypt, or a home-care business in Vietnam are gone. We will concentrate the capital allocation of Unilever in building a portfolio for our future in the U.S. that can travel internationally.

India -- Srini will cover that later -- is our second-largest operation, close to €7 billion. Very, very successful historically, but we are very, very conscious that the portfolio that brought us to a huge position of leadership in India is not necessarily the portfolio that will propel us into the future, and we will make the changes and the investment there to ensure that we have a portfolio that is suited for the channels of the future in India.

We are moving into a more premium offering and with a significant presence in digital commerce. You know, we are *really* convinced that concentration of retail will accelerate in the context of AI and LLMs. And we believe that the profit pool for the stable sector is shifting upwards. And that's the reason why we are moving our portfolio upwards. 42% of our portfolio now in premium positions, our intention is to really move it to 50% in the next few years. And we are *really* accelerating in digital commerce: 17% of all global beauty and wellbeing business is already in e-commerce; 17% of our U.S. portfolio is in e-commerce today, growing double-digit, and going very, very fast. We have built a portfolio now, in which 30 Power Brands are the core for our investment. We have 11 brands that are beyond the €1 billion; 15, if you take that in dollars. They have been growing 3.3% in volume in the last three years on average. They represent 78% of our portfolio. There is €11 billion of revenue in Unilever that is not part of this power brand. Around €2 billion of that is our brands that will be disposed in the near- to mid-term. The other €9 billion are important brands particularly to provide us resilience against economic volatility in emerging markets. But these Power Brands, these 30 brands, is where we are concentrating our investment.

We have a very attractive financial profile that has changed significantly since the last time we have been in CAGNY. Our gross margin has expanded 460 basis points; two-thirds of this increase in gross margin has been used to restore competitive investment levels in our brand. It's an implicit recognition that Unilever didn't invest enough in our brands for many, many years. But this is the past. We are now investing competitively with 16% of our revenue behind our brand marketing investment. One-third of the increase in gross margin has flown into the bottom line to achieve what has been our

highest margin ever: 20%. We don't believe this is the peak. If you compare with some of the HPC players in our space -- you know, some of them you know very well in North America; they are significantly above us, and we really believe that we continue having significant scope in our gross margin to go up. Our return on invested capital is very competitive, you know, at 19%, definitely in the top third of the sector.

We are now organized in five clear P&L pillars. Four at business-group level: one for Foods, one for Home Care, one for Personal Care, one for Beauty and Wellbeing. These cover 85% of our revenue, and these four business groups take care of the top 24 markets of Unilever. All the rest of the markets of Unilever, we manage them and are what we call the One Unilever market organisation. The four business groups run a whole P&L end-to-end in these top 24 markets. They have full accountability, and the intention there is to provide focus -- category focus and category expertise to compete with the best pure players of the sector.

In the One Unilever market, from market 25 onwards, you know, we believe the benefit of scale, continue being significant. They are not big enough to separate our sales organization, and this is a very successful unit that last year grew 5.2%. It has become accretive to Unilever with an expansion of underlying operating margin of more than 250 basis points. We are operating that pillar now with 35% less headcount than two years ago. Ninety-five percent of the P&L of the business groups is under full control of the business group presidents, people like me or Jemma or the IT organization and part of procurement is managed centrally, but the business group presidents have full control of the key revenue drivers and the key lines of cost and investment of their P&L. And importantly, on the 19th of March of 2024, we announced a significant productivity problem at the same time that we were announcing the separation of ice cream. We have reduced now 17% our white-collar workforce. This is a very different Unilever; this would have been very difficult in the Unilever of the past. You have seen that in the significant improvement in our overheads: 50 basis points in the last year.

We have also changed incentive systems. You know, we are driving more accountability, differentiated performance. Historically: annual bonus, 90% of the people will receive an annual bonus between 80% and 120% of the par. In 2025, now that we are paying this, only 55% are in that kind of range. Forty-five percent of our people are receiving rewards this year below 80% or above 120% of the par. So, it's a very, very differentiated reward system versus what we used to have in the past.

All these changes in Unilever would have never happened without the significant changes in leadership we have gone through in the last three years. You can see this number as a show of instability in the company, but we see it as the necessary refreshment of leadership that was absolutely crucial for a company that was underperforming. Eight out of the 10 board members were not there when we presented in CAGNY in 2022. Nine out of 11 leadership executives were not there, including myself, including Srini, four years ago. It's a huge, huge, huge change in the company of the -- in the leadership of Unilever, and I believe this is showing in some of our improvement in performance.

Let me now go in how we are transforming our innovation modelling, how we are adopting new models of reach, engagement and persuasion with consumers, and also how we are executing flawlessly in the markets. This is the mantra we have put in place, we call it Desire at Scale. It's fundamentally about elevating the offering of our brands and executing flawlessly in the markets. And it has two pillars: what we call SASSY brands; bold, disruptive brands, and put in place a frontline machine. SASSY is an acronym for Science, Aesthetics, Sensorials, Said by Others, and Young Spirited. Science, Aesthetics, Sensorials -- superior science for superiority in product use, aesthetics for premium look, and sensorials for wonderful experiences is what is defining the way we interact with consumer through our product-development initiatives.

It's all about driving superiority in our innovation plan.

Three years ago, I was standing in front of the Dove shelf, and I was not proud. That feeling has changed. And this is what's behind the 7% volume growth of Dove in the last two years.

I tend to say that our science has always been ahead of our marketing. Some people think the opposite, but I do not. You know, Unilever has historically had some of the leading science in the sector. We have close to 4.5 thousand scientists in the company, 500 with a Ph.D. We spend around €1 billion in R&D every single year, but we have not leveraged that enough. Now what we are using is not using only the flow of new R&D but also leveraging much better the historic R&D stock that we have not used in the past because our price points were not able to capture some of these great initiatives. And we have seen this in some innovations like Wonder Wash, that is here in the middle, that is really changing completely how people are washing in Europe. You know, close to €200 million in one-and-a-half years since launch in this innovation. The same in brands like K18 allowing us to reach \$80 price point in hair care. So, this is what we are really driving very, very strongly in our scientific program.

Irresistible aesthetics across our whole portfolio, from the high end of colour and cosmetics in Prestige to the functionality of a household cleaning through Cif -- or the new range of Cif probiotics. You know, it's all about premium look; it's all about on-shelf appeal. It's all about real functional and look differentiation. We have our new unit of packaging development in the company. We are making bigger steps; this is one of the areas in which we have made more progress in the company. Elevated sensorial for wonderful experiences, you know? More extreme weather, you know, really changing how people connect with categories like skin care or hair care in the globe. Very different demands in places like India or places like U.S. when it comes to facial treatment, etc. Texture, a very, very important part of our scientific program now. Fragrances, you know, significant changes in how people interact with categories like laundry, in which there is no tough dirt anymore. And elevated sensorials in areas like fragrances matter more than ever. We're investing €100 million in our own fragrance

house there. And significant changes in taste also in foods, particularly with adoption of hotter, you know, taste in categories like mayonnaise, condiments, etc.

All this has resulted in a much faster, much larger innovation plan, you know, that we are rolling out at this speed and with a lot of focus in the premium sector. You can see here some examples. You know, the Invictus technology, our superior body odour control technology really driving our performance in deodorants, particularly in the U.S., in which a couple of years ago we were having some issues in the premium segment, and now we have retaken leadership. As I mentioned before, quick wash cycle: very, very important in our strategy for Home Care. You know, when you wash in a machine during two hours, the one that makes the hard work is the machine. When you wash in 15 minutes, you need great chemistry. And this is what this product brings into the market. And this is a principle that we are applying in our whole portfolio. We want to shift our portfolio into areas where there is more demand for science, because we believe that this is a fundamental competitive advantage, particularly in categories like Home Care against local players in emerging markets. And I can go on and go on.

Said by Others, Young Spirited: this is what we call Social First Demand model. And it's all about a new way of reaching and engaging and persuading our consumers. I'm absolutely convinced that the times of big corporate, big brand messages are gone. You need an army of people talking for your brands today. And you need your brands to keep contemporary. And this is really, really tough with the kind of media fragmentation that we are seeing. These are numbers only for the beauty divisions. We have now 180,000 content creators working for Unilever in the Beauty and Wellbeing division. When you look at the company as a whole, it's close to 300,000. In Beauty last year we have 75,000. This is the kind of exponential growth in the infrastructure that we are building for social media. We have increased the number of assets by seven times last year in Beauty. This is only possible through the adoption of AI at scale in content creation. We have increased by two the frequency of posting. The life span of a video now is four days. The time of lazy marketing, a couple of ads a year for a couple of

innovations, are gone. Marketing today is hard work, you know, and we are ensuring that in every single corner of Unilever we are adopting this model at scale. Variety of creators, volume of content, velocity of posting.

Young-spirited brands that are immersed in culture, that are contemporary, that are experiential. This is behind the success of Dove, or the success of Vaseline. Vaseline is a 155-year-old brand. In the last two years, 12% volume growth all because serious immersion in culture, serious adoption of social media modelling.

Social validation, the importance of event marketing, creation of significant amount of quality content for algorithmic preference, and in a context of huge media fragmentation, more important for retail activation. These are the four key drivers in our model of reach and persuasion with our consumers.

Perfect stores. We have put together a template now to run our business in emerging markets, in traditional trade, or in modern trade, physical modern trade, or in e-commerce. Nine key metrics of perfect stores in physical presence, 11 metrics for our digital presence. This is an example of how we have executed Wonder Wash launch in U.K., in this case, you know. This is what we will do, for example, with a FIFA activation for our deodorants, hair care, and in skin-cleansing business in the next few months here in U.S. and all around the globe.

We really believe that, in the context of media fragmentation, physical presence in a store is more important than ever. We want to enter a store and feel that this [is] a Unilever store. If you go to central India and you go to one store, Unilever is 12% of the sales of that store. The second supplier is 1.6%. You have to feel it, and this is what we are doing with the level of investment that we are doing in store.

And the same when it comes to digital. We have built three hubs for digital commerce: U.S., with the likes of walmart.com or with the likes of Amazon, in which we are enjoying

growth above 25%. It's all about joint business planning. It's all about leaning into retail media. It's all about creation of great content. In China, with the likes of Douyin, TikTok Shop, we are growing more than 50%; it's all about content to commerce. And in India, where Quick Commerce is only 3% of our revenue but is growing more than 100% for us, is all about how to supply the dark stores from which these products are delivered to homes. It's all about premium offering; it's all about availability; it's all about content creation.

With that purpose of fundamentally putting together media marketing and commerce, you know, we have announced today an important strategic partnership with Google. We really believe that in the future the consumer's journey of discovery of brand and shopping will be more conversational, will be done with much more presence of agents, and we want to be sure that we are at the forefront of technology when it comes to this, and this is the reason behind this deal that we have announced today in the morning. This will help us in our marketing but also in our modelling simulation, in R&D, in order to shorten the innovation cycle significance. So, it's a very, very important development for us that we have announced this morning.

With this, I would like to really put a short video. And after that, Herrish will show how this is landing in the most important market in the U.S. and how this has helped us to deliver 4% volume growth in the last three years.

[Desire at Scale video]

**HERRISH PATEL:**

Good afternoon, my name's Herrish. As Fernando says, I lead the U.S. business. I just to recap a few things that Fernando talked about: portfolio change, organizational change and cultural change. And for me, the U.S. is the leading market within Unilever of that change. Allow me to start with portfolio.

If you see the data here, Fernando talked that in the midterm he would like two-thirds of his business Personal Care, Beauty, Wellbeing. In the U.S. today we are 77% -- close to 80% of our business is already where the global vision is. What's fuelled that is the €15 billion capital that we've spent in the U.S. over the last five years. Yes, M&A acquisitions, but it's also built a supply chain that's fit for the volume growth that Fernando talks about. At the heart of the portfolio transformation has been the Wellbeing footprint. We've pretty much doubled our footprint over that three- to five-year period. But Unilever's operated in the U.S. for over 80 years. The one thing that hasn't changed is that we serve all of America. We serve 95% of households, we have one-side brands that are 70-year-old like Dove. The other side, we've got fast-growing brands like OLLY, Dr. Squatch heading towards that [\$1] billion, to join Liquid I.V. recently. They're at the heart of that transformation.

What's most important about this portfolio is that it's building penetration with high-income households and Gen-Z. Build penetration where the growth is happening in the U.S. At the heart of that has been Dove. Yes, you may expect me to talk about Liquid I.V., OLLY, but the €3 billion franchise is at the heart of Unilever USA. And what I'm going to take you through is what happens when you take SASSY and it finds the magic of execution. Let me start with what Dove used to look like in '22. And I'll leave you pausing of some of the words that may come up: fragmented, cluttered, regional, federation of Dove. Let me take you to now what Dove looks like today. Dramatically different, desire at scale, applied consistently at every touchpoint. Craftsmanship. Elevated sensorial cues, thoughtful design and packaging that cues beauty all the way through it. Very much inspired by the SASSY framework. So let me take you through some of the detail of what's driven the double-digit Dove performance in '25.

Dove, since its inception in 1957 has always brought science to the categories in the U.S. And in '25 it does not change. We brought bio-protein to hair care, makes your hair 10 times stronger. We brought nano-emulsion to skin cleansing, gives you four times moisturisation, gives you the skin-lotion effect. These technologies are decade-long in

research, they are patented technology, and they have a long-term funnel about how we will continue to revolutionise the categories that we operate. It's supported by aesthetics, premium format and material, as you can see, and we are particular, even at the merchandizing level --every touchpoint is about aesthetics. But as you know, sensorially, functional superiority isn't just the name of the game now. You have to have formats and fragrance-forward thinking. Think about formats like scrubs, oil: they are incremental to the category, they are premiumising the category. Think about more usage and more benefits, which is what the brand's been bringing.

Fernando talked about Said by Others. Let me give you why this is the future of marketing. We've tripled the volume content on Dove over the last two years. We are obsessed about meeting our consumers where they are, and we have to be part of that conversation. That's why it is powered by more content. We've tripled the level of creators and the influencers what we have in the U.S. As you know, the future of marketing is many to many, community to community. Yes, you can have mega-creators, but you need to have now nano-creators and influence to have that community-to-community feel. And yes, we're getting more engagement. The last column tells you that we're spending more investment behind our brands, we're getting more content, we're getting more engagement, and we're reducing CPM, which means we're getting a better return for our investment going forward; we feel we've got an algorithm. But we're obsessed about going deeper in culture. And Fernando coined it as Youth-Spirited. I hope, in the break, you got a time to engage with Crumbl and Bridgerton, but these are more than collabs. These are strategic partnerships where we spend time looking at the two brand verses of Dove, Crumbl, or Bridgerton, and we look for the magic of the equity of both brands. And once we find it, it inspires fragrances, it inspires sensorials, and the data speaks for itself.

Thirty percent of Crumbl users are new to the brand, and they're Gen-Z. There's a whole new generation coming into the Dove franchise. There's a new marketing model, and the words I'll leave you with is that we seed, we ignite, and we scale. When we launch

these, we seed through Reddit, and we create a bit of fandom. We then ignite on TikTok, and then we scale by owning physical and digital availability.

So, desire at scale in the U.S. is working. A €3 billion franchise that's growing volume at 5% for the last three years. But the message I want to leave you with is Dove is a repeatable model that we will roll out across all our brands in the U.S. We did it on our biggest brand to prove that the strategy works when you bring SASSY and execution together.

So let me talk a little bit about execution. The one thing that we've benefited very quickly over the last two years is a dedicated sales force. By every business unit is dedicated. We play for scale where relevant. Every sales organization has a perfect store; perfect store is a picture of success for how we want to build the brands. And what's happened, over the last two years, is that we are now number one in Advantage Survey in the U.S. for Personal Care, for Foods, and number three for Beauty and Wellbeing. That's an endorsement by the biggest retailers in the world to say you have a category vision, you have really good people, and you're delivering on the execution. We are truly an omni-player; that's the currency in the U.S.: 25%, and it's competitive, and we're bringing culture to store and to digital platforms. We own some of the biggest assets. Just think of what you saw outside: we started with Superbowl; we went Crumbl, we went Bridgerton; we're about to go FIFA. And there's so much more in the second half.

So, as I look to wrap up, the big message is portfolio change, organisational change, and a *fearless* culture about play-to-win and the joy of winning. What you see in the U.S. is three years of volume growth above 4%. We believe it's starting to become consistent, and now we're building a track record of year-in, year-out, quarter-in, quarter-out volume growth.

So, let me add a bit of texture and maybe a bit of confidence on '26 before I hand it over to Srimi. As we look at '26, our innovation funnel has never been so strong in the U.S. Let me give you one data point. Our innovation funnel on deodorants in '26 is 2x what it was in 2018. The compass organization -- I like to think of it as U.S. for U.S., powered by global scale and technology -- it is working. We bring culture, but we're always part of the conversation. We're *obsessed* about our brands being always on: think more content, more influencers, more creators. And by the way, we've spent €600 million more investment in BMI over the last five years. And to fuel you with -- we're about -- we're in it. In Q2, this company Unilever USA will launch its biggest activation that it's ever done in the history of the U.S. Every single retailer is with us, and this is going to be a monumental moment for the U.S. and, obviously, when England win the World Cup.

Thank you. Woah, there's a round of applause. On that note, let me hand over to Srimi to talk about our other anchor market, which is India.

**SRINIVAS PHATAK:**

Thanks, Herrish. I'm Srimi Phatak, CFO for Unilever. A privilege to be here and actually talk about the other serious growth engine, which is actually India. Actually, we've got a nice internal gig going on here, saying that who is going to do better? Either which way, Unilever wins. It's actually a fantastic place to be. India, when you really look at it, it's poised to be the third-largest market in the world in terms of GDP. A market which is poised to actually continue to grow upwards of 6% when it comes to real GDP. There are very few places where you start to see growths like that. Today, our category consumption classically is about \$54, even if you were to compare it with a market like a China, there's 6x opportunity, and Indonesia, 4x opportunity. And it's also a place which is incredibly well-positioned for us for -- really for exponential growth, and the numbers really say it. We got market-leading positions. About 85% of our business is number one.

To give you some context in hair, we got a 55% share. That's three-and-a-half times larger than the nearest competition. If you really look at skin cleansing, we are at 37% market share, which is again two-and-a-half times the nearest competition. If you look at dish, we are upwards of 51% of market share, and that's actually 4x of the nearest competition. That starts to give you a flavour in terms of the leadership positions that we have, and this business has, over the last decade, consistently delivered 4% volume growth.

And as we are doubling down on the India opportunity with investments, people and capabilities, that is a trajectory we only believe is actually likely to go further and beyond.

This is other important element. Fernando talked about where are consumers. There is a rapid shift which is happening towards digitization. There is people moving up from mass to premium, from distributive trade to general trade. And that's where the profit pools are, and that's where a lot of our competition is. This, again, is an important element to highlight here that we are incredibly well positioned when it comes to, as people move up the straddle, as we move up from mass to premium, our shares are higher. As people move from general trade to modern trade, our shares are higher.

And equally impressive and important to highlight is our profitability actually starts to get better as people start to up trade as consumers come in. So simply put, our profitability in modern trade is higher than our profitability in general trade. Our profitability in premium is higher than our profitability when it comes to mass. So as consumers continue to move up, we are actually very well positioned to really capture the lifetime value of this opportunity.

Fernando also spoke about quick commerce today. It's about 3% of our business, growing 100%. Again, continues to be a huge driver for us in terms of growth. Here we have actually created a dedicated organization between supply chain and sales. Along

with tech-enabling, agentic solutions to really make the supplies and capture the demand. Equally, we have actually gotten to clear partnerships with the top three players, which actually then starts to uniquely position us. Therefore, we are well poised to win both in search as well as in supply in this channel.

And this is the other element to see: Indian opportunity is not just a premium opportunity. It's a good way to really segment our portfolio. The top 70 million, the 5% of the population, has got the per-capita consumption of France. There is growth to be had in the mid; there is growth to be had in the mass. We have more tailwinds in India, and where we need to actually bridge our portfolio gaps, we are pulling in organic capital. The only place other than U.S., and you'll see that the notable example there is acquisition that we made in Minimalist.

So our strategy is pretty much about five-pronged in India. First is really segment the country by affluence and therefore have the right product-brand channel combination to cater to that; that's number one. Second is, really, make our brands more contemporary through social, through digital, and the SASSY framework. The third element is actually to double-down in a bigger, fewer bets where we can actually put disproportionate resources to capture the value. The fourth element is actually customise some of our India-specific capabilities. When it comes to media, when it comes to R&D, while complementing with what Unilever really offers to actually enhance the proposition. And finally, obviously, an organization's structure which is simplified to continue to drive this at pace and therefore capture the opportunity that is.

I'll quickly shift gears to really talk very quickly about our value-creation opportunity, and therefore really anchored around the two big drivers. You've seen this, and in some ways, it absolutely remains consistent. This is a business which is really anchored on volume-led profit delivery growth, profit and hard currency. So, the simplest way to think about this: consistent compounders, that's how we would really like to run the business. Our ambition is obviously mid-single-digit volume growth with a modest

margin improvement. Our focus really is improving profitability, and the way will we do it with enhanced gross margins, which we then start to invest behind our business. And a business that is anchored on 100% cash conversion. We got a clear strategy on bolt-on acquisitions. We redeploy about a billion and a half each year. That's a strategy which is working well for us. And you saw some notable examples of it: Liquid I.V., Nutrafol, Dr. Squatch. They continue to give us that additional leg of really spurring growth and actually really reshaping our portfolio. And our balance sheet is well positioned with net debt about 2x of EBITDA, which actually then gives us the financial flexibility to really work this through.

What's important for us, is therefore I thought I will go a bit deeper into two important elements which really make a difference. One is really volumes and second is gross margins -- very intuitive because that's really the way will we run the model, and that's really how we will build this business.

Important to highlight for us that UVG is a combination of mix and volume. Therefore what you really see is the absolute volume and the premiumization opportunity and the price for us is pure price play. We've actually looked at this from three different angles, and therefore why it gives us the confidence to really say we can continue to sustain this business in upwards of 2% of UVG year on year.

We talked about power brands: 78% of our business is really Power Brands, and in the last three years we've actually grown this upwards of 3%, consistently. And that's where we are actually putting all our resources, our incremental BMI, our technology, and our best efforts.

We talked about Beauty, Wellbeing, and Personal Care. Again, half of our business consistently growing about 3.2%. That's, again, really, a focus area. Even in 2025, 100% of our incremental BMI went into Beauty and Wellbeing and Personal Care.

And the last angle we really talked about is U.S. and India. Herrish spoke about how U.S. has actually delivered 4% consistently for the last three years. India is coming back into the game. Even if there is a bit of a recalibration between the two markets, there is high levels of confidence for us to then say we will be able to get this number and do better. So, multiple ways to really look at the confidence that we have. And this is also a testament of the level of execution and focus and how we are actually shaping the business through these power centres.

Important also to highlight here the gross margin story. Fernando gave you a bit of a flavour of the improvement; I want to give you a bit of how of what we have done in this case. Again, housekeeping element to highlight: our gross margins take into account the primary distribution costs that we've put in, yeah? So, the distribution costs from our factory to our distribution centres. And some of the other peers don't do it on a like-for-like basis. If you actually back that out, our gross margins actually tend to be upwards of at least 500 basis points higher, so close to 52%. Having said that, we have clear levers to drive and enhance gross margin, and you see that pricing is not one of them. We are actually very responsible when it comes to pricing discipline to ensure the right balance between the affordability, the price-pack architecture and balance-value creation with competitiveness. So the levers really are what we influence and we drive. Volume is actually a big, big enabler for us. Our gross margins, as you see, is give or take 47%. But every incremental unit that we produce actually has got a marginal contribution of upwards of 60%. That then starts to become a virtuous circle of how volumes then tend to really drive margins for us. If you think from a mix perspective, the mix can really be portfolio, mix can be Power Brands, mix can be geography, that tends to be a positive enabler for us, and there we have an opportunity to actually think about 20 to 25 basis points of expansion that we can actually drive from a mix perspective.

The third element is really productivity. While productivity is really today a cultural shift, from a gross margin line, we continue to have market-beating competitiveness enabled by buying efficiencies enabled by tech into buying, and multiple models including

partnerships. That is something which is serving us well. At some stage, some of the benefit will come down, but there are other levers to continue to pull. Because you can't indefinitely beat the market by a percent, but today we are actually able to do that across the markets.

And the last point really is on capex. We spend about €1.5 billion; €750 million of that is really towards productivity. Even if you take a four-year payback, we are talking about anywhere between 25 to 30 basis points of margin expansion on gross margin, which can actually continue to be delivered. This, therefore, gives us the confidence in terms of the investments that we are making: 300 basis points step up, massive shift towards digital, and more than 100% of this going really towards power brands, really going towards Beauty and Personal Care. And we also started to put in models to really measure the ROI of our digital spend. Our rapid ROI tool, which is today live in U.S. and in India, is well poised and is giving us good signals to measure the effectiveness, and we're going to take it to seven large markets this year to really then start measuring the effectiveness, and therefore better redeployment. So, in simple, putting it back -- this is my last chart before I hand over to Fernando -- we are well poised when it comes to growth and productivity with more than 21% of our turnover being invested, a big portfolio shift, and a consistent policy of capital returns between share buyback and dividend. With that, I'll hand over to Fernando.

**FERNANDO FERNANDEZ:**

Thank you. Good. So, in terms of outlook, as we said in our earnings call recently, you know, we see for this year, our USG between 4% and 6% in the range that we have communicated for the long run. Probably at the bottom of that range; markets are relatively soft. That will require that we outperform market as we did in 2025. But we are really confident that we can do it. With UVG at 2%+ volume growth, with modest UOM improvement, and as we have mentioned in earnings call also, we have announced recently another share buyback of €1.5 billion that will start in the second quarter.

Let me just close with three key messages. Unilever has gone through a very, very profound change in the last three years. That change has affected our organization, our portfolio, our leadership, but we believe that we are now on a structurally simpler, leaner, and stronger business. Desire to Scale, our mantra for elevating our brands, is working, is real, is differentiated. It's really taking into account how people discover brands today and how they shop. And the U.S. performance is a proof that this model is working, and we are rolling out this model into the whole of Unilever. Considering that this is an emerging market play -- close to 60% of our business is in emerging markets -- we believe this can be a significant competitive advantage. So, we are well positioned to continue to outperform the market. And I hope next year, if we are here again, if you invite us, we can show that this will be a reality. Thank you very much.

**STEVE (MODERATOR):**

Thank you.