2023 Full Year Results

Implementing Growth Action Plan at pace

Underlying performance			GAAP measures		
(unaudited)	**2023**	*vs 2022*		**2023**	*vs 2022*
Full Year					
Underlying sales growth (USG)		**7.0%**	**Turnover**	**€59.6bn**	**(0.8)%**
Beauty & Wellbeing		8.3%	Beauty & Wellbeing	€12.5bn	1.8%
Personal Care		8.9%	Personal Care	€13.8bn	1.4%
Home Care		5.9%	Home Care	€12.2bn	(1.8)%
Nutrition		7.7%	Nutrition	€13.2bn	(5.0)%
Ice Cream		2.3%	Ice Cream	€7.9bn	0.5%
Underlying operating profit	**€9.9bn**	2.6%	**Operating profit**	**€9.8bn**	(9.3)%
Underlying operating margin	**16.7%**	60bps	**Operating margin**	**16.4%**	(150)bps
Underlying earnings per share	**€2.60**	1.4%	**Diluted earnings per share**	**€2.56**	(14.2)%
Free cash flow	**€7.1bn**	€1.9bn	**Net profit**	**€7.1bn**	(13.7)%
Fourth Quarter					
USG		**4.7%**	**Turnover**	**€14.2bn**	**(3.0)%**
Quarterly dividend payable in March 2024				€0.4268	per share [a]

(a) See note 11 for more information on dividends

Financial and operational highlights

- **Underlying sales growth of 7.0%** with positive volumes, up 0.2% for the FY and 1.8% in Q4
- **Turnover of €59.6 billion** with (5.7)% impact from currency and (1.7)% from net disposals
- **Underlying operating margin up 60bps to 16.7%,** with gross margin up 200bps for the year and up 330bps in the second half
- **Underlying EPS increased 1.4%** with (9.6)% of adverse currency, up 11% on a constant basis
- **Diluted EPS down (14.2)%** against prior year that included €2.3 billion profit on disposal for the Tea business
- **Strong cash conversion of 111%** with free cash flow up €1.9 billion to €7.1 billion
- **New €1.5 billion share buyback** to commence in Q2
- **Progress against Growth Action plan**, including:
  - New leadership team has embedded the plan across the organisation
  - 30 Power Brands (~75% of turnover) accretive to growth and margin, with underlying sales up 8.6%
  - Brand and marketing investment up 130bps to 14.3%, focused on 30 Power Brands
  - Active portfolio optimisation into premium segments, announced acquisitions of K18 and Yasso and disposals of Elida Beauty, Dollar Shave Club, Suave in North America

Chief Executive Officer statement

"Today's results show an improving financial performance, with the return to volume growth and margins rebuilding. However, our competitiveness remains disappointing and overall performance needs to improve. We are working to address this by improving our execution to unlock Unilever's full potential.

In October, we set out a Growth Action Plan focused on three priorities: delivering higher-quality growth, stepping up productivity and simplicity, and adopting a strong performance focus.

The new leadership team has embedded the action plan at pace. We have increased investment behind our 30 Power Brands, accelerated portfolio transformation, and are driving a sharper performance focus with clear and stretching targets across the whole organisation.

We are at the early stages of this work and there is much to do but we are moving with speed and urgency to transform Unilever into a consistently higher performing business."

Hein Schumacher

Outlook

We expect underlying sales growth (USG) for 2024 to be within our multi-year range of 3% to 5%, with more balance between volume and price.

We anticipate a modest improvement in underlying operating margin for the full year. We will deliver this through gross margin expansion, driven by a step-up in productivity and net material inflation back to more normal levels.