

# Innovation at Unilever: Deep dive webcast

**Richard Slater**  
Chief R&D Officer

23<sup>rd</sup> June 2021



# 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. 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; 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 2020.

# Innovation: One of Unilever's 5 strategic choices

1. Develop our portfolio into high growth spaces

2. Win with our brands as a force for good, powered by purpose and innovation

3 Accelerate in USA, India, China and leverage emerging markets strength

4. Lead in the channels of the future

5. Build a purpose-led, future-fit organisation and growth culture

A large, teal-colored double-headed arrow pointing left and right, with the text 'Operational Excellence' centered in white.

**Operational Excellence**

- **World-class R&D**  
Delivering superior and sustainable innovations for competitive advantage
- **Focused science and technology initiatives**  
Developing science and technology for the future
- **Transformed innovation portfolio**  
Clear priorities, focus on bigger projects and discipline in execution
- **Delivering strategy through innovation**  
To transform the core, premiumise and access high growth spaces

- **World-class R&D**
- Focused science and technology initiatives
- Transformed innovation portfolio
- Delivering strategy through innovation



**TOUGHER ON STAINS + KINDER TO OUR WORLD**

**NEW**

**Persil bio**

PLANT BASED STAIN REMOVERS | 100% RECYCLED BOTTLE

DIRT IS GOOD

Unilever logo in top left corner.



**Lifebuoy**

**Soft Surface Disinfectant**

**NEW**

**Gentle on you.**

**Brutal on germs.**

**Up to 24h Antibacterial Protection**

Kills 99.99% of bacteria & viruses

NEW SOFT-SURFACE DISINFECTANT KILLS 99.9% GERMS

**BotanITeCH™**

DERMATOLOGICALLY TESTED

Unilever logo in top left corner.

# A world-class R&D function

## Deep science and technology expertise

5,000 colleagues,  
51% female

>20,000 patents

Innovative partner ecosystem

## Consumer obsession

>1 billion digital connections every day

Deep local connection and insights

Agile, consumer-centric innovation

## Global scale and local knowledge

Eight global technology hubs

Ten regional innovation hubs

Local presence in >60 markets

## Cutting-edge digital technology

Automated labs of the future

Rapid, superior product design

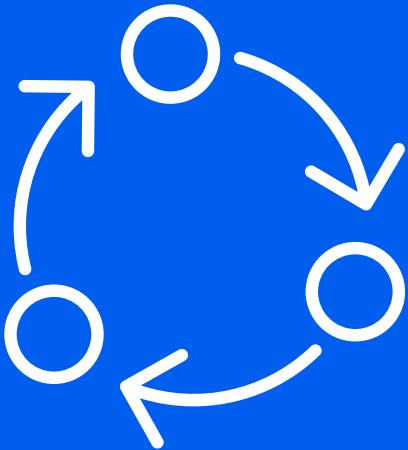
AI accelerating product innovation

- World-class R&D
- **Focused science and technology initiatives**
- Transformed innovation portfolio
- Delivering strategy through innovation



## 3 examples

**Renewable ingredients**



**Next generation biology**



**Plant-based**



## Renewable ingredients

### Bio-surfactants



- Renewable and biodegradable
- Harnessing bio-technology
- Superior mildness

### Carbon capture



- World-first innovative pilot
- Surfactant from waste emissions
- 'Test and learn' launch in China

### Plastics alternatives

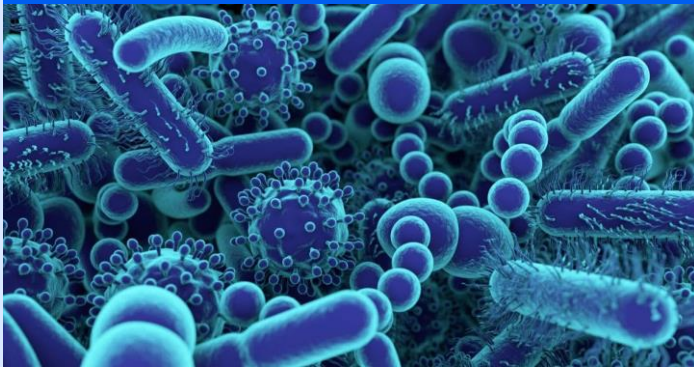


- First-ever paper detergent pilot
- Sustainably-sourced pulp
- Collaboration with Pulpex

## Next generation biology



### Microbiome

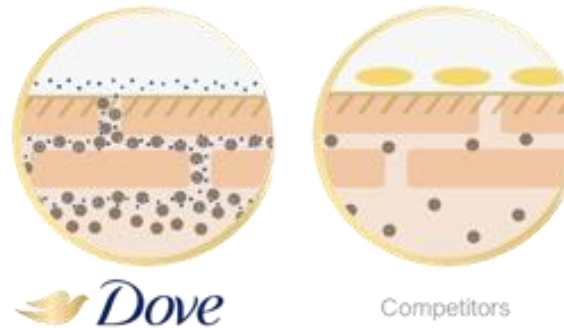


Biome key for skin, hair, oral and gut wellbeing

World-leader, >100 patents

Innovative partnerships

### Skin barrier



Novel pro-lipids technology

Stimulates skin to self-repair

Clinically proven to work on driest skin in 2 hours

### Immunity



Clinically-proven, superior technology

Stimulating skin's natural immunity

Proven effective on Covid-19 viruses

## Plant - based

### Dairy-free and vegan



New Food Innovation Centre  
Taste and structure is key  
Launched on biggest brands

### Meat alternatives



Sustainable and plant-based  
Superior taste and texture  
Novel partnerships (Biotech)

### Green polymers



Removes stains first time



Made with plant-based stain removers

Alternative to petrochemicals  
Superior stain removal  
Renewable and biodegradable

- World-class R&D
- Focused science and technology initiatives
- **Transformed innovation portfolio**
- Delivering strategy through innovation

# Transforming how we innovate

## Sharper innovation strategies



New innovation strategies for all categories

Choices behind high growth spaces

Focus on differentiated technologies and winning products

## Superior Products

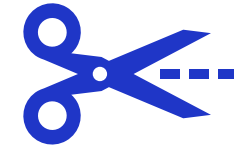


Doubled testing vs 2019

From <50% to >65% of turnover tested winning

Developed a new 'holistic superiority' approach

## Fewer, bigger activities executed with discipline



More than doubled project size

Stopped >30% of projects

Cut time to market by 30%

- World-class R&D
- Focused science and technology initiatives
- Transformed innovation portfolio
- **Delivering strategy through innovation**

# Delivering strategy through innovation



**Core  
Transformation**



**Premiumisation**



**Future Growth  
Spaces**



# Delivering strategy through innovation



**Core  
Transformation**



**Premiumisation**



**Future Growth  
Spaces**

81% of people experience wetness and odour issues

Unique, patented technology, 72-hour protection

Superior vs competition

**NEW**

# FIRST EVER 72H NONSTOP PROTECTION HOWEVER MUCH YOU MOVE



It Won't Let You Down.

Reducing salt a key WHO nutrition objective

1000s of digital experiments in rapid time

Patented technology: all the taste but zero salt



Clinically-proven, superior moisturisation on core body wash

Patented, '12-HSA' technology; skin care benefits on a wash-off

Sustainable packaging; 100% recycled bottles

**NEW FORMULA**

**NEW** formula with skin-natural moisturizers for instantly soft skin & lasting nourishment. Proven lasting care for the skin you live in.

**moisture renew blend**

100% recycled bottle



Largest laundry brand in Latin America

Dilute at home format uses 75% less plastic, less water and chemicals

Affordable and convenient, driving market share performance



# Delivering strategy through innovation



**Core  
Transformation**



**Premiumisation**



**Future Growth  
Spaces**



Magnum pints – highly successful format innovation

Unique double layer technology with superior taste and sensory experience

Advanced food-grade recycling technology – 100% recycled tubs





Exotic sensorials and clinically-proven skin care benefits

Locally tailored, launched in China ecommerce, rolling out across Asia

Facilitating trade-up from bar soap to liquids



Premium hair care segment growing at 30%

Patented formula with clinically-proven superiority to luxury brands

160 API vs core range





KIND TO YOUR SKIN,  
KIND TO THE PLANET

New Dove  
0% aluminum deodorant,  
**Buy once, refill for life**

Buy once and refill  
50% less plastic  
98% recycled plastic  
100% recyclable

Premium design and  
ecommerce potential

Ultra mild to skin and  
48 hour odour  
protection



# Delivering strategy through innovation



**Core  
Transformation**



**Premiumisation**



**Future Growth  
Spaces**



Hygiene



Skin care



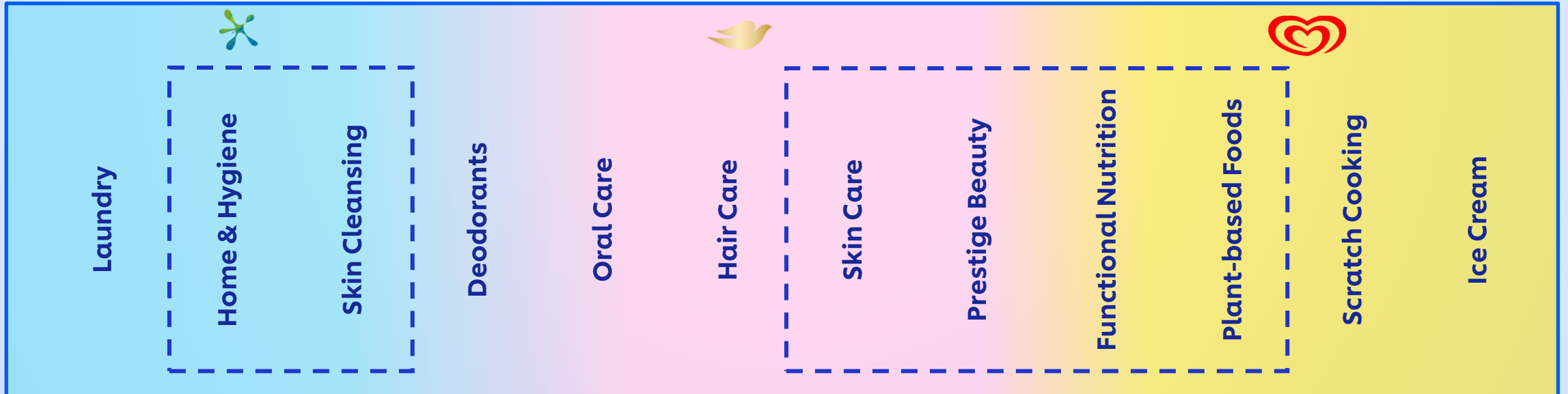
Prestige beauty



Functional nutrition



Plant-based foods



Priority focus area



**Ambition for €3 billion Functional Nutrition business over next few years**

**Clear and simple consumer benefit-focused variants and accessible formats**

**Opportunity to leverage Unilever scale science & technology**



**Unilever R&D  
expertise applied to  
Prestige beauty**

**First vegan  
alternative to  
carmine (beetles)**

**Cruelty-free, with no  
compromise to  
colour, vibrancy and  
intensity**

- **World-class R&D**  
Delivering superior and sustainable innovations for competitive advantage
- **Focused science and technology initiatives**  
Developing science and technology for the future
- **Transformed innovation portfolio**  
Clear priorities, focus on bigger projects and discipline in execution
- **Delivering strategy through innovation**  
To transform the core, premiumise and access high growth spaces

# Innovation at Unilever: Deep dive webcast

**Richard Slater**  
Chief R&D Officer

23<sup>rd</sup> June 2021

