



## ING Benelux Conference

### Industrial Revolution - How soft factors can reap hard profits

Paul Polman - CEO

7<sup>th</sup> April 2011

## 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 'expects', 'anticipates', 'intends', 'believes' 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 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, including, among others, competitive pricing and activities, economic slowdown, industry consolidation, access to credit markets, recruitment levels, reputational risks, commodity prices, continued availability of raw materials, prioritisation of projects, consumption levels, costs, the ability to maintain and manage key customer relationships and supply chain sources, consumer demands, currency values, interest rates, the ability to integrate acquisitions and complete planned divestitures, the ability to complete planned restructuring activities, physical risks, environmental risks, the ability to manage regulatory, tax and legal matters and resolve pending matters within current estimates, legislative, fiscal and regulatory developments, political, economic and social conditions in the geographic markets where the Group operates and new or changed priorities of the Boards. 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 the Group's Annual Report on Form 20-F for the year ended 31 December 2010. 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.

# Unilever



- Revenues of €44bn
- Sales in over 180 countries
- Present in half the households on the planet
- Used by 2 billion people every day
- 167000 employees

## Lessons from the Financial Crisis



→ Avoid the pitfalls of “quarterly capitalism”

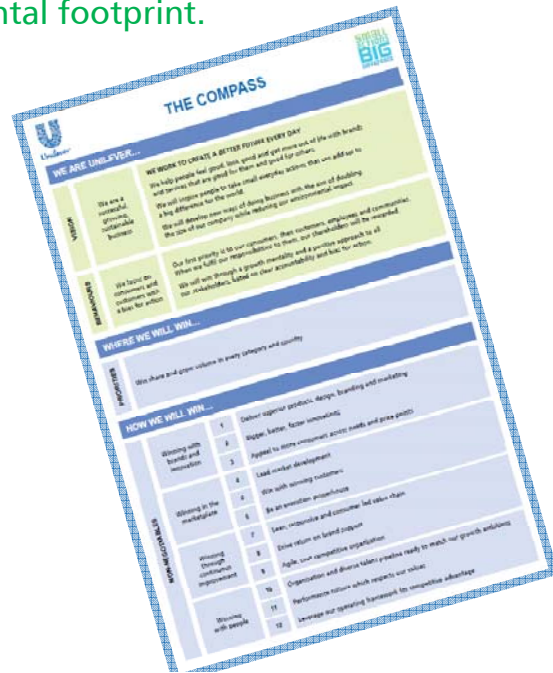
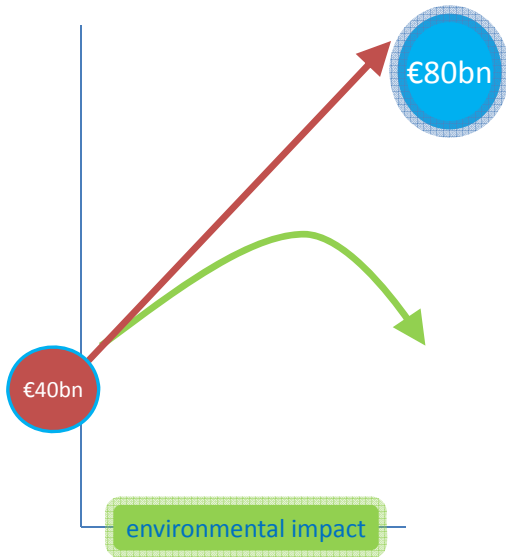
→ 2009: Stopped giving guidance

→ 2010: New approach to quarterly reporting

# Compass strategy sets out our ambition



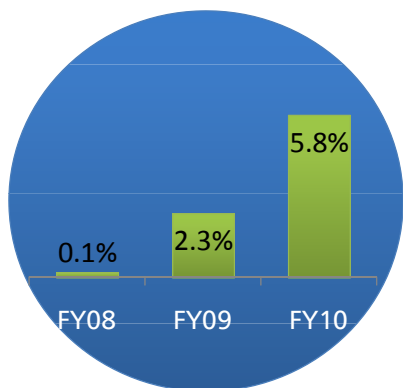
It is to **double the size** of Unilever whilst at the same time **reducing our environmental footprint**.



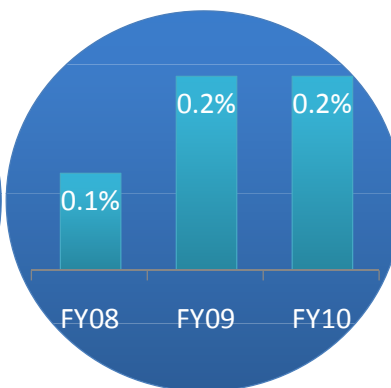
# Business results are following



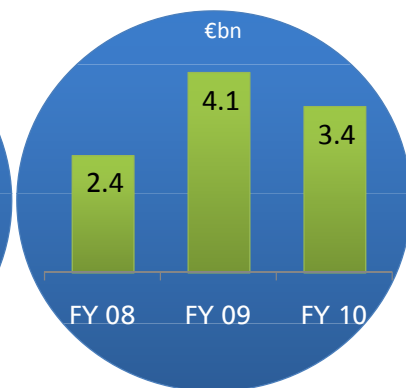
**Volume Growth accelerated**



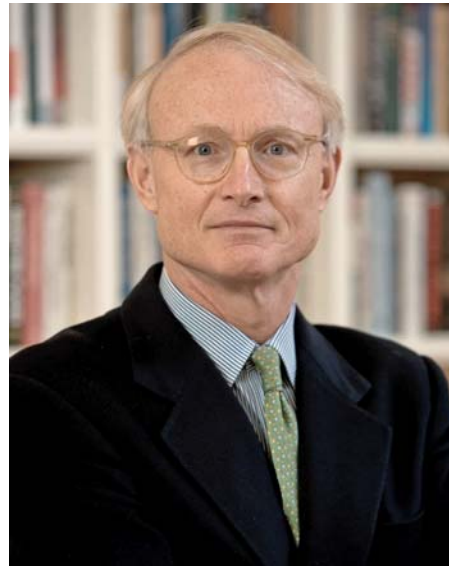
**Underlying Operating Margin increased**



**Free Cash Flow delivered**

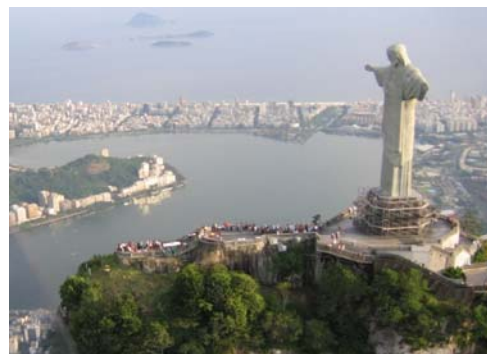


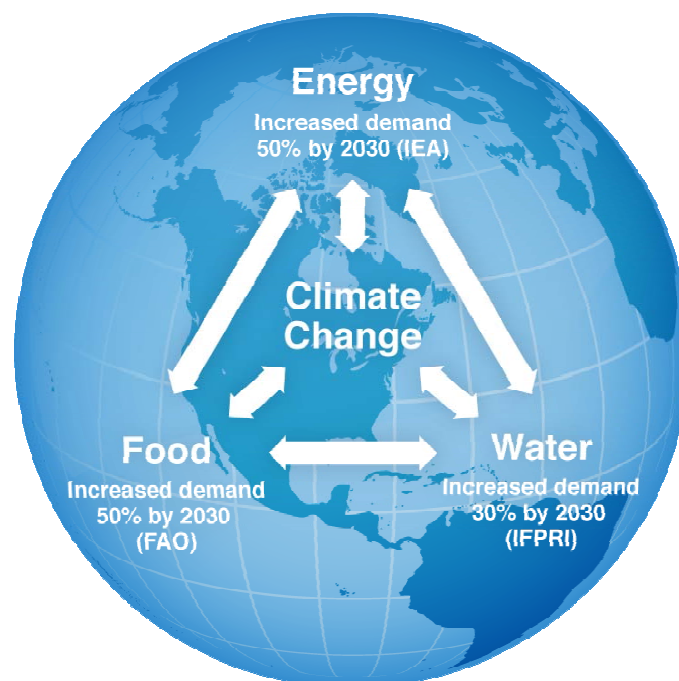
# Shared Value



Professor Michael Porter

# Shift of economic power





## Population growth drives everything



9.6 billion people in 2050



A city the size of London every month

## We've only one planet, not three





# Unilever Sustainable Living Plan

## Unilever Sustainable Living Plan: Three key features



ALL BRANDS  
ALL  
COUNTRIES



# Unilever Sustainable Living Plan: Three key features



ALL BRANDS  
ALL  
COUNTRIES

LIFECYCLE  
IMPACTS



# Unilever Sustainable Living Plan: Three key features



ALL BRANDS  
ALL  
COUNTRIES

LIFECYCLE  
IMPACTS

SOCIAL

ECONOMIC

ENVIRONMENTAL



# Unilever Sustainable Living Plan: Three big goals



HELP  
**1 BILLION**  
PEOPLE IMPROVE  
THEIR HEALTH  
& WELL-BEING

**HALVE**  
ENVIRONMENTAL  
FOOTPRINT OF  
OUR PRODUCTS

SOURCE  
**100%**  
OF AGRICULTURAL  
RAW MATERIALS  
SUSTAINABLY

# The business case for sustainability



## Consumers want it ...



Ethically sourced products are growing



A more sustainable brand is a more desirable brand

## Customers want it ...



Many retailers have their own sustainability goals



They need our support to achieve them

It fuels innovation ...



New products with new consumer benefits

It fuels innovation ...



It helps grow markets ...



Safe, clean, inexpensive drinking water



2 litres for less than a US cent

and it saves money



Manufacturing eco-efficiency  
c.€200m savings 2006-10



1. To drive volume growth ahead of our markets
2. Steady and sustainable underlying operating margin improvement
3. Strong cash flow

# Questions

