

Unilever at CAGNY

Graeme Pitkethly / Richard Williams

Thursday, 21st February 2019





Unilever

Unilever at CAGNY

Richard Williams

Thursday, 21st February 2019



SAFE HARBOUR STATEMENT

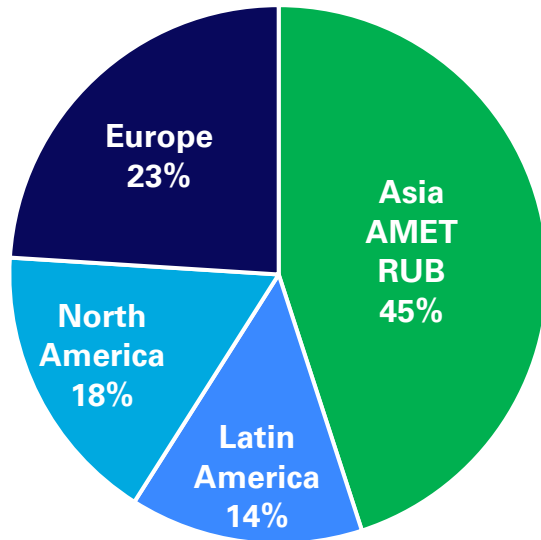
This announcement may contain forward-looking statements, including 'forward-looking statements' within the meaning of the United States Private Securities Litigation Reform Act of 1995. Words such as 'will', 'aim', 'expects', 'anticipates', 'intends', 'looks', 'believes', 'vision', or the negative of 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; the effect of climate change on Unilever's business; 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 announcement. 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 Annual Report on Form 20-F 2017 and the Unilever Annual Report and Accounts 2017.

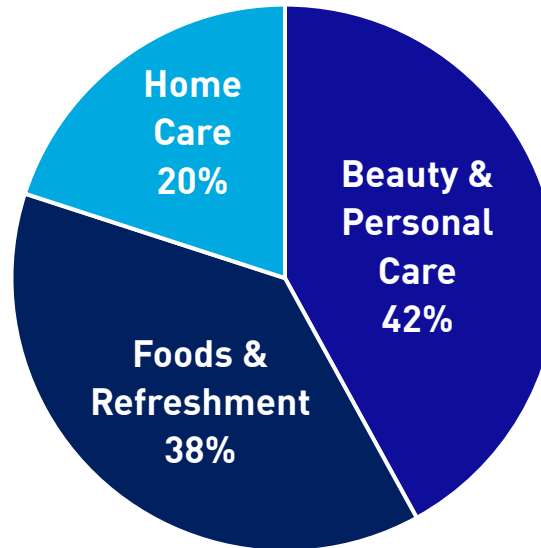
Unilever today

190 countries



59% Emerging Markets

2.5 billion consumers



3 strong Divisions

85% leading positions



80% of leaders are local. #1 FMCG employer in 44 countries

2018 : Continued profitable growth in volatile markets

Growth

Underlying Sales Growth
exc. spreads

+3.1%

+2.1%

Underlying Volume Growth
exc. spreads

Margin

Underlying Operating Margin

+90 bps

+50 bps

Gross Margin

Earnings

Constant Underlying EPS

+12.8%

+5.2%

Underlying EPS

Cash

Free Cash Flow

€5.0 bn

€(0.4) bn

vs 2017

2018: Highlights

Cash return to
shareholders

€10bn

High ROIC
sustained

18.8%

Net Debt /
EBITDA

1.9x

Savings

>€2bn

E-commerce

50%
Growth

New brand
launches

18

Horlicks

+€550m
Turnover

2020 programme

	2020 Target	Delivered to date
UOM	20%	18.4%
Savings	€6bn	>€4bn
Net Debt	2.0x	1.9x
Share Buyback	Return proceeds from Spreads disposal	€6bn
Cash Conversion	100%	99% (2017/18)
ROIC	High teens	19% (avg 2017/18)

ON TRACK

Unilever at CAGNY

Graeme Pitkethly

Thursday, 21st February 2019



Key themes

Purpose-led, Future-fit



Growth and Margin

**SUPERIOR
LONG
TERM
VALUE**

Emerging Markets

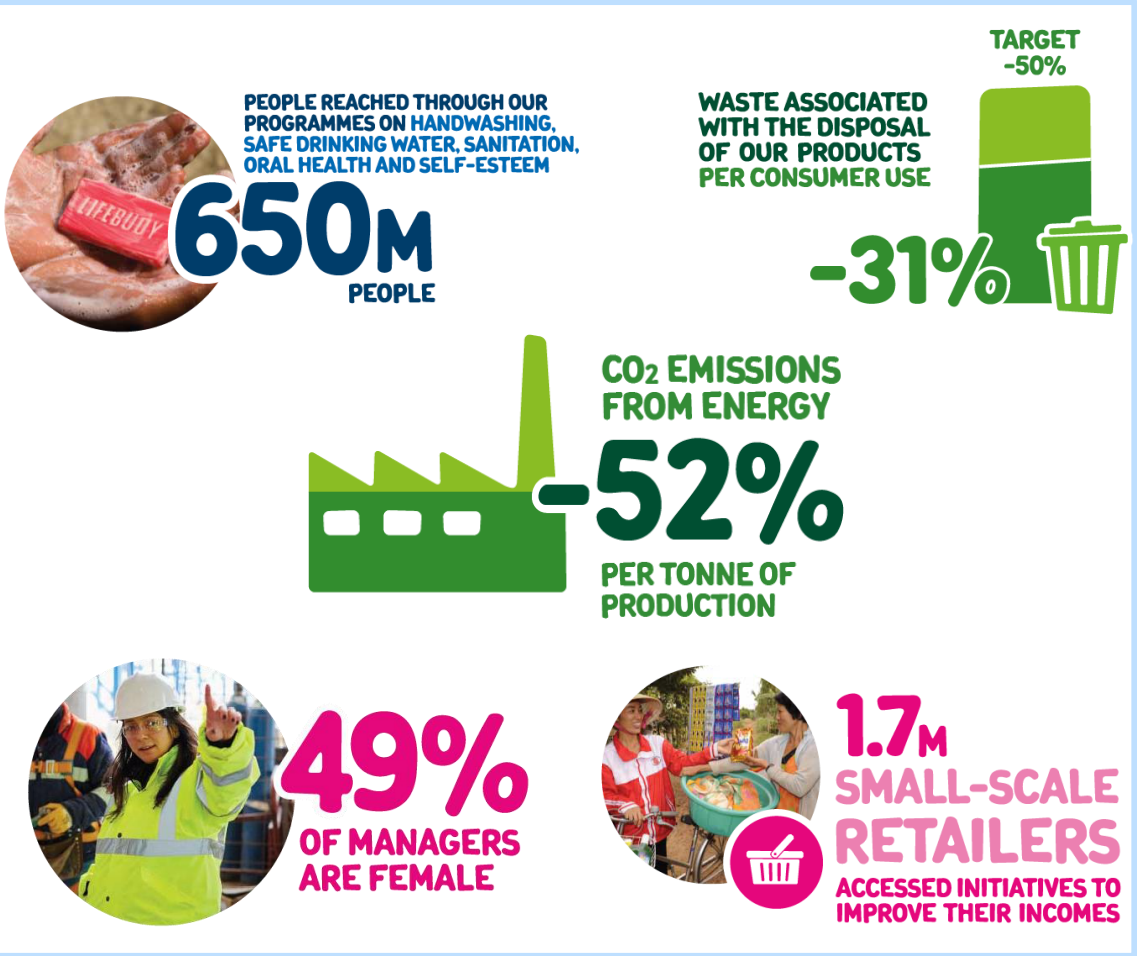


Digitising our Business



Unilever Sustainable Living Plan: a journey

Since 2010



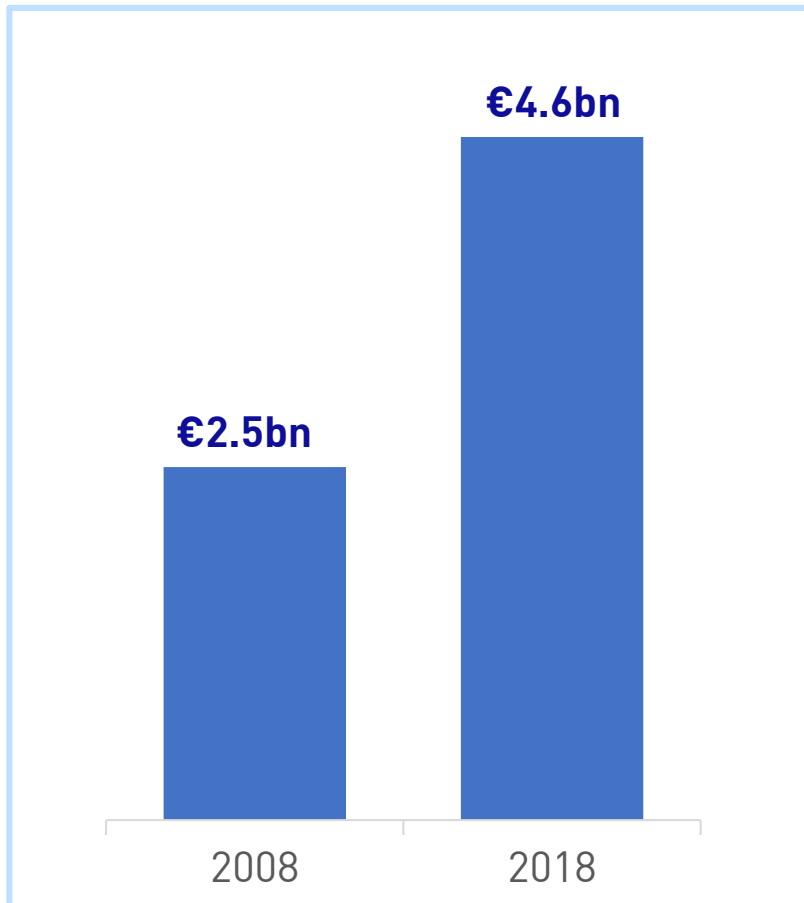
Sustainable living brands



Dove: Brand with purpose



Largest brand in Unilever



With Purpose



At Scale

- Our largest brand, grew 8% on average per annum since 2011
- Present in 170+ countries, multi-categories
- Content driven marketing and constant innovation



Dove



KELLY ROWLAND

Key themes

Purpose-led, Future-fit



Growth and Margin

SUPERIOR
LONG
TERM
VALUE

Emerging Markets



Digitising our Business



Key themes

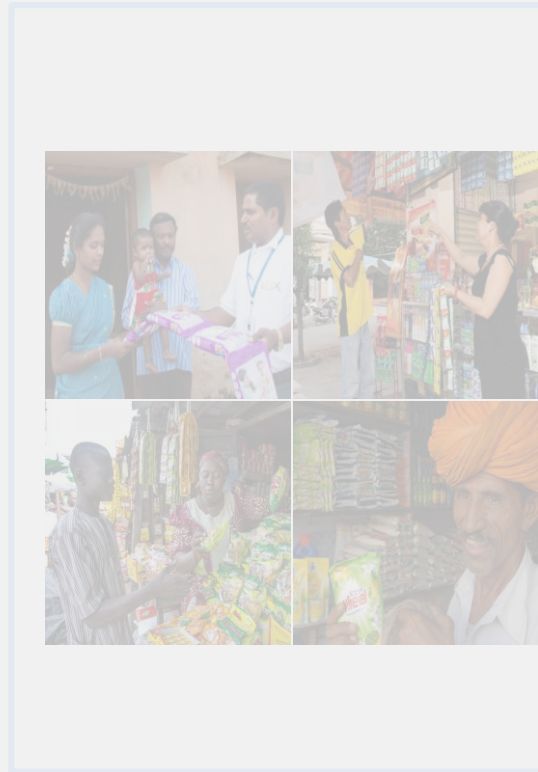
Purpose-led,
Future-fit



Growth and Margin

**SUPERIOR
LONG
TERM
VALUE**

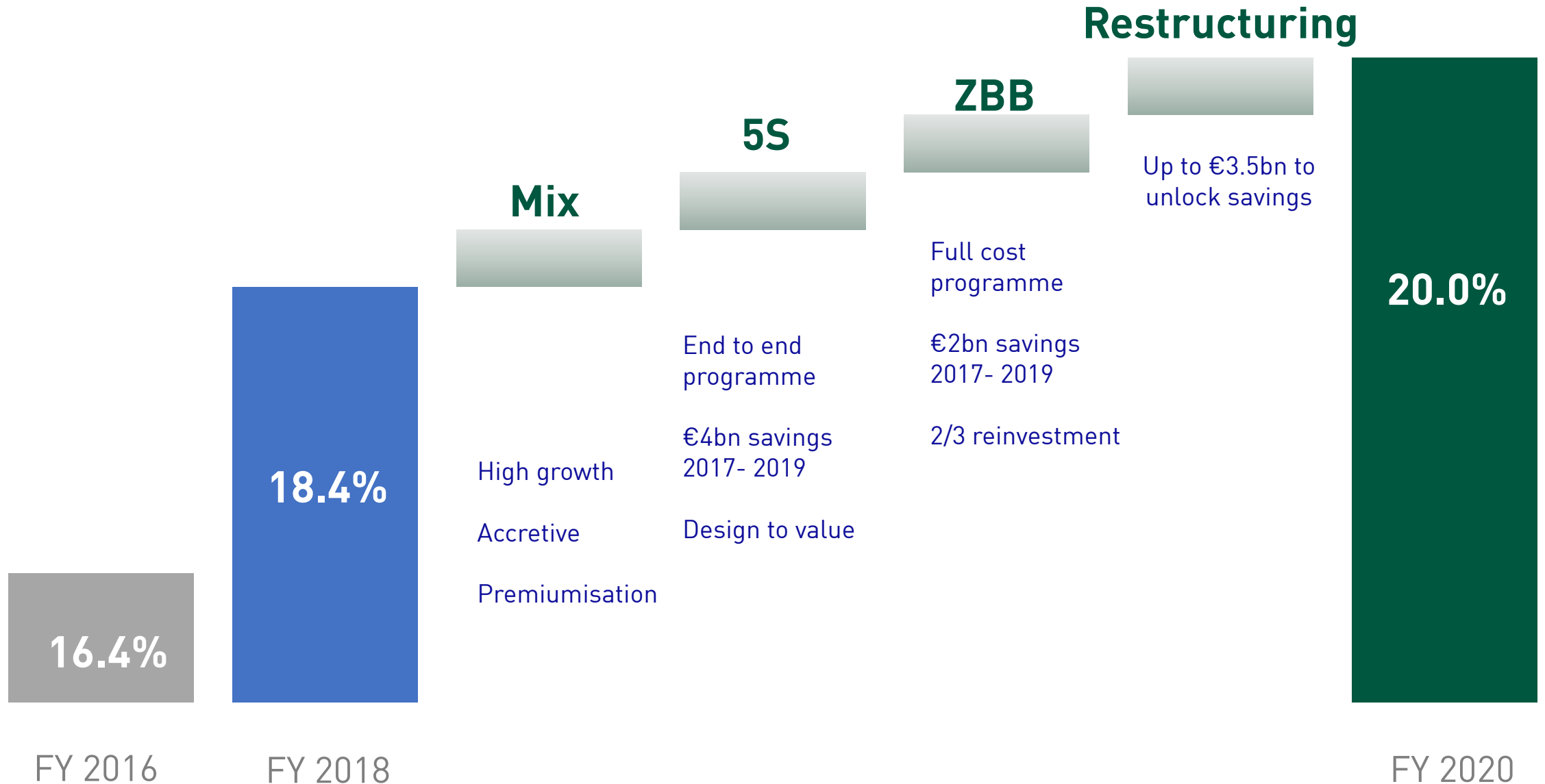
Emerging Markets



Digitising our
Business

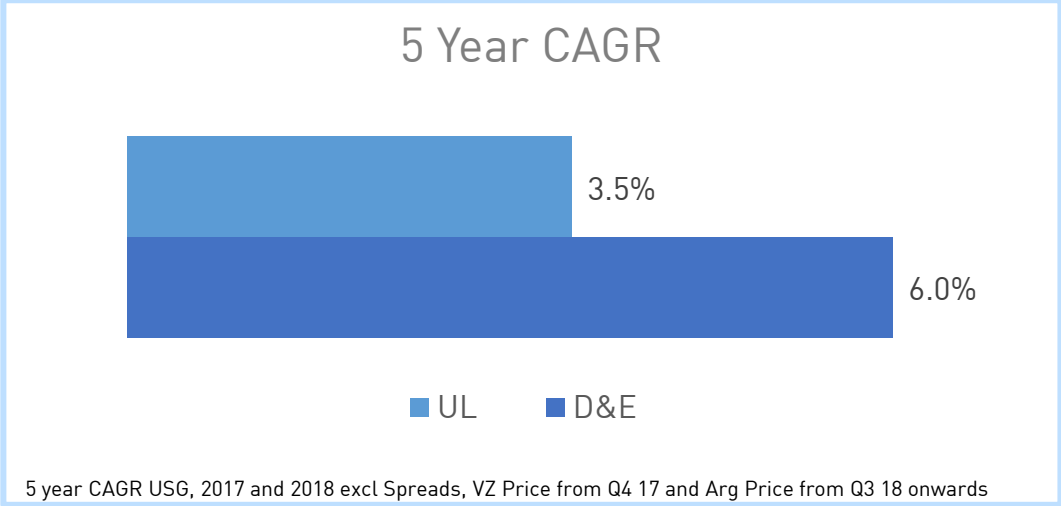


Levers of Margin

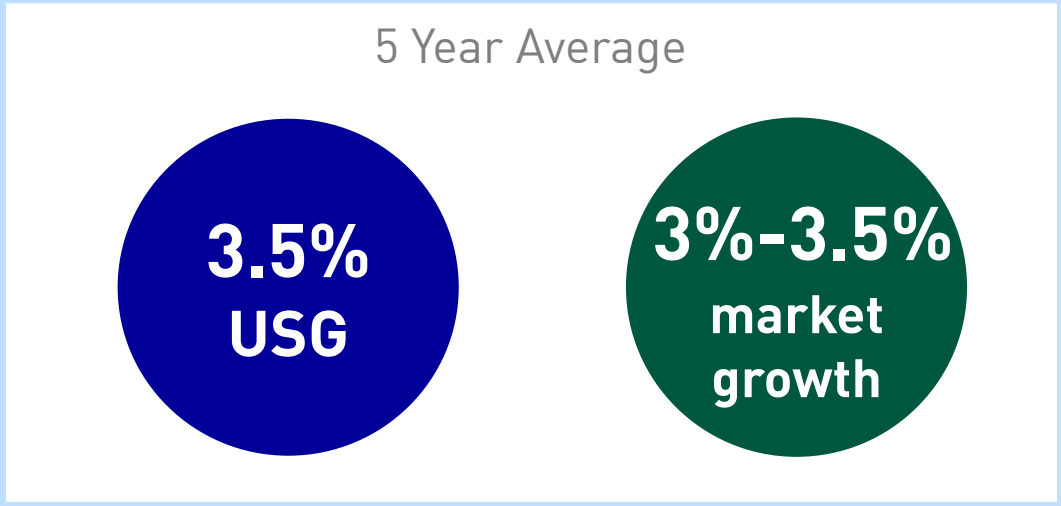


Unilever growth model

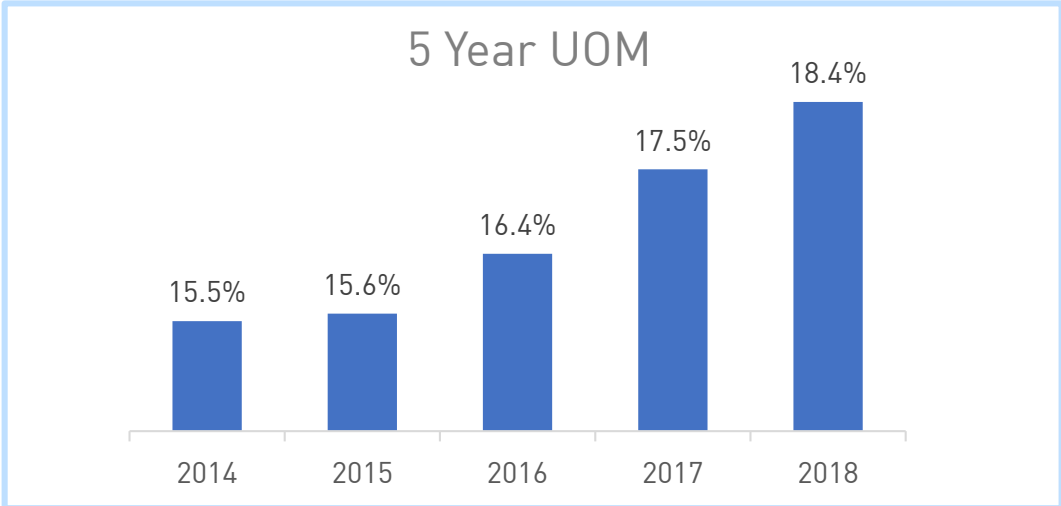
Consistent growth



Competitive growth



Profitable growth

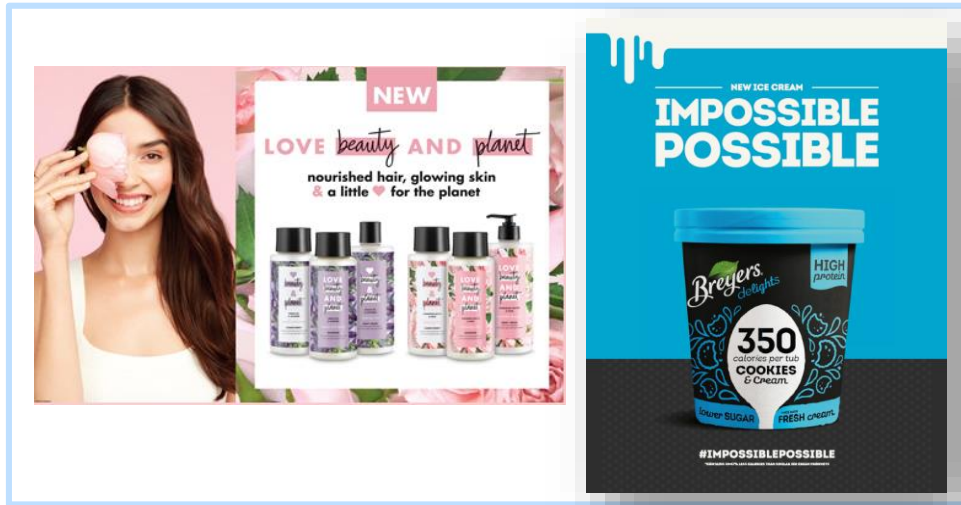


Responsible growth

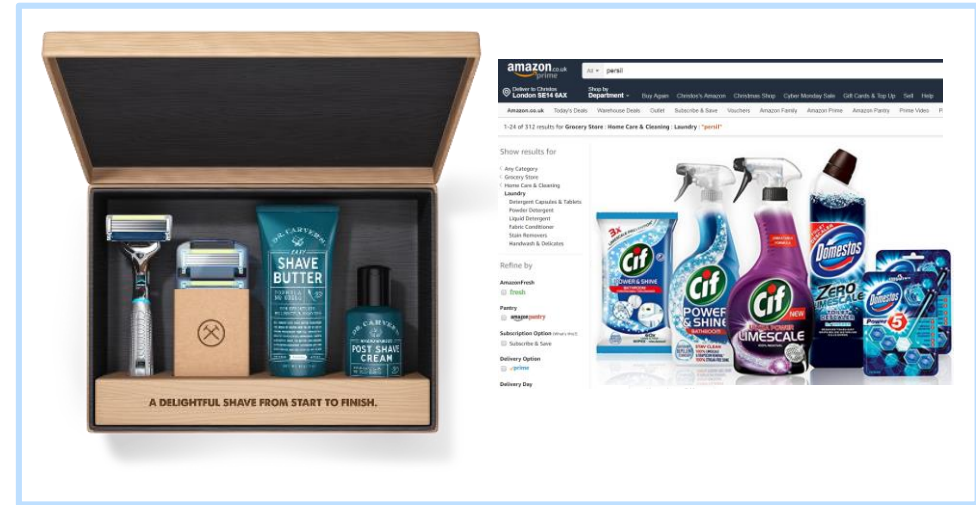


Levers of Growth

High growth segments



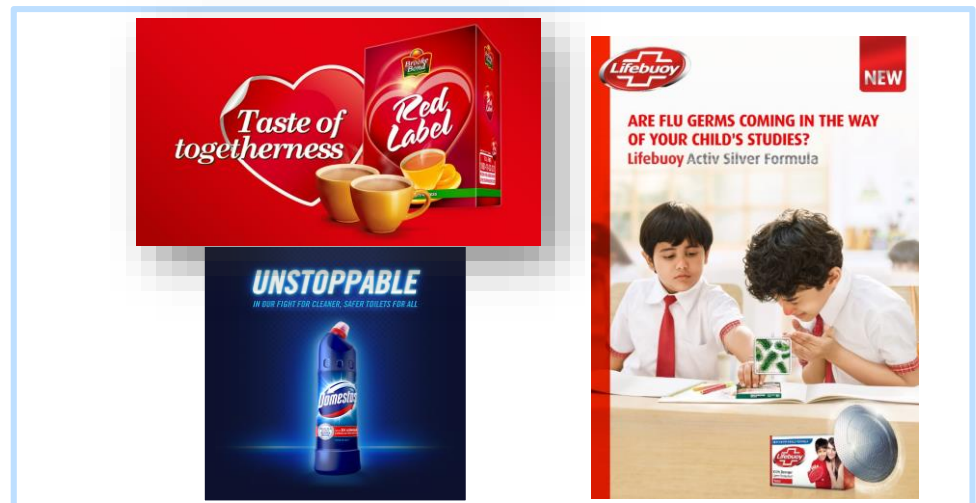
Channels



Emerging markets

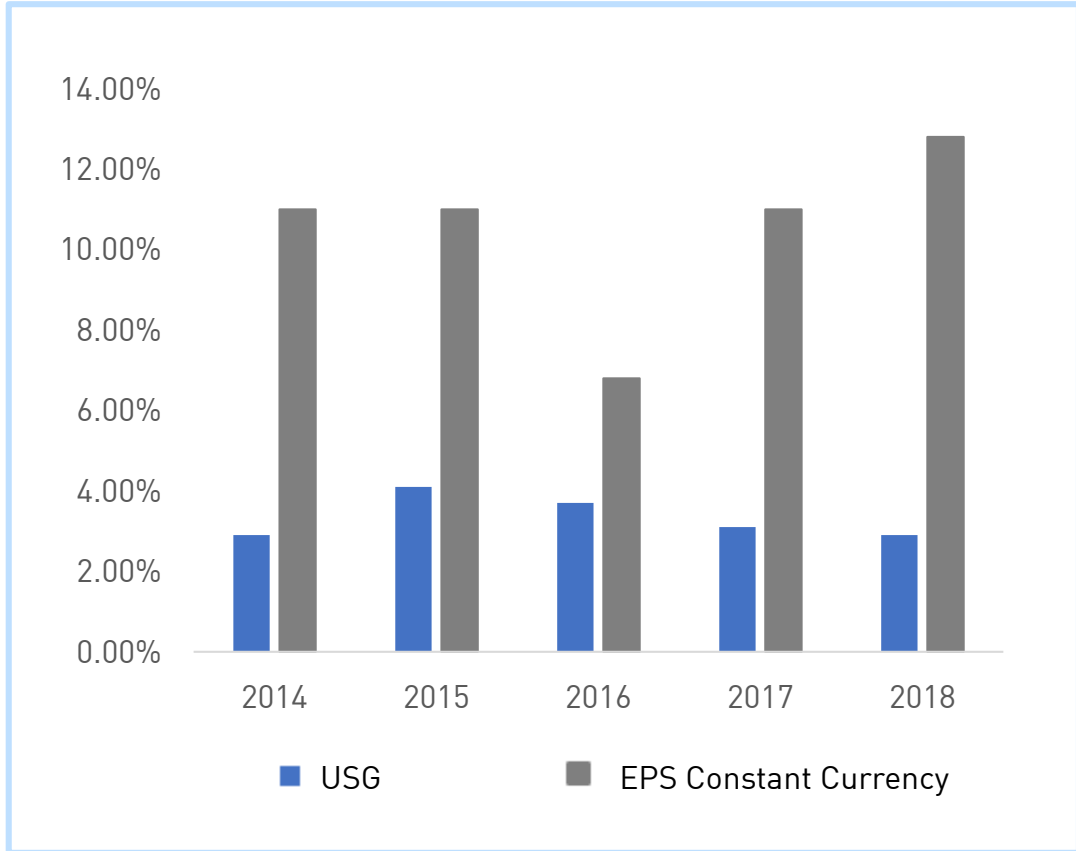


Purpose

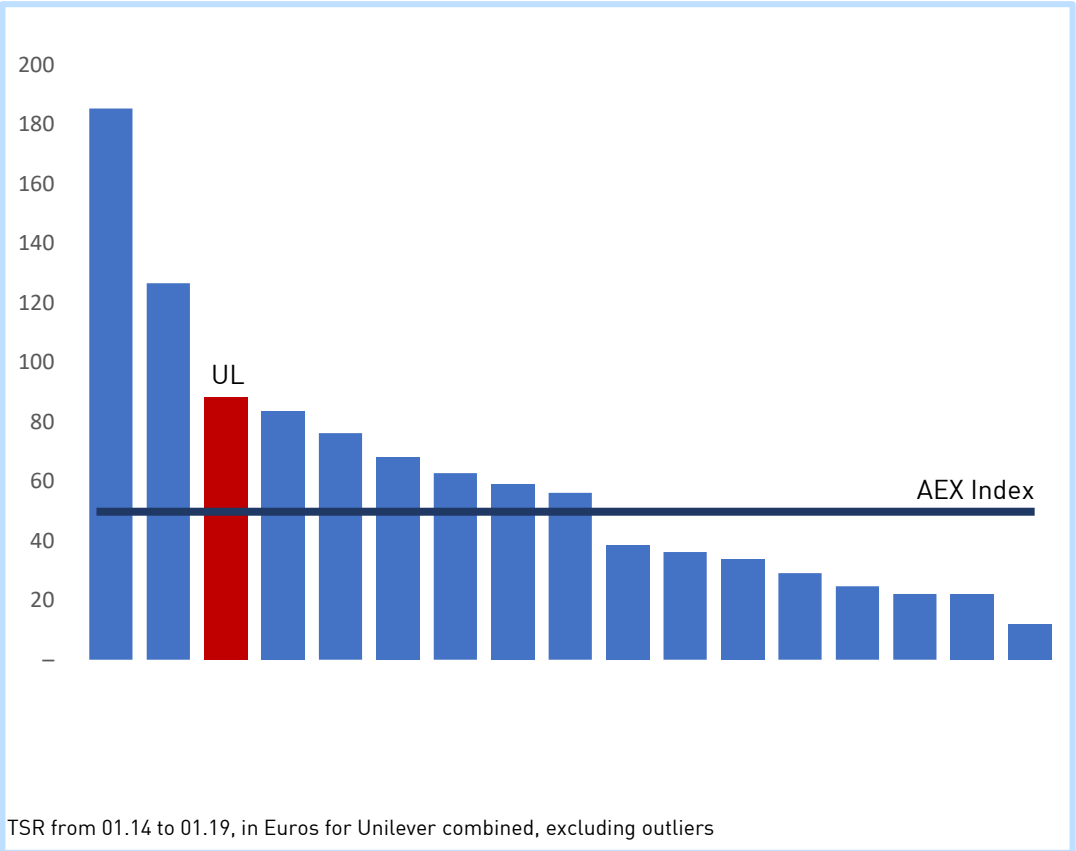


Balanced growth delivering value

Top line growth and EPS growth



Total shareholder return



TSR from 01.14 to 01.19, in Euros for Unilever combined, excluding outliers

Key themes

Purpose-led,
Future-fit



Growth and Margin

SUPERIOR
LONG
TERM
VALUE

Emerging Markets



Digitising our
Business



Macro trends driving growth

Urbanisation



800m more people in EM cities:
More kitchens and more bathrooms

More Users

A rising middle class



400m more households in middle income:
Increased per capita consumption

More Benefits

More working women

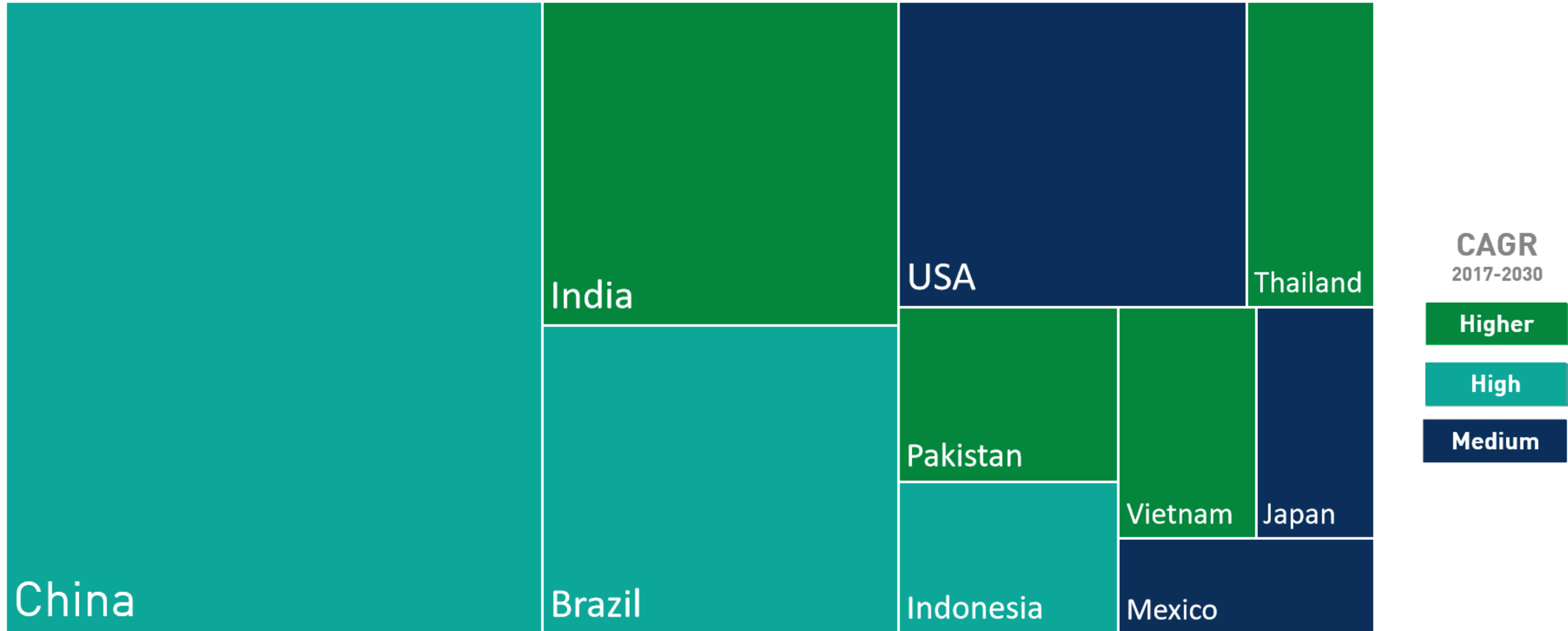


200m more women in the workforce:
More PC, meal makers & laundry aids

More Usage

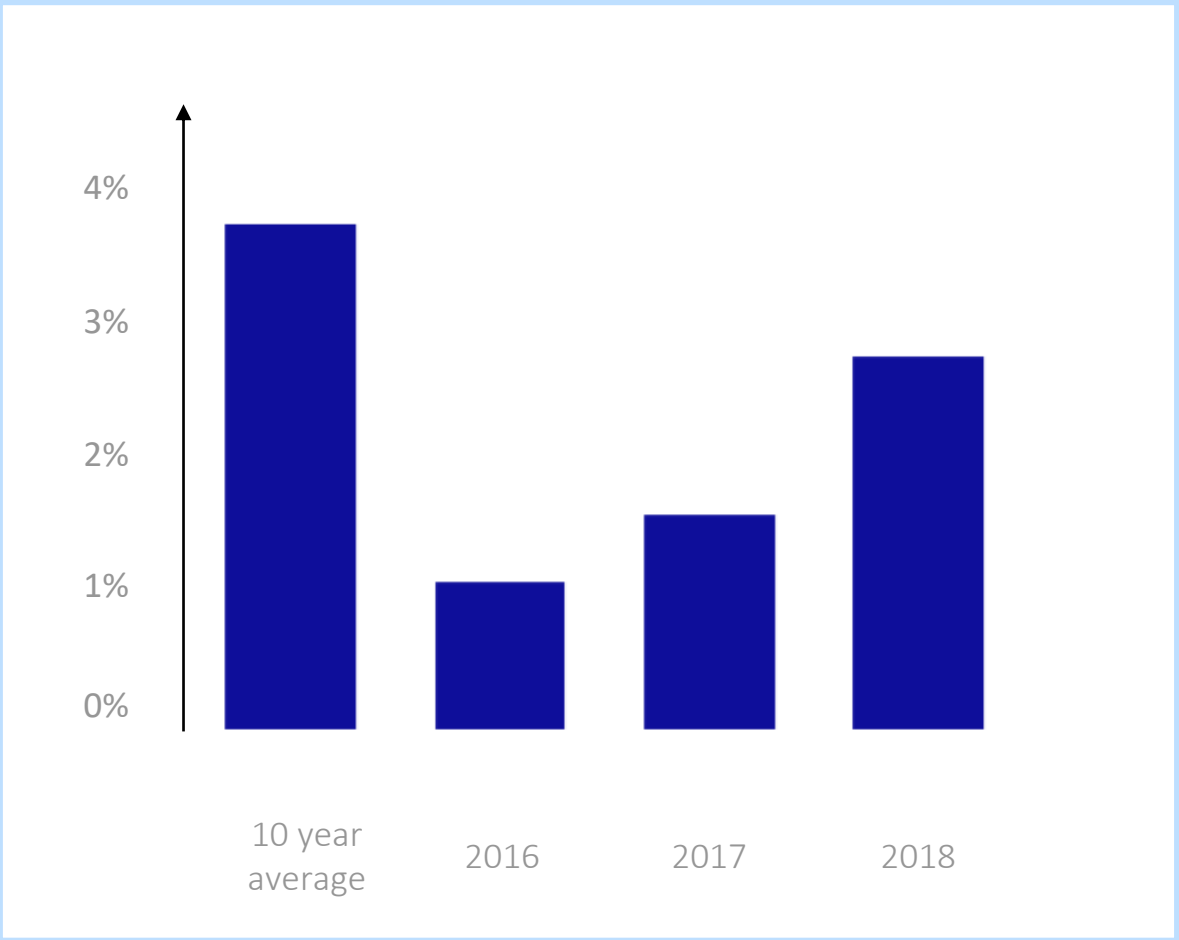
Emerging markets still the engine

Market growth in Unilever categories: 2017-2030 – Top Individual Markets

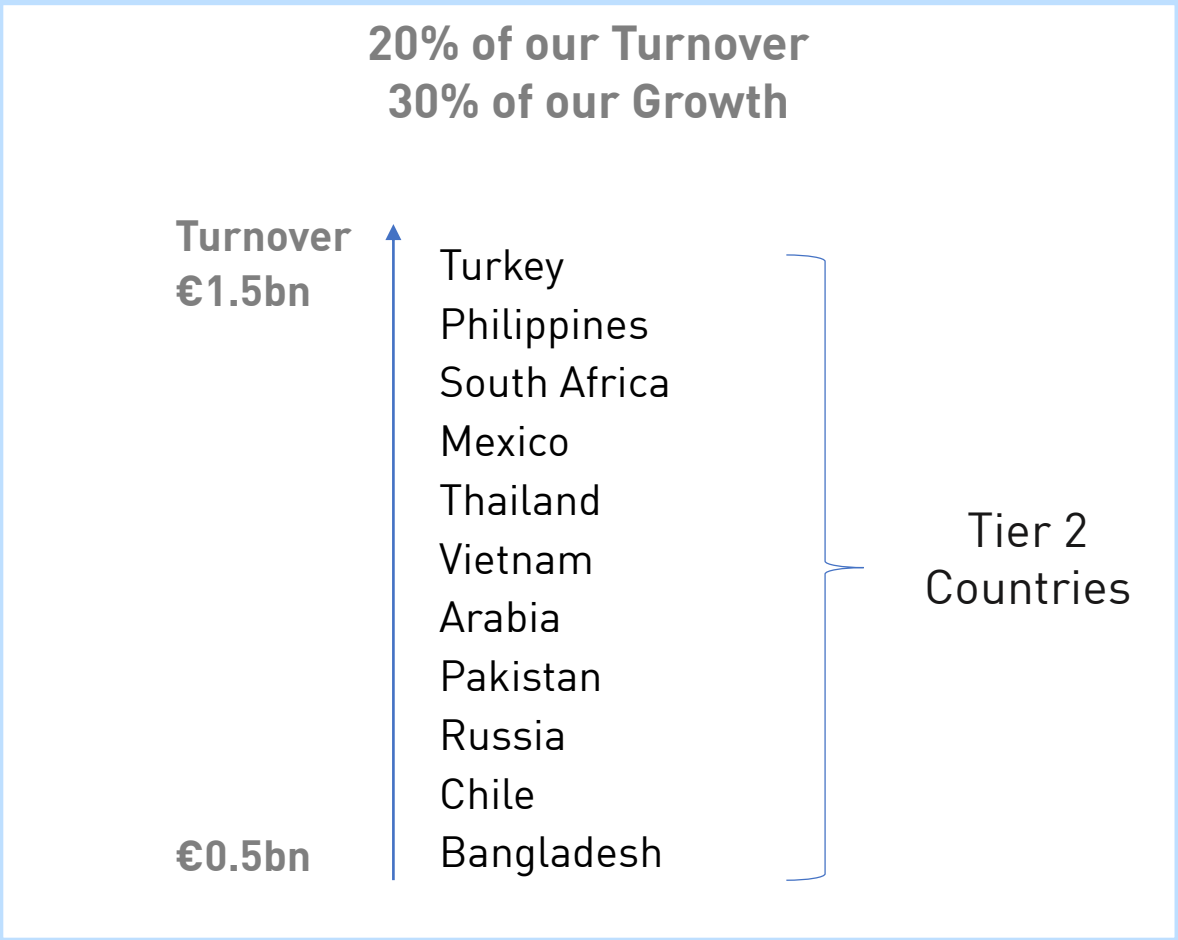


Emerging markets volume accelerating

Emerging markets underlying volume growth

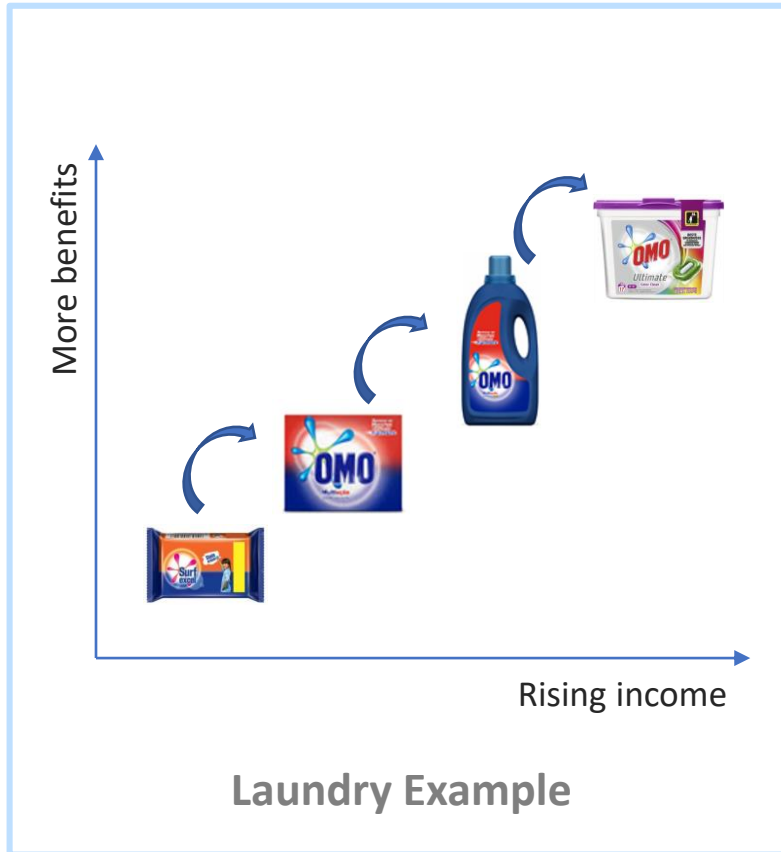


Breadth of our tier 2 markets

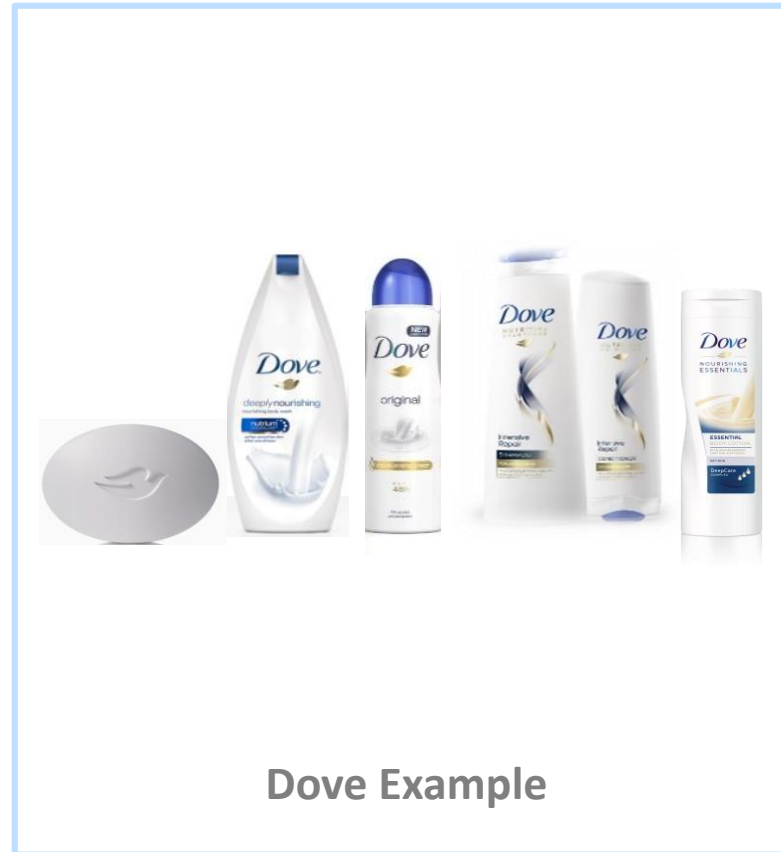


A proven model for market development

More benefits



Extend across sub categories



Opening new geographies



Key themes

Purpose-led,
Future-fit



Growth and Margin

**SUPERIOR
LONG
TERM
VALUE**

Emerging Markets



**Digitising our
Business**



Abundance of digital signals across the whole value chain

Consumer

Direct to consumer
Device ID
Social listening
Influencers data

Macro environment

Market size
GDP
Demographics
Weather



Customer

POS
Shelf price data
Promotional data
Merchandisers

Ice Cream cabinets
Daily sales
Digital factory
Producers

Operations

Digital hubs at the heart of a new model of marketing

**E-commerce
Performance Marketing**

Content Manager

PDC Insight Analyst

**DDM Measurement &
1:1 Optimisation**



**Audience Activation
Manager**

**DDM Dynamic
Audience Specialist**

**Data Driven Marketing (DDM)
Engagement Specialist**

**Data Governance
lead**

Investing in new competencies

... and it is delivering

Insight

Volume



550m Digital IDs
150m Personal IDs

Performance



300 campaigns collecting data
70+ campaigns executed

Readiness



4,000 UC segments ready to use

Media

1P in Media

LAKMÉ

50% uplift in ad recall on 60m impressions

Mass Customisation



60% uplift in click through rate for 'curly hair'

Super Segments



x2 uplift in CTR for Vegetarian audience from Unox

1:1

Email



50% Open and **1.9%** buy rate on diapers email

Web Personalisation



67% increased conversion on landing page

1:1 Sampling



25 PPT increase in supermarket penetration

Commerce

Performance Marketing



5x CTR (v 3P) on 3m devices

Performance Marketing



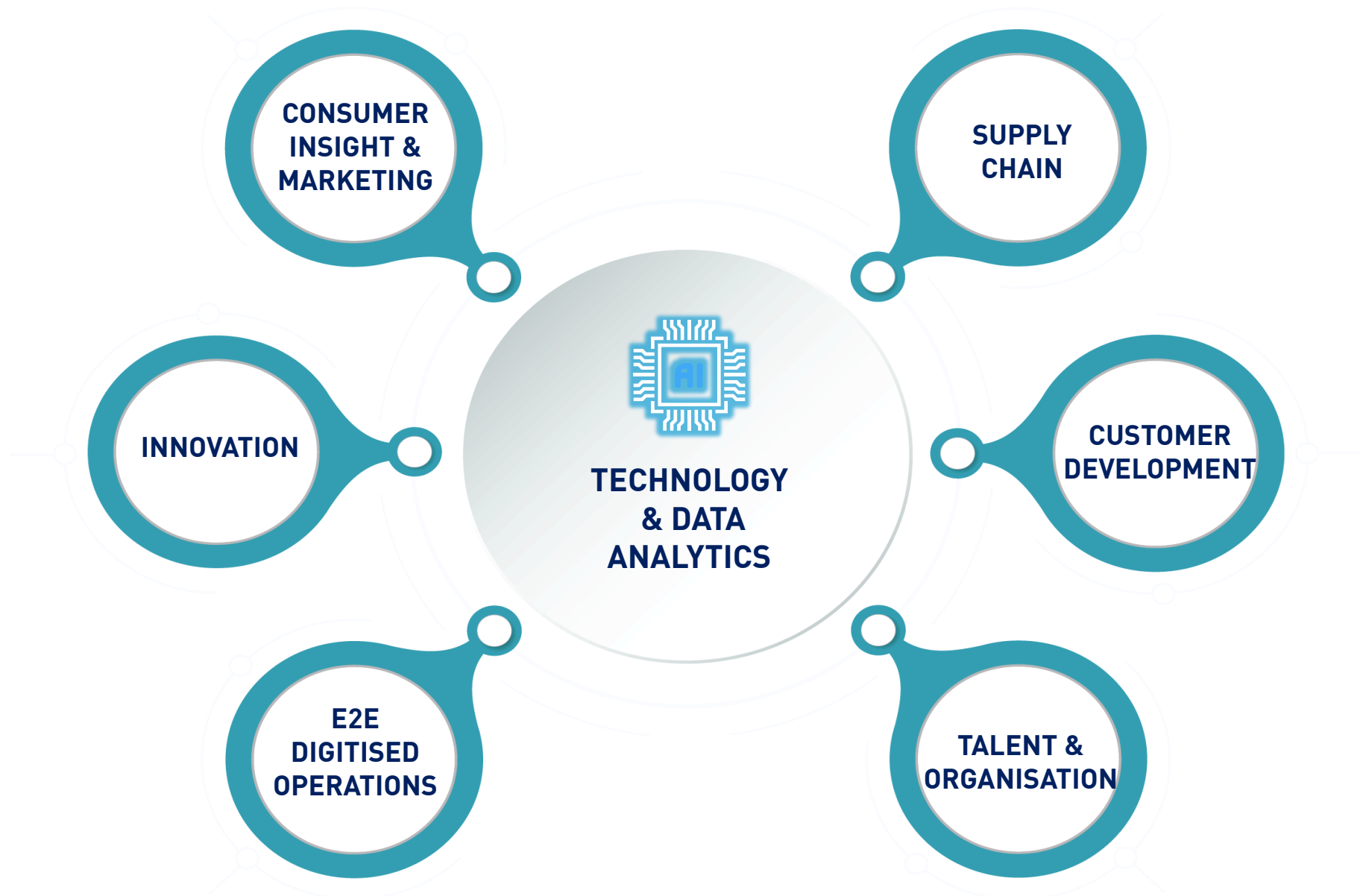
2x Click through rate vs 3rd party

Media Sampling



70% reduction in cost per lead. 60k orders

End to end digitisation



Key themes

Purpose-led, Future-fit



Growth and Margin

**SUPERIOR
LONG
TERM
VALUE**

Emerging Markets



Digitising our Business



Value creation

Purpose-led,
Future-fit

Multi-stakeholder
model

Superior financial
performance



Consumers



Customer



Employees



Planet



Society



Shareholders

2020 targets



GROWTH 3-5%



MARGIN 20%
UOM



CASH
CONVERSION 100%

**SUPERIOR
LONG
TERM
VALUE**

Unilever at CAGNY

Graeme Pitkethly / Richard Williams

Thursday, 21st February 2019

