

**#comeoutstronger**

**Graeme Pitkethly & Nitin Paranjpe**

**9<sup>th</sup> June 2020**



**Unilever**

# 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.

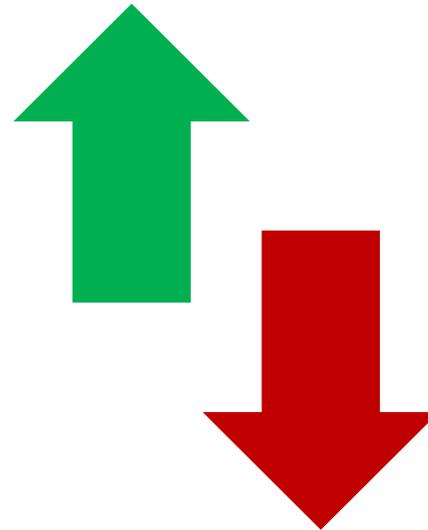
Because these forward-looking statements involve risks and uncertainties, there are important factors that could cause actual results to differ materially from those expressed or implied by these forward-looking statements. Among other risks and uncertainties, the material or principal factors which 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; 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 Annual Report on Form 20-F 2019 and the Unilever Annual Report and Accounts 2019.

# Today's themes: #comeoutstronger

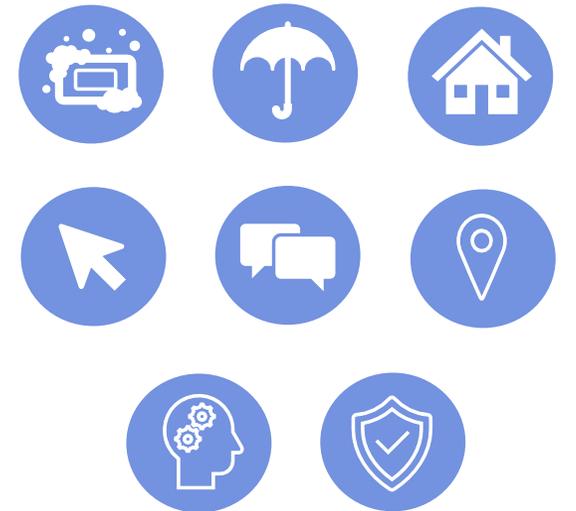
## Pre Covid-19

- 1 Improved penetration
- 2 Impactful innovation
- 3 Design for channel
- 4 Purposeful brands
- 5 Fuel for growth

## Resilient portfolio



## Future normal



2.5bn

consumers reached

50%

female managers

190

countries

60%

sales in emerging markets

12

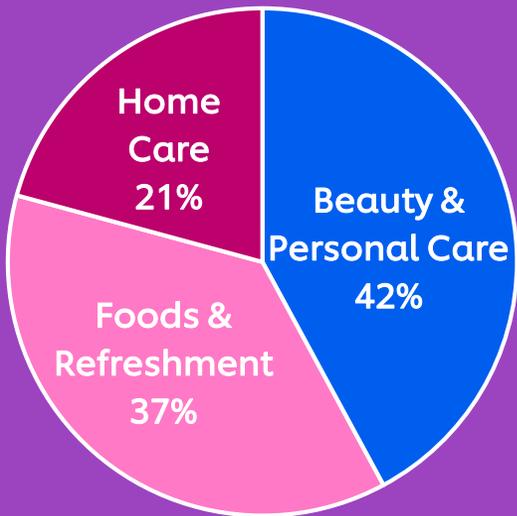
billion euro brands

1.3bn

people helped to improve health and hygiene



14 of the top 50 global consumer brands



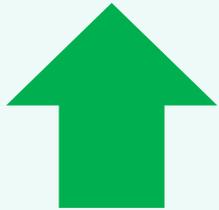
90%

local leaders

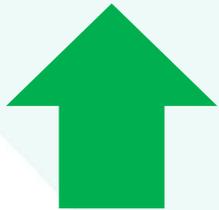


# The 5 Growth Fundamentals are working

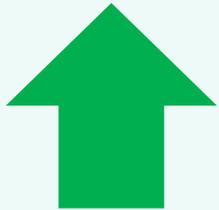
## Key indicators improving



Penetration +400bps  
From Q4'19 to Q1' 20



Market share improvements



Accelerating e-commerce  
growth

## Continued progress in US hotspots



**+40bps**

L12W ice cream value share



**+40bps**

L12W wash & care value share



**+20bps**

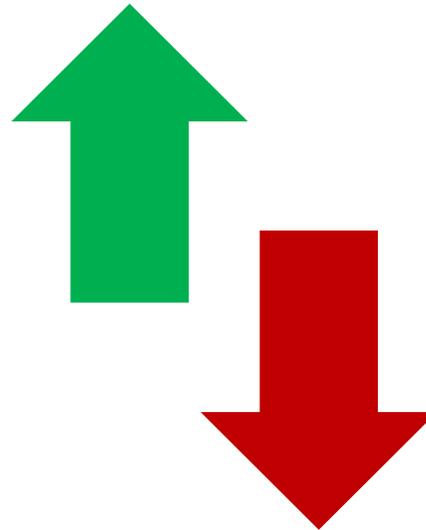
L12W dressings value share

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## Resilient portfolio



## Future normal



# Covid-19 impacts

## Channels disrupted



### Out of home ice cream

Some lockdowns lifted, but most tourist spots remain restricted



### Food service

Most restrictions still in place; China open outlet rate at c.80%



Unilever

PRESTIGE

### Prestige

2/3 of sales in health & beauty stores; many remain closed

## Strong consumer demand



### Hygiene

~60% of consumers have increased usage of surface cleaners



### In-home foods

~45% of consumers have increased usage in savoury category



### E-commerce

Q1 growth 36% and accelerating rapidly

Countries at different stages of the cycle  
Duration and severity of cycle differs by country

# Covid-19: Managing cash and liquidity

## Strong balance sheet & liquidity position

Y/E '19

**1.9x**

Net debt/EBITDA

**Low gearing**  
*A1/A+ credit rating*

**~€11<sub>bn</sub>**

**Cash & undrawn facilities**

**2.8x**

**Coverage of debt maturing in 1 year**

## Managing cash

- Shift to driving absolute profit
- Laser focus on receivables
- Holistic review of spend
- €2bn bond issuance
- Maintain dividend

# A clearer picture of the future

€52bn  
Turnover  
FY 2019



80% EM

Home & hygiene

€7bn

Hygiene

€9bn

Laundry

Fabric sensations,  
fabric solutions, other



60% EM

Skin cleansing

€16bn

Personal care

excl. skin cleansing

€0.6bn

Prestige



50% EM

€14bn

In home

Savoury, dressings,  
in home ice cream, tea

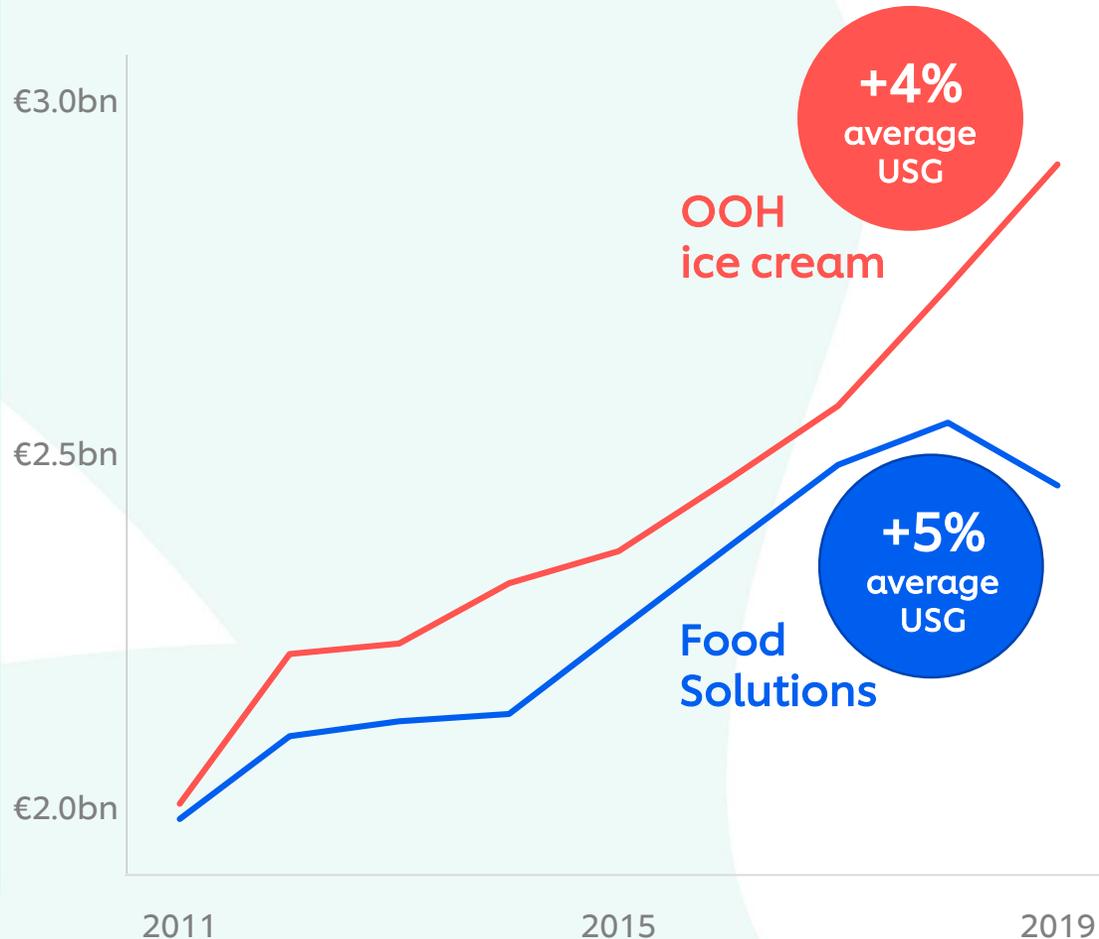
€5.5bn

Out of home

Out of home ice cream,  
food service

# Fundamentally strong businesses, challenged short term

## Out of Home



## Prestige

dermalogica®	REN CLEAN SKINCARE	HOURGLASS
TATCHA	€600m business built in 4 years	GARANCIA PARIS LE POUVOIR DE LA SCIENCE ET DE LA NATURE
Living proof.®	Kate Somerville	Murad.®

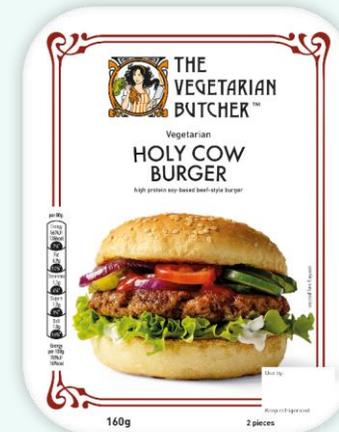
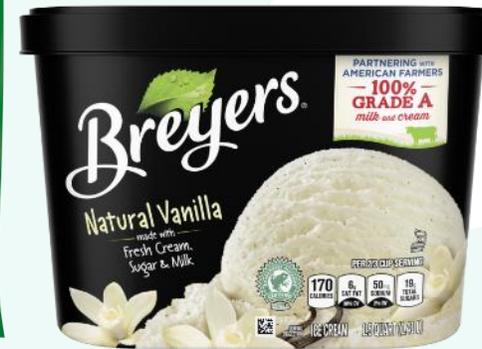


Note: Food Solutions 2019 turnover decline due to sale of spreads business

# In home eating is a near term strength

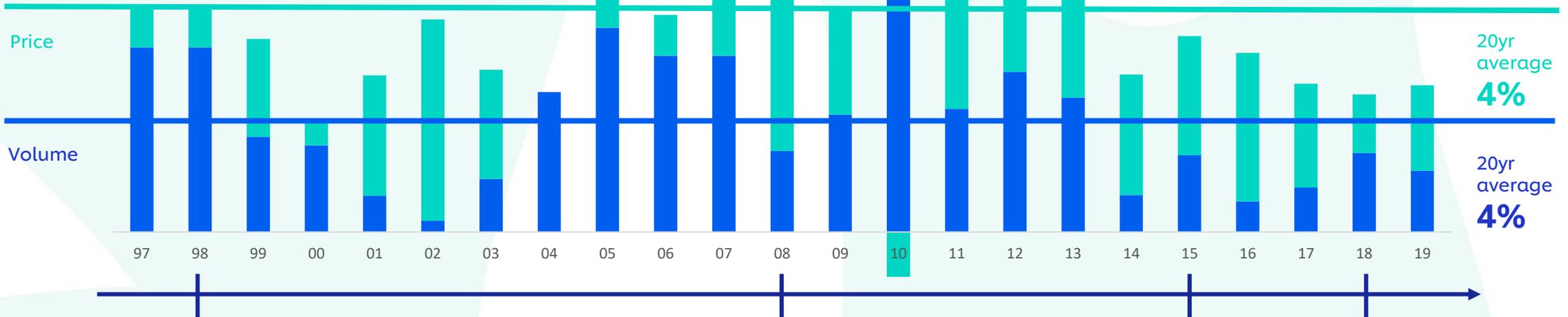


DM in home foods & ice cream  
~€7bn



# Track record of emerging market strength

**USG**  
20 year average  
**8%**



1998 Indonesia  
Asian financial  
crisis



2008 global  
financial crisis



2015 Brazil  
Economic  
crisis



2018 Argentina  
Crisis &  
hyperinflation

# Built for crisis: Powerhouse businesses



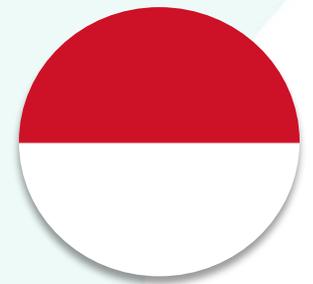
India's largest FMCG



Hold strong #1 share position



97% local managers



A Unilever product in every Indonesian household

10yr average USG

9%

7%

7%

9%

Size of business

~€5<sub>bn</sub>

~€3<sub>bn</sub>

~€3<sub>bn</sub>

~€2.5<sub>bn</sub>

# Market leaders in emerging markets

Maintaining strong #1 positions over 10 years



= Unilever market value (€bn)
  = Next largest global competitor

**Nitin Paranjpe**

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**9<sup>th</sup> June 2020**



*Unilever*

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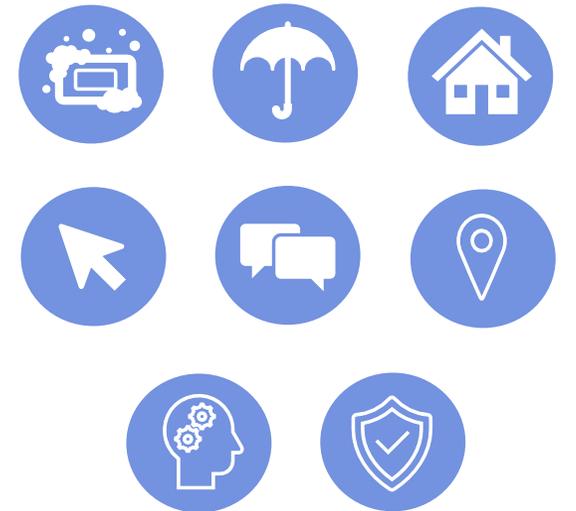
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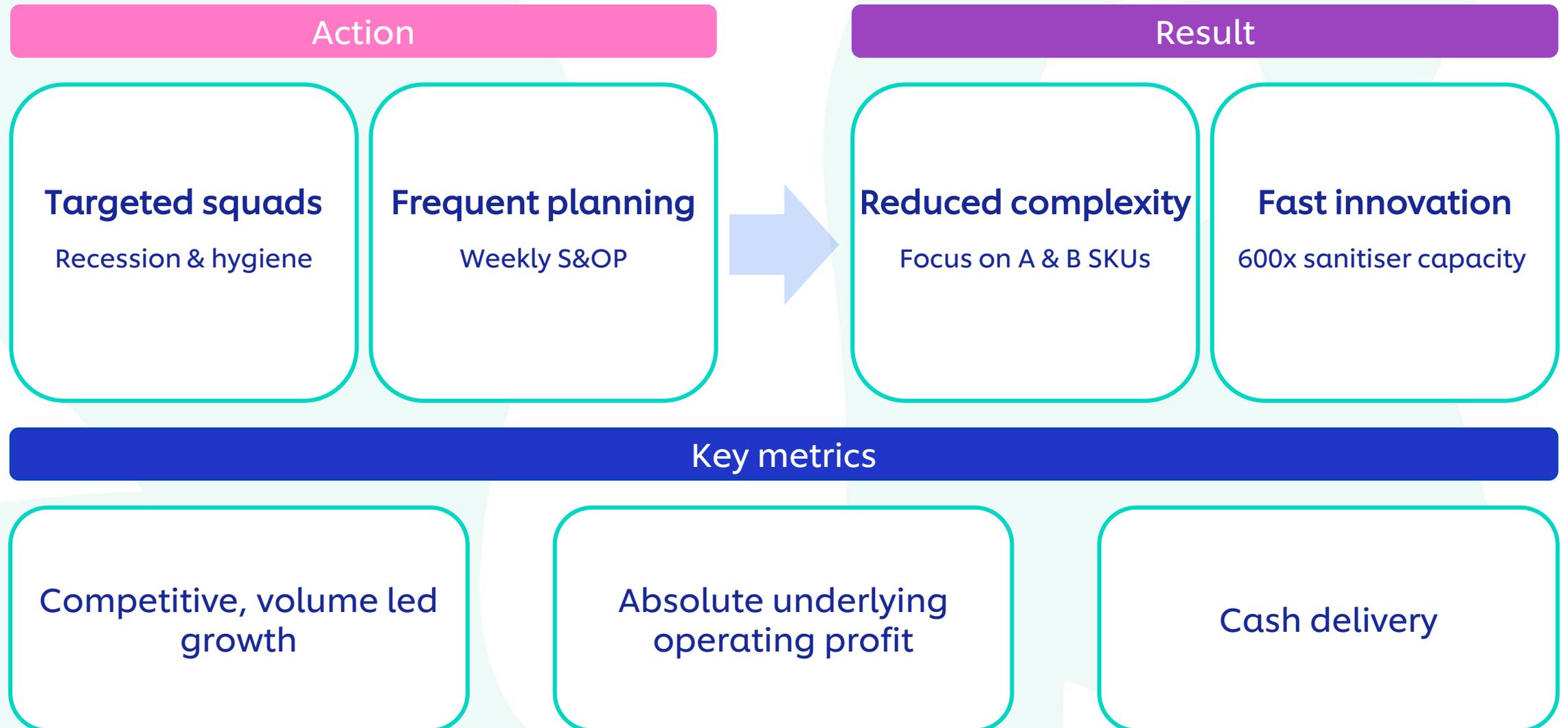
## Resilient portfolio



## Future normal

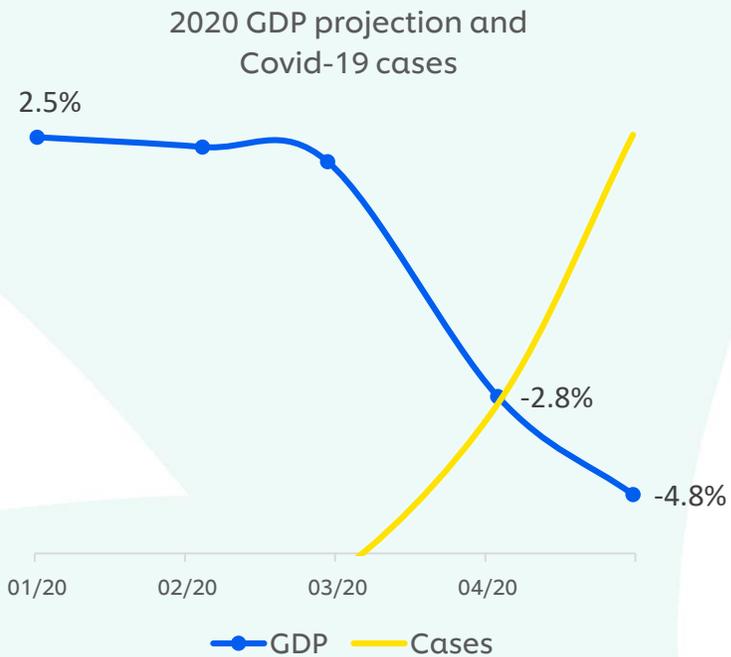


# Running the business – short term



# Living with Covid-19

## Recession & living with Covid-19



## New headwinds / tailwinds



ECOMMERCE



VALUE CHANNELS



AWAY FROM HOME



## New behaviours will 'stick'



Clean Living



Protective Measures



Cocooning



E-everything



Fear Factor



Local is Good



Conscious Consumption



Preventative Immunity

# Future normal – consumer trends

## Hygiene & Wellness



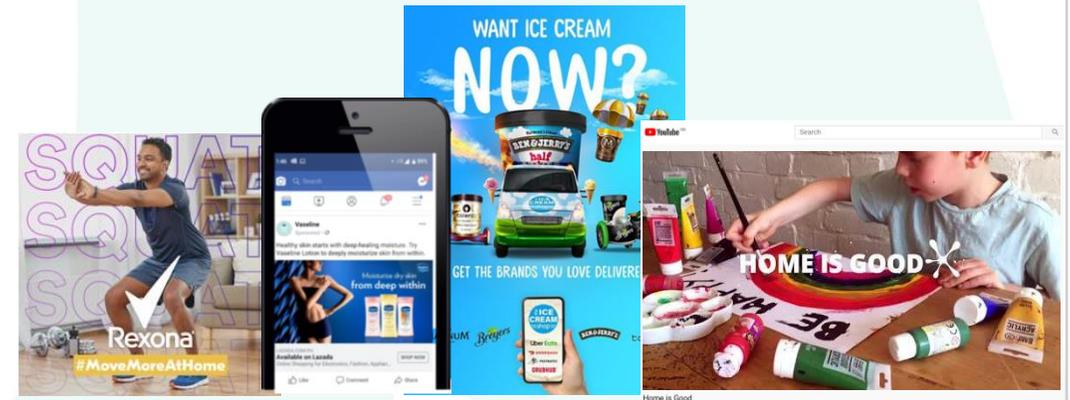
## Cocooning



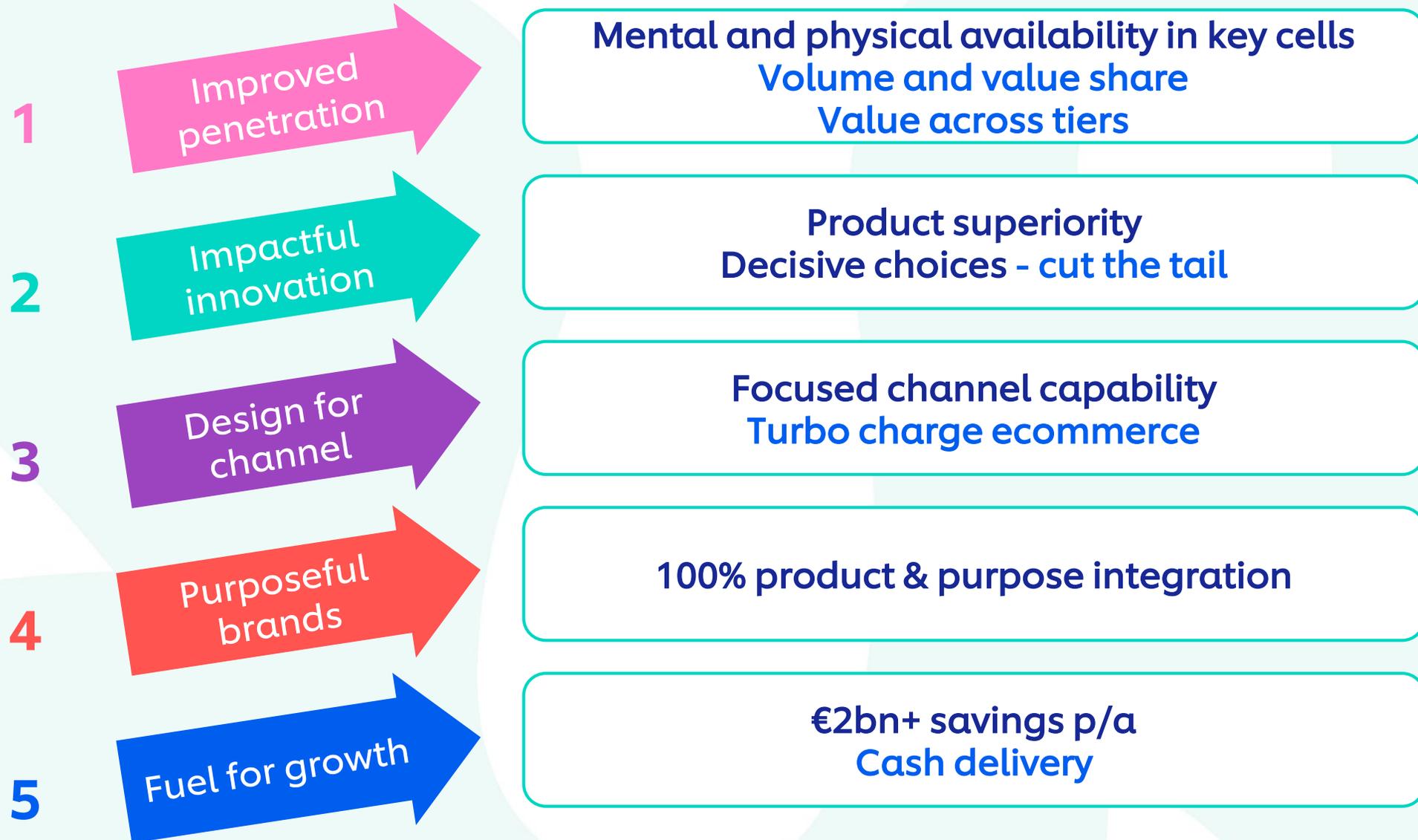
## Recession



## E-everything

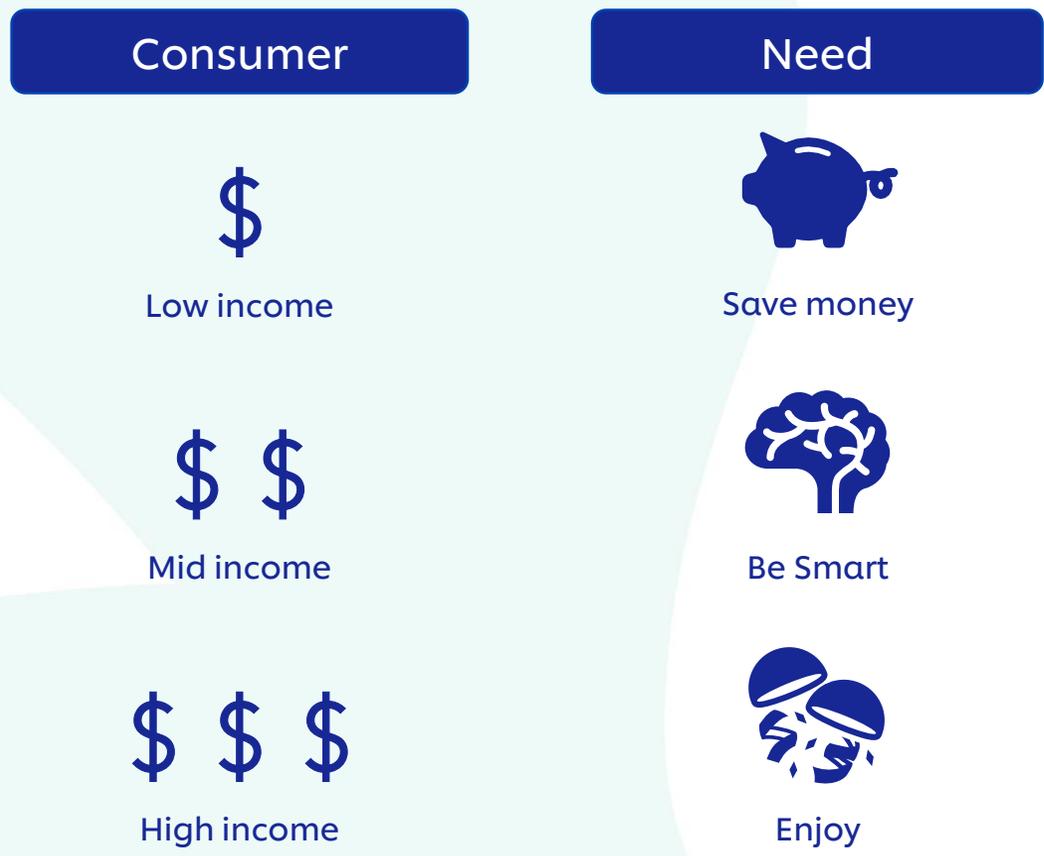


# Growth fundamentals are still relevant



# Penetration: value, affordability and price

## Consumer need



## Consumer action



Change pack sizes



"Lipstick effect"



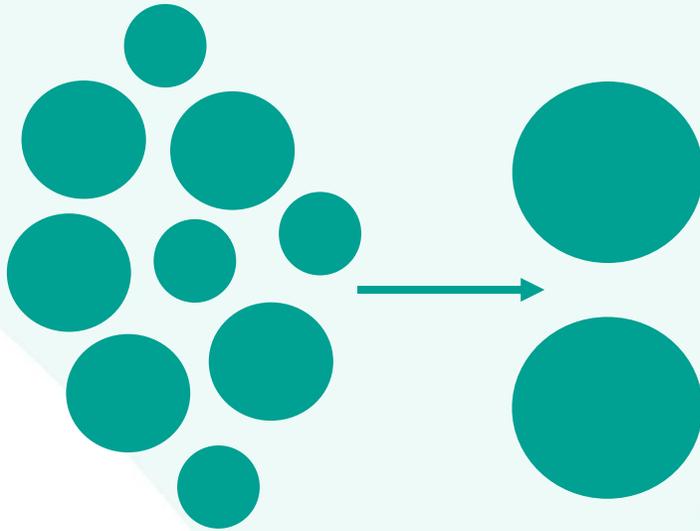
Channel shift



Lower tier brands

# Targeted innovation

Fewer



Cut **20%** projects from innovation funnel

Faster



Sanitiser production expanded from 2 sites to **>60**

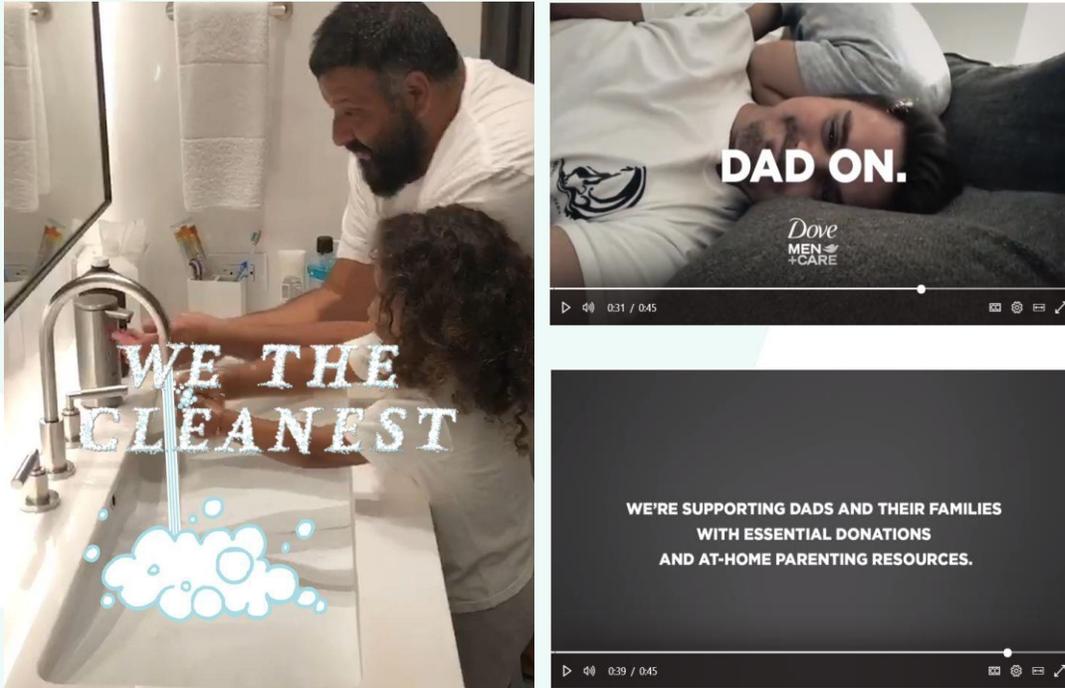
Redirected



Addressing new consumer trends

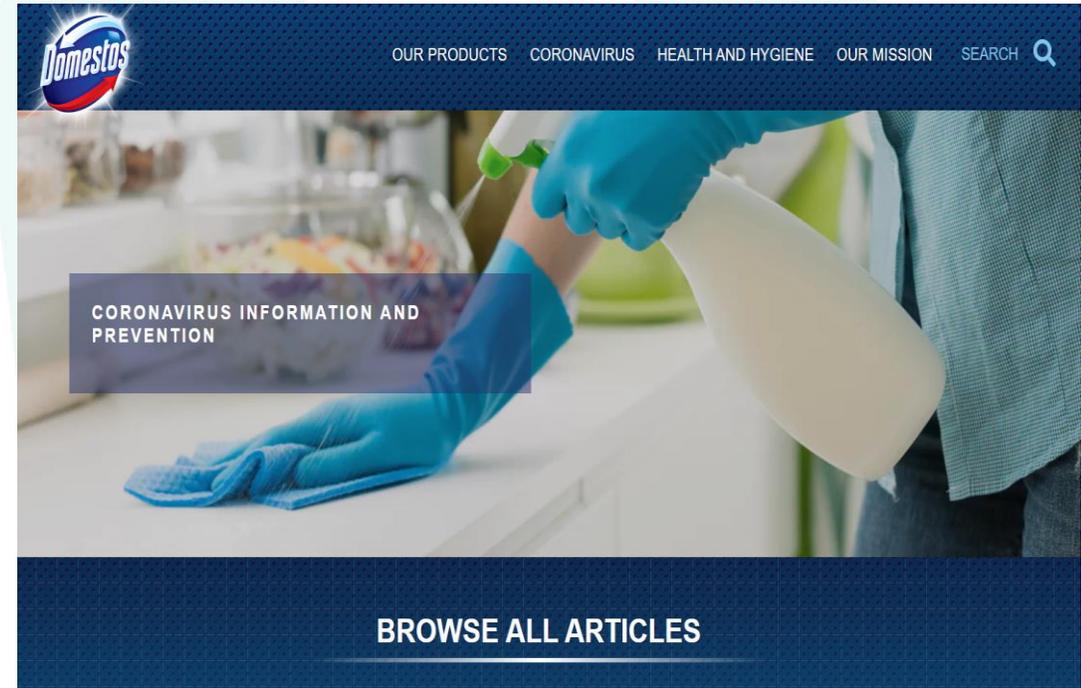
# Purposeful brands stay with consumers after crisis

## Dove men + care



*Support dads with at home parenting*

## Domestos



*Covid-19 hygiene education*

# Unilever: #comeoutstronger

## Organisational strengths

- Broad portfolio positioned for future normal
- Strength and experience in emerging markets
- Growth fundamentals working well
- Organisational agility and speed

## Key metrics

- Competitive, volume led growth
- Absolute underlying operating profit
- Cash delivery

We will demonstrate how our **purpose-led, future-fit** business model drives **superior performance**, consistently delivering financial results in the **top third** of our industry.

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