

# Unilever Q1 2021 Trading Statement

Alan Jope & Graeme Pitkethly

29<sup>th</sup> April 2021



Unilever

# 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.

# Alan Jope

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# Strong start to the year

## Operational excellence

Penetration

Innovation

Design for channel

Brand purpose

Fuel for growth

## Competitiveness

**57%**

% Business Winning MAT

## Growth

Underlying Sales Growth

**5.7%**

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**4.7%**  
Underlying Volume Growth

## Prestige Beauty & Functional Nutrition



- Prestige Beauty returned to strong growth
- Functional nutrition on track for >€1bn turnover, with all 7 brands growing strongly

## Tea



- Operational separation progressing well and expected to complete this year
- New external CEO to lead this business into next phase

## Elida Beauty



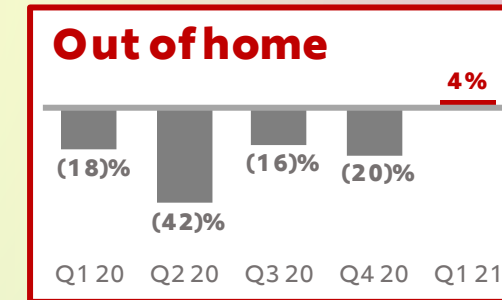
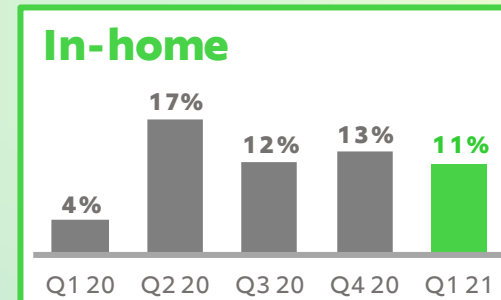
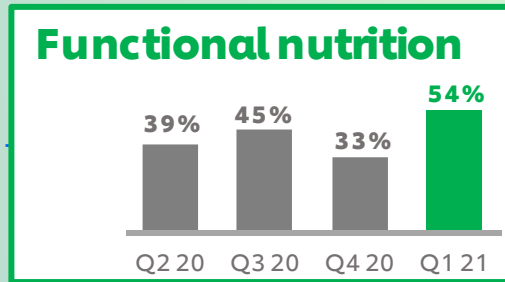
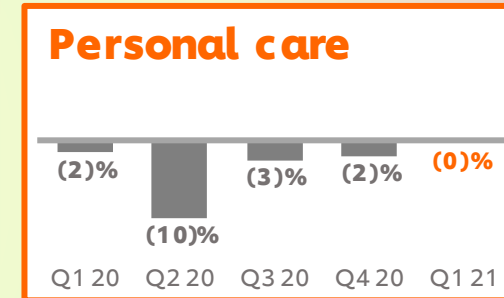
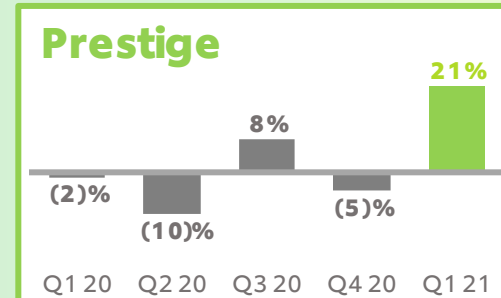
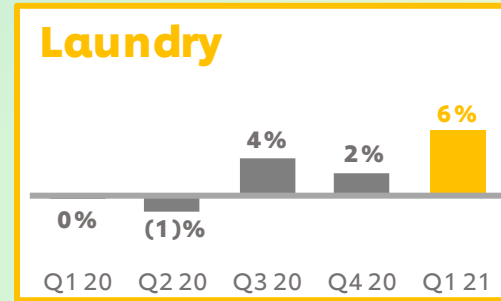
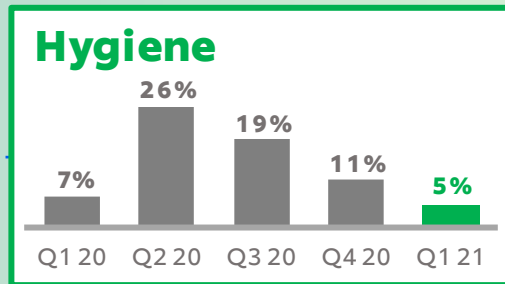
- Separation is underway of smaller BPC brands including Q-Tips, Caress, TIGI, Timotei, Impulse and Monsavon
- Revenues of €0.6bn in 2020
- Dedicated management focus

## €3bn share buyback



- Share buyback programme commencing in May of up to €3bn, to be completed by the end of the year
- Reflects our strong free cash flow delivery and balance sheet position

All figures USG%



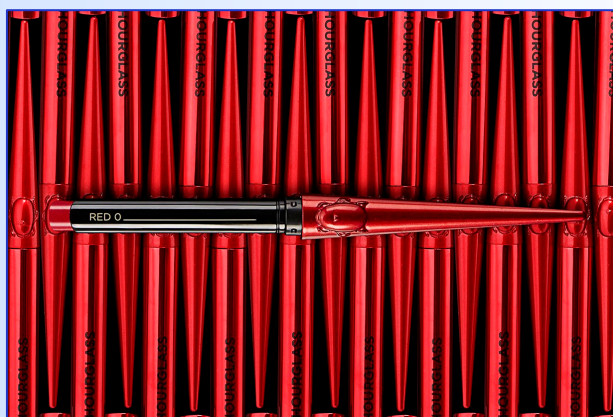
## Skin Cleansing +5%



## Rest of BPC (0)%



## Prestige +21%



## VMS +54%

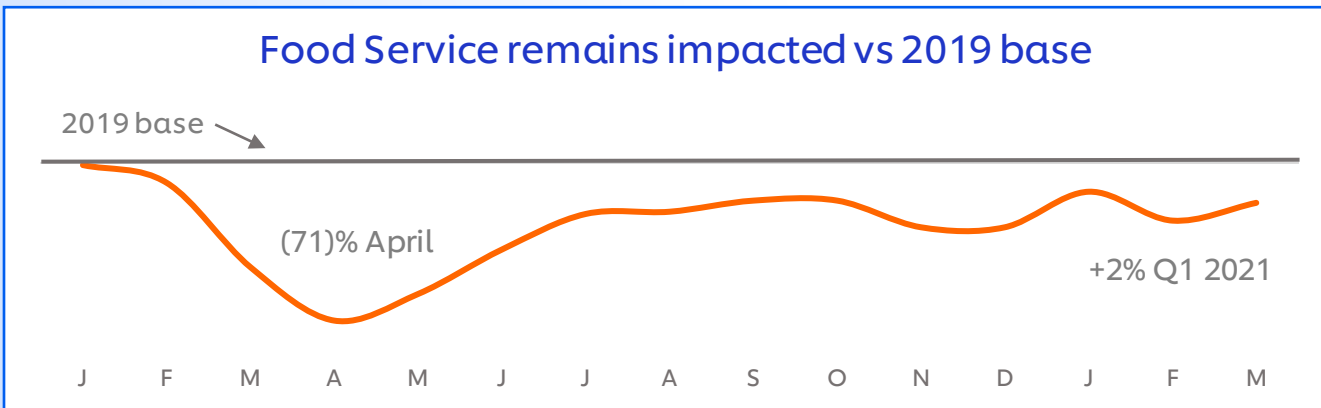


- Skin Cleansing demand still high
- Hair, Skin Care, and Oral grew
- Deodorants declined in line with market
- Prestige returned to strong growth
- VMS building to scale

## In-home +11%



## Out of home +4%



- Strong volume and price growth
- Growth driven by in-home foods as demand remains high
- Out of home back to growth driven by China, though demand remains below pre-COVID levels



## Home & Hygiene +6%

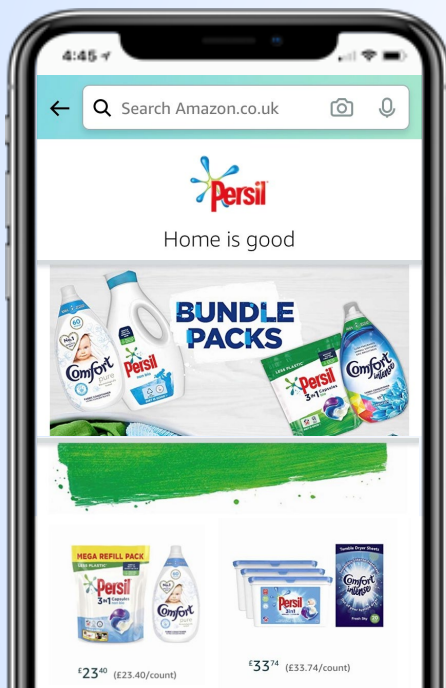


## Laundry +6%

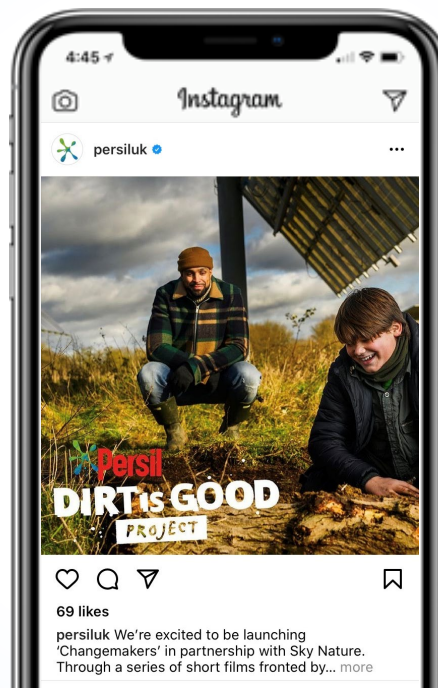


- Growth driven by volume
- Strong innovation program rooted in Clean Future agenda
- Growth led by priority India and China markets

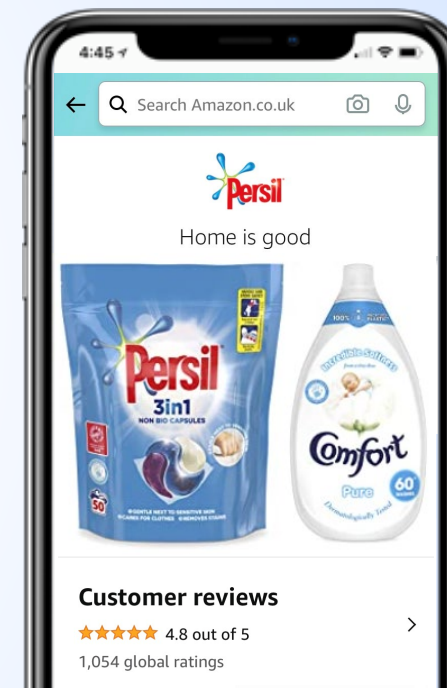
## Channel centric portfolio



## Content that converts



## Flawless execution



Q1 2021 USG +66%

11% of group turnover

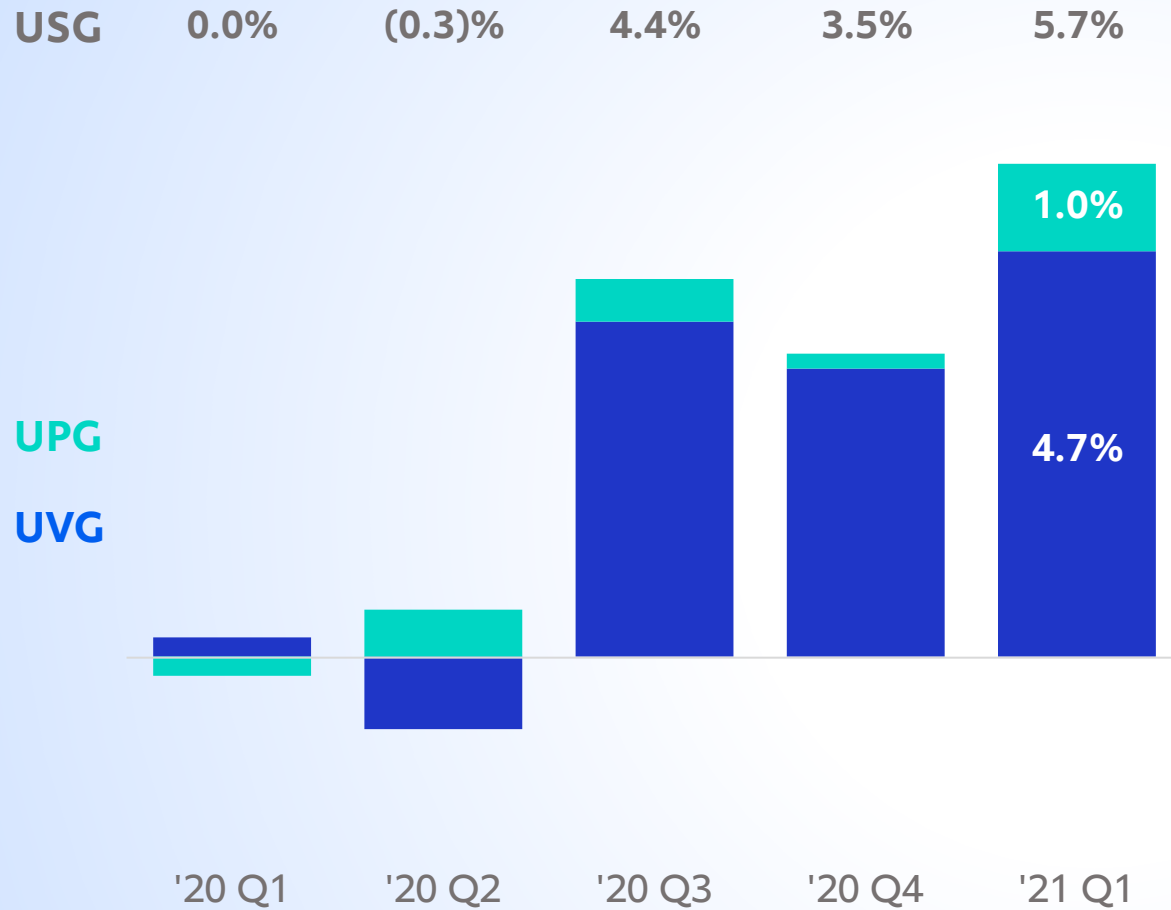
# Graeme Pitkethly

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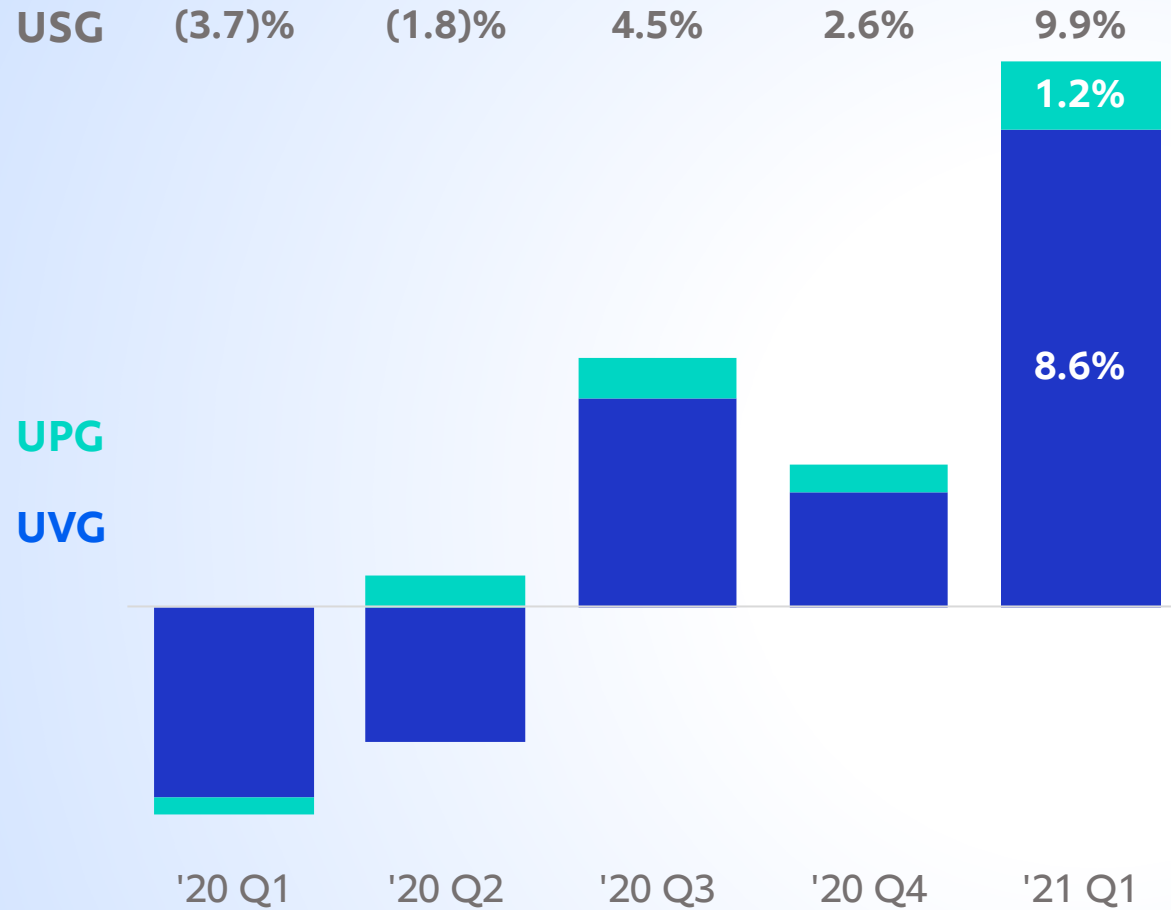
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- Volume-led competitive growth driven by key emerging markets and North America
- Pricing stepping up
- Market environment very varied depending on Covid response and economic factors



- **China:** Strong recovery of consumer demand
- **India:** Strong growth as mobility increased but Covid cases spiking again
- **SEA:** Markets continue to be impacted by lack of tourism and economic downturn
- **Turkey:** Strong volume-led double digit growth across all divisions



- **Brazil:** Price-led growth resilient during crisis
- **Argentina:** Strong volume and price growth despite mobility and pricing restrictions
- **Mexico:** Price-led growth across all divisions



# North America

4.3%  
Q1 USG

3.3%  
Q1 UVG



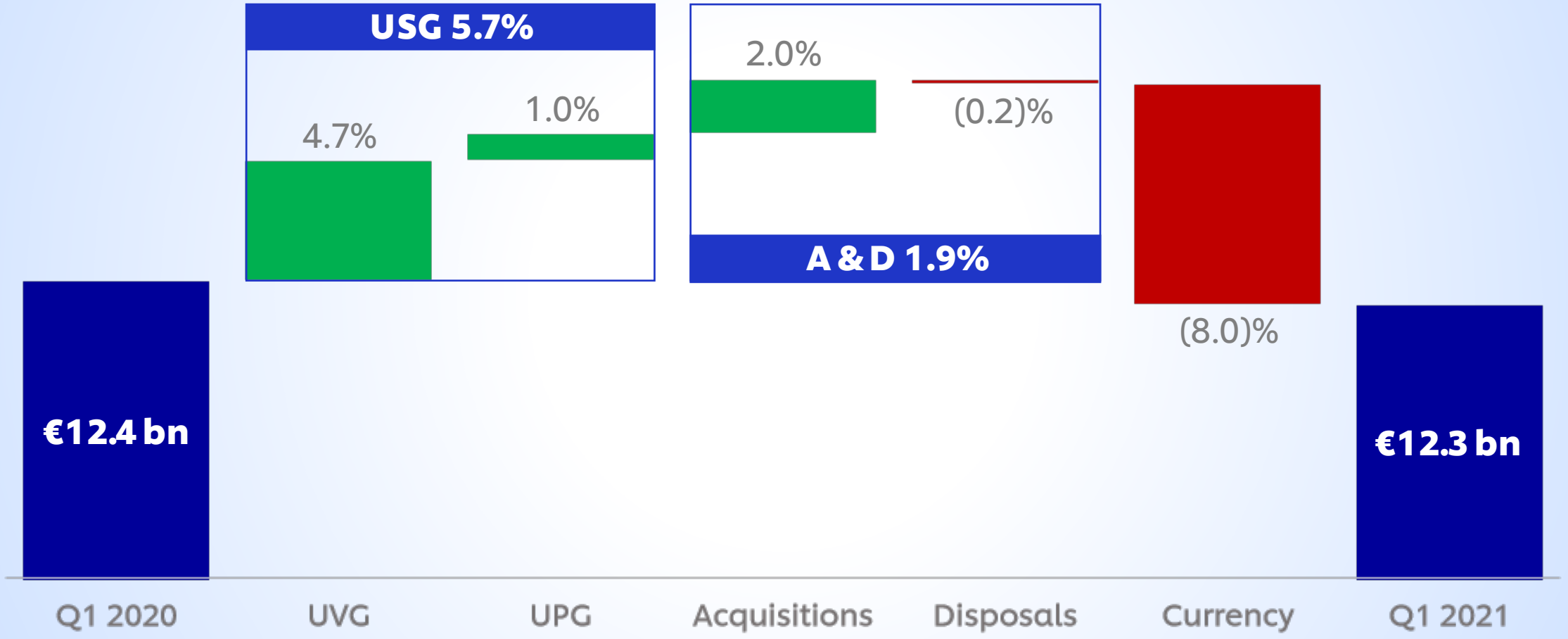
- Good growth versus strong household stocking comparator
- Demand for in-home food remains high
- Out of home food beginning to recover
- Hygiene demand levelling off
- Strong performance from VMS and Prestige Beauty



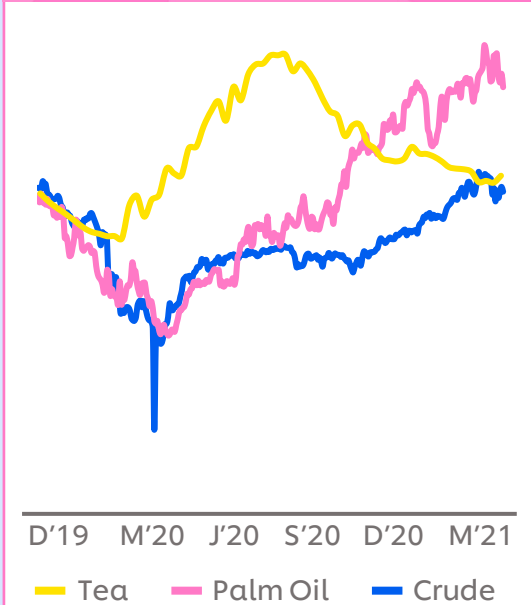
- **UK & Germany:** Lapping household stocking from March 2020
- **France:** Deflationary retail environment
- In-home food demand remains high while personal care usage occasions remain low
- Out of home food continues to be impacted by lockdown conditions



# Turnover -0.9%

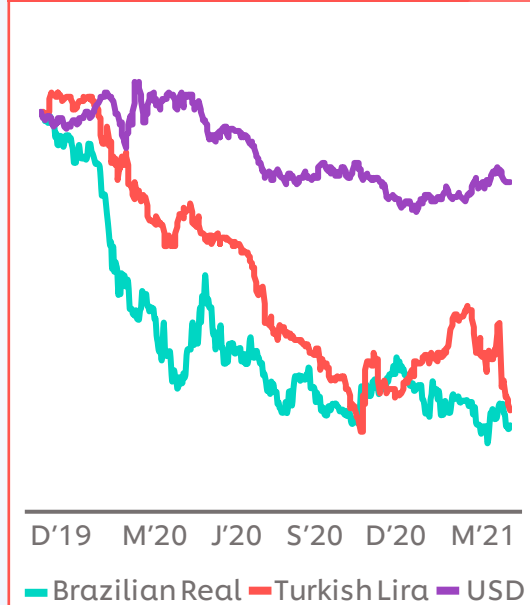


## Commodity inflation



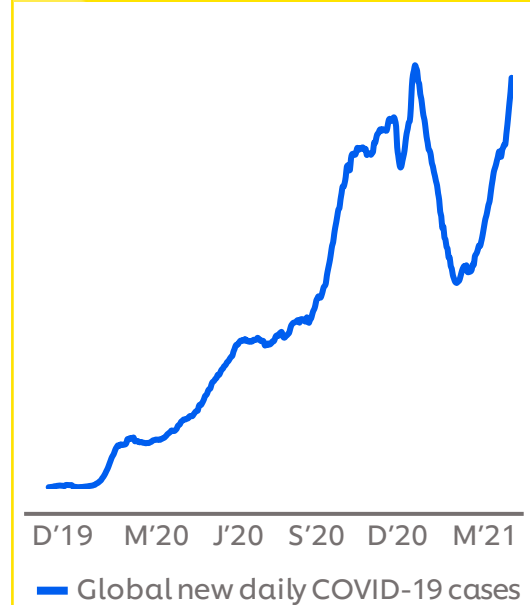
High single digit inflation

## Currency movements



On-cost and mix impact

## COVID-19 impact



## BMI

+100 bps  
H1 2020



(100) bps  
H2 2020



Lapping H1 BMI  
conservation

## Underlying Sales Growth

Full year within our 3-5% multi-year framework, with the first half around the top of this range

## Underlying Operating Margin

Full year expected to increase slightly with a decline in the first half

# Alan Jope

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Strong Q1 underpinned by operational excellence

Driving stepped up competitiveness

Good progress on portfolio evolution

€3bn share buyback programme

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