Unilever Investor Event

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FERNANDO FERNANDEZ

INVESTOR EVENT 2026

Welcome. Thank you for being with us today in New York. It's a real pleasure to have you here, and welcome also to all the people that will be watching this online. I'm Fernando, this is Unilever's Capital Markets Day, and it's a pleasure to have you here.

Yesterday night also we had a group of you with us here for a cocktail, and I know some of you briefed for some product development. I want to show you what happened overnight.

Three briefs, one from Fenella for a Dove hair oil, one from Warren for an improved Lifebuoy in Indonesia and one from Javier for a repair TRESemmé in the US. Three potential formulations developed, taken from a stock of around 7,000 formulations, based on AI choices. Three different packages developed in one night, three different fragrances developed in one night. This is the kind of speed that we are trying to inject into Unilever. Of course, these are just draft prototypes. But this is the kind of dynamic that we need in an industry in which short term innovation lifecycles, developing great looking superior products and managing an incredible amount of content with an incredible amount of creators really makes a difference these days. So thank you very very much Fenella and Warren and Javier for the input.

AGENDA

Before kicking off, let me fundamentally summarise what will be the agenda of this morning.

I will kick off, I will show you how we have transformed Unilever in the last few years, how we are elevating our Power Brands, what geographies will contribute disproportionately to our growth, and how we are evolving our operating model to give response fundamentally to one thing: the incredible, increasing convergence of creators, content, media platforms, and commerce at local level. This is what is behind the

announcement we made yesterday about the evolution of our operating model.

After that, Leandro and Richard will partner to show you how we are leveraging science to develop superior formulations, superior products, how we are building capabilities in aesthetics and sensorials, and how we are managing demand creation in the context of an immense amount of creators, content, and increasingly LLMs, agents, etc.

Herrish, Priya, Reggie will show how radical portfolio choices, disproportionate resource allocation behind our best brands, and how a significant step-up in the granularity of execution, is allowing us to win in some of our most important markets, and how we will expand some of these capabilities into what we call new Frontier Markets.

And finally, Srini will bring home everything together, showing how all these capabilities can be converted into value creation.

After that, there will be enough time for what I'm absolutely sure will be very good questions, and I hope some decent answers.

A PROFOUND TRANSFORMATION

Two years ago, I stood up in a similar meeting to this one in London as the CFO of the company. We were in the early stages of a profound turnaround, and we had conviction about the journey, but we had also a lot of uncertainties. Uncertainties coming from many, many years of

uncompetitive levels of investment, of many years with brand equities eroding, competitive losses, and inconsistent performance. And we were convinced about the path, but, you know, we had to prove that what we were doing really was going to generate results.

And in the last couple of years, we have gone through a lot. It's a real, profound transformation across the whole enterprise. You know, many people criticised for many years Unilever for being too bureaucratic and too slow. Some people criticise us now for changing too fast. I take it, you know. But we really believe that a serious shake-up is really happening in many, many different pillars, you know.

We have transformed our portfolio, of course through the separation of Ice Cream, and from the planned integration combination with McCormick into what we believe will be a real global flavour powerhouse. But also following a real discipline of allocation of resources behind seven priorities: more Beauty, more Wellbeing, more Personal Care, more US, more India, more premium, more online. And as a result of that, the contribution of our Power Brands to the revenue of the company has increased significantly.

The premium exposure and the online exposure of our portfolio has improved significantly. We put in place a new marketing philosophy. You have to blame me for the cheesiness or the corniness of the name, SASSY. SASSY is an acronym for Science for superior performance, Aesthetics for great-looking products, Sensorial for great experiences, Said by others as the fundamental reason to believe, and Youthful to

make our brands contemporary. This fundamentally defines our product development approach, SAS, Science, Aesthetics, Sensorials. And the way we reach and persuade our consumers, Said by others, Youthfulness. If you go and you talk to a brand manager in Brazil, or to a sales rep in the Philippines, or to a factory worker in the UK, and you ask them what they do, they will tell you, "We are in the business of building SASSY brands."

We have also improved the discipline in the company. Perfect Store is now being rolled out. Three clear metrics: availability, visibility, and price compliance, executed everywhere across the markets. We are improving our discipline in pricing, that has been a big issue. We used to operate with around 30% of our portfolio, of our revenue, outside the desired strategic pricing, relative pricing to competitors. We are now operating at around 90% in line. There is more that has to be done, but it's a significant step up.

And also, we have demonstrated, that we are able to really manage costs with discipline. We managed the separation of Ice Cream, we increased profitability at that time, and we will do exactly the same with the separation of Foods.

And finally, and of course, super, super important, significant changes in our culture, and our talent. We have upgraded the talent in the organisation. I have the team now that I want to have. Significant changes in the top two hundred in the company, and fundamentally, big,

big changes in terms of performance culture, performance management intensity, and reward differentiation.

All this has happened in a period of two years. I continue thinking that, in a one to ten scale, Unilever, in terms of the quality we do, is a six or seven. There is more that has to happen to be the kind of company that we want to be, but we are definitely in a better place than we were before.

STRONG PERFORMANCE THROUGHOUT

The results show that. We don't accept anymore to be unconsciously uncompetitive. We have increased 300 basis points of investment behind our brands, close to 2 billion of incremental BMI.

As I mentioned before, we have improved the pricing compliance. As a result of that, and as a result of significant improvement in our innovation, our brand equities, that two or three years ago around 35% of the revenue was increasing equity, now when we look at the Unmissable Brand Superiority Scores, we have 65% of the revenue increasing equity, we have 60% of the revenue increasing share.

And this shows in the most important metric we follow in the company, that is the underlying volume growth. In the last eleven quarters, the remaining HPC pureplay business that Unilever will be has been growing at the rhythm of 3.3%. That's more than two times the average of the HPC peers in the sector. And we did it at the same time that we delivered

consistent earnings growth in hard currency. I know, I'm Argentinian, I know that when you put dollars, you put pounds or you put euros, you don't want Argentinian pesos in return. You know? And we are starting to deliver with consistency, earnings growth in hard currency.

BALANCED ACROSS HPC

The new Unilever is a very balanced business across what we see as a common industry, the HPC industry. Close to one third of the revenue in each of the key macro categories. 33% in Beauty & Wellbeing, 34% in Personal Care, 30% in Home Care.

And these three macro categories give exposure to different things, you know. Beauty & Wellbeing is where all the trends are born. And these trends increasingly travel across all these categories, with wellness at the centre of everything.

I will cover that but, before – I'm a Laundry guy and if 20 years ago somebody would have told me that the number one dimension of the Laundry category in Brazil would not be stain removal or whiteness, and it would be fragrance and experience, I would have said, "What are you talking about?" And this is what is happening. And the number one dimension in Laundry UK is sensitive skin.

Categories are changing fundamentally. And the commonalities between Beauty, Personal Care, and Home Care are increasing. Beauty and wellbeing is where all the trends start. And they travel down from prestige beauty into core beauty, into personal care, deos first, skin

cleansing follows, laundry. Personal care is a category in which we enjoy very strong leadership.

We don't have really a global competitor in personal care. We have some competitors with some presence in deodorants, some presence in skin cleansing. In skin cleansing, majority is local competitors. We have shares that in most of the cases are three to four times our rivals. We have categories like deos, in which entry barriers are significant, particularly when the category moves up in terms of format, particularly into aerosol. These are categories that are relatively concentrated in terms of the number of players, and in which the incumbent has significant advantages.

And Home Care, that for us is 70% emerging markets, gives us significant exposure to the driving forces of urbanisation, wealth expansion, infrastructure spending, and it gives us incredible entry and distribution moat in emerging markets. Every single invoice, every single order that we do in Emerging Markets starts with an order of Home Care.

SHARPER AND COHESIVE

We have a portfolio that is much more sharp and cohesive. It's not by chance that so many players play across home care, personal care, and beauty, because insights, functional needs, sensorials are different, but the underpinning science and technology is the same. Surfactants for cleaning, human biology for transformational hair and skin products, fragrances across the board. Five families of materials make 90% of the spending we do in raw materials and packaging.

This is an industry with very common foundations. This is an industry also which shares demand creation models. Foods is a low-frequency innovation category. Home care, personal care, beauty & wellbeing is a high-frequency innovation category. It's a category in which innovation matters, in which format upgradation and format expansion is what drives the growth in the categories. And these are categories that share routes to market. Of course, there are some specialist features. You know, you have specialist beauty stores, you know, both in developed markets and in emerging markets. You have online playing a significant role in beauty, bigger than the one you see in home care, but overall, the channels and the customers with which we operate are common across these three macro categories.

LEADING POSITIONS IN ATTRACTIVE VERTICALS

This is an industry that is attractive. We have just finished a study of around 120 countries and we look at $7 trillion of spending. HPC represents 16% of the total and grows 300 basis points faster than the other 84%.

Our turnover-weighted market volume growth today is 2%. If we grow with the market, we grow 2% volume. If we gain share, we are above 2% volume.

We're the second-largest HPC company globally. We are the number one home care company in emerging markets. We have, in 322 cells that we measure - we call "cells" the combination of categories and

geographies. In 322 cells, we have number one or number two position. In emerging markets, in 250 cells, we have 95% of the revenue in number one or number two positions.

SIMPLER

And this company is a simpler company than it used to be. We have fewer verticals. The separation of Foods and Ice Cream is making our verticals move from around 16 to 10. We have fewer brands. Four years ago, we had 370 brands. We have now 180, and 25 of them make 80% of our revenue. And we have 40% less SKUs than we used to have four years ago. This is a simpler business in which we are allocating capital with much more focus. We allocate capital, we allocate talent, we allocate time to fewer things that make a bigger impact.

FOCUSED

As a result of that, we have a business with enough width to have enough diversification, but enough simplicity to have enough focus: 65% of our turnover in top ten markets, 65% of our turnover in top fifteen brands, 65% of our turnover in top 60 cells. Wide enough, focused enough. Diversification and focus both very, very important for us.

4 BELIEFS DEFINE THE WHAT AND HOW OF OUR BRANDS

Desire at Scale is the mantra we use in the company behind the elevation of our brands. For many, many years, the portfolio of Unilever has been a portfolio with a significant bias into mainstream. Mainstream positions, mainstream pricing, and with a bias, emotionally, in the connection to the consumer to identification.

Desire at Scale is the mantra that we use internally to inject aspirationality into our brands, and to inject reasons to believe to pay a premium behind our brands.

And there are, fundamentally, four pillars that define what we do and how we do it when we run our brands. The first one is the increasing role of wellness in the different categories in which we participate. Wellness, as I mentioned before, is permeating all our categories as a key driver of preference.

The second is SASSY, our model of how to manage our brands. I will click down on that in a minute. A very important element that is an addition to our plans, and in which we have gaps, is the development of authority systems in a world in which clinical proof, patents, publications, recommendation by experts will have a much more important role in the future than it has had in the past.

And finally, flawless execution. Let me go through each of them.

WELLNESS AS A SECULAR TREND

Wellness is not a category. It's a growing consumer need state. It's increasingly shaping consumer behaviours, and it is defined by a continuous search for an improvement in physical wellbeing, emotional health, and quality of life.

That's the reason that we talk that wellness is a secular trend. We believe it will be one of the key trends in the next decade in consumer goods and this defines the framework of our portfolio. We talk internally about wellness across body, mind, and home, to define the portfolio we have and the innovation we develop.

THE NORTH STAR OF OUR INNOVATION

And this is starting to show in some of the biggest successes that we are having currently. When it comes to biological ageing, you see that in K18, you see that in Dove scalp hair care. When you look at probiotics, you, of course, see it in OLLY gummies, but you see it in Cif cleaners. Our biggest success in household cleaners in the last few years is the launch of Cif probiotic cleaners. You see it in the development of medical grade solutions in deodorants, with Clinical, or in Vaseline Pro Derma, in the body reshaping mix that we have launched recently. You see it in the development of experience and pleasure in Lux. You see it in brands like Dove or Vaseline when it comes to develop shield against environmental stressors: Dove UV protection in Hair Care; Vaseline light sensorials Gluta-Hya in Body Care. And you see it in mixes like Comfort fine fragrances, of Persil Bio, Non-Bio, Sensitive.

All these innovations, that are some of the biggest and most successful innovations that we have developed in the last couple of years, they are all connected by a fundamental development of wellness as a key driver of preference.

SASSY INJECTS DESIRABILITY AND MODERNITY

SASSY injects desirability and modernity into our brands. I mentioned before: science for superior functionality, aesthetics for great look, sensorials for great experiences.

80% of our revenue now, the revenue we test, has superior functionality against the primary competitor. 60% of our packaging, we have to do a better work on that. 65% of our fragrances, we have to continue evolving. But this is a much better position that we were before: 80% in formulation, functional delivery; 60% in packaging, 65% in fragrances. More to come. More that has to be done in the sensorial and aesthetic space.

We have now, I usually mention 300,000, but we have now 500,000 content creators working for Unilever globally. It was around 20,000 two years ago. That's a big, big change. We have embraced Social First marketing at a very significant speed, and this is showing in the way we are growing our key brands. And some of our brands have been really rejuvenated. I always give the example of Vaseline. It took us 150 years to get to 1 billion revenue, and in the last 3 years, we will be adding around 400 - 450 million. The brand is growing at 13% volume, you know, and if we can do it in Vaseline, we can do it in many other brands. Have we done it in all our portfolio? No. We have great examples, and we have brands in which we are starting to replicate this model.

AUTHORITY SYSTEMS INCREASINGLY BUILD PERSUASION

Also, authority systems are very, very important, and this is a gap in our strategy. We are very conscious that we have not been at the level of some of our Oral Care competitors, of some of our derma-cosmetic competitors. They have been much more consistent in building authority systems, particularly in the professional space: expert, practitioners, services. And this is the next step for our brands.

We will invest in building the authority systems that give our brands reasons to be trusted in a context in which agentic shopping, in which LLMs will play a much more important role. We have done great progress with social. As I mentioned, 500,000 content creators working for Unilever. We have done great progress with communities. But we have to do that progress with the professional sector.

Of course, agentic is changing many, many things, and it's giving science a more important role. The algorithms have to follow a logic, and the logic they follow is geographical proximity, independent recommendation, clinical proof, patents published, ratings and review. This plays in favour of great brands with great science, with great budgets.

A few years ago, the perception was that the shelf was becoming endless, money was for free, and fragmentation of the category was only a matter of time. But these changes that are happening in the

agentic space play in favour of big companies, big brands with strong scientific credentials.

EXECUTION WINS THE STORE

Execution wins the store. And this has been an area in which we have been under par. Many of the issues we have had in the last few years, call it in Indonesia, call it in Brazil, call it in Vietnam, call it in South Africa, have been fundamentally lack of discipline in execution. We are improving, but we are not there yet. But we are starting to show that we can do big things.

In the FIFA World Cup 2026™, during 8 weeks, we operated in 18 million stores, with 350 million in special edition items that were brought into these stores. That can only be done by companies that start to have a level of discipline. And we are improving. We are not there yet, but we are improving.

Significant improvement in online, also, 20% growth with pureplay in online in the US, for example, as a proof of that. More than that in some of the omnichannel players in the US. Execution wins the store. One of the reasons also in which we are making some changes in operating model is to increase seniority of the commercial organisations in our countries.

AI ENABLES DEMAND CREATION MODEL

AI is an enabler of these four fundamental pillars of our action plan. AI, as you saw before, you know. And this is this video was just a bit of a gimmick. But AI is really shortening our innovation cycles. Richard will comment on that. But a few years ago, 80% of the activity in our labs was

physical. 80% of the activities in our lab today is digital. It used to take us, you know, 3 years to develop a new launch. Now, we are doing that between 8 and 12 months. We have reduced by half the time in which we develop fragrances and in which we develop packaging.

Content – the lifespan of a video today is 4 days. More and more our investment goes through the likes of Meta, Google, TikTok, Amazon, Walmart and content has to be renovated, because after 4 days, you don't have diminishing levels of return. You have negative levels of return, negative marginal return. So, this implies that you have to create an incredible amount of content that has to be optimised all the time. That's what drives ROI. In the old times of TV, your ROI of media was pretty simple. The impact in the revenue was a numerator, and the cost per GRP in the denominator. Now it's different. Your numerator is not only the impact in your revenue and the impact in your equity. The numerator is defined by the level of engagement that you provide to the platform. Because the level of engagement that you provide to the platform fundamentally changes the price you pay. This is a fundamental change and makes development of content such an important capability in a company these days. We have increased our content development in the last two years more than 12 times. Leandro will cover that. We have reduced dramatically the cost per unit of content, and our ROI is increasing consistently, close to 10% to 15% a year.

Finally, Perfect Stores. AI allows better execution in store. Every single rep of Unilever now is going with a phone, taking a picture. That picture communicates with the central office of sales in every single country in

which we operate. We can see if the pricing is right, if the availability is right, if the assortment is right, or if the visibility is right. And we can take immediate action in the order that we have to put to our customer. We can take immediate action in correcting pricing if necessary, et cetera, et cetera, et cetera. In the stores where this is implemented, our growth rate is 1.5 to 2 times the ones in which it is not implemented. We have around 30% coverage now in terms of numeric distribution, close to 70% weighted distribution. There is more that has to be done there, but we have the tools. Our people have it. We are deploying them with rigour.

POWER BRANDS

The centre of our strategy is the development and elevation of our Power Brands. We have 25 Power Brands that represent 80% of our revenue. They are not our biggest as some of you say. But these are the brands that share three fundamental features: they can travel regionally or globally; they have the ability to premiumise and have access to higher margin pools; and they have the ability to travel into adjacencies. Consider adjacency: Vaseline Lip Care, for example, for a Body Care brand. Consider adjacency: Dove Facial Cleansers.

And we have built a portfolio that I believe is one of the most attractive in the sector. It's the combination of market-leading brands, the likes of Dove, Dirt is Good, Sunsilk, Rexona, Vaseline, with a set of digital disruptors that we have acquired and developed in the US and that give us the possibility to build a new layer of premium brands that can travel internationally. The likes of K18, Liquid I.V., Grüns, Hourglass, Dr. Squatch, OLLY.

WITH POTENTIAL TO TRAVEL

So, this is the portfolio of Power Brands that we have. They represent 80% of our revenue. In the last 11 quarters, the volume growth has been 4.4%, and the gross margin of this portfolio is 600 basis points ahead of the rest of the portfolio.

Does this mean that the other 20% of the portfolio doesn't have a role? Not at all. We probably have around 1 billion of potential disposals there, in an 8 billion revenue, but the rest of our brands play a very important role, particularly in providing resilience against economic volatility in emerging markets. For example, in the case of Brazil, where we have close to 70% share in Laundry, 50% share is in the Power Brands, another 20% share is in value-to-mainstream propositions that, if there is volatility, like it could happen in Brazil now, after what we have seen recently in terms of currency and markets, it will cushion that - allow us to protect our volumes, protect critical mass in times of volatility.

We have different geographical exposure for our Power Brands. The best are in around 40, 50 countries, like Dove, Dirt is Good, Rexona, but we have a very significant amount of brands with potential to travel much wider than we have taken them. Vaseline, Clear, TRESemmé, Cif, Comfort, Pepsodent, they are in 30 to 40 markets; Dermalogica, Sunsilk, Lux, Pond's, Domestos between 10 and 30; and many other ones are in earlier stages of development, but with a lot of potential to travel.

DOVE: OUR BLUEPRINT FOR BRAND BUILDING

Dove is our blueprint for what a great Power Brand should be. 17% of our revenue, close to 7 billion turnover. In the period 2016-2023, this brand grew 3.5% in volume. In the last 11 quarters, it's growing 7.3%. This year, it's close to 10%. This is one of the brands I'm more proud of, you know.

DOVE: MASSIVE POTENTIAL

When I stand up in front of the Dove shelf today, it looks a very different brand to what it used to be 3 years ago. We have invested in packaging, we have put our best science, we have pushed our limits to really try to see at what kind of price Dove could play. Two, three years ago, the highest price point of Dove was in the $6 to $7. Today, the highest price point of Dove is in the $17 to $18. The result of leveraging our best science, putting in the great packaging, building great sensorials into what is a great brand. And the potential is massive. Hair Care represents 18% of Dove sales, growing 16%. Dove Men, we are disappointed it’s 14% of our revenue. But we have not done a good job. When you compare with the main competitor of Dove, the contribution of Men to the whole brand is much higher than the one we have. Dove Men is growing 10%, but this is a segment that should grow between 15% and 20%, and we will make it grow 15 to 20% in the years to come.

And it shows the potential of a great brand that is built in developed markets like Dove - a US brand with mixes that have been created for developed markets - what happened when you bring it into emerging

markets like India. India is 5% of Dove sales, but is growing 25%. Dove Hair in India, 20% share, if I am not wrong, Priya. 20% share.

VASELINE SHOWS THE REPEATABLE MODEL

And Vaseline proves the repeatability of the model. I could have chosen other brands, you know. Cif, growing double-digit, it was at 5% a few years ago. Comfort, it was at zero, growing now 9% in the last three years. But Vaseline is a very good example because it is an old brand, anchored in a primitive product like petroleum jelly, 3% of our sales. It was 1 billion 3 years ago. By the end of 2026, it will probably be 1.45 - 1.5 billion. Underlying volume growth of 5% in the previous 7 years, underlying volume growth of 13%, 12.5% in the last couple of years, in the last 11 quarters.

VASELINE: MASSIVE POTENTIAL

Also with massive potential, Gluta-Hya Vaseline light sensorials, 15% of our sales, 11% growth. Lips, a forgotten category, very attractive. I love narrow verticals where you can establish strong leadership. 14% of Vaseline sales growing 12%. Africa, 12% of Vaseline sales growing 20%. I have never seen a consumer relationship with a brand like the one of Vaseline and the African consumer. It will be a 500 million business. I don't know if it will take 5 years, 10 years, but Vaseline will be a 500 million business in Africa. I don't have any doubt about it.

ACCELERATING CATEGORY LEADERS

Dove and Vaseline are great examples, but we have to do a good job in the rest of our portfolio. In some of them, we are in a good track. Dirt is Good, growing close to double-digit this year, 8% to 9%. Incredible

success of Wonder Wash in 40 markets after 3 years, you know, close to 200 million revenue, a big, big driver of the growth of the brand. Wonder Wash is a great example of a key strategic decision. The more you move into 15 minute wash, the less unit dosing works.

Cif, it's a joke but internally I say, "Cif because your home is worth it," you know. It shows fundamentally what happens when you put beauty aesthetics into great home care specialist products. Second year growing 15%. And you can look at this Cif, you know, it could make it to any toilet and not be hidden.

There are other brands in which we need to do a better work: Lux, Rexona. These are big, very, very important brands for us in the future. And if we can put them in the kind of dynamism that we have achieved with brands like Persil or OMO or Dove or Vaseline, it will cement our leadership in skin cleansing and deos.

Lux is extremely important for us, because with Dove dominating the premium segment and the care space of the category, if we can really lead in the fragrance experiential space in a category in which personal hygiene benefits are disappearing and in which everybody is trading up into experience, care, and clinical benefits, we can lock this category for the years to come. Rexona, number one brand in deodorants, incredible position, but you know, the performance space is being reshaped in many, many categories from athleisure to many other categories. And we have not modernised Rexona as we should have done. But this is top in our list of brands that has to be revived, you know, to a level of

double-digit growth. Rexona is growing now 4% to 5%, Lux in a similar space. We need to bring these two brands into high-single digit growth soon.

SCALING DIGITAL DISRUPTORS

And we are scaling digital disruptors, you know. And different ones of the disruptors that we have brought, they play in different territories, you know. And they are very attractive because they play with different roles. Grüns is all about market-making. They are creating nutrient support as a snack. At the time of acquisition, $380 million brand, 170 million in the first six months, 210 in the second six months, levels of repeat rate of 85%, a lot of potential to become a 500 million - $1 billion brand in the future.

Dr. Squatch, more than 500 million revenue. Absolutely fundamental to establish a strong Unilever leadership in the male grooming space. Look at the combination of Rexona Men, Dr. Squatch, Dove Men, and Axe. And look at that portfolio in the combination of Skin Cleansing and Deodorants.

Dermalogica, an underleveraged jewel, around 400 million revenue, one third of that in the professional space. But the brand is underleveraged. We are unsatisfied with the level of development. But it has all the credentials of brand that succeeds today: professional, strong community support, strong advocacy, expert recommendation, professional channel.

And finally, Liquid I.V.. Huge opportunities, international expansion, new format, new occasions. Of course, this year struggling a bit. I have mentioned that we are rebalancing the exposure to different channels in the US. But we are growing share in Amazon, we are growing share in Walmart, we are growing share in Kroger, we are growing share in the Grocery Channel, and we are growing very, very fast in international markets.

K18 PROVES THE MODEL

K18 brings all this together. And it's a small brand, but it's growing very fast. We acquired K18 in February '24. The revenue of '23 was 115 million, and in the last twelve months, we have made 240 million. And three items make 70% of the revenue: a mask, a dry shampoo, and increasingly, Future IQ, a density product.

LEADING POSITIONS IN HIGHER-GROWTH MARKETS

We have great positions in fast-growing markets. Unilever has the highest exposure of any multinational to emerging markets, 62% of our revenue.

As I mentioned before, in around 250 cells, category-country cells, we enjoy number one or number two positions, they make 95% of our revenue.

And you can see we have a balanced portfolio with a good presence in North America, in which we have fundamentally transformed our portfolio to deliver for 4% volume growth in the last three years. We

have a business that in Europe, after the separation of Foods, increases the underlying growth 1%.

We have incredible positions in India and great positions in the rest of Asia, Latin America, Middle East, and Africa.

A SUPERIOR GROWTH FOOTPRINT

Let me start with developed markets. Through acquisitions and through a fundamental elevation of the quality of our teams in the US - and Herrish is here, he has been instrumental to the improvement of our US business - we have made an 8.5 billion revenue business, 22% of our revenue, grow 4% volume in the last three years. You see the structure of the portfolio: practically no presence in Home Care, where there is no growth in US, really. Beauty and Personal Care and Wellbeing represent 95% of our turnover. 70% of our turnover in the US is premium, 30% of our portfolio in the US is e-commerce.

REPLICATING THE US MODEL IN EUROPE

This is what we want to replicate in Europe, and this is why we are moving Herrish into Europe. As I mentioned before, the separation of Foods implies 1% additional growth in Europe. We will have a much more focused business: the three top geographies in Europe will make 50% of our revenue. 82% of our portfolio in number one or number two positions, with very strong positions in Deodorants and Skin Cleansing as the anchors of our portfolio. We have a challenger position in Home Care, and we have an increasing presence of Prestige and Wellbeing in our portfolio, starting from the UK.

EMERGING MARKETS ARE RESILIENT

Let me move onto emerging markets, and emerging markets is, of course, one of the reasons why Unilever has a very attractive profile: 62% of our revenue, but there are fundamental socio-demographics and economic trends that play in our favour in the years to come in emerging markets.

300 million new households, new middle-class households, will be added until 2035 in emerging markets. The number of middle-class households will double in the next ten years. 90% of urban population growth until 2050 will be in Africa and Asia. Rapid urbanisation. And the amount of, and the speed of entry, the pace of entry of female into the labour market is very, very significant in Asia and Africa.

But, you know, we always knew that emerging markets have a superior growth profile, but the issue with emerging markets has always been volatility. The issue with emerging markets has always been exposure to negative currency effects. In Unilever, around 2% in the last ten years in average.

But things are changing in terms of the relative macroeconomic fundamentals of emerging markets versus developed markets. The growth, the GDP growth in emerging markets is two times the growth of developed markets. The level of public debt, the global average of public debt is 93%, but is 76% in emerging markets, is 108% in developed markets. The level of currency coverage versus external debt in emerging markets in the last 20 years has doubled. And the amount of

sovereign default - exclude Argentina, exclude Turkey, exclude Nigeria, you know - has fundamentally collapsed by more than half. So, superior growth, much more resilient economies, lower level of debt, lower level of fiscal deficit. The probability of a much more solid currency profile of emerging markets versus developed markets is very, very high.

INDIA: OUR EMERGING MARKET BLUEPRINT

India is our blueprint for emerging markets. It's where we have the wider portfolio covering practically all price points in a very significant number of categories, and we have four times the share of our main competitor. We have 55% share in Hair Care, we have close to 50% share in Laundry, we have 80% share in Functional Tea, we have 35% share in Skin Cleansing, we have more than 30% in Sun Care, and I can continue going. 80% in Functional Nutrition.

I'm absolutely convinced that India will be for Unilever in the next decade what China has been for some of our competitors in the previous decade. We have an incredible moat in terms of distribution, not only in physical stores, but also in online. We cover more than nine million retail outlets, and we have a supply chain structure with the right economics. We sell close to 85 billion packs in India every single year. Sixty per person. 6.3 billion revenue, accelerating performance, 16% of the revenue of Unilever, in what will be the exponential growth story of consumer goods in the next decade. And a business that in the last ten years has multiplied by four the cash flow.

BEING ROLLED OUT IN NEW FRONTIER MARKETS

And we believe that the India blueprint has the possibility of being replicated in a set of countries that make 9% of Unilever revenue, but where 50% of the population growth will be in the next future: Africa, 1.4 billion population; Pakistan, 255m; Bangladesh, 175m; Vietnam, 100m. This is 9% of Unilever turnover. We have number-one position in all these markets. Many of our competitors have abandoned these markets. 55% of the population growth, as I mentioned before, significant urbanisation, significant purchasing power expansion.

Reggie has done an incredible job in simplifying our portfolio in many of these markets. We are running portfolios of around eight brands. In most of our African markets, for example, we have doubled the growth rate. Businesses that have been historically dilutive to Unilever have become accretive to Unilever, more than 600 basis points of margin expansion in some of them. This is what we call New Frontier. This is where brands like Dove and Vaseline are at the centre of our strategy. These are markets in which we will put disproportionate focus in developing a Beauty and Personal Care business.

WEST TO EAST. EAST TO WEST

Overall, we have a nice model in which we see a loop, a positive loop between the West and the East. In the West, we build a premium portfolio that can travel internationally. We build digital capabilities, we build omnichannel presence, and we build data integration with retailers. Learnings that we can deploy in the East.

In the East, we develop market-making capabilities, social commerce capabilities starting from China, and quick commerce capability starting from India. And we make this travel south and west.

DEVELOPED MARKETS BUILD GLOBAL BRANDS

Developed Markets build global brands, and you can see here the power of some of these brands: Dove, a Western brand growing in India 25%; OLLY, a US digital disruptor, 15% of the revenue in China already; premium innovations like Dirt is Good in Home Care, like Wonder Wash, already present in forty markets after three years.

DEVELOPED MARKETS BUILD CAPABILITIES WITH MAJOR RETAILERS

Developed Markets build capabilities with major retailers. The importance of retail media is increasing, the importance of developing categories with these players is increasing. 10% point-of-sale CAGR growth in the last eleven quarters with Walmart, 20% with Amazon. In the case of Amazon, discovery, conversion, agentic model at speed, at pace has been implemented.

EMERGING MARKETS LEAD NEW COMMERCE MODELS

Emerging markets lead new commerce models. We have grown our Douyin business in China at a 40% growth rate in the last eleven quarters. We have grown our quick commerce business in India with the likes of Blinkit and some other companies there, at 55%. In the case of quick commerce, we are learning how to service these kinds of models. We had a customer service one year ago of 76% in quick commerce in India;

now we have 90% and we are, by far, the best service level in the industry in India.

GLOBAL STRATEGY, LOCAL EXECUTION

Finally, how are we evolving our operating model? How we will run this pureplay HPC company? 39 billion, number one Home Care in emerging markets, number two BPC globally. And why are we evolving our operating model? Many people were asking yesterday, "Fernando, are you addicted to change? Why another change? Why when you are growing 3.3% volume? Why when you are growing share?" And there is a fundamental reason behind this change, and is linked to the increasing role of creators, content, media, media platforms, you know. The convergence of creators, content, media platforms, agentic at local level.

We are creating an immense amount of content. Leandro will show that. And content has to be relevant with a much more segmented number of audiences. And engagement is very important because it reduced your cost of media platforms. And to deliver that engagement, you have to touch cultural passion points. And these cultural passion points and these communities are fundamentally local.

We are fundamentally evolving our model because we need much more senior media and marketing and commerce structures at the local level. Because LLMs also reward geographical proximity. The evidence you publish in Nigeria, performs better in Nigeria than in Ethiopia, because the algorithms follow a logic. It's a logic of geographical

proximity. It's a logic of publication. It's a logic of independent recommendation. And we need to build that at the local level, and that requires a strengthened senior local organisation. But we will do this protecting what we have built during the last four years.

The famous Compass model has dramatically stepped up the quality of product development in Unilever, and has improved dramatically our portfolio convergence. I show it in the percentage of revenue in our Power Brands. I show it with the reduction of brands of more than 50%. I show it in the reduction in items of more than 40%. We don't want to come back to the old times of Unilever in which the guiding principle was de-centralised strategy with an attempt to control execution centrally. We will run a model of centralised strategy, centralised global strategy, and decentralised local execution.

The global organisation will be leaner, will be powerful. The decisions about the portfolio of Brazil, or the portfolio in Poland, or the portfolio in UK, or the portfolio in US, will not be taken in the countries, will be taken centrally. Because we are in the business of increasing our growth footprint, and we are in the business of increasing our portfolio convergence. The management of our brands will continue to be governed centrally, and we will continue having a unified category structure to ensure that we continue doubling the size of our innovation as we have done in the last few years.

But we will strengthen the local organisation. We will give them the responsibility of driving operational and commercial excellence. They

will manage the increasing convergence of media, content creators, commerce. They will manage the problems with our channels and our customers, and they will have the responsibility of delivering the in-year P&L. Resources in the long run will be allocated from the centre. The markets will deliver performance in-year.

FOCUSED MARKETS ORGANISATION

We will have a focused markets organisation. We will not be with any kind of regional big organisation. The resources will be in the centre or in the countries. Fundamentally, it's 30 P&L units. Two Anchor Markets, that represent 40% of our revenue, the US and India, eighteen Markets, that represent 45% of our revenue, the likes of Brazil, UK, Indonesia, and ten other clusters that represent 15% of our revenue.

6 PERFORMANCE UNITS. END-TO-END OWNERSHIP

And they will be clustered in six Performance Management Units, with no teams. A Regional President and a couple of Functional Leaders, fundamentally running the performance management of these six clusters. North America, 23% of the turnover, Europe, 14%, in developed markets, India 16%, South Asia Pacific, that will be Indonesia, Philippines, Pakistan, Bangladesh, and a few other Markets, North East Asia, China, Korea, Japan, Vietnam, Laos, Cambodia, and finally, a very big cluster that Reggie will lead, Latin America, Africa, Middle East, and Turkey, that will be 22% of our turnover.

LED BY AN EXPERIENCED EXECUTIVE TEAM

And the business will be led by the team I wanted. We are entering a period of portfolio stability and leadership stability in Unilever. We have gone through a lot of change, but we expect to close the transaction with McCormick in the first half of 2027. And we will put this organisation in place, that will be fully operational after the closing of the transaction in Foods.

Srini will expand responsibility. He will take care also of data, technology, and processes, and business services because we want to further simplify processes across the company. We want to simplify our processes as we have simplified our portfolio. We have not done it yet. Edu Campanella will run Corporate Strategy for me. Leandro will be the Chief Growth and Marketing Officer of the company. He will be in charge of all our Brands and all our Categories. He will be working very close with Richard and with Willem in, fundamentally, establishing every decision about Technology, Science Technology, both in terms of R&D and Supply Chain. Mairéad and PK will be fundamental functional leaders in terms of developing our Talent and our Compliance.

And we will have six Regional Presidents: Priya in India; Benjie, recent President of Indonesia, running South Asia Pacific; Aseem, President of Thailand, running North East Asia; Reggie, running Latin America, Africa, Middle East, and Turkey; Herrish, moving from US to run Europe; and a new external recruitment that has been recruited already. He will be in place on the 1st of January running our US business.

CONSISTENT, TOP-TIER PERFORMANCE

With this team, with these capabilities, with the whole progress we have made, with the excellent portfolio of Power Brands combining digital disruptors and market leading brands, with the growth footprint that we have, and with the momentum of the business, we are very, very confident that we can make Unilever in a consistent path of top-tier performance.

What does this mean? 4 to 6% underlying sales growth, with at least 2% volume growth. In period of normalised inflation, probably we will be significantly above of that, more in closer to three, in periods of high inflation, we probably will be around 2%. But we will defend the 2%, because 2% is very, very important. Because volume is the true measure of demand of a company, the true measure of relevance of a company. And today, our turnover weighted market volume growth is 2%. If we are below 2% today, we are losing share, and we will not allow that.

And of course a business that has huge return, high-teens returns, one of the best of the sector, 11% negative working capital, around 18 to 19% return on invested capital.

UNILEVER

In summary, the strategy and the portfolio are set. We have brands that have been elevated and have momentum. We have some brands that have to follow and repeat our model that we have built for Dove, Cif, Comfort, Vaseline. We will build a commercial and operation machine at a local level, strengthening our operations to fundamentally manage this

kind of increasing convergence of creators, content, media platforms, commerce. And we are very convinced, we have a strong belief, that Unilever is in a path of consistent, top-tier performance.

NOW SEE IT IN ACTION

With that, thank you very much.

DESIRE AT SCALE

LEANDRO BARRETO

DESIRE AT SCALE IN ACTION

Good morning. I'm Leandro. I'm CMO for Unilever. You have seen our strategy. Now, I want to show you how we are driving Desire at Scale.

We are investing more behind our brands, and this investment has one job, to earn a return. So, that's why we have built capabilities that make every euro work harder. Better products, built faster. Demand, created at a lower cost and higher return. And a system that learns what works, so the next decision is better than the last. That's the change, and it is working. Let me show you how.

SAME FUNDAMENTALS. MORE FORCES SHAPING CHOICE

I want to start with the consumer. Why people choose brands has not changed. They need to be trusted, remembered, desired, easy to find.

What has changed is everything around that choice. Creators are now shaping what people believe. Assistants and algorithms are shaping what people discover and, increasingly, what they buy.

So this is much more complex now, and advantage goes to who learns fastest what works. So a lesson travels from brand to brand, from market to market. That's why scale becomes an advantage if you build for it, and we did.

SASSY BRANDS

We built capabilities underneath SASSY. The initial three letters are our engine for holistic product superiority. The last two are our engine for the way we engage, reach and persuade consumers. These capabilities, they are powerful on their own, but when they are put together in every market, in every zip code, they become much stronger because they feed from each other and you have learning at scale.

I want to show you more about product superiority first, and how we are changing the way we innovate.

BIGGER, BETTER, FASTER INNOVATION

So, you heard from Fernando earlier. Last night, some of you gave us a brief, a product you wanted us to create. You saw in less than twelve hours, it became a prototype. It's not a stunt. It’s really the way we are innovating now.

If you take Home Care, for example, it used to take us months to move from a consumer signal to a validated concept of an innovation. Now it takes hours, because it's no longer a sequence that an action depends on the previous one. It's a closed loop that people and AI work together.

If you take a brand like Dirt is Good, we now have more than seventy agents working on it. So that's why months becomes hours. We also

accelerated our innovation development. We now can see very clearly how the signals are operating, and we can, with synthetic audiences, not only spot more than 60,000 consumer signals in a continuous way, but we also can sharpen those ideas before even real consumers see them.

The innovation also is leveraging way more data points, more than 25 million of them. That's why we can match the formulation with the concept, and we can have prediction on performance and consumer appeal. The innovations are getting bigger and better too. the average project size of an innovation today is twice what it was in 2022. So speed matters, but it matters only if what comes out is better. So Richard Slater, our Chief R&D Officer, will show you how we are making better products, and why this is hard to replicate. Richard.

RICHARD SLATER

SCIENCE AND INNOVATION

Science, aesthetics and sensorials are landing in real products at real scale. Behind this, R&D is going through the biggest transformation any of us of have experienced. AI, digital science and computational biology are enabling us to explore more possibilities, make better choices, and create products in ways that were previously beyond reach.

But AI alone is not the advantage. AI amplifies the advantage. It accelerates and powers up decades of scientific expertise, our unique data, as well as the capabilities of our world class partners.

Our more focused Unilever is built on a relatively small number of shared scientific and technology platforms such as human biology, biotechnology, microbiome science, surfactants, fragrance underpinned by digital discovery. This is our R&D edge. Deep science and consumer

insight transformed by new technology and deployed at scale in a more focused Unilever.

We're transforming R&D from 80% physical to more than 80% digital across all we do. We can now run 10,000 virtual experiments in seconds and explore millions of possibilities before we even enter the lab. What would have once taken decades of physical testing can increasingly be compressed into just weeks.

But of course, we don't do this alone. Through our partnership with Google, we're bringing leading AI capabilities into science and discovery, applying them to some of our most important R&D challenges.

With Arzeda, a world leading biotechnology innovator, we can explore millions of potential enzymes that conventional development could never reach. We then combine the most promising designs with Unilever's consumer and product knowledge.

ALEXANDRE ZANGHELLINI, CO-FOUNDER & CHIEF EXECUTIVE OFFICER, ARZEDA

From the very start of the Unilever / Arzeda strategic partnership we've been leveraging our unique and synergistic capabilities to create innovative bio-solutions. We use our own AI native and agentic intelligent proteins and technology.

Unilever's deep product knowledge and foundational understanding of what matters to consumers ensures that we're always developing something impactful. Leveraging Unilever's rich experience in enzymes, product formulation, and cutting-edge methodology to iteratively test, improve, and validate our designs.

In the process, we solve problems conventional methods struggle to crack, and we do it faster.

MATHIEU LENOIR

Scent is our most emotional sense. It connects deeply to memory, shapes our daily rituals, and drives brand loyalty. The Unilever Fragrance House (UFH) connects fragrance creation directly with our brands, building on decades of Unilever science, formulation and consumer understanding. At its heart is our in-house team, including ten of the world's top perfumers, working with leading fragrance houses and digital partners.

Access to more than 100TB of fragrance data, combined with AI, allows us to explore thousands of creative possibilities to identify the most promising directions in seconds, helping our perfumers develop winning fragrances 50% faster than before, and this is already landing at scale. 30 UFH fragrances are locked or launched across some of our biggest brands, including Dove, Vaseline and Dirt Is Good.

Together, we are creating fragrances that not only evoke memories and emotions, but drive, desire and brand superiority.

RICHARD SLATER

This is not R&D as usual - made a little faster. It's a different model of innovation. Millions of possibilities explored digitally, and the most promising tested physically. And our scientists concentrating their time where human expertise and judgement matters most. So, let's bring this to life with some examples across our categories.

In Hair Care, take K18 Future IQ. A breakthrough in hair longevity that starts reversing hair age in just three months. By combining deep

expertise in hair biology, our unique multi-vital technology and AI assisted discovery, we've gone upstream into the underlying biology of the hair follicle and the scalp, to target the pathways behind greying, shedding and scalp health.

Now the results are really compelling. 100% of people seeing less hair-fall after just one month, up to 10,000 additional hairs for more volume after two months, and 70% seeing fewer greys after three months. This is more than a new product, it opens up a new, high-value space in hair longevity, bringing frontier science to one of our fastest growing premium brands.

Vaseline Pro Derma Snow Melt brings advanced skin barrier science together with a distinctive sensorial experience. It starts out as a rich cream, but it transforms at skin temperature into a light, fast-absorbing serum, all while delivering two-times the barrier repair and 72-hour moisturisation.

Cif Infinite Clean builds on 20 years of microbiome research. Its probiotic system reactivates when it encounters dirt, keeping surfaces cleaner for up to 72 hours. And using the product is really engaging. It has a continuous mist spray, premium fragrances, reloadable packaging.

And in Surf Excel, our work with Arzeda will bring the first ever AI-designed enzyme into one of our largest brands. Delivering three-times resilience against trapped dirt, two-times faster fibre rejuvenation and 50% more noticeable, longer lasting fragrance.

So, this focus is having a real impact all across our portfolio. In consumer testing, our products outperform competitors across more than 80% of the turnover tested. Consumers face more claims, more information, more choices than ever. Increasingly credible sources of authority,

including AI, will help people discover, compare and choose products. In that world, real performance backed by real evidence matters more, not less.

The Unilever Fragrance House is now landing new internal creations at scale and 50% faster, and I hope you'll get to experience some of these today. We recently announced the creation of a state of the art $270m innovation hub in New Haven, next to Yale University, right here in the US. And today we're announcing a major new digital first innovation hub in Mumbai, building on our deep R&D capabilities in India and driving innovation for India and for the world.

Together, these capabilities allow us to innovate faster, create more distinctive, superior products and unlock opportunities for premiumisation and growth. Science, aesthetics and sensorials powered by digital R&D, and deployed at scale, are becoming a true competitive edge for Unilever.

LEANDRO BARRETO

Thank you, Richard. So this is real performance combined with this outstanding product experience. It's fewer, better innovations across our brands and our different categories.

HIGHER EFFICACY & MULTI-BENEFIT SKIN CARE

To show you a bit more, in Skin Care, for example, we are bringing advanced technology not only for face, but across multiple formats: through oils, lip, and advanced body serums.

ADVANCED HAIR LONGEVITY & STYLING

In Hair Care, we are democratising, across price tiers, also blockbuster technologies in high-growth demand spaces like hair growth, scalp care, and professional styling.

SUPERIOR, CLINICALLY-PROVEN CARE

Dove continues to innovate with superior clinical performance in every category, in every market: Deodorants, Hair, Body Care.

WELLBEING, CONVENIENCE, PLEASURE

if you look at our innovations in a world that is more demanding, they are not only driving more efficacy, they're also driving more wellbeing, more convenience, and more pleasure.

HOME AS A HAVEN

And pleasure is not only for the body and the mind, is also for the home, as home is now becoming a haven. And it's showing that science, aesthetics, sensorials, they have no category boundaries.

SASSY BRANDS

So, this is the first half of SASSY. Now, let me take you to the second part, that's how we are creating demand systematically and at scale.

FOUR CAPABILITIES, ONE SYSTEM

Our Social First demand model has four capabilities.

Recommendation at scale, how our brands are found, understood, recommended by the models.

Content at scale, more, faster, better content.

Influence at scale, so trusted voices advocating for our brands

And media at scale, that is how we reach each one of these consumers in the right moment.

These capabilities, again, they are very strong on their own, but they drive learning at scale when applied in every market. Let me tell you first what we're doing in recommendation at scale, that's one of the areas where the biggest shift has happened.

AI MAKES SUPERIORITY MORE VALUABLE

So, you heard earlier from Fernando, the reality is that for 100 years, superior products had to persuade people. Now they also have to persuade machines, large language models. So you ask an AI assistant, "What's the best shampoo for damaged hair?", you don't see a shelf, you see a shortlist. If you are not in the shortlist, you're not part of the choice.

That's why the “Said by others” in our SASSY framework is now about people and large language models. And the thing with machines, large language models, is that they are looking for exactly what Richard has shown: evidence, efficacy, proven claims. And with more than 15,000 active patents and more than 80% of our turnover with superior products, this plays to our strengths.

But large language models can only recommend what they can read.

A CENTURY OF SCIENCE: MACHINE-READABLE

That's why we are turning a century of Unilever science in machine-readable content in three ways. First, we are structuring our data. More than 150,000 scientific documents are now legible, available claims to be understood by the models.

Second, partnerships. Working together with the big platforms and with important partners that are shaping these models, so we understand fast and we adapt even faster.

And third, you can see on the left side of the screen, always-on optimisation. Now every week, we track more than a million prompts across more than thirty markets, and we understand, as you can see there, what is working, what is not, and we act on it. It is not a pilot, it's really a new way of working in every market where we play.

We have built a five-years partnership with Google that is helping to make our brands discovery ready. They bring their platforms, their model, their knowledge, and we bring what only we can bring: our proprietary data, our science and our brands. Let's hear from Google.

MAUREEN COSTELLO, VICE PRESIDENT UKI, GOOGLE CLOUD

Unilever and Google Cloud this year announced a five-year partnership to accelerate Unilever’s transformation through advanced AI, data and next generation marketing.

The two companies are collaborating to build next generation marketing capabilities across brand discovery, conversion and measurement to

ensure that Unilever remains at the forefront of shifts in technology and consumer habits.

And with models such as Gemini, Unilever is building a system of intelligence that reasons, learns and acts. This will set a new standard for agility and consumer engagement in the CPG sector.

LEANDRO BARRETO

WHERE WE ACT, RECOMMENDATION IMPROVES

Thank you Maureen. So partnerships really matter, but the only test is: are our brands being recommended? And the answer is yes, and it's improving. In the last six months, in more than 90% of the brand market cells positions that we track, we have improved.

Now, in eight out of ten of our top markets, at least one Unilever brand is in the top three, in that shortlist. And in many markets, we have our brands in the number one on the prompts we track. So, markets like US and India for Dove in skin cleansing and in deodorants, or even in deodorants, Rexona in Brazil, in Indonesia. And across many markets in laundry, Dirt is Good from Brazil to the UK to Vietnam, we are the most mentioned, the number one in the ranking.

So, we are measuring this over time. This is not a fixed snapshot. We measure this week-by-week. We know who we are competing with, and where we act, we improve, we improve fast. There's more to be done, but we know we are moving fast in the right direction. But recommendation is only part of our model, because now we need to engage with consumers in a very different way, and this requires a completely different scale of content.

CONTENT AT SCALE: FASTER, BETTER

So, you heard before, on the old model the advertising would be a few big ads that we would show everywhere. Now every audience, in every platform, in every market requires a specific type of content. Thousands of pieces if you multiply an average of ten audiences per brand per market. If we were doing this in the old way, it would be impossible. So, we created an AI-powered engine that changed the economics.

A video used to take three weeks to be created. Now, we're creating in three hours. We are producing twelve times more content than in 2024 at a 90% lower cost. And it's working harder too. In Beauty & Wellbeing, for example, our purchase intent is up 43% versus last year, and our brand recall is up 59%. And brand matters because the more content you create, there could be a risk that the essence of our brands could be diluted with their consistency.

So, every piece of asset we create, it starts from the brand DNAI. It's our own proprietary platform that codified what is distinct for each brand, its core proposition, and built it into the engine that creates content. So the content is not only effective, it's also helping us to build brands in the long-term.

So, content matters a lot, but you heard earlier today that a brand preference is increasingly defined by the systems of authority that we tap into: creators, communities, algorithms, professionals, experts.

That's why influence at scale, our other capability, really matters.

INFLUENCE AT SCALE: GLOBAL CAPABILITY, LOCAL VOICES

We're working now with more than 500,000 creators across our top markets. AI helps us to find them, to brief, to vet, to measure. But our people remain in charge and in control of the relationships. So it's a global capability with local voices, and it's paying. Our measurement shows that the average return of investment of creator-led content is 1.5 times higher than brand-led content alone.

Good example of how we are bringing influence at scale to life is what we have done with Dove Hair here in the US. So, we took our Dove hair mask and we gave it in the hands of the Reddit community and we asked them to review, we listened to them. The good, the bad, the ugly, and we put in our advertising. Take a look.

DOVE ADVERTISING VIDEO

Narrator: When it came to promoting our Intensive Repair Mask, we chose honesty over hype. First, we went to Reddit, where there's no spin, no polish, and no control, just brutally honest people with usernames like HairGoblin92. We asked them to review our product with one risky commitment: the first 50 reviews, that's the campaign. No edits.

Speaker 2: Holy grail of hair masks.

Speaker 3: What a disappointment.

Speaker 4: My wife likes this.

Speaker 5: Very moisturising, and smells hella bad.

Speaker 6: You want me to read it? "This mask said it was hydrating, but just wasn't really doing it for me."

Speaker 7: It's hydrating and my hair craves it. If there's one thing I don't love about the product, it is the packaging.

Speaker 8: Wow, where have you been all my life?

Speaker 9: To me, it smells like tropical vacation vibes.

Narrator: From Reddit to streets across the US, we put it all out.

Speaker 10: If it wasn't for the good and the bad reviews, I don't think I would have tried it.

LEANDRO BARRETO

THE COMMUNITY BECAME THE MEDIA

So this is our "Said by others" in in its purest form, because the community became the media. It's a blur between what the communities do and the media we spend. Before this campaign, Dove Hair was the number three mask in the US. It became the number one hair mask in America. It gained more than 240 basis points of market share in 4 months. So it's about more content, more voices. But the other question we had to respond to with building capabilities is where do we allocate the next euro? And this is about media at scale.

MEDIA AT SCALE: BETTER DECISIONS

So we brought together media planning and media buying, and we keep the data. So with the data, AI helps us to make three decisions better.

First, where to allocate. So it used to take us months to understand the correlation between media and sales, sometimes once per year. Now in a question of weeks, we understand what is working, what is not, and we

optimise the campaign while we're still running. It's significantly improved our ROI in an average between 10% to 15%. This is a proprietary technology, our Rapid ROI, that is really helping us to accelerate the way we allocate our media budget.

Second, buying. With smart bidding technology now available in more than 65 markets, we are buying digital assets in a different way. It's way more efficient because it understands the quality of the content and how to use this content in each one of the audiences in each one of the platforms. It is also giving us in-year around 14% more efficiencies in our media buying for digital assets than last year.

And conversion. We are understanding now retailer media more than ever. Across 44 retailers in 22 markets, we understand which part of the retailer media is working and how we need to optimise this in real time. It's just the beginning. We are taking this now to 65 retailers in 30 markets.

So four capabilities that when they come together, they bring real, tangible impact. An example of this is the FIFA World Cup 2026TM.

ONE DEMAND SYSTEM, 120 MARKETS

So, one global moment, 120 markets, eight weeks, always on. We produced more than 100,000 pieces of content during those eight weeks. We worked with more than 50,000 creators, 2,000 of them were reporting live from our activation hubs. And the results, our Personal Care business delivered the highest summer market share in three years. Our FIFA World Cup 2026TM limited editions sold 350 million euros. So it's like different capabilities executed together in one demand system in many markets at speed.

AS AI SCALES, CULTURE MATTERS MORE

Now, I want to talk about something on the other side of everything I've been showing so far. Because as machines get more capable, being human becomes more valuable. So large language models and technology can help us to recommend brands, to create content, to optimise investment, but it cannot help us to make a brand matter to people.

This is the Young spirited part of SASSY. It's connecting brands to culture, like Dove and Bridgerton, like our long-term partnership between Clear and Red Bull Racing, or Sunsilk in Asia with one of the biggest K-pop bands, BABYMONSTER. These are just some examples among many of how we are connecting to culture. And this is not only about finding what is new. It's also about understanding how a brand matters in culture for generations. Take a look in Vaseline in South Africa.

VASELINE ADVERTISING VIDEO

[No audio]

LEANDRO BARRETO

150 YEARS OLD, AND GROWING

So more than 150 years old brand, young spirited in culture today and growing. You heard earlier today, Vaseline has been growing double-digit, year-on-year in the last four years. So technology gives us scale, but culture gives us meaning, and we are building brands that win through both.

FROM INNOVATION-DRIVEN CONTENT TO CONTENT-DRIVEN INNOVATION

Now all these capabilities are being put together through social commerce. We've never had the distance between desire and sales so short, because social commerce brings together content, creators, recommendation, shopping in one experience. And it's not only anymore about innovation driving content, it's also about content driving innovation. And China is showing the way for us. I want you to hear from Annie Peng, our global social commerce lead, about the transformation we are doing in social commerce in China and beyond. Annie.

ANNIE PENG

SOCIAL COMMERCE

Social platforms are changing the way demand is created. Influenced by creators, inspired by affiliates, driven by shared passions. Now we're turning that social commerce into a repeatable engine for growth.

Today, 30% of consumers globally discover new products on social platforms. And here in the US, 62% of Gen Z beauty shoppers discovered a product on social and bought it. The demand is there. And, most importantly, we can see demand building as it happens - what consumers are watching, sharing and buying. And we can now act on those signals much faster.

Our team in China has demonstrated this in action. Our TikTok shop has delivered 38% average annual growth over the past three years. This year, it is on track for €190 million - around 11% of our turnover in China.

That is helping us deliver mid-single digit growth, despite a significant market-wide decline in the offline channel.

But China is not just delivering growth. It is building a repeatable demand generation machine in social commerce. And we are now building the same capability in Vietnam, Indonesia, Brazil and the US. The model is simple to describe, yet difficult to execute. You need fast innovation that turns consumer signals into products. You need content that entertains and sells. You need affiliates who can endorse product at scale. And you need livestreaming, often 24 hours a day.

I've spent the past 8 months in China working alongside some of the top livestreamers. 4 hours live. Non-stop, high energy. Tackling consumer pain points, explaining the science, answering questions as they come in. I was sitting there, watching the conversion numbers move in real time - what worked, what doesn't, what made people buy. And those insights went straight into the next livestream plan.

What we have learned, is that social commerce runs on a very fast feedback loop - media, content and performance continuously shaping the next action. And that system is changing innovation too. Historically, we developed the product and then created the content. Now, content and consumer response tells us what product to create next. From innovation-driven content to content-driven innovation.

Let me bring this to life, with Lux. For many of you, Lux may not be a familiar name today. But it was once one of the biggest names in beauty. Over time, it became a legacy soap brand. We are now rebuilding Lux for growth, like we did with Vaseline, into a premium liquid brand. China is leading that reinvention through social commerce. From social platforms, we saw strong consumer signals around fragrance, shower rituals and facial skincare benefits moving into body care.

And Lux Brightening Shower Gel was our response. It had everything a product needs to win on social. Visually distinctive, easy to demonstrate, easy for creators to talk about it. More than 800 creators posted about it in the first 15 days. More than 20,000 pieces of content were generated in two months alone. Within 30 days, it became the number one new shower-gel innovation on TikTok. But the ranking only tells part of the story. Lux Brightening attracted nearly half a million consumers in the first three months. 73% of them were new to Lux. And it delivered 50% of Lux's growth in China that quarter. The same winning proposition is launching into the southeast Asia market and western markets. A repeatable model.

Across Lux, Dove and Vaseline, innovation has moved from one or two launches a year to one or two launches every month. We have the brands, we have the science, we have the route to market, we have the investment capacity, and we have the global scale. Turning signals into winners, winners into scale, and scale into growth - online and in stores. And that growth only happens when we execute perfectly at the point of sale. Thank you.

LEANDRO BARRETO

TURNING SCALE INTO LEARNING POWER

Thank you, Annie.

China is showing the way in how we accelerate social commerce. This is already in place, the learning is travelling in Vietnam, in Indonesia, in Philippines, where our Beauty and Personal Care brands are growing ahead of the market in social commerce and winning market share.

Now, you multiply this across Unilever, billions of interactions every day, millions of pieces of content, hundreds of thousands of creators. That's when scale becomes advantage, because it becomes learning power. We learn what is working in a brand and in a market, we shift investment there, and we leverage this, brand by brand, market by market. So it's faster learning, better decisions, that drive higher ROI. That's the model, and it is working.

DESIRE AT SCALE IS WORKING

Our brands now hold, in 87% of our markets, the number one or number two brand power. So our brands are much stronger than they were before. You've seen our products in more than 80% of our turnover are superior. And our innovations are larger, more premium, and more impactful. At the start I told you, we were investing more behind our brands and that investment had one job: to earn a return. I said better products built faster, demand created at a lower cost and higher return, and a system that learns what works, so the next decision is better than the last. That's Desire at Scale in action, and it requires a lot of execution, perfect execution, day in, day out, market by market. And that's what Herrish and Priya will show you next. Herrish.

EXECUTION IN MARKET: THE U.S.

HERRISH PATEL

A TRANSFORMED U.S. BUSINESS

Good morning, my name is Herrish, I lead the US business and as Fernando and Leandro shared, my job is to show global strategy into

local action. Before I do that, I just wanted to start with what's changed over the last three to four years of the US business.

The first is a portfolio redesign. It's more focused, it's faster, it's more premium, and it's very digital. Think about the momentum of the categories in the verticals we operate, it is where consumers are going, and it is the majority of growth in retail.

Secondly, our SASSY model that Leandro has shared has transformed our demand generation model with the US consumer.

Thirdly, our executional step-up has been significant, but more importantly, we've now moved from being a supplier, to a partner, to a thought leader when it comes to retailers in the US. Now what that means is that we now operate on three-year planning cycles with some of the biggest retailers in the US, and it's pretty bolted on. To give you a sense of that, by the end of Q1, with one of the biggest retailers in the world, we would have locked '27, '28, and started conversations on '29. Because we now have a three-year innovation plan powered by science.

PORTFOLIO OF LEADING FUTURE FIT BRANDS

At the heart of that is a collection of brands that are the envy of the US.

We have a portfolio of Power Brands, like Dove. 7.5% growth over three years, and it is the number one non-edible brand in Walmart last year. It is the playbook for other Power Brands in Unilever.

We have a collection of brands about market-making. Think about how we double Men, female Wellbeing, when you think about OLLY, Liquid I.V., hydration. We are known for building categories in the US. And

ultimately, then we have digital disrupter brands that are growing 50, 60%, that are creating segments of today and tomorrow. In the verticals that we operate, we are number one, which means that we have a responsibility to grow categories in the US.

MULTI YEAR BIG BETS FOR SUPERIOR GROWTH

Let me now transport you to Minneapolis, Arkansas, or Seattle. We have a collection of brands, we have consumer tailwind, but how do we digest it in a way that we can partner with retailers and we build the plans together, not through them?

This is what the boardroom looks like when we show up at some of these biggest retailers. We talk about the superpower of Dove all the way up to 2030. What could it look like? Where's the science going? Where's the technology? How are we going to disrupt the categories like deodorants and skin cleansing? We'll flip to Vaseline. A phenomenal journey. When we think about Vaseline in the US now, lip to toe, the market development opportunity is vast. We talk science and technology on our Beauty and the future of Wellbeing business. And of course, how do we double Men's? You may think that looks very high level, but then we use SASSY as a way of engaging these retailers on the hows. Let me give you a feel of that.

EXPAND DOVE'S SUPERPOWER

Let me again take you through how SASSY is operationalised from an external perspective. When we show up with their multi-year big bets and we're talking Dove, we're sharing our science roadmap all the way up to 2029, 2030. Most of the strategic retailers in the US know that we

will bring the disruption to skin cleansing in '28. What are we going to bring in '29? And it's science, technology-led, that will fundamentally change the trajectory of a category. We then talk aesthetics. 80% of Dove in the US has been relaunched aesthetically over the last two years. We talk about sensorial. Think about serum and armpits and skin health. We will transform deodorants as we go into '27. And the difference on "Said by others" is the question that we ask, and when we work with external partners is, how do we win the consumer journey?

You may ask the question, "who owns the consumer journey now?" The world of a brand straight to a consumer is now fragmented. So, when we talk to a Walmart or an Amazon, we actually talk about how we can collectively win that consumer journey. It may be creators of Unilever, it might be content owners of Walmart, but we are obsessed with one thing, clicks, conversation, conversion. That is what we're obsessed about when it comes to "Said by Others". And Youth-Spirited. Yes, I can talk Super Bowl and I can talk FIFA and I will give you examples, but the magic of Youth-Spirited is that you don't follow culture, you shape culture.

Unilever USA knows what's going to happen to culture in the United States when it comes to '28, '29, because we have strategic partnerships with the media houses. I personally spent two weeks in LA with Amazon Prime, with Netflix, with Sony, so that I understand what's going to shape America when it comes to culture. That is SASSY in action when we talk externally.

WIN IN MEN'S

The same for Men. As you can see here, after ten years in the US, what we've just shared, we're relaunching Dove Men. We will go live on the Super Bowl in a few months' time unveiling the new SASSY-ness of Dove Men. You see under aesthetics, how our premium range, fragrance-forward, transports the shower experience. And then we've got Dr. Squatch that gives us a different proposition when it comes to naturals, collaborations, and at the heart of masculine culture in the US. But the essence of it is, we're here to double the Men's category, and we're the lead partner externally.

WINNING IN CULTURE

Culture is the flywheel of marketing. Yes, we have a portfolio. Yes, we have multi-year big bets. We bring it to life through SASSY, but culture is at the heart of the flywheel of marketing when it comes to the US.

Let me give you the FIFA World Cup 2026TM example. The FIFA World Cup 2026TM for the United States reset execution benchmarks forever. We had 10x more creators than we've ever had before. We thought Super Bowl a year ago was big. Just watch the next Super Bowl in 2027, inspired by the FIFA World Cup 2026TM. We had more content, and execution broke all records. As you can see, we had 95% universal coverage in the United States for six weeks as we landed the FIFA World Cup 2026TM.

Bridgerton is another great example where Netflix, Unilever comes together, looks at the two brandverses, and finds the equilibrium that fits their brands. It pioneers forward-thinking fragrance, beautiful aesthetics, and absolutely reinforces how we do Said by others and Youth spirited. And as you can see from some of the stats, it's bringing in a whole new

generation into the Dove brand. 45% were new to Dove, 20% Gen Z purchases. That is why we're building penetration with Gen Z on our Dove brand.

SUPPLIER TO STRATEGIC THOUGHT PARTNER

So, what happens when you do the "and, and, and" agenda? The global strategy executed perfectly in the market in the US. We took the portfolio, we made it multi-year big bets. We created the demand, and in parallel, we immersed our brands in culture. The net effect is that we were voted only a few weeks ago, the number one supplier in the United States. We've been acknowledged by some of the best retailers in the world that we are the go-to partner. We're the number one on omni. We're selling more volume than anybody else, and we've got a consistency track record now on performance. Now, I'm not a big fan of awards, but what it is, is an invitation to be a thought leader in the way we work with retailers in the US going forward. So let me give you a sense of what that looks like.

PARTNERING WITH THE FUTURE OF RETAIL

Winning with the winners is an art and a science in the States. You have to differentiate and you have to be distinguishably different of how you play your portfolio.

So with Target, we build our Power Brands like Dove with culture, but we also build the portfolio of tomorrow. Think Wild, think OLLY.

In somewhere like Amazon, we're obsessed around brand discovery. We're working with Amazon with this concept of clicks, conversation, conversion. I'll give you a sense of what that looks like.

And then with Walmart, we call it the market maker, because you win with Walmart, there's a domino effect in the United States. So let me give you a feel what that looks like with Walmart first.

DEFINING THE FUTURE OF CATEGORIES

So, this is a bit animated, you'll see the chart, but when you are a number one player, you have a responsibility to grow categories. The example you're seeing here is on deodorants. The way we work with retailers, we share the vision five years out and then we fold it back on the shelf, the physical shelf, the digital shelf, and how it's going to evolve.

What you see here is the evolution of skin health in deodorants. What you see is wardrobing on fragrances. And then you're seeing an evolution of how sweat control evolves, particularly on clinical, when you think about women's wellbeing. You shape the future, you build the shelf, and you do it digitally, and then you create the domino effect across the market.

WINNING AGENTIC DISCOVERY AND COMMERCE

Leandro talked about agentic, and I think we're making good progress, we've got a lot more to do, but to give you a sense of how we're partnering with the likes of Amazon on agentic, here's two examples.

We're winning the agentic race. If you look on ChatGPT the brands of Personal Care come up as the number one recommended brand. Why? Because our science is being converted into publications. It's driving the algorithm. We have more creators, we have more content, which means we have bigger communities who are talking about our brands much more. That is why we're winning the algorithm.

Then when you convert that to Amazon, Dove is the number one searched brand and the number one purchased brand on Amazon. The message I'm landing here is that we're winning the emotional human connection, and we're starting to win the machine.

So let me give you now an external perspective. You've heard a lot about what I think about the US, but I've invited Stuart Aitken, who's the CEO of Circana, who's very close to the US consumer landscape and retail landscape, to give you his perspective on Unilever.

STUART AITKEN, CEO, CIRCANA

Hi, I'm Stuart Aitken, CEO of Circana.

At Circana, we measure what consumers buy, from categories to the cart, to the click. That gives us a clear view of how markets move and, more importantly, why.

Over the last few years, the US consumer goods market has been a tough place to grow. Unilever stands out. It has delivered four consecutive years of volume growth. Consumers are buying more, not just paying more. What's changed is how Unilever shows up: fewer, bigger bets, science-led innovation, and stronger retail partnerships. And we can see the impact of that sharper execution in the data.

Personal Care, Beauty & Wellbeing are growing about three-times faster than the overall store, and few brands show up more clearly than Dove. Together, Dove and Dove Men accounted for more than a third of US Deodorant category growth in the past year, and Dove added more than $74 million in deodorant sales, more than any other established brand.

From what we see, Unilever is increasingly bringing together the brands, innovation, and execution needed to win in the next era of retail.

HERRISH PATEL

U.S. CAPABILITIES AND BRANDS THAT TRAVEL

So let me give you the wrap-up, maybe the three messages that I'm leaving you with is, firstly, the US has now consistency in its volume growth performance. At the heart of that performance is something that we're very proud of and that we will share with the world. We are becoming a powerhouse in the way we think about omni. Everything we do and everything we execute has to be omni first.

The second is the Dove playbook will go from strength to strength, and we will share it as a playbook for all Power Brands, and we'll share that with the world.

And we'll continue to evolve our premium portfolio, build categories of tomorrow, and ultimately, they will then travel internationally.

So thank you very much. I'd like to now hand over, to go from west to east, to Priya, who runs our HUL business.

EXECUTION IN MARKET: INDIA

PRIYA NAIR

INDIA FMCG CONSUMPTION PRESENTS A SIGNIFICANT RUNWAY FOR GROWTH

Good morning, I'm Priya Nair, and I'm the CEO of Hindustan Unilever. If you look at India overall, for consumption, it represents a significant headroom for growth and a huge runway for growth.

If you look at consumption across categories within the country, between value seekers and more affluent consumers, consumption changes significantly. Let me take a few examples.

Let's take the laundry category. As consumers move in India from hand washing to machine washing, consumption grows from x to 1.2x. Today, washing machine penetration in India is about a third, so huge headroom for growth in a category like laundry.

Let's take a category like shampoos. If you take a category like shampoos, as more women go to work, they wash their hair more frequently, and consumption goes from x to 1.7x. So, you see the headroom there is in India for consumption-led growth.

If you look at many nascent sub-segments in the country, if you index the penetration of a country like Indonesia to a country like India, you see the significant headroom that exists, whether it's hair masks, body washes, home care liquids, huge headroom for growth, and a big runway in India for growth that will follow.

Within that, Unilever is extremely well-placed in India. We have a relative market share between 3x to 5x in each of the categories in which we

play. We reach nine out of ten households of the 1.5 billion consumers in India, reaching them through 9 million stores.

We have once again and we continue to be the number one employer of choice in India. Not just in consumer products, but across sectors in the country, we have once again this year been rated the number one employer of choice. So, we are very well-placed with our capabilities to realise the runway and opportunity that India presents.

OVER THE PAST YEAR, WE HAVE STRENGTHENED OUR MARKET LEADERSHIP IN INDIA

Over the last year, we have significantly strengthened our leadership in India. This has been on the back of elevating the desirability of our brands, as Leandro spoke to you, with significantly sharper resource allocation behind fewer, bigger bets. We have stepped up our execution across channels, and I will speak and talk a little more about this, with our focus being on volume-led revenue growth.

SHARPER EXECUTION HAS TRANSLATED INTO STRONGER VOLUME-LED REVENUE GROWTH

As a result, we have stepped up our performance and our revenue growth has stepped up over the last four quarters with a good mix between volume and price.

ACCELERATING GROWTH THROUGH COMPETITIVE SHARE GAINS

This is on the back of strong competitive gains. If you look at a category like home care, we're not just growing overall in home care, but we're

growing across sub-segments. We're growing competitively in powders, bars, liquids, and in dishwash in India.

STRONG MULTI-YEAR BETS TO WIN IN INDIA

So, it's on the back of strong competitive wins in the country. We have clearly defined multi-year bets in India. The first is accelerating laundry liquids. Today in India, laundry liquids is 7% of the market by volume. The rest of the market is bars and powders. So, huge headroom as the market leader to grow the category from bars to powders to liquids.

The second is Beauty & Personal Care. Fernando mentioned that in India, Dove is growing 25%. For HUL, Dove was in 2023 the number nine ranked brand by size. Today, it is already our number five brand in terms of size for HUL. We are building a masstige powerhouse in India. We acquired Minimalist two years ago. It's already a 100 million in terms of average running rate, and it will be HUL's fastest brand to a 100 million. We're also building Simple, Nexxus, and have the opportunity to bring in many more Unilever brands into India.

Hair care for India is a very important category. We are at 3.5x the relative market share to our nearest competitor. But most importantly, we have a portfolio that spans from Clinic Plus at one cent for a sachet to Dove, TRESemmé, now Nexxus, and of course with the opportunity to bring in K18, and we will double down behind hair care in India.

We will continue to develop the market for facial cleansing and light moisturisers. Facial cleansing has a penetration of 30% in India, and light moisturisers are really climate-friendly skin products for hot and humid climates, and also for Indian skin tones.

As the global leader of deodorants, there is significant opportunity for us to make the market in deodorants. It's an extremely underpenetrated category in India, and that will be one of the key opportunities for us over the next few years.

We are doubling down behind Horlicks, building a nutrition superfood, and have recently entered the fast-growing protein segment in India. We're also going to bring in a lot of our Unilever brands, including acquisitions, to win in the exploding wellbeing market. So, this is really some of our significant multi-year bets to win in India.

SUCCESS IN INDIA IS WINNING IN DISTINCT GROWTH CELLS

When you think about India now, India with 1.5 billion consumers is incredibly heterogeneous today. If you think about the consumption patterns, the first way to think about consumption in India is looking at affluence.

We have 35% of India who have the household income of Africa, 60% of India who have the household income of Indonesia, and 5% of India, which is about 80 million consumers, who have the household income of France. And therefore, this completely changes how they consume.

When you think about consumption in India, it's also about where they live and where they shop. 70% of India lives in rural villages and Tier 4 cities, 20% of India lives in small towns, and 10% of India lives in the 100 top cities with over a million population. And therefore, if you look at our category growth, if urban contributes to x delta of a category, rural contributes to 2x delta, and we are extremely well-placed with our portfolio to capture the delta across these two segments.

BUILDING A SEGMENTED FRONTLINE TO WIN IN INDIA

What I'm going to share with you in more detail is how we are building a much more segmented frontline to create a very future-fit go-to-market model.

Whether it's in rural, adding more feet on street, more coverage, and more outlets to better quality service of specialist stores in smaller towns or online discovery for our top-end consumers in big cities.

OUR PORTFOLIO IS UNIQUELY POSITIONED TO WIN

Our portfolio is uniquely positioned to win because we cover across the price-benefit piano from brands like Clinic Plus, Lux, and Wheel that talk to the democratisers to today a portfolio like Minimalist, Oziva, Simple, Nexxus, and many more of our Unilever brands that we can bring in to serve the power spenders at the top end of our pyramid, we are uniquely positioned to win in India.

WE WILL CONTINUE TO ELEVATE OUR BRANDS

We will continue to elevate our brands. Like Leandro shared, we are bringing in proprietary science into our products. We have launched a packaging design hub in India and rolled out the Unilever Fragrance Hub in Mumbai.

We reach 30,000 creators today in India and will double down behind our creator marketing efforts in the country.

AND INNOVATE ACROSS ALL KEY PRICE POINTS

And we continue to innovate across price points. Let me just give you an example from facial cleansers. Our portfolio from facial cleansers spans from Glow & Lovely, Pond's, we've just entered with Dove facial wash in India, and at the top end, have Minimalist and Simple. So we really span across the pyramid.

Same is true for Sun Care. We sell a Sun Care in Glow & Lovely for under $0.10. So, I'm going to repeat that. We sell a sunscreen in India for under $0.10. Sunscreen penetration in India is only 2%. Huge headroom. And at the top end of the pyramid, we have Minimalist and Simple. So we span the portfolio across all key segments and price points.

WINNING IN AN OMNI-CHANNEL INDIA

I'm going to talk to you a little bit about how we're building an omnichannel future-fit go-to-market.

"PERFECT" LOOKS DIFFERENT BY CHANNEL: EXECUTION DISCIPLINE REMAINS CONSISTENT

If you look at Perfect Store in India, it is different by channel, but, of course, execution discipline remains consistent.

At the top end of India it's increasingly growing, fast-growing quick commerce. Quick commerce in India is essentially 10-minute delivery. So, it's an online application where consumers get delivery in 10 minutes. The focus there is to drive availability, that is absolutely critical when consumers are looking for 10-minute delivery. Its PIN code level dark store availability, and this is our critical focus.

There are increasingly open format stores in large towns which are becoming destination stores for consumers, and our focus there is on retail theatre and growing our brands in these open format stores.

In the health and beauty channel, we're improving our capabilities for premium selling, and especially in beauty, for assisted selling in health and beauty stores. And in traditional grocery, our focus is on assortment growth and growing our coverage.

WINNING QUICK COMMERCE END-TO-END FROM AVAILABILITY TO CONVERSION

Let's go through each of the channels. Let me begin with quick commerce. We have focused on an AI-led availability engine, and as Fernando mentioned, this has grown our fill rates by 1,400 basis points to over 90-plus fill rates today.

We have a targeted performance marketing effort, which is increasing our ROAS, and mostly, we have category partnerships, which has led to our ranks in the Advantage survey moving from the number six rank to the number two rank in a period of a year.

We have 50%-plus underlying sales growth in quick commerce. Let me show you a video which captures some of the capability building underneath this.

INDIA QUICK COMMERCE VIDEO

Narrator: Quick commerce is reshaping the way India shops. Beyond convenience, it is creating new shopping occasions, with thousands of dark stores bringing products to consumers in under 10 minutes.

For HUL, winning in quick commerce comes down to three things: unmatched availability, winning the brief shopping window, and partnering with customers to grow the category.

First: Availability. Integrated forecasting, nano DCs closer to demand, and faster replenishment have improved fill rate by 1,400 basis points and front-end availability by 1,000 basis points.

Discovery. We're creating more and better content, faster, with technology and sharper heuristics helping us tailor activation by market, shopper, and platform improving return on advertising spend by 23% and market share by 46 basis points in Tier 2 and Tier 3 markets.

Third: Partnership. We're co-creating new occasions and activations with customers, bringing our partnerships to life while using the shopper journey to grow categories and baskets.

The result: Quick commerce growing over 50%, with HUL moving from number six to number two in the Advantage survey. But the strongest proof comes from our customers. Let's hear from them.

PRATIK KEJRIWAL, VICE PRESIDENT, PLANNING PROCUREMENT & OPERATIONS, SWIGGY INSTAMART

What I value most about our partnership with HUL is that it embodies the spirit of true collaboration. Swiggy and HUL have been building industry-first capabilities on integrated supply chains and data insights in the service of building new categories on the platform.

Quick commerce is evolving incredibly fast, and partnerships like this allow both of us to move with speed, experiment, learn, and ultimately create a better proposition for consumers.

PRIYA NAIR

TRANSFORMING NEIGHBOURHOOD OPEN FORMAT STORES WITH AN ELEVATED RETAIL EXPERIENCE

So that gives you a sense of the capabilities we've built on quick commerce. Let me go now to the next store type, which are open format stores.

Open format stores exist, there are 20,000 stores that we service across 200 towns. We have created a dedicated organisation to serve these stores with in-store brand building and, essentially, our ability to develop and build categories. Our growth in this period has gone up 3x, and our assortment growth has increased 11% since we've deployed the new organisation capability.

STRENGTHENING OUR EXECUTION IN HEALTH & BEAUTY

If you look at our health and beauty channel, we are strengthening our execution in the health and beauty channel. We have a curated portfolio that goes to 175,000 specialist stores of health and beauty in the country, in-store brand building, and assisted selling, especially for our Beauty portfolio. Our growth since we've deployed this has grown 1.4x and a 9% growth in terms of assortment.

USING TECHNOLOGY TO FURTHER ENHANCE OUR DEEP RURAL SCALE AND ACCURACY

Last, but not the least, is how we're strengthening our deep rural scale to build through technology, whether it's the work we've done through assisted recommendation engine with IQ, or it is the work we've done

through our B2B application with Shikhar. With Shikhar, we reach 1.3 million retailers who can directly order through Shikhar. This has led to a double-digit growth in our assortment in general trade.

IN SUMMARY

Therefore, in a nutshell, India represents a massive opportunity for Unilever, with clear multi-year portfolio bets. We are extremely well placed to realise that opportunity. We are driving the desirability of our brands with a more segmented future-fit go-to-market.

FRONTIER MARKET OPPORTUNITY

India represents the blueprint for Emerging Markets, as Fernando mentioned, and we're rolling out this blueprint to now Frontier Markets like Africa, Pakistan, Bangladesh and Vietnam. Let's hear from Reggie on this.

REGINALDO ECCLISSATO

FRONTIER MARKETS

The signs are there. Look beyond today's biggest consumer markets, and we start to see where tomorrow's growth is taking shape.

We know we have a strong footprint, and a big part of that advantage is our emerging markets presence. From powerhouses like India to the Frontier Markets that will drive the next level of growth for our industry.

Our One Unilever model has shown what focus can unlock. These were good businesses with underleveraged potential. We brought them

together, created clear ownership, and focused on what matters. A simpler portfolio and disciplined execution that made these markets accretive to Unilever in top-line growth and stepped up operating margins by more than 600 bps in a period of three years. We strengthened the fundamentals, simplified how we operate and delivered. In the process, we built a repeatable playbook for businesses and markets where Unilever has more potential and where we are already market makers and market leaders.

That playbook is travelling now to our Frontier Markets. The opportunity is different, but the mindset is the same. Concentrate our resources, simplify the agenda, raise execution, and stay relentlessly focused on growth.

Let's focus on four of those markets, Africa, Vietnam, Pakistan, and Bangladesh. Together, they are 9% of our turnover, growing double-digit, margins up almost 450 basis points in three years. And now, accretive in each of them. Unilever is the number one player. They are big, 2 billion people, 1 in 4 people on the planet, nearly three times the population of Europe. And they share the same structural forces. A young population with a median age of just 21. Urbanisation is still below 50% and accelerating. Internet penetration is already near 50%, over 85% in Vietnam. Modern retail is growing fast, same for social commerce on the back of rising incomes and connectivity, and GDP growth is approaching 5%.

As income rises, consumers are trading up to branded goods, to personal hygiene, care, and beauty. In my more than thirty years in this industry, I have never seen so many powerful trends accelerating at the same time. The opportunity is significant and it is happening now.

But attractive markets don't create value on their own. You need scale, capability, and leadership. We have all three. We have the positions. We are number one with almost 45% turnover weighted share, three times our nearest competitor.

We have the brands: Dove, Vaseline, Sunsilk, Dirt is Good. And we have the reach. Our distribution covers modern and traditional trade, from the biggest cities to small towns and rural villages. And we have the people, established local organisations, strong customer relationships, and talented teams. And those advantages are translating into growth.

Across these markets, we are growing a combined 10% so far this year. In Africa, we are going close to 20% in East and West Africa, and we are just getting started.

The profound transformation across Unilever is already benefiting these markets. A more focused, future-fit portfolio, simplicity in markets that they are by nature complex, and perfect execution offline and online.

We invest behind around eight Power Brands per market, and Power Brands delivered all of our incremental turnover. We are pushing hardest where penetration is lowest, Deodorants and Skin Care. Vaseline is growing 20% in Africa this year, most of it volume, and we are building on that with innovation made for these consumers, like Cera-Glow, designed for melanin-rich skin. And we are also exiting what doesn't fit.

Africa is fifty-four countries. We will not try to be everywhere. We are building strongholds in ten countries across four markets. The rest we serve through marketing hubs and an offshore model, and it works. In Francophone Africa, moving to an offshore model, managing hard currency, has taken a loss-making business to profit.

Perfect execution in these markets where deep distribution is a real moat, point of sale, leading assortment, visibility, and disciplined pricing are key determinants of success. We are bringing Unilever's proven Perfect Store and social first playbooks here. These markets can be volatile - politics, currencies, supply chains. We have built for that. Our presence is limited to the key countries, with smaller markets serviced through distributors and offshore models.

Frontier Markets combine young, growing populations, rising aspirations, and huge headroom for category development. And Unilever already leads in every one of them. We know how to grow in these markets and how to grow profitably. Now the opportunity is to go faster, to scale what works, and to make these markets an increasingly important engine of growth for Unilever.

PRIYA NAIR

INVESTOR EVENT 2026

Thank you, Reggie. I hope you saw across India and the Frontier Markets the massive opportunity that Unilever has. We have our global brands, the R&D and capability, and we take that along with local expertise and execution to realise that opportunity for sustained growth. With that, time for a break.

LEADING PERFORMANCE

SRINIVAS PHATAK

AGENDA

Good afternoon for everyone, for what seems to be a very warm and sunny afternoon here and good evening to a lot of a lot of you who have actually joined online from various parts of the world. Over the course of the next 30 minutes, what I want to bring to life for everyone is that strategy, resource allocation, execution, and financial outcomes are absolutely in sync. That's what I will bring to life for us in the next 30 minutes.

I wish I can create the sensorial experience here using the fragrances from the house of Richard Slater. Unfortunately, I can't. But what I'll try and do is actually give you clarity on the five value drivers which will lead to the value creation algorithm and share with you the confidence that we have in our HPC pureplay growth model, and hopefully make it come to life so that you feel the same.

LEADING PERFORMANCE

TOP 1/3RD FINANCIAL DELIVERY

I think it's good to start with a few numbers to really think from a financial outcomes perspective and this one is really a story of Transform and Perform. You see that across the lines of growth, you see it in profit, and you see it absolutely in cash. You've heard during the course of today, our volume growth over the last eleven quarters have been really top of the peer list, with strong performances coming from our Power Brands.

It's also important to talk about the portfolio reshape. Since the last time we spoke to you, in addition to the Foods separation, we've actually disposed of eight brands in the HPC space and acquired four. That that tells you the rate of innovating towards high-growth spaces to continue to add value.

Profitability, a key driver for us, and it's actually quite impressive when you really look at the gross margin expansion of over 260 basis points, which has actually allowed us to invest significantly behind our brands and behind R&D, and continue to drive hard currency earnings.

2026, based on our view of where we will end, will actually be the third consecutive year where we would have delivered consistently hard currency earnings for this business. When it comes to cash, it's ironic that in today's day and age, what's really top of mind for everyone is cash. If you really look at the AI sector, that becomes visible and actually, an interesting anecdote, when I was passing through immigration yesterday, the immigration officer actually tried to point out to me what's the world GDP and what's the world debt. It's a staggering number that the GDP is about 125 trillion and our debt is 365 trillion. And he also gave me a suggestion, "Look, if you spend more than what you have, how does it end?" And he said, "Badly." The good news is, that's not us. At 10% or 11% negative working capital, and a 100% cash conversion cycle, we're extremely well-positioned to invest behind our business, return capital to the shareholders, and that's what you see in terms of the 17 billion there.

IN A POSITION OF STRENGTH

Numbers are actually outcomes, and I think Fernando reminds us multiple times. What really makes the difference is the last hour and a half that you heard from Leandro, Herrish, and Priya. That's really how we are going into this new phase from a position of strength. It's really building brands of desire, and there are a few data points there. Today, our brand equity in terms of how we are performing, Unmissable Brand Superiority Scores, are 65% of our business which is stable to growing. Our premium portfolio today is at about 48%, which was a few years ago 42%. That's again a fundamental transformation in terms of how we think about premiumisation. And you heard about Perfect Stores, which actually Benjie and Herrish have been champions for us in different parts of Unilever.

You heard a lot about the digital and content creation, from less than 20,000 to about half a million and more, across macro, micro, and nano. You also heard on the new business models, where Annie brought to life how actually the capabilities we're learning in China are travelling beyond China to Southeast Asia, and now to the US. And Priya demonstrated well through her presentation and the video, how quick commerce today is growing at 50% plus, and positions us incredibly well. And these are the kind of new business models which I believe are not unique to a market, but actually are all-pervasive. And this is how Unilever is uniquely positioned to learn from one and transfer to the other, and therefore east to west, and west to east.

We'll also talk about Supply Chain, and we'll spend a lot of time on that, because that's going to be a key source of value creation. But even our customer service levels today are pretty much top in the industry. We've spoken about accountability, we've talked about pay and reward structures, and we've also really spoken about a lot of the talent upgradation.

So when I look at all of this, there's also an important element to highlight: is everything working well? Well, the good news is, for most parts, it is working well. We did talk about some of our issues. We talked that our pricing could be better, and that is true. We spoke about some of our brands, and the sassiness of the brands can be better. Rexona is an example. That is true.

But it is also true that we actually enter this phase where we have had the lowest number of our own goals, right? And that is a fact. When you run a global corporation, we've had our issues in Indonesia, we've fixed them, we've had our issues in Brazil, we've fixed them. We've taken those learnings, with humility, and sometimes on our chin and actually, when I really look at this phase, we are well positioned to really take this forward and drive this forward.

CONFIDENCE IN CONSISTENT DELIVERY

And therefore, I come to here. And this is really a confidence of consistent delivery. And this is actually, we're going to talk about both the value creation model and why these levers give us the confidence to deliver on this value creation model.

Let's start by saying first we're talking about a 4 to 6% growth. And some of you have said, "Why not more?" Right? What we're really talking to here is a multi-year model, which grows through cycles of different growths, different GDPs, different CPIs, different volatility. A 4 to 6% consistent top-line growth is actually top-tier performance from a CPG perspective. But actually, what's more important for us is the next line, which is really the volume growth number. And we've said that. 2% is our floor, and we'll continue to work hard, and I'll give you the reasons to believe on how we're going to do this. Yes, obviously we have looked at it and Fernando's spoken about it, our aim is to really look at 2 to 3, right? But there will be times where there will be more inflation, in which case I think the way we really think about this is a 60/40 volume price and a 40/60 volume price, depending on the environment that we are really operating in.

It's also important that, look, when we talk about hard currency, end of the day, Fernando doesn't want to generate for Unilever pesos, neither do I want to generate Indian rupees. While I like my Indian currency, I think it's better than the pesos, we are committed to the hard currency earnings. And also you've asked us this question about hard currency earnings is fine, what about hard currency growth? Let's take that one head-on. If you really look at seven years of forex devaluation, it's -2%. If you really look at ten years, it's -2%. If you really look at the last three years, it's -4. If you really look at 2026, it's -2. Right? We are now getting into a stage of normalisation, having gone through, for the reasons Fernando talked about even from an Emerging Markets perspective, that

we can actually start to build in some more normalised assumptions on forex.

But look, the answer is very simple for us: top-tier performance means we triangulate, we drive more growth, we will counter the forex, and therefore, we will drive value creation. Now what I will do is actually take each of these elements to bring them to life, and some of the choice of the words is actually conscious. And we'll start with the first one, which is really about growth, and how it's all about razor-sharp focus and absolutely strong, uncompromising resource allocation.

SHARPER RESOURCE ALLOCATION

Let's go with the first one. We'll talk about a market context. The categories of the segments that we operate in, actually, segments is the right word. The 10 segments that we operate in, on a turnover-weighted basis, are continuing to grow at 2% in volume terms. That's a backward view of life, and even if I were to look at a Euromonitor, that's also a forward view of life.

We've spoken about our US and India business, close to 40% of our business, you will see that in the last eleven quarters, we've actually grown at 3.9%. And you've heard both Herrish and Priya talk about why this engine works and why that gives us the confidence to continue to drive volumes. You've seen our Power Brands' growth. Power Brands have been growing higher at about 4.4%. That's close to 80% of our business. And, therefore, that is again a consistent engine that we have now run for many, many, many quarters in the company.

And last, when we really talk about bolt-on acquisitions and we have seen some of the examples, clearly, we buy into narrow verticals, fast-growing spaces where we are actually able to really expand the business, build markets, and, therefore, drive growth.

All this is good, but what are we going to do differently to actually capture this opportunity? Because, one would argue, some of the market growth is available for everyone to play.

RAZOR SHARP FOCUS ON GROWTH

And that's where the importance of a razor-sharp resource allocation comes into play. I will spend a couple of charts bringing this to life. The first one is to really focus on priority cells? This is where we've looked at all cells over 200 million. About 35 priority cells actually still constitute about 50% of our turnover, right? That's again a good level of concentration that you see.

The second element we've really spoken about during the course of the day is the market leaders and the disruptive brands. Sometimes we forget in percentages when a brand like Dove, which is 7 billion, grows 9%, it adds about 600 million of incremental turnover each year, right? That's sometimes it's good to anchor ourselves in absolute numbers in terms of the engine when it fires.

We spoke about digital disruptors. There is going to be one fundamental difference, the way we're going to approach the digital disruptors going

forward. And that's really also links in very well into the new organisation model, right? While the innovation, science, and technology will still come from the Wellbeing Collective or the Prestige group who handle it today very well, the deployment of some of these brands and the localisation and the internationalisation will actually come back to the Regional Presidents. It will be in their P&L, they will leverage the end-to-end value chain, they will have a big role to play in terms of the go-to-market structures, and therefore, we are well-poised with this change to go faster and leverage the benefit from international operations.

And the third angle is obviously the customer angle. And we've said this in the past, some of the customers there are actually equivalent to the top five of Unilever's countries. Therefore, the whole space of joint business plans, how do we make it work, how do we work with them, how do we build with them, and Priya has also talked about creating an ecosystem for quick commerce, which is actually linked to some of these customers.

FOUR LEADERSHIP POSITIONS TO DELIVER ~65% OF GROWTH

This is where we go one click down, right? This is how we have segmented ourselves. It's a country, category, with a clear prioritisation of what we do, right? The first two are very obvious, it's US and India. The next, I leave you as a challenge between you and your large language models, you can figure that out. But the good news is, these cells are all important cells for us, with high growth potential, and this is where we will invest significantly, whether it's our people, whether it's R&D, whether it is BMI. Therefore, in a manner, in the previous chart that I

covered, between those three vectors, we will actually put all 100% of our incremental BMI will go towards these opportunities.

The right side of the chart actually brings into picture something which is very interesting for me. When you think about concentration, right, there is there is a benefit of concentration, and there is also a benefit of diversification. When you really think about the four cells: Dove, India, US, and Deodorants, we start focusing with the right innovation, right sciences, right investments, we can capture about 65% of our growth algorithm from this part of the business, right? That's concentration. Why do I say diversification? But look at the opportunity that we have. When you hear about the frontier markets, when you think about the hard-currency growth we can drive by course-correcting in Europe, that actually gives us the ability to really diversify. And therefore, we are very well-positioned across cycles to really have a play between D and D&E, between growth sectors and frontier markets, to continue to drive the value creation. So, hopefully, that gives you a bit of a sense how we think about from a growth lens.

CLEAR ROLE FOR REST OF PORTFOLIO

There is also this question about, okay, what about the balance? What's the role for the rest of the portfolio? We touched on this in the morning. There are about 20% are non-Power Brands, and they have a role to play, a clear role to play, most notably in Emerging Markets. They help us really manage the price, pack architecture. They help us really retain consumers in our own franchise. In some cases, they actually give us structural cost advantage, scale advantage, which actually pre-empts

competition from really playing in. That will continue. We have talked about a billion of disposals. This again, starts from a position of strength. We want to do this because we believe this is responsible portfolio rotation, which enables us to continuously evaluate opportunities, dispose some of them, and utilise that proceeds either to think from a bolt-on perspective, or deploy it sensibly as per our capital allocation.

We talked about the cluster markets. This is what I keep saying to Reggie, it's the Reggie model of how to really run these businesses. Taking the year that you want to take, the gross margin expansion here has been between 450 basis points to 600, businesses which are growing consistently in mid-single digit, and with eight Power Brands. That's exactly what we will continue to do. And the good news in the new model, a lot of these markets will continue to remain with Reggie, and therefore it's not a question of us having to start all over again, it's really continuing what we've done in the past few years and doing it at pace.

STRONGER R&D FOR COMPOUNDING

Let's talk quickly about R&D. As you heard, Richard really brought it to life in terms of the R&D capabilities for this company. We've made significant investments, whether it's New Haven, whether it is India, and across the value chain, whether it's fragrances, or with partnerships. A couple of things which I really want to highlight is, of course, on a multi-year basis, we will continue to increase our absolute dollar spends that we will do in R&D. We've got a stock of R&D which we're utilising better, but we'll also actually build for future. And therefore, this is a place where we'll continue to invest ahead of our top-line growth ambition.

Obviously, you heard us really talk about really leveraging India as an R&D hub and significant resources going there. We've got more than 800 scientists, and they really bring it to life in terms of what we are able to build, not just for India, Emerging Markets, but more globally. And you heard enough about the AI, agentic plans today, you heard about partnerships. So, again, a strategic area which actually underpins how we approach this, how we invest behind this to drive growth.

What's not on the chart is also a couple of good examples which R&D, along with supply chain, have actually helped us really build multi-year platforms and innovations. Wonder Wash is a very good example. By partnering with BASF on polymer technology for over a seven-year period, we've actually created something which is unique, which is scalable, and it's one of our fastest-growing innovations in a Unilever space, and with a long runway to go.

Similarly, the partnership that we've had with Galaxy Surfactants is actually fundamentally helping us reshape how we think about surfactants, which is again a critical and important component in our value chain. When you think about this, it's not really just making our capital work, our R&D work, our technology work, but it's also leveraging some of the key partnerships and therefore, again, it syncs in naturally to what we said is partnering: win with the winners.

INVESTING COMPETITIVELY, INCREASING DIGITAL

This is the other element, Leandro brought it to life very, very well. But there's a fundamental reshape of where we are investing. It's 7 billion of investments from an HPC company perspective, up 2 billion. But about 75% of our media, right, of media is actually deployed in social and digital. We have enhanced our visibility, we have enhanced our deployment capabilities, and I'll come back to that when we really talk about efficiencies.

So, from a combination of razor-sharp focus, uncompromising resource allocation, R&D, and actually investing behind our brands, we are well positioned to drive growth. I'll also say what we will not do, right? It's always good to say all the things that we will do. There is about 10% to 15% of our business where we will not increase investment. Actually, in some cases, we will reduce investment, and that is where we will play the levers, the other levers, which is price, promotions, place to continue to drive value, continue to complement and supplement our portfolio.

CLEAR ROADMAP FOR MARGIN DELIVERY

Moving to the next one. This is an important question in terms of okay, how does all this add up? All the beautiful packs, all the beautiful R&D, all the innovations, all the execution, finally, it all has to translate into the numbers, right? And this is where we're clearly saying we have a clear plan, or a multi-year plan, with drivers which actually take us from current 19% of margins to the 22-23% range. But the model we really like is really a growth-led, modest margin expansion model, but I will actually unpack what this really means across gross margins, BMI, and what I really call as overheads or productivity initiatives.

It's again good to anchor ourselves in a very quick view of how does our supply chain look like. This is obviously 2025 numbers. Give or take, we're really talking about a 20 billion cost of goods chain with half of that really coming through from surfactants, chemicals, and fragrances.

RE-ENGINEERING OUR COST BASE

So, what are they going to do? We've got three multi-year productivity engines. We've been working very, very consistently. That's really in the space of volume positive mix, it's really on our productivity CapEx, and buying better.

Where we're really adding is a muscle with some of the disruptive solutions that come in the space of value chain integration, rethinking CapEx, and actually, what I called as procurement 3.0. I'll continue to use it till Willem comes up with a better branding for me, because I don't believe that really does justice to an HPC branded company.

SUSTAIN OUR PRODUCTIVITY ENGINES

But let's pick some numbers in this. The first one really, on our productivity engines. Volume, right? At the end of the day, the model starts with volume. That's what gives you relevancy to consumers, that's what helps you play in the value chain, it also gives you marginal contribution. So, every incremental tonnage that we sell with right mix has got a marginal contribution. We round it off to 60%, internally it is 57. I'll hold everyone to 57, to 57.10, to 57.20, and that's how we really run

this. This itself creates us anywhere between 10 to 20 basis points of margin, gross margin expansion.

We talked about productivity CapEx. On a multi-year basis, we continue to invest more than half of it into productivity, do a math of four-years payback, that again starts to give us levers to really add 20 to 30 basis points of margin in really coming from productivity CapEx.

And buying, this has actually been a source of strength for us in multiple years. We have actually beaten inflation, we have bought better, but we also recognise that it's not possible to continue to indefinitely beat the market. We will continue to take those opportunities, but that again remains an important agenda item enabled by agentic, enabled by technology, enabled by buying better.

RAPID PRODUCTIVITY CAPEX PAYBACK

And these are a couple of examples, because all that sounds very good, and we always look for proof points, and these are two very good proof points for us. Investments that we've made in Deodorants and in Home Care actually has led to significant margin expansion, and importantly, many of our large capital projects today, we finish them on time and within the budget. That's also an important angle. That shows rigour and that shows discipline. In Home Care, and Benjie, you can, you know, talk to him as, this has been a fundamental driver for us to reshape the P&L and actually invest back to really drive what we call as now sustainable growth there.

SCALE DISRUPTIVE SOLUTIONS: VALUE CHAIN INTEGRATION

But this is the other one, which actually then starts to give me a lot of excitement, palpable excitement, and that's really how we are thinking about the extended value chain.

Palm, we are the largest consumers of palm in the world. The backward integration that we have done over multi-years with investments about 700 million in the palm chain and over 300 million in the other actives is actually giving us significant cost savings, it's giving us resilience, it's giving us traceability, it's giving us better distribution costs, and actually adding significant value to us. And therefore, this is something which we will continue to push actively.

Fragrances, you've heard, so three fragrance houses. I will not belabour the point, but that again is something seriously exciting. What we do on our own and what we do with our partners.

And the last one is really, actually, it's quite interesting. When you intuitively talk to people, when we talk to create a cap hub, or a plastics hub, people don't realise what it really means, how much plastic we use, what's really there in the cost chain. This is where we are actually investing into packaging hubs to really look at many of our packaging items, including a very clear strategic shift towards PET as material. Again, big sources of value advantage.

Another important element, which is not really on the chart, is all of this doesn't have to really be done out of Unilever's own capital. We are not

shy of investing behind this because they deliver, but this is where we are actually working with partners for alternative structuring and funding solutions, because you can really amplify some of this and actually capture better value and capture that faster. So that actually becomes an important element for us from this point.

SCALE DISRUPTIVE SOLUTIONS: RESHAPE CAPEX

From a CapEx perspective, now you've seen this. It's not a fundamental reshape with one big difference. We are going to invest for more growth and agility when it comes to Beauty and Personal Care. We will actually drive much harder when it comes to Home Care on cost optimisation. Beauty and Personal Care, just a couple of proof points. We do today a DTC setup in China actually can do 160,000 packs a day to consumers given the flexibility and the agility that we have created. And some of the CapEx that we can actually work with Chinese manufacturers and suppliers, actually can travel for us to different parts of the world and replicate some of these benefits.

In case of Home Care, the focus really is really on what can you dispatch directly, how can you think about load ability in a truck, how can you think about pallets, how can you really think about concentrating liquids so that, you know, the more water you make travel, the more costs you incur? So there's again a very fundamental rewire to think about how do we get these benefits?

And this is again a benefit which we are now realising having separated Ice Creams, having separated Foods. It's giving us the granularity and the detail to go much deeper, go much wider, and actually extract costs.

SCALE DISRUPTIVE SOLUTIONS: PROCUREMENT 3.0

This is another important element. What should be really owned and managed and where can we really leverage experts and partnerships? Some serious quality work done by Willem and the procurement team. We are doubling down on strategic portfolios, which is really surfactants for us, fragrances, chemicals.

We're bringing into the buying teams more materials and technology intelligence. While there is R&D, nothing really like having a buyer and a technologist jammed together when you're really in the middle of negotiations. That's a very different way to really approach buying. We're doing that.

We're actually bringing in risk management. There's something we've built over the last couple of years. Today, we have more options, we have more structures, we have more instruments, and actually it's enabling us to manage risk, but it's also enabling us buy better.

There is another important element to it, and this is also one of the important aspects which we have driven what I call the Reggie model of margin expansion, is really procurement. This is where we have actually partnered with some leading-edge specialists, technology enabled. We have done it for about €3.5, 4 billion of spends, and they are really

managing these contracts for outcome basis delivery, not for cost, not for FTE, not for people. And this is something that we will expand across the value chain, and it's our intention to take this beyond €7 billion over the next few years. That actually then starts to give us a massive buying advantage. You own the advantage, which is on the top, and you leverage partners to drive advantage. What is not so core for us, but it's important in the value chain.

So, hopefully that gives you a good appreciation of how we're thinking about COGS, or the cost of goods sold, which is a 20 billion in the value chain.

BMI: HIGHER IMPACT AND ROI

This is the other aspect, and I love the way Leandro started the presentation. He started the presentation by saying, "The 16 to the 18% BMI has to work. Every dollar, every cent has to work to deliver the impact." We have talked about content. We have talked about more content. We have talked about the cost of content. We have really talked about websites. So, it's a comprehensive programme.

RAPID ROI: NEW INVESTMENT DISCIPLINE

What I want to spend is a little bit of time to really give you a flavour to what is really game changing for us, which is really the whole concept and the principle of rapid ROI. Actually, this is our new investment discipline in the company. This is an end-to-end process.

You think about allocation. Where do you want to put the money? Because the answer is it always starts to, where do you want to put the money? Whether it's Meta, whether it's TikTok, because if you don't get that right, you start wrong. How do you test some of the assets that you create? And Leandro brought it to life. It's not human testing, it's also, actually, machine testing the content and therefore, the applicability and the connectedness. How do you monitor this? And this is where I think the game is completely changed, right?

Someone last evening was talking about one of our peers being able to deploy money and change money every week. We can do the same, right? The question is not in moving money. The question is really realising, does it work? And that's where we have started to pick a lot of the data signals. It's marketing mix modelling, it's really having that loopback mechanism to what works, and therefore change resources to drive results.

Today, we're live in about six markets, but we will cover 70% of our turnover very quickly over the course of next one-year.

RAPID ROI: DOVE CASE STUDIES

So, let's bring this to life with actually an example from Dove in the US. Each of these cases, it starts with allocate. We started by a choice of a channel and a choice of a partner, and quickly over the course of months, we shifted monies in some cases from Meta to YouTube, from YouTube to TikTok. And you then start to see that there is a clear step-up

in terms of returns. And this therefore really starts to bring rapid ROI to life.

In US, you can do it in four-week cycles. In India, slightly longer. But it's a matter of time that data starts becoming more visible. And this is not just financial data in terms of looking at sales and uplift. It's really the holistic brand measures, because that's how we really then start to make those moves. This again is something of a very strong muscle for us, and therefore I keep going back to impact and effectiveness of these spends going forward.

MITIGATE STRANDED COST, DRIVE PRODUCTIVITY

Let me move to the next topic. We will end up having an amount of conversation on this now, and I'm sure it'll come back in the Q&A. So I'll try and answer as much as I can now. We clearly started with the hypothesis, when we separated Foods, we had stranded costs of anywhere between €400 to 500 million, right? We're still working in that ballpark. Obviously, it's our intention to do better if we can.

It's also a fact that we'll continue to offer transitional service arrangements with McCormick over the course of the next two to three years. That gives us time to really manage this, and therefore handle some of the stranded costs that we are likely to. In an HPC context, given the organisation model change that we have done, really led by how we are thinking about media, content, commerce, and execution, we're also thinking fundamentally differently about the number of resources that we need.

Where are the big areas where we will take out resources? It's obviously going to be in a leaner centre. You know, centre has to be very lean. Centre has to think multi-year, has to think corporate strategy. That's what we will do.

We're also thinking about, not thinking, actually, Mairéad is leading a lot of work to map roles across. It's a role definition. A Brand Manager has to be the same Brand Manager definition whether it is in US, whether it is in India, or whether it is Nigeria. A Financial Analyst has to be same, and we can't bundle them with multiple other things.

So there are significant opportunities. Over the period of time, we've also picked up many of those non-core applications. We will radically simplify them.

And look, there will be ZBB. Every cost matters. That's what we will focus on. And there's a cultural dimension. This whole Leadership Team is signed up to say "We will not do what doesn't add value". "We will not do what does not add value." That's when you can make choices. You can never make choices, I know, Fernando and I can keep talking about it, but if every region wants to do their own small innovation, it won't work.

But having said that, we also recognise one thing: if we want to really experiment and lead, we have to experiment and lead in demand creation. That is where between Leandro's organisation, Priya, US, and a few key markets, we will experiment, we will learn. When it comes to global processes and functions, we'll just do it. I do not want what I call

classically a pilot purgatory. We will kill, we will streamline, and we will move on.

INVESTING TO DRIVE GROWTH & CAPITAL RETURNS

All right, now I need to really pick up pace because I need to get through balance sheet, and hopefully these are easier ones to go. Some of this is very consistent, right? No surprise when we talk about the investment where it goes from growth and productivity, we'll continue to do that.

The only important element for clarity, again, we will say no transformative acquisition, no transformative divestitures, so that we want to be absolutely clear we are in the right portfolio that works well for us. And we'll continue to focus on bolt-on acquisitions as a strategy, and that's really clearly anchored. We have spoken about our dividend payout, we've also confirmed at the time of Foods separation our share buybacks.

CONFIDENT IN ~100% CASH CONVERSION

Again an important one, not to belabour the point, we are very well positioned when it comes to working capital. We're pretty much second in the sector, but the real focus for us is to use a zero-based inventory approach, which is really with intact teams working through enabled by technology to actually unlock about 350 million of inventory, that's give or take between three to four days of inventory that we will reduce.

We will have opportunities both in debtors and creditors, but at a headline level, we think we'll have some headwinds in debtors

notwithstanding the process efficiencies, we have some opportunities in creditors, but on a fundamental and a structural basis, we will unlock cash to continue to maintain or drive 100% cash conversion.

SIGNIFICANT CASH INFLOW FROM FOODS TRANSACTION

This is again an important element, when we are on the topic of cash, is again the McCormick separation, broadly in line of what we had shared with you, we had talked about the proceeds which are likely to come in.

We talked about the separation cost and the tax cost, broadly running to the ballparks that we talked about, we are likely to have a slightly higher number of cash which is available if all things go according to plan. Which also means that two things, a. we don't refinance any debt in this market in 2027. We actually will use the proceeds to pay down debt, and that's an important element. And our net debt to EBITDA is also likely to be below two in 2027 and it'll normalise as we think about '28 and '29.

And the whole Foods transaction is pretty much on track. Our internal ambition continues to remain to get this done faster. We have done everything that we can control on time and in record ability, which absolutely gone very well. Now we need to make sure we just work through some of the regulatory elements to it and hopefully, fingers crossed, they'll go well. We have pretty much committed to trying to do this faster, while our commitment has really been middle of next year.

INVESTMENTS & JVs OFFER FLEXIBILITY

This is again an important element, sometimes perhaps not well appreciated and understood. And I think it's important to highlight. We have two stakes. We actually have three joint ventures and stakes in the Magnum Ice Cream Company and in McCormick. We will have dividends coming through from next year, and I think that's an important element. Not for me to guestimate and estimate, but you can get a realistic sense if you really look at these companies. That's likely to come into our earnings.

This also gives us financial flexibility, right? From a Magnum perspective, we have no constraints in terms of leveraging it for the right reasons. McCormick has a one-year restriction, but if I really look at that perspective, that clearly gives us that ability. We have an interesting and an important JV with Lipton, where we continue to get about 200 million of income, but that's also an important element which is on our balance sheet.

And all of this is not recognised in our net debt to EBITDA. Just want to make sure that there is clarity on some of these elements.

DISCIPLINED APPROACH TO M&A

This really remains unchanged. So, absolutely, I'm not going to go through line by line. But what I get excited is, it's still M&A only on Beauty and PC. It's US for US and the world, it's India for India and Emerging Markets. Some of the attributes we've spoken about and I will not repeat, but that remains consistent and unchanged.

This is also an important one we have talked about is really a proven track record. We have reduced the number of M&As that we have done. We've had a significant step-up to the success rates. And actually, we are able to double some of the sales in two years of timeframe. And two very good examples on the right side, Dr. Squatch has enabled us to actually regain category captaincy and leadership all across and the market shares in the US, and Minimalist, Priya had actually talked to you about how it's the fastest 100 million-growing brand for India.

HIGH CONFIDENCE IN VALUE CREATION

Therefore, when I come back to this, this is really the story for me which gives us high confidence in our ability to deliver the value creation model.

And many of those elements are fairly intuitive, right? Because there is no change to all of them. What has changed is we will deliver. We are confident of delivering in this consistent range.

What I always say is I want to be boringly consistent because to me, a compounding story is consistently exciting. That's where really want to focus this business on and that's how we really want to go.

NEW REPORTING - PRIMARY

Obviously, there will be questions on some of the hygiene and accounting and reporting, and important, given the changes that we've spoken about. We will report our primary lens will really be Beauty and

Personal Care, and Home Care, and others. Before you ask me, others is predominantly India Foods and RTD Lipton sales.

It's not BPC or HPC, and therefore, that's where they come in. They're critical. I want to clarify [India Foods] is not up for disposal. That's not up for sale, as some of you have asked me.

The primary lens we'll still continue to give commentary to the market on each of the 10 segments like we do today.

NEW REPORTING - SECONDARY

On a secondary lens, this is very intuitive again. The only difference you will see is that we report Asia as one Asia, because that's more reflective of the consumers, the channels, and therefore, is better representation of what this really means in terms of growth. And you have the split between Emerging and Developed Markets.

Over the course of the next few weeks, I.R. will give you a proper timeline in terms of when and where some of this information will be available. And post-year-end, will also actually give you audited historical financials restated to make sure that you have the comparability for your models.

ENTERING 2027 WITH MOMENTUM

Therefore, my last chart is really, it's same old, same old. We're committed, confident to really deliver as we enter this business with momentum. Momentum is not to then start to say extrapolate the 6 or

the 7% growth. Momentum is really to say that look, the model works. We're delivering consistent volume growth. We are driving productivity. We are investing behind our brands, and we are very well-positioned.

Life is volatile. A lot of you were asking me questions on my range of inflation estimations, at the time of the results, crude was 117. The last I checked is crude is 102. Look, we all make assumptions and I think there are reasonable assumptions to make because when I really think about the fundamentals and the supply, the situation is significantly better. It will be inflationary, so therefore, the ballpark numbers that we are quoting are in the right ballpark. That gives us the confidence to then say that, "Look, we can grow this business."

We're likely to see more pricing than volume in 2027 perspective because of that reason, but we are committed to driving the growth algorithm and really driving the modest margin expansion. And on that note, I'll invite Fernando back onto the stage to do summary comments, and then we'll move into the next section.

CLOSING REMARKS
FERNANDO FERNANDEZ

Let me summarize with some messages about what we have been showing you today.

Leandro and Richard showed Desire at Scale in action. Desire at Scale is a very important mantra in our company, because our portfolio of brands historically has been based on high saliency and high identification. But

we want to move that portfolio into real differentiation with strong authority systems for more aspiration. It's a fundamental change in the way we are running our portfolio.

They also showed the impact of AI in everything we are doing when it comes to boosting our top-line growth. The way 80% of our lab activities are now digital, the ability to connect 150,000 scientific reports, the way of connecting 25 million consumer and lab points in order to shorten our innovation cycle, bring superior functionality, bring new capabilities in packaging, fragrance, in aesthetics and sensorials, and use AI to fundamentally change the way we are reaching and persuading consumers in every one of our local markets.

Being a marketeer today is hard work. I'm a marketeer of the lazy times - a couple of innovations a year, a couple of ads a year, and it shows what is the kind of rhythm of innovation you need in social commerce. From an innovation-driven content model into a content-driven innovation. Much more production of new products in which we get quick signals of what we can scale and what we have to kill quickly.

Also, the importance of compound learning. In a coherent portfolio across HPC in every country, we will be touching similar audiences in similar media platforms, and every single decision gives information about the next one in a completely different mathematical function for what is media cost.

In the past, media cost was a function of your scale. Today, your media cost is a function of the quality of your engagement for the media platforms. A completely different way of looking at it and has a significant impact in how to accelerate the ROI of the 16% that we invest behind our brands.

Herrish, Priya, and Reggie showed the power of granular executions in the market. Herrish showed how, in the US, a transformed portfolio allowed us to become a thought leader in the industry, and a key partner of choice for the key fundamental retailers in the US. This is important, because he put our US business in a path of 4% volume growth in the last three years, but it's also extremely important because technology in the US is at the forefront of global technology.

The knowledge we are accumulating in how to do joint business planning with retailers, in how to integrate our data with them, in everything we understand about omnichannel can travel into the retailers of Brazil, or the retailers of South Africa, or the retailers of Vietnam, or the retailers of Indonesia.

It also shows the power of a premium portfolio that we're building in the US which has been fundamental to transform our growth footprint, and that allows us to build a new layer of premium brands that can travel internationally, to sort out probably one of the biggest strategic issues that Unilever has had. Many people call us a global company, but for decades, we have been, fundamentally, a federation of local and regional brands. This is changing, and it is changing because of the focus

we are putting in developing Power Brands that can travel geographically, that can travel premium, and that can travel into new category adjacencies.

Priya showed us the incredible power of Hindustan Unilever and the power of granular deployment in an all-in strategy. We will attack the market in India. We will not defend the market in India. We will attack the market in India.

You see the difference in consumption and penetration between India and Indonesia. Depending on the category, the penetration in Indonesia, two to sixty-times the ones we see in India. Opportunities are massive. We are making the right choices in terms of the portfolio. We know, we are very clear, that the portfolio that has brought us to the kind of leadership we have in India now is not the portfolio that will propel us into the future. That's why, in face care, we are developing simultaneously Simple, Dove, Pond's, Vaseline in the masstige area.

It shows India as a fundamental source of knowledge for Unilever: knowledge in market-making, in how to create categories, knowledge in how to execute deep distribution, reaching every single Perfect Store for 9 million outlets, and showing how to build a resilient and cost-effective Supply Chain.

This is very, very important, because this is a model that we will deploy in the new frontier markets that Reggie showed: Africa, Vietnam, Pakistan,

Bangladesh. 55% of the urban global growth population in the next 15 to 20 years. Markets in which we have, on average, 45% share. In which we are two, three to four times, in every category, the size of our main competitor. Markets in which international companies are in very early stages, and in which we have deep distribution, deep customer relationships, deep knowledge of the consumer, and a very strong portfolio that we will complement with better brands and with the elevation of our brands.

All that was converted by Srini in our value creation model. Our value creation model shows that we have significant headroom for gross margin expansion. We operate as an HPC company at 300 - 400 basis points differential to the best-in-class in the industry. We are re-engineering our Supply Chain. We are doing it with a very clear vision. We want agility and responsiveness in our high-margin categories: Beauty, Wellbeing, and Personal Care. We will invest in capex to fundamentally improve the cost base of our Home Care business. In that re-engineering of our Home Care business cost, we will do it from the fundamental integration between our manufacturing and our logistics. Laundry is not very different in cost structure to beverage or to cooking oil. But we have managed laundry in a very similar way to Personal Care or to Beauty. So, agility and responsiveness in BPC, cost mindset in Home Care.

We believe also that in BMI, Leandro showed that, there are significant improvements, as I said before, there is compound learning. The BMI line is a very significant one in terms of cost, 16%, and I really believe we are entering a period of what we call brand Darwinism. Big brands from big

companies with significant scientific proof have significant advantage to grow faster if they do the right things, because LLM and agentic search will fundamentally favour the brands that can provide patents, clinical evidence, strong expert recommendation, all this kind of support that we call authority systems.

In our supply, in our cost of goods sold, 20 billion of spending. We are really looking at our whole procurement. We have five materials families that make 90% of our cost, and we are really looking at how to make that investment more efficient. Outsourcing our table of materials and putting our best procurement experts to work in the items that really matter the most.

With that, I would like to say, coming back to my chart, we have gone through a huge period of change in Unilever. I have to recognise, at times I feel I'm not in control. But when I think that, I go back to a Mario Andretti quote. He used to say that “when you feel you are absolutely in control, it’s probably because you are not going fast enough”.

We have gone fast to transform our portfolio, to inject discipline in the company, to elevate our brands, and to transform the culture of the company. The strategy and the portfolio are set, and I really believe we are entering a period of stability of portfolio, and stability of leadership.

We have elevated our brands. Our key brands have momentum. Dove showed us what is a repeatable model. We have already achieved

fantastic results in other key brands of our portfolio following that model. The likes of Cif, or Comfort, or Vaseline.

But there are many other brands in which we have to make significant effort to put them at the same level. I have two ones in my list that are very important in our future, because it will cement, jointly with Dove, the leadership in skin cleansing and deodorants. One is Lux, one is Rexona. Put on top of that male grooming, the combination of Dove Men, Axe, Dr. Squatch, and Rexona Men, making us an incredible force in the territories of the male grooming space that is growing really fast.

I know that when we announced yesterday that we were evolving our operating model, many of you thought, "Okay, why? Why again? Is this another leader thinking that they have a better idea of how to organise a company?" Let me say something. I don't believe that organograms make companies better, and I don't believe that one company is better than another one because the organogram is better. One company is better than another one because they have a better strategy, they have a better culture, and they have better people, and this is what we are working on.

But there are fundamental changes going on there. The way we reach and persuade our consumers is changing dramatically. The amount of content you have to produce is insane. The convergence between creators, content, media, platforms - commerce is on a completely different level. You cannot manage that from the beautiful offices of Blackfriars. You have to put a strong structure in every single local

market, as we have demonstrated we have done in India, or we have done in US. But we need the same in Brazil, we need the same in South Africa, we need the same in Vietnam, we need the same in Philippines, we need the same in Turkey, we need the same in UK. That's the fundamental reason why we are evolving our operating model. It has nothing to do with internal reasons. It is driven by a fundamental change that is happening there, and that we need to respond to.

Let me close saying that we are growing now more than 6% in our HPC business. I believe there are four companies in the sector that are in that kind of space. I'm very confident that we can sustain a very solid performance in the future. But it's difficult to deliver 4% to 6% consistently across time, and Unilever has a long history of being a yoyo when it comes to performance. One year good, one year bad; two years good, three years bad. I want to stop that. I want to ensure that we have a boring, predictable, good performance. We are very, very confident that we can deliver that in the 4% to 6% range, with at least 2% of volume. As I mentioned before, if inflation is low, the volume will probably be higher and we can be closer to three, as we have done 3.3% in the last eleven quarters and if inflation is higher, probably we will be in the 2% range. We will do it expanding our earnings growth in hard currency, as we have done in the last three years, with negative working capital at 10%, as we are operating now, and with ROIC in the high-teens.

I believe this is a very interesting proposition that in the future everybody will think it will be a very good proposition to be a part of.

Thank you very much for listening to us.

Q&A

Q&A

JEMMA SPALTON

Welcome to the Q&A session now. We're looking forward to taking the questions from the room. If you could raise your hand if you'd like to ask a question, microphones will be brought to you.

If we could try and limit questions to two for each individual person, that would be great. First question I think coming from David at the back.

DAVID HAYES, JEFFERIES

Hey, thank you, and thank you for the presentations.

So my two questions: LLM and AI obviously a big theme. We've heard this idea that you put the R&D out there and that's a big advantage for the big branded companies. Have you looked at the risks of that, in terms of making it easier for replication by private label, local companies? I know it's patent protected, but it just feels like there's a bit of a two-edged sword to it. Is that something that you can weigh up, or feel is not an issue?

And then on the second question, just on the guidance, and sort of dive into another level. In terms of the four to six, which you've retained, the shape of that's changed a lot in the last three years. For a couple of years, it was very even between Developed and Emerging Markets. This year,

it's 8% Emerging, flatter Developed. A, what do you think the four to six looks like? Is it more like the first two years or this year? And B, why will it be skewed? Thank you.

FERNANDO FERNANDEZ

Regarding LLM, I mentioned that they really favour big companies, big brands with big scientific budgets. Overall, I see retailer power increasing. I will not give the name of the retailer, but if you look at the profit of one retailer with Unilever today, in one important market - basically, you have around 30% of their profit coming from retail media. If you look at that, thinking about the return on capital of that versus the return on capital that you make in all the flow of goods that Unilever has to do with this customer. It's a very important point. But overall, when it comes to specific categories, and the beauty of being in the HPC space is that brand differentiation, scientific performance really matters. And that's one of the reasons why private label never make it big in this kind of categories.

They make it big in some of the home care categories in which format upgradation, and interaction with home appliances is not relevant, but they have not done it in any other of the home care spaces.

Overall, I will not give the name of any retailer, but I don't see any lady in this room using a retailer mask or a retailer facial cleanser. So, we are in categories that are really insulated against retailers in that space. But overall, there is an increase in the power of retailers because they are becoming a significant driver in terms of retail media.

The second question was about the balance, and Srini will help me on that. I believe in the long run, of course, we expect more growth from Emerging Markets, but the differential that we are having this year is not normal. We have a couple of issues.

We have an issue with Hellmann's in the US that we are trying to sort out. We have an issue in Wellbeing in which we took some conscious decisions to rebalance our exposure to channels, and Nutrafol, that is a D2C brand, is going through some issues. I expect Wellbeing in the second half next year to be back into substantial growth. And that has affected a bit the growth of the US. But do I believe that the US is structurally 2.5 to 3% volume growth for us, with the portfolio we have? Yes. Do I expect a better performance in Europe in the long run? Yes, because our portfolio is exposed to at least 1% growth more than what we have had in the past.

So, I would say that the last couple of years are a better representation of the balance between Emerging Markets and Developed Markets. Of course, we are having a fabulous year also in India, I don't believe that India is naturally a 15% or 20% growth company. Probably, in the high-single digits to double-digit is a more normal expectation, assuming a 6% GDP growth and a 2% to 3% inflation in India.

I expect things to come more into place, and I would say the previous two years are more representative of the balance of growth between Developed Markets and Emerging Markets. Srini.

SRINIVAS PHATAK

I think you, in essence, covered it. We have to think about US as a mid-single digit over a multi-year. And not trying to get into 2027. Mid-single digit given volume, mix, premiumisation.

Europe will be positive, but select growth, quality growth, and it's important. We want to make it very clear and categorical that it's an important market. It's hard currency growth and hard currency earnings, but with the portfolio we have, we are absolutely in the right space.

Emerging Markets, given everything that we have spoken about, has the potential to be high-single digit. We're also conscious that we'll also have to cater to forex devaluation, but, in essence, what Fernando said in terms of the balance is right, a little more colour in terms of how we think about it.

JEMMA SPALTON

Thank you. Our next question, Nicolas?

NICOLAS CERON, BANK OF AMERICA

Thank you. It's Nicolas Ceron from Bank of America. Just coming back on AI. When you buy new brands, how quickly can you create the scientific data, the patents, the clinical trials to make sure that those new brands are also performing well when it comes to LLM searches?

And my second question is on the professional hair care. I think you've mentioned you wanted to get bigger in that category. I know you have Lakmé in India, but do you think that's enough to drive an organic growth or do you need to acquire in that space? Thank you.

FERNANDO FERNANDEZ

Yeah. Let me comment on the second and then Richard can help me in the clinicals.

What I mentioned is that professional expertise is an increasingly important dimension of building trust for our brands. We have done great work in social creators, that is one pillar that is important. I believe that we are very well-equipped with our science, with our knowledge, with our data points, with our scientific publications to really have very strong presence in agentic. But, the leading oral care company or the leading beauty company, they have done a better job than Unilever in the last ten to fifteen years in making professional endorsement a key driver of most of their portfolio.

We don't have a big portfolio in professional hair care. We are making big inroads with K18. We believe that this is a brand with a lot of potential, it’s growing very, very fast, but we don't have the kind of portfolio that some other companies have. It's true that online has increased the frequency of purchase, has increased availability to professional hair. So, that's a gap we have in our portfolio, but you always have some gaps in the portfolio, you cannot cover everything.

I don't see at this stage any asset that over-excites me, so we will continue developing organically a masstige and prestige hair care portfolio, and if a good opportunity emerges, we will consider that. But I like the portfolio we have. Our portfolio now is not dependent on making significant acquisitions. You always have some gaps in your portfolio, we have it, other competitors have it, and you have to run your portfolio with what you have and extract as much growth as you can on that. Do you want to comment on clinicals and the time it takes?

RICHARD SLATER

So, first I'd say, when we're buying those sorts of brands, we do very careful due diligence that they've got a good solid base on the products, their science, the claims. Obviously, it differs by brand how much that's part of the brand, but we're always making sure we're buying a good asset in that sense.

And then the second thing would be you can very quickly take what is there and make sure you're doing all the brilliant basics, I'd call it, to drive the right recommendations and algorithms. So, that's things like terminology of technologies, what's published where, how it's showing up. That can be done in days and weeks.

And then I think the third layer is how can Unilever bring fundamental science and technology platforms that help power it. If you look at Prestige, which we've been going at for a few more years, we've got examples of probably 100 innovations and technologies powered by Unilever technology that's gone into those businesses. While they retain

their speed and innovation day in day out competing, we sort of bring the more fundamental long-term science and technology.

And in Wellbeing, we're starting to bring some of that through now, as well. Things like sugar-free in Liquid I.V. was developed by the central team. So, that would be kind of months and years to start bringing the science, but you can make a difference, I think, immediately with what we know and what we've learned on our other brands.

FERNANDO FERNANDEZ

I would add to that also that you shouldn't underestimate the importance of independent scientific endorsement close to the action. It's not only about building clinicals at global level, it's fundamentally replicating these clinicals in key markets, and I believe that can provide Unilever, given our footprint, given our strong presence in many markets, a lot of competitive advantage when these LLMs start to expand globally and when we can replicate these kinds of clinicals or, let's call it, scientific proof in general in many markets across the globe. But this is now intentional for us. Now we are intentional about building clinical proof in our portfolio.

JEMMA SPALTON

Céline.

CELINE PANNUTI, JP MORGAN

Thank you. One thing that I think has changed at Unilever is your ability to premiumise, which is something that we had not seen in the past. So, my first question is on premiumisation. What percentage of your portfolio would you call is in premium category relative to the category? And what is the differential in growth and margin or gross margin of that premium portfolio? And how do you ensure, obviously you've shown us some amazing examples, that you've not gone too far? Like you seem to see a great opportunity, but we've seen, as well, companies have basically gone too far, and how you ensure that right now, Vaseline is doing amazing in emerging market at a time where emerging market are doing well, but that has sustainability in the long-term. So, that's my first question.

So, on the second, I mean lots of questions on AI, but so how do you see the shape of your P&L evolving? So, more gross margin, but how is A&P spend and R&D going to evolve? And I mean A&P spend in a world where, if there is more LLM, is there less search content, less A&P spent there, so I would be interested to have your perspective.

FERNANDO FERNANDEZ

I'll take the first one, and Srini can take the second one. We are very conscious of the limits that our brands cannot pass. And we are very conscious also in the adjacencies that is probably too far for a brand to go.

If you take a brand like Dove, for example, our biggest brand, I really believe, for example, that in face care, Dove has a real role to play in

facial cleansers, but I'm more sceptical about going into higher hierarchy of benefits. And I believe some of the Dove competitors have overexposed themselves into areas in which the brand is not naturally placed to compete. I'm also very conscious, that a few years ago, Dove highest price point was in the $5 to $7. Now the highest Dove price point is in the $17, $18. I don't believe that Dove can go beyond the $20. So we are very careful of not overstretching our brands and putting our brands in areas in which the right to win probably is not there, because people are looking for a specialist, people are looking for higher hierarchy brands. We are very conscious about this, the same with Vaseline, the same with Rexona, et cetera.

With our brands, we want to inject aspirationality, but we continue thinking that Unilever is a fundamental democratiser of access. So, we bring premium benefits into mass and upper mass positioning.

When I look at the percentage of the portfolio that is now in premium, it's around 48%. I would like to have that into the over 50% space. Usually, the margin difference at gross margin level could be between 500 and 700 basis points. But of course, it comes with a higher level of investment in BMI. So, part of that compensates when you are looking at EBITDA or underlying operating margin.

Srini?

SRINIVAS PHATAK

Absolutely. I think an important element also to highlight sometimes is that you need to have sensible gross margins at inception and what are gross margins when you scale.

The mistake to make is if you start with a premium innovation, you price yourself out, you don't expand that segment or the category. So, therefore, does it have a good gross profit, and with scale, do we have the ability to expand margins? I think that's one nuance I will add, and that's something we are consciously fine-tuning as we think about our innovations going forward.

FERNANDO FERNANDEZ

I'm a great fan of premiumisation, but probably the message I repeat more to our brand people is, don't be too greedy. Don't try to push the brand too far and take the brand out of what is the natural space.

SRINIVAS PHATAK

Absolutely. Look, the point is we will be where consumers are. You need to follow the money, you need to follow the consumers, which means that there is more content, there is more time of content, more quantity of content, differentiated quality of content.

So, yes, the costs with what we do today have crashed, but it also means that we will have to do a lot more, and many more different things. So, therefore, I will go back to the model of saying there is gross margin expansion. We should think about increasing BMI. We should think about

increasing R&D, because at the end of the day, what we're leveraging a lot is what we already have. We've started to build new, but the difference in future is going to be multi-technology platforms, multi-R&D platforms.

And on a pureplay, HPC basis, and I'm not a fan of some of these benchmarks, but if you take it at face value, we are underinvested. If you really want to have a sustainable growth business, we will continue to invest there. Richard, that still means that you need to get efficiencies in the deploy part of the organisation. But, the best way to think about it is to get gross margins up, to invest behind our brands.

But given where we are, I don’t believe we need to be wedded to percentages. It has to grow, and if that means that in some cases percentages increase, they absolutely will. In some cases, if there is a reorientation to get it sensible, we will do that. Not at an aggregate, because aggregates never give the real picture. It's really going to be at segment. It's going to be at country, therefore the granularity.

The percentages made absolute sense. We were seriously uncompetitive and underinvested, but it's about investing right. Again, I don't want this saying that people are talking about lowering brand investment. I want to be categorical: We will invest. The model is gross margin, invest behind our brands, invest behind R&D, drive productivity across all lines, and therefore the value creation equation.

JEMMA SPALTON

Question from Warren.

WARREN ACKERMAN, BARCLAYS

It's Warren at Barclays. There's a lot to digest there. I might need the machines to help me out, but I've got two human questions.

The first one is on margins, Srini. You threw a lot at us on margins, so maybe you can unpack it a little bit more in terms of the some of the moving parts on the cost savings, the billion euros.

You talked about the interventions that you're making on palm oil, again, if you can try and put some numbers around that to try and sort of understand how we get to the 200 to 400 basis point gap between yourself and US HPCs. And how do you triangulate that with moderate margin expansion at the same time as 200 to 400 basis points. It'll take a long time to get there. That's the first one.

And then, the second one is just maybe going back to Europe, maybe for Fernando, it will still be 14% of your portfolio and Herrish will now be running it from the first of January, and it's always been kind of anchored down by Foods and Ice Cream. Is there a real possibility to reimagine Europe as a smaller portfolio, higher growth?

Is there any reason, for example, why you couldn't do in Europe what you've done in the US? So what would be your vision or Herrish's vision

on Europe if you kind of look out? Or maybe Herrish can also touch on that. Thanks.

SRINIVAS PHATAK

Yes, there was a lot there, Warren, and rightfully so. Because, at the end of the day, what we said is that it's good to anchor on the three productivity levers. They're consistent, they don't change. Which is really thinking about volume, really thinking about mix, really getting productivity CapEx, and really focusing on buying. That's core.

What is differentiated is obviously, and it's an important element, when you compete with some of the regionals and the locals, they benefit from some of the backward value chain integration in some parts. What we have done with palm is structural and fundamental. It's not a today or yesterday's. It is something which Unilever has consistently built over many years. What we have really done in the last few years is amplify that, and that's also going to be followed with some of the structural interventions when we think about the material structures, which is work in progress, and it will not be opportune for us to talk about it at this stage.

There's fundamental shifts happening. We've spoken fragrances, we've also spoken about what it really means in terms of packaging and packaging hubs. So, there isn't a line in the P&L but obviously, the big interventions have to come back in gross margins, because that gives us the right to build, that gives us the right to invest.

Now, we've talked about productivity. Look, Ice Cream was relatively an easier job. We had an organisation which was not efficient over a period of time. This is hard yards. We don't take this lightly because, end of the day, we will do what is right from an organisation model point of view. But there are plenty of opportunities when you think about a business like ours. There are non-people spends. There are non-core applications. In some ways, we have become victims of outsourcing everything to do with technology. It's time to bring the expertise back in. It's time to really be a bit more open whether it's an open model or a closed model, leverage it, and drive it well.

Coming back to the closing the gap question, we are not trying to get there in four quarters or eight quarters or twelve quarters. The worst thing to do, and I keep saying this, you underinvest, it's very easy to take up 100 basis points of margin in any period you choose, right? And then we will pay the long-term repercussions of what that is. I'd rather favour a model which is growth-oriented, gets consistent gross margins up, invests, and you consistently deliver earnings. We are a fan of earnings. At the end of the day, what matters to shareholders and makes a difference is earnings. But the margins are important. It's a multi-year journey. It's important to have that anchor point. It's not trying to get there today, tomorrow, but look, absolutely, we are resolute on that, because if you're a quality HPC company, you will get that growth, you will get that margin profile, and you will deliver hard currency earnings.

FERNANDO FERNANDEZ

Regarding Europe, Warren, it's very clear with the separation of Foods, our ambition for Europe changes. But strategy is the art of sacrifice, and you cannot get exceptional growth in 70% of your portfolio. You have to look for exceptional growth in 25 or 30% of our portfolio. And Europe, like in China, is a region in which we will apply what I call a selective growth strategy.

We have 82% of our revenue in Europe in number one or number two positions. We have now 50% of our revenue concentrated in three markets, and we will be very selective about the category and geography cells in where we will go for significant growth in Europe. Let me give you an example, and I give it for free to our competitors, we have 56% share in Deodorants in UK. I want 65. And we will go for that.

But differently to the case of US, what Herrish will have to work his magic on is that we will not allocate capital in Europe for acquisitions. We will go for organic growth. That organic growth has to be around our leading positions and around the progressive expansion of our premium digital disruptors of the US in Europe. Brands like Tatcha, like Hourglass, like Paula's Choice, Dermalogica already has a significant presence. We will do the same with Liquid I.V.. I have the intention to do the same with Grüns.

So, our expectation for Europe is higher growth and at least grow with the market in the future, while, in the past, we have been declining. But it's a different situation to the one of US, and we need to respect that. But

what Herrish can bring into place here is the model of very strong partnership with key retailers that, particularly in some places like UK, is absolutely replicable there and the model of a really digital-first company that he put together in the US, and all of this applies to Europe.

But I repeat, strategy is the art of sacrifice. You cannot go for everything in the company, and Europe, we will go for a selective growth strategy that has worked well for us in China, because it has helped us to stabilise China in a decent level of growth, but with a significant contribution to profitability across time. So, that's basically the approach. Herrish, if you want to add something.

HERRISH PATEL

Firstly, the European team deserves a lot of credit. I think the amount of change over the last three, four years, think Ice Cream, think Foods, and the size of the business.

So, if you take the Foods numbers out, the PC performance or the Home Care performance is relatively solid. Beauty's growing at six. So, I'd say they've done the hard work, the next is where to take it.

The second piece is to start with the consumer, right? The UK consumer, 50% are already on agentic solutions. 60%-70% of growth in the UK is e-commerce, right? So, this is similar where the trends are going to the US.

And I'm with Fernando: focus, focus, focus. We're number one on Deos, we're number one on Skin Cleansing, we're number one on Cif. And then, the benefit I've got is we don't need acquisitions in Europe, but I've seen the future in the US and we've got to play it selectively with the consumer space work, but it fuels me with confidence.

And then lastly, I'll say it more from emotional point, my number one criteria is to bring the pride back into Europe. It is the home of Unilever.

JEMMA SPALTON

Tom?

TOM SYKES, DEUTSCHE BANK

Hi, Tom Sykes from Deutsche Bank. Could you please, just reconcile the comments you gave on fewer, bigger, better in the innovations to then the whole faster, content-driven innovation and what seems like a faster cadence of innovations? Is that bigger ones and then more tweaks and et cetera, and do you make this distinction between the two?

And then you've mentioned male grooming, men's products a lot. How much of your products do you think are actually consumed by men and how much are actually targeted directly using marketing directly to men and what's the sort of relative growth rate of male BPC products to female for you, please?

FERNANDO FERNANDEZ

Let me start by the male question. In the US today, 29% of the households are single households. And in Europe it is around 37% if I'm not wrong, but I believe it's in that space. So this point that females buy for men is disappearing. And I believe that targeted products to men, with targeted communication to men, in targeted channels to men is becoming more and more important.

This is a segment in which, of course, the categories like skin cleansing or deodorants are clear entry categories for men, and there is potential also to expand into areas like facial cleansers and other categories in which our brands can play. We are really elevating dramatically, Herrish showed some of the elevation of Dove Men in the US. That 60% of our Dove Men business is in the US is abnormal, so we need to really continue expanding Dove franchise in Men globally.

Opportunities in Male Grooming are massive for us, definitely anchor initially in skin cleansing and deodorants, but with the potential also into going into other adjacencies with four brands at the core: Dove Men, Dr. Squatch, Rexona, Axe, and potentially Vaseline. Because, Vaseline Men in some geographies where Vaseline is a stronghold is a logical expansion also. Your first question, Tom, was about –

SRINIVAS PHATAK

Bigger, better.

FERNANDO FERNANDEZ

Bigger, better, it's a very good question because, I really believe that the core of our growth will continue coming from disruptive, big innovations like Wonder Wash that you can roll out into 40 markets, et cetera.

But increasingly, you see channels like Douyin in China, or TikTok Shop, growing the model of creating demand in TikTok. And materialising what it works in TikTok in other channels, like could be Tmall in China or could be Amazon in US, is a model that will continue developing.

You need to do the two things. I believe that in the case of the TikTok Shop model, you don't develop special technology for this kind of activities. You deploy your existing stock of technologies, science, packaging, et cetera, et cetera. When you look at something like Wonder Wash, it's a completely different way of washing. It requires deep, deep scientific superiority. The same when you look at things like, Dove UV filter in hair care. So, you have to do the two things, but particularly in markets where social commerce is gaining ground, the second layer of content-driven innovation will gain more prominence in the future.

JEMMA SPALTON

Olivier?

OLIVIER NICOLAI, GOLDMAN SACHS

Thank you, Olivier Nicolai from Goldman Sachs. Just two questions. First, could you give us an idea of where you see the biggest upside for the K18 brand? It's still very strong in the US. Do you still see the US as the main focus or are you planning to, make it travel, as you said earlier on the other brands?

And secondly, the only category in Beauty where Unilever is not participating is fragrances. Now we've heard the word today a few times. Is it something that you will consider as a new category?

FERNANDO FERNANDEZ

Yeah, I never liked fine fragrances a lot, because I always saw fine fragrances with significant volatility. I believe that hair care and skin care were categories with much more solid growth across time, and fragrances, you have seen a lot of volatilities across time. We don't have any interest in at this stage, and we don't have any plan of getting into fine fragrances, even if I have to recognise, looking at some of the results of our competitors, it has been a key driver of growth.

And it's true that Gen Z is adopting Fragrances at pace and at scale. But I see a role for fragrances within our portfolio in areas like body mist, in areas like hair fragrances, and even some of our brands that are present in colour cosmetics can travel into fragrances. I cannot give details, but of course we will do some of that. But is this a fundamental driver of performance in the long run? No, I don't believe so.

In the case of K18, we have big plans for the brand. I cannot disclose, but any market of more than 250 million population should have a big K18 franchise. I will not disclose what are our plans, but K18 is moving internationally now at pace. I really believe it is a great brand with incredible superior products and it's one example of how Unilever technology can support a very strong initial concept of a brand. Because when you look at the top three key products that make 70% of the revenue of K18, it's all Unilever science. You know, in mask, in what they call AirWash, but we call it dry shampoo. It's a wet dry shampoo. And increasingly now, in what we have launched called Future IQ, that has a significant impact in increasing density of the hair, and even grey reversal after three months.

All this is technology of Unilever that was in our shelves, in our lab shelves, but it was impossible for us to deploy it, because we didn't have brands with the ability to travel into price points like the one of K18. Future IQ is a $120. AirWash is $40. The Mask is a $70-$80 price point.

So, the growth that we're having in this brand also shows that we are developing capabilities to really manage this kind of Prestige business with success and after one year that it was a bit uncomfortable for us last year. Prestige has come back with a lot of strength, and if I'm not wrong, we are at 12% growth year-to-date, that I believe the luxury sector in hair, skin is at around six, so, we are growing close to two-times the rate of the market in prestige beauty.

JEMMA SPALTON

There's a question over here.

BETHAN DAVIES, BERENBERG

Hi, thank you. Bethan Davis from Berenberg. I just have two questions on your LLM information provided today.

The first one just relates to the actual category growth. We've mainly focused on your strategy, but I was wondering if you'd be able to share any insights in terms of how the precision sort of mechanism of how LLMs work can translate into underlying category growth. Any sort of comments on conversion rates or impressions made for consumers around that would be interesting.

And then secondly, kind of coming off of the question earlier about fewer, bigger, better innovations, I think you mentioned earlier that you're simulating maybe 1 million prompts related to LLMs. That would suggest that, obviously, consumer requirements for products is becoming increasingly fragmented. So, how should we marry fewer, bigger, better innovations with a potential fragmentation of consumer needs?

FERNANDO FERNANDEZ

Clear. Regarding market growth, so turnover-weighted market volume growth, we see it to date at around 2%. We see fundamental volume

growth coming from emerging markets. On average, there is no growth in developed markets, on average. There are fast-growing segments, but there are fast-declining segments. And I believe this dispersion between top performers and low performance in developed markets will continue exacerbating. That's one of the reasons why our US business has grown. It's because we are in the right segments. Even today, that our Wellbeing this year is flat, we are flat because we are losing share. But the growth of our Wellbeing footprint is 9% in the US this year, and most of this 9% is volume growth. So overall, good growth in emerging markets in volume terms, in average, no growth in Developed Markets, but with a very clear distinction between segments that grow very fast and segments that decline very fast.

And of course, significant opportunities for premiumisation in developed markets because the K-shaped economy in developed markets is a reality. And there is a lot of people with a lot of money that is prepared to spend more. And, funny enough, when interest rates goes up, durables go down, consumer goods go up. So there are things like that are really plain. So I would say that at this stage, 2% volume growth is what we see as category growth. And with, let's say, one point more in emerging markets or one and a half, one point less in developed market in average terms.

LLMs will play a significant role in defining a short list, more for consumer benefit platforms than for particular innovation, because their search is more on consumer benefit basis. So, I believe that LLMs will play an increasing bigger role in discovery. Personal assistants, if I'm not wrong, I was in US last a couple of weeks ago, and there are 10, 15 million users of

Muse already. Willem is a heavy user of Instinct in the UK that does something similar to Muse. So, the role of these LLMs, personal assistants, in defining a relatively short shelf from which you buy will be very, very important. I believe this plays in favour of big brands, as I mentioned before, with big budgets and with big scientific proof. And it will make this kind of clinical evidence, scientific evidence more important and more important, and that scientific evidence has to be made available for consumers on a local basis.

SRINIVAS PHATAK

If I can add to that, I think there was an important point which Leandro covered during the course of his presentation, and that's this concept of invisible packaging.

Historically, we were all constrained by what claims you would put on a pack, but the fact of the matter is our brands deliver a lot more and the big brands actually deliver a lot more benefits. As we are now working along with the Google partnership and working with retailers, these actually become machine-discoverable. And when you combine that with patents, technology, R&D, papers that we publish, discoverability of the big brands also gets significantly enhanced. Which therefore doesn’t mean that for every benefit, you need to think about launching a new SKU or proliferating SKUs.

FERNANDO FERNANDEZ

Machine-readability of items is a big thing. And if we show you, what does it take to code the presence of one item in one retailer, you would be shocked. The lines of coding that is required for one item in one retailer. And this machine-readability is a big thing. Honestly, without the partnership that we put in place with Google, it would have been impossible for us to make it happen. It's a pity that we couldn't put a video on that, but it's just incredible. When you have to do that for many thousand items, it's a lot of work. But imagine the power for a company like Unilever of developing this capability with Walmart in US and deploying it in Atacadão Brazil, or in SM Philippines. It's just a huge, huge potential competitive advantage. We don't have to learn again how to do this machine-readability for a retailer in Philippines or a retailer in Brazil. So this is a big part of our program now.

JEMMA SPALTON

Callum?

CALLUM ELLIOTT, BERNSTEIN

Thank you, Callum at Bernstein. You spoke a lot about Dove, Vaseline, the blueprint for brand building. I think the volume growth data that you provided for those two brands implies that half of all group volume growth has come from just those two brands. And that must imply that there are still a number of the big brands that are struggling from a volume growth perspective.

So, I want to ask you more about the replicability of the model. Where are you in rolling that out? And I think you highlighted Lux, Rexona as two sort of incoming priorities. How long do you expect that model being rolled out to those two brands to take before you start to see the improvement? And maybe is it ever realistic that you could be firing on all cylinders, so to speak, or do you have to be selective with how you apply the model?

And then the second question is maybe related. 4.4% volume growth for the Power Brands, 3.3% for the group. If you do the maths, it implies the remaining 20% is at -1%. Is that a problem? Is that fixable if you think it's a problem? Or is it just something that you have to accept for the scale, for the portfolio resilience that Srini was talking about, that that tail brings to the table?

FERNANDO FERNANDEZ

Let me start with the first one. You know, it's true, between Dove and Vaseline, they make 20% of the revenue of the company, and, in average, they must be growing around 8-9%. So, basically, you have around 0.8% of growth that we have done in this brand. And we have many other examples. Dirt is Good now growing high-single digit. The quality of our innovation in laundry has been elevated dramatically. Wonder Wash in 40 markets is a big success. Comfort was a flat brand for Unilever. In the last few years has been growing around 8%. Cif at 15% growth in the last few years. Domestos, this year is around 5-6%, but last year was double-digit. We have many other brands really performing well. Do you have some dogs in your portfolio? Yes, you always have some dogs in your

portfolio. Some of them have only three legs. So, that happens. But overall, the model is repeatable.

Some brands are more difficult, and, let me give you an example. You know, we have done many mistakes in Lifebuoy, but it's true that Skin Cleansing is moving out of hygiene and travelling into care and experience. So, that plays naturally in favour of Dove and Lux, and plays naturally against the like of Lifebuoy. So, there are some times that your brands are very clearly positioned in a space that is difficult to grow. Or take a brand like Glow & Lovely. Glow & Lovely is a great brand, is a super-profitable brand for Unilever. It has been a key driver of growth for Unilever for many, many years. But it's very clear that the face care market in India is premiumising, and this plays in favour of Dove facial cleansers, Simple facial cleansers, Pond's facial moisturisers, or Minimalist, and it doesn't play in favour of Glow & Lovely.

So, you have to accept that sometimes some of the brands are in spaces that are structurally challenged, and I'm, personally, always more keen in accelerating the winners that fixing the bleeders. So, if the other 20% of Unilever is flattish in growth, and we continue growing, our Power Brands at 4-5%, that's a nice balance to have.

You have to think also that the non-Power Brands, given the exposure to emerging markets, and given the exposure to the value segment, they tend to perform better in high-inflationary periods. Because people down-trade, and we collect in our portfolio some of that. If I give you the example of Brazil again, our two Power Brands of Laundry make up 50%

share. The other two non-Power Brands of Laundry Brazil make 20%. These brands tend to perform well in high-inflationary periods. When there are low-inflationary periods, we trade up consumers again, and we put the focus in Power Brands.

So, we are happy with the balance we have. You always like all your brands to fire. But, it is natural that you would have parts of the portfolio growing faster. And let me repeat what I said when I refer to Europe. You can go for exceptional growth only in 25%, 35% of our revenue. In the rest of the portfolio, if you grow with the market, that's a good performance. Because I prefer to really gain the kind of share that we are gaining in laundry India now, that is transformational.

How much share you have grown in laundry India in the last 12 months? 300 basis points, from 46% share to 49% share. That's a structural step change of our competitive position. I prefer to get that in a $2 billion business like India than gaining one basis points in the whole of Unilever. So, concentrating resources is very, very important.

SRINIVAS PHATAK

Look, our dogs are getting better, let me start there. The point is, during the course of the year, we've also made some corrections, in terms of taking resource allocation out because we've started to play more value. We've de-listed some of the brands, placed it in our Power Brands. I also spoke to you about the 1 billion of disposals that we talk about, it's also actually going to come out of that 8 billion. We're really talking about a billion coming out of there.

I believe we'll go through some more correction, but I definitely see that what remains will be a growing business. It's not something which I foresee, at least on a multi-year basis, to be a negative USG business. But do we really want to grow them at the same levels of Power Brands on a consistent basis? No. There could be some periods where some of them can do well for the reasons he explained. But I think what you should think on a multi-year basis, with the changes, it will be back to that.

FERNANDO FERNANDEZ

25 Power Brands, 80% of our revenue, give us enough diversification and enough focus. We like that. And if you ask me, would you like to have 25 brands representing 85% of your revenue in four or five years' time, as we have moved to from 75 to 80 in the last four to five years? Yes, I would like that.

JEMMA SPALTON

I think we have a question from Sarah.

SARAH SIMON, MORGAN STANLEY

Thanks, Sarah from Morgan Stanley. I've got two.

The first one was on-- back on beauty. there's obvious crossover between personal care and skin care and skin cleansing. How do you think about colour cosmetics in that context? I mean, you've obviously got some in India, you've got Hourglass. It's a great brand, but does it really fit?

And the second question was on marketing. Just if we're thinking about mix change, so you've got more premium, which, as you said, requires more BEI, you've got more Beauty & Personal Care, which is more than Home Care, but on the flip side, you've got the 10% to 15% better ROI, which is coincidentally very similar to another AI platform.

So, on the 10% to 15%, do you think that's kind of what is needed in this environment to execute, or do you think we should think about that as actually a financial benefit? Thanks.

FERNANDO FERNANDEZ

Let me answer the first question.

Do we have an ambition to expand into colour cosmetics more than what we are? No. We have a selective play in colour cosmetics. We have a great brand in India with Lakmé. We have an incredible brand in Hourglass, in high-end prestige colour cosmetics.

Colour cosmetics is a special category because, everybody looks at the profit, but you have to look at the cash. And I like the hybrid between colour cosmetics and skin care, but I don't like pure colour cosmetics propositions.

If you ask me, "Are you interested into this kind of colour cosmetics brands with 300, 400 items?" No. I like a brand like Hourglass with 30, 40 items. And I like some of the hybrids that we are building in Lakmé between foundation and skin care, for example. We see hybrids

between face care and colour cosmetics as a very interesting territory, we believe several of our brands can play into that. By the way, we have a big success with one mix in Vaseline in India that is called Vaseline Soft Cloud, that people use it as a foundation, no? So, we like this kind of things. We like colour cosmetics hybrids with skin care or with face care. We don't like this kind of very fragmented colour cosmetics proposition with an incredible amount of working capital. That doesn't fit with our business model. Second question?

SARAH SIMON, MORGAN STANLEY

It was about marketing. So, you've got well, the basic nub of it was the 10% to 15% is a number that is also talked about by another of your big competitors. So, the question is really is do you need that for this model to work? Is this a basic requirement to play in the new environment, or do you think it's additive? Because if we add up all of the sort of mix benefits of going more premium, going more into beauty, I'm not sure whether that adds up in terms of your BEI as a percentage of revenue formula.

FERNANDO FERNANDEZ

No, it's a fundamental insurance to play. So, that 10% to 15% higher return compensates for a fundamental change in the balance of power between a very concentrated media platform landscape and the industry. So, I don't believe that this is something that will flow to the P&L, to the bottom line. This is something that will be necessary to continue boosting our top-line growth in a context in which, in the past a company like Unilever, buying big media in Brazil to TV Globo has a

significant competitive advantage. But now you are buying from Meta, or from Google, or from Amazon, or from Walmart, or from TikTok, and that model doesn't favour a scale of purchase. It favours quality of engagement you generate in the platform. So, I believe the improvement in our return of investment is a fundamental driver to keep our business model working in terms of continuing to boost our top-line growth and deliver a modest margin expansion every single year.

JEMMA SPALTON

I think we have a question here from Robert.

ROBERT MOSKOW, TD COWEN

Hi, thank you. Srini, I was intrigued by the comparison chart you had for operating margins versus US peers, there's about 300 basis points of a gap. There's also a valuation gap between your stock and your peers. I think the people who believe in that valuation gap also believe that the margin gap can't be closed. Have you done any benchmarking on just the categories that you're in versus your peers, the countries that you're in, is there any structural reason for why this gap is there?

SRINIVAS PHATAK

So, we have done a complete, very good understanding. Parts of the gross margin gets explained by just the category footprint that they have, the premium portfolio that they have and where they play. That's not a like-for-like comparison, and therefore, say we keep it outside.

In our view, we clearly, when we look at it between 300 to 400 basis points of gross margin gap is a function that we can handle. That we can control, we can improve upon. It comes back to some of our pricing discipline. We have to do a job of premiumising it. We need to get some of our SPIs right. There is a level of savings which is available there. As we are thinking about productivity across the value chain, there is money to be really made. We spoke about some of the examples between backward integration, investing for productivity, there is value to be taken there.

There is an underneath complexity in our business. While Fernando showed the significant progress that we have made. Even when we think about the chassis of perfumes that we use, the chassis of some of the chemicals and formulations that we use, there is again a value that we can extract there in a meaningful manner and in a sensible manner. Therefore, premiumisation again becomes an important point. Even in the categories and the segments that we play, as we've continued to increase our share of premium, and we also spoke about it earlier that it's going to come with higher gross margins, there is that room to play.

There are multiple levers for us which give us the confidence to get to that. But it needs to be clear that this is an everyday compounding story of how you're going to close these gaps and build this advantage. I'll always give you a proof point for all the naysayers, if you really look at the last couple of years, it's still a 260 basis points of gross margin expansion. One needs to be clear that anyone who signs up for 100 basis points of gross margin year on year, is actually hoping for commodity deflation. Because if you really operate in our industry, the ability to

price 100% of cost inflation sustainably is not demonstrated, yeah? Competition, different players coming in. So, you can recover a certain portion of that inflation through pricing. The rest, the levers have to work hard.

So, it's a two part answer. One, we're conscious of that. That's really our operating model. Two, we have a clear point of view on the 300 to 400 and the levers and the drivers to work through that. But, we are clear, it's a multi-year journey. It it's not a here-and-now short-term fix.

FERNANDO FERNANDEZ

And, to your question, if you look at category footprint, geographical footprint, segment footprint, channel footprint, probably of the 400 basis points there is around 40% that is structural, that is not so easy to kill. But, all the rest is in our hands.

It's important, the best way of improving your margin in the long run is strengthening your equities. Because strengthening your equities drives volume growth at marginal contribution of 60%, or drives a potential repositioning of the brand into a higher price point, because normally, you cannot go with pricing ahead of the market.

So, if we continue strengthening our equity, if we continue having 65% of our brand equity is strengthening every single year, the margin will continue approaching the best in class. And some of these people that

have higher margins have been growing less than us. So let's see if that margin stays where it is.

JEMMA SPALTON

We probably have time for one more question. Jeff?

JEFF STENT, BNP PARIBAS

Jeff Stent, BNP. If I could sneak two, if that's possible, Jemma. The first one is on oral care. I don't think you've really mentioned it at all, during today. So just what your thoughts are on your presence in that category, and how you see the evolution of your presence in that category.

And the second one, I think the CMD's been great. So, thank you, and thank you, Jemma, because I know these things take a lot of work. But you're kind of saying that you'll deliver what you said you would deliver previously. So, I'm sort of wondering, were you previously being ambitious? Or are you not being ambitious now? You know, which is it? Because it all sounds really good, but you're basically telling us you're going to deliver exactly the same stuff you told us you were going to deliver a couple of years ago. So, if you could reflect on that, thank you.

FERNANDO FERNANDEZ

Well, in the second question, we are saying that we will deliver what we said we were going to deliver two years ago, at a moment in which

nobody is delivering what they were delivering two years ago. And there is a real change in the situation of the sector.

You know, if you look at the growth rate of most of our peers today it is not what they were thinking in their mid-term guidance and not what they were delivering a couple of years ago.

So, we are very pleased with the performance we are having with the HPC business, and it's true, this year, we are growing above the 6% range. We have delivered 3.3% volume growth in the last three quarters. But, I feel you have to combine ambition with some level of cautiousness, because, some things can really not work at one moment in time, the context can change. We are in a period of extreme volatility of cost. You don't know if that will have an impact. Usually, in inflationary periods, our categories tend to be inelastic and Unilever portfolio tends to be inelastic, but, I would be silly if I consider that the elasticity that we used to see four, five years ago is a good proxy for the elasticity of the future, because the cumulative inflation we have seen in consumer goods has been very, very high.

So, take our guidance as a kind of ambitious, but solid, and with high level of confidence, mid-term range ambition. With a level of volume that we believe, at 2%, is what we should deliver. In more inflationary periods, it should be a bit higher than in normalised inflationary periods.

Regarding oral care, we like our oral care business, it's a very strong oral care leadership position in several geographies, our Vietnam business, our Indonesia business, some of our European business are very, very

strong. We have a good presence in India. Do we have any plan to expand our presence in oral care? No. Do we need to continue innovating to ensure that that position remains solid? Yes, in a category where incumbency and a strong authority system matters. And we play in all these geographies the role that the leading brand in other markets play. So, nothing more to say about oral care. We like the financials of oral care, we like the contribution they make to some of our most important emerging markets geographies. Do we plan to expand the presence of oral care in other geographies? No.

JEMMA SPALTON

Thank you. So, that leaves it to me to say thank you so much to all of you for spending the time with us today. It's been great to see you all. Please do join us for lunch and some opportunities to interact with the booths and experts after this if you are able. And if you travelled here to see us today, safe travels home. Thank you all very much.

FERNANDO FERNANDEZ

Thank you.