

Unilever to cull 1,500 jobs in major restructuring

Global consumer packaged goods giant Unilever is set to cut 1,500 across the globe, and move away from its current matrix structure to reorganise its business around five distinct groups: beauty & wellbeing, personal care, home care, nutrition and ice cream.



Source: ©joeppoulssen - 123RF

Each of the new business groups will be supported by Unilever Business Operations, and will be fully responsible and accountable for their strategy, growth and profit delivery globally. Unilever said the restructuring will make it a "simpler, more category-focused business".

Alan Jope, CEO Unilever, explains, "Our new organisational model has been developed over the last year and is designed to continue the step-up we are seeing in the performance of our business. Moving to five category-focused business groups will enable us to be more responsive to consumer and channel trends, with crystal-clear accountability for delivery. Growth remains our top priority and these changes will underpin our pursuit of this."



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Management shake-up

The proposed new organisation model will result in a reduction in senior management roles of around 15% and more junior management roles by 5%, equivalent to around 1,500 roles globally. Unilever said it does not expect factory teams to be impacted by the job cuts. Any changes will be subject to consultation, it added.

As a result of the new set-up, Unilever is also making the following changes to its leadership team, effective 1 April 2022:

Fernando Fernandez, EVP Latin America, has been appointed president beauty and wellbeing, which includes hair care, skin care, as well as vitamins, minerals and supplements, and Unilever Prestige.

- Fabian Garcia, president North America, has been appointed president personal care, responsible for skin cleansing, deodorants, and oral care.
- Peter ter Kulve will continue in his role as president home care, responsible for fabric care, home and hygiene, and water and air.
- Hanneke Faber, president foods and refreshment, has been appointed president nutrition, which will be home to scratch cooking, healthy snacking, functional nutrition, plant-based meat, and food solutions.
- · Matt Close, EVP ice cream, has been appointed president ice cream, a business group in its own right.

These appointments are effective from April 1, 2022.



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In addition:

- Nitin Paranjpe, chief operating officer (COO), will take on a new role as chief transformation officer and chief people officer, leading the business transformation, and heading the HR function.
- Reginaldo Ecclissato, chief supply chain officer, will lead the supply chain and Unilever Business Operations as chief business operations officer.
- Sunny Jain, president beauty and personal care, has decided to leave Unilever to set up an investment fund in technology megatrends.

Other members of the Unilever Leadership Executive (ULE) will remain in role, including Sanjiv Mehta who will retain executive leadership of Hindustan Unilever.

The news of restructuring comes shortly after Unilever's <u>unsuccessful acquisition</u> of GlaxoSmithKline's Consumer Healthcare business.