

# Investor Event 2015

## SEAA: 4G Growth in Action

Peter Ter-Kulve  
EVP - South East Asia and Australasia

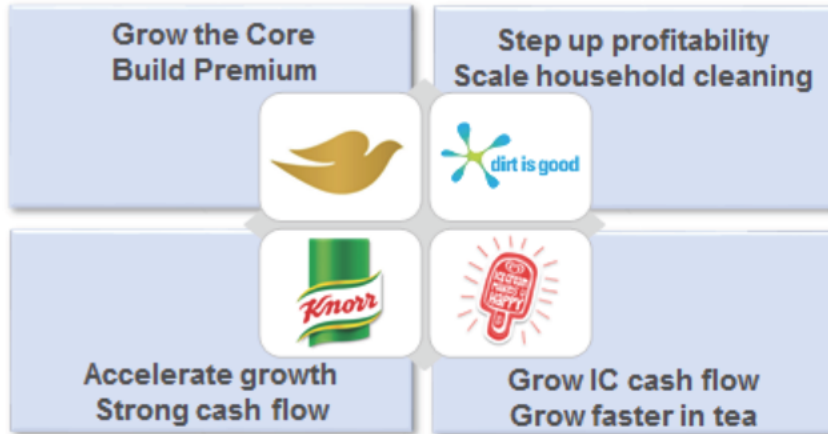


December 2015

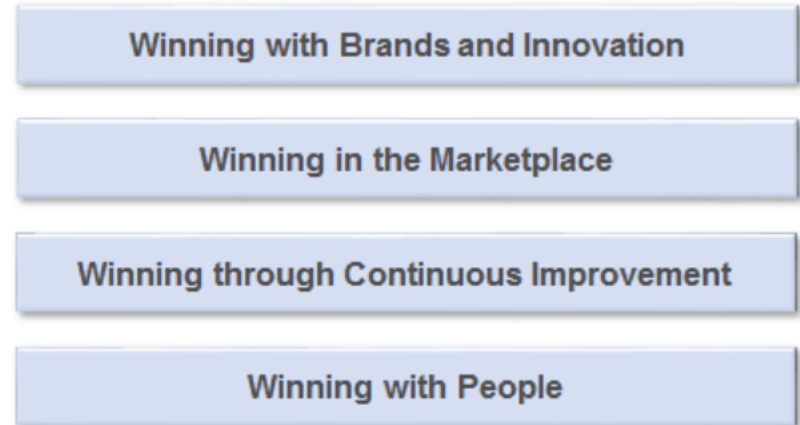
# SEAA: 4G Growth in Action



## Category choices

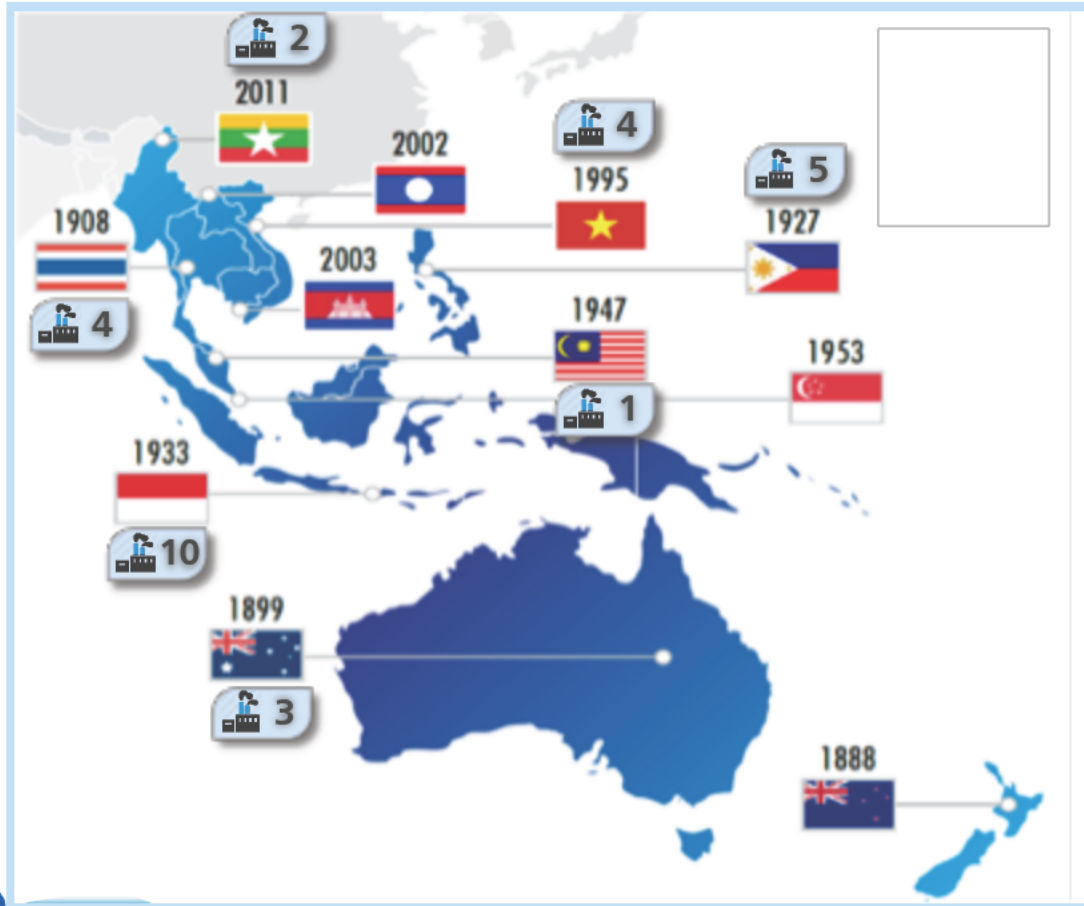


## The Compass



Sustainable Living: More growth, Lower costs, Less risk, More trust

# Long and Deep Presence in the Region



Since **1888**

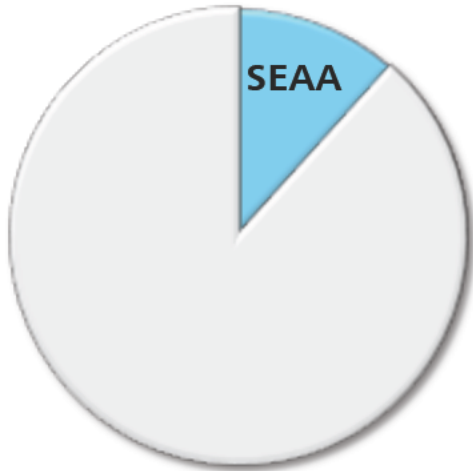
**11** Countries

 **29** Factories

# SEAA +6 Billion Euro: Important Region for Unilever



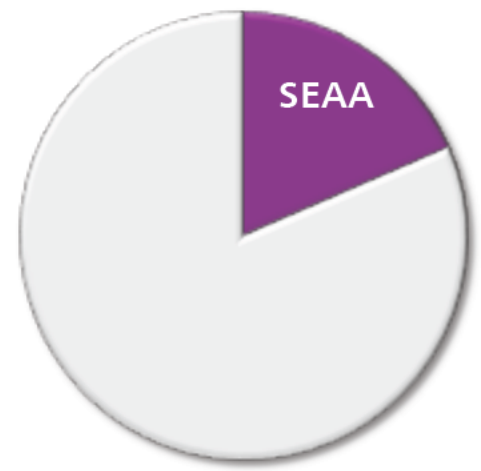
**TURNOVER**



**CORE OPERATING PROFIT**



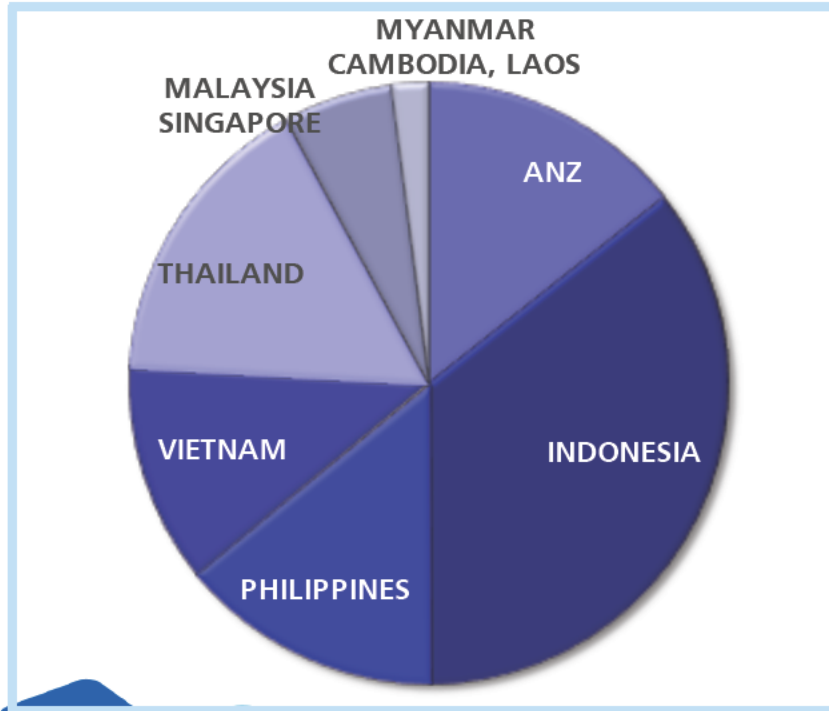
**CASH**



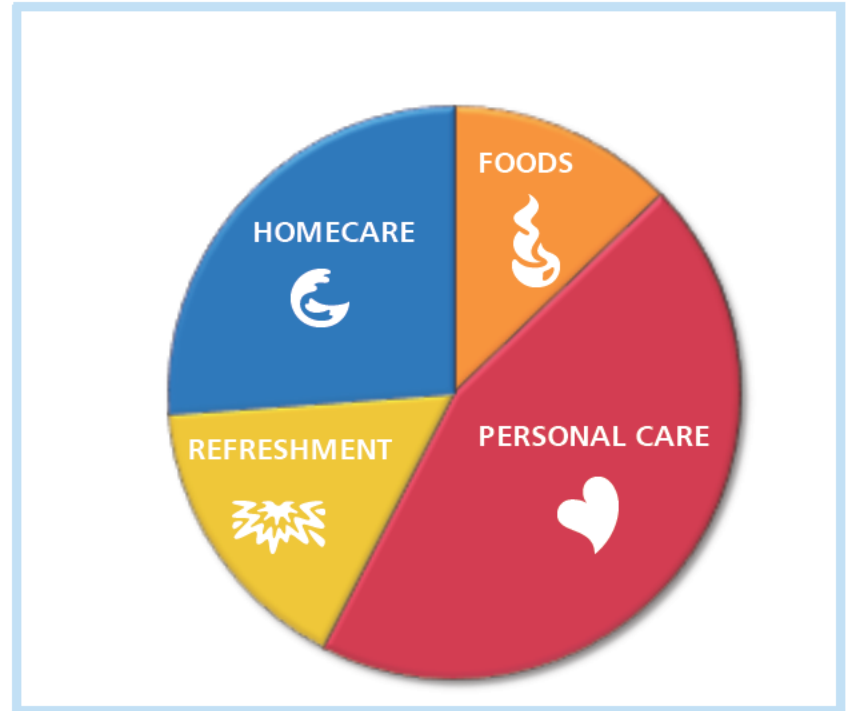
# A Strong Portfolio



## STRONG MARKET PORTFOLIO



## STRONG CATEGORY PORTFOLIO



# Good Track Record of 4G Delivery



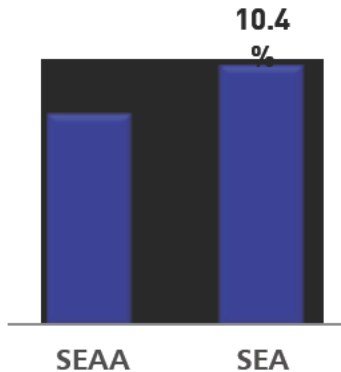
## CONSISTENT

## COMPETITIVE

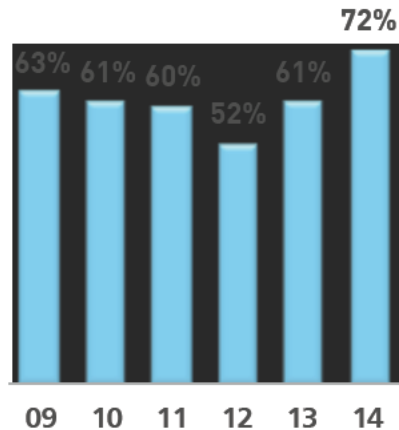
## PROFITABLE

## RESPONSIBLE

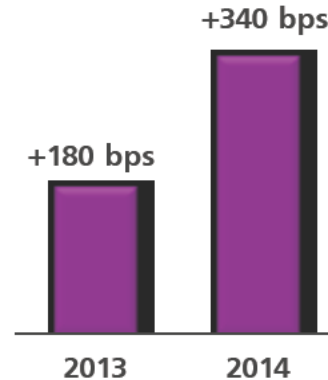
2009 - 2014  
Underlying Sales Growth  
CAGR



% Business  
Winning Share



Core Operating Margins\*  
vs 2009



USLP Embedded in Our  
Brands and Operations

- IMPROVING HEALTH AND WELL-BEING
- REDUCING ENVIRONMENTAL IMPACT
- ENHANCING LIVELIHOODS

Source: Competitive Growth through Nielsen Retail Panel  
\*Core Operating Margin improvement at constant exchange rate @ 2014 rates

# Strong Market Positions in SEA



	HAIR	SKIN CLEANSING	FACE	ORAL	DEODORANTS	HAND & BODY	FABRIC CLEANING	FABRIC CONDITIONER	DISHWASH	ICE CREAM	TEA	COOKING PRODUCTS	MARGARINES	SOUPS	DRESSINGS
INDONESIA	1	1	1	1	1	1	2	1	1	1	1	1	1		
THAILAND	1	1	2		2	1	1	1	1	1		2		1	
PHILIPPINES	1		1	2	1	2	2	2		1		1			1
MALAYSIA	1	1			2	2				1	2				
VIETNAM	1	1	1	1	2		1	1	1			1			

# Leading Share and Scale



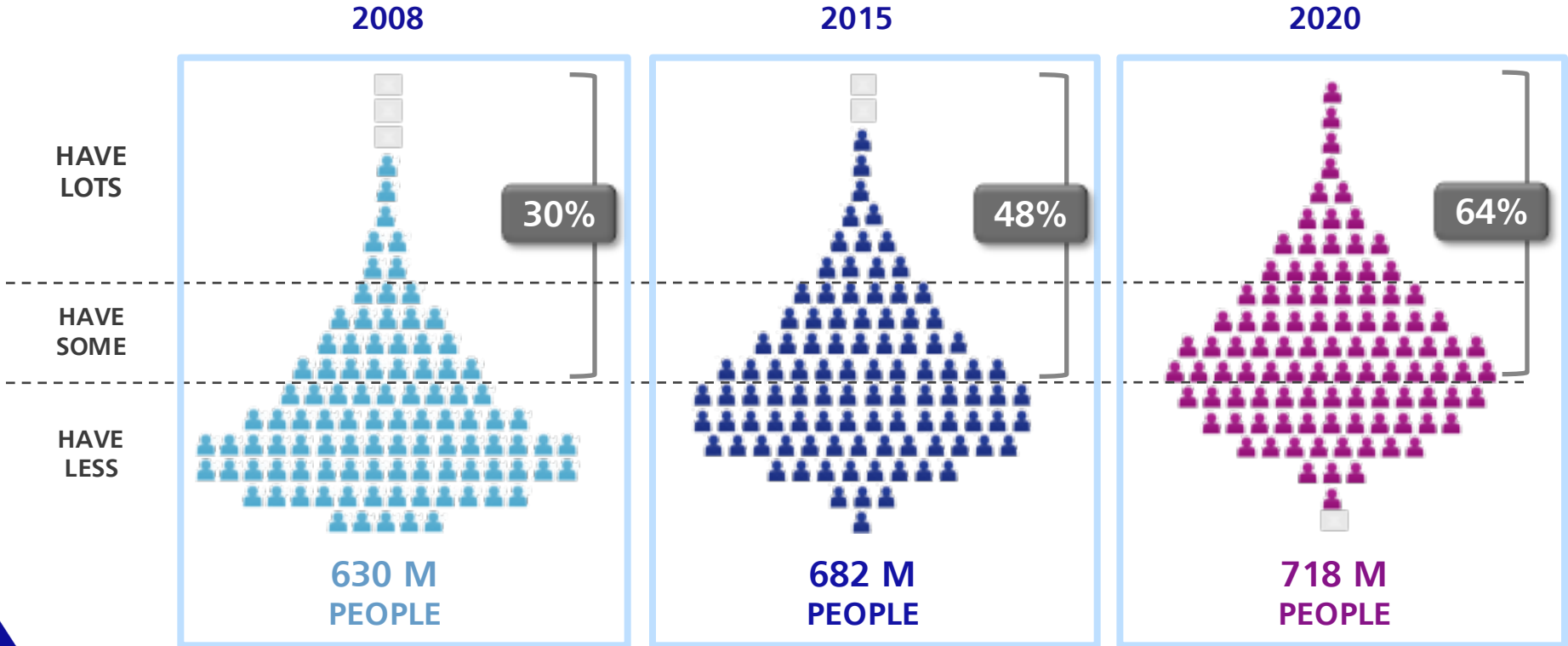
**Unilever: 42%**

**All Global Competitors: 30%**

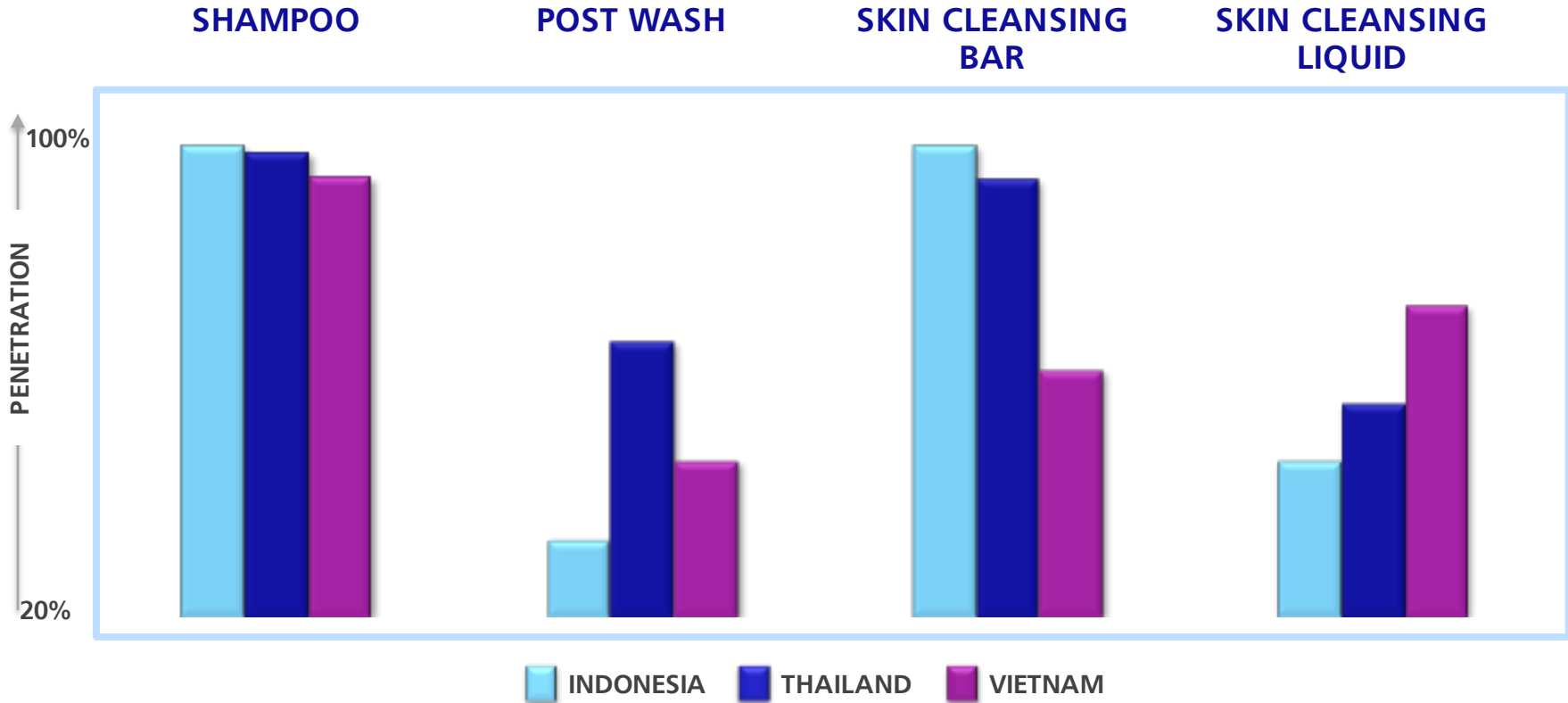
**All Local Competitors: 28%**



# SEA Growing Middle Class



# Massive Penetration Potential Across Categories



# Recently the Headlines Have Become Less Rosy

## Malaysia's Economy Faces Severe Strain

Malaysia now faces economic challenges that go far beyond the impact of any Chinese slowdown.

ECONOMY

## Thai Economy Struggles to Grow as Exports Wilt

Thailand's gross domestic product expanded 3.0% from a year earlier in the first quarter

FINANCIAL REVIEW

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## 'Perfect storm' brews for Asia as China devalues yuan

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ASIAN ECONOMY

## Indonesia's Economy Has Stopped Emerging

45 AUG 6, 2015 6:00 PM EDT

By William Pesek

Indonesia has come a long way since Oct. 20, when [Joko Widodo](#) was sworn in as president. Unfortunately, the distance the country has

ECONOMY | ASIAN ECONOMY

## Indonesia Growth Slows to More Than Five-Year Low

Southeast Asia's largest economy grew 4.71% in the first quarter

## Vietnam's livestock-poultry industry to suffer most after major trade pacts take effect

TUOI TRE NEWS

UPDATED : 08/11/2015 15:04 GMT + 7

Asian currencies

## Plunging like it's 1998

The rupiah and ringgit plumb depths unseen since the Asian financial crisis

Aug 8th 2015 | SINGAPORE | From the print edition

Timekeeper

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# Strong Long Term Market Growth, But Volatile

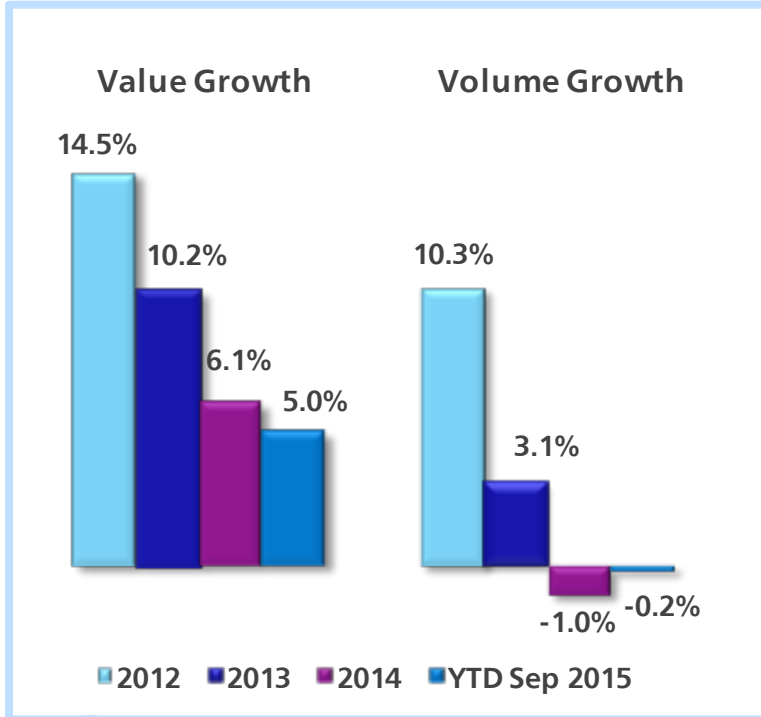


Unilever

## FMCG MARKET

## VOLATILE CURRENCY MOVEMENT

## POLITICAL UNREST



# Unilever Compass: Accelerating 4G Growth in SEA



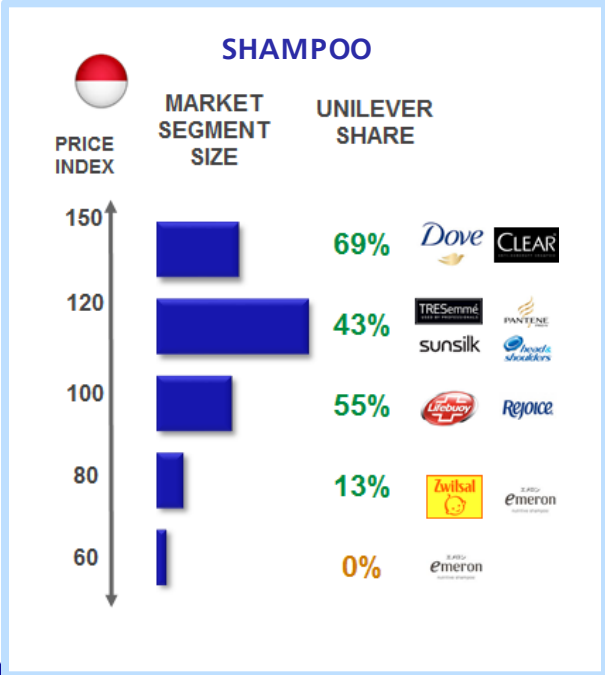
## THE COMPASS



# Brands and Innovation



## GOOD BETTER BEST PORTFOLIO



## PORTFOLIO OF GLOBAL & LOCAL BRANDS

GLOBAL BRANDS AND EXECUTION	
GLOBAL BRANDS LOCAL EXECUTION	
LOCAL BRANDS AND EXECUTION	

## MARKET DEVELOPMENT



# Marketing in the Digital Age



## REACH



Total Reach in SEAA



**241 Million/Month**  
For Active Unilever Brands



Share of Impression

FY2014 → Q2' 15  
**42%** → **66%**



View Through Rate

**LUX**  
**Sunlight**  
**+ 210 bps**  
Above FMCG Average

## CONTENT



**SKIN**  
MATTERS



## DATA

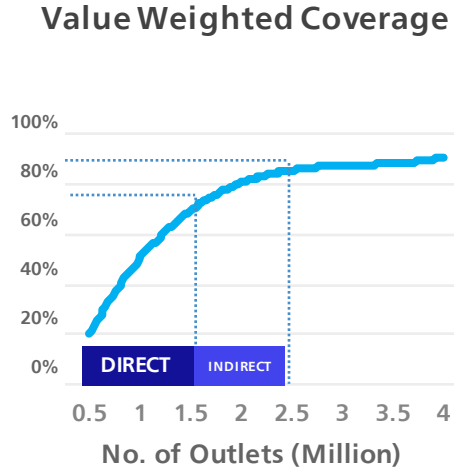


**BRANDTONE**

# Customer and Channel Development



## BUILDING DIRECT EXCLUSIVE DISTRIBUTION



## EMPOWERED BY TECHNOLOGY



## STRONG NET REVENUE PRICING SYSTEM

ACCELERATE GROWTH  
FUEL GROWTH

Brand  
Portfolio Pricing

Pack  
Price Architecture

Capture the full  
value of our brands  
for consumers

Right format, right  
pack, @ right price, by  
channel






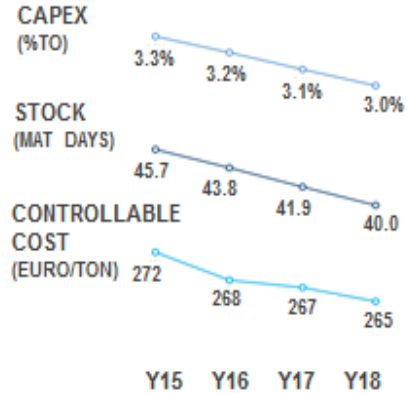


# Costs Unusual



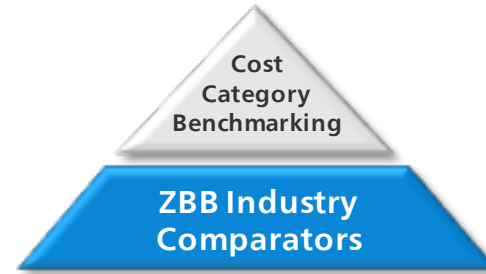
## SUPPLY CHAIN IMPROVING COST & CASH

-  **CROSS BORDER SOURCING WITHIN ASIA**
-  **FTE REDUCTION**
-  **END-OF-LINE AUTOMATION**



## EFFICIENCY THROUGH ZBB

### EXTERNAL COMPARISON



ZERO BASED BUDGETING REALIZABLE SAVINGS

**THAILAND**  
**€ 18 M**

**SEAA**  
**€ 90 M**

# SEAA Talent Machine



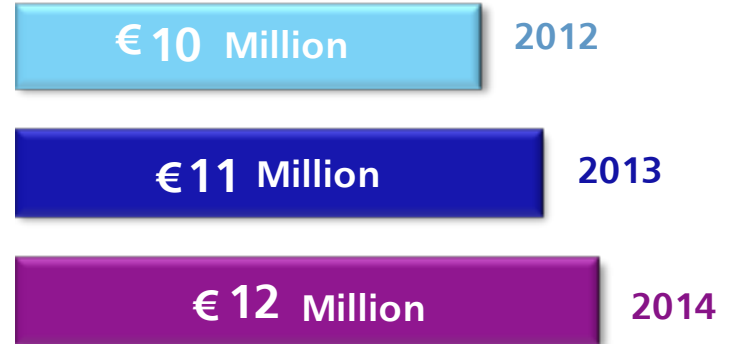
## TALENT DEVELOPMENT AND ATTRACTION



**#1 EMPLOYER OF CHOICE:  
SINGLE DIGIT ATTRITION**

## DRIVING PRODUCTIVITY TO FUND WAGE INCREASE

### SEAA



**TURNOVER per MANAGER\***

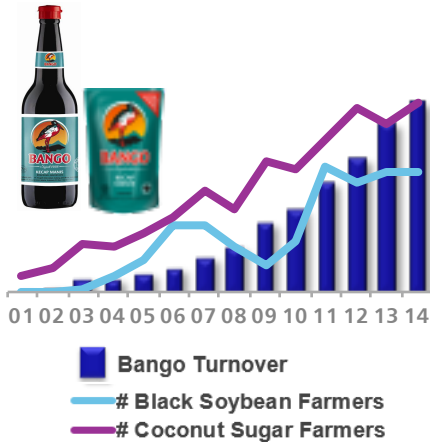
\* FTEs in Customer Development, Brand Building and General Management Who Are Work Level 2 and Above

# Unilever Sustainable Living Plan



## MORE GROWTH

### BANGO INDONESIA



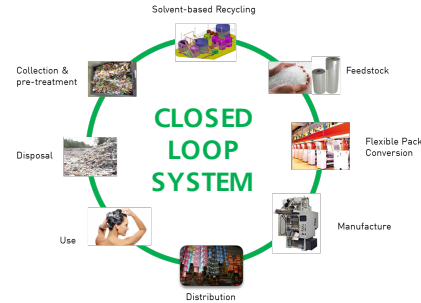
## LOWER COSTS

### HPC THAILAND



## LESS RISK

### SACHET WASTE RECOVERY SYSTEM



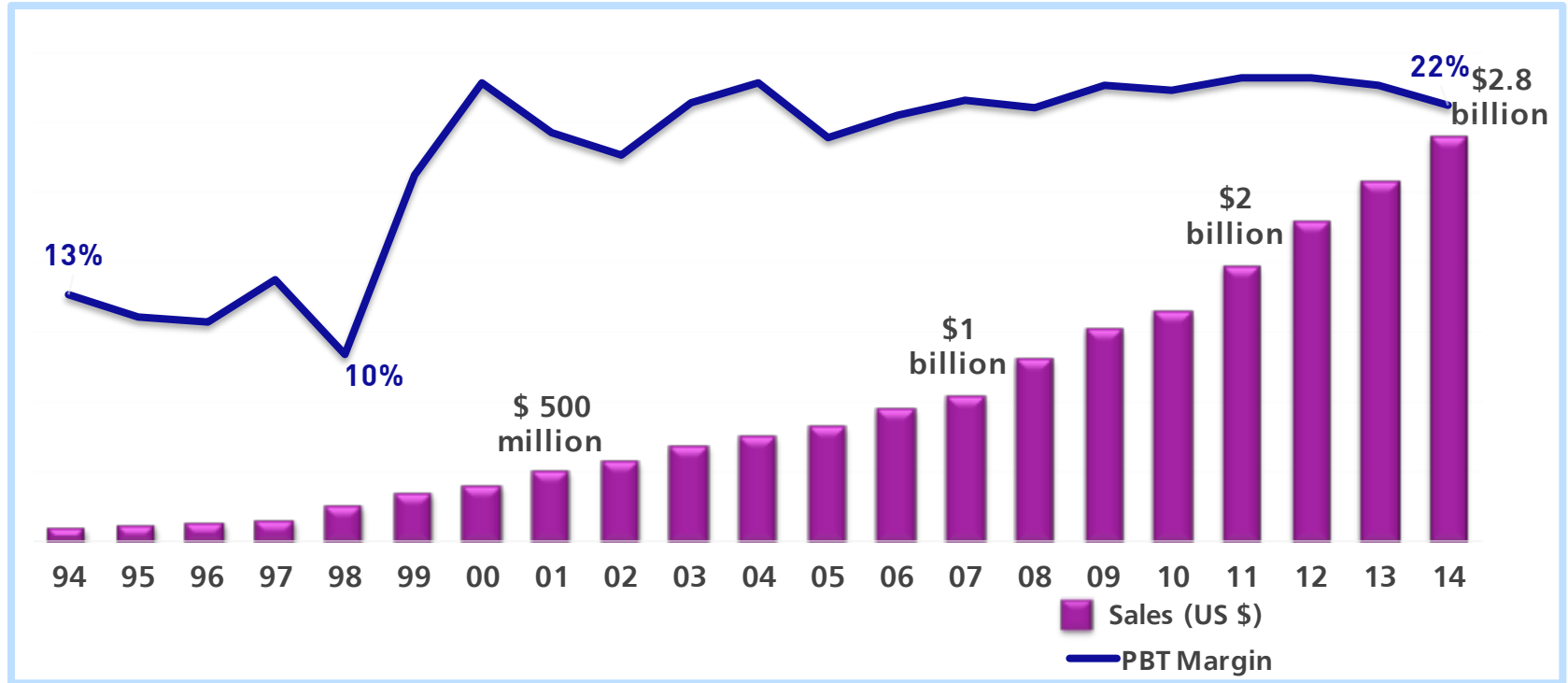
Estimated saving  
43,000T CO<sub>2</sub> p.a.  
(= 215,000 trees!)

## MORE TRUST

### BRUSH DAY & NIGHT PROGRAMME



# Indonesia: Sticking to Long Term Strategy Pays Off



# Unilever SEAA Conclusion



- ❖ **Strong Consumption Story Despite Recent Market Volatility**
- ❖ **Long-term 4G Delivery (Competitive, Consistent, Profitable, Responsible)**
- ❖ **Repeatable Unilever D&E Growth Model Applied to All Countries, Categories and Business Processes**

