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:
- Grow the Core
- Build Premium
- Step up profitability
- Scale household cleaning
- Accelerate growth
- Strong cash flow
- Grow IC cash flow
- Grow faster in tea

The Compass:
- Winning with Brands and Innovation
- Winning in the Marketplace
- Winning through Continuous Improvement
- Winning with People

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

December 2015
Long and Deep Presence in the Region

Since 1888

11 Countries

29 Factories
SEAA +6 Billion Euro: Important Region for Unilever
A Strong Portfolio

STRONG MARKET PORTFOLIO

- MYANMAR
- CAMBODIA, LAOS
- SINGAPORE
- ANZ
- THAILAND
- VIETNAM
- PHILIPPINES
- INDONESIA

STRONG CATEGORY PORTFOLIO

- FOODS
- HOMECARE
- REFRESHMENT
- PERSONAL CARE
Good Track Record of 4G Delivery

CONSISTENT

2009 - 2014 Underlying Sales Growth CAGR

<table>
<thead>
<tr>
<th>Year</th>
<th>SEAA</th>
<th>SEA</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

10.4%

COMPETITIVE

% Business Winning Share

<table>
<thead>
<tr>
<th>Year</th>
<th>09</th>
<th>10</th>
<th>11</th>
<th>12</th>
<th>13</th>
<th>14</th>
</tr>
</thead>
<tbody>
<tr>
<td>%</td>
<td>63</td>
<td>61</td>
<td>60</td>
<td>52</td>
<td>61</td>
<td>72</td>
</tr>
</tbody>
</table>

PROFITABLE

Core Operating Margins* vs 2009

<table>
<thead>
<tr>
<th>Year</th>
<th>2013</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Margin Improvement</td>
<td>+180 bps</td>
<td>+340 bps</td>
</tr>
</tbody>
</table>

RESPONSIBLE

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

<table>
<thead>
<tr>
<th>Category</th>
<th>INDONESIA</th>
<th>THAILAND</th>
<th>PHILIPPINES</th>
<th>MALAYSIA</th>
<th>VIETNAM</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hair Cleansing</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Skin Cleansing</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Face</td>
<td>1</td>
<td>1</td>
<td>2</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>Oral</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Deodorants</td>
<td>1</td>
<td>1</td>
<td>2</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>Hand &amp; Body</td>
<td>1</td>
<td>1</td>
<td>2</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Fabric Cleaning</td>
<td>2</td>
<td>1</td>
<td>2</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>Fabric Conditioner</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Dishwash</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Ice Cream</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Tea</td>
<td>1</td>
<td>1</td>
<td>2</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Cooking Products</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Margarines</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Soups</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Dressings</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
</tr>
</tbody>
</table>

Source: Nielsen Retail Panel
Leading Share and Scale

Unilever: 42%
All Global Competitors: 30%
All Local Competitors: 28%
SEA Growing Middle Class

Source: Unilever Living Standard Measure Classification. 2020 Projection by the Marketing Science Unit.
Massive Penetration Potential Across Categories

<table>
<thead>
<tr>
<th>Category</th>
<th>Indonesia</th>
<th>Thailand</th>
<th>Vietnam</th>
</tr>
</thead>
<tbody>
<tr>
<td>SHAMPOO</td>
<td>100%</td>
<td>100%</td>
<td>80%</td>
</tr>
<tr>
<td>POST WASH</td>
<td>60%</td>
<td>80%</td>
<td>60%</td>
</tr>
<tr>
<td>SKIN CLEANSING BAR</td>
<td>70%</td>
<td>90%</td>
<td>70%</td>
</tr>
<tr>
<td>SKIN CLEANSING LIQUID</td>
<td>30%</td>
<td>50%</td>
<td>30%</td>
</tr>
</tbody>
</table>

Source: Category Penetration from Kantar Panel
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.

Indonesia’s Economy Has Stopped Emerging
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

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

Thai Economy Struggles to Grow as Exports Wilt
Thailand’s gross domestic product expanded 3.0% from a year earlier in the first quarter

'Perfect storm' brews for Asia as China devalues yuan

Indonesia Growth Slows to More Than Five-Year Low
Southeast Asia’s largest economy grew 4.71% in the first quarter

Asian currencies
Plunging like it’s 1998
The rupiah and ringgit plumb depths unseen since the Asian financial crisis
Strong Long Term Market Growth, But Volatile

FMCG MARKET

<table>
<thead>
<tr>
<th>Year</th>
<th>Value Growth (%)</th>
<th>Volume Growth (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>14.5%</td>
<td></td>
</tr>
<tr>
<td>2013</td>
<td>10.2%</td>
<td>10.3%</td>
</tr>
<tr>
<td>2014</td>
<td>6.1%</td>
<td>3.1%</td>
</tr>
<tr>
<td>YTD Sep 2015</td>
<td>-1.0%</td>
<td>-0.2%</td>
</tr>
</tbody>
</table>

Source: FMCG Market Growth through Nielsen Retail Panel

VOLATILE CURRENCY MOVEMENT

DECLINING RAW MATERIAL PRICE

POLITICAL UNREST

MACROECONOMIC SLOWDOWN
Unilever Compass: Accelerating 4G Growth in SEA

THE COMPASS

Winning with Brands and Innovation
GOOD BETTER BEST PORTFOLIO
DRIVING GLOBAL & LOCAL BRANDS
MARKET DEVELOPMENT
MARKETING IN THE DIGITAL AGE

Winning in the Marketplace
EXCLUSIVE GT DISTRIBUTION
LEVERAGE SCALE IN MODERN TRADE
NET REVENUE MANAGEMENT
PIONEERING IN THE E-COMMERCE SPACE

Winning through Continuous Improvement
SUPPLY CHAIN IMPROVING COST & CASH
ZERO BASED BUDGETING
CULTURE OF SIMPLIFICATION

Winning with People
DRIVING PRODUCTIVITY
TALENT DEVELOPMENT & ATTRACTION

USLP FOR GROWTH
Brands and Innovation

**GOOD BETTER BEST PORTFOLIO**

<table>
<thead>
<tr>
<th>PRICE INDEX</th>
<th>MARKET SEGMENT SIZE</th>
<th>UNILEVER SHARE</th>
</tr>
</thead>
<tbody>
<tr>
<td>150</td>
<td></td>
<td>69%</td>
</tr>
<tr>
<td>120</td>
<td></td>
<td>43%</td>
</tr>
<tr>
<td>100</td>
<td></td>
<td>55%</td>
</tr>
<tr>
<td>80</td>
<td></td>
<td>13%</td>
</tr>
<tr>
<td>60</td>
<td></td>
<td>0%</td>
</tr>
</tbody>
</table>

**PORTFOLIO OF GLOBAL & LOCAL BRANDS**

- **GLOBAL BRANDS AND EXECUTION**
  - Dove
  - Clear
  - Magnum
  - Sunlight
  - Lipton

- **GLOBAL BRANDS LOCAL EXECUTION**
  - Pond’s
  - Cometto
  - Comfort
  - Knorr

- **LOCAL BRANDS AND EXECUTION**
  - Eskinol
  - Banana
  - Vixal
  - Sari Wangi

**MARKET DEVELOPMENT**

- **PROPOSITION CLARITY & WINNING PRODUCTS**
- **FILL DISTRIBUTION GAPS**
- **OWN CATEGORY ENTRY PRICE POINTS**
- **DRIVE CONSUMPTION**
Marketing in the Digital Age

**REACH**

- **Total Reach in SEAA**
  - Facebook: 241 Million/ Month
  - For Active Unilever Brands

- **Share of Impression**
  - FY2014: 42%
  - Q2’15: 66%

- **View Through Rate**
  - LUX: + 210 bps
  - Above FMCG Average

**CONTENT**

- **SKIN MATTERS**
  - ath
  - Cleanipedia
  - Knorr
  - FLAVOUR OF HOME

**DATA**

- **Branding Tone**

- **People Data Centre**
Customer and Channel Development

BUILDING DIRECT EXCLUSIVE DISTRIBUTION

Value Weighted Coverage

EMPOWERED BY TECHNOLOGY

DT Store CRM

ePOS

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

No. of Outlets (Million)
Costs Unusual

**SUPPLY CHAIN IMPROVING COST & CASH**

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

**EFFICIENCY THROUGH ZBB**

**EXTERNAL COMPARISON**

- ZBB Industry Comparators
- Cost Category Benchmarking

**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

1

FMCG RANKING (TARGET CAMPUSES)

6

DRIVING PRODUCTIVITY TO FUND WAGE INCREASE

SEAA

€10 Million 2012

€11 Million 2013

€12 Million 2014

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

CLOSED LOOP SYSTEM

Estimated saving 43,000T CO2 p.a. (= 215,000 trees!)

MORE TRUST

BRUSH DAY & NIGHT PROGRAMME
Indonesia: Sticking to Long Term Strategy Pays Off

Source: Indonesia Reports & Accounts
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