

PT Unilever Indonesia Tbk

Public Expose 2022



Unilever Indonesia

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Unilever

A background image showing two hands reaching towards each other against a bright sun, creating a warm, golden glow. The hands are positioned on the left side of the frame, with the fingers slightly curled as if about to clasp or support each other. The sun is positioned between the hands, casting a strong light that silhouettes the hands and creates a lens flare effect.

UNILEVER INDONESIA – Our Vision

To earn the love and respect of every Indonesian by positively impacting their life everyday, everywhere

Market Position
#1 FMCG



Unilever Indonesia: IDR 40 trillion Company with strong presence in ID

Unilever Indonesia



IDR 40T Company with Indonesia's Favorite Brands



9 factories have obtained **halal certification** from The Indonesian Council of Ulama

88 Years

unwavering commitment to grow with Indonesia

Market Leadership in 13 out of 15 categories

Wide distribution network, **500 distributors** across Indonesia

100% Corporate Penetration.

At least 1 UL Product in every Household

5,000 employees across Indonesia, with commitment to **diversity and inclusion.**

43 Brands

hold #1 & #2 position

Sustainability at our Core

39,000 Ton

Plastic Collected & Recycled in 2021

#1 Employer of choice

for 8 consecutive years

Commitment to diversity and inclusion. **50% of our senior leaders are women.**



INDONESIA MARKET CONTEXT



Unilever



Indonesia of Today and Tomorrow

MACRO & DEMOGRAPHIC



The Indonesian economy is expected to grow by c.5% pa in the next 5 years with GDP bouncing back after a low 2020



Rising **middle-upper class, 53% by 2025** with more affluent consumers seeking new and higher benefit



Largest Muslim population in the world, **with increasing desire to express the Islam faith in their daily life. >85% Hijab wearer**

CHANNEL



E-commerce will be 15% of total FMCG channel (CAGR +30%) vs only 6% today



Shoppers will continue to move to Mini Market at 6-7% CAGR at the expense of Large Format Stores



Potential big disruptions in **Distributive Trade driven by market place digitalization of B2B**

CATEGORY

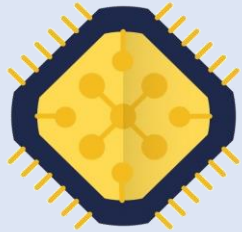


Massive Market Development opportunities: consumption today in Core categories* is only half of other markets like Thailand

UNILEVER INDONESIA 2025 STRATEGIC PRIORITIES



UNILEVER INDONESIA 2025 STRATEGIC PRIORITIES



Strengthen and unlock the Core

Stronger brands
Market Development
Purpose-led innovation



Play the full Portfolio

Premiumization in BPC & IC
Value segment
in selective categories



Build Execution Powerhouse

Win in MT
Future-Fit DT
Lead & turbo-charge e-Com



Transformational Capabilities

E – Everything
Digital & Data Driven
Organization

LEADING IN SUSTAINABILITY

BUILD STRONGER BRANDS



Focusing on Big Brands 70% Business Turnover

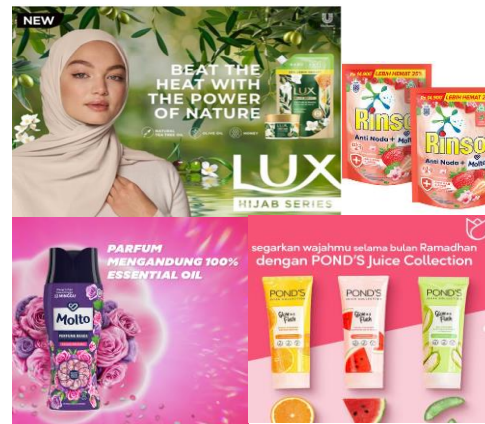
- **Strong Media investment**
 - Competitive and strong saliency
- **Strong Advertising Campaign**
 - Airing 100% Green-Outstanding tested Advertising assets
- Driving **physical availability**
- Delivering **Product Superiority**

DRIVE MARKET DEVELOPMENT

UPGRADATION OR MORE CONSUMPTIONS



GETTING MORE USERS



PRODUCT SUPERIORITY & PURPOSEFUL INNOVATION

70% of 2022 Core relaunch/ innovation iTO is with **technology-led superiority or better formulation.**



Continue to drive growth via **Purpose-led initiatives.**



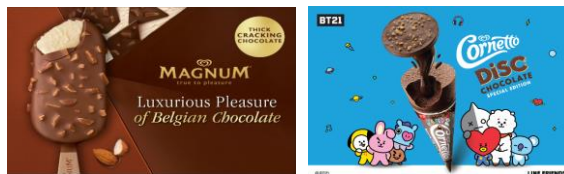
DRIVE PREMIUMIZATION

200Mn EUR Incremental Revenue by 2025

Accelerate **BPC Premium/ Masstige**



Activate **Premium Portfolio in Ice Cream**



Value Packs, designed for GT Shoppers with limited spending per trip



Different Portfolio to serve mid-lower consumers



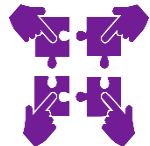
PLAY IN VALUE SEGMENT

LEADING IN THE CHANNEL WITH EXCELLENT EXECUTION

Win in MT (especially Minis)



Design4Minis



Partner For Growth

Be #1 preferred supplier via Stronger Category Management



Step Up in Omnichannel

A+ Content to drive demand creation & conversion.

Future-Fit DT



Complete **DT 2025 program**

- Bigger, Profitable DT
- Digitalization
- eRTM, UMP scale Up



GT - Execution Rigor to expand coverage to 350k+ stores, +10% Assortment, and TDP Growth



Accelerate growth in Local supermarket & family grocers

Lead & Turbocharge E-commerce



Purposeful Portfolio

25% iTO from new portfolio & Double BPC masstige size



Demand Creation

Data driven marketing & partnership with top customers.



Transformational Capability

Digital marketing, e-NRM, and online category management while driving Omni & Social Commerce

Integrated End to End & Digitized Operation system

Data-Driven Capabilities

Forecasting Machine Learning



End to End Customer Portal (order, payment, tracking)



Insight & Intelligent (data - based)

Data-Driven Marketing + Commerce



Retailer Partnership in generating insight from data to drive traffic & conversion



Digital Center of Excellence



Digital presence, asset, and experience

COMPANY SUSTAINABILITY PROGRAM

Improve Health, Hygiene and Well Being of Indonesia

In 2021, we reached **at least 3 Mn people** to improve health, hygiene, and wellbeing through our brands.

- 2.4Mn** students reached in School Health Program.
- 500k** women reached Family Health Program (BU KARSA)
- 100k** Mosques participated in Mosque Cleaning Movement
- 3,2k** girls reached via Sunsilk Explore More Program
- 60** Recipients of GAL's Star Scholarship

Further, we continue to:



Educate dental health with school program and free dentist consultation



Nutrimenu campaign for complete daily nutrition with Royco

Reducing Environment Impact

OUR COMMITMENT BY 2025

<p>BY 2025, ALL OF OUR PLASTIC PACKAGING WILL BE REUSABLE, RECYCLABLE OR COMPOSTABLE</p>		<p>BY 2025, 25% OF PLASTIC PACKAGING WILL COME FROM RECYCLED PLASTIC CONTENT (POST CONSUMER RESIN, PCR)</p>
<p>BY 2025, HELP COLLECT AND PROCESS MORE PLASTIC PACKAGING THAN WE SELL</p>	<p>BY 2025, WE WILL REDUCE OUR VIRGIN PLASTIC PACKAGING BY 50%. ONE THIRD OF THIS WILL COME FROM AN ABSOLUTE PLASTIC REDUCTION</p>	

In 2021:

- 39k ton** Plastics collected & processed. We target to reach 50k annually from 2022-2025.
- 4000** Waste Bank that we collaborate with
- 0%** Waste dumped to landfill (maintained).

Enhancing Livelihoods for Millions



Fostering and prospering 10,050 black soybean farmers via Bango "Black Soybean Farmers Development Program"



In agriculture, we partnered with almost 20,000 small palm oil, black soybeans, and coconut sugar farmers.



Women across Indonesia have improved their entrepreneurship through the digital platform of WeLearn, an initiative from UN Women supported by Sunlight .

UNILEVER INDONESIA RESULT Q1 2022

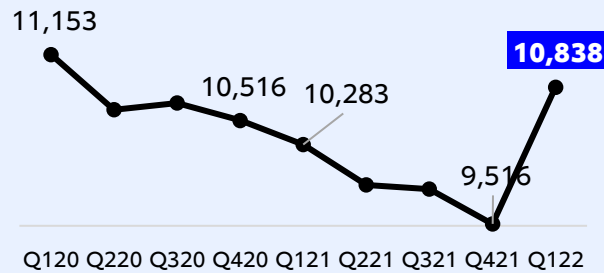


NET SALES

IDR 10.8 T

+5.4% TOTAL SALES,
+5.8% DOMESTIC SALES

Sales Trend



Sales Growth

	Q1'22	QoQ
Total Sales	+5.4%	+13.9%
Domestic	+5.8%	+13.9%
Export	-3.9%	+12.5%

GROWTH IN NET PROFIT

IDR 2.0 T

+19.0% REPORTED,
+4.8% UNDERLYING*

**Excluding one off 2021 Central Service Fee adjustment*

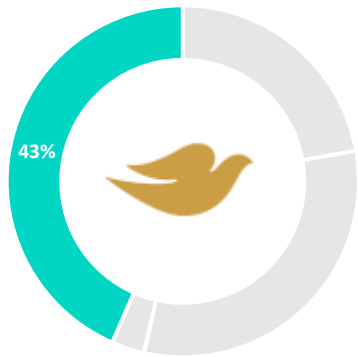
STRONG CASH FLOW DELIVERY

IDR 1.7 T

+217.0%

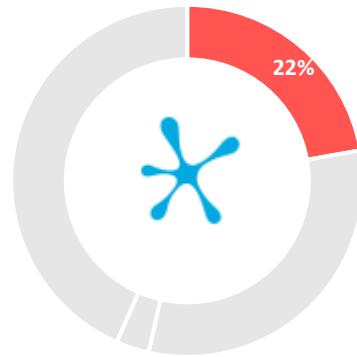


BEAUTY & PERSONAL CARE



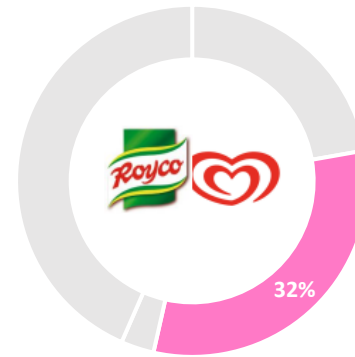
USG +6.7%

HOME CARE



USG +0.4%

FOODS & REFRESHMENT



USG +7.5%

UNILEVER FOODS SOLUTION



USG +25.1%

TOTAL HPC +4.5%

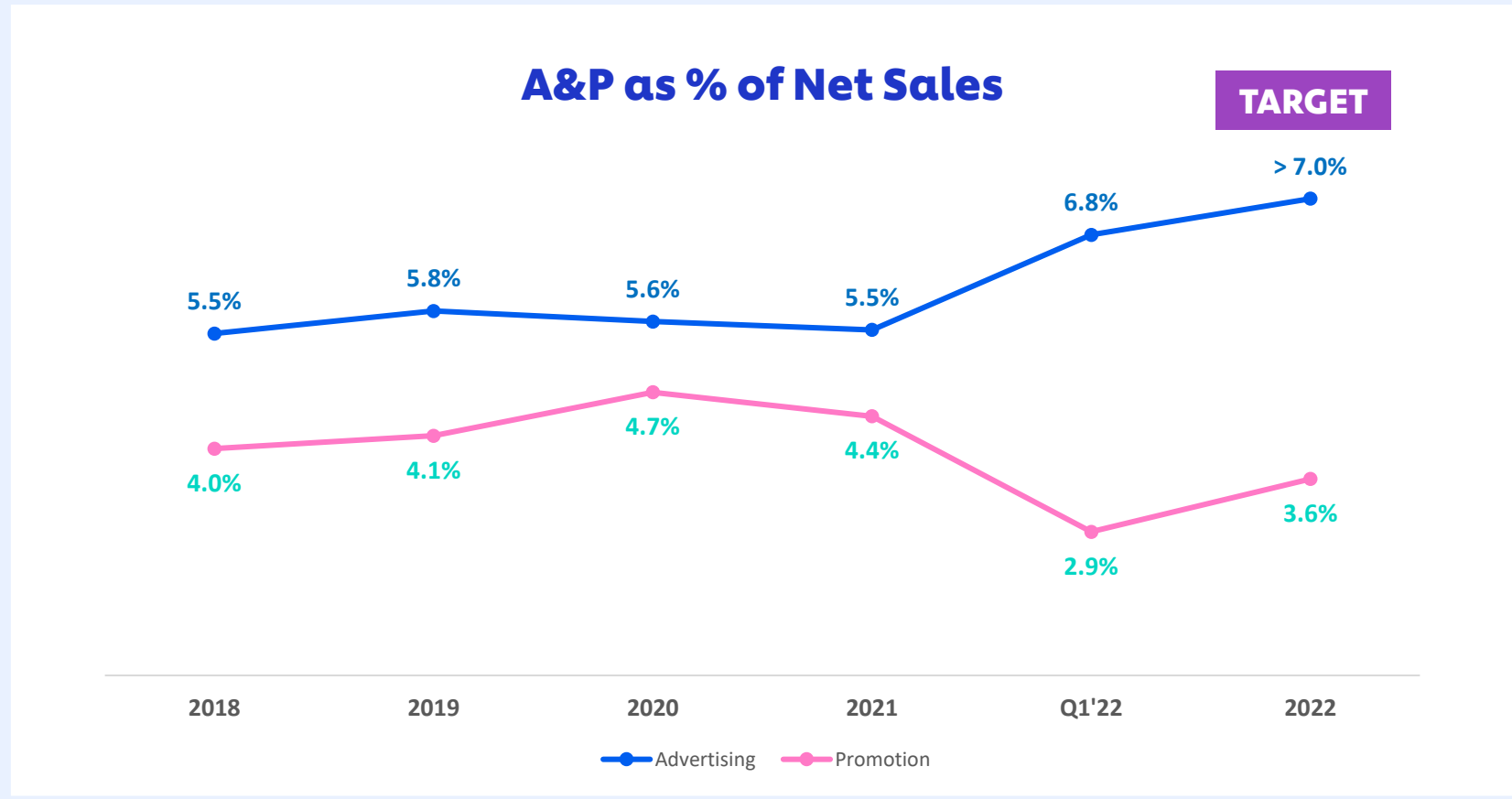
UPG 13.1% | UVG -7.6% | VOL GROWTH -4.2%

TOTAL F&R +8.5%

UPG 4.3% | UVG 3.9% | VOL GROWTH 8.1%



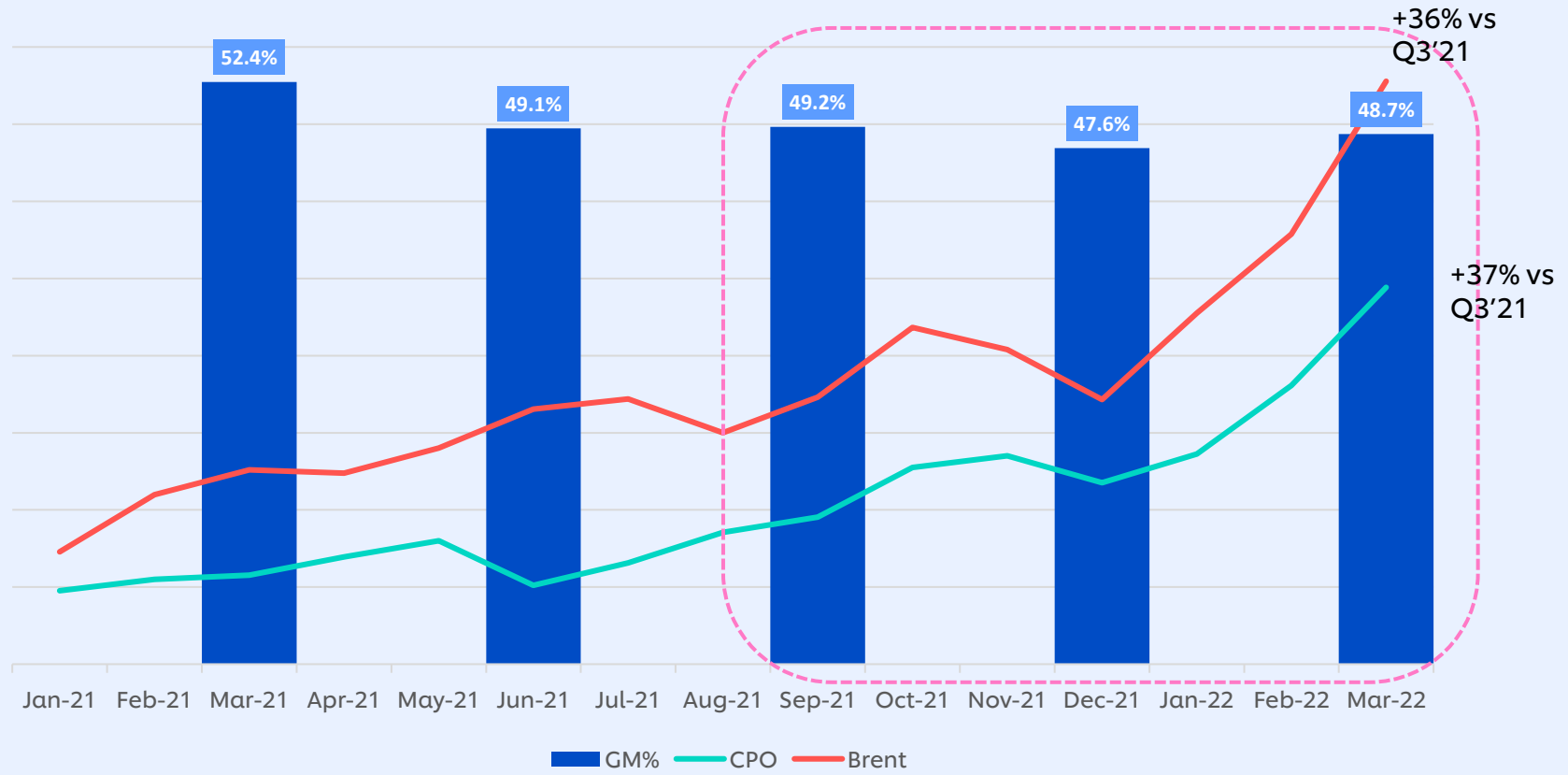
#1. Stepping up Advertising for long-term investments behind our brands and decrease reliance on short-term promotions



Brand investments increased by 18% vs LY (6.8% of net sales) and will continue to increase in the next few years



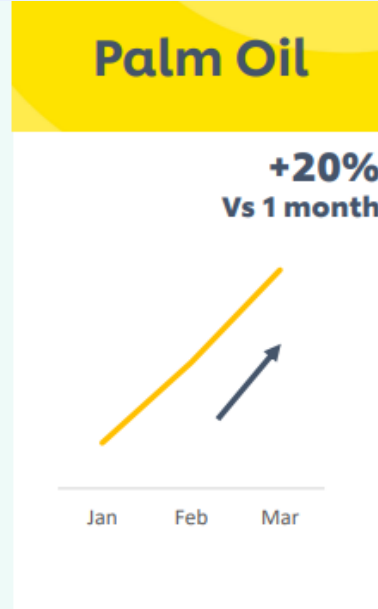
#2. Commodity Inflation Pressure to Gross Margin, but protected by Price Increase & Saving



Q1'22 Gross Margin was protected through **Price Increase and Saving** initiatives despite high inflation in commodity prices

Perang Rusia – Ukraina

- 70% of Sunflower Oil
- 11% of Crude Oil
- 18% of Natural Gas
- 15% of Fertilizers
- 29% of total Wheat exports



ACTION PLANS

ACCELERATE MATERIAL SAVINGS

PRICING WHERE APPLICABLE

UNLOCK NON-MATERIAL SAVINGS

Melanjutkan momentum pertumbuhan dan menghasilkan pertumbuhan yang kompetitif

Berinvestasi untuk pertumbuhan dengan terus mengelola tekanan inflasi

Mempertahankan disiplin biaya dan penghematan

PLAY FULL PORTFOLIO BEAUTY PERSONAL CARE



HIGH GROWTH UPPER MEDIUM CONSUMER



LSM	Contr.	CAGR 5Y	Spend/Trip Grw (%) vs. P3M
1-6	43%	-1.5%	2.3%
7-9	33%	4.4%	0.3%
10+	24%	5.4%	2.5%

CONSUMERS SHOPPING AT PREMIUM SALES LINE



Channel	Channel Cont.	Grw	
		CAGR 5Y	MAT Feb 22 vs. LY
HPM/SPM	15%	-3.2%	-7.3%
Minis	44%	7.3%	4%
Cosmetic Store	10%	2.5%	18%
GT	31%	0.1%	21.2%
E-Comm			53.3%

HAIR CARE



Sunsilk & Clear Shampoo
API: 100-120



Tresemme Keratin Shampoo
API: 140



Dove Micellar & Hyaluron Shampoo
API: 170-200

ORAL CARE



Preventive PepsodentCavity
API: 100



Pepsodent Natural & Close-Up
API: 130-140



Sensitive Mineral Expert
API: 380

FACE CARE



Pond's FM & FC
API: 111-130



Pond's Serum
API: 270



Pond's Age Miracle
API: 335

SKIN CLEANSING



Lifebuoy & Lux Core
API: 100



Lifebuoy & Lux Premium
API: 110



Love Beauty & Planet
API: 210

BODY CARE



Citra
API: 100



Vaseline
API: 160



Vaseline Hijab Bright
API: 200



Vaseline Gluta-Hya
API: 300

DEODORANT



Rexona
API: 100



Dove Roll-On
API: 140



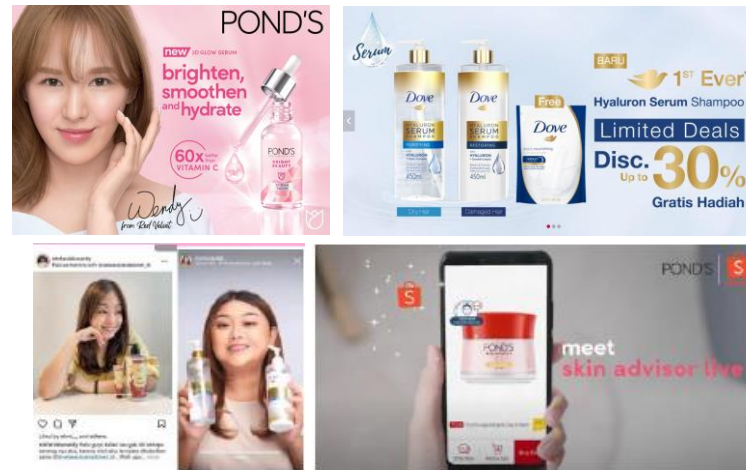
Dove Deo Serum
API: 200

PRODUCT INNOVATION



- On trend: Ingredients & benefits
- Innovative winning formulation
- Premium pricing

MEDIA INVESTMENT & PROMOTION



- Quality ads and the right media (Digital & influencers)
- Interesting promotion
- Digital engagement platform: Skin Advisor Live

PREMIUM SALES LINE



- E-Commerce
- Health & Beauty
- Social commerce

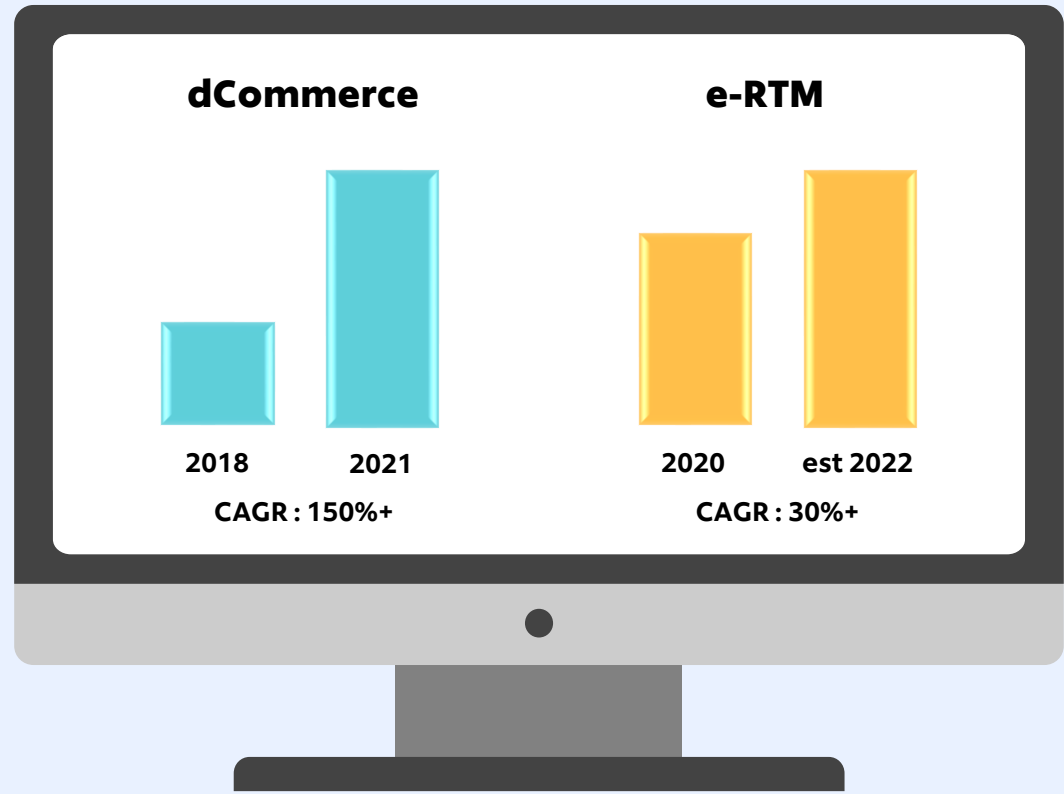
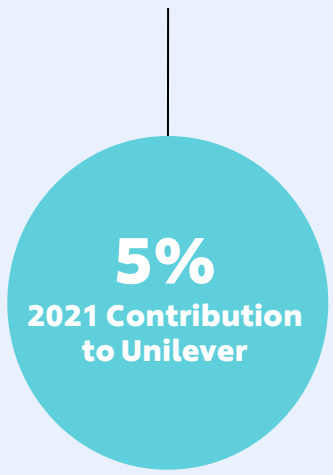
CD DIGITALIZATION POWERFUL EXECUTION



Every year, Nielsen reports an increase in online buying trends. This can also be seen in Unilever's two digitalization funnels.

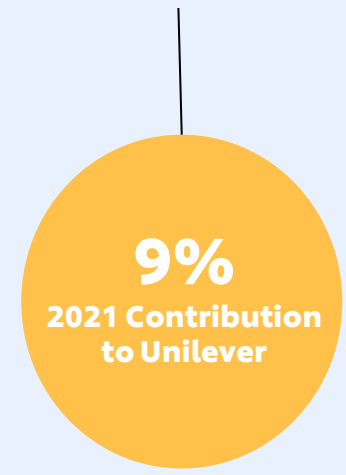
dCommerce

Unilever's funnel in entering the marketplace and omni



e-Route to Market

Unilever's funnel to support digitization in GT





dCommerce

e-RTM

Suitable Portfolio

- Maximizing portfolio in high-traffic categories
- Explore new categories



Request Creation

- Data Driven Marketing
- Performance Marketing



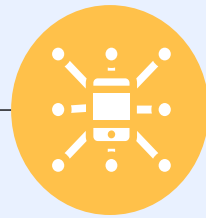
Capabilities Upgrade Digital

- Strengthening the foundation of digital capabilities
- Building new capabilities such as online category management and socialcommerce



Expanding Digital Reach

- Convert all customers GT
- Increase online sales contribution



Encouraging Digital Engagement

- Personalization
- Drive more sessions and usage time



Capabilities Upgrade Digital

- Automatization
- Data Driven Analytics



d - Commerce

1

Encouraging Core & Value Density

- Drive bundles and collectibles
- Thematic offers
- Hygiene products & value density

2

Collaboration with strategic e-Retailers

- Shopee home care captaincy
- Ponds' Skin Advisor x Shopee

3

Win the Mega Event

- 10.10, 11.11, 12.12
- Retailer anniversary



e - RTM

1

Targeted Activation

- Channel specific promotions
 - e-Coupon
- Exclusive promotions

2

Data-Based Decision Making

- Helping the customer growth cycle
 - Segmented approach

3

Exceptional Customer Experience

- Web-engage application
- Improved customer interface

Thank you



Unilever Indonesia