



UNILEVER
PROCUREMENT



PARTNERING TO WIN

Dhaval Buch, Chief Procurement Officer

FAST FACTS - 2014



EMERGING
MARKETS
NOW
REPRESENT

57%

OF TURNOVER

190

COUNTRIES IN
WHICH OUR
PRODUCTS
ARE SOLD

TURNOVER OF
€48.4
BILLION

172,000

EMPLOYEES

€1 BILLION

INVESTED IN R&D
WORLDWIDE

OUR €1 BILLION BRANDS



13 Unilever brands have a turnover of €1 billion or more

Personal Care



Foods



Refreshment



Home Care



OUR BUSINESS MODEL IS PURPOSE DRIVEN

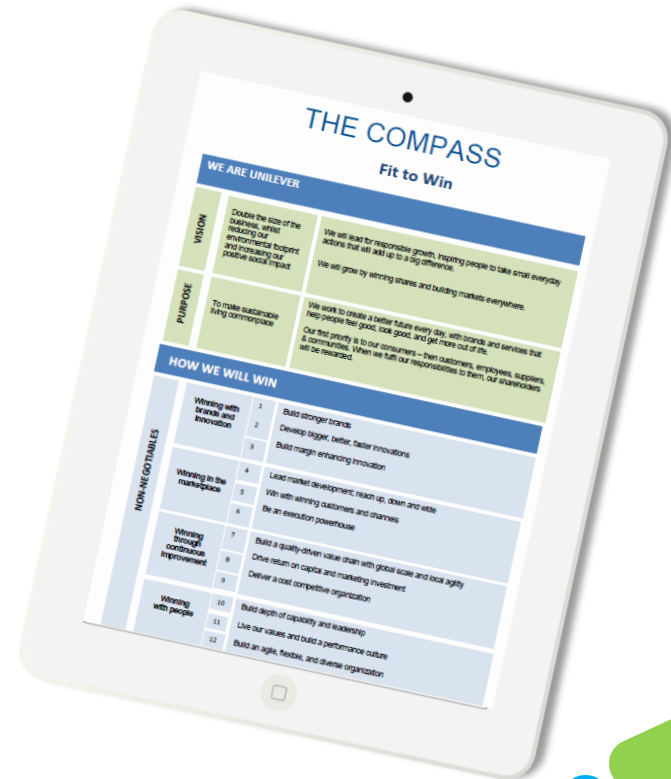


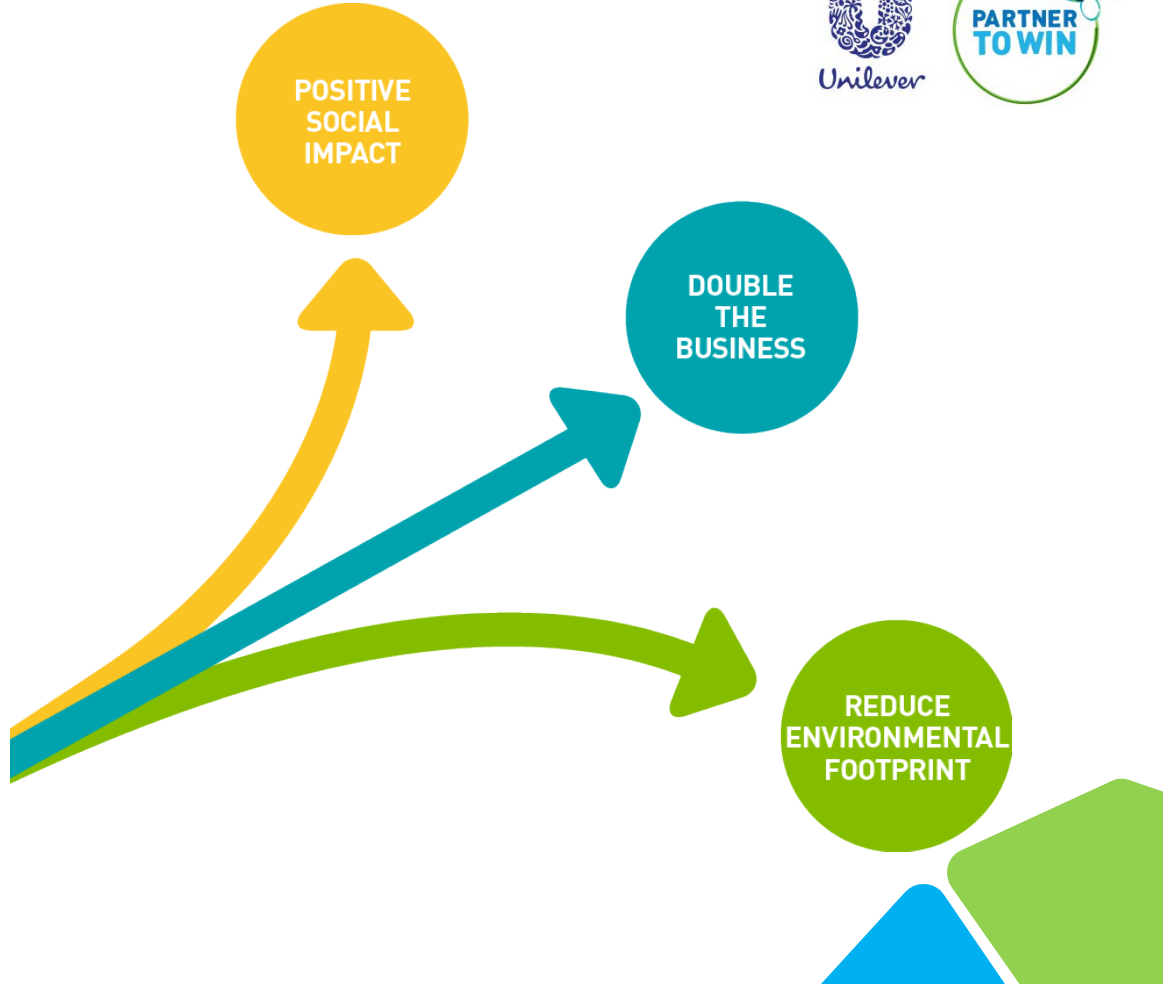
We share a common purpose

We work to create a better future every day, with brands and services that help people feel good, and get more out of life.

Our first priority is to our consumers – then customers, employees, **partners**, & communities.

When we fulfil our responsibilities to them, our shareholders will be rewarded





UNILEVER PROCUREMENT AT A GLANCE



€35bn
Spend



76,000 Suppliers



6 Networks
1 Operation



6,000
Production Item
Suppliers



Talented
Team



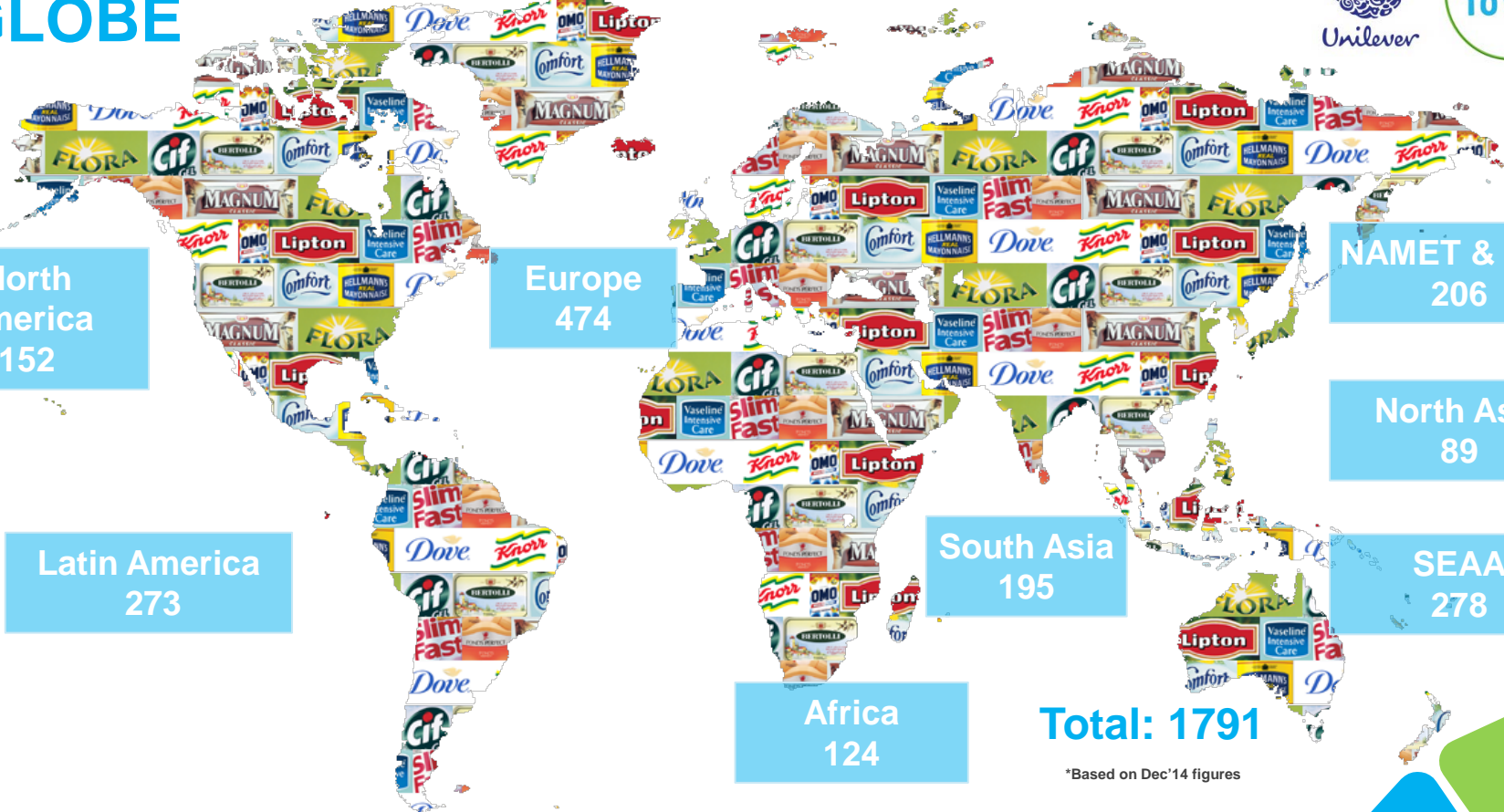
70,000
Indirect
Suppliers



PROCUREMENT ORGANIZATION

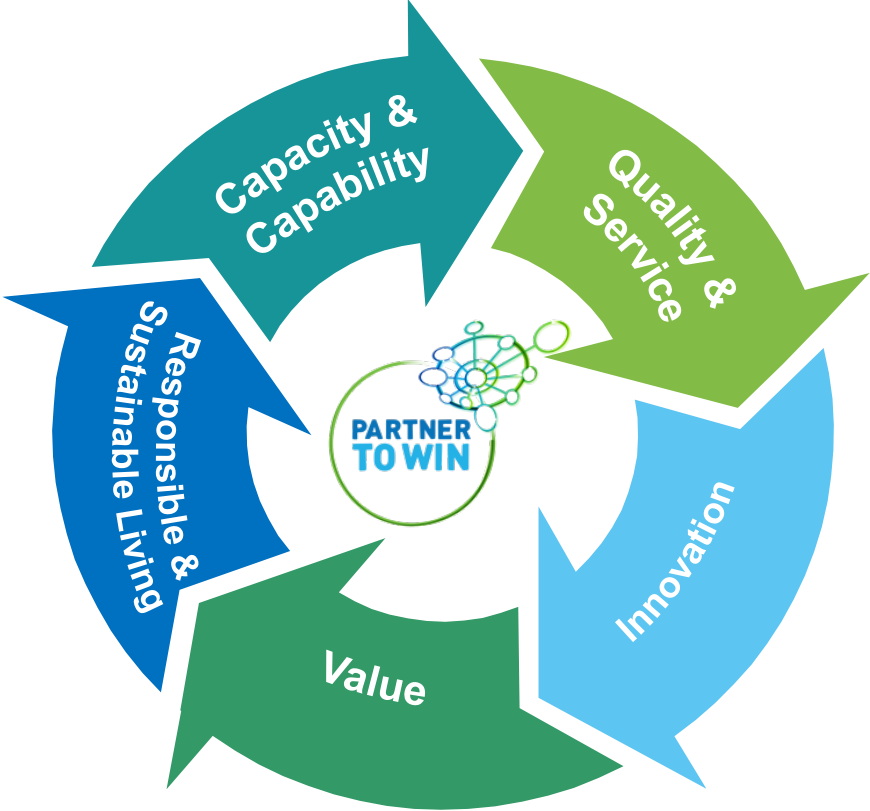


PROCUREMENT TEAMS ACROSS THE GLOBE



*Based on Dec'14 figures

PROCUREMENT 2020



2011 - 2013

PtW
Global
Summit



2014

PtW
Global

PtW
Africa

PtW
South Asia

2015

Homecare
Global

Quality &
Service
Europe

Innovation
Workshop
Europe

Responsible
Sourcing
Americas

Flavours &
Fragrances
Europe

Responsible
Sourcing
South Asia

Multi-
Partner

3PM
Global

Personal
Care
Global

Homecare
Packaging
Global

Logistics &
Sustainability
USA

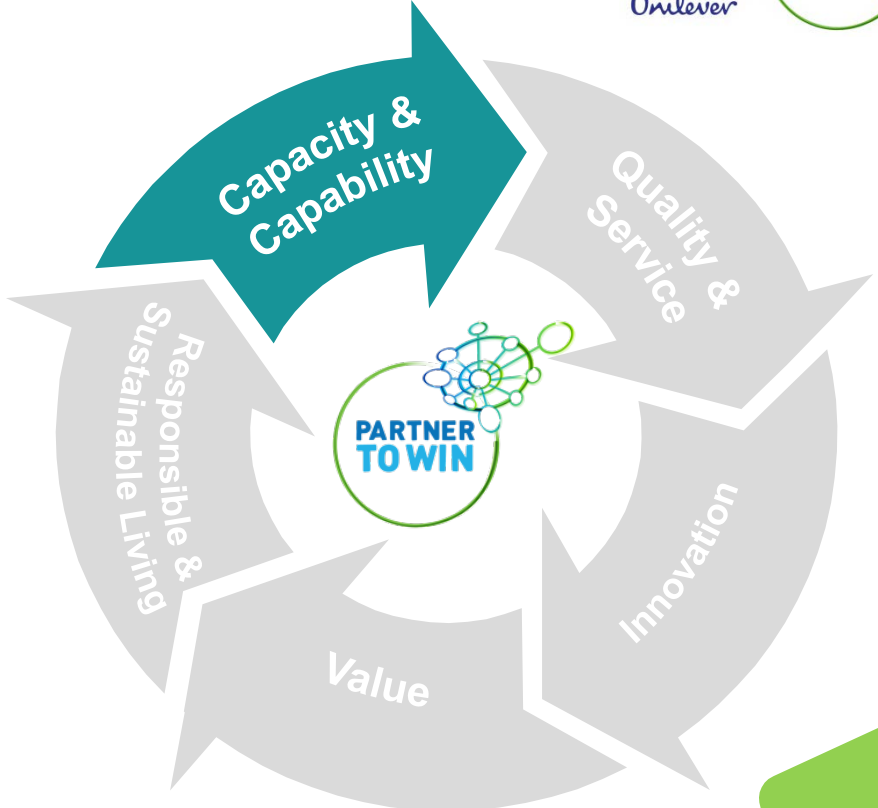
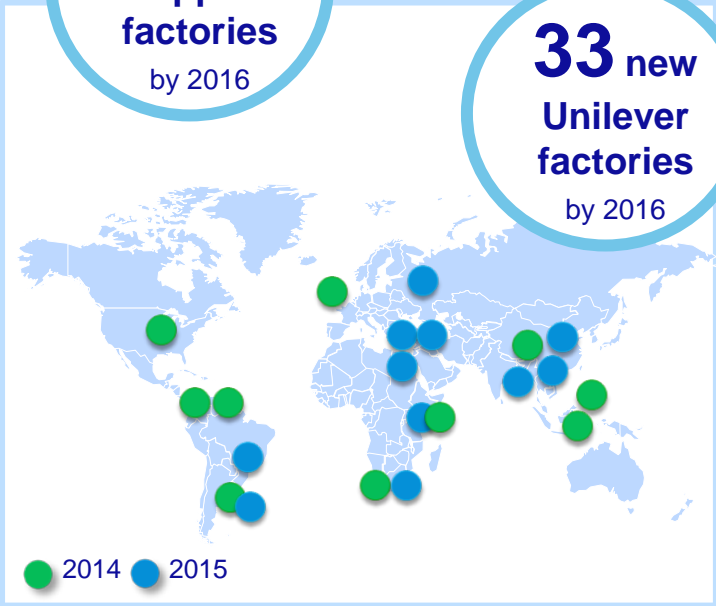
Responsible
Sourcing
NAMETRUB

CAPACITY



40 new
Supplier
factories
by 2016

33 new
Unilever
factories
by 2016



CAPABILITY



Procurement Professional 2020

- **Creating 1800 Procurement Professionals** – a competitive advantage
- **Focused professional training**
 - Quality rather than Quantity
 - 42 to 12 courses

2015

Foundation & Onboarding

Negotiations

Quality & Service

SupplierNet

Compliance

Responsible Sourcing

Finance

Lean

QUALITY & SERVICE

Discontinuous improvement of product and Service Quality

- Integral to selection & contracting
- Quality in all agreements

Measurement of Quality and Service improvement

- Focus on the metrics
- Real time information
- One-stop shop for all supplier information



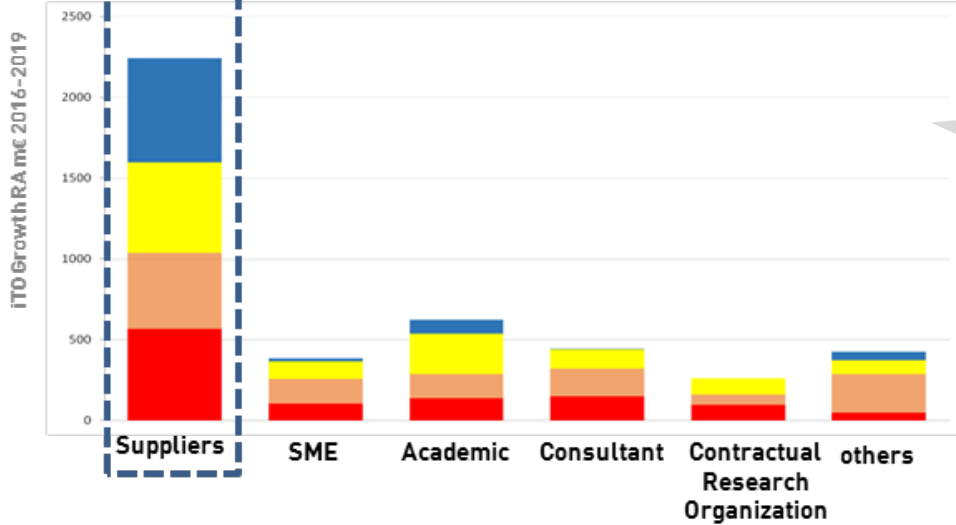
Contracts and Contacts

INNOVATION



- Partnerships key to Innovation development

iTO RA (M€) by partner type



- Structured process to ensure success



VALUE

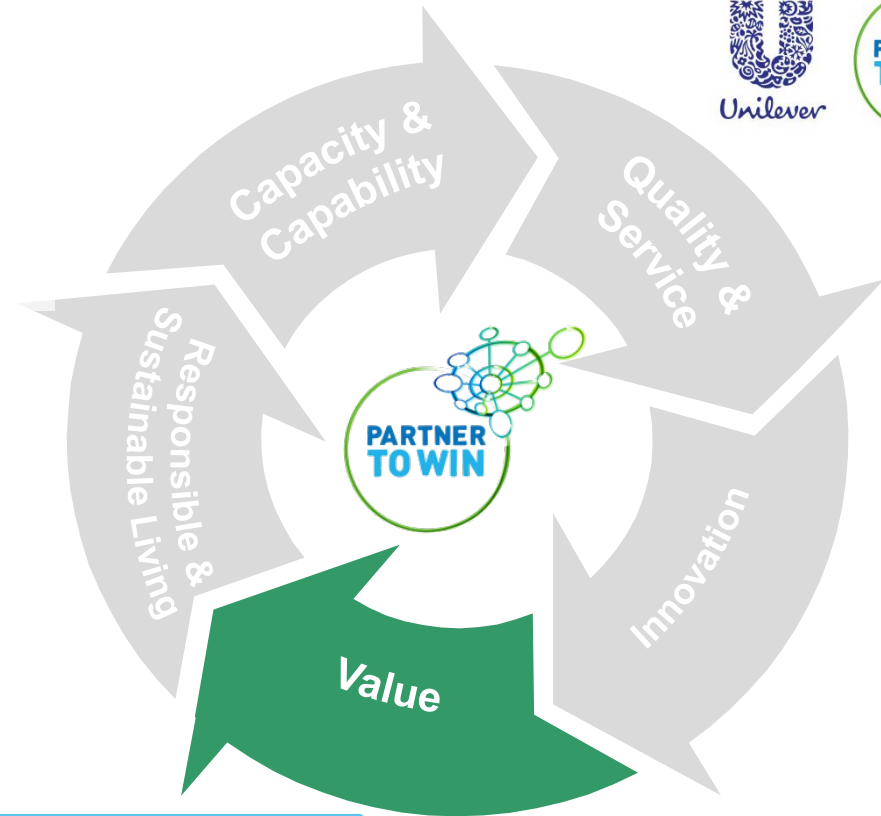
Execution Excellence

Best delivered cost in every market

LEAN across End to End value chain

- Deep value chain integration with suppliers to optimize costs while protecting margin
- Collaborative transparency from our Strategic suppliers

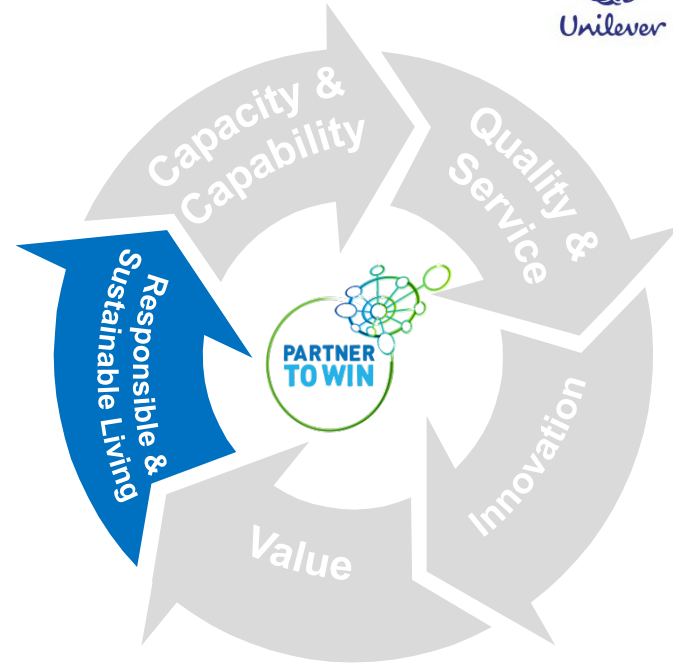
1bn savings as part of our continued improvement programmes



RESPONSIBLE & SUSTAINABLE LIVING



1. Business is conducted **lawfully** and with **integrity**
2. freely agreed and documented **terms of employment**
3. All workers are **treated equally** and with **respect** and **dignity**
4. **Work** is conducted on a **voluntary basis**
5. All workers are of an **appropriate age**
6. All workers are paid **fair wages**
7. **Working hours** for all workers are **reasonable**
8. free to exercise their right to form and/or join **trade unions** or to refrain from doing so and to **bargain collectively**
9. Workers' **health and safety** are protected at work
10. Workers have access to **fair procedures** and **remedies**
11. **Land rights** of communities, including indigenous peoples, will be protected and promoted
12. Business is conducted in a manner which embraces **sustainability** and reduces **environmental impact**



Target top 200 suppliers first

Then other strategic suppliers

10,000 Sites to be audited to get to 'Good' by mid 2017



Unilever

3%
OF PALM OIL



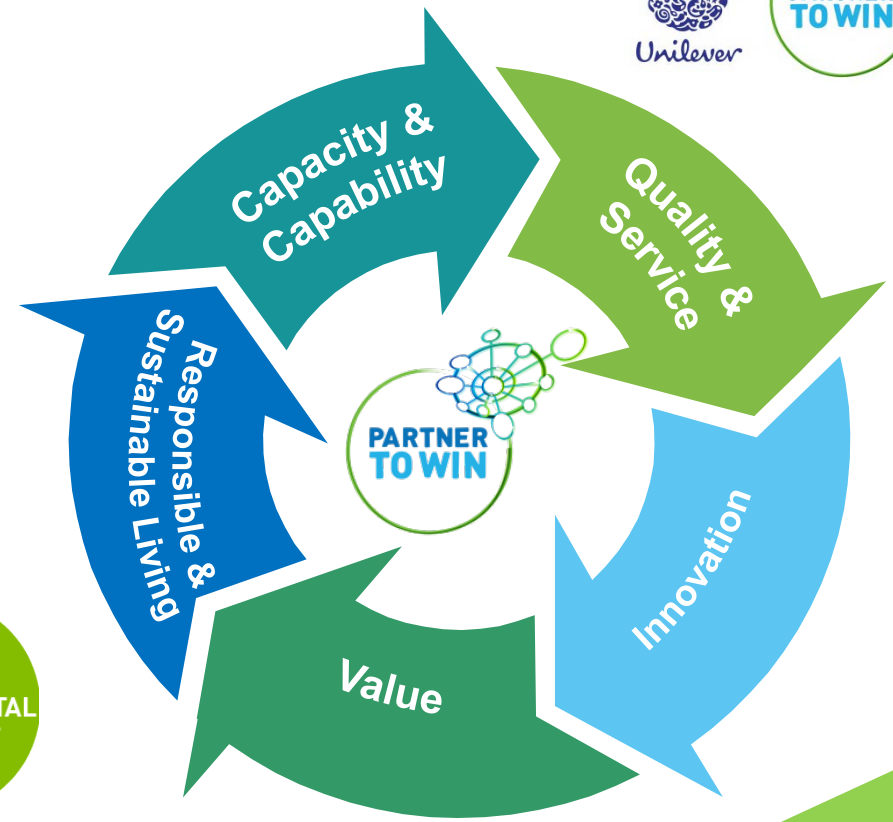
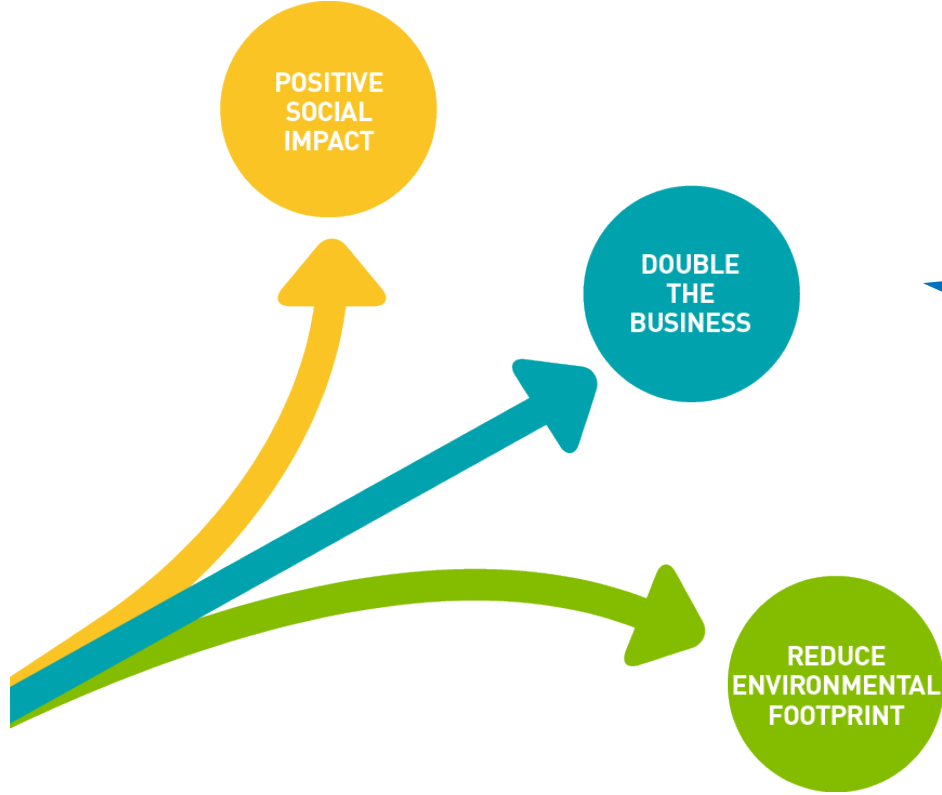


Unilever

12%

OF BLACK TEA
PRODUCED GLOBALLY





THANK YOU

