PROFILE

- Multinational career experience within multicultural environment in D&E markets with Unilever (2002-now). Positive team player in pursuit of personal excellence.
- Current Role: Head of Internal Audit SEAA
- Previous Roles:
- 2014-2015: Supply Chain Finance Sourcing Unit
- 2012-2013: Brand Building Finance for Home Care Business
- 2006-2011: Brand Development Finance for Home Care Asia (Unilever Thailand and Unilever Asia Pvt Ltd)
- 2002-2006: Treasury, M&A and Corporate Controller

- A blessed and resourceful wife.
- A mother of 2 amazing boys & a paw parent too!
- Enjoy movies, travelling, running and shopping

UNILEVER INDONESIA VISION

TO EARN LOVE AND RESPECT OF INDONESIA BY TOUCHING THE LIVES
OF EVERY INDONESIAN EVERYDAY

Strong Local Roots with 84 Years of History

1933

Unilever was established under the name Lever's Zeepfabrieken N.V. in Angke, Jakarta.

1980

The Company is renamed as PT Unilever Indonesia. Yamani Hasan is the first Indonesian citizen to be appointed as the Company's President Director.

1990

The Personal Care factory is opened in Rungkut, Surabaya. The Company enters the tea business with the acquisition of SariWangi.

2000

The Company enters the soy sauce business, with Bango acquisition.

2008

Asia's largest Skin Care factory is built at our Cikarang site. The Company enters the fruit juice business by acquiring the Buavita and Gogo brands. SAP is implemented throughout Unilever Indonesia.

2012

Unilever Indonesia succeeded in doubling the business within five years and recorded a sales more than 2 billion euro.

1936

Blue Band margarine and Lux soap are marketed in Indonesia.

1982

Unilever Indonesia goes public, listing 15% of its shares on the Indonesia Stock Exchange.

1992

The Wall's ice cream factory opens in Cikarang. Conello and Paddle Pop appear on the market for the first time.

2004

Knorr Indonesia is acquired from Unilever Overseas Holding Ltd and merged with Unilever Indonesia. The hair care factory relocates from Rungkut to Cikarang.

2010

The Company enters the water purification business by launching Pureit.

2013

Unilever Indonesia celebrate its 80-years journey in Indonesia, by launching "Project Sunlight" to inspire people to create a brighter future not only for our children, but for future generations as well.

Product Portfolio Unilever Indonesia

14 categories

40 brands

1000 SKUs

Home and Personal Care, 73%

Foods and Refreshment, 27%

Wide Distribution Network as Competitive Advantage

Our products are available in 1 million stores…

…and every house use at least one Unilever products

Map of Indonesia with labeled locations: Aceh, Medan, Pekan Baru, Kepri, Padang, Jambi, Bengkulu, Palembang, Lampung, Jakarta East, Jakarta West, Bandung, Semarang, Yogya, Surabaya West, Surabaya East, Denpasar, Pontianak, Palangkaraya, Banjarmasin, Balikpapan, Samarinda, Manado, Makassar, Papua, Malaysia

🟧 8 Own Factories, 16 Third Party Manufacturers, 2 Central Distribution Centers (inc. 1 Mega DC)	🟢 30 Sales Area Offices
🔵 10 Depot Warehouses	🔺🔸 641 Distributor /Sub Dist GT, MT, IC

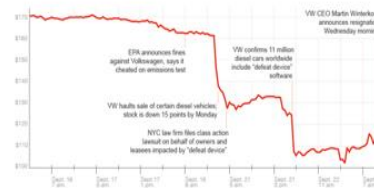# RISKS:
THE GOOD, THE BAD AND THE UGLY

The biggest risk is not taking any risk...In a world that changing really quickly, the only strategy that is guaranteed to fail is NOT taking risks.

Mark Zuckerberg

Kodak

Volkswagen's CEO Resigns as Worldwide Pre... Grows

Investors' reaction to Volkswagen emissions saga

Starbucks completes £20 million tax payment as coffee chain seeks to put scandal behind

Starbucks came under intense scrutiny after it emerged it paid virtually no corporation tax for its UK division

Risks: things that might stop us achieving our objectives

WE THINK ABOUT 'RISKS' AS BOTH DOWNSIDE AND UPSIDE

DOWNSIDE RISKS

LOSS of:

- **Reputation** (through brands, employees, suppliers)
- **Money** (assets, cash)
- **Talent** (ways of working, reward)
- **Life** (safety, quality)
- **Operational continuity** (IT systems, SC operations)

UPSIDE RISKS

FAILURE TO DELIVER STRATEGY if we do not:

- Strengthen brand equities
- Grow in growing channels
- Achieve Sustainable Living Programme
- Improve operational efficiency
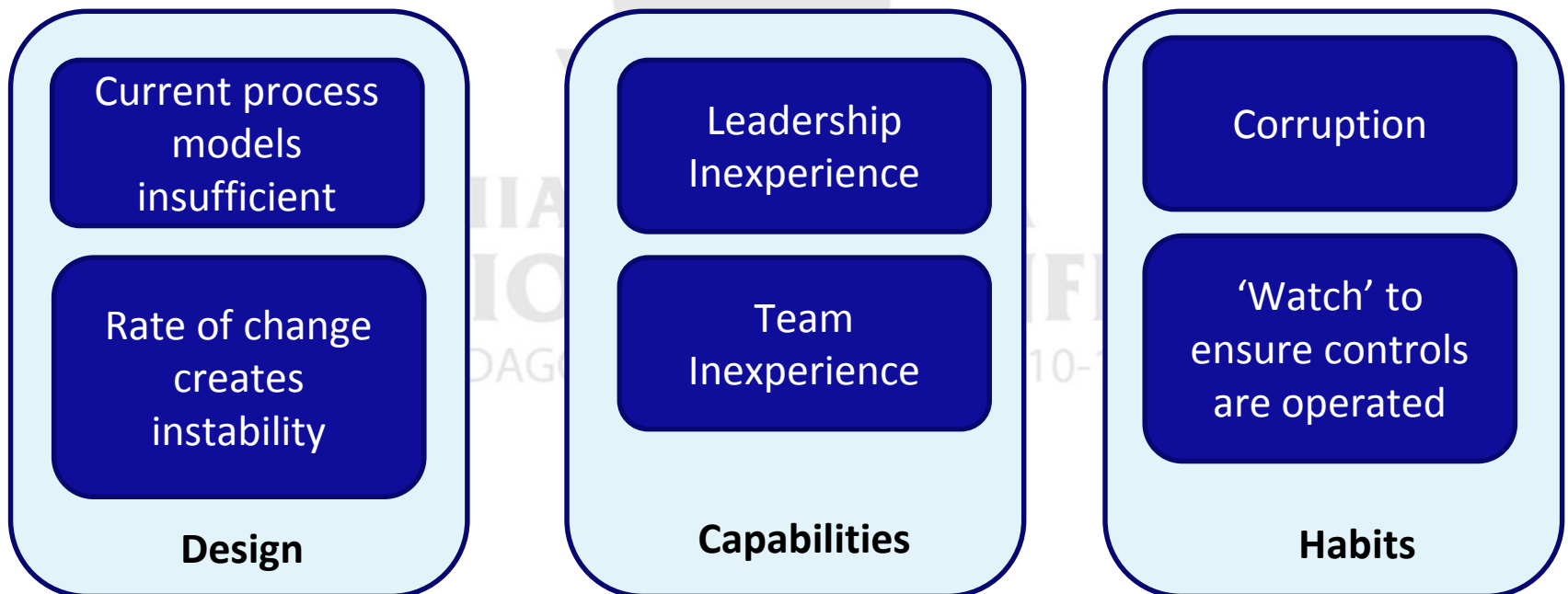- Strengthen talent
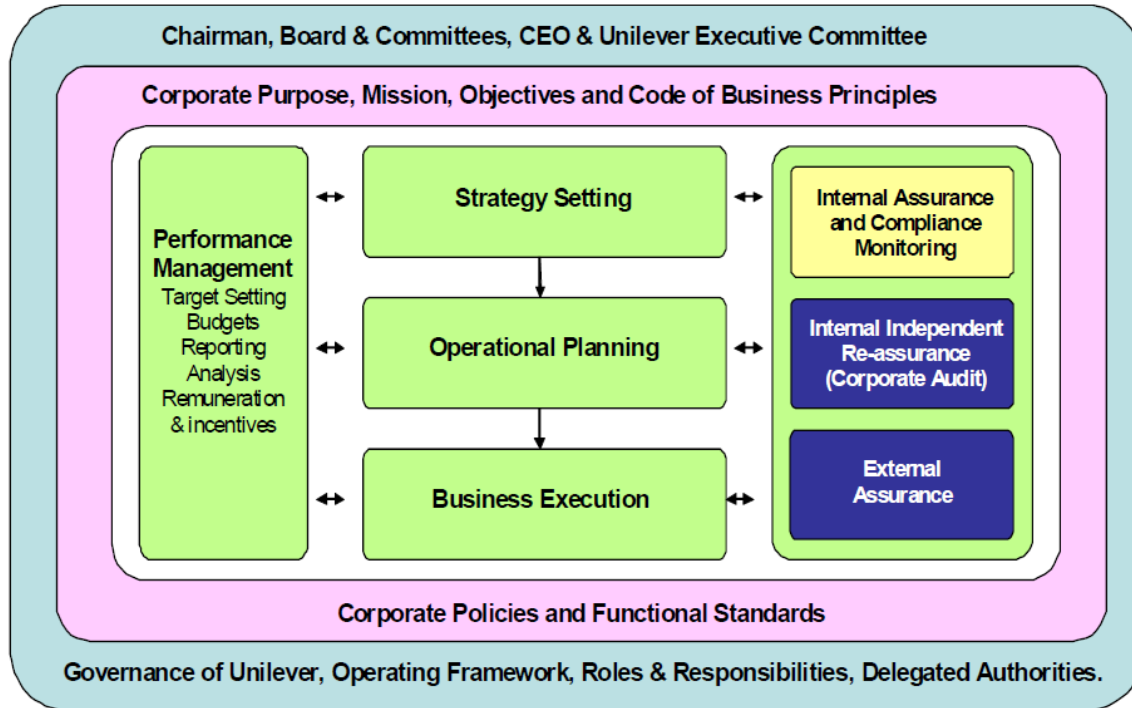
EVERYONE IS RESPONSIBLE IN MANAGING THE RISKS

Management has the responsibility to implement and operate a suitable control environment

Potential **control** concerns

Design	Capabilities	Habits
Current process models insufficient	Leadership Inexperience	Corruption
Rate of change creates instability	Team Inexperience	'Watch' to ensure controls are operated

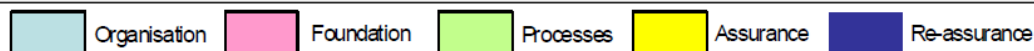# BUSINESS UNSUAL CALLS US TO WIN WITH INTEGRITY

✅ Strong and Consistent "Tone At The Top" is critical to driving our culture of integrity

✅ Driving our culture requires to drive the right mindset and process controls in the business

✅ Robust and consistent risk management is mandatory in all of business processes

RISK MANAGEMENT STRATEGY

Driving the Pillars of "Fit for Purpose" Processes

Simplification

Automation

Ownership and Accountability

Driving the RIGHT Mindset

Leveraging on Strong Partnerships with the Business

We are **PARTNERS** in preventing risks

A COLLABORATIVE APPROACH IN PROTECTING THE BUSINESS

Collaborative Control Environment — **Collaborative Control Environment**

Line of defense

1st	2nd	3rd	4th
Day to Day Design, roll out of control activities	**Line Manager Assurance** Monitoring Activities	**Senior Management Assurance** KPI, In function review	**Reassurance** Independent Audit

Financial Controller — Internal Audit
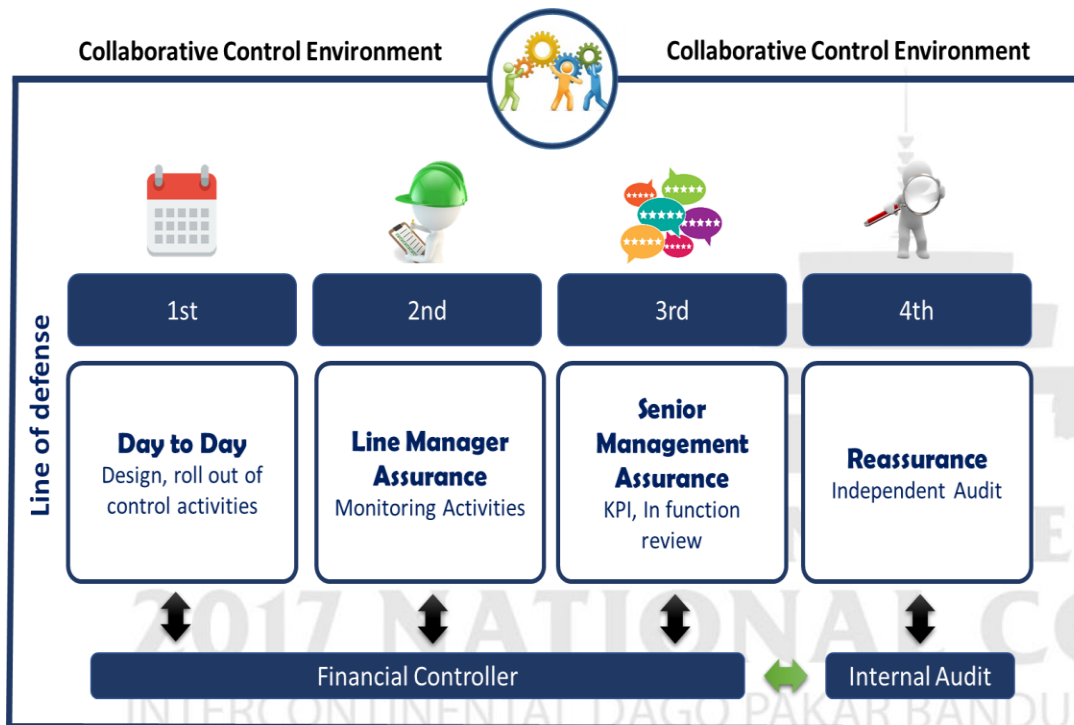
1 Ensures the completeness and adequacy of the basic operational control design

2 Monitors the compliance and assures the effectiveness of the 1st Line of Defense

3 Robust review on performance management, KPI & DRA
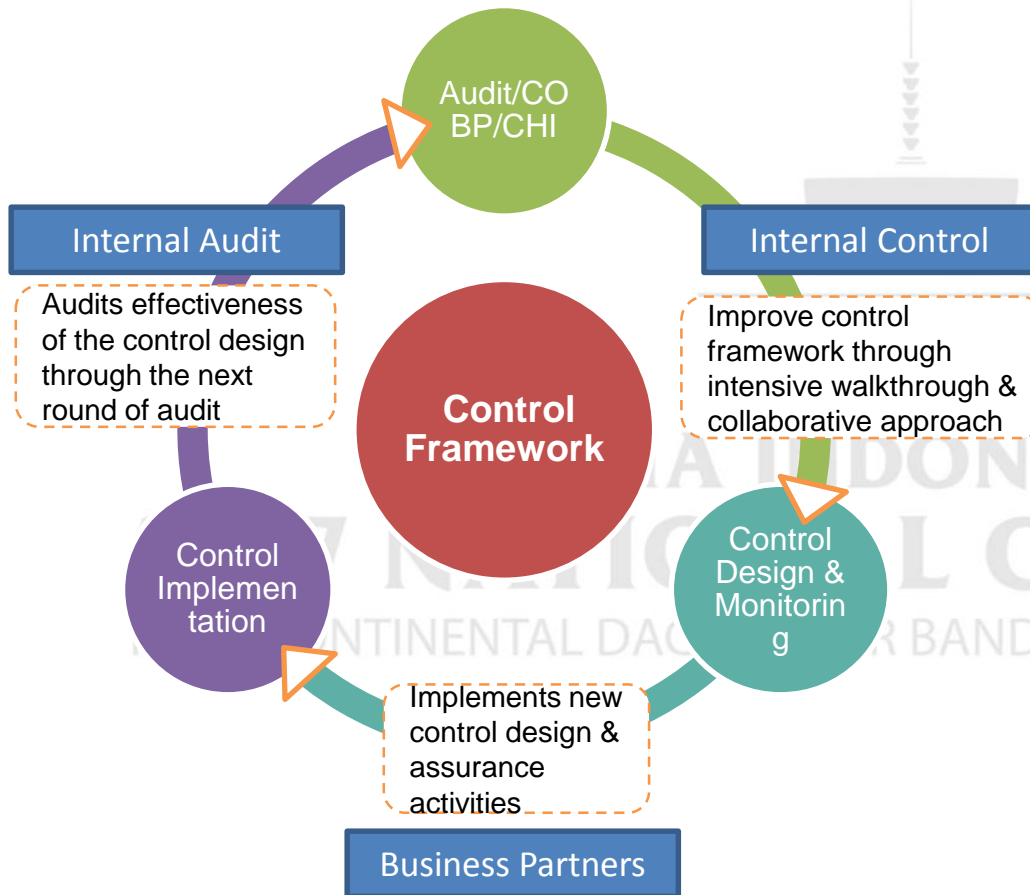
4 Assures the effectiveness of control design

The 4-layers of Defense across business processes to strengthen the Risk Management Ecosystem

IIA INDONESIA
2017 NATIONAL CONFERENCE
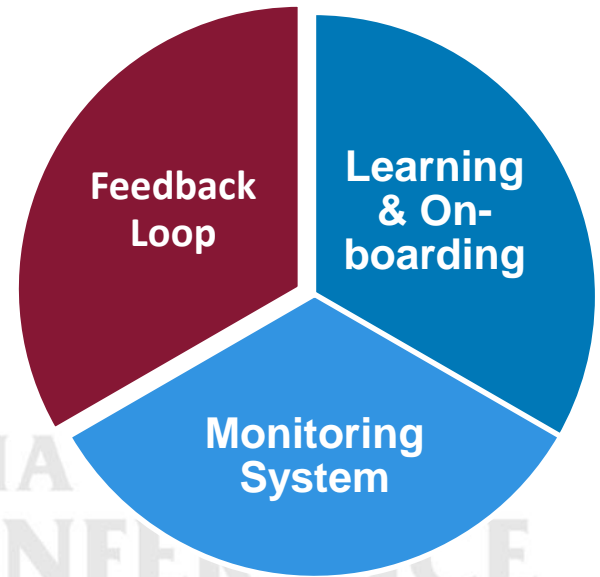INTERCONTINENTAL DAGO PAKAR BANDUNG ● 10-11 OCTOBER 2017

Virtuous Cycle of Control enables loop for control improvement; the 3 Control Culture Pillars will act as catalyst for building control culture

Virtuous Cycle of Control

- Audit/COBP/CHI
- Internal Control
- Control Design & Monitoring
- Control Implementation
- Internal Audit

Control Framework

Internal Audit
Audits effectiveness of the control design through the next round of audit

Internal Control
Improve control framework through intensive walkthrough & collaborative approach

Control Design & Monitoring
Implements new control design & assurance activities

Business Partners

Control Culture Pillars

- Feedback Loop
- Learning & On-boarding
- Monitoring System

1. Embed feedback loop as part of normal business review
2. Establish robust learning & on-boarding materials (+automation)
3. Control dashboard is critical to establish "Tone from the top" to nurture control culture

However many questions still remains..

Who can we make our Business Partners more control conscious?`

How can we encourage people to flag potential control issues rather than covering up?

What will happen to the control compliance when new people come into the role?

How can we ensure the quality of the control is sustained even after Internal Audit is completed?

Can we have an early warning system instead of firefighting control issues?
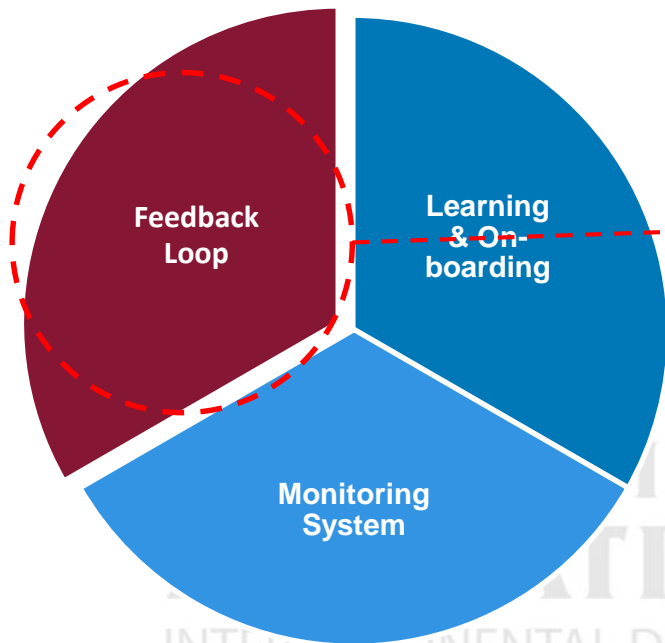
How can we capture potential control issues when business process or organization changes?

I agree with having good control, but it's too time consuming to do! What should I do?

3 Key Pillars in ensuring sustainability of control: (1) Feedback Loop

Pie chart segments:
- Feedback Loop
- Learning & On-boarding
- Monitoring System

Key Challenges:
- Control design should change with the organization & business process changes, however, this often come as fire-fighting (after incidents happen)
- Access to information often comes late, Internal Control do not have eyes and ears in the operations
- Limited resources in Internal Control function
- Business Partners may not be aware that certain process changes may impact control design/effectiveness, does not inform on time
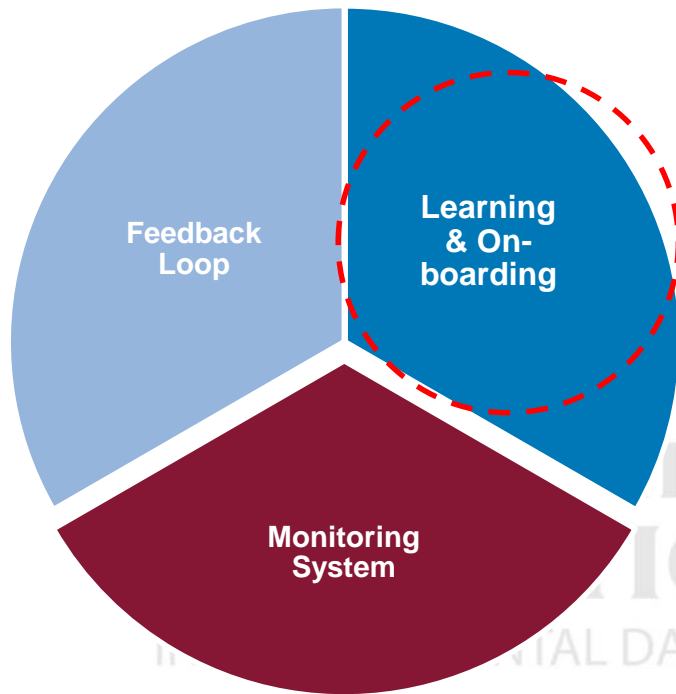
Jobs to be done:
1. Finance as "Control Champions", as the eyes and ears for Internal Control to anticipate potential **control design issues** → *leverage Control & Accounting Meeting?*
2. Formalize the feedback collection
3. Establish Internal Control "brand" as top-of-mind for Business Partners

3 Key Pillars in ensuring sustainability of control:
(2) Learning & On-boarding

Feedback Loop

Learning & On-boarding

Monitoring System

Key Challenges:
- Rapid organizational changes, no on-boarding program for control awareness aside from Code Policies
- Business Partners may not be aware that certain process changes may impact control design/effectiveness

Jobs to be done:
1. Centralized Learning Portal for all control related materials (SOP, policies, working instructions)
2. Interactive learning methods → leverage LMS
3. Pulse check on control awareness
4. Identify and map all roles vs. their relevant control topics, SOP, policies → automate alert on job rotation, new roles, resignation via Workday as the trigger

3 Key Pillars in ensuring sustainability of control: (3) Monitoring System
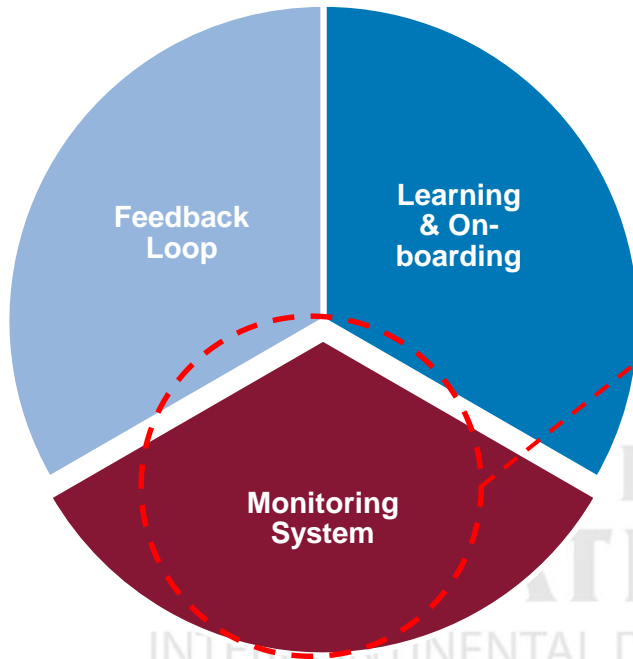
Key Challenges:
- Control monitoring often is a painful and burdensome activity
- KPI-driven behavior vs. underlying improvements
- Not all functions have the same level of ownership of control
- Visibility often stops at functional level, not enough sponsorship from senior leaders
- Critical metrics may be overlapping with controls performed by other parties (CG, OC) or vice versa, may not be monitored at all by either parties

Jobs to be done:
1. Revisit the control assurance activities → should cover until senior leadership (VP and Board level)
2. Embed Control Scorecard discussion in all functional MCM
3. Focus monitoring on exceptions
4. Automate Scorecard data collection for Control Dashboard → assess Tableau as potential tool

JOURNEY TO PROACTIVE RISK MANAGEMENT APPROACH

BEFORE

AFTER: Best In Class

Focused on Strategic Risks, Highly Reactive

Highly Manual, Complicated Processes

Strategic and Operational Excellence, Highly Proactive

Simplified and Automated Processes

Limited employee awareness of controls

Risk Mitigation heavily dependent on Internal Audit

Full Ownership of Risk Management

Risk Mitigation with the Touch of a Button

Journey to **Strategic** and **Operational** Excellence

BUILDING BEST IN CLASS REASSURANCE

WE ARE EMPOWERED, ENGAGED, CONNNECTED

Being Partners in Winning and Losing

- ❑ Conscience of the business, protectors when needed

- ❑ Consistently following through, holding people accountable

- ❑ Effectively challenge the business

Delivering Outstanding Reassurance

- ❑ Applying the Value Lens: More than just risk identification, but also opportunity and best practice identification

- ❑ Turning conversations from "these are your control lapses" to this is where you can improve on

"Fit for Purpose" Mentality

- ❑ Continuous Step Up on IA Capabilities

- ❑ Cost benefit lens

- ❑ Controls should make sense to everyone – 'why should I do this?'

- ❑ Ownership