



9th September, 2020

Stock Code BSE: 500696

NSE: HINDUNILVR

ISIN: INE030A01027

BSE Limited,  
Corporate Relationship Department,  
2nd Floor, New Trading Wing,  
Rotunda Building, P.J. Towers,  
Dalal Street,  
Mumbai – 400 001

National Stock Exchange of India Ltd  
Exchange Plaza, 5th Floor,  
Plot No. C/1, G Block,  
Bandra – Kurla Complex,  
Bandra (E),  
Mumbai – 400 051

Dear Sir/Madam,

**Sub: Investor Presentation**

Pursuant to the Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith a copy of the presentation to be made to a group of investors at 27th Annual CITIC CLSA Flagship Investors' Forum 2020.

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You are requested to take note of the above information on your record.

Thanking You.

Yours faithfully,

**For Hindustan Unilever Limited**

DEVOPA M NARENDRA A BAJPAI  
Digitally signed  
by DEVOPAM  
NARENDRA  
BAJPAI  
Date: 2020.09.09  
08:27:33 +05'30'

**Dev Bajpai**

**Executive Director, Legal & Corporate Affairs  
and Company Secretary**

**DIN:00050516 / FCS No.: 3354**

# Winning in the new normal

Sanjiv Mehta, Chairman & Managing Director  
Hindustan Unilever Limited

9th September, 2020

Sensitivity: Internal



*Hindustan Unilever Limited*

# Safe Harbor Statement

This Release / Communication, except for the historical information, may contain statements, including the words or phrases such as 'expects, anticipates, intends, will, would, undertakes, aims, estimates, contemplates, seeks to, objective, goal, projects, should' and similar expressions or variations of these expressions or negatives of these terms indicating future performance or results, financial or otherwise, which are forward looking statements. These forward looking statements are based on certain expectations, assumptions, anticipated developments and other factors which are not limited to, risk and uncertainties regarding fluctuations in earnings, market growth, intense competition and the pricing environment in the market, consumption level, ability to maintain and manage key customer relationship and supply chain sources and those factors which may affect our ability to implement business strategies successfully, namely changes in regulatory environments, political instability, change in international oil prices and input costs and new or changed priorities of the trade. The Company, therefore, cannot guarantee that the forward looking statements made herein shall be realized. The Company, based on changes as stated above, may alter, amend, modify or make necessary corrective changes in any manner to any such forward looking statement contained herein or make written or oral forward looking statements as may be required from time to time on the basis of subsequent developments and events. The Company does not undertake any obligation to update forward looking statements that may be made from time to time by or on behalf of the Company to reflect the events or circumstances after the date hereof.



*Hindustan Unilever Limited*

# INDIA'S LARGEST FMCG COMPANY



# 130+ years of presence in India



# A \$6bn execution powerhouse

## Our footprint



**9 OUT OF 10  
HOUSEHOLDS**  
use one or more of  
our brands

Our brands are  
available in  
**8 MN+ STORES**

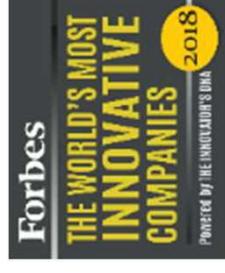


**21,000**  
Employees working  
across 31 owned  
factories & 15 offices

## Recognition



**'EMPLOYER OF CHOICE'**  
in the industry  
for 11 years in a row



**MOST INNOVATIVE  
COMPANIES**  
**#8** Globally  
**#1** in India



**14 HUL BRANDS**  
in India's Top 100 Most  
Trusted Brands 2019

# With category leadership in >90% of our business

**#1**  
Skin  
Cleansing



**#1**  
Skin  
Care



**#1**  
Hair  
Care



**#1**  
Fabric  
Wash



**#1**  
Household  
Care



**#1**  
Tea



**#1**  
Health Food  
Drinks



**#1**  
Ketchup



# Consistent track record of high performance

Consistent growth



**9% CAGR**  
over 10 years\*

Profitable growth



**890 BPS**  
EBITDA improvement over 10 years<sup>^</sup>

High return on capital  
employed



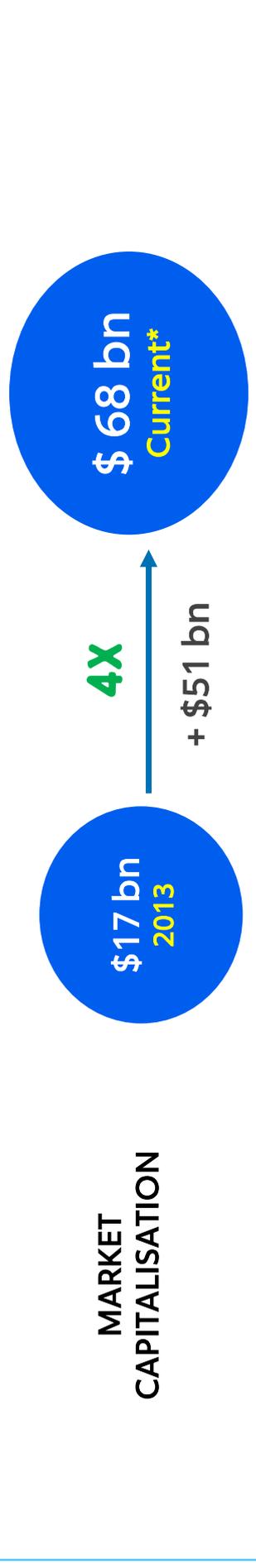
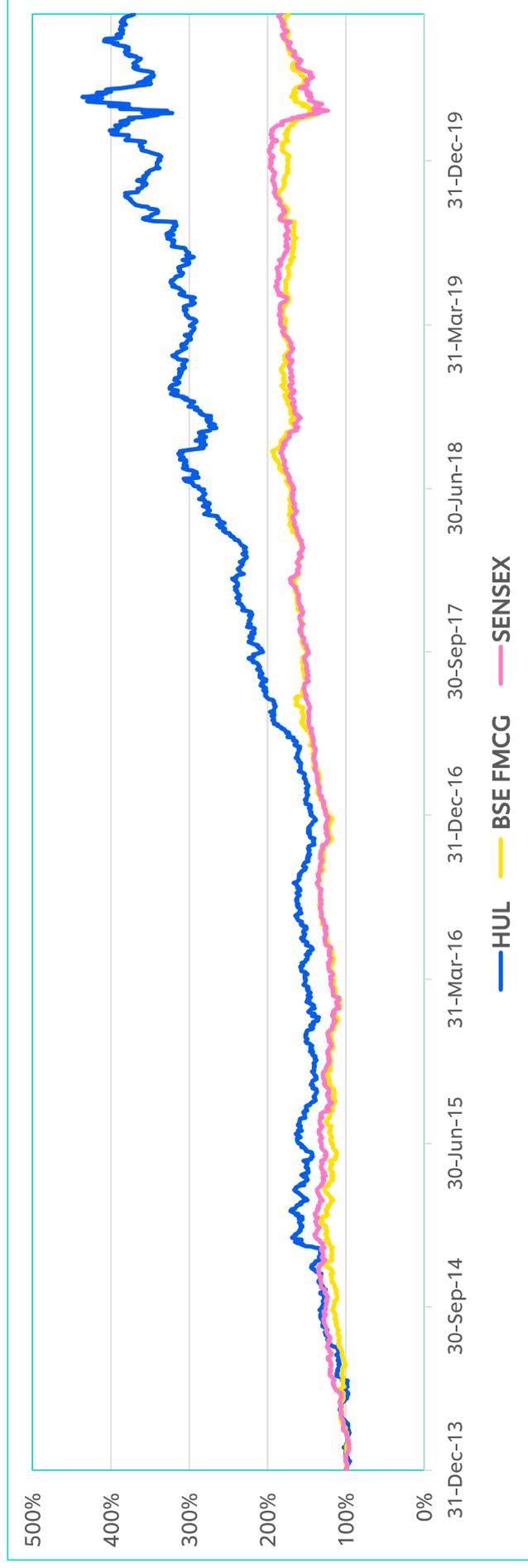
FY  
2012-13



FY  
2019-20

**ROCE**

# Leading value creation





# Navigating the crisis

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# Social and economic toll of the virus

## Rising COVID-19 cases

Total COVID-19 cases in India  
As on 7<sup>th</sup> Sept  
**42,04,613**

31-Dec 19-Feb 9-Apr 29-May 18-Jul 6-Sep

## Wide range of unknowns

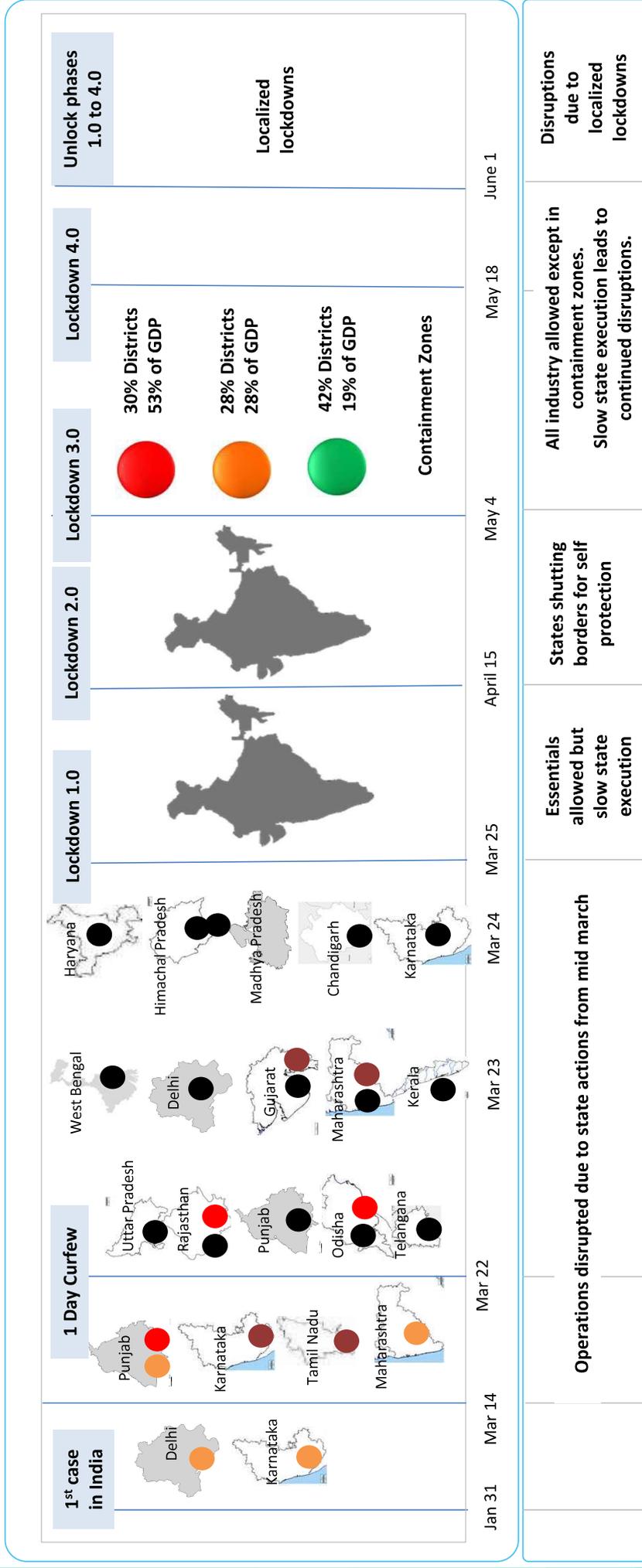


Vaccine | Containment | Recovery

## Uncertain economic outlook



# Progression of lockdowns and unlocks



Public places closed: Theatres, malls, hotels, public gatherings, gyms, workplaces

Partial / complete closure of borders

Public transport suspended or private vehicles banned

State lockdown

# Businesses across industries disrupted

People: Fearful and confined  
to home



On-ground operational  
challenges

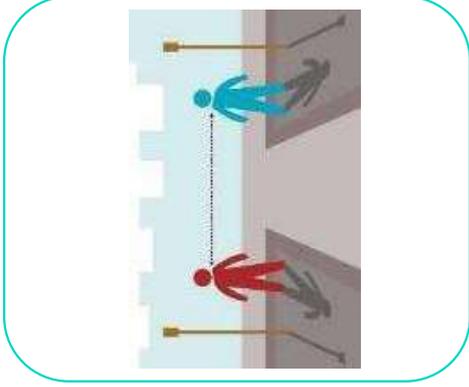


Cost and liquidity constraints



# Our five priorities

People



Supply



Demand



Community



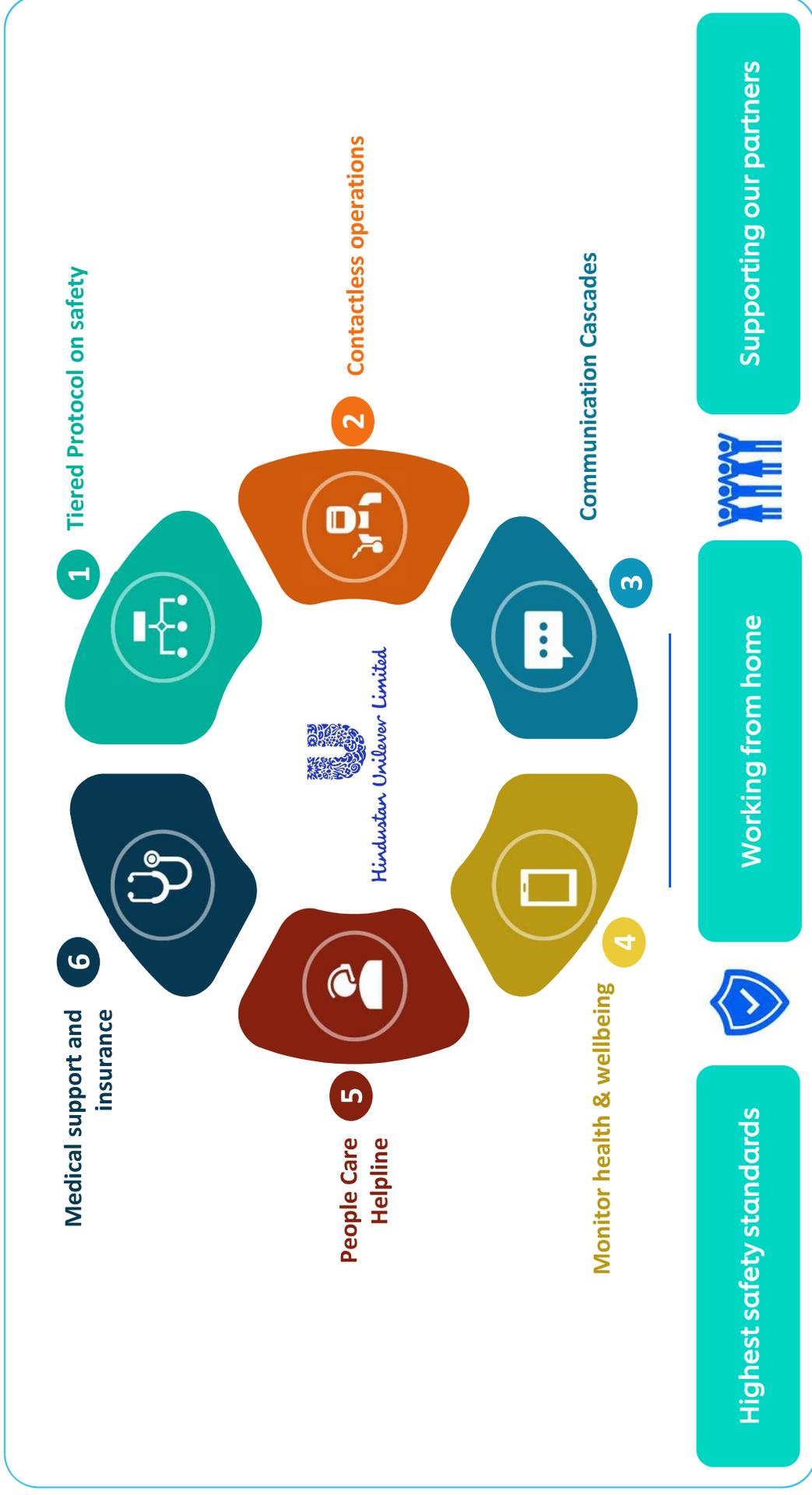
Cost & Cash



A close-up photograph of a person's hands, wearing a light-colored sweater, holding a group of paper cutouts of people. The cutouts are arranged in a line, holding hands, and are slightly out of focus. The background is a soft, neutral color. The text "#1 Priority: People" is overlaid in white, bold font across the center of the image.

# #1 Priority: People

# Health and safety remains our #1 priority



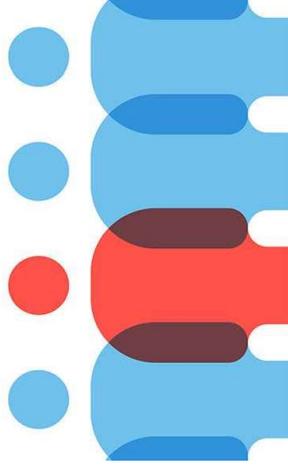
# Stringent safety protocols

Rigorous operating guidelines



Proactive testing  
Shutdowns & full sanitization

Special care for high risk group



Maximum attention to people with  
co-morbidity or >50 years of age

Trade operations with social distancing

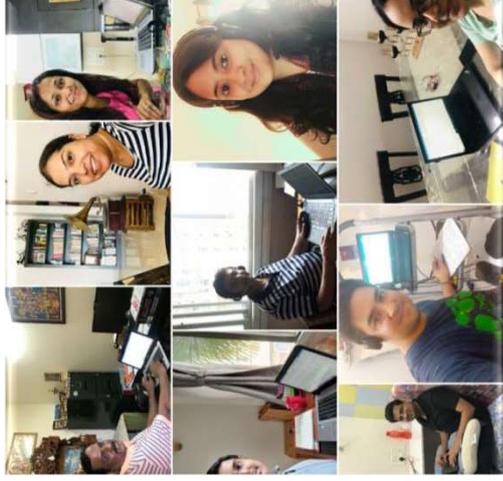


One of 1<sup>st</sup> to provide medical insurance  
Best operating practices shared

**We look after our people and they look after our business**

# Energised and engaged

Virtual connects



Leadership check-ins | Team Rituals

Health & wellbeing



Empowering holistic wellbeing

Learning at fingertips



Strengthening learning culture

# Creating milestones

Seamless virtual integration



VWash acquisition: E2E virtual execution



Fully virtual annual close and AGM



# #2 Priority : Rebuilding Supply Lines



# Multitude of operational challenges

Permits and Permissions



~1,000 notifications complied

Operational constraints



Operations | Containment zones  
Manpower | Logistics

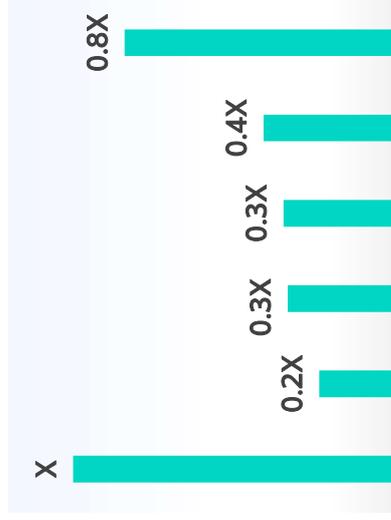
Supply Security



Material availability | Alternative suppliers | Formulation flexibility

# Navigated with agility and nimbleness

Portfolio prioritization



Number of SKUs produced

Capacity unlocks



Sanitizer ~120X | Handwash ~6X

New demand capture and fulfilment models



Disrupt before we get disrupted

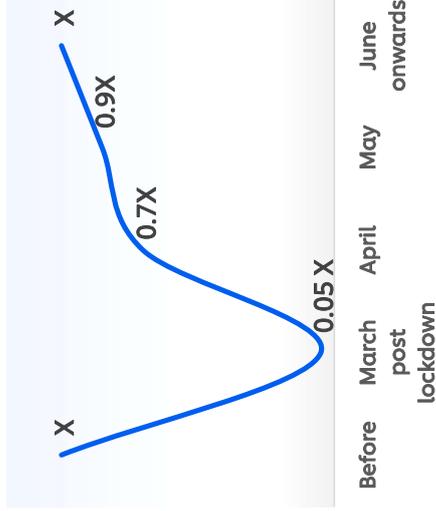
# Enabling business turnaround

Fast tracking innovations



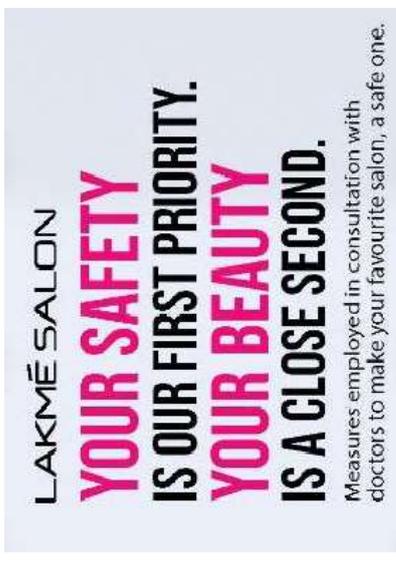
**50+** product & pack innovations

Sequential improvement in operations



**100%** operations restored

Contactless operations



**C.90%** salons now operational

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# #3 Priority: Emerging Demand Spaces



# Future normal: Evolving consumer needs

## CONSUMER PULSE

Clean living



Protective measure

Preventive immunity



Fear Factor



Cocooning



Value seeking

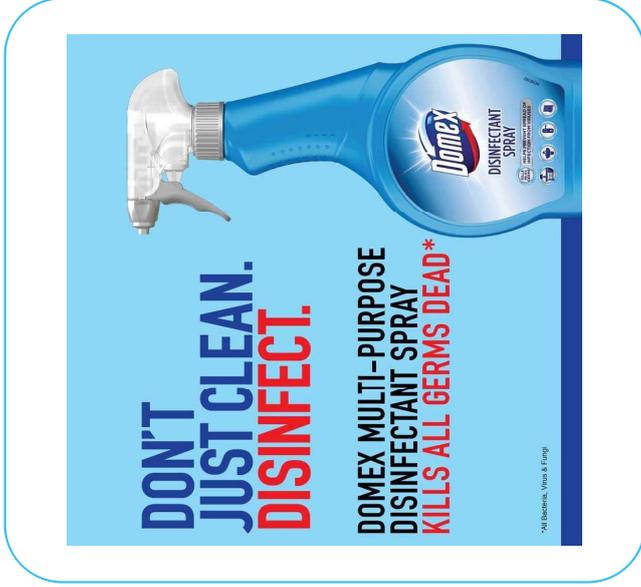


E-everything

# Fear factor

## Creating social awareness

COVID relevant innovations



Public service message



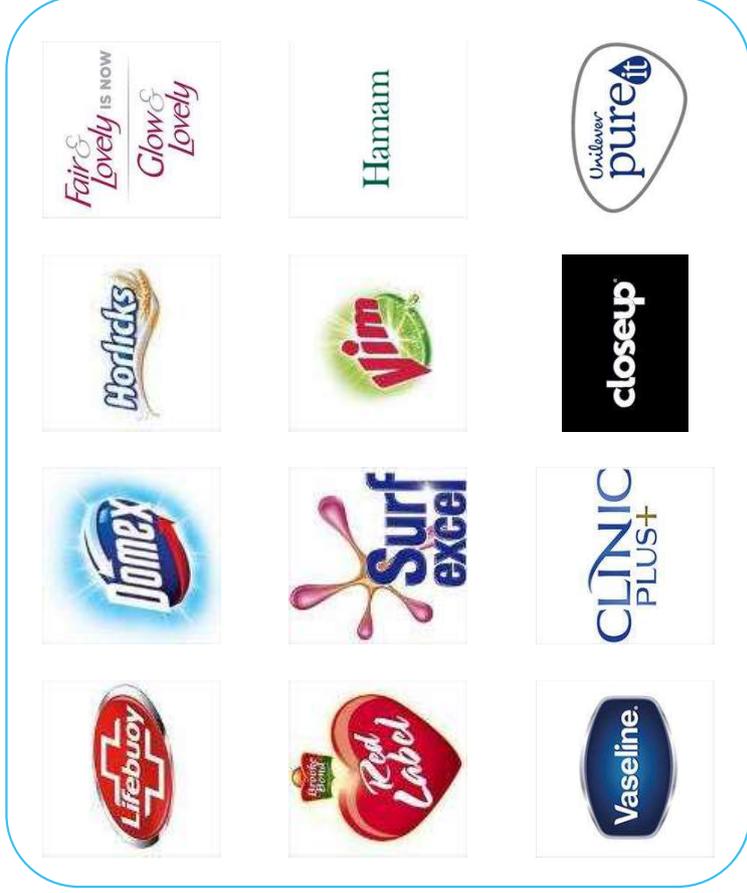
Safe hygiene practices



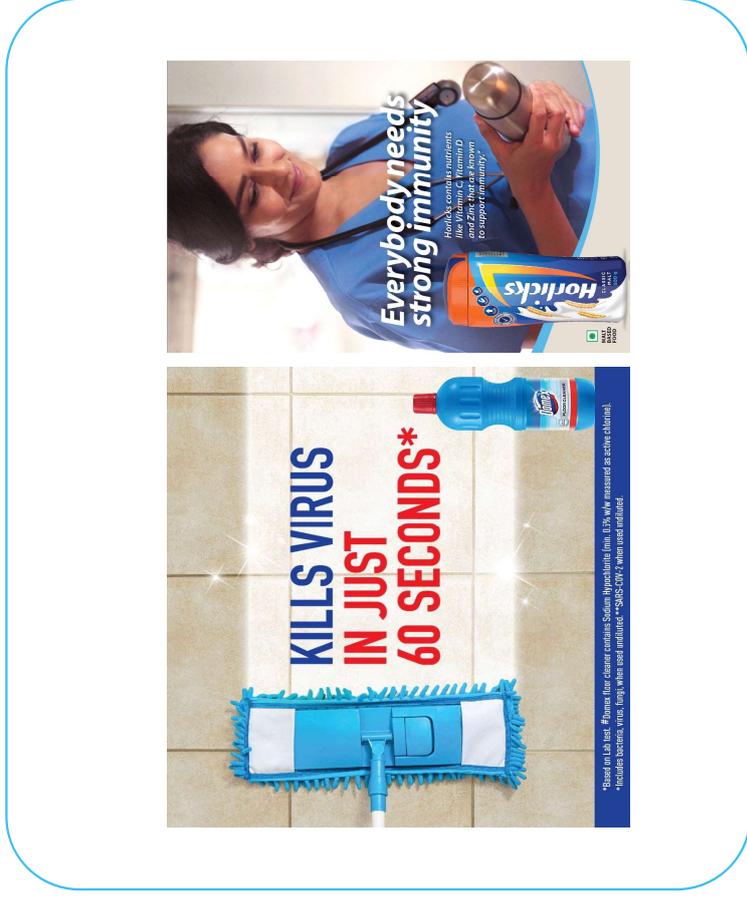
# Clean living, protection & immunity

## >90% portfolio relevant or repurposed for COVID times

Repertoire of trusted and purpose-led brands



Contextual communications

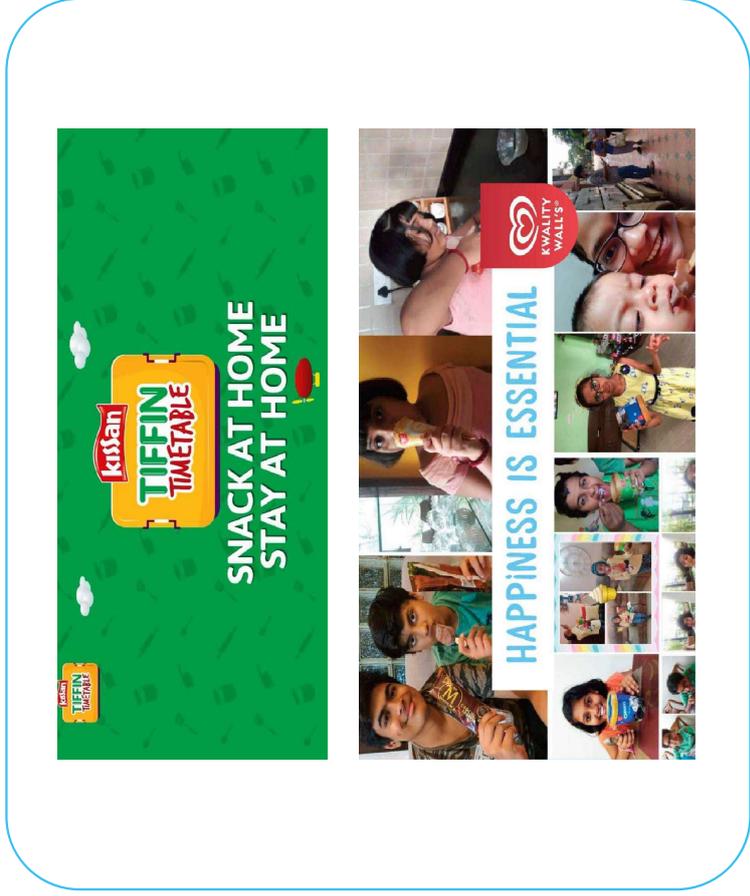


# Cocooning Catering to confined living

Dialing up in-home portfolio



Building relevance through propositions & activations



# Value seeking Well placed to meet all our consumer needs

Portfolio straddling the price pyramid  
across categories



c.50% of GT business from  
price point and access packs



# E-everything Winning in a rapidly evolving channel landscape

Accelerating E-Commerce journey



Market shares

E-Comm

&

MT

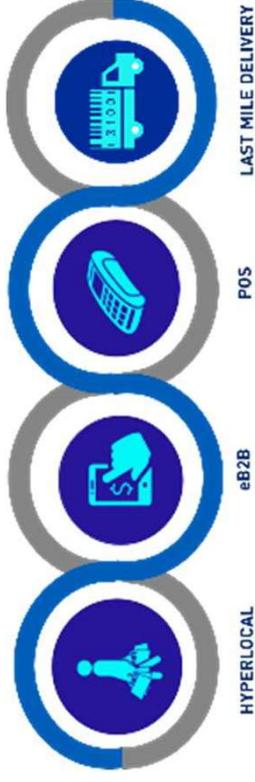


Margins

GT

Digitizing general trade

Creating the connected store



eB2B: A competitive advantage

2.3 LAKH

Outlets onboarded



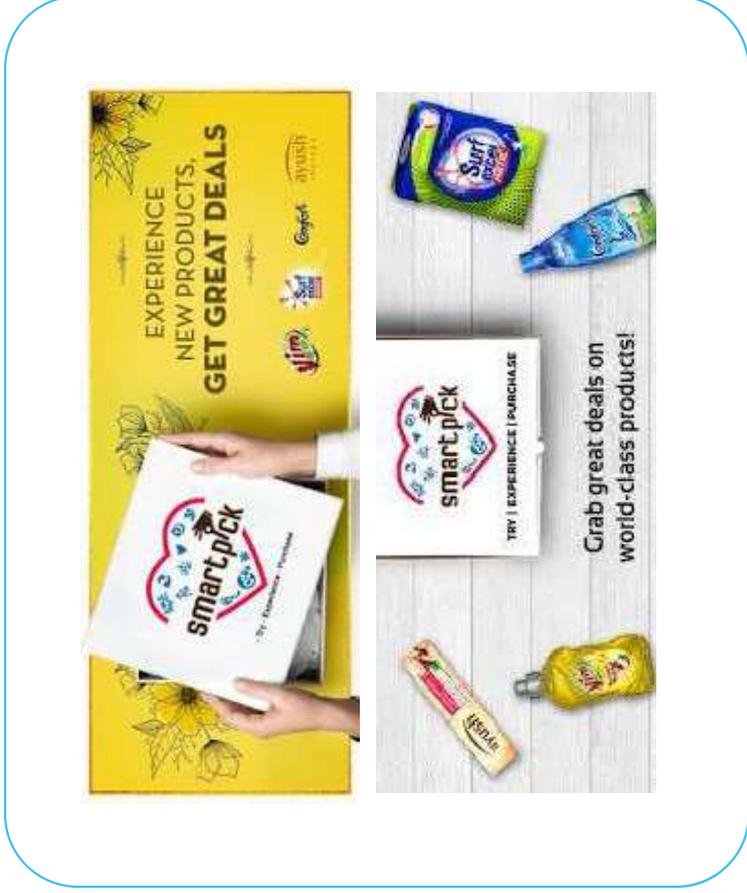
2X

Order value &  
#SKUs ordered

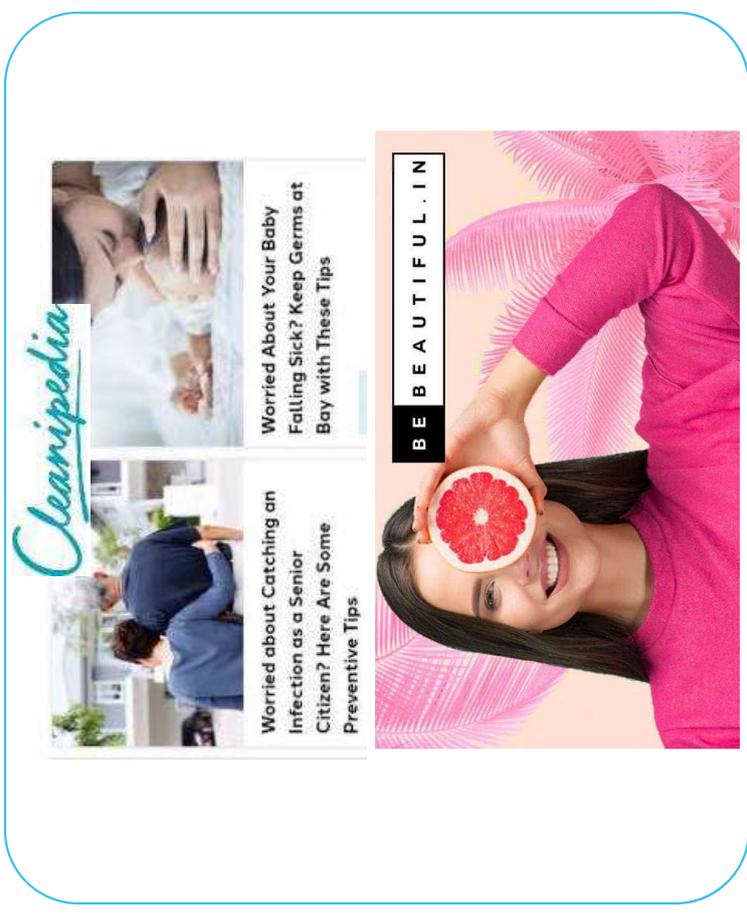
Vs. pre-COVID levels

# E-everything Pivot to digital marketing models

New models of market development



Data driven marketing via content platforms



**#4 Priority:  
Serving  
Communities**

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# #HULStandsWithTheNation

INR100 Cr committed to fight COVID-19

Price reductions on essentials



**15%**

price cuts in essentials  
Better value to consumers

Product donations



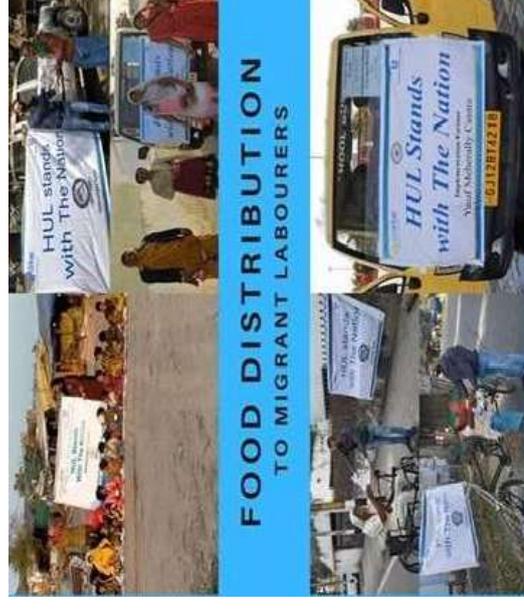
# #HULStandsWithTheNation

INR100 Cr committed to fight COVID-19

Healthcare support



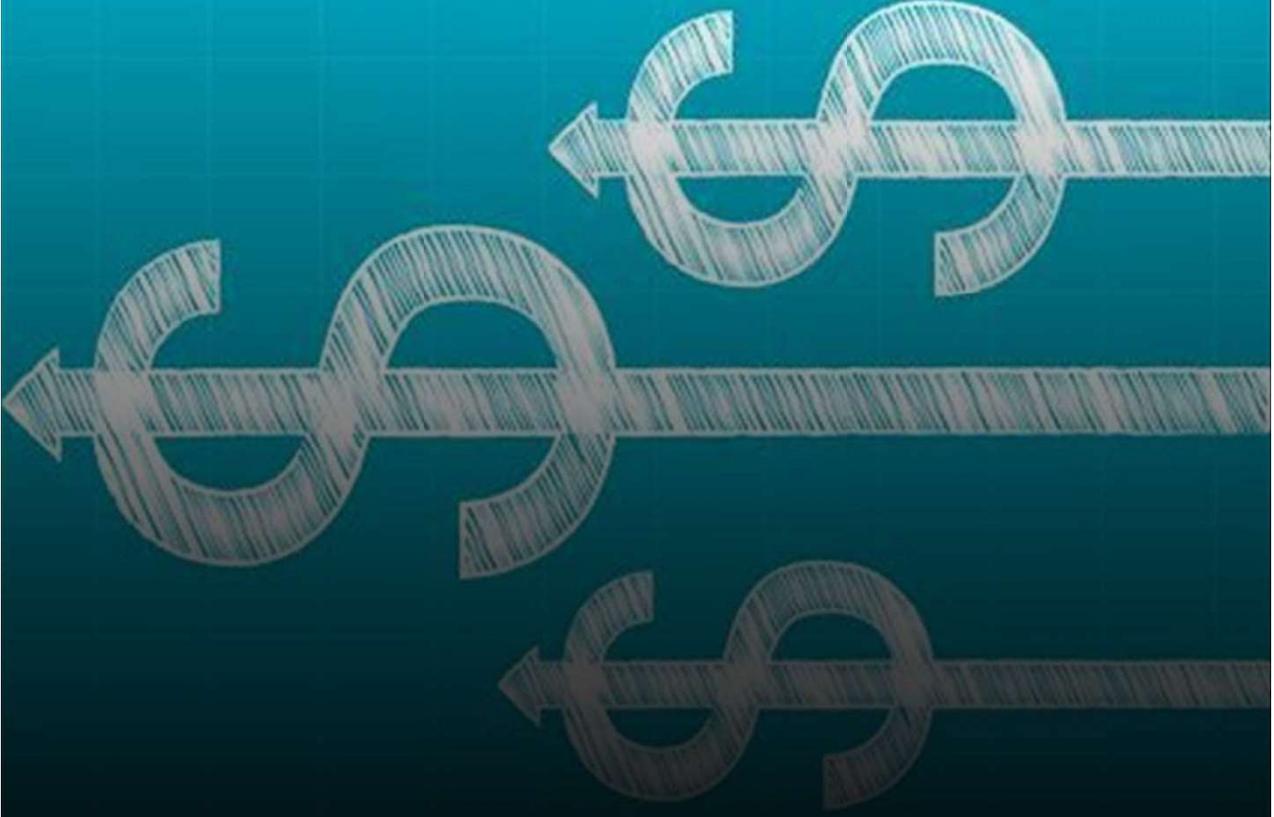
Helping the underprivileged





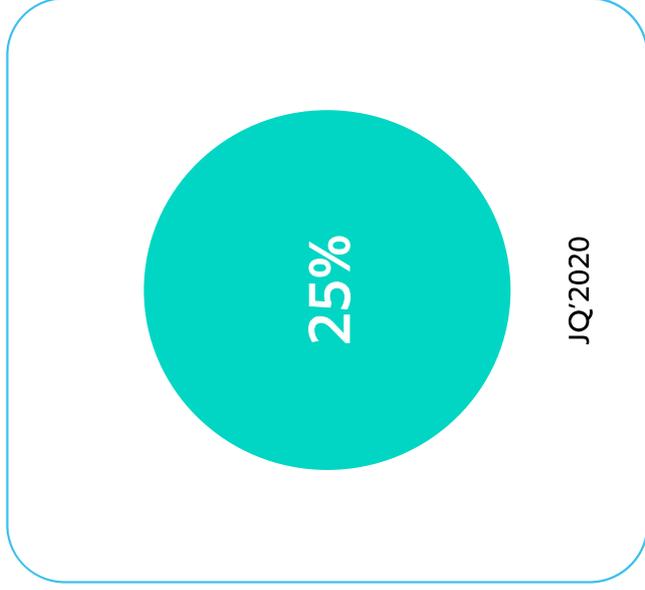
# #5 Priority: Cost and Cash Agility

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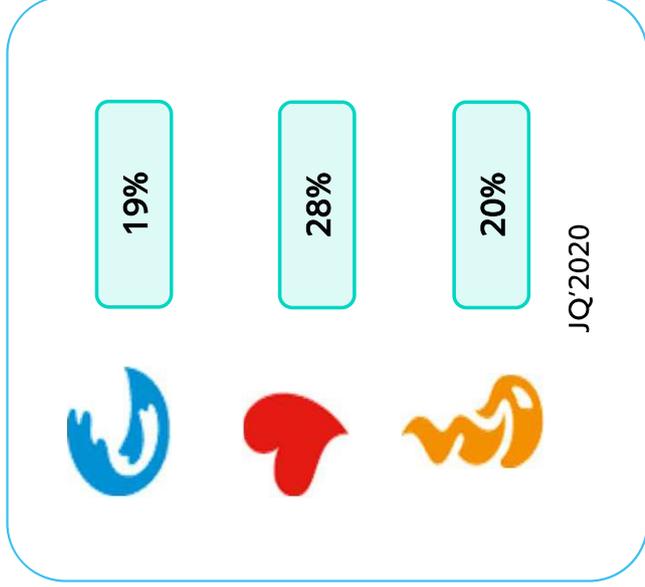


# Profitable and cash generating business model

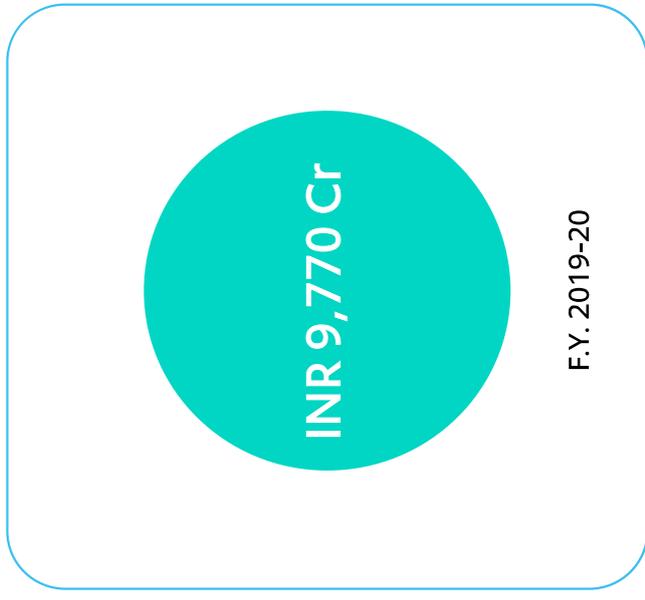
Healthy EBITDA margins



Robust margins across divisions



Strong cash flow from operations



# Deft P&L management to address volatility & support growth

## Headwinds due to COVID-19



- Adverse mix
- De-leverage
- COVID-related on-cost

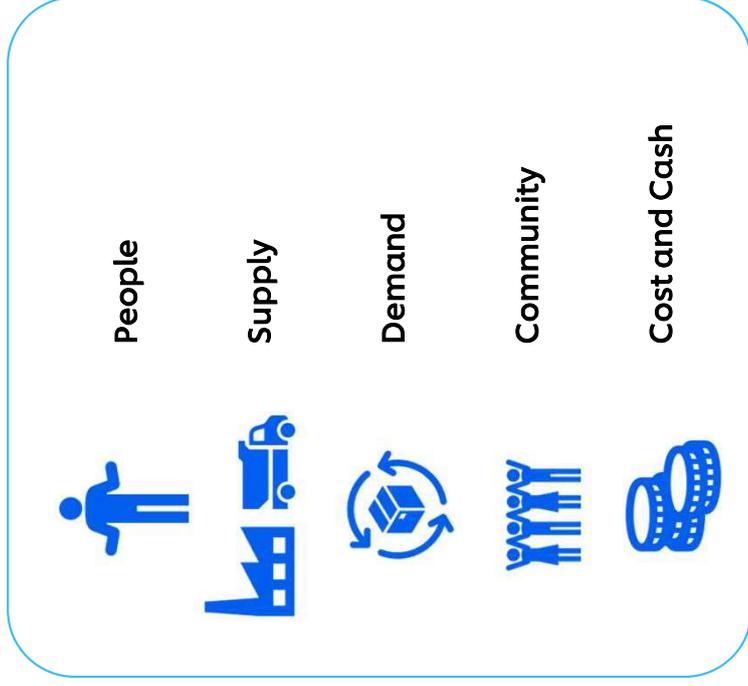
## Cost agility



- Savings agenda dialled up
- BMI spends recalibrated, competitiveness maintained
- Unlocking synergies from Nutrition business

# Our five priorities are serving us well

## Our five priorities



## Resilient performance in challenging times





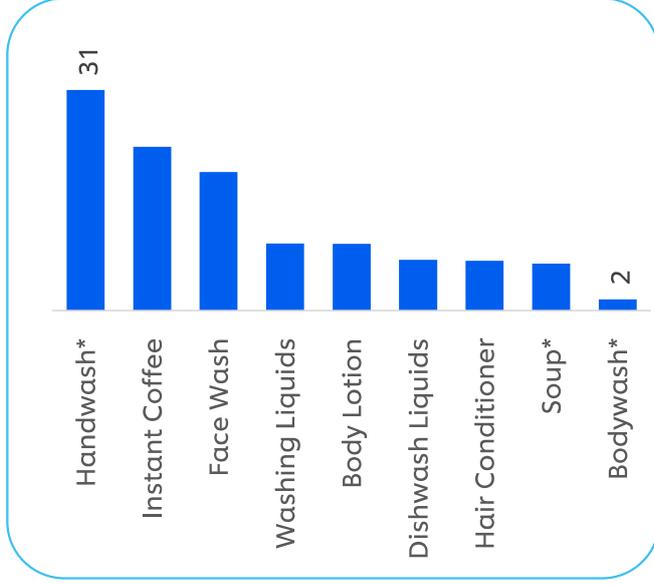
# FMCG India: Long-term potential remains intact

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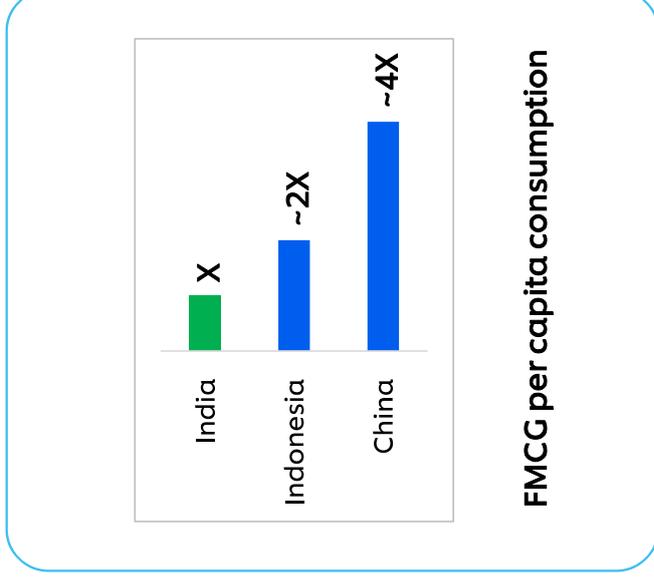


# Headroom to grow

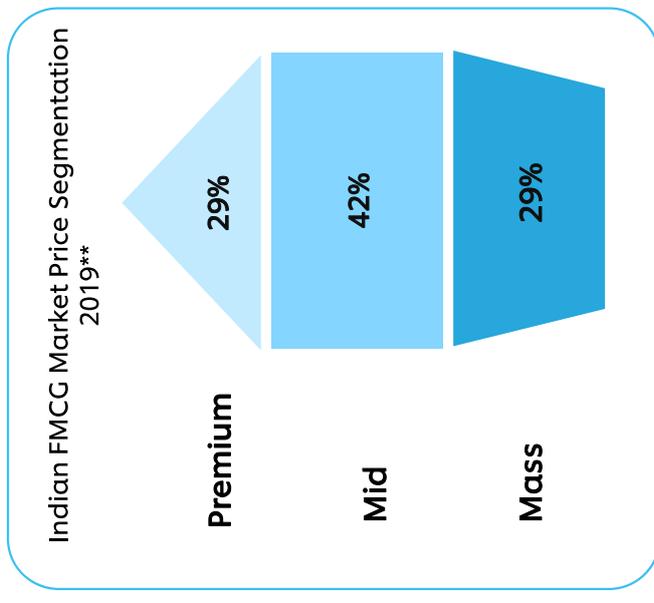
## Grow penetration



## Increase consumption



## Drive premiumization



\* Urban Only  
 \*\* FMCG Market where HUL has a presence  
 Sources: Penetration Data – Household Panel data from IMRB – MAT July'20  
 FMCG Consumption and Market Price Segmentation – Nielsen

# Our strategy remains consistent

Guiding framework



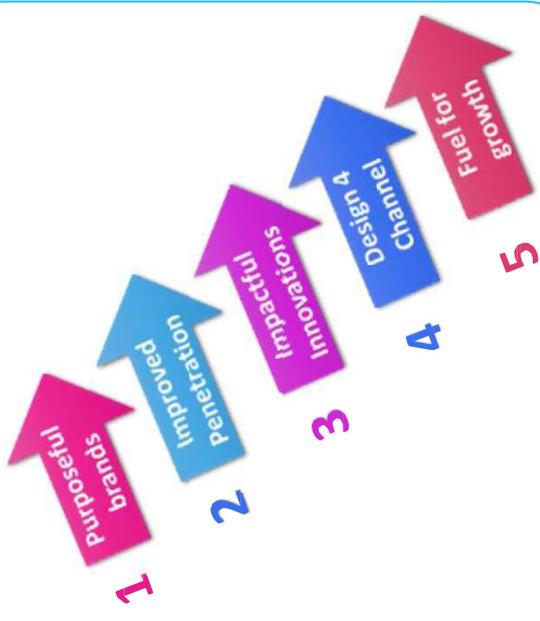
Purpose-led, Future-Fit

4G growth model



Consistent, Competitive, Profitable,  
Responsible Growth

Fundamentals of growth



# HUL #ComeOutStronger

## Organizational strengths



Brand portfolio fit for future normal



Bench strength of talent and experience to manage turbulence



Growth fundamentals remain robust



Nimble and agile organization

## Key metrics



Competitive volume-led growth



Absolute profit



Cash delivery

Thank you!



Hindustan Unilever Limited  
Sensitivity: Internal