

# Capital Markets Day 2022

Sanjiv Mehta, CEO & Managing Director



Hindustan Unilever Limited



# India's largest FMCG company



Hindustan Unilever Limited

90 Years of Corporate  
existence



**50,336 Crore**  
FY'22 Turnover



**24.8%**  
FY'22 EBITDA



**c.6 Lakh Crore**  
Market Cap.



**9 out of 10**  
Households use our  
products



**9 Million**  
Outlets reached



**>21K Employees**  
Employer of Choice  
across sectors



# Our enduring strengths

## **PORTFOLIO**

50+ purposeful brands across 15 categories, Market leaders in >85% of our business

## **RESEARCH & DEVELOPMENT**

Largest FMCG R&D in India with 700+ scientists, 20K patents globally

## **DISTRIBUTION AND SUPPLY CHAIN**

Reach 9 million stores, >25% demand digitally captured, 60 bn units sold annually

## **TALENT AND CULTURE**

21K employees, Employer of choice across sectors, 44% Gender diversity\*

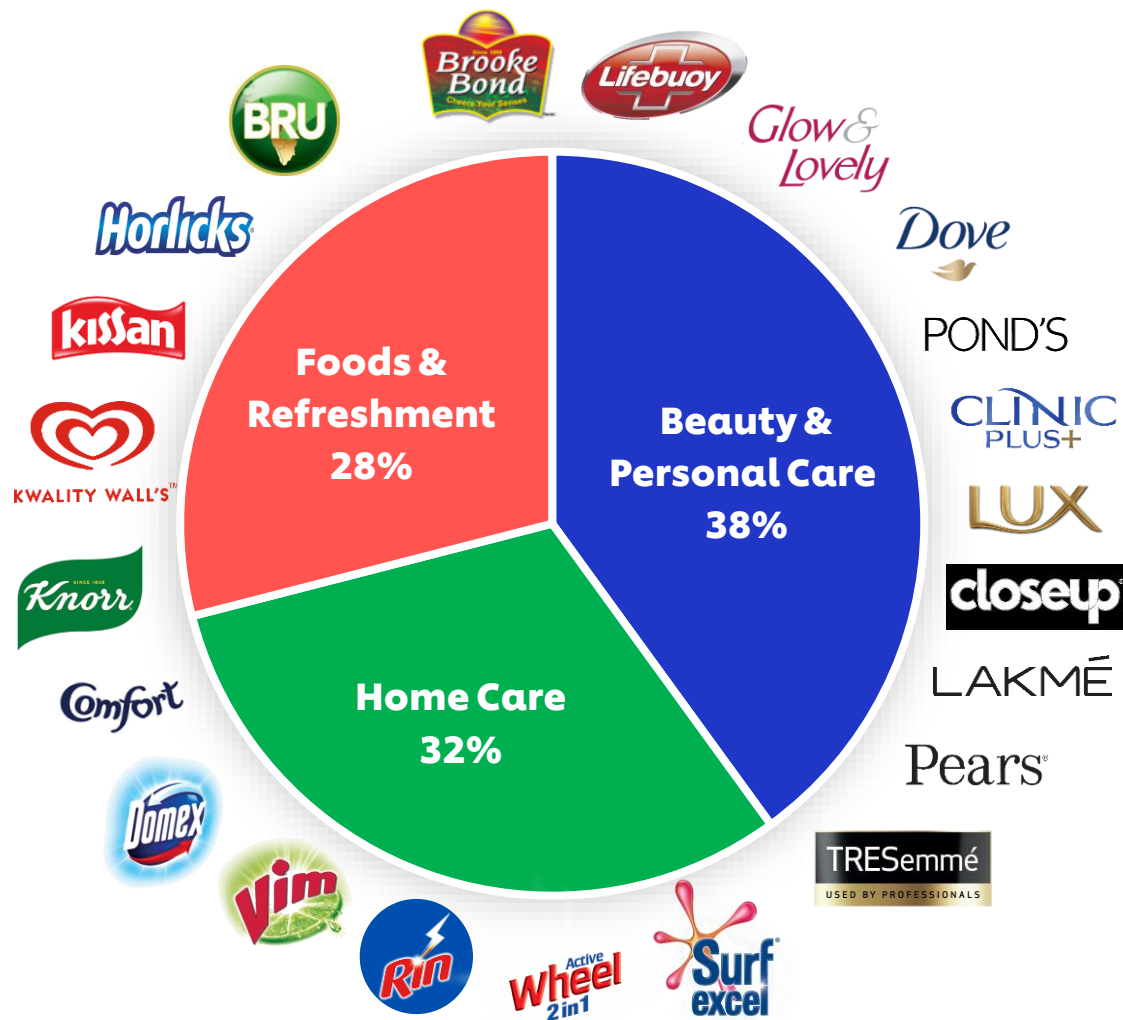
## **SUSTAINABILITY**

Plastic Neutral, >1.9T litres water potential, 94% CO<sub>2</sub> Reduction, DJSI 76 | CDP A

\* Gender diversity for managerial workforce



# Wide and resilient portfolio



We operate in **15** categories

Category leadership in **>85%** of business

**50+** purposeful brands

**16** brands with ₹10Bn+ Turnover

**5** digital-first brands



# Market leading positions across categories

## #1 in >85% of our business



**#1**

Fabric Wash



**#1**

Skin Cleansing



**#1**

Tea



**#1**

Skin Care & Cosmetics



**#1**

Hair Care



**#1**

Health Food Drinks



**#1**

Dishwash



**#1**

Ketchup & Soup



**#2**

Ice Cream



**#2**

Oral Care



**#2**

Coffee



**#2**

Surface Cleaning



# Proven model of market development...



## Market development at scale



# ...and crafting purposeful brands

## 19 New brands in last 10 years



## Multi-Year Engagement Platforms







# FY'22 : Market development cells contributed 10K cr. to our Turnover



Home Care Liquids



Premium Hair Care



Hand & Body Wash



Premium Skin Care



Premium Colour Cosmetics



Matic Detergents



Ice Cream (WiMI)



Green Tea



Spice Tea



Spreads and Dressings





# Perfect stores – Online and offline

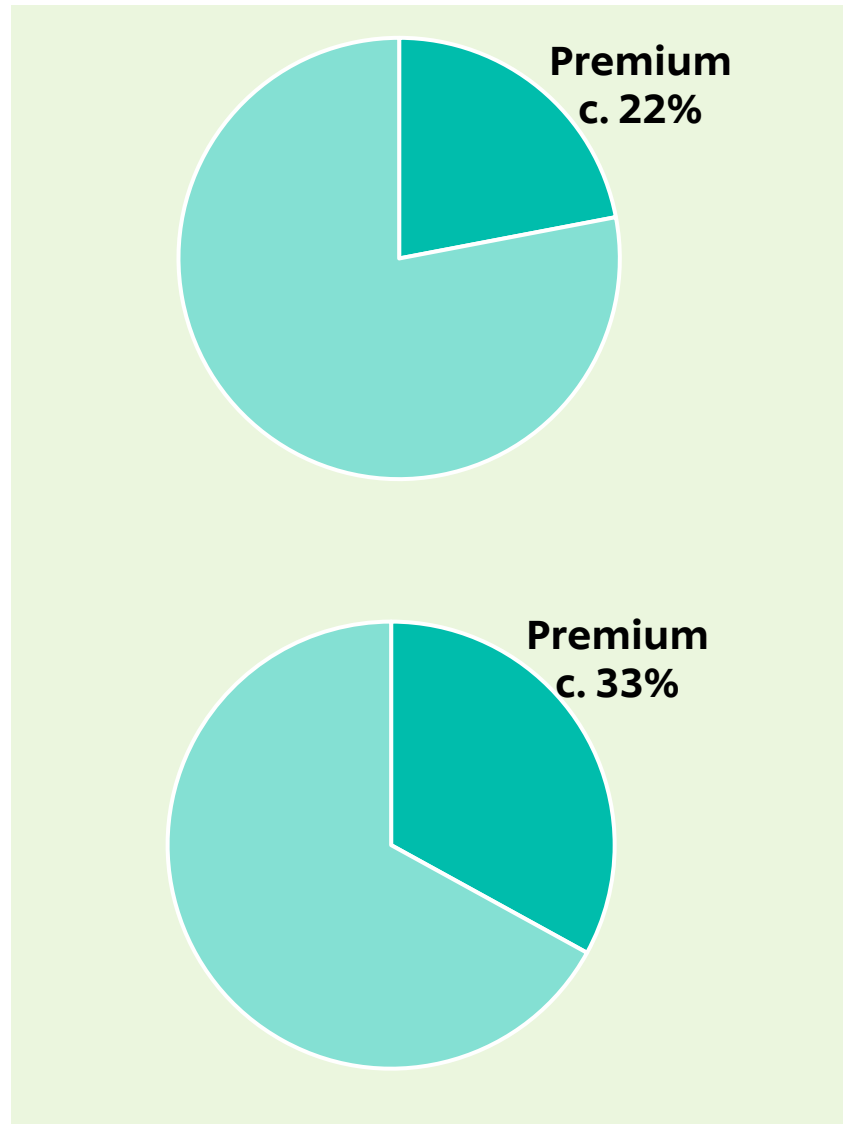


# Portfolio transformation : more premium, more digital

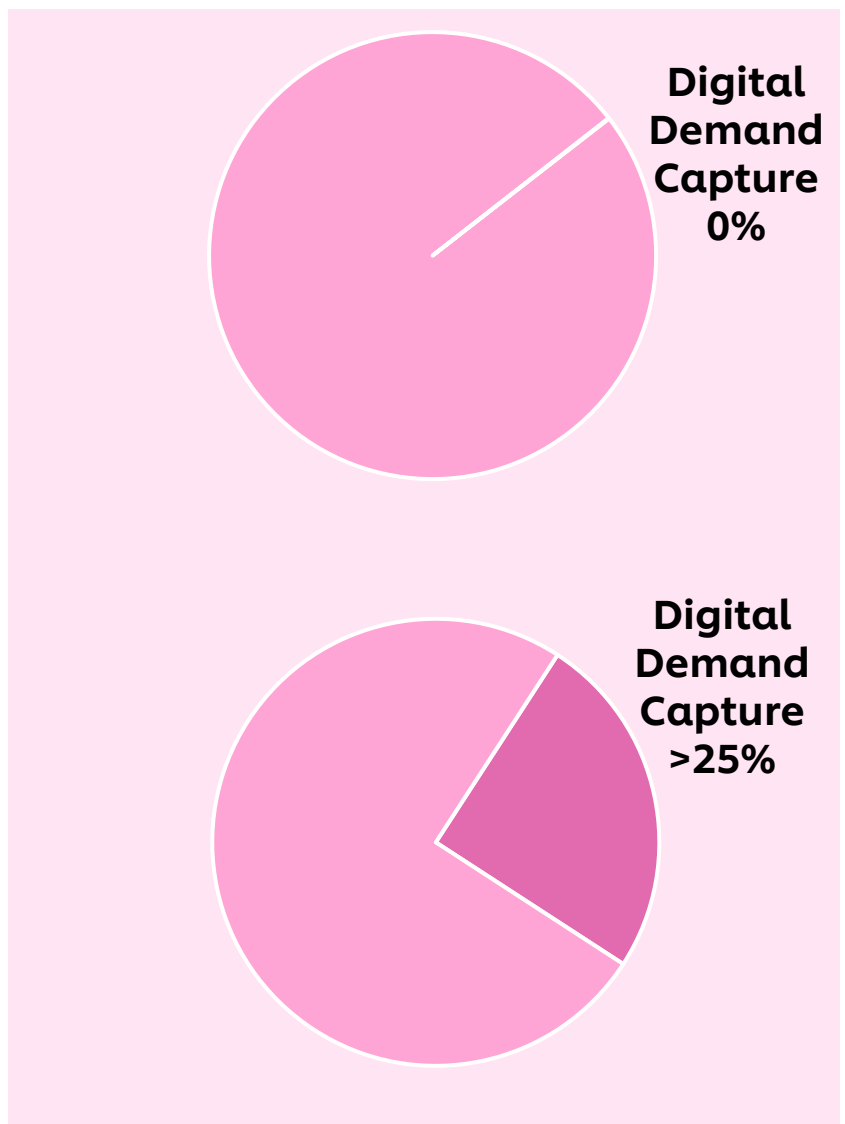
**FY'12**

**Current**

Product Mix



Channel





## Symphony : Fuel for growth



**Best in class benchmarks for Overheads,  
Manufacturing and Distribution costs**

## Capital discipline



Figures for FY'22



# Strong track record of consistent performance

## Turnover

FY'22

**>50K Crore**

**2X**

vs. FY'12

## EBITDA

FY'22

**>12K Crore**

**4X**

vs. FY'12

## Market Cap.

As on date

**c.6 Lakh Crore**

**6X**

vs. 31<sup>st</sup> March 2012

**Long term value creation for all our stakeholders**



## Climate & Waste

**94%**

Reduction in CO<sub>2</sub> Emissions (kg/tonne of production) in manufacturing operations vs 2008



**47%**

Reduction in Water consumption in our manufacturing operations



**1.16 lakh tonne**

Plastic waste collection & safe disposal  
**Plastic Neutral** in 2021



**54%**

Reduction in total waste generated from HUL's factories vs 2008



## Nature

**1.9 trillion litres**

Cumulative Water potential created by HUF



**98%**

Paper and board in packaging sourced from sustainable sources



**93%**

Tomatoes from sustainable sources



**68%**

Tea from sustainable sources



## Social

**7 million**

People reached through Prabhat initiatives on economic empowerment, environment sustainability, health, etc.



**>1.6 lakh**

Shakti entrepreneurs empowered



**> 2 lakh**

People have access to safe sanitation through Project **Suvidha**



**44%**

Gender diversity in our managerial workforce





# India poised for growth



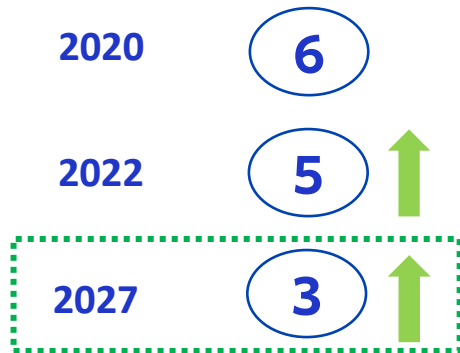




# Macro trends driving growth

## Fastest growing economy

### India's GDP Ranking

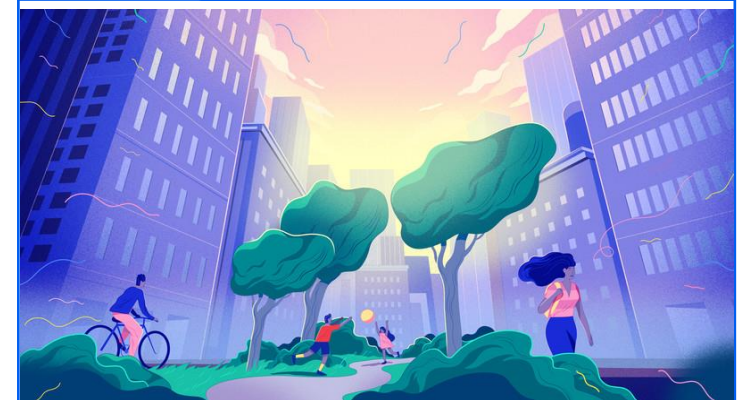


## Favourable demographics



**>1 Bn** Working class population  
**10 Mn** will get added every year

## Urbanisation

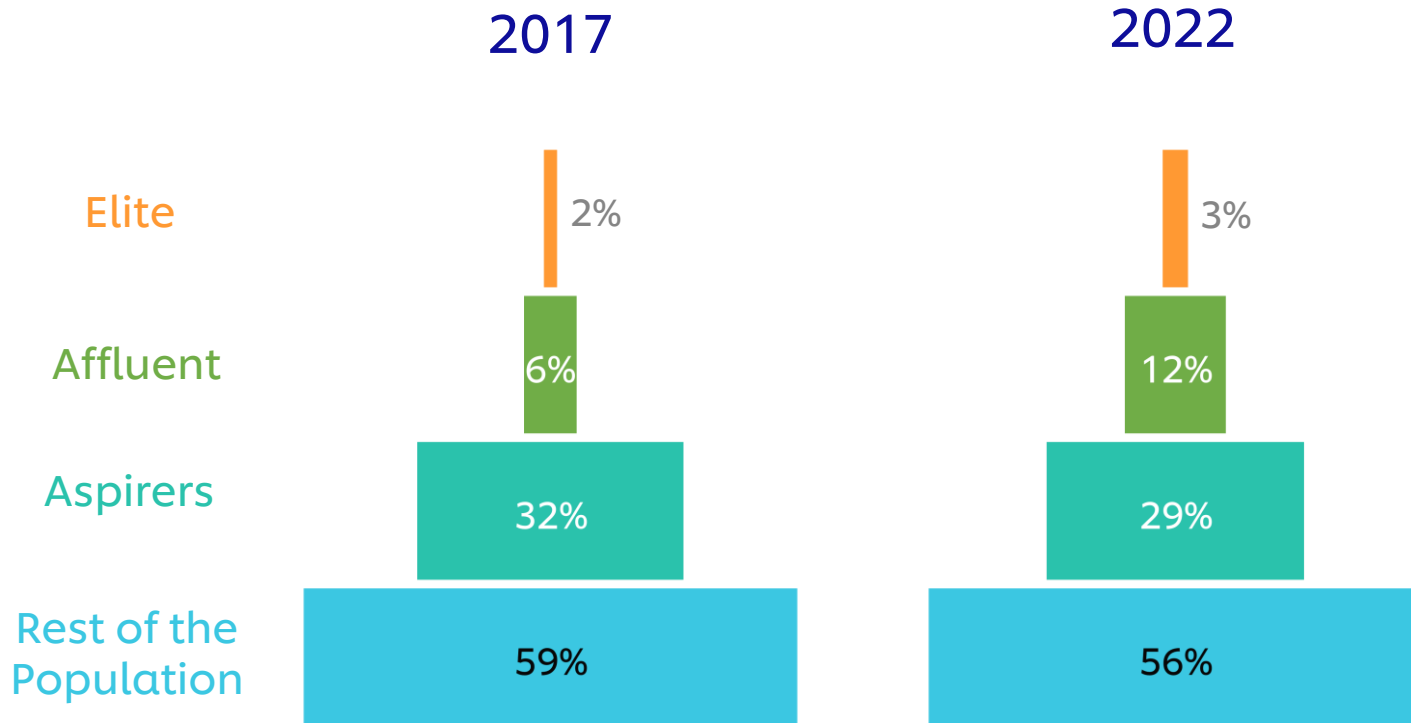


Cities with **1 Mn** population to nearly **double** by 2030

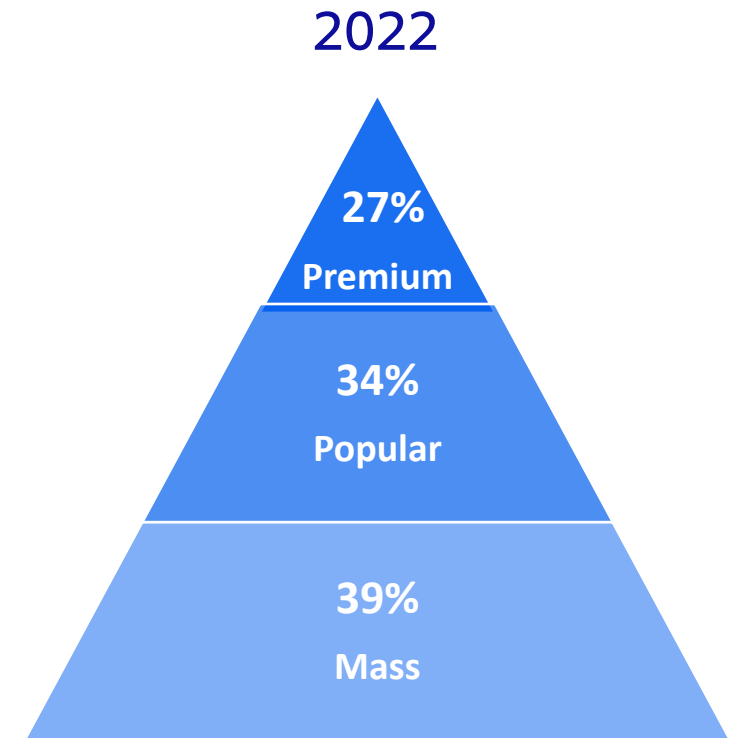


# Rising affluence

## Upward mobility in income to fuel consumption and..



## ...premiumisation







# Fundamentals for FMCG remain strong

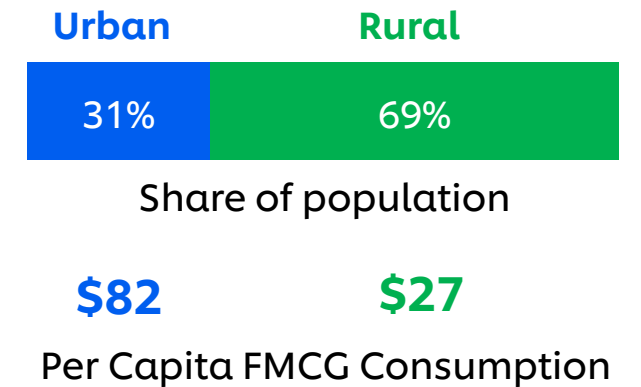
## Low Penetration



## Under-indexed spends



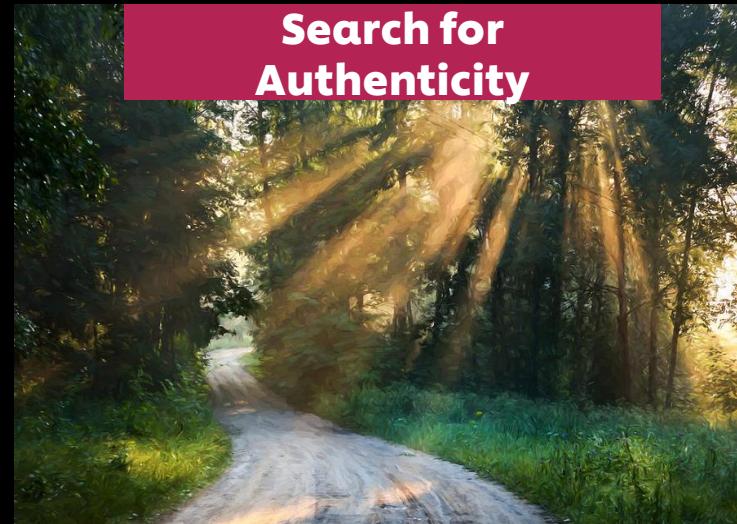
## Rural opportunity



More Users | More Benefits | More Usage



# World is changing





# Our winning strategy

## Purpose and Vision



**Our vision** is to be a leader in sustainable business. We will demonstrate how our purpose-led, future-fit business model drives superior performance delivering consistent, competitive, profitable and responsible growth.

## Long-term strategic choices



Developing our portfolio



Win with our brands powered by purpose and innovation



Lead in the channels of the future



Build differentiated structures and capabilities

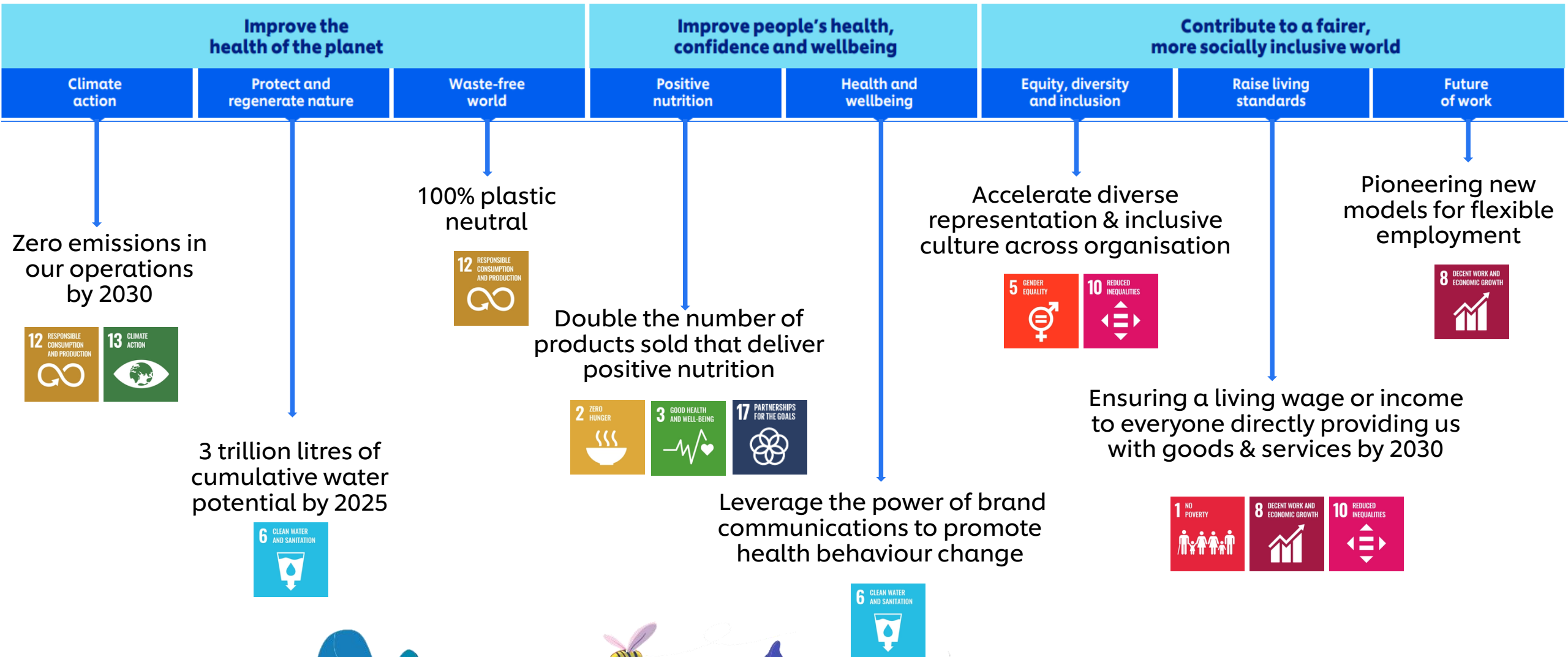


Build purpose-led, future-fit organisation





# Our ESG goals







# Developing our portfolio

## Growing the Core



Superior Products | Purposeful communications

## Market Development



More users | More benefits | More usage

## Premiumisation



Upgrading consumers to higher order benefits



# Win with our brands powered by purpose and innovation

## World class technology

Made with Dual Blend High Fibre Formula

**NUTRIOSE** reduces caloric intake and hunger

**FIBERSOL** reduces blood sugar spikes

**Horlicks Diabetes PLUS**

HELPS MANAGE BLOOD SUGAR\*\*

DUAL BLEND HIGH FIBRE FORMULA

Cutting edge technology leading to product superiority

## Superior product functionality

**NEW** Super Soak Technology for STAIN removal

**SUPER STAIN REMOVAL WITH SUPER SOAK TECHNOLOGY**

**Surf excel** Quick Wash

Superior to competition in blind tests

## Purpose drives growth

**Dove**

**#StopTheBeautyTest**

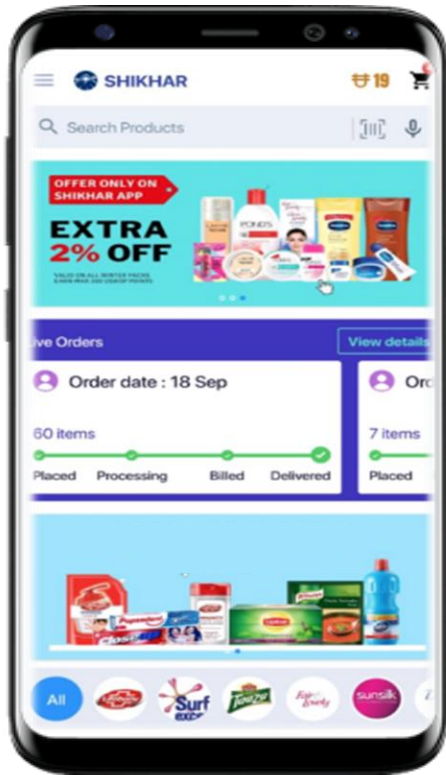
Purpose drives brand power



# Lead in channels of the future

## Digitising General Trade

1 million Shikhar stores



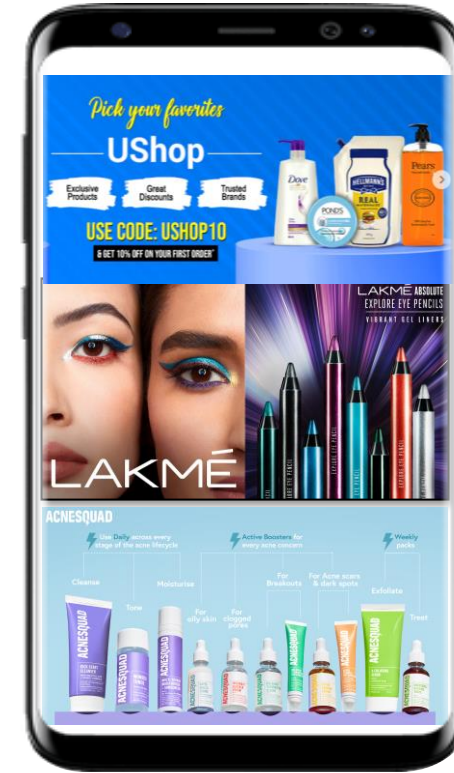
## Design for Channel

50% packs D4C ready



## New routes to consumers

14 D2C platforms



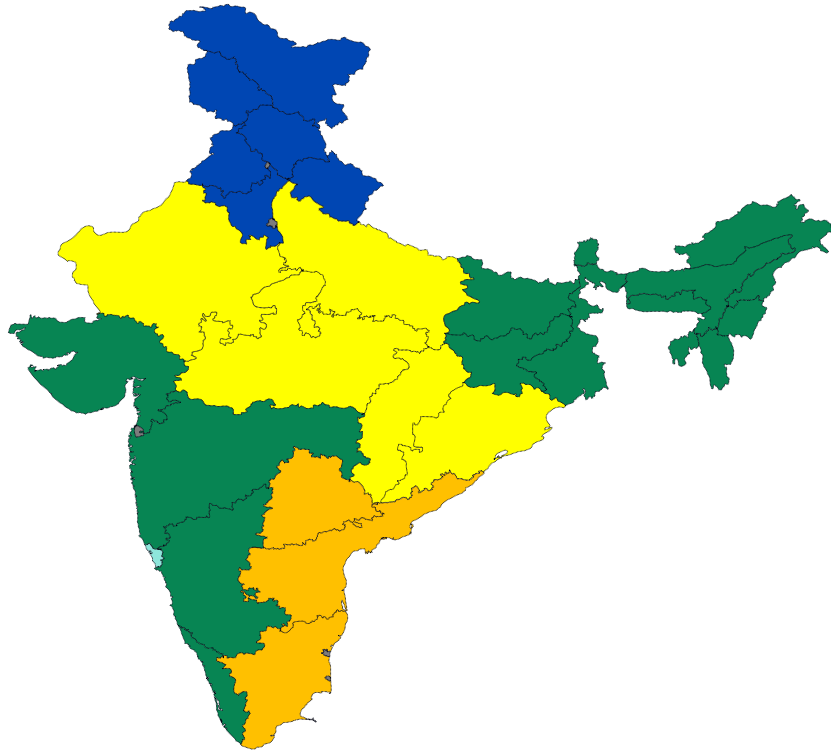
Digitised demand capture now >25%





# Build differentiated structures and capabilities

## Winning in Many Indias



**India Is Not One India!**

## Nakshatra : Future-fit supply chain network



**Closer to demand | Cost efficient |  
More agile, More digital | Capacity for growth**

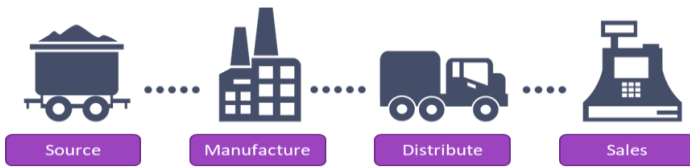




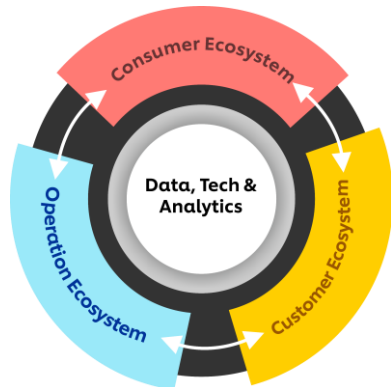
# Build differentiated structures and capabilities

## Reimagine HUL

YESTERDAY



TOMORROW



## Creating new competitive moats

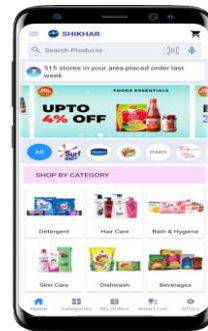
Agile Innovation Hub



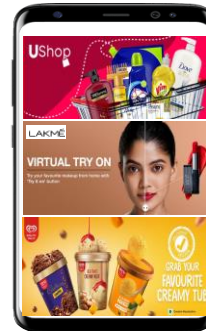
5 Digital Brands



1 Mn Shikhar stores



14 D2C Platforms



India's 1<sup>st</sup> FMCG Lighthouse Factory (WEF)



HUL's Dapada Factory

Nano Factories: Supply chain for smalls



6 Nano factories – manufacturing +250 SKUs

Samadhan: Automated Warehouse



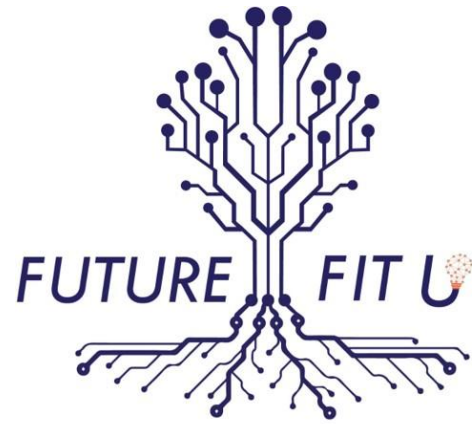
Advanced fulfilment centre for N+1 delivery

**DIGITISED DEMAND CAPTURE NOW >25%**



# Build a purpose-led, future-fit organisation and growth culture

## Future-fit organisation



Future proofing **skills** & **ways of working**

## Truly Inclusive



#unstereotype the workplace  
**FOR EVERYONE.**

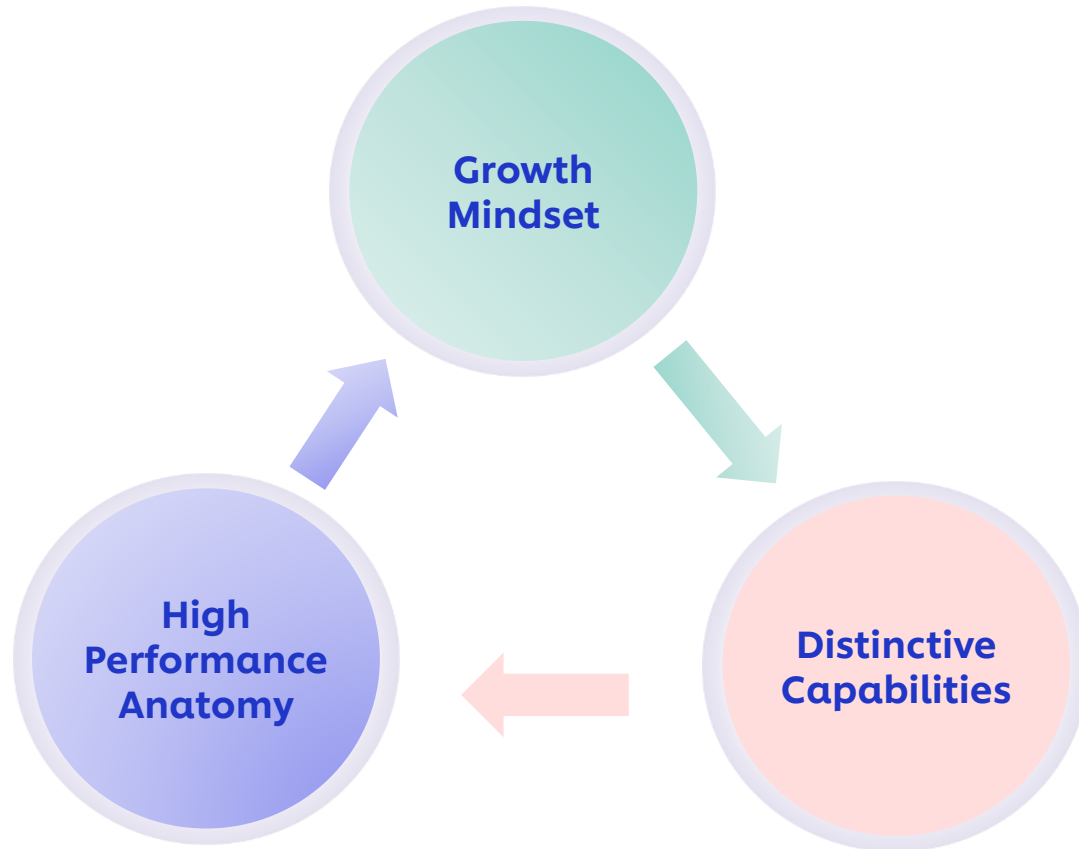
**Microcosm of India**

## Culture to outperform



Igniting the **human spark**  
for a better business & a better world

## Long Term Value



## Our Strengths

Consumer & Customer Obsession

Deep Passion

Owner's Mindset

Dissatisfaction with Status Quo

Humbition