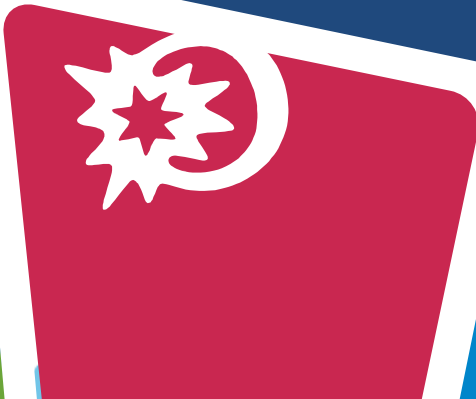


# HINDUSTAN UNILEVER LIMITED

EDELWEISS INDIA CONFERENCE| 7 FEB'18

Sanjiv Mehta, CEO & MD



*Hindustan Unilever Limited*

# SAFE HARBOUR STATEMENT

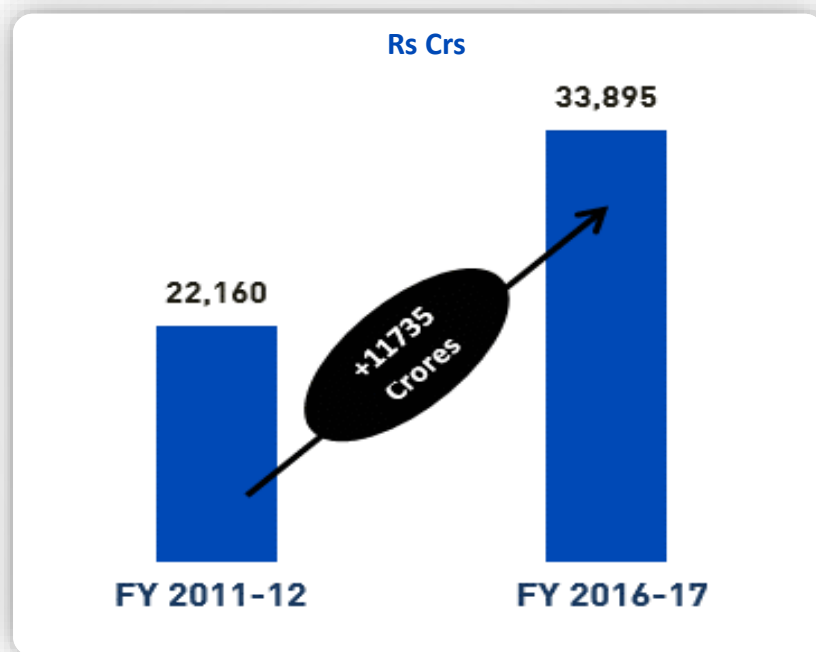


This Release / Communication, except for the historical information, may contain statements, including the words or phrases such as 'expects, anticipates, intends, will, would, undertakes, aims, estimates, contemplates, seeks to, objective, goal, projects, should' and similar expressions or variations 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

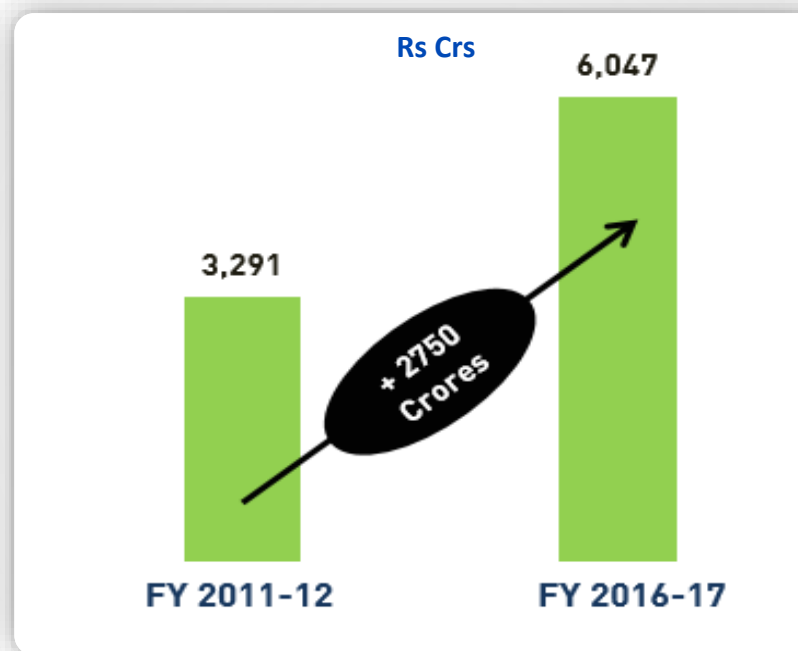
## LONG TERM PERFORMANCE

### Net Sales



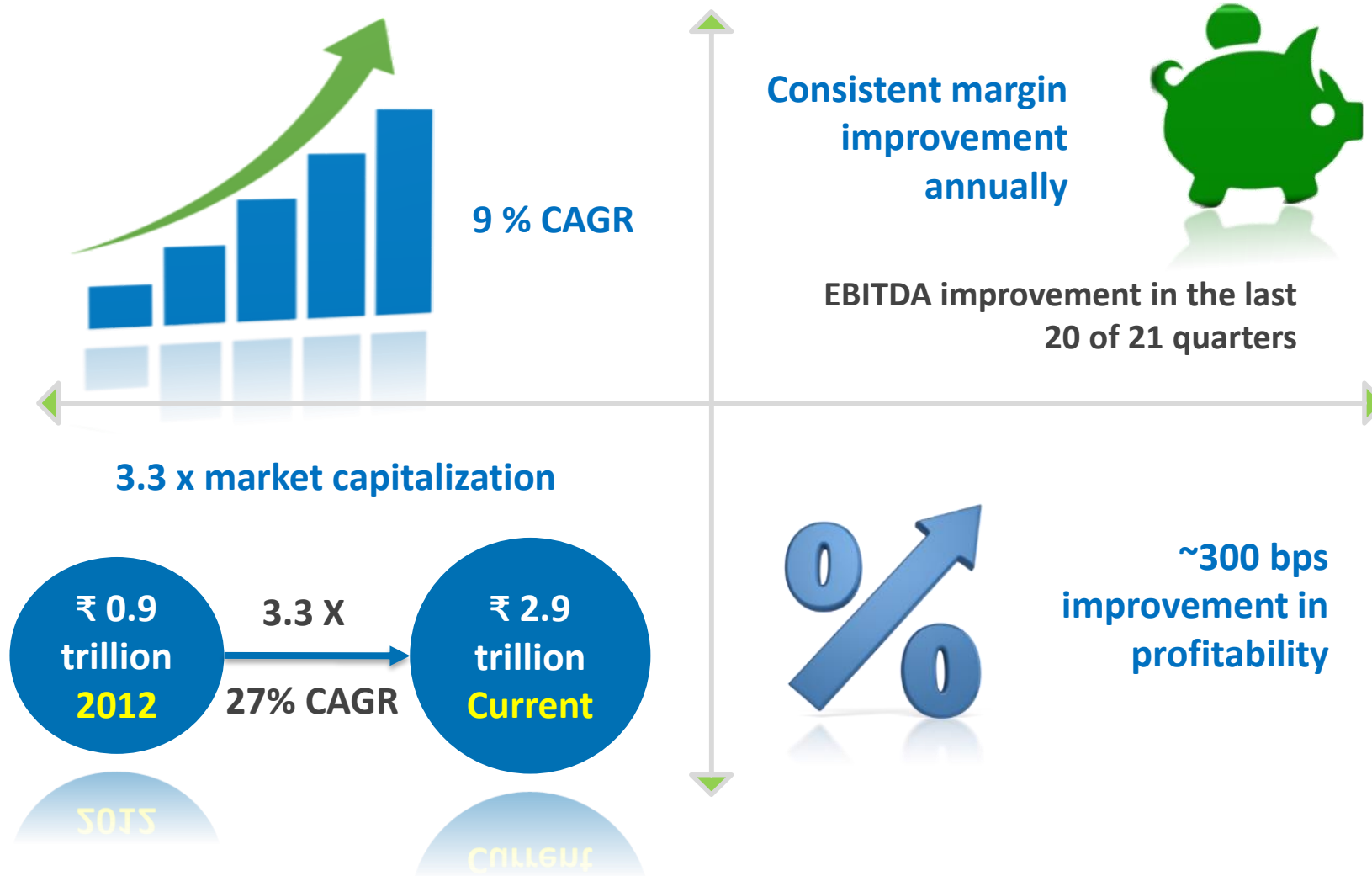
~ Rs. 12,000 Crores added

### EBITDA



~EBITDA 1.8X

# STRATEGY ON TRACK AND DELIVERING IN THE LAST 5 YEARS



# THE WORLD AROUND US IS CHANGING



*Hindustan Unilever Limited*



# IT'S AN AGE OF CHANGE AND DISRUPTION

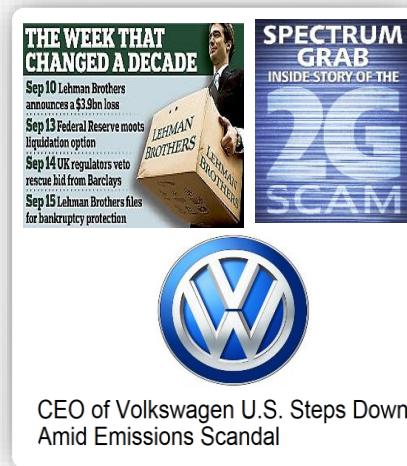
## Disruption



## Volatility



## Trust deficit

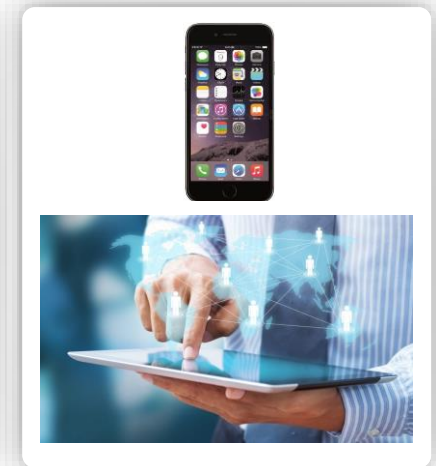


CEO of Volkswagen U.S. Steps Down  
Amid Emissions Scandal

## Climate



## Speed of change





# ALONG WITH THESE, WE HAVE A CHANGING INDIA

## Millennials



## Urbanization & Affluence



## Changing Family Dynamics



## From Scarcity to Abundance



## Mobile & Internet

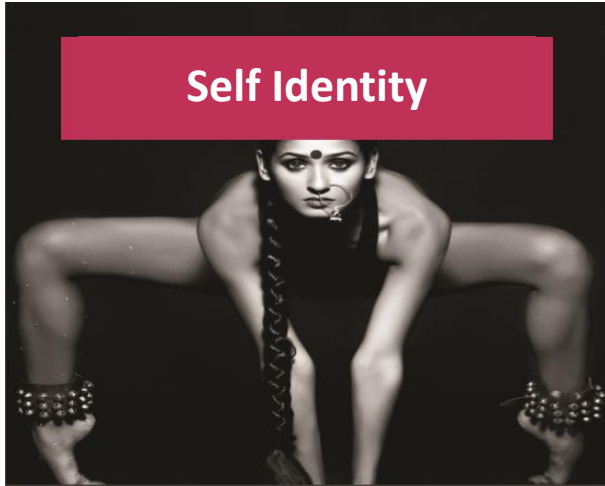


## Regulatory



# AN INDIA RIDING ON GLOBAL CONSUMER TRENDS

**Self Identity**



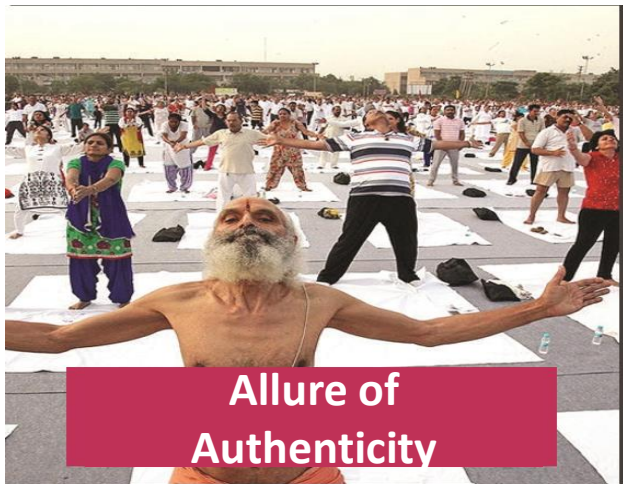
**Living the moment**



**Breaking Stereotypes**



**Allure of Authenticity**



**Accumulating Experiences**



**More Personalisation**







**01**

## **SELF IDENTITY**

Packaging and showcasing oneself loudly is the new measure of success

## **MANIFESTATIONS**

### **TABLOIDIZATION OF SELF**

Every aspect of one's life is curated and performed

### **SHOWCASING TALENT**

Displays of evolved sensibilities around 'leisure' replace displays of 'capability'



02

## LIVING THE MOMENT

An explosion of  
opportunities creating an  
appetite to capitalize on  
'the now'.

### MANIFESTATIONS

#### MAXIMUM ME

An insatiable  
desire to be and  
do more

#### MULTIPLE ME

Adopting multiple  
identities and roles  
allows for mobility

#### LOVE FOR THE NOW

Throwing caution  
to the winds and  
living it up in the  
moment



A woman in a black dress is working on a wooden table outdoors. She is using a large metal square to mark the table. In the background, a man is visible near some stone structures. The scene is set in a rustic, outdoor environment.

# 03

## BREAKING STEREOTYPES

People are breaking  
gender and professional  
stereotypes to script their  
own success

### MANIFESTATIONS

#### REJECT LABELS

Challenging social  
prejudices and  
taboos

#### INCORPORATE THE UNCONVENTIONAL

Embracing  
unconventional roles  
and ways of being

#### I DO IT MY WAY

Rejecting scripted  
paths in order to  
leapfrog towards  
success



**04**

## **ALLURE OF AUTHENTICITY**

**Renewed connect with  
traditions, nature and  
authentic values**

### **MANIFESTATIONS**

**DISILLUSIONMENT**  
with a globalised  
template of modernity

**SEARCH FOR  
ONE'S ROOTS**  
The revival of  
tradition, history  
and mythology

**PROUD OF LOCAL**  
Celebrating both the  
style and the substance  
in the local

**RETURN TO NATURE**  
A quest for a more  
natural and authentic  
way of living





**05**

## **ACCUMULATING EXPERIENCES**

Living the Moment is more important; Easy access, faster consumptions, getting more from life

### **MANIFESTATIONS**

Shift from owning  
to experiencing

**#FOMO:**  
Fear of Missing Out

**#YOLO:**  
You Only Live Once



06

## MORE PERSONALISATION

Designed for me and not  
designed for mass

### MANIFESTATIONS

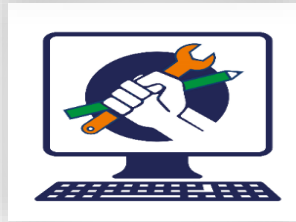
**Products that Fit Me**  
Bespoke is all about  
me!

**Learn about me** the  
product needs to  
know what I need

**I am the curator** so I  
decide what I will  
have how I will have

# KEY CHALLENGES FACING INDIA

## Job and skill deficit

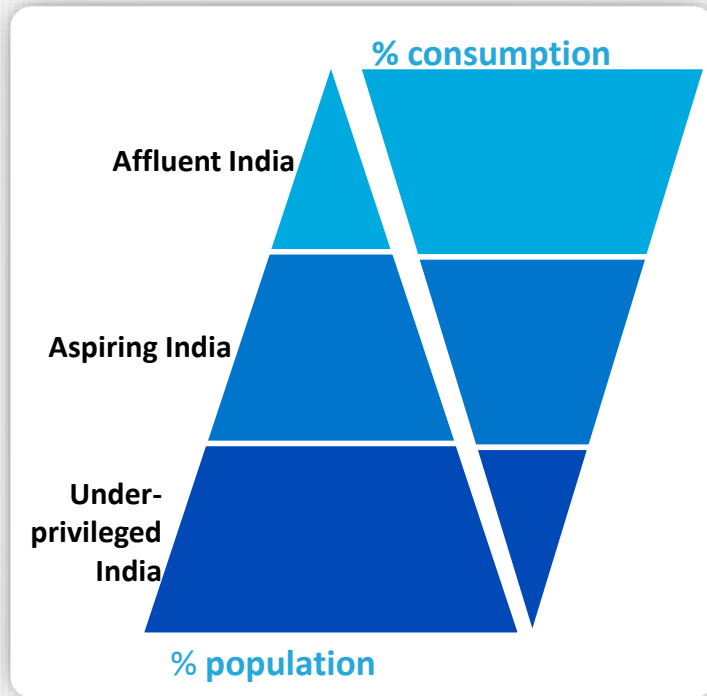


**1 million jobs** need to  
be created every month

## Urban infrastructure

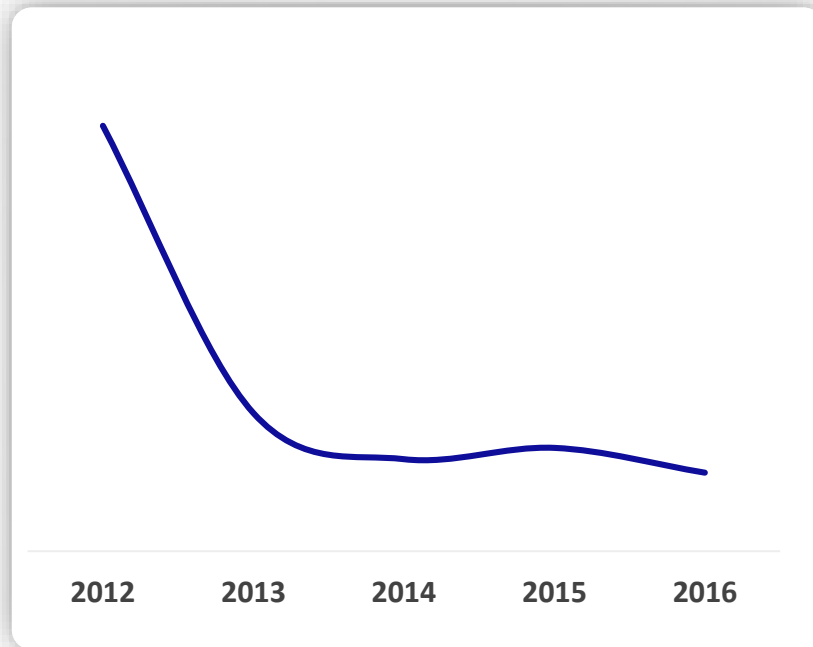


## Huge disparity



# FMCG: WHILE THERE IS A STRESS IN THE SHORT TERM, WE ARE POSITIVE ON THE LONG TERM OUTLOOK

Slow down in growth

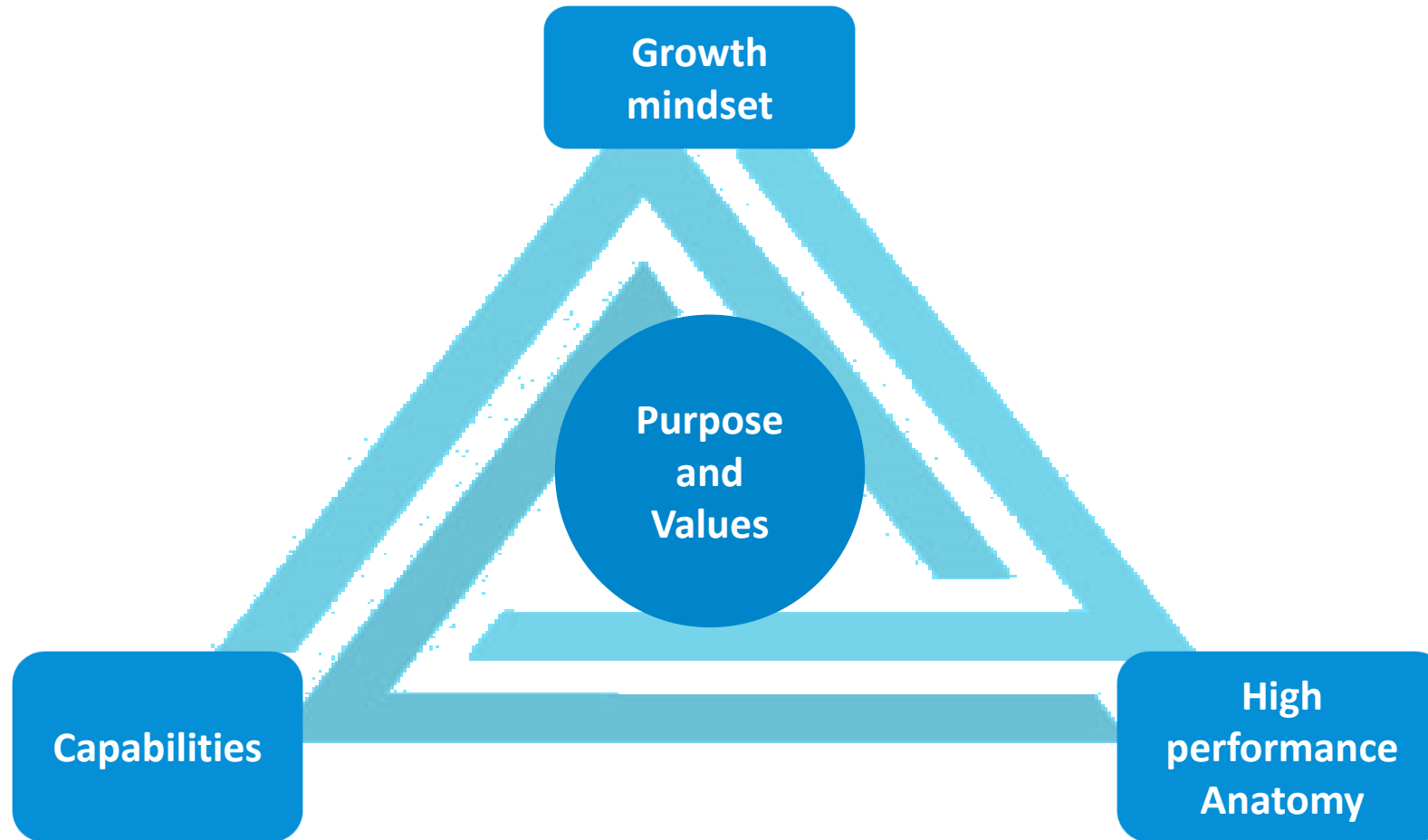


Positive long term outlook

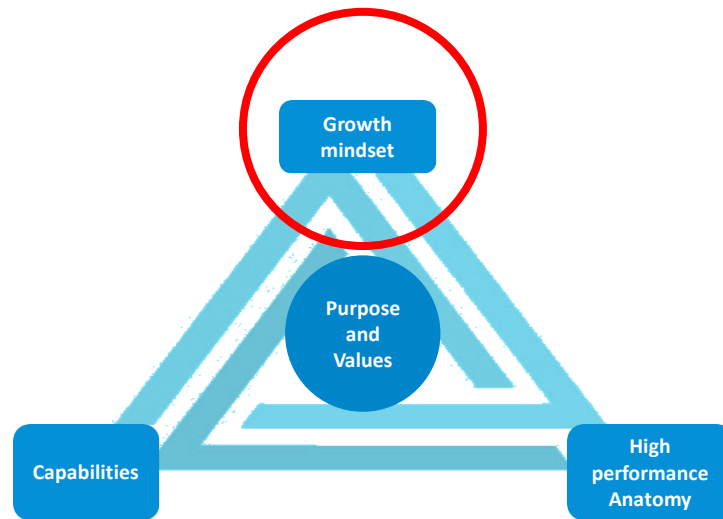
Country	Per Capita Consumption (US\$)
India	29
- India Urban	64
- India Rural	14
Indonesia	56
China	117
Philippines	156
Thailand	367



# CREATING A FUTURE READY HUL



# GROWTH MINDSET



“Without continued growth & progress, such words as improvement, achievement & success have no meaning”



# MARKET DEVELOPMENT

## BUILDING CATEGORIES OF THE FUTURE

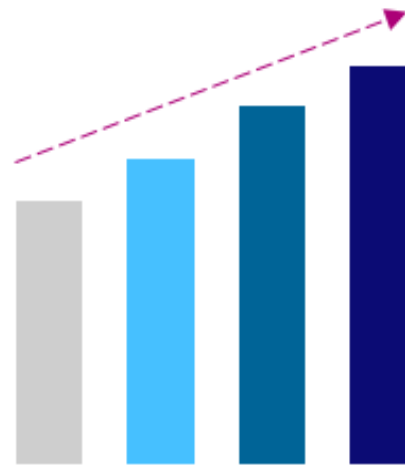


Male grooming



Hair Conditioners

Strong double digit growth, every year



■ 2013-14 ■ 2014-15  
■ 2015-16 ■ 2016-17

~2.5x HUL Growth Rate



Hand Wash



Face Wash



Liquids



Fabric conditioners



Green Tea

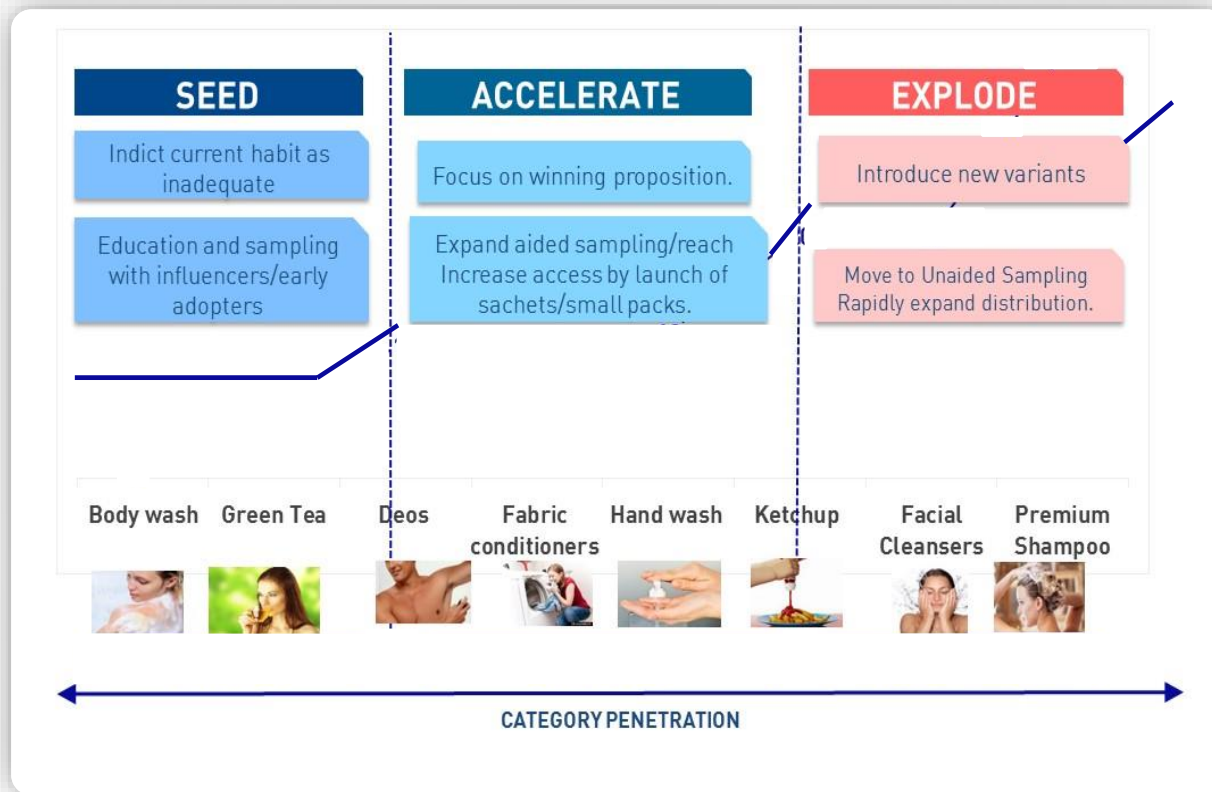


Body Wash

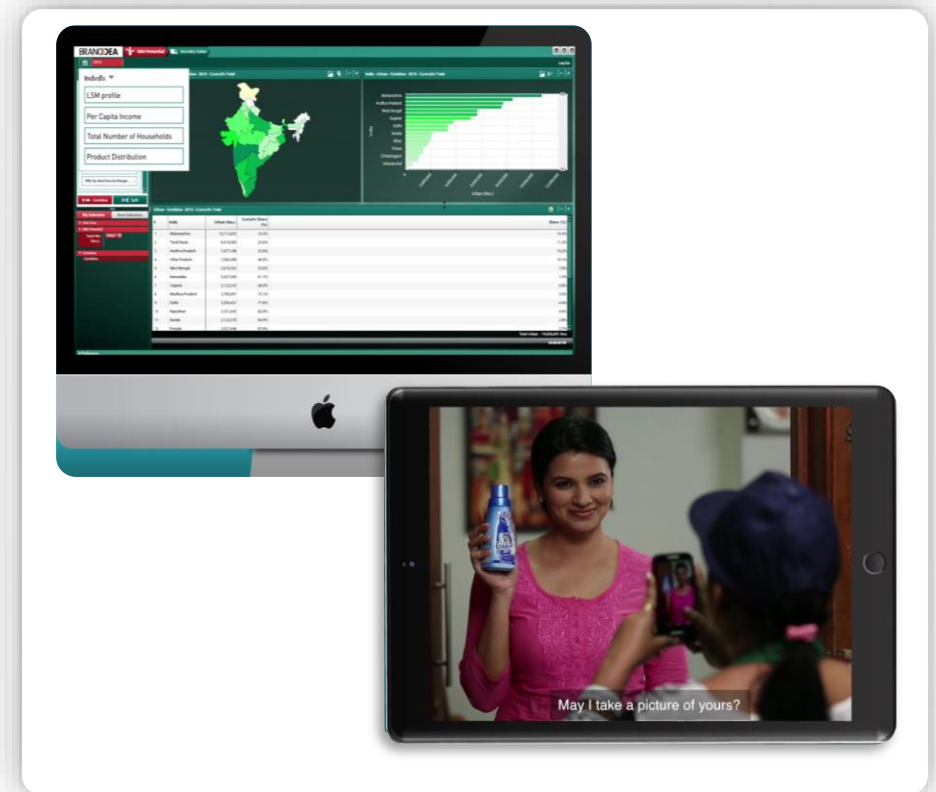
# MARKET DEVELOPMENT

## BRINGING SCIENCE TO SAMPLING

### Market development model



### Targeted sampling





# BUILDING CHANNELS OF THE FUTURE

## Strengthening the existing channels



**Wholesale**



**General Trade**



**Drug-pharmacy & beauty**

## Channels of the future



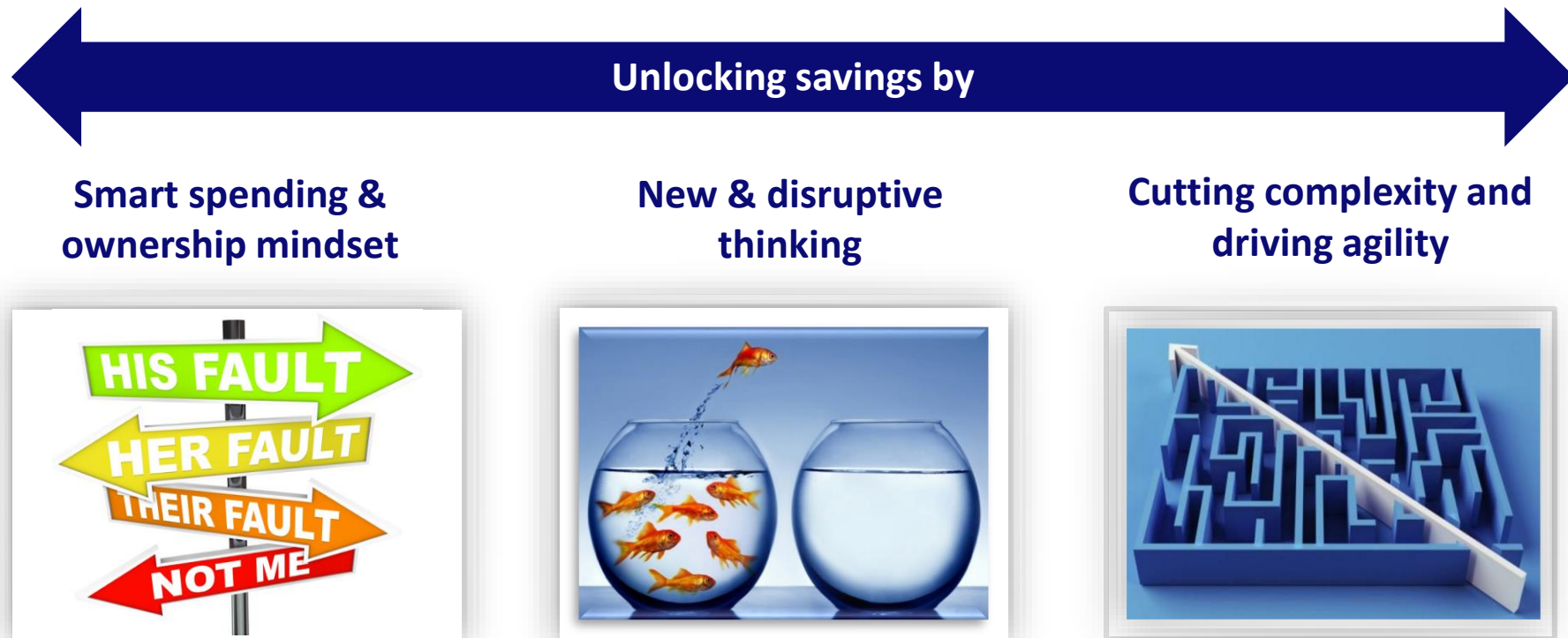
**Modern Trade**



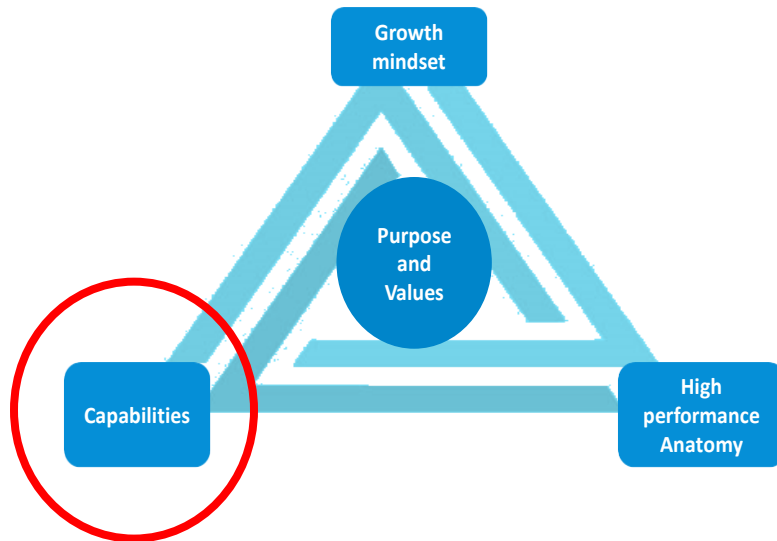
**E-Commerce**

# PROJECT SYMPHONY

## FUELLING GROWTH



Targeting and delivering end to end savings of ~7% of turnover



**“Capabilities should be distinctive and hard to replicate”**



# CREATING CAPABILITIES FOR THE FUTURE

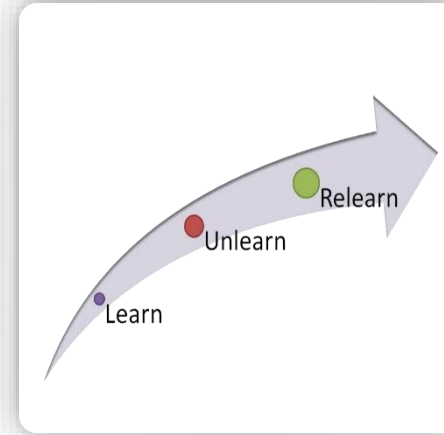
**Consumers to  
people relationship**



**Predict,  
Don't just fulfil**



**Unlearn to  
relearn**



**Reimagine**



**Learn, Build, Measure, Scale**



# RE-IMAGINING HOW WE RUN OUR BUSINESS

## Insights



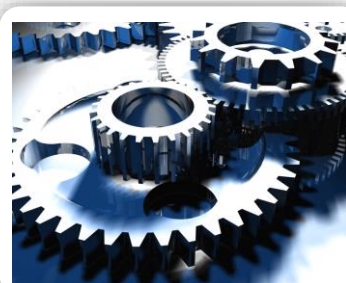
- Always on conversations
- Real-time sentiments analysis

## R&D



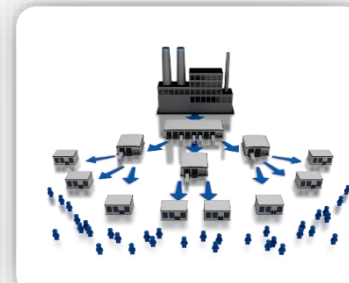
- Digitized inhouse innovations
- Open innovations

## Manufacturing



- Real time demand sensing and inventory management
- Robotization

## Distribution



- Automated warehousing
- New age logistic models

## Communication



- Customized One to one
- Content driven

## Consumer journey



- E-Commerce
- Technology for General Trade

Artificial intelligence, Big Data and Analytics

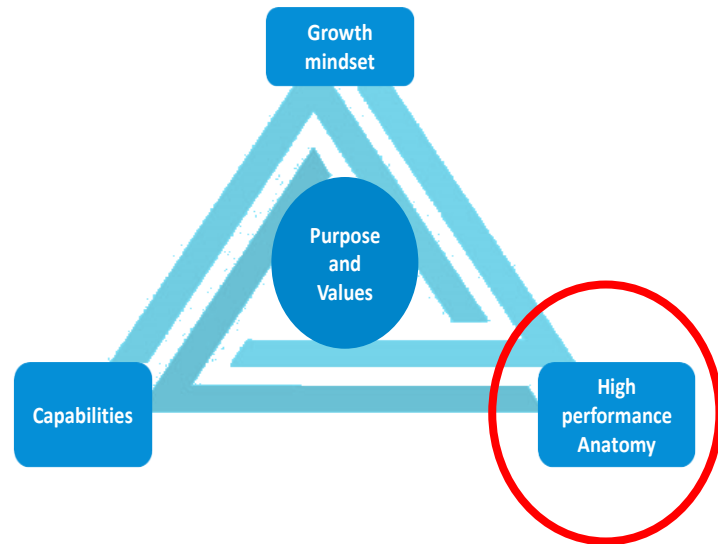
# RE-IMAGINING HOW WE RUN OUR BUSINESS

**MASS**  
**MARKETING**



**MASSIVE**  
**CUSTOMISATION**

# HIGH PERFORMANCE ANATOMY



**“Mindsets that permeate an organization, that guide problem-finding as well as problem-solving, whose influence is observable in decisions and actions”**



# BUILDING A HIGH PERFORMING ORGANIZATION

## Winning in Many Indias



## Connected 4 Growth



## Building leaders

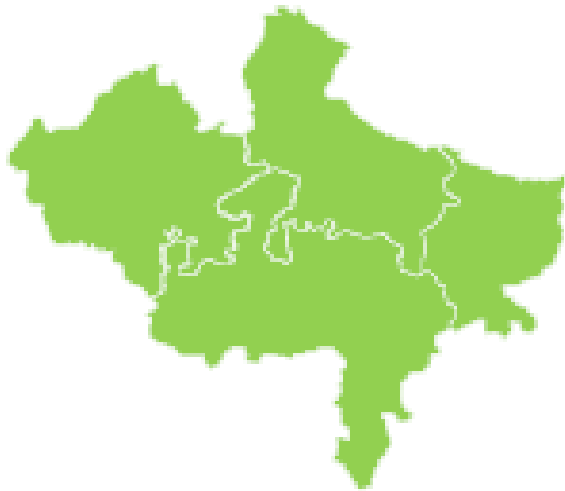




# WINNING IN MANY INDIAS

## TURBOCHARGING GROWTH WITH AGILITY

### Central India



### Pricing, Product Adaptation



Cluster Specific Mixes – Content,  
Communication, Schemes

### Empowerment



Authority to spend on local activation  
now vests with Cluster Heads

# CONNECTED 4 GROWTH (C4G)

FASTER, MORE CONSUMER & CUSTOMER CENTRIC, FUTURE PROOFED

Brand Development



Brand Building

CROSS FUNCTIONAL **CCBTs** : GLOBAL – LOCAL BRAND COMMUNITIES

Consumer & Customer Centric



Bigger innovations



Faster innovations



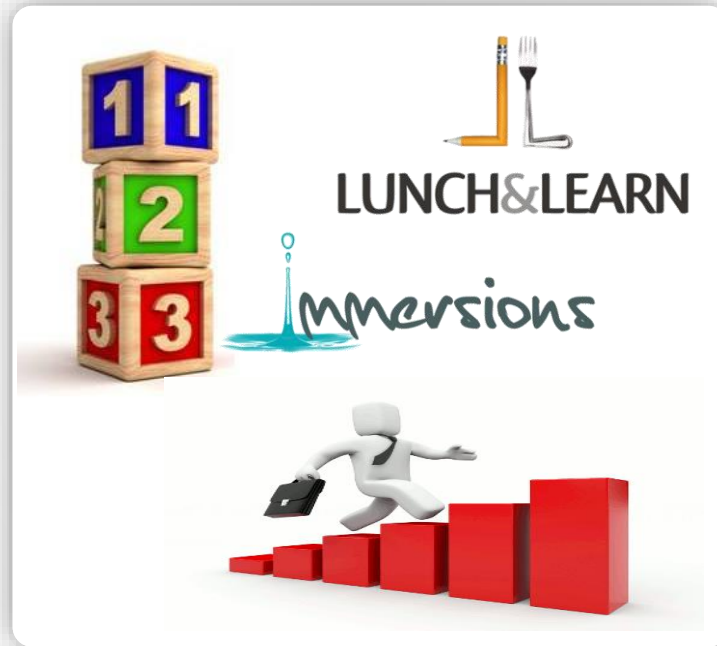
All about experimentation, empowerment and collaboration

# BUILDING LEADERS

## Attracting Best Talent



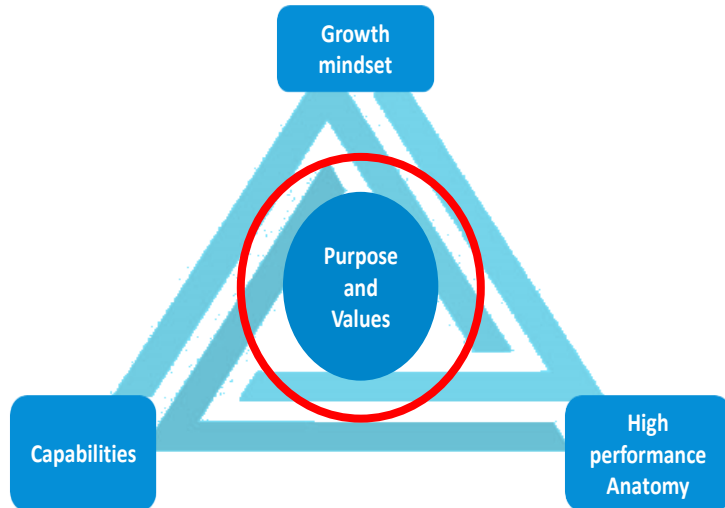
## Leadership Opportunities



## Diversity and Inclusion



# PURPOSE AND VALUES



*I believe that nothing can be greater than a business, however small it may be, that is governed by conscience; and that nothing can be meaner or more petty than a business, however large, governed without honesty and without brotherhood.*

*- William Hesketh Lever*



# ROOTED IN PURPOSE AND VALUES



**INTEGRITY**  
**RESPECT**  
**RESPONSIBILITY**  
**PIONEERING**

A square graphic with a white border. The background is solid white. Overlaid on this is the text "INTEGRITY RESPECT RESPONSIBILITY PIONEERING" in bold, sans-serif capital letters. Each word is a different color: "INTEGRITY" is pink, "RESPECT" is red, "RESPONSIBILITY" is green, and "PIONEERING" is purple.

# BUILDING BRANDS WITH PURPOSE



Hindustan Unilever Limited







Hindustan Unilever Limited

## SURF EXCEL HAAR KO HARAO AV



# UNILEVER SUSTAINABLE LIVING PLAN

## WEAVING SUSTAINABILITY ACROSS THE BUSINESS

### Health and well-being



### Enhancing livelihoods



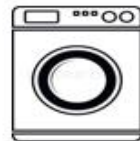
### Sustainable sourcing





# SUVIDHA CENTRE

## INNOVATIVE SOLUTION TO SANITATION PROBLEMS



**Circular economy principle used to reduce water usage**

Fresh water used  
for brushing,  
washing, bathing  
etc.



Waste water from  
these activities  
becomes input for  
flushing toilets

**~10 mn litres**  
of water savings per annum

# POSITIVE IMPACT TO THE ENVIRONMENT

## Thought leader on water conservation



## Becoming plastic neutral

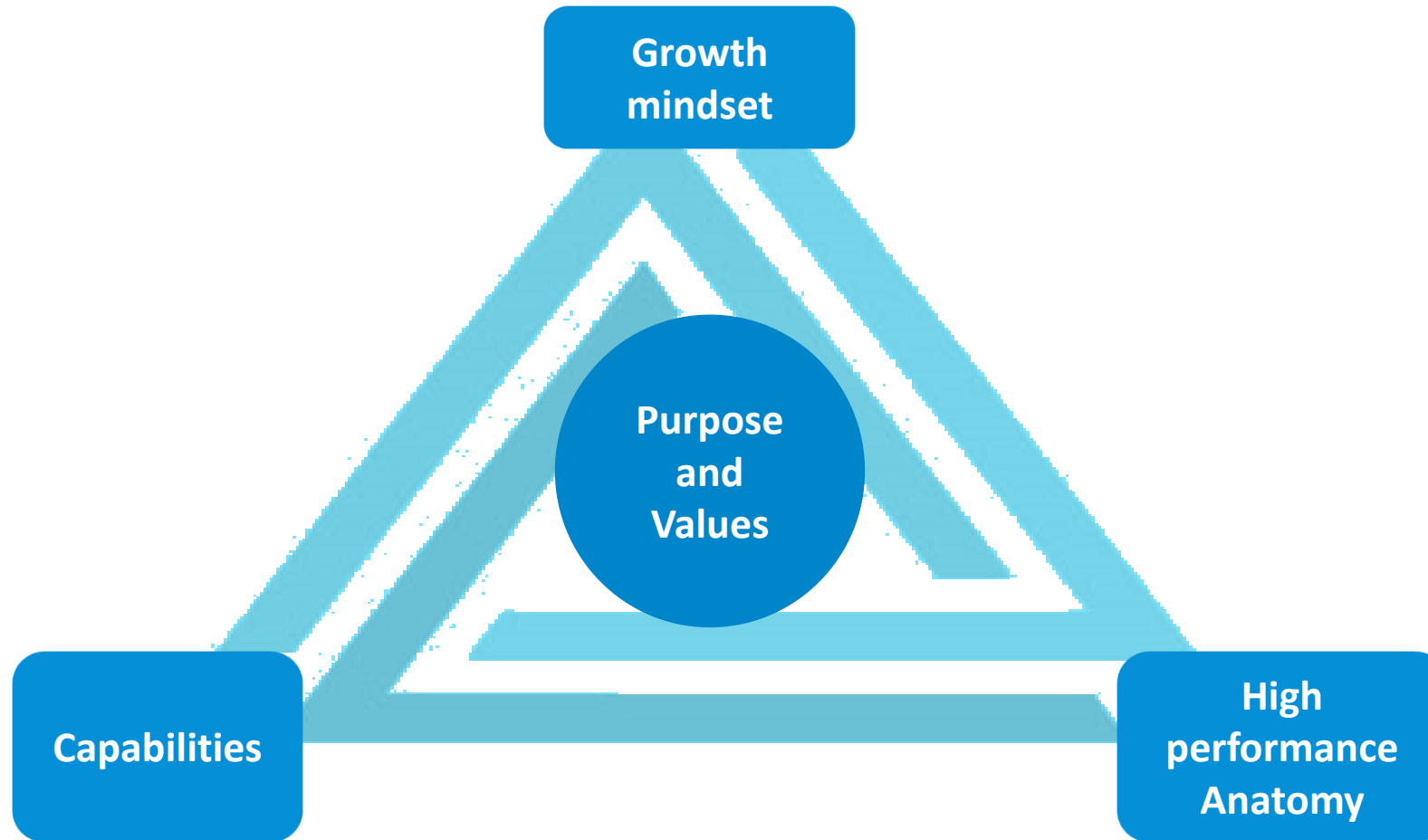




Hindustan Unilever Limited

**HUF - AV**

# CREATING A FUTURE READY HUL





# WINNING DECISIVELY



Hindustan Unilever Limited



- 1 Winning with brands and innovation
- 2 Winning in the marketplace
- 3 Winning through continuous improvement
- 4 Winning with people
- 5 Unilever Sustainable Living Plan

**4G Growth:**  
**Consistent, Competitive, Profitable, Responsible**

# THANK YOU

FOR MORE INFORMATION

## VISIT OUR WEBSITE

### HUL Annual Investor Meet 2017

HUL's Annual Investor Meet 2017 will be held on 2nd June 2017, Friday, at the HUL Head Office in Mumbai

[> View more](#)



## HUL INVESTOR APP

