

Winning in the New Decade

Sanjiv Mehta

Chairman and Managing Director

20th September 2021



Hindustan Unilever Limited



India's Largest FMCG Company

130+ years

of proud history in India

5th Largest

Indian company

by market capitalisation of

₹6.5 Tn

Top 15

Foods & HPC company

Globally

₹450 Bn

Turnover

9% CAGR

In last decade

9 out of 10

Households use one or more of our brands



Hindustan Unilever Limited

Brands in

8 Mn

stores

25%

Operating margin

+1000 Bps

In last decade

#1 Employer of choice

For 12 years in a row
Across industries

#1 Advertiser

With deepest reach

>1.3 Tn

litres

Water conservation potential created

Plastic neutral

By 2021



Our Distinctive Strengths

1. Purposeful Brands and Wide Portfolio

2. World class R&D

3. Extensive Distribution and Agile Supply Chain

4. Future-fit Talent and Organisational Culture

5. Sustainability at our Core



Purposeful Brands

₹50 Bn+



50+
Brands

₹20 Bn+



14

in India's 100 Most
Trusted Brands

₹10 Bn+



16

New Brands added
in the last decade

₹5 Bn+





Wide and Resilient Portfolio



Skin Cleansing



Skin Care



Hair Care



Oral care



Color Cosmetics



Talc and Deos

15
Categories



Fabric Wash & Care



Dishwash



Surface and Toilet Cleaners



Water Purifier

>80%
Category Leadership



Tea



Health Food Drinks - Nutrition



Ice cream



Coffee

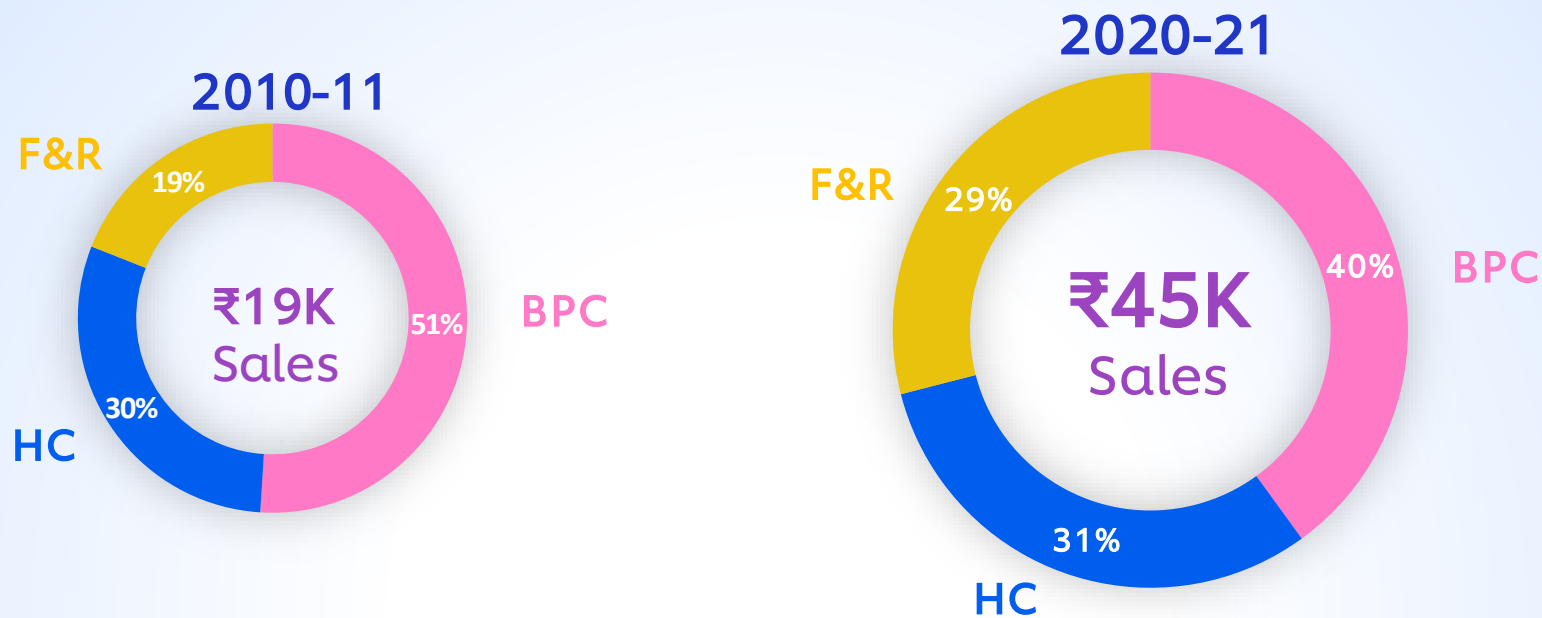


Foods

9/10
Indian households use one or more of our products every day



Portfolio Transformation



Covering white spaces through Mergers & Acquisitions

FY17



Yr 1 Sales: ₹ 0.8 bn

FY19



Yr 1 Sales: ₹ 0.3 bn

FY21



Yr 1 Sales: ₹ 47.5 bn

FY21



Yr 1 Sales: ₹ 0.5 bn



World Class R&D, Extensive Distribution and Agile Supply Chain



Largest FMCG R&D
in India



>5,000 Scientists Globally, **650** In India
>100 PhDs & Post Docs in India



Access to **18 R&D** centres
across Unilever global network

20K
Patents globally



8 mn stores sell our products



Modern Trade



eCommerce & D2C

>10%
Demand captured
digitally



29 Owned Factories |
40+ Manufacturing Partners



1150+ Material Suppliers
~ **₹300** bn Procurement spends



26 Distribution Centres*

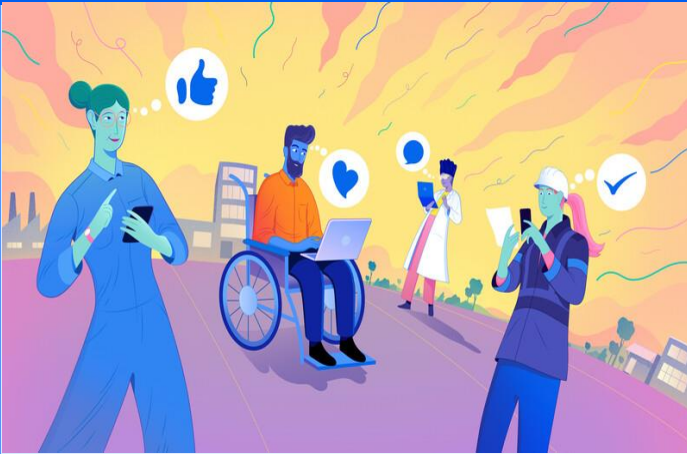
30%
Flexible capacity

* Excluding nutrition



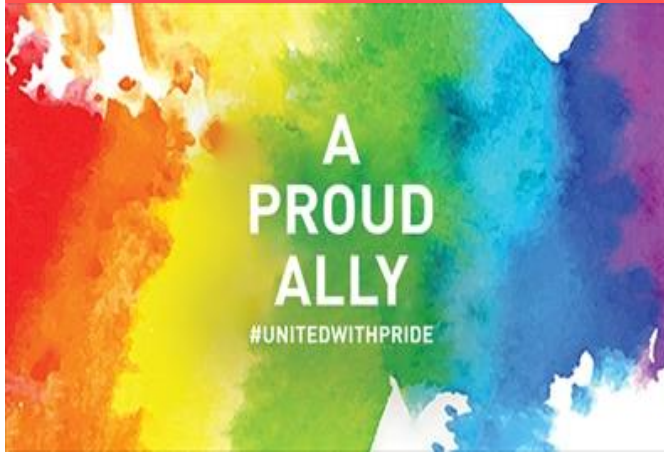
Future-fit Talent and Organisational Culture

Purpose driven



21,000 Strong workforce |
Digital first mindset

Diverse & Inclusive



2200 Bps Improvement in
manager gender balance in last
decade

High performance culture



Experimentation |
Pioneering

Employer of Choice for 12 years in a row



Differentiated structures and capabilities

WiMI Strategy



Harnessing the power of
De-averaging

Empowered teams



Country | Category | Business | Team

16 mini boards –
responsible to deliver in-year
results



Sustainability at our Core : Key Highlights

>154 million

people have been reached through our Water, Sanitation and Hygiene (WASH) initiatives, in India



~1,36,000

Shakti entrepreneurs empowered through the Shakti programme by end of 2020



~6 million

people reached through Project Prabhat



5 Suvidha centres

setup in Mumbai slums to provide clean toilets, drinking water and laundry services

>1,50,000

tonnes post-consumer use plastic waste collected and safely disposed since 2018



ENVIRONMENT

HEALTH & WELLBEING

SOCIAL

>1.3 trillion*

of water potential cumulatively created through improved supply and demand water management



* till financial year 2019-20



Consistent high performance over the past decade

Consistent growth

₹ 450 Bn

FY 2021 turnover

9%

CAGR growth

Profitable growth

25%

FY 2021 EBITDA margin

> 1000 Bps

margin improvement

Long term value creation

10X

Market Capitalisation



#1 FMCG Company in India **#5** in India by Market Cap

Top 15 Foods & HPC Company Globally by Market Cap



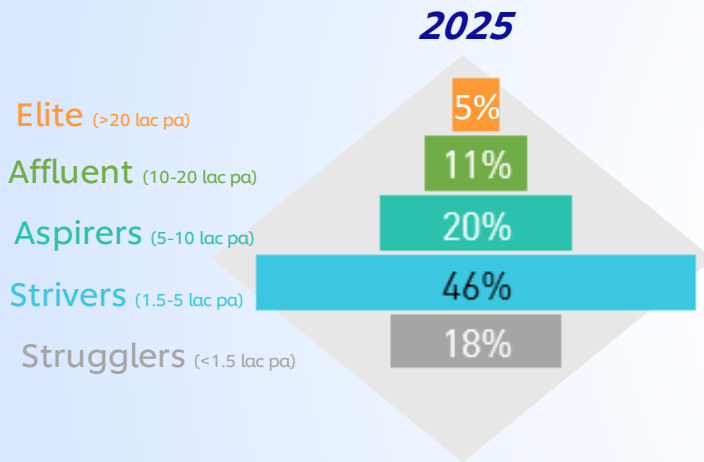
India : Poised for growth





India : One of the fastest growing economies

Favorable demographics



Upward income mobility | Large working-class population

Huge headroom for growth in FMCG

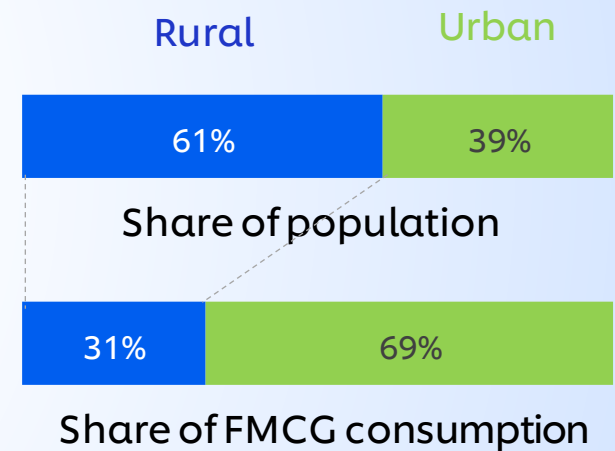
Low penetration



Low FMCG per capita consumption



Significant potential in rural





Consumer of the Future : Some mega trends

Un-Stereotype



- Reject labels
- Greater sense of self-worth
- Embrace the unconventional

Holistic Health



- Healthier products, priorities & lifestyles
- Extends beyond physical health
- Immunity and resilience in adversity

Search For Authenticity



- Reconnect with one's roots
- Spirit of a 'new localism'
- Homegrown versions of modernity



Consumer of the Future : Some mega trends

Hyper-personalisation



- Meaningful connections
- Powered digitally

E-everything



- Digitally fueled lifestyle
- 'Tech-celeration' of consumer life

Net Zero



- Green awakening
- Earth Positive, Nature Positive and Climate Positive will appeal



Hindustan Unilever Limited

WINNING IN THE NEW DECADE





Clear and compelling strategy



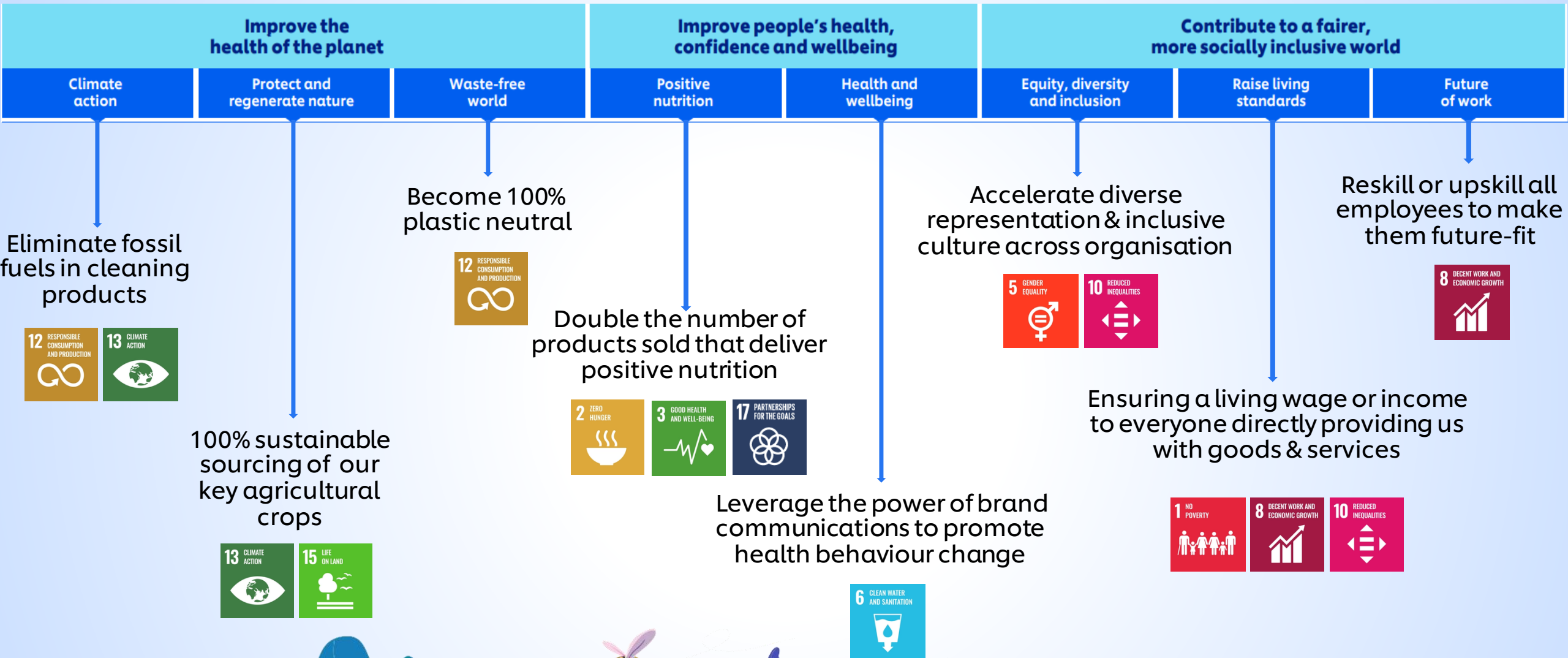
Our Vision

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.





Compass Commitments





Five strategic choices

1. Developing our portfolio

2. Win with our brands as a force for good, powered by purpose and innovation

3. Lead in the channels of the future

4. Build differentiated structures and capabilities

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

Operational Excellence

Improved
penetration

Impactful
innovation

Design for
channel

Purposeful
brands

Fuel for
growth



1. Developing our portfolio

Un-stereotype

Holistic Health

Authenticity

Personalisation

E-everything

Net Zero

Growing the Core



Superior Products | Effective Communication | WiMI

Market Development



More users | More usage | More Benefits

Premiumisation



Upgrading consumers to higher order benefits



Growing the Core

Superior Product



LIFEBUOY

THE WORLD'S 1ST
TO REPORT ITS HANDWASH AND SANITIZER
ARE OVER **99.9% EFFECTIVE***
AGAINST THE **COVID-19 CORONAVIRUS**



*as per lab test

Communication driving salience



कोरोना वायरस को फैलने से रोकें.
लाइफ़बॉय साबुन से हाथ धोएं.

प्रमाणित
100%
फॉर्मूला



NEW • SILVER SHIELD FORMULA

Lifebuoy

100% Stronger
Germ Protection*

Total 10



*साबुन और सैनी को डबल धोना या अलकोहोल आधारित हैंड सैनिटाइजर का इस्तेमाल करना एक ऐसा उपाय है जो कोरोना वायरस को फैलने से रोकने में सहायक हो सकता है. स्वास्थ्य अधिकारियों द्वारा बताए गए दिशानिर्देशों का पालन करें.

WiMI Play



NEW ADVANCED WORLD'S NO.1

Lifebuoy

100% Stronger
Germ Protection*




NEW ADVANCED WORLD'S NO.1

Lifebuoy

100% Stronger
Germ Protection*

Different product mixes & communications

Lifebuoy : Extending leadership position in India

#1 Soap brand, #1 Hygiene brand in Skin cleansing, #1 Hand Sanitizer brand



Accelerating Market Development

Sampling at scale



Persuasive communication |
Access packs | Sampling

Addressing key triggers & barriers

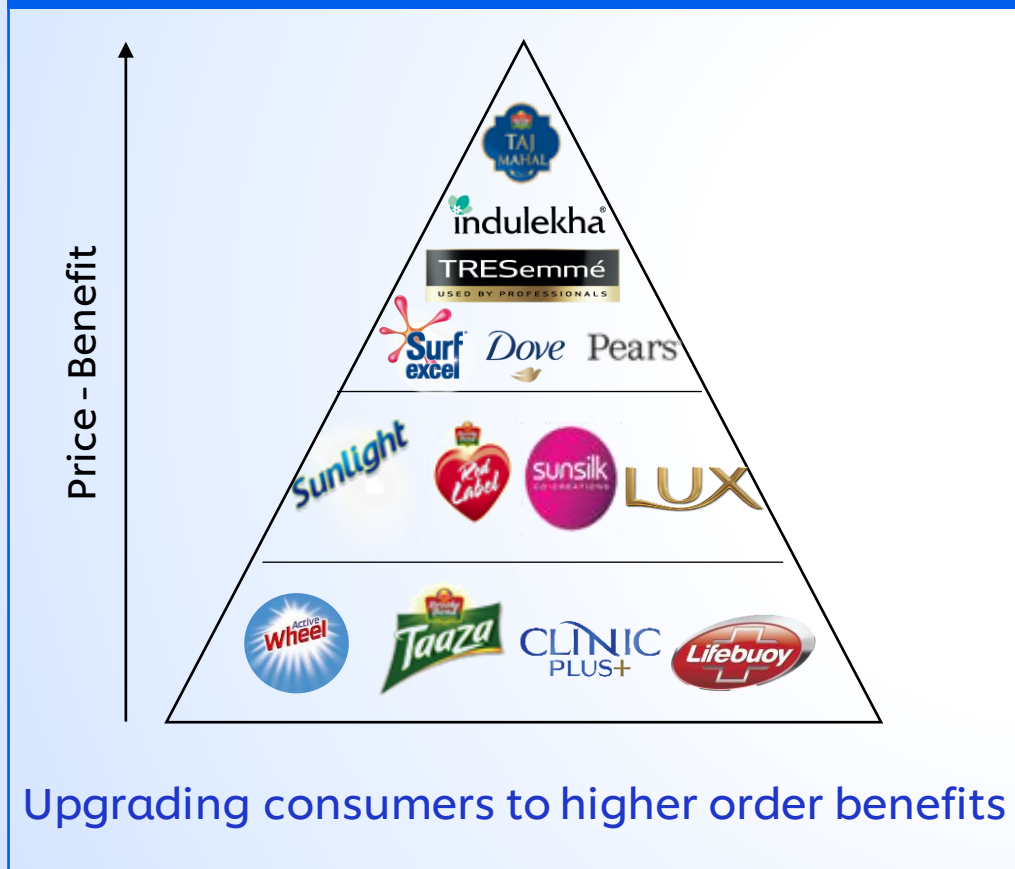


Indicting current habit |
Explaining benefit | Education



Premiumisation

Straddling the price benefit pyramid



Premium Beauty Business Unit



Built for digitally native & affluent consumers



2. Win with our brands as a force for good, powered by purpose and innovations

Un-stereotype

Holistic Health

Authenticity

Personalisation

E-everything

Net Zero

World class technology

PEPSODENT
GERMI CHECK+
MOUTH
RINSE LIQUID



Do not eat anything
after rinsing for half
an hour

Product superiority

VIM BAR BENEFITS



Vim Bar removes tough stains



With Power of 100 Lemons*,
Vim removes grease faster



Vim Bar has a refreshing
lemon fragrance

*Power refers to cleaning benefit of 100 lemons.

Purpose drives growth



Taste of Togetherness



World class technology

Differentiated technology



Next generational science





Consumer focused superior products

Superior fragrance & sensorials



Leveraging Neuroscience

On-trend



Impactful Innovations



Purpose drives growth

Positive nutrition



Bridging India's Nutrient Deficiency

People positive

Rajeshwari was not pretty enough for her would be in-laws. To us, she is beautiful.

Dove

Look for the beauty. Not the flaws.

#StopTheBeautyTest

no digital distortion

Rajeshwari, Nowgong (Assam)

Positive and Inclusive Beauty

Planet positive

Tough On Stains Kinder To Planet

Superior Performance with Lesser Chemicals



3. Lead in channels of the future

Un-stereotype

Holistic Health

Authenticity

Personalisation

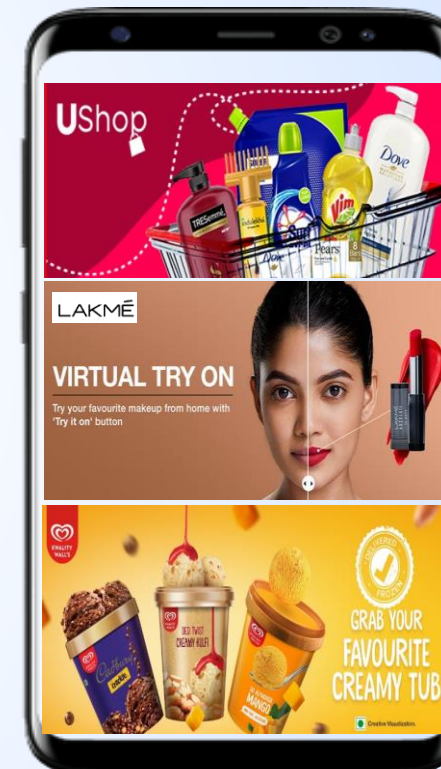
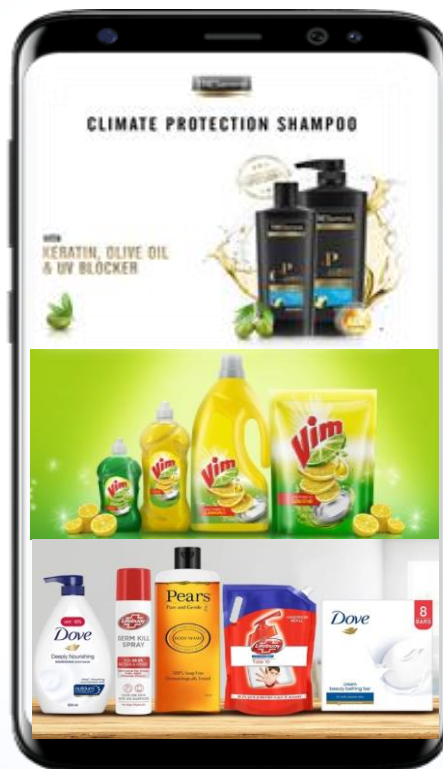
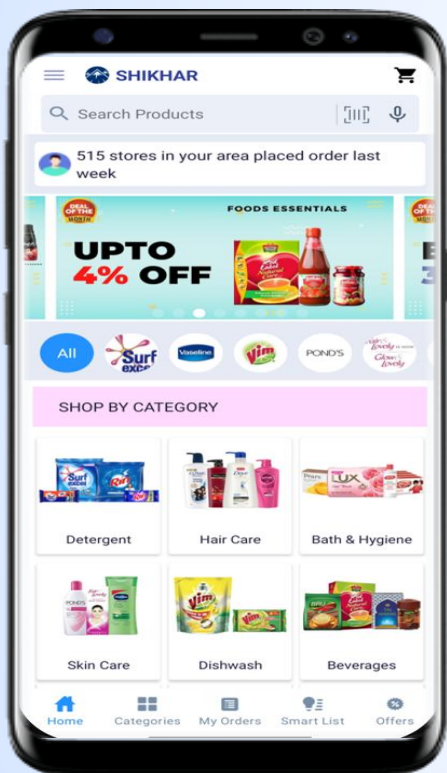
E-everything

Net Zero

Digitising General Trade

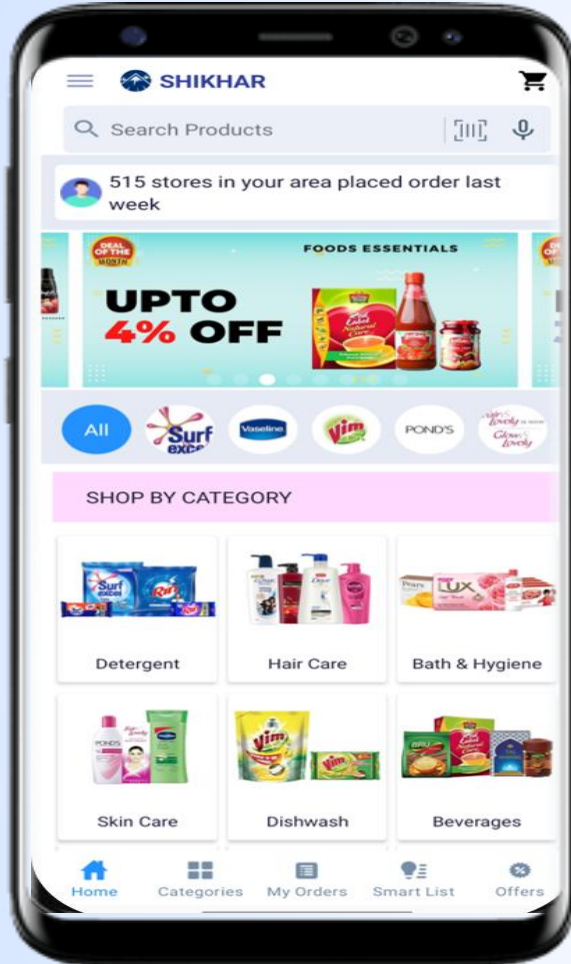
Accelerating eCommerce

New routes to consumers



Digitised demand capture > 10% of the business

Digitising General Trade : eRTM with Shikhar



Anytime Ordering



Transparent Pricing



On-time Delivery



Guaranteed Returns

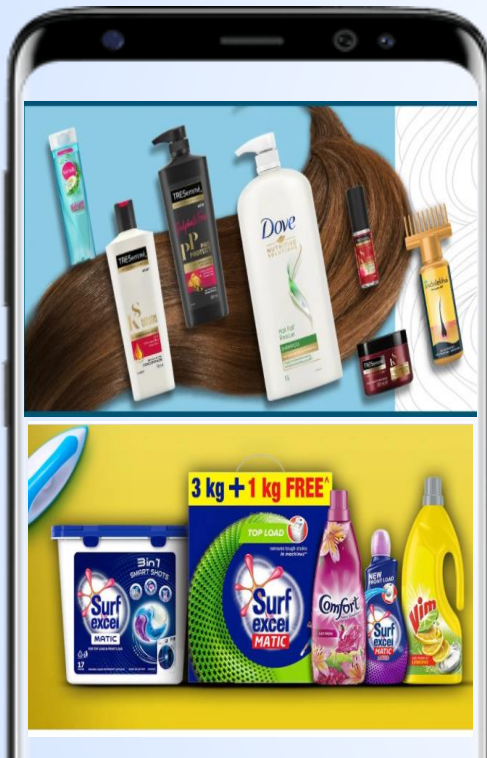


Easy No/Low Cost Credit

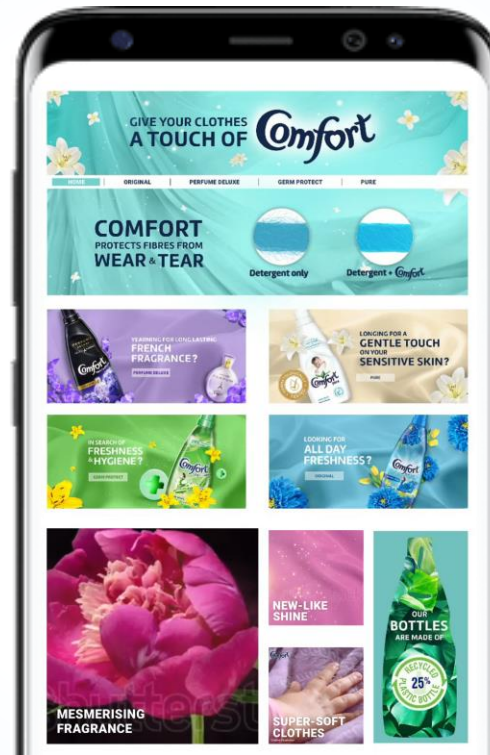
Rapid Scale-up: **600K** Stores | **10%+** Orders on Shikhar

Accelerating Pureplay and Omnichannel eCommerce

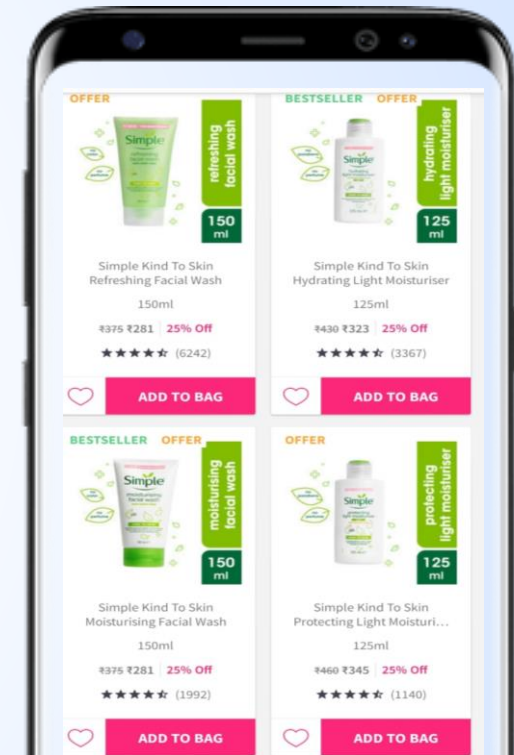
Design for Channel



Content that converts



Flawless execution



eCommerce 2x contribution in JQ'21 vs JQ'20



New routes to consumers

Taking premium brands D2C

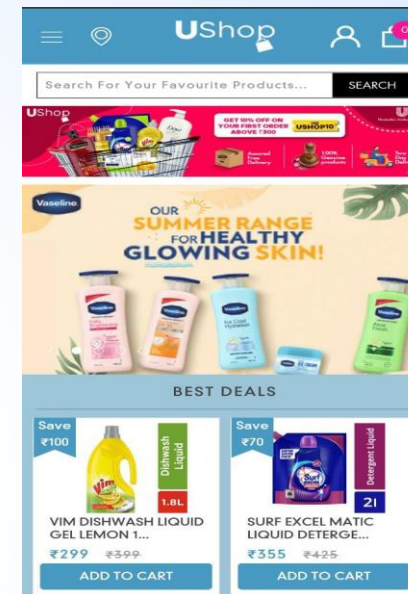
LAKMÉ
dermalogica[®]
professional-grade skin care by The International Dermal Institute



LOVE
beauty
AND
planet



UShop for Monthly Purchase



Content
Hubs

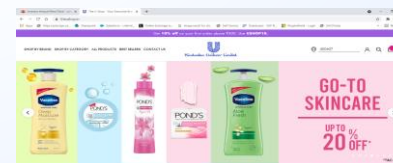
Sampling &
Experience

Direct to
Consumer

End to End
engagement

BE BEAUTIFUL . IN

GET SET
CLEAN

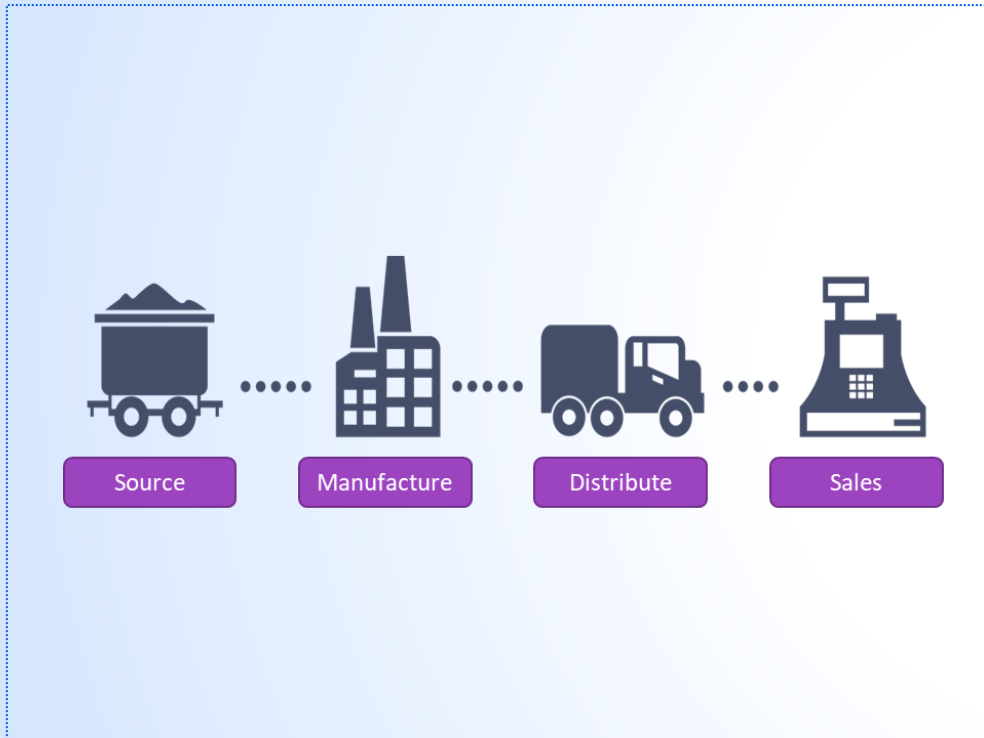




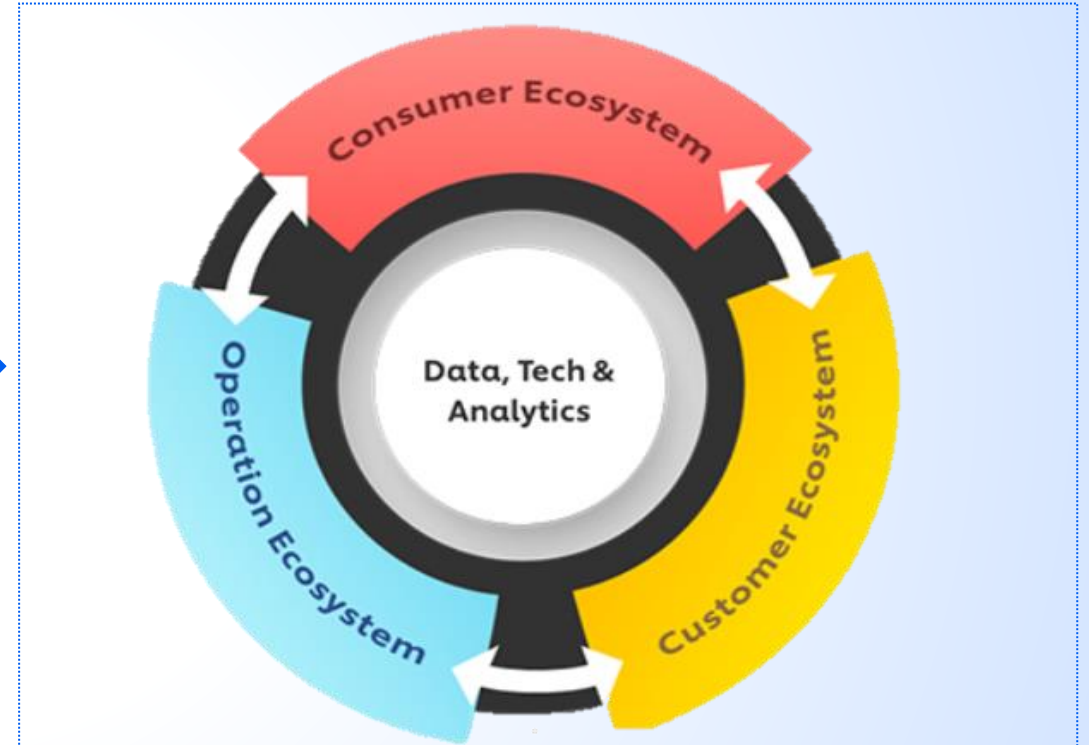
4. Build differentiated structures and capabilities

Reimagine HUL: Journey to an Intelligent Enterprise

Yesterday



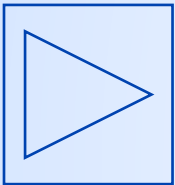
Tomorrow



From Traditional Linear Value Chain to Non-Linear and Inter-connected Ecosystems



AV: Re-imagine HUL



AV : Reimagine HUL



5. Build a purpose-led, future-fit organization and growth culture

Agile & Future-Fit Organization



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

Delivering the Today. Transforming the Tomorrow



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

