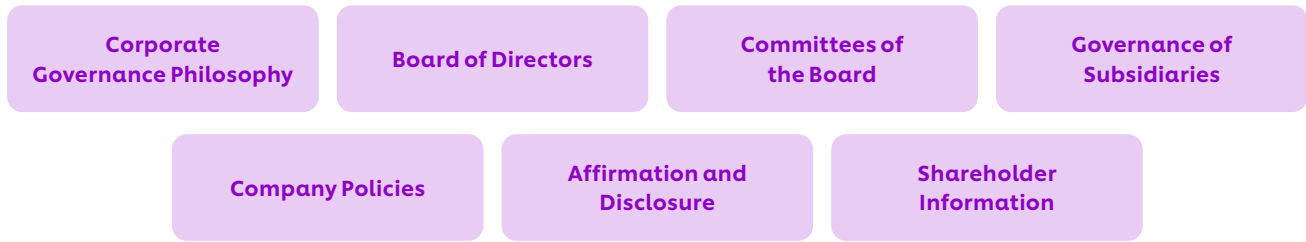


# Corporate Governance Report

The Report is divided into below sections



## Company's Corporate Governance Philosophy

Hindustan Unilever Limited (HUL) is a Company that takes pride in its legacy of good governance that was established by its visionary founders many years ago and integrated into its daily business. With more than 90 years of experience in India, our Corporate Governance framework has grown over time and is guided by our core values of Integrity, Respect, Responsibility and Pioneering. We always operate with integrity and respect for the diverse people, organisations and environments that our business impacts, and this has been central to our corporate responsibility. Our story is one of growth fueled by ideas and values. Our business has always had a clear purpose and the belief that businesses must have a purpose beyond profit. We believe that the only way a business will prosper is by making a positive difference to the challenges the world faces.

We are determined to do things the right way which means making business decisions and acting in a way that is ethical and in line with applicable laws. Our Code of Business Principles (the Code) is a reflection of our values and shows our ongoing commitment to ethical business practices across our operations. We recognise our individual and collective responsibilities to conduct our business activities with integrity. Our Code motivates us to set high standards of governance which exceed what is required under laws in many areas of our functioning.

We believe that to achieve our goals, we need to act with the highest standards of corporate behaviour towards everyone we collaborate with, the communities we impact and the environment we shape. This is how we deliver consistent, competitive performance and drive long term value creation for our shareholders, our people and our business partners. These principles have guided our actions and will continue to do so in the future. The Corporate Governance Code that the Board has adopted provides a comprehensive framework for the Company, Board of Directors (the Board), Statutory Board Committees to operate effectively for the benefit of its diverse stakeholders.

### Core principles of Governance



Integrity & Transparency



Trusteehip



Sustainability



Accountability



Strategic Oversight



Compliance with the Laws & Regulations

At HUL, we base our business on responsible corporate behaviour. We act according to our values and principles, which are strengthened at all levels within the Company.

### Corporate Governance Structure

Our Governance Structure is multi-tiered, comprising the Board of Directors, Board Committees, the Chief Executive Officer & Managing Director (CEO & MD), and the Management Committee. The Board is responsible for and committed to sound principles of Corporate Governance in the Company. The Board plays a crucial role in overseeing how the management serves the short and long-term interests of shareholders and other stakeholders. This belief is reflected in our governance practices, under which we strive to maintain an effective, informed, and independent Board. We keep our governance practices under continuous review and benchmark ourselves to best practices across the globe. The Board is overall responsible for the management, general affairs, strategic direction, and performance of the Company and is ably supported by the Board Committees, the CEO & MD, and the Management Committee.



## The Board of Directors

HUL is a professionally managed Company functioning under the overall guidance of the Board. The Board has the ultimate authority for setting the strategy, managing, handling, directing, & enabling the long-term success of the entire business. The Chairman heads the Board and is accountable for its overall efficiency. The Chairman decides the Board Agenda, ensures the Directors get accurate, timely and clear information, fosters and supports positive relationships and effective participation of all Executive and Non-Executive Directors, and promotes a culture of transparency and debate. The Independent Directors offer constructive feedback, strategic direction, expert advice and hold management responsible.

The Board has delegated the operational conduct of the business to the CEO & MD of the Company. The Management Committee of the Company is headed by the CEO & MD and has business/functional heads as its members, who manage the day-to-day affairs of the Company.

### Composition

The Board of the Company comprises highly experienced persons of repute, eminence and has a good and diverse mix of Executive and Non-Executive Directors with majority of the Board members comprising Independent Directors including Independent Women Directors. The Board composition is in conformity with the applicable provisions of Companies Act, 2013 (the Act) and Listing Regulations as amended from time to time. As on date of this Integrated Annual Report, the Board consists of twelve Directors comprising one Non-Executive and Non-Independent Director designated as the Chairman, eight Independent Directors including three Women Directors and three Executive Directors including CEO & MD. The composition of the Board represents an optimal mix of professionalism, knowledge and experience and enables the Board to discharge its responsibilities and provide effective leadership to the business. The Board as part of

its succession planning exercise, periodically reviews its composition to ensure that the same is closely aligned with the strategy and long-term needs of the Company.

During the year, Mr. Sanjiv Mehta (DIN: 06699923) stepped down as CEO & MD of the Company with effect from the close of business hours on 26th June, 2023 after a successful tenure of about 10 (ten) years at the helm of the Company. Mr. Rohit Jawa (DIN: 10063590) succeeded Mr. Sanjiv Mehta as the CEO & MD and as the Head of the Management Committee of the Company with effect from 27th June, 2023.

The Board on the basis of recommendation of the Nomination and Remuneration Committee, approved the appointment of Ms. Neelam Dhawan (DIN: 00871445) and Mr. Tarun Bajaj (DIN: 02026219) as Independent Directors of the Company, for a term of 5 (five) consecutive years with effect from 1st August, 2023 and 1st December, 2023, respectively.

During the year, based on the recommendation of the Nomination and Remuneration Committee, the Board also re-appointed Mr. Leo Puri (DIN: 01764813) as an Independent Director of the Company for a second term of 5 (five) consecutive years with effect from 12th October, 2023.

As per the provisions of Regulation 17 of Listing Regulations, approval of Shareholders, for appointment/re-appointment of Directors on the Board shall be taken either at the next General Meeting or within a time period of three months from the date of appointment, whichever is earlier. The above-mentioned appointments/re-appointment were duly approved by the Members of the Company vide Postal Ballot(s) on 7th September, 2023 and 9th January, 2024, respectively.

The details of each Member of the Board along with the number of Directorship(s)/Committee Membership(s)/Chairmanship(s), date of joining the Board and their shareholding in the Company are provided herein below:

# Corporate Governance Report

## Composition and Directorship(s)/Committee Membership(s)/Chairmanship(s) and number of other Board and Committees as on 31st March, 2024:

| Name and Category  | Date of joining the Board | Number of shares held in the Company | Attendance at Last AGM held on 26th June, 2023 | Directorship(s) in other Companies# | Membership(s) of Committees of other Companies## | Chairmanship(s) of Committees of other Companies## |
|--|---------------------------|--------------------------------------|--|-------------------------------------|--|--|
| <b>Non-Executive Chairman</b>  |                           |                                      |  |                                     |  |  |
| Nitin Paranjpe   | 31.03.2022                | 1,24,509                             | Yes  | 1                                   | -  | -  |
| <b>Chief Executive Officer &amp; Managing Director</b>                         |                           |                                      |  |                                     |  |  |
| Rohit Jawa   | 01.04.2023                | 10                                   | Yes  | -                                   | -  | -  |
| <b>Executive Director, Finance &amp; IT and Chief Financial Officer</b>        |                           |                                      |  |                                     |  |  |
| Ritesh Tiwari  | 01.05.2021                | 2,630                                | Yes  | 1                                   | -  | -  |
| <b>Executive Director, Legal &amp; Corporate Affairs and Company Secretary</b> |                           |                                      |  |                                     |  |  |
| Dev Bajpai   | 23.01.2017                | 51,576                               | Yes  | 1                                   | -  | -  |
| <b>Independent Directors</b>   |                           |                                      |  |                                     |  |  |
| O. P. Bhatt  | 20.12.2011                | 245                                  | Yes  | 3                                   | 3  | -  |
| Sanjiv Misra   | 08.04.2013                | -                                    | Yes  | -                                   | -  | -  |
| Kalpana Morparia   | 09.10.2014                | -                                    | Yes  | 1                                   | 1  | 1  |
| Leo Puri   | 12.10.2018                | -                                    | Yes  | 1                                   | -  | -  |
| Ashu Suyash  | 12.11.2021                | -                                    | Yes  | 1                                   | 1  | 1  |
| Ranjay Gulati  | 01.04.2023                | -                                    | Yes  | -                                   | -  | -  |
| Neelam Dhawan  | 01.08.2023                | 454                                  | -  | 3                                   | -  | 1  |
| Tarun Bajaj  | 01.12.2023                | -                                    | -  | -                                   | -  | -  |

#Excluding Directorship in Hindustan Unilever Limited, Private Limited Companies, Foreign Companies, Section 8 Companies and Alternate Directorships.

##Includes only Audit Committee and Stakeholders' Relationship Committee of Public Companies excluding Hindustan Unilever Limited.

Mr. Biddappa Bittianda Ponnappa (DIN: 06586886) was appointed as an Additional Director, Whole-time Director of the Company for a term of five consecutive years with effect from 1st June, 2024

None of the Directors of the Company are related to each other. The names of the listed entities along with the category of Directorship for all the Directors forms part of Profile of Directors from pages 443 to 448 of this Integrated Annual Report.

The number of Directorship(s), Committee Membership(s), Chairmanship(s) of all the Directors is within respective limits prescribed under the Act and Listing Regulations as amended from time to time.

### Appointment and Tenure

The Directors of the Company are appointed/re-appointed by the Board on the recommendation of the Nomination and Remuneration Committee and approval of the Shareholders at the General Meeting(s) or through Postal Ballot. In accordance with the Articles of Association of the Company and provisions of the Act, all the Directors, except the Managing Director and Independent Directors, of the Company, are liable to retire by rotation at the Annual General Meeting (AGM) each year and, if eligible, offer their candidature for re-appointment. The Executive Directors on the Board have been appointed as per the provisions of the Act and serve in accordance with the terms of employment with the Company.

None of the Independent Director(s) of the Company except Dr. Ashish Gupta (DIN: 00521511) resigned before the expiry of their tenure. Dr. Ashish Gupta resigned

effective close of the business hours on 26th June, 2023, citing pre-occupation and other personal commitments. The Company has also obtained confirmation from Dr. Gupta that there was no material reason for his resignation other than as mentioned above.

As regards the appointment and tenure of Independent Directors, following is the policy adopted by the Board:

- The Company has adopted the provisions with respect to appointment and tenure of Independent Directors which are consistent with the Act and Listing Regulations.
- In keeping with progressive governance practices, the Company shall, for the purpose of determining the composition of the Board, treat all Independent Directors who are appointed from the FY 2022-23 and, thereafter, and who complete ten years on the Board, as Non-Independent and ineligible for appointment as an Independent Director for any period thereafter.

Any person who becomes a Director or an Officer, including an employee who is acting in a managerial capacity, shall be covered under Directors' and Officers' Liability Insurance Policy. The Policy shall also cover those who serve as a Director, Officer or equivalent of an outside entity at Company's request. The Company has provided insurance cover in respect of legal action against its Directors under the Directors' and Officers' Liability Insurance.

### Board Meetings

The Board meets at regular intervals to discuss and decide on Company/Business policy and strategy apart from other Board businesses. The Board/Committee Meetings are pre-scheduled and a tentative annual calendar of the Board and Committee Meetings is circulated to the Directors well in advance to facilitate them to plan their schedule and to ensure meaningful participation in the Meetings. However, in case of a special and urgent business need, the Board’s approval is taken by passing resolutions through circulation, as permitted by law, which are noted and confirmed in the subsequent Board Meeting.

The Board agenda generally includes consideration of important corporate actions and events including:

- quarterly and annual results announcements;
- oversight of the performance of the business;
- declaration of dividends;
- development and approval of overall business strategy;
- Board succession planning;
- review of the functioning of the Committees; and
- other strategic, transactional and governance matters as required under the Act, Listing Regulations and other applicable legislations.

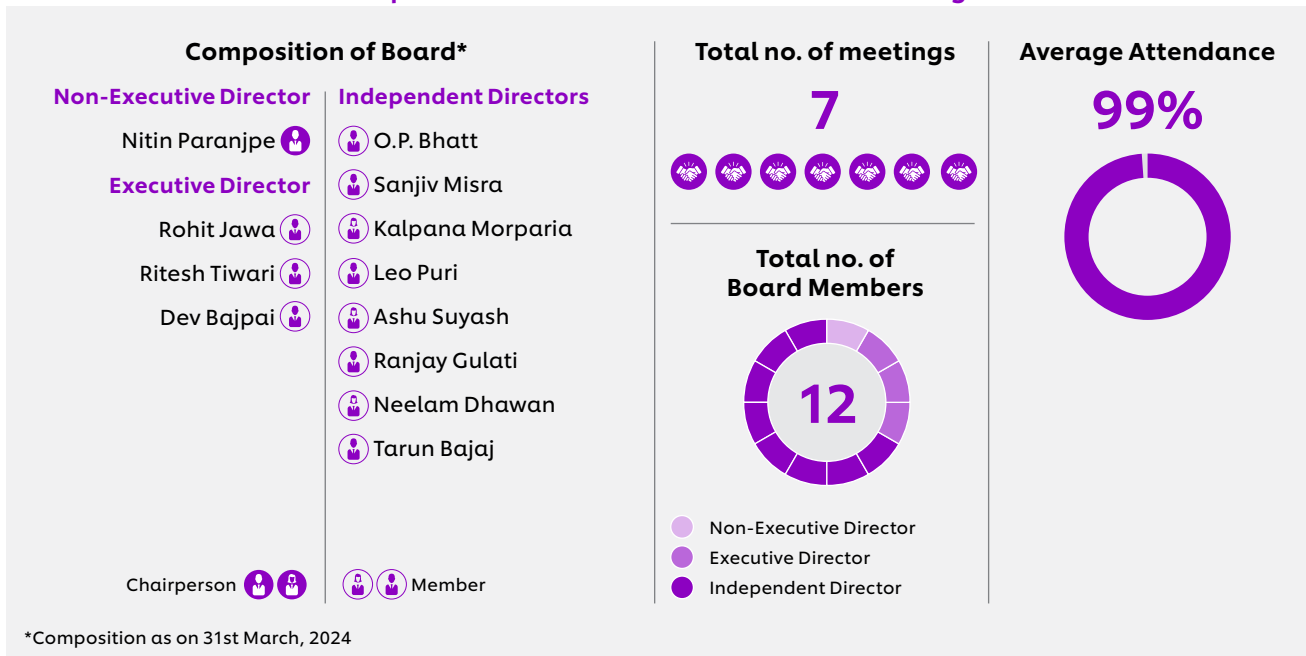
The Notice of Board/Committee Meetings are given well in advance to all the Directors. Usually, Meetings of the

Board are held in Mumbai. The Agenda of the Board/ Committee Meetings is set by the Company Secretary in consultation with the Chairman of the Company. The Agenda is circulated a week prior to the date of the Meeting. The Board Agenda includes an Action Taken Report comprising actions emanating from the Board Meetings and status updates thereon. The Agenda for the Board and Committee Meetings covers items set out as per the guidelines in Listing Regulations to the extent it is relevant and applicable. The Agenda for the Board and Committee Meetings includes detailed notes on the items to be discussed at the Meetings to enable the Directors to take an informed decision. Video/ Audio-conferencing facilities are also used to facilitate Directors travelling or located at other locations to participate in the Meetings.

Prior approval from the Board/Committee is obtained for circulating the Agenda items with shorter notice for matters that form part of the Board and Committee Agenda and are considered to be in the nature of Unpublished Price Sensitive Information.

During the FY 2023-24, seven Board Meetings were held on 10th & 11th April, 2023 (Strategy Meeting), 27th April, 2023, 20th July, 2023, 19th October 2023, 1st December, 2023, 16th January to 18th January, 2024 (Strategy Meeting) and 19th January, 2024. The interval between any two Board Meetings was well within the maximum allowed gap of 120 days. During the year, the Board also transacted some of the business by passing resolutions by circulation.

### Composition and Attendance of the Board Meetings



# Corporate Governance Report

| Name of the Directors      | 10.04.2023 & 11.04.2023 | 27.04.2023 | 20.07.2023 | 19.10.2023 | 01.12.2023 | 16.01.2024 to 18.01.2024 | 19.01.2024 |
|----------------------------|-------------------------|------------|------------|------------|------------|--------------------------|------------|
| Nitin Paranjpe – Chairman  |                         |            |            |            |            |                          |            |
| Sanjiv Mehta <sup>^</sup>  |                         |            | -          | -          | -          | -                        | -          |
| Rohit Jawa                 |                         |            |            |            |            |                          |            |
| Ritesh Tiwari              |                         |            |            |            |            |                          |            |
| Dev Bajpai                 |                         |            |            |            |            |                          |            |
| O.P. Bhatt                 |                         |            |            |            |            |                          |            |
| Sanjiv Misra               |                         |            |            |            |            |                          |            |
| Kalpana Morparia           |                         |            |            |            |            |                          |            |
| Leo Puri <sup>#</sup>      |                         |            |            |            |            |                          |            |
| Ashish Gupta <sup>^^</sup> |                         |            | -          | -          | -          | -                        | -          |
| Ashu Suyash                |                         |            |            |            |            |                          |            |
| Ranjay Gulati <sup>§</sup> |                         |            |            |            |            |                          |            |
| Neelam Dhawan <sup>*</sup> | -                       | -          | -          |            |            |                          |            |
| Tarun Bajaj <sup>**</sup>  | -                       | -          | -          | -          | -          |                          |            |

Present Leave of absence Video Conference

## Notes:

<sup>§</sup>Mr. Ranjay Gulati was appointed as an Independent Director of the Company with effect from 1st April, 2023

<sup>^</sup>Mr. Sanjiv Mehta ceased to be an Executive Director of the Company with effect from close of business hours on 26th June, 2023

<sup>^^</sup>Dr. Ashish Gupta ceased to be an Independent Director of the Company with effect from close of business hours on 26th June, 2023

<sup>#</sup>Mr. Leo Puri was re-appointed as an Independent Director of the Company with effect from 12th October, 2023

<sup>\*</sup>Ms. Neelam Dhawan was appointed as an Independent Director of the Company with effect from 1st August, 2023

<sup>\*\*</sup>Mr. Tarun Bajaj was appointed as an Independent Director of the Company with effect from 1st December, 2023

## Board Support

The Company Secretary supports the Board by making sure it has the policies, processes, information, time and resources it needs to work effectively and efficiently. The Company Secretary is in charge of collecting, reviewing and distributing all the documents that are submitted to the Board and its Committees for decision making. The Company Secretary is also in charge of preparing the Agenda and convening the Board and Committee Meetings. The Company Secretary attends all the Meetings of the Board as a Member of the Board and its Committees as a Secretary to the Board Committees. The Company Secretary advises/assures the Board and its Committees on compliance and governance principles and makes sure the minutes of the meetings are recorded properly by providing all the information for effective decision making.

The Company Secretary also gives the necessary guidance to the Board members about their roles and responsibilities and assists the Chairperson in all Board development processes like Board evaluation, Board re-structuring, succession, inductions and trainings etc. Besides ensuring compliance with the relevant statutory and regulatory requirements, the Company Secretary also acts as a formalised link between the Board, management and external stakeholders.

## Web-based Application for circulating Agendas/ Pre-reads

With a view to leverage technology and reduce paper consumption, the Company has adopted a web-based

application for transmitting Board/Committee Agenda and Pre-reads. The Directors of the Company receive the Agenda and Pre-reads in electronic form through this application, which can be accessed through web browser or iPad. The application meets high standards of security and integrity that are required for storage and transmission of Board/Committee Agenda and Pre-reads in electronic form.

## Post- Meeting Follow-up Mechanism

The Company has an effective governance mechanism wherein, the important decisions and suggestions of the Board and Committees are promptly communicated to the respective functional departments immediately after the meetings. Post-meeting follow-up; reviews; action taken report for the discussions are placed at the subsequent meetings of the Board and the Committees.

## Board Independence

Our definition of 'Independence' of Directors is derived from Section 149(6) of the Act and Regulation 16 of Listing Regulations. The Independent Directors provide an annual confirmation that they meet the criteria of independence. Based on the confirmations/disclosures received from the Directors and on evaluation of the relationships disclosed, supported by a certificate from M/s. S. N. Ananthasubramanian & Co., Company Secretaries, as per the requirement of Regulation 25(9) of the Listing Regulations, the Board confirms, that the Independent Directors fulfill the conditions as specified

under Schedule V of the Listing Regulations and are independent of the Management.

Further, the Independent Directors confirmed that they have enrolled themselves in the Independent Directors' Database maintained by the Indian Institute of Corporate Affairs. The Company issues formal letter of appointment to the Independent Directors at the time of their appointment/ re-appointment. The terms and conditions of the appointment of Independent Directors are available on the Company's website at <https://www.hul.co.in/investor-relations/corporate-governance/>. The Board comprises eight Independent Directors as on 31st March, 2024.

### Separate Independent Directors' Meetings

As per Schedule IV of the Act and Regulation 25(3) of Listing Regulations, the Independent Directors shall hold at least one meeting in a financial year without the presence of Non-Independent Directors and Management representatives. The Independent Directors of the Company, meet at least once in a quarter, without the presence of Executive Directors or Management representatives.

During the FY 2023-24, the Independent Directors met four times, on 27th April, 2023, 20th July, 2023, 19th October, 2023 and 19th January, 2024. The Independent Directors inter alia discuss the issues arising out of the Committee Meetings and Board discussion including reviewing the performance of Non-Independent Directors and Board of Directors as a whole; reviewing the performance of Chairperson; quality, quantity and timely flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform its duties. In addition to these formal meetings, interactions outside the Board Meetings also take place between the Chairman and Independent Directors. The Independent Directors also have access to Statutory Auditors, Internal Auditor, Secretarial Auditors, Cost Auditors, and the management for discussions and questions, if any.

### Board Commitment

All Directors are expected to attend each Board Meeting and each Committee Meeting of which they are members, unless there are exceptional reasons preventing them from participating. Only members of the Committees are entitled to attend Committee Meetings, but others may attend at Committee Chair's discretion.

### Directors' Induction and Familiarisation

The Board Familiarisation Programme comprises the following:-

- Induction Programme for Directors including Non-Executive Directors;
- Immersion sessions on business and functional issues; and
- Strategy sessions

All Directors, on their appointment, are taken through a detailed induction and familiarisation programme when they join the Board of the Company. The induction programme is an exhaustive one that covers the history,

culture and background of the Company and its growth over the last several decades, various milestones in the Company's existence since its incorporation, the present structure and an overview of the businesses and functions. The programme also covers the progress on the Company's Environmental, Social and Governance (ESG) Goals.

The CEO & MD and the Company Secretary are jointly responsible for ensuring that induction and training programmes are conducted for Directors. The CEO & MD, provides an overview of the organisation, its history, culture, values and purpose. The Management Committee Members take the Directors through their respective businesses and functions. As a part of induction programme, the Directors also visit the Company's manufacturing locations and undertake market visits to understand the operations of the Company. The Directors are exposed to the Board constitution, procedures, matters reserved for the Board and major risks facing the business and mitigation programmes. The Independent Directors are made aware of their roles and responsibilities at the time of their appointment and a detailed Letter of Appointment is issued to them.

In the Board Meetings, immersion sessions deal with different parts of the business and bring out all facets of the business. These immersion sessions provide a good understanding of the business to the Directors. Similar immersion sessions are also convened for various functions of the Company. These sessions are also an opportunity for the Board to interact with the next level of management. To make these sessions meaningful and insightful, Pre-reads are circulated in advance. Deep dive sessions are also organised on specific subjects for better appreciation by the Board of its impact on the business. There are opportunities for Independent Directors to interact amongst themselves every quarter and many themes for such immersion sessions come through on account of these structured interactions and meetings of Independent Directors. The process of Board Evaluation also throws up areas where the Board desires focused sessions.

### Strategy Sessions

Every year, Board Strategy Sessions are organised generally at a location where the Company has an office or establishment. These Strategy Sessions provide the Board an opportunity to understand Company's footprint in a market and also interact with Company's leadership and business teams in that market. The Strategy Session focuses on the strategy for the future and covers all parts of the business and functions, the course corrections, if any, required to be undertaken and gives a good perspective of the future opportunities and challenges.

For the FY 2023-24, the Board Strategy Meeting was held in Mumbai for three full days, from 16th January to 18th January, 2024. The Strategy sessions consisted of detailed presentations on overall strategy for the business divisions and functions of the Company. The Board also received an update on Digital & Technology, Talent & Capability, journey towards Intelligent Enterprise and Sustainability.

The details of training programmes are available on the Company's website at <https://www.hul.co.in/investor-relations/corporate-governance/>.

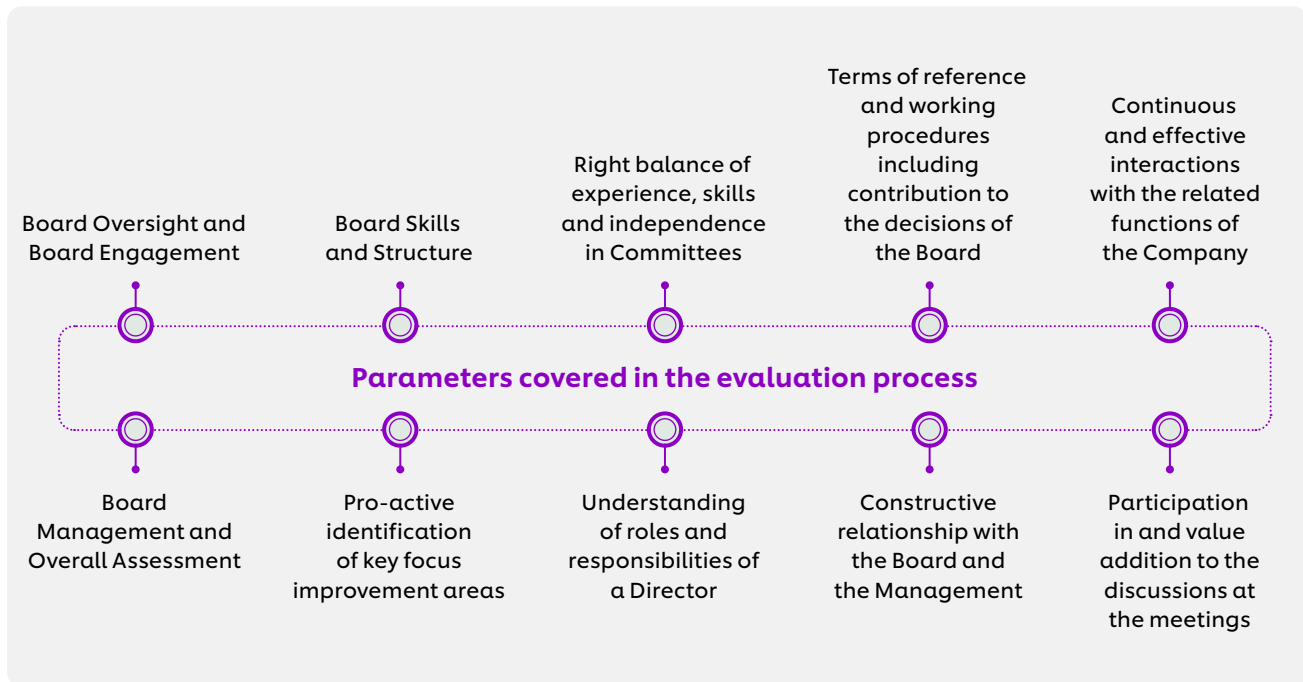
# Corporate Governance Report

## Board Evaluation

In terms of the requirement of the Act and the Listing Regulations, an annual performance evaluation of the Board is undertaken where the Board formally assesses its own performance with the aim to improve the effectiveness of the Board and the Committees. The Board along with the Nomination and Remuneration Committee has laid down the criteria of performance evaluation of Board, its Committees, and Individual Directors. The performance evaluation criteria forms part of Corporate Governance Code which is available on the website of the Company at <https://www.hul.co.in/investor-relations/corporate-governance/>.

## Evaluation Process

During the year, Board Evaluation exercise which included the evaluation of the Board as a whole, Board Committees, Peer Evaluation of the Directors and evaluation of Chairperson was conducted internally by the Company. The exercise was led by the Chairperson of the Company along with the Chairperson of the Nomination and Remuneration Committee. Detailed questionnaires were circulated covering various parameters relevant for the evaluation of the Board and Committees. This was followed by the Chairperson's one-on-one discussion with the Directors.



Additionally, specific feedback was also sought on the manner in which the Chairperson, the Independent Directors and the Executive Directors of the Company discharged their respective roles.

For the year under review, the average scores and inputs on every aspect of the evaluation were high and it is a good position for the Board and the Committees collectively. As an outcome of the performance evaluation exercise, it was noted that:

- Board is collaborative, embraces critical thinking, provides an environment conducive for discussion and is committed to creating value for all stakeholders.
- The Board acts in good faith, with due diligence, care and high ethical standards and has a strong focus on governance, people & talent matters, strategy, building future-fit capabilities, environmental & social factors.
- The Committees of the Board have clear terms of reference and working procedures. They are well-functioning, their meetings are well managed and contribute effectively to the decision making process of the Board.

- The contributions made by the Audit Committee stood out once again, with special praise and recognition of role played by the Chairperson of the Audit Committee.
- The Management has been pro-active and diligent in bringing relevant topics to the Risk Management Committee for its consideration. This has in turn added to the robustness of the risk management systems.

Additionally, the exercise has resulted in identification of the following key focus areas as well as action points for the Company to work upon in the coming years:

- **Board Knowledge Enhancement Sessions:** The Board seeks to engage in comprehensive learning sessions on pivotal topics such as the application of Artificial Intelligence (AI) and Generative AI, significant regulatory changes and its impact on the Company's operations, the intricacies of Digital Transformation, and the latest updates on Environmental, Social, and Governance (ESG) matters. These sessions will help the Board with a well-rounded understanding, enabling informed decision-making that encompasses all facets of the Company's interests.

- Strategic Board Mentorship:** In light of the recent transitions within the Management Committee, it is imperative for the Board to assume a proactive mentorship role. This will ensure the seamless integration and guidance of the new senior leaders, fostering a leadership cadre that is well-aligned with the Company's purpose and strategic objectives.
- Enhanced Audit Committee Focus:** The upcoming transition to new statutory auditors represents a significant juncture for the Company. This period will be characterised by a comprehensive review process, ensuring that the incoming auditors are thoroughly acquainted with the Company's financial practices and regulatory obligations. The Audit Committee will closely monitor the handover to uphold the highest standards of financial transparency and accountability.
- Elevating CSR Impact:** While the Company has already established a strong foundation in Corporate Social Responsibility initiatives, there is an opportunity for the Corporate Social Responsibility Committee to delve deeper into strategic areas that could yield a disproportionate positive impact on society. By identifying and focusing on these key areas, the CSR Committee can drive initiatives that not only resonate with the Company's core values but also create lasting, meaningful change within the community.

### Succession Planning

We believe that sound succession planning for the Board Members and Senior Management is vital for creating a robust future for the Company. Our succession planning framework is intricately designed to anticipate and address the evolving leadership needs of our organisation. By embedding succession planning into our strategic initiatives, we fortify our resilience, promote a culture of meritocracy, and sustain our competitive edge in an ever changing landscape. The Nomination and Remuneration Committee plays an instrumental role in development of a diverse pipeline for succession thereby ensuring that the Company has a strong, diverse and high performing Board and Management Committee now and in the future.

#### Board

The Nomination and Remuneration Committee along with the Board deliberates on various factors including current tenure of Directors, anticipated vacancies in the Board, outcome of evaluation of the Directors, skill matrix including skill-gaps, diversity, time-commitment and statutory requirements, etc., to ensure orderly succession planning. The Company also has a multi-year plan for the retirements due on the Board. Considering the balance of skills and experience, prospective Directors are identified and aligned with the long-term strategy of the Company.

#### Senior Management

The Nomination and Remuneration Committee along with the Board reviews the succession planning for the Senior Management. To ensure leadership and business continuity, evaluation of successors is carried out considering the criteria such as readiness of the candidate qualified to serve as member of Senior Management, exposure to the business, mentorship etc. including contingency plan for each position. During the year, the Company, in view of building new capabilities and leveraging digital infrastructure, created a new position of Chief Digital Officer.

### Confirmation and Certification

The Company annually obtains from each Director, details of the Board and Board Committee positions he/she occupies in other Companies, and changes if any, regarding their Directorships. The Company has obtained a certificate from M/s. S. N. Ananthasubramanian & Co., Company Secretaries, under Regulation 34(3) and Schedule V Para C Clause (10)(i) of Listing Regulations confirming that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of the Company by SEBI and Ministry of Corporate Affairs (MCA) or any such authority and the same forms part of this Integrated Annual Report.

### Statutory Compliance Monitoring Tool

The Company has implemented a web-based Statutory Compliance Monitoring Tool designed to enhance and streamline the tracking of all statutory and legal obligations required by the Company. This innovative tool provides a comprehensive platform for managing compliance across various domains, ensuring that all legal requirements are met in a timely and efficient manner. It serves as a reliable resource for the Board, offering necessary assurances regarding the Company's adherence to legal standards.

By leveraging this tool, the Company can effectively navigate the complex landscape of statutory requirements, mitigate potential risks, and maintain a robust compliance posture. This, in turn, reinforces the Company's commitment to ethical business practices and good governance, while providing the Board with a clear and transparent view of the Company's compliance status.



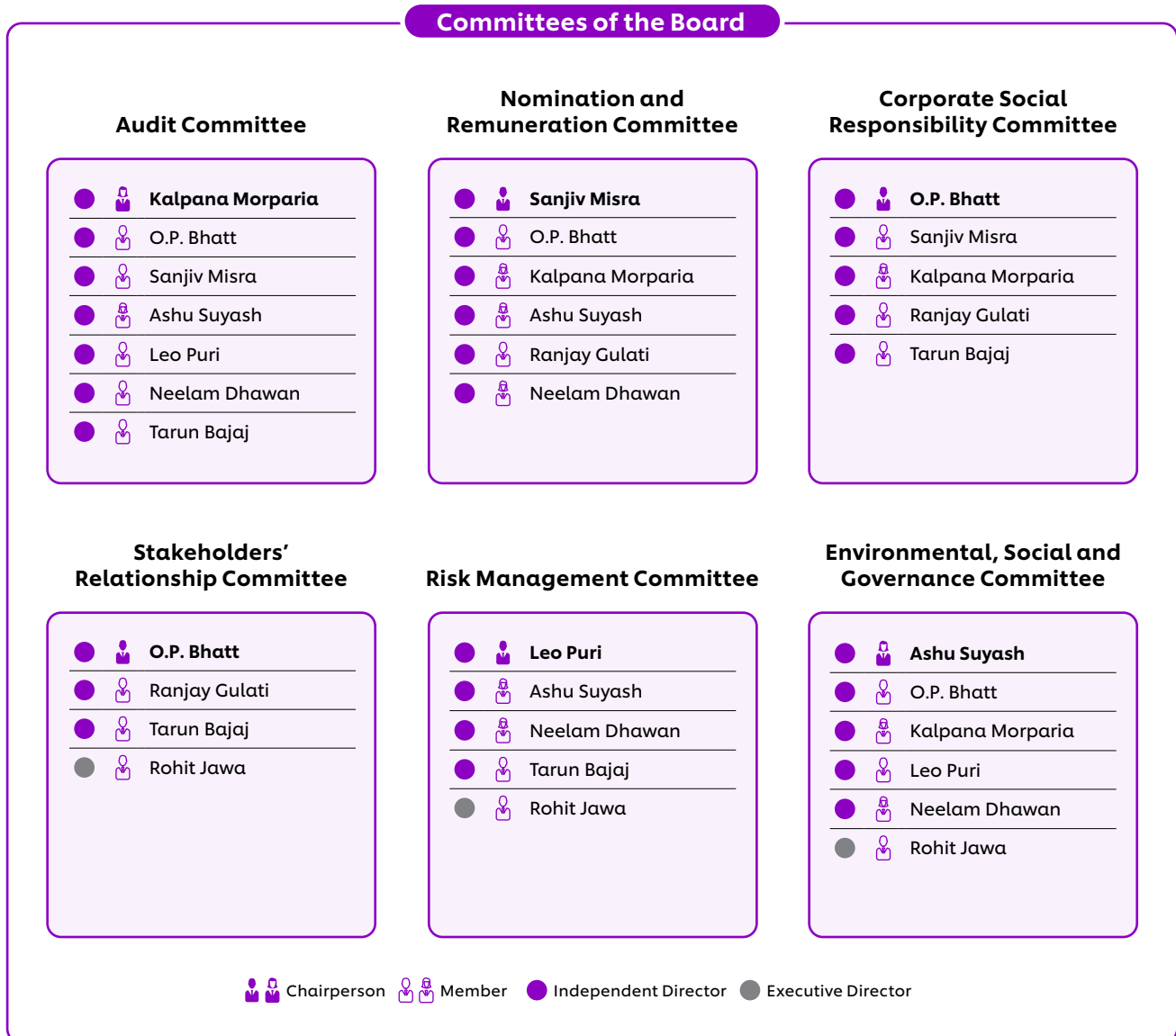


## Committees of the Board

The Board Committees play a crucial role in the Governance Structure of the Company and have been constituted to deal with specific areas/activities as mandated by applicable regulations, which concern the Company and need a closer review. The Board Committees are set up under the formal approval of the Board to carry out clearly defined roles which are considered to be performed by members of the Board, as part of good governance practices. The Chairperson of the respective Committee informs the Board about the summary of the discussions at the Committee Meetings. The minutes of the Meeting of all Committees are placed before the Board for review. The Board Committees can request special invitees to join the Meeting, as appropriate.

During the year, all recommendations of the Committees of the Board have been accepted by the Board.

As on 31st March, 2024, the Board has constituted the following Committees:



## Audit Committee



### Kalpana Morparia

Chairperson

As on 31st March, 2024, the Company's Audit Committee comprises 7 (Seven) Members and all the Members are Independent Directors. Audit Committee is chaired by Ms. Kalpana Morparia and Mr. O. P. Bhatt, Dr. Sanjiv Misra, Ms. Ashu Suyash, Mr. Leo Puri, Ms. Neelam Dhawan and Mr. Tarun Bajaj act as Members of the Committee. All the Members of the Committee are financially literate and have relevant expertise in finance, risk management and Governance.

#### Terms of Reference of Audit Committee

The Committee is governed by its terms of reference which are in line with the regulatory requirements mandated by the Act and Listing Regulations. The detailed terms of reference of the Audit Committee form part of the 'Corporate Governance Code' which is available on the website of the Company at <https://www.hul.co.in/investor-relations/corporate-governance/>. The Audit Committee periodically reviews the actions undertaken by it vis-a-vis its terms of reference. This periodic review ensures that the Committee discharges its roles and responsibilities as required under its terms of reference.

#### Key Terms of Reference of the Committee are:

| Activities of the Committee during the year  | Frequency |
|--|-----------|
| Overseeing the Company's financial reporting process and disclosure of financial information to ensure that the financial statements are correct, sufficient and credible      | ◆         |
| Reviewing and examining with Management the quarterly and annual financial results and the Limited Review/Auditor's Report thereon before submission to the Board for approval | ◆/●       |
| Reviewing management discussion and analysis of financial condition and results of operations  | ●         |
| Recommending the appointment, remuneration and terms of appointment of Statutory Auditors of the Company and approval for payment of any other services                        | ●/▲       |
| Reviewing and monitoring the Statutory Auditor's independence and performance and effectiveness of audit process   | ●         |
| Reviewing, approving or subsequently modifying any Related Party Transactions in accordance with the Related Party Transaction Policy of the Company                           | ◆         |
| Reviewing the adequacy of internal audit function and the findings of any internal investigations by the internal auditors   | ◆         |

| Activities of the Committee during the year   | Frequency |
|---|-----------|
| Reviewing management letters/letters of internal control weaknesses issued by the Statutory Auditors  | ▲         |
| Evaluating internal financial controls and risk management systems  | ▲         |
| Verifying that the systems for internal controls for compliance with SEBI (Prohibition of Insider Trading) Regulations, 2015 are adequate and are operating effectively   | ●         |
| Reviewing the functioning of the Code of Business Principles and Vigil Mechanism  | ◆         |
| Reviewing the utilisation of loans and/or advances from/investment in the Subsidiary exceeding ₹100 crores or 10% of the asset size of the subsidiary, whichever is lower including existing loans/advances/investments | ◆         |
| Recommending the appointment and remuneration to be paid to the Cost Auditor  | ●         |

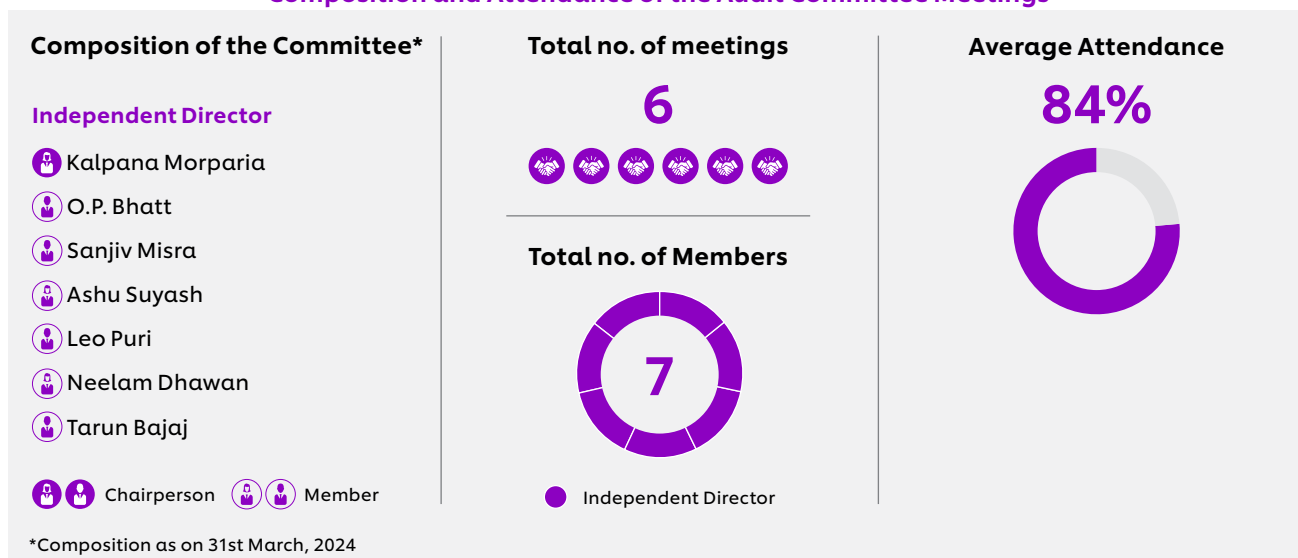
◆ Quarterly ● Annually ▲ Periodically




































In addition to quarterly meetings for consideration of financial results, special meetings of the Audit Committee are convened. In these meetings, the Audit Committee reviews various businesses/functions, business risk assessment, controls, critical IT applications with implications of security and internal audit and control assurance reports of all the major divisions of the Company. Permissible non-audit related services rendered by the Statutory Auditors are also pre-approved by the Audit Committee.


The meetings of Audit Committee are also attended by the Chief Financial Officer, Statutory Auditors, Group Controller and Internal Auditor as special invitees. The Company Secretary acts as the Secretary to the Committee. The minutes of each Audit Committee meeting are placed in the next meeting of the Board. The Audit Committee also meets the Internal and Statutory Auditors separately, without the presence of Management representatives.

The Audit Committee met six times during the FY 2023-24 on 26th April, 2023 & 27th April, 2023, 19th July, 2023 (Special Audit Committee Meeting), 20th July, 2023, 19th October, 2023, 1st December, 2023 (Special Audit Committee Meeting) and 19th January, 2024. During the FY 2023-24, some of the business were considered by passing resolution(s) by circulation. All the decisions and recommendations made by the Committee were approved by requisite majority of the members of the Committee.

## Composition and Attendance of the Audit Committee Meetings



| Name of the Members            | 26.04.2023 & 27.04.2023   | 19.07.2023  | 20.07.2023  | 19.10.2023  | 01.12.2023  | 19.01.2024  |
|--------------------------------|---|---|---|---|---|---|
| Kalpana Morparia – Chairperson |    |    |    |    |    |    |
| O.P. Bhatt                     |   |   |   |   |   |   |
| Sanjiv Misra                   |  |  |  |  |  |  |
| Ashish Gupta*                  |  | -   | -   | -   | -   | -   |
| Ashu Suyash                    |  |  |  |  |  |  |
| Ranjay Gulati*                 |  |  |  | -   | -   | -   |
| Leo Puri <sup>§</sup>          | -   | -   | -   |  |  |  |
| Neelam Dhawan <sup>§§</sup>    | -   | -   | -   |  |  |  |
| Tarun Bajaj <sup>^</sup>       | -   | -   | -   | -   | -   |  |

 Present  Leave of absence  Video Conference

**Notes:**

Mr. Dev Bajpai acts as the Secretary to the Committee

\*Dr. Ashish Gupta and Mr. Ranjay Gulati ceased to be Member of the Committee with effect from 27th June, 2023 and 21st July, 2023 respectively

§Mr. Leo Puri was appointed as a Member of the Committee with effect from 21st July, 2023

§§Ms. Neelam Dhawan was appointed as a Member of the Committee with effect from 1st August, 2023

^Mr. Tarun Bajaj was appointed as a Member of the Committee with effect from 2nd December, 2023

### Internal Controls and Risk Management

The Company has robust Internal Audit and Enterprise Risk assessment and mitigation system. The Company has an independent Internal Audit Department assisted by outsourced audit teams.

The Internal Audit plan is approved by Audit Committee at the beginning of every year. The conduct of Internal Audit is oriented towards the review of internal controls and risks in the Company's operations and covers factories, sales offices, warehouses and centrally controlled businesses and functions. Every quarter, the Audit Committee is presented with a summary of significant audit observations and follow-up remediation actions thereon.

Business Risk Assessment procedures have been set in place for self-assessment of business risks, operating controls and compliance with Corporate Policies. There is an ongoing process to track the evolution of risks and delivery of mitigating action plans.

The Company's internal financial control framework, established in accordance with the Committee of Sponsoring Organisation (COSO) framework, commensurate with the size and operations of the business and is in line with requirements of the Act. The Company's internal financial controls framework is based on the 'three lines of defense model'. The Company has laid down Standard Operating Procedures and Policies to guide the operations of the business. Unit heads are responsible to ensure compliance with the policies and procedures laid down by the Management. Robust and continuous internal monitoring mechanisms ensure timely identification of risks and issues. The Management, Statutory and Internal Auditors undertake rigorous testing of the control environment of the Company.

Ms. Surabhi Mehrotra continues to be the Internal Auditor of the Company.

## Nomination and Remuneration Committee



### Sanjiv Misra

Chairperson

As on 31st March, 2024, the Company’s Nomination and Remuneration Committee comprises 6 (Six) Members and all the Members are Independent Directors. The Nomination and Remuneration Committee is chaired by Dr. Sanjiv Misra and Mr. O. P. Bhatt, Ms. Kalpana Morparia, Ms. Ashu Suyash, Mr. Ranjay Gulati and Ms. Neelam Dhawan act as members of the Committee. The Nomination and Remuneration Committee is responsible for evaluating the balance of skills, experience, independence, diversity and knowledge on the Board and for drawing up selection criteria, ongoing succession planning and appointment procedures for both internal and external appointments.

### Terms of Reference of Nomination and Remuneration Committee

The detailed terms of reference of the Nomination and Remuneration Committee form part of the ‘Corporate Governance Code’ which is available on the website of the Company at <https://www.hul.co.in/investor-relations/corporate-governance/>.

### Key Terms of Reference of the Committee are:

| Activities of the Committee during the year  | Frequency |
|--|-----------|
| Determine/recommend the criteria for appointment of Directors, Members of Management Committee and Key Managerial Personnel                      | ▲         |
| Identify candidates who are qualified to become Directors and who may be appointed on the Management Committee, or as a Key Managerial Personnel | ▲         |

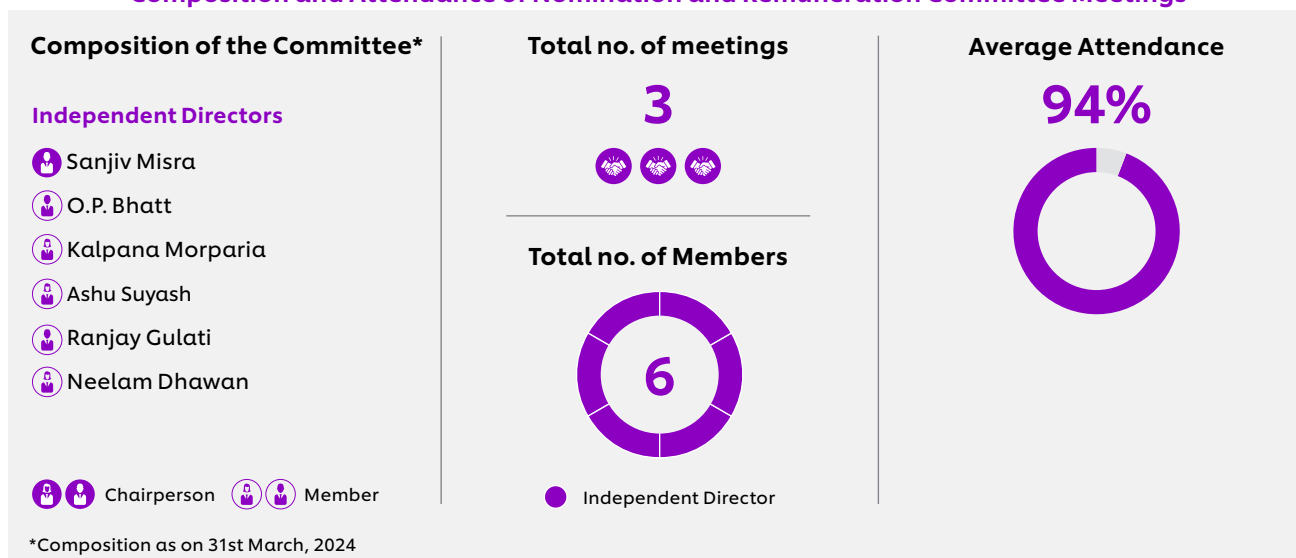
| Activities of the Committee during the year   | Frequency |
|---|-----------|
| Evaluate the balance of skills, knowledge and experience on the Board and prepare a description of the role and capabilities required for Independent Director(s)                 | ▲         |
| Review and determine all elements of remuneration package of all the Executive Directors, i.e. salary, benefits, bonuses, stock options, pension, etc.                            | ▲         |
| Ensure succession planning (including the development of a diverse pipeline for succession) to the Board and the leadership development plans to enhance such succession planning | ▲         |
| Recommend to the Board, all remunerations, in whatever form, payable to Senior Management   | ●/▲       |

◆ Quarterly ● Annually ▲ Periodically

















The Committee also plays the role of Compensation Committee and is responsible for administering Stock Option Schemes as applicable to the employees of the Company.




The Nomination and Remuneration Committee met three times during the FY 2023-24 on 20th July, 2023, 1st December, 2023 and 20th February, 2024. During the FY 2023-24 some of the business were considered by passing resolution(s) by circulation. The minutes of each of the Nomination and Remuneration Committee meetings are placed at the next meeting of the Board. All the decisions and recommendations made by the Committee were approved by requisite majority of the members of the Committee.

## Composition and Attendance of Nomination and Remuneration Committee Meetings



### Attendance of the Committee Meetings

| Name of the Members        | 20.07.2023  | 01.12.2023  | 20.02.2024  |
|----------------------------|---|---|---|
| Sanjiv Misra - Chairperson |   |   |   |
| O.P. Bhatt                 |  |  |  |
| Kalpana Morparia           |  |  |  |
| Ashu Suyash                |  |  |  |
| Ranjay Gulati*             | -   |  |  |
| Neelam Dhawan <sup>^</sup> | -   |  |  |

 Present  Leave of absence  Video Conference

#### Notes:

Mr. Dev Bajpai acts as the Secretary to the Committee

\*Mr. Ranjay Gulati was appointed as a Member of the Committee with effect from 21st July, 2023

<sup>^</sup>Ms. Neelam Dhawan was appointed as a Member of the Committee with effect from 1st August, 2023

### Board Membership Criteria and list of core skills/ expertise/competencies identified in the context of the business

The Board of Directors are collectively responsible for selection of a member on the Board. The Nomination and Remuneration Committee of the Company follows a defined criteria for identifying, screening, recruiting and recommending candidates for election as a Director on the Board. The criteria for appointment to the Board include:

- composition of the Board, which is commensurate with the size of the Company, its portfolio, geographical spread and its status as a Listed Company;
- desired age and diversity on the Board;
- size of the Board with optimal balance of skills and experience and balance of Executive and Non-Executive Directors consistent with the requirements of law;
- professional qualifications, expertise and experience in specific area of relevance to the Company;
- balance of skills and expertise in view of the objectives and activities of the Company;
- avoidance of any present or potential conflict of interest;
- availability of time and other commitments for proper performance of duties;
- personal characteristics being in line with the Company's values, such as integrity, responsibility, respect and pioneering mindset.

In alignment with the Listing Regulations, the Board has meticulously identified the requisite skills, expertise, and competencies of its Directors. During the year, in response to the dynamic changes in the Board's composition, external environment, and regulatory landscape, the Board has recognised the need for additional skills. The Board has proactively adapted to the evolving legal frameworks concerning Cyber Security, Artificial Intelligence, Purposeful Business & Sustainability, Mergers & Amalgamations, and Risk Management.

**Board Skills**



**Leadership Expertise**

Expertise in leading well-governed large organisations, with an understanding of organisational systems and processes, complex business and strategic planning.



**Crafting Business Strategies**

Experience in developing long-term strategies in diverse business environments and changing economic conditions to ensure a consistent growth in Consumer facing/FMCG business in a manner that is profitable, competitive and sustainable.



**Understanding of Emerging Markets and Consumer Insights**

Understanding of emerging local & global trends and experience of having managed organisations with large consumer/customer interface in diverse business and economic environment which helps in leveraging consumer insights for business benefits.



**Financial Expertise and Risk Management**

Leadership experience in financial & risk management of large organisations with an understanding of accounting & financial statements and leading growth through acquisitions/ other business combinations.



**Experience of overseeing large and complex business operations requiring proven administrative & managerial skills**

Experience of overseeing large and complex end to end operations across FMCG or similar industries, management of innovations, understanding of emerging science and technologies with proven administrative and managerial abilities.



**Cyber Security, Digital/ Information Technology & Data Governance**

Understanding the use of Digital/Information Technology, Artificial Intelligence along with other future technologies, ability to anticipate technological driven changes & disruption, and appreciation of the need of Cyber Security, controls & Data Governance across the organisation.



**Corporate Governance and Legal Framework**

Possess relevant skills in providing the Board an oversight on all dimensions of business, guiding towards maintaining high Corporate Governance standards with an understanding of ever evolving legal & regulatory environment.



**Purposeful Business & Sustainability/ESG**

Demonstrated ability to integrate purposeful and sustainable practices into business operations, fostering positive environmental and social impacts while aligning with regulatory requirements.



**People & Talent Development**

Experience of providing guidance towards talent development and succession planning, ensuring the Company has a strong, diverse and high performing talent pool now and in the future.

# Corporate Governance Report

| Sr. No | Name of Directors | Leadership Expertise | Crafting Business Strategies | Understanding of Emerging Markets and Consumer Insights | Financial Expertise and Risk Management | Experience of overseeing large and complex business operations requiring proven administrative & managerial skills | Cyber Security, Digital/ Information Technology & Data Governance | Corporate Governance and Legal Framework | Purposeful Business & Sustainability/ ESG | People & Talent Development |
|--------|-------------------|----------------------|------------------------------|---|---|--|---|--|---|-----------------------------|
| 1      | Nitin Paranjape   |                      |                              |   |   |  |   |  |   |                             |
| 2      | Rohit Jawa        |                      |                              |   |   |  |   |  |   |                             |
| 3      | Ritesh Tiwari     |                      |                              |   |   |  |   |  |   |                             |
| 4      | Dev Bajpai        |                      |                              |   |   |  |   |  |   |                             |
| 5      | O.P. Bhatt        |                      |                              |   |   |  |   |  |   |                             |
| 6      | Dr. Sanjiv Misra  |                      |                              |   |   |  |   |  |   |                             |
| 7      | Kalpna Morparia   |                      |                              |   |   |  |   |  |   |                             |
| 8      | Leo Puri          |                      |                              |   |   |  |   |  |   |                             |
| 9      | Ashu Suyash       |                      |                              |   |   |  |   |  |   |                             |
| 10     | Ranjay Gulati     |                      |                              |   |   |  |   |  |   |                             |
| 11     | Neelam Dhawan     |                      |                              |   |   |  |   |  |   |                             |
| 12     | Tarun Bajaj       |                      |                              |   |   |  |   |  |   |                             |

## Reward Policy

The Reward philosophy of the Company is to provide market competitive total reward opportunity that has a strong linkage to and reinforces the performance culture of the Company. This philosophy is set forth into practice by various policies governing the different elements of total reward. The intent of all these policies is to ensure that the principles of Reward philosophy are followed in entirety, thereby facilitating the Company to recruit and retain the best talent. The ultimate objective is to gain competitive advantage by creating a reward proposition that inspires employees to deliver Company's promise to consumers and achieve superior operational results.

The guiding principles for Company's reward policies/practices are as follows:

- Open, Fair and Consistent:** increase transparency and ensure fairness and consistency in reward framework;
- Insight and Engagement:** make reward truly relevant to the employees by using leading edge tools that help the Company 'hear' how employees feel about their reward;
- Innovation:** continuously improve Company's reward through innovations based on insight, analytics and Unilever's expertise;
- Simplicity, Speed and Accuracy:** simplify reward plans and processes and deliver the information employees need quickly, clearly and efficiently;
- Business Results:** Company's business results are the ultimate test of whether reward solutions are effective and sustainable.

The appointment of Executive Directors, Key Managerial Personnel, Management Committee Members and other employees is by virtue of their employment with the Company and therefore, their terms of employment vis-a-vis salary, variable pay, service contract, notice period and severance fee, if any, are governed by the applicable policies. The total

reward for Executive Directors, Key Managerial Personnel and Management Committee Members is reviewed and recommended to the Board of Directors for their approval, by the Nomination and Remuneration Committee annually, taking into account external benchmarks along with the combination of Company's and individual's performance.

A fair portion of Executive Directors total reward is linked to Company's performance. This creates alignment with the strategy and business priorities to enhance Shareholder value. Long-term incentives, in the form of Unilever Performance Share Plan and HUL Performance Share Plan Scheme 2024, seek to reward Executive Directors, Management Committee Members and other eligible employees by aligning their deliverables to business results.

In line with the Evaluation Policy of the Company, the Nomination and Remuneration Committee considers the outcome of the Annual Evaluation before recommending the changes in the remuneration of the Executive Directors and appointment/re-appointment of Directors.

Independent Directors are eligible for sitting fees and commission not exceeding the limits prescribed under the Act. The aggregate remuneration payable to Non-Executive Directors is decided by the Board of Directors subject to the approval of Members of the Company.

In line with the globally accepted governance practices, the Board of Directors adopted a 'Differential Remuneration Policy' for Non-Executive Directors remuneration which is available on the Company's website at <https://www.hul.co.in/investor-relations/corporate-governance/>. During the FY 2023-24, Independent Directors were paid sitting fees of ₹30,000/- for attending every meeting of the Board or Committee thereof. Further, for the FY 2023-24, they are entitled to fixed annual commission on profits at the rate of ₹15 lakhs. In addition, Independent Directors are entitled to a remuneration linked to their attendance at the meetings of the Board or Committees thereof and also on the basis of their position in various Committees of the Board, whether that of a Chairperson or a Member of the Committee(s). The Independent Directors who continuously serve minimum

two terms of five years each, are also entitled to one time commission of ₹10 lakhs at the time of stepping down from the Board.

In view of the greater time commitments, attention and higher level of oversight required of the Non-Executive Directors owing to the ever-evolving regulatory landscape and the role played by them in shaping and steering the long-term strategy of the Company, the Board at its meeting held on 24th April, 2024 considered and approved the revision to the Differential Remuneration Policy of the Company. Accordingly, the criteria adopted by the Company for remuneration to the Independent Directors effective 1st April, 2024, are as under:

| Particulars   | Commission (p.a.) |
|---|-------------------|
| <b>Fixed Commission<sup>#</sup></b>   |                   |
| Base Fixed Commission for Independent Directors   | 25.00             |
| <b>Additional Variable Commission<sup>#</sup></b>                                       |                   |
| Corresponding to the percentage of attendance at all the Board and Committee Meeting(s) | 5.00              |
| In the capacity of Chairperson of the Committee(s)*                                     | 2.00              |
| In the capacity of Member of the Committee(s)*  | 1.00              |

\*Committee includes Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, Corporate Social Responsibility Committee, Risk Management Committee and Environmental, Social and Governance Committee.

<sup>#</sup>Effective 1st April, 2024, the fixed annual commission on profits payable to the Independent Directors has been increased from ₹15 lakhs to ₹25 lakhs. There is no change in additional variable commission payable to the Independent Directors.

Additionally, effective 1st April, 2024, the Independent Directors are entitled to sitting fees of ₹75,000/- for attending every meeting of the Board or Committee thereof.

The Members at the 82nd AGM of the Company held on 29th June, 2015 had approved the payment of remuneration by way of commission on profits to Non-Executive Directors of the Company upto a maximum of ₹300 lakhs in aggregate, to be allocated in such manner as the Board may determine, from time to time, with effect from 1st April, 2015 for a period of 5 (five) years. The proposal was duly extended by the Members of the Company from time-to-time.

In view of the changes to the Differential Remuneration Policy of the Company, it is proposed to revise the limits of remuneration payable to Non-Executive Directors of the Company, by way of commission or otherwise, upto a maximum of ₹400 lakhs per annum in aggregate effective from 1st April, 2024 till 31st March, 2029. The proposed revision in aggregate commission to ₹400 lakhs per annum is subject to the approval of the Members at the ensuing AGM. The remuneration payable to each Non-Executive Director, including the Non-Executive Chairperson (as maybe required) shall be determined by the Board or the Committee thereof within its overall limit of ₹400 lakhs per annum.

During the year, there were no pecuniary relationships or transactions between the Company and any of its Non-Executive Independent Directors apart from sitting fees and commission. The Company has not granted any stock options to any of its Non-Executive Independent Directors.

The details of remuneration paid to Executive and Non-Executive Directors for the Financial Year ended 31st March, 2024 are provided hereinafter:

**Details of Remuneration to the Executive Directors**

| Name of Directors                                    | ₹ in crores  |              |               |               |
|--|--------------|--------------|---------------|---------------|
|  | Rohit Jawa   | Dev Bajpai   | Ritesh Tiwari | Sanjiv Mehta* |
| Salary   | 3.65         | 3.42         | 2.57          | 0.93          |
| Allowances   | 10.31        | 1.67         | 2.28          | 0.72          |
| Bonus <sup>^</sup>                                   | 3.44         | 1.50         | 1.24          | -             |
| Perquisite – Long Term Incentives (LTI) <sup>§</sup> | 3.85         | 3.28         | 2.12          | -             |
| Perquisite – Others <sup>#</sup>                     | 0.81         | 0.10         | 0.04          | -             |
| Contribution to PF                                   | 0.33         | 0.41         | 0.31          | 0.11          |
| <b>Total</b>   | <b>22.39</b> | <b>10.38</b> | <b>8.56</b>   | <b>1.76</b>   |

**Notes:**

Bonus and Perquisites are shown net of Income Tax. As per the terms of employment, Income Tax is borne by the Company and is included in allowances.

\*Mr. Sanjiv Mehta ceased to be MD & CEO of the Company with effect from the close of business hours on 26th June, 2023

<sup>^</sup>Annual Bonus incentives year-on-year delivery of stretching short-term financial, strategic and operational objectives selected to support our annual business strategy and the ongoing enhancement of shareholder value. The bonus amount is linked to: (1) business performance measured through the lens of growth, profitability and cash generation, and (2) individual contribution.

<sup>§</sup>Long-term Share schemes incentivise Senior Management’s focus on the sustained delivery of high-performance results over the long-term. The amount of shares awarded is linked to business performance measured over a 3-year period across four parameters, namely Competitive growth, cash, capital efficiency and progress on sustainability initiatives.

<sup>#</sup>Inclusive of perquisites on account of Housing, Medical, Club Fee, Car as applicable.

**Details of Remuneration to the Non-Executive and Independent Directors**

| Name of Directors           | ₹ in lakhs    |                         |       |
|-----------------------------|---------------|-------------------------|-------|
|                             | Sitting Fees* | Commission <sup>#</sup> | Total |
| Nitin Paranjpe <sup>^</sup> | -             | -                       | -     |
| O. P. Bhatt                 | 5.40          | 26.50                   | 31.90 |
| Sanjiv Misra                | 5.10          | 23.72                   | 28.82 |
| Kalpna Morparia             | 5.70          | 25.00                   | 30.70 |
| Leo Puri                    | 3.90          | 23.40                   | 27.30 |
| Ashish Gupta <sup>§</sup>   | 0.90          | 5.48                    | 6.38  |
| Ashu Suyash                 | 5.70          | 25.00                   | 30.70 |
| Ranjay Gulati               | 2.70          | 20.61                   | 23.31 |
| Neelam Dhawan               | 3.30          | 16.00                   | 19.30 |
| Tarun Bajaj                 | 0.90          | 8.00                    | 8.90  |

**Notes:**

<sup>^</sup>The Non-Executive Chairman of the Company does not receive any sitting fees, commission or stock options from the Company.

\*Includes sitting fees paid for attending both Board and Committee Meetings.

<sup>#</sup>The Commission for the Financial Year ended 31st March, 2024 as per the Differential Remuneration parameters will be paid to Independent Directors, on a pro-rata basis, subject to deduction of tax, after adoption of Financial Statements by the Shareholders at the AGM to be held on 21st June, 2024.

<sup>§</sup>Dr. Ashish Gupta ceased to be an Independent Director of the Company with effect from close of business hours on 26th June, 2023



# Corporate Governance Report

## Corporate Social Responsibility Committee



**O.P. Bhatt**

Chairperson

As on 31st March, 2024, the Corporate Social Responsibility (CSR) Committee comprises 5 (five) Members and all the Members are Independent Directors. The CSR Committee is chaired by Mr. O. P. Bhatt and Dr. Sanjiv Misra, Ms. Kalpana Morparia, Mr. Ranjay Gulati and Mr. Tarun Bajaj act as the members of the Committee.

The role of CSR Committee includes formulating and recommending to the Board the CSR Policy and activities to be undertaken by the Company, recommending the amount of expenditure to be incurred on CSR activities of the Company, reviewing the performance of the Company in the areas of CSR.

### Terms of Reference of Corporate Social Responsibility Committee

The detailed terms of reference of the CSR Committee form part of the 'Corporate Governance Code' which is available on the website of the Company at <https://www.hul.co.in/investor-relations/corporate-governance/>.

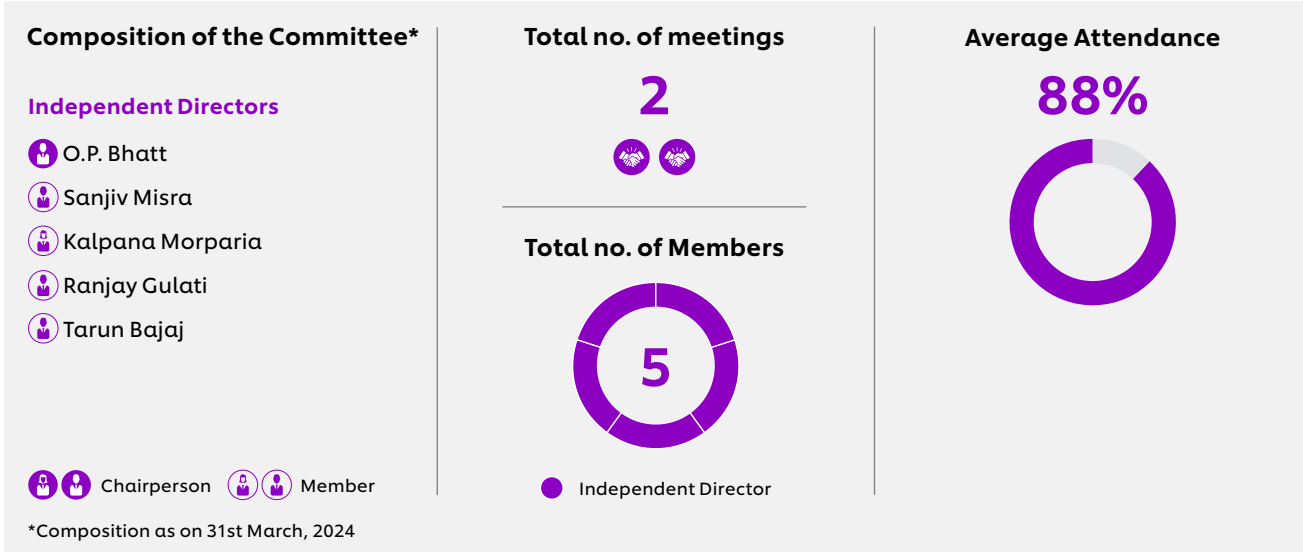
### Key Terms of Reference of the Committee are:

| Activities of the Committee during the year  | Frequency |
|--|-----------|
| Formulate and recommend to the Board the CSR Policy and activities to be undertaken  | ▲         |
| Recommend the amount of expenditure to be incurred on CSR activities   | ●         |
| Formulate and review the Annual Action Plan in pursuance of the CSR Policy   | ●/▲       |
| Oversee the manner of execution of projects or programmes; the modalities of utilisation of funds and implementation schedules for the projects/programmes | ▲         |
| Impact assessment, monitoring and reporting mechanism for the projects/programmes  | ●         |

◆ Quarterly ● Annually ▲ Periodically

During the FY 2023-24, the Committee met (2) twice on 18th July, 2023 and 1st December, 2023. During the FY 2023-24, some of the businesses were considered by passing resolution(s) by circulation. The minutes of each of the CSR Committee meetings are placed at the next meeting of the Board. All the decisions and recommendations made by the Committee were approved by requisite majority of the members of the Committee.

### Composition and Attendance of Corporate Social Responsibility Committee Meetings



| Name of the Members      | 18.07.2023 | 01.12.2023 |
|--------------------------|------------|------------|
| O.P. Bhatt - Chairperson |            |            |
| Sanjiv Misra             |            |            |
| Kalpana Morparia         |            |            |
| Ritesh Tiwari*           |            | -          |
| Leo Puri*                |            | -          |
| Ranjay Gulati#           | -          |            |

Present    Leave of absence    Video Conference

**Notes:**

Mr. Dev Bajpai acts as the Secretary to the Committee  
 \*Mr. Ritesh Tiwari and Mr. Leo Puri ceased to be Members of the Committee with effect from 21st July, 2023  
 #Mr. Ranjay Gulati was appointed as a Member of the Committee with effect from 21st July, 2023  
 Mr. Tarun Bajaj was appointed as a Member of the Committee with effect from 2nd December, 2023

## Stakeholders' Relationship Committee



**O.P. Bhatt**

Chairperson

As on 31st March, 2024, the Stakeholders' Relationship Committee comprises Mr. O. P. Bhatt, Independent Director as the Chairperson and Mr. Ranjay Gulati, Mr. Tarun Bajaj and Mr. Rohit Jawa, as Members of the Committee. Mr. Dev Bajpai, Executive Director, Legal & Corporate Affairs and Company Secretary, is the Compliance Officer as per Regulation 6 of SEBI Listing Regulations and Nodal Officer under IEPF Rules.

The role of Stakeholders' Relationship Committee includes resolving the grievances of Shareholders, ensuring expeditious processing of all the Investor Service Requests in adherence to the regulatory timelines, evaluating performance and service standards of the Registrar and Share Transfer Agent (RTA) of the Company.

The Committee has periodic interactions with the representatives of the RTA of the Company. Over the last few years, SEBI, the capital market regulator, has issued guidelines and undertaken a number of measures for raising industry standards for RTAs to facilitate effective shareholder service. In order to ensure compliance with various guidelines and measures issued by SEBI to improve investor services, the Committee invites the representatives of the RTA to join the Committee Meetings for sharing an update on the steps and actions taken by the RTA in this regard. The Committee also invites Shareholders for interactions during the meetings to get a direct feedback on investor service.

### Terms of Reference of Stakeholder's Relationship Committee

The detailed terms of reference of the Stakeholders' Relationship Committee form part of the 'Corporate Governance Code' which is available on the website of the Company at <https://www.hul.co.in/investor-relations/corporate-governance/>.

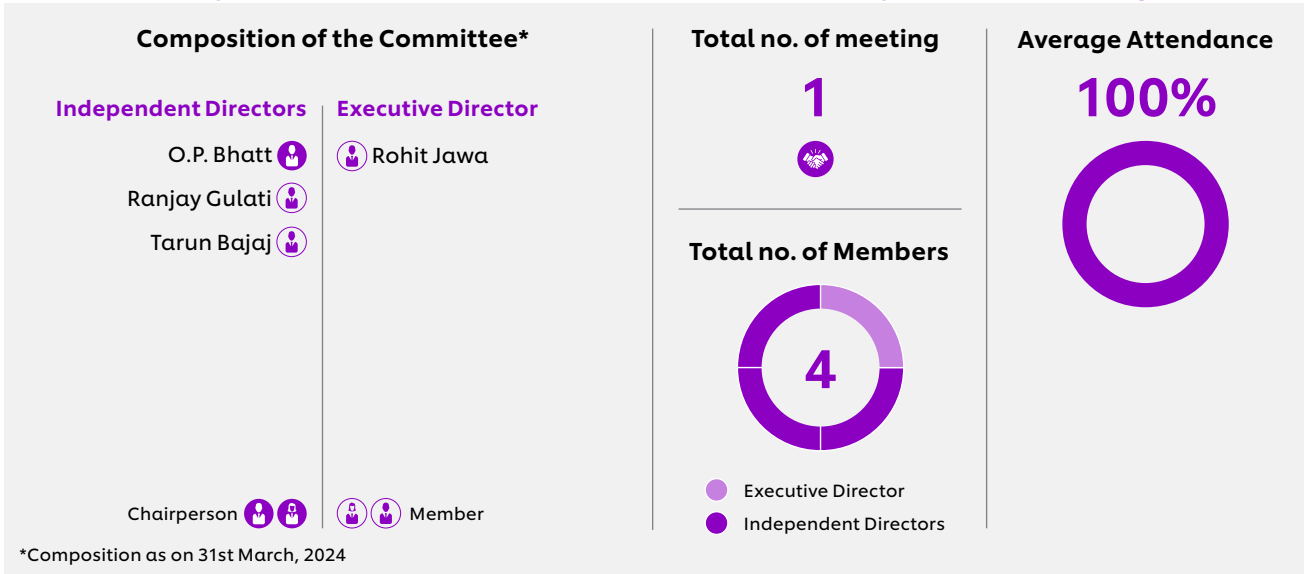
#### Key Terms of Reference of the Committee are:

| Activities of the Committee during the year   | Frequency |
|---|-----------|
| Consider and resolve the grievances of shareholders   | ▲         |
| Review of adherence to the service standards adopted by the Company in respect of various services being rendered by its Registrar & Share Transfer Agent | ●         |
| Make recommendations to improve investor service levels for the investors   | ▲         |
| Review of the various measures and initiatives taken by the Company for reducing the quantum of unpaid dividend   | ▲         |

◆ Quarterly ● Annually ▲ Periodically

During the FY 2023-24, the Committee met once on 18th October, 2023. The minutes of each of the Stakeholders' Relationship Committee meetings are placed at the next meeting of the Board. All the decisions and recommendations made by the Committee were

### Composition and Attendance of Stakeholders' Relationship Committee Meeting



approved by requisite majority of the members of the Committee.

| Name of the Members       | 18.10.2023 |
|---------------------------|------------|
| O. P. Bhatt - Chairperson |            |
| Rohit Jawa ^              |            |
| Ranjay Gulati^            |            |

Present Leave of absence Video Conference

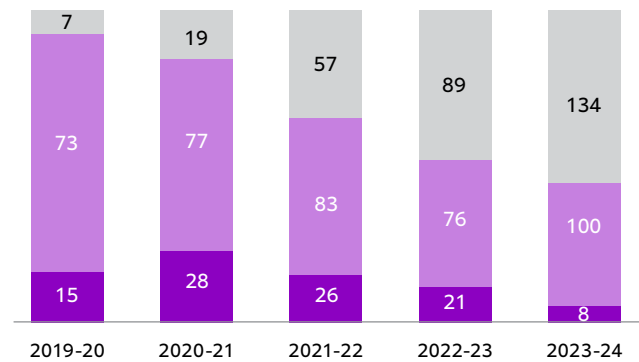
**Notes:**

Mr. Dev Bajpai acts as the Secretary to the Committee  
 ^Mr. Rohit Jawa and Mr. Ranjay Gulati were appointed as Members of the Committee with effect from 21st July, 2023  
 Mr. Leo Puri and Mr. Ritesh Tiwari ceased to be Members of the Committee with effect from 21st July, 2023  
 Mr. Tarun Bajaj was appointed as a Member of the Committee with effect from 2nd December, 2023

**Details of Investors' Complaints**

Mr. Dev Bajpai, Executive Director, Legal & Corporate Affairs and Company Secretary, is the Compliance Officer, who is also responsible for ensuring expeditious resolution of Investors' complaints. During the FY 2023-24, 242 complaints were received from the Investors. All complaints were redressed by 31st March, 2024.

**Trend of complaints received during last 5 years:**



Non-receipt of Dividend  
 Non-receipt of shares  
 Non-receipt of Annual Report & Others\*

\*Others include complaints related to IEPF, transfer / transmission of shares and TDS on dividends.

## Risk Management Committee



**Leo Puri**  
Chairperson

With an embedded approach to Risk Management which puts risk and opportunity assessment at the core of the Board's agenda, the Company has constituted a Risk Management Committee, in line with the Listing Regulations.

As on 31st March, 2024, the Risk Management Committee of the Company comprises Mr. Leo Puri, Independent Director, as the Chairperson, Ms. Ashu Suyash, Ms. Neelam Dhawan, Mr. Tarun Bajaj and Mr. Rohit Jawa as the members of the Committee.

The role of Risk Management Committee includes the implementation of Risk Management Systems and Framework, review of the Company's financial and risk management policies, assess risk and formulate procedures to minimise the same.

### Terms of Reference of the Risk Management Committee

The detailed terms of reference of the Risk Management Committee form part of the 'Corporate Governance Code' which is available on the website of the Company at <https://www.hul.co.in/investor-relations/corporate-governance/>.

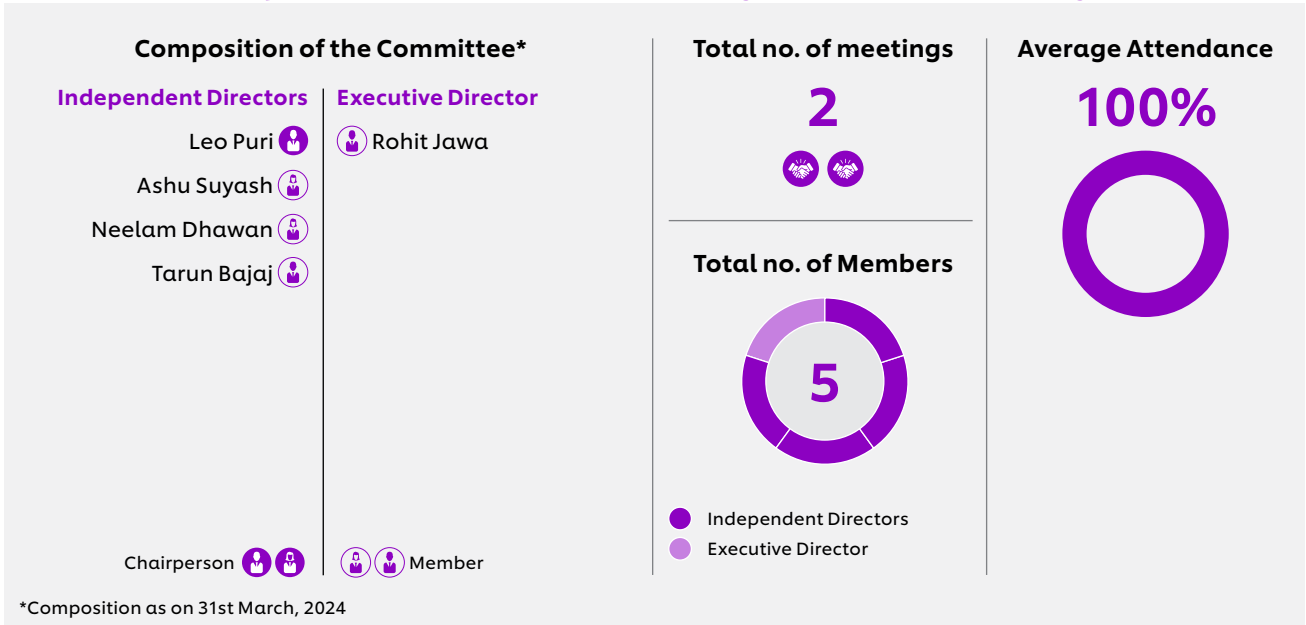
### Key Terms of Reference of the Committee are:

| Activities of the Committee during the year   | Frequency |
|---|-----------|
| To identify the internal and external risks, inter alia, financial, operational, sectoral, sustainability/ ESG, information, cyber security risks, legal and regulatory risks | ▲         |
| Oversee the implementation of the Risk Management Policy and the adequacy of Risk Management systems  | ▲         |
| Ensure appropriate methodology, processes and systems are in place to monitor and evaluate risks  | ▲         |

◆ Quarterly   ● Annually   ▲ Periodically

During the FY 2023-24, the Risk Management Committee met (2) twice on 19th July, 2023, and 1st December, 2023, for reviewing the Company level risks and mitigation plans and actions. The gap between two meetings was not more than 180 days as stipulated under the Listing Regulations. The minutes of each of the Risk Management Committee meetings are placed at the next meeting of the Board. All the decisions and recommendations made by the Committee were approved by requisite majority of the members of the Committee.

### Composition and Attendance of Risk Management Committee Meetings



| Name of the Members         | 19.07.2023 | 01.12.2023 |
|-----------------------------|------------|------------|
| Leo Puri* - Chairperson     | -          |            |
| Dev Bajpai <sup>^</sup>     |            | -          |
| Ritesh Tiwari <sup>^</sup>  |            | -          |
| Ashu Suyash                 |            |            |
| Rohit Jawa <sup>#</sup>     | -          |            |
| Neelam Dhawan <sup>^^</sup> | -          |            |
| Ravishankar A. <sup>^</sup> |            | -          |

Present  
 Leave of absence  
 Video Conference

**Notes:**

- Mr. Dev Bajpai acts as the Secretary to the Committee
- \*Mr. Leo Puri was appointed as Chairperson of the Committee with effect from 21st July, 2023
- #Mr. Rohit Jawa was appointed as a Member of the Committee with effect from 21st July, 2023
- <sup>^</sup>Mr. Dev Bajpai, Mr. Ritesh Tiwari and Mr. Ravishankar A. ceased to be Members of the Committee with effect from 21st July, 2023
- <sup>^^</sup>Ms. Neelam Dhawan was appointed as a Member of the Committee with effect from 1st August, 2023
- Mr. Tarun Bajaj was appointed as a Member of the Committee with effect from 2nd December, 2023

# Corporate Governance Report

## Environmental, Social and Governance Committee



**Ashu Suyash**

Chairperson

As on 31st March, 2024, the ESG Committee of the Company comprises Ms. Ashu Suyash, Independent Director as the Chairperson, Mr. O.P. Bhatt, Ms. Kalpana Morparia, Mr. Leo Puri, Ms. Neelam Dhawan and Mr. Rohit Jawa as the members of the Committee.

The ESG Committee is responsible for overseeing the vision and focus on the Company's strategy relating to ESG and sustainability matters. The Committee shall also monitor the progress against the stated vision and review the practices, initiatives & goals of the Company relating to ESG, and ensure that they remain effective.

### Terms of Reference of the Environmental, Social and Governance Committee

The detailed terms of reference of the ESG Committee form part of the 'Corporate Governance Code' which is available on the website of the Company at <https://www.hul.co.in/investor-relations/corporate-governance/>.

### Key Terms of Reference of the Committee are:

| Activities of the Committee during the year   | Frequency |
|---|-----------|
| Guide the creation of ESG vision & ambition of the Company and monitor the same   | ▲         |
| Providing the advice and directions on implementation of the ESG Strategy, opportunities and risks to the Company's operation and reputation and its corporate responsibility | ▲         |

| Activities of the Committee during the year  | Frequency |
|--|-----------|
| Review the ESG policies that are formalised along with the oversight on their implementation and considering the same periodically   | ▲         |
| Work in joint co-ordination with the Risk Management Committee to oversee the identification and mitigation of risks relating to ESG and review the effectiveness of risk management and internal control policies where relevant to ESG matters | ▲         |
| Oversee the Company's engagement with its broader stakeholders community and ensure that the Company takes appropriate measures  | ▲         |
| Monitor Company's ESG rating and statutory requirements for Sustainability reporting & disclosure  | ●         |
| Review regularly the requirement for external assurance of ESG matters   | ●         |
| Review the ESG matters to be presented in the Company's Annual Report and monitor the integrity of these reports   | ●         |

◆ Quarterly ● Annually ▲ Periodically

During the FY 2023-24, the Environmental, Social and Governance Committee met once on 18th October, 2023. The minutes of each of the Environmental, Social and Governance Committee meetings are placed at the next meeting of the Board. All the decisions and recommendations made by the Committee were approved by requisite majority of the members of the Committee.

### Composition and Attendance of Environmental, Social and Governance Committee Meetings



| Name of the Members        | 18.10.2023 |
|----------------------------|------------|
| Ashu Suyash - Chairperson  |            |
| Kalpana Morparia           |            |
| O. P. Bhatt                |            |
| Rohit Jawa <sup>^</sup>    |            |
| Leo Puri <sup>^</sup>      |            |
| Neelam Dhawan <sup>§</sup> |            |

Present   Leave of absence   Video Conference

**Notes:**

Mr. Dev Bajpai acts as the Secretary to the Committee  
<sup>^</sup>Mr. Rohit Jawa and Mr. Leo Puri were appointed as Members of the Committee with effect from 21st July, 2023  
<sup>§</sup>Ms. Neelam Dhawan was appointed as Member of the Committee with effect from 1st August, 2023

### Other Committees

Apart from the above Statutory Committees, the Board of Directors has constituted the following Committees to enhance the level of governance and also to meet the specific business needs. The said Committees report to the Board of Directors of the Company.

#### Share Transfer/Transmission Committee

The Share Transfer/Transmission Committee is responsible for overseeing share transmission and related requests received from Shareholders/Claimants, with a view to enhance shareholder satisfaction. The Committee comprises three Executive Directors of the Board. The Committee, inter alia, considers requests for transmission, issuance of duplicate share certificates, split, consolidation, dematerialisation of share certificates and issuance of Letters of Confirmation in compliance with the applicable provisions.

As per Regulation 40 of Listing Regulations, as amended from time to time, shares of the Company can be transferred only in dematerialised form with effect from 1st April, 2019.

Further, with effect from 24th January, 2022, listed companies shall issue securities only in dematerialised mode while processing any investor service request including transmission, deletion of name of joint holder(s), issuance of duplicate share certificates, exchange/sub-division/split/consolidation and transposition of shares.

The Committee generally meets on a weekly basis to ensure that all investor service requests are considered and actioned within the prescribed timelines.

#### Committee for Allotment of Shares under ESOPs

The Committee for Allotment of Shares under ESOPs has been constituted for approval, issue and allotment of shares under ESOP Schemes. The Committee comprises three Executive Directors of the Board and is constituted to expedite the process of allotment and issue of shares to eligible employees under the Stock Option Plan of the Company.

#### Administrative Matters Committee

The Administrative Matters Committee has been set up to oversee routine operations that arise in the normal course of the business, such as decision on banking relations, delegation of operational powers, appointment of nominees under statutes, etc. The Committee comprises three Executive Directors of the Board.

#### Committee for approving Disposal of Surplus Assets

The Committee for approving Disposal of Surplus Assets has been set up and entrusted with the responsibility of identifying the surplus assets of the Company and to authorise sale and disposal of such surplus property. The Committee is fully authorised to take necessary steps to give effect to sale and transfer of the ownership rights, interest and title in such identified properties, for and on behalf of the Company. The Committee comprises three Executive Directors of the Board.



# Corporate Governance Report

## Management Committee

The day-to-day management of the Company is vested with the Management Committee, which is subjected to the overall superintendence and control of the Board. The Management Committee is headed by the CEO & MD and has Functional/Business Heads as its members.

### Composition as on 31st March, 2024

| Name of the Members | Designation   |
|---------------------|---|
| Rohit Jawa          | Chief Executive Officer & Managing Director                         |
| Ritesh Tiwari       | Executive Director, Finance & IT and Chief Financial Officer        |
| Dev Bajpai          | Executive Director, Legal & Corporate Affairs and Company Secretary |
| Srinandan Sundaram  | Executive Director, Foods & Refreshment                             |
| Madhusudan Rao      | Executive Director, Beauty & Personal Care                          |
| Deepak Subramanian  | Executive Director, Home Care                                       |
| Anuradha Razdan     | Executive Director, Human Resources                                 |
| Yogesh Mishra       | Executive Director, Supply Chain                                    |
| Vibhav Sanzgiri     | Executive Director, Research & Development                          |
| Kedar Lele          | Executive Director, Customer Development                            |
| Arun Neelakantan    | Chief Digital Officer   |

During the year, the Board of Directors, based on the recommendation of the Nomination and Remuneration Committee, approved the following changes to the Management Committee:

- appointment of Mr. Srinandan Sundaram as the Executive Director, Home Care in succession to Mr. Deepak Subramanian with effect from 1st April, 2024.
- appointment of Ms. Harman Dhillon as the Executive Director, Beauty & Well-being, in succession to Mr. Madhusudhan Rao, with effect from 1st April, 2024.
- appointment of Mr. Shiva Krishnamurthy as the Executive Director, Foods and Refreshment in succession to Mr. Srinandan Sundaram with effect from 1st April, 2024.

The Board at its meeting held on 24th April, 2024, approved the appointment of Mr. Biddappa Bittianda Ponnappa as an Executive Director, Human Resources in succession to Ms. Anuradha Razdan with effect from 1st June, 2024.



## Governance of Subsidiary Companies

The minutes of the Board Meetings of the subsidiary companies along with the details of significant transactions and arrangements entered into by the subsidiary companies are shared with the Board of Directors on a quarterly basis. The financial statements of the subsidiary companies are presented to the Audit Committee. As on the date of this Integrated Annual Report, the Company does not have a material subsidiary, having a net worth exceeding 10% of the consolidated net worth or income of 10% of the consolidated income of the Company. As per the requirements of Regulation 23 of Listing Regulations,

omnibus approval of the Audit Committee is obtained for all material related party transactions of the Subsidiaries.

### Disclosure of Loans and Advances by the Company/ its subsidiaries in the nature of loans to firms/companies in which Directors are interested

During the financial year ended 31st March, 2024, there were no loans or advances provided by the Company or its subsidiaries to firms/companies in which Directors are interested.



## Company Policies

### Environmental, Social and Governance Policy

The Company’s ESG Policy is driven by the vision to be a leader in sustainable business. The Company envisions integration of ESG aspects into the business operations which will help in generating superior long-term value, and reducing risks faced by the business. Through this Policy, the Company aims to define the position on ESG matters and guide employees on the manner to integrate ESG aspects in their decision making processes relating to activities of the Company. The ESG Policy is available on the website of the Company at <https://www.hul.co.in/investor-relations/corporate-governance/>.

### Code of Business Principles and Whistle Blower Policy

The Code of Business Principles (the Code) is the Company’s statement of values and represents the standard of conduct which all employees are expected to observe in their business endeavours. The Code reflects the Company’s commitment to principles of integrity, transparency and fairness. It forms the benchmark against which the world at large is invited to judge the Company’s activities. The Code is available on the website of the Company at <https://www.hul.co.in/planet-and-society/business-integrity/>.

The Company has adopted a Whistle Blower Policy, as part of Vigil Mechanism to provide appropriate avenues to all individuals associated with the Company to bring to the attention of the Management any issue which is perceived to be in violation of or in conflict with the Code of the Company. The Company has provided dedicated e-mail address [cobp.hul@unilever.com](mailto:cobp.hul@unilever.com) for reporting such concerns. Alternatively, individuals can also send written communications to the Company. The employees are encouraged to voice their concerns by way of Whistle Blowing and all the employees have been given access to the Audit Committee. The Policy provides an avenue to every employee and every person as defined therein to report concerns directly to the Management or to the Chairperson of the Audit Committee. The Company Secretary is the Designated Officer for effective implementation of the Policy and dealing with the complaints registered under the Policy. All cases, registered under the Code and the Whistle Blower Policy of the Company, are reported to the Management Committee and are subject to the review of the Audit Committee. The Whistle Blower Policy is available on the website of the Company at <https://www.hul.co.in/investor-relations/corporate-governance/>

During the FY 2023-24, 87 incidents were reported across all areas of our CoBP and Code Policies, with 41 confirmed breaches. No person was denied access to the Audit Committee.

### Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

The Company is committed to ensure that all the employees work in an environment that is inclusive and provides an opportunity to bring their best selves at workplace. The Company is also committed to provide a work environment that ensures every person is treated with dignity, respect and fair treatment. The Company has formulated a Policy on Prevention of Sexual Harassment in accordance with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH Act) and the Rules made thereunder which is aimed at providing everyone who visits our workplace, experiences an environment that not only promotes diversity and equality but also mutual trust, equal opportunity and respect for human rights. Our POSH Policy is now more inclusive and gender neutral, detailing the governance mechanisms for prevention of sexual harassment issues relating to employees across genders including employees who identify themselves with LGBTQI+ Community.

We have constituted Internal Committees (IC) as per the POSH Act.

|  |   |
|--|---|
| Number of Complaints received during the FY 2023-24    | 7 |
| Number of Complaints disposed of during the FY 2023-24 | 7 |
| Number of Complaints pending as on 31st March, 2024    | - |

### Policy on avoiding Conflict of Interest

The Board of Directors is responsible for ensuring that systems and processes are in place to avoid conflict of interest by the Directors and the Management Committee. The Board has adopted the Code of Conduct for the Directors and Senior Management Team. The Code provides that the Directors are required to avoid any interest in contracts entered into by the Company. If such an interest exists, they are required to make adequate disclosure to the Board and to abstain from discussion, voting or otherwise influencing the decision on any matter in which the concerned Director has or may have such interest. The Code also restricts Directors from accepting any gifts or incentives in their capacity as a Director of the Company, except what is duly authorised under the Company’s Gift Policy. The Directors and the Management Committee annually confirm the compliance of the Code of Conduct to the Board. The Code of Conduct is in addition to the Code of Business Principles of the Company. A copy of the said Code of Conduct is available on the website of the Company at <https://www.hul.co.in/investor-relations/corporate-governance/>.

In addition, the Directors and members of Management Committee also submit, on an annual basis, the details

# Corporate Governance Report

of individuals to whom they are related and entities in which they hold interest and such disclosures are placed before the Board. The Directors inform the Company of any change in their Directorship(s), Chairmanship(s)/ Membership(s) of the Committees, in accordance with the requirements of the Act and Listing Regulations. Transactions with any of the entities referred above are placed before the Board for approval. Details of all Related Party Transactions are placed before the Audit Committee on quarterly basis.

## Policy on Related Party Transactions

The Company has adopted the Policy on Related Party Transactions in line with the requirements of the Act and Listing Regulations, as amended from time to time, which is available on the website of the Company <https://www.hul.co.in/investor-relations/corporate-governance/>.

The Policy intends to ensure that proper reporting, approval, disclosure processes are in place for all transactions between the Company and Related Parties.

This Policy specifically deals with the review and approval of Material Related Party Transactions, keeping in mind the potential or actual conflicts of interest that may arise because of entering into these transactions. All Related Party Transactions are placed before the Audit Committee for review and approval. Prior omnibus approval is obtained for Related Party Transactions on a quarterly basis for transactions which are of repetitive nature and/or entered in the ordinary course of business and are at arm's length. All Related Party Transactions entered during the year were in ordinary course of business and on arm's length basis.

The Company has not entered into any Material Related Party Transactions during the FY 2023-24. Further, there are no materially significant related party transactions that may have potential conflict with interest of the Company at large.

## Policy on Material Subsidiary

The Company has adopted a Policy on Material Subsidiary in line with the requirements of the Listing Regulations. The objective of this Policy is to lay down criteria for identification and dealing with material subsidiaries and to formulate a governance framework for subsidiaries of the Company. The Policy on Material Subsidiary is available on the website of the Company at <https://www.hul.co.in/investor-relations/corporate-governance/>.

## Policy on Dividend Distribution

The Board of Directors have adopted Dividend Distribution Policy in terms of the requirements of Listing Regulations. The Policy is available on the website of the Company at <https://www.hul.co.in/investor-relations/corporate-governance/>.

## Share Dealing Code

The Share Dealing Code of the Company is intended to prevent insider trading and abusive self-dealing in the securities of the Company. Insider trading is the illegal and unethical practice of trading in the securities of the

Company by persons who have access to Unpublished Price Sensitive Information (UPSI) about the company or communicate or procure UPSI for personal gain or to benefit others. Abusive self-dealing is the unfair use of one's position or influence in the Company to obtain an advantage or benefit for oneself or others at the expense of the Company or its shareholders.

Insider trading and abusive self-dealing erode the confidence and trust of the investors and the public in the integrity and fairness of the securities market. Therefore, in accordance with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (SEBI PIT Regulations), the Company has established systems and procedures to prohibit insider trading activities and the Board of Directors have adopted the Share Dealing Code. The Share Dealing Code is a set of rules and guidelines that govern the conduct of the Company's Directors, Management Committee members and other designated persons (collectively referred to as Special Employees) in relation to their dealings in the securities of the Company.

The Share Dealing Code aims to ensure that the Special Employees follow the law as well as the highest standards of professionalism and ethics when they trade in the Company's securities. The Share Dealing Code also sets out the procedures that the Special Employees have to follow when they share any UPSI. The Share Dealing Code is stricter than the provisions of the Regulations framed thereunder by requiring approvals for all the transactions done by the Special Employees regardless of any value or amount.

The Company has established a mechanism for tracking the trades done by Special Employees as well as generating system based disclosures according to the Share Dealing Code. Further, the Board has constituted the Share Dealing Code Compliance Committee comprising Chief Executive Officer, Executive Director, Finance & IT and Chief Financial Officer and Executive Director, Legal & Corporate Affairs and Company Secretary to monitor the implementation of the policies and compliances under the SEBI PIT Regulations including leak/suspected leak of UPSI. The Company Secretary has been appointed as the Compliance Officer for ensuring implementation of the Share Dealing Code.

The Share Dealing Code Compliance Committee has the authority to impose sanctions and penalties for any breach of the Share Dealing Code by the Special Employees, as per the sanction framework defined by the Share Dealing Code. The said non-compliances are promptly intimated to the Stock Exchanges in the prescribed format and penalty, if any, is being directly deposited by the Designated Person with SEBI's Investor Protection and Education Fund.

The details of trading in the Company's shares by Special Employees are presented to the Audit Committee and Board for information on quarterly basis.

During the year, the Company regularly sent informational e-mails and whatsapp messages to the Special Employees on topics including Do's and Don't's while dealing with the securities of the Company, open period/closed period

communication and also conducted an online quiz for its Special Employees to familiarise, educate and remind them of the provisions of Share Dealing Code and SEBI PIT Regulations. These initiatives have created substantial awareness amongst the Special Employees.

A copy of the Share Dealing Code is made available to all the employees of the Company and compliance of the same is ensured. The Share Dealing Code is available on the website of the Company at <https://www.hul.co.in/investor-relations/corporate-governance/>.



## Affirmation and Disclosure

All the Directors and members of the Management Committee have affirmed their compliance with the Code of Conduct as on 31st March, 2024 and a declaration to that effect, signed by the CEO & MD and the Chief Financial Officer, is attached and forms part of this Integrated Annual Report.

The Auditor's Certificate on Corporate Governance forms part of this Integrated Annual Report.

The Members of the Management Committee have made disclosure to the Board of Directors relating to transactions with potential conflict of interest with the Company, if any. There were no material, financial or commercial transaction, between the Company and Members of the Management Committee that may have a potential conflict with the interest of the Company at large.

All details relating to financial and commercial transactions where Directors may have a pecuniary interest are provided to the Board and the interested Directors neither participate in the discussion nor vote on such matters.

The Company has complied with the requirements specified in Regulations 17 to 27 and Clauses (b) to (i) of the Regulation 46(2) of the Listing Regulations.

No funds were raised through Preferential Allotment or Qualified Institutional Placement as per the Regulation 32(7A) of Listing Regulations.

The Company has complied with the mandatory requirements of Listing Regulations relating to Corporate Governance

## Auditors

### Secretarial Auditors

The Board, at its meeting held on 27th April, 2023, had appointed M/s. S. N. Ananthasubramanian & Co., Company Secretaries (ICSI Unique Code: P1991MH040400) to conduct Secretarial Audit for the FY 2023-24. The Company has undertaken Secretarial Audit for the FY 2023-24 which, inter-alia, includes audit of compliance with the Act, and the Rules made under the Act, Listing Regulations and applicable Regulations prescribed by the SEBI, Foreign Exchange Management Act, 1999 and Secretarial Standards issued by the Institute of the Company Secretaries of India. The Secretarial Audit Report forms part of this Integrated Annual Report.

In line with the best governance practices codified under our Corporate Governance Code, the Secretarial Auditor must be rotated every ten years and a cooling off period of three years must have elapsed to be re-appointed by the Company. Accordingly, in terms of provisions of Section 204 of the Act, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board, at its meeting held on 19th January, 2024 had appointed M/s. Parikh & Associates, Company Secretaries (ICSI Unique Code: P1988MH009800) to conduct Secretarial Audit for the FY 2024-25.

### Statutory Auditors

As per Section 139 of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014, the term of M/s. B S R & Co. LLP, Chartered Accountants (ICAI Registration No.: 101248W/W-100022), as the Statutory Auditors of the Company, expires at the conclusion of 91st AGM of the Company. The Report given by M/s. B S R & Co. LLP, on the financial statements of the Company for the FY 2023-24 is part of this Integrated Annual Report. There has been no qualification, reservation, adverse remark or disclaimer given by the Auditors in their Report.

### Fees paid to the Statutory Auditors

The total fee for all services paid by the Company and its Subsidiaries to M/s. B S R & Co. LLP, Chartered Accountants, Statutory Auditors and all the entities in the network firm/network entity, of which Statutory Auditors are a part, for the FY 2023-24 are as follows:

| Particulars   | Amount (in Crs) |
|---|-----------------|
| Statutory Audit Fees  | 3.50            |
| Tax Audit Fees  | 0.90            |
| Others including group IFRS audit fees, statutory certifications, etc. and out of pocket expenses | 2.46            |

### Appointment of M/s. Walker Chandiook & Co. LLP, Chartered Accountants

As per Section 139 of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014, the term of M/s. B S R & Co. LLP, Chartered Accountants (ICAI Registration No.: 101248W/W-100022), as the Statutory Auditors of the Company, expires at the conclusion of 91st AGM of the Company.

# Corporate Governance Report

The Board of Directors of the Company at their meeting held on 24th April, 2024, based on the recommendation of the Audit Committee, have recommended the appointment of M/s. Walker Chandiook & Co. LLP, Chartered Accountants (Firm Registration No. 001076N/N500013), as Statutory Auditors of the Company in place of M/s. B S R & Co. LLP, Chartered Accountants, for a term of 5 (five) consecutive years from the conclusion of 91st AGM till the conclusion of the 96th AGM, by the Members of the Company. Accordingly, an Ordinary Resolution, proposing appointment of M/s. Walker Chandiook & Co. LLP, as the Statutory Auditors of the Company for a term of five consecutive years pursuant to Section 139 of the Act, forms part of the Notice of the 91st AGM of the Company. The Company has received the written consent and a certificate that they satisfy the criteria provided under Section 141 of the Act and that the appointment, if made, shall be in accordance with the applicable provisions of the Act and rules framed thereunder.

The total estimated fees for all services payable by the Company and its Subsidiaries to M/s. Walker Chandiook & Co. LLP, Chartered Accountants, Statutory Auditors and all the entities in the network firm / network entity, of which Statutory Auditors are a part, for the FY 2024-25 shall be ₹4.25 crores.

## Cost Auditors

In terms of provisions of Section 148 of the Act read with the Companies (Accounts) Rules, 2014, M/s. R A & Co., Firm Registration No.: 000242, was appointed as Cost Auditors of the Company.

During the year, M/s. R A & Co., had vacated their office with immediate effect on account of the firm incurring a disqualification as per the provisions of Section 141 read with Section 148 of the Act.

The Board, at its meeting held on 24th April, 2024, based on the recommendation of the Audit Committee, has appointed M/s. R. Nanabhoy & Co., Cost Accountants (Firm Registration No. 000010) as the Cost Auditors of the Company for FY 2023-24 and FY 2024-25.

M/s. R. Nanabhoy & Co., being eligible, have consented to act as the Cost Auditors of the Company for FY 2023-24 and FY 2024-25 and are in the process of carrying out the cost audit for applicable products for the FY 2023-24.

The remuneration of ₹14 lakhs for the FY 2023-24 and ₹15 lakhs for the FY 2024-25 exclusive of taxes and out-of-pocket expenses incurred in connection with the aforesaid audit, is proposed to be paid to the Cost Auditors, subject to ratification by the Members of the Company at the ensuing AGM.

## Annual Secretarial Compliance Report

The Company has undertaken an audit for the FY 2023-24 for all applicable compliances as per SEBI Regulations and Circulars/Guidelines issued thereunder. The Annual Secretarial Compliance Report has been submitted to the Stock Exchanges within 60 days of the end of the Financial Year.

## Corporate Governance Code Audit

The Board of Directors has adopted 'Corporate Governance Code', a statement of practices and procedures to be followed by the Company and its officers and employees. The Corporate Governance Code lays down the principles governing Compliances for Board of Directors, Key Managerial Personnel, Risk Management, Shareholders and Redressal of Grievances etc., which will be the guiding force for the Company to maintain highest governance standards. The Corporate Governance Code is amended from time to time to align with the amendments to the Act, Listing Regulations and for adoption of the best governance practices. The Corporate Governance Code is available on Company's website at <https://www.hul.co.in/investor-relations/corporate-governance/>.

The Company had appointed M/s. S. N. Ananthasubramanian & Co., Company Secretaries as the Auditor for the audit of the practices and procedures followed by the Company as prescribed under the Corporate Governance Code. The Company has received the Corporate Governance Code Audit Report for the FY 2023-24.

## Disclosure of Pending Cases/Instances of Non-Compliance

There were no non-compliances by the Company and no instances of penalties and strictures imposed on the Company by the Stock Exchanges or SEBI or any other Statutory Authority on any matter related to the capital market during the last three years.

The Company has been impleaded in certain legal cases related to disputes over title to shares arising in the ordinary course of share transfer operations. However, none of these cases are material in nature, which may lead to material loss or expenditure to the Company.

## Commodity Price Risk/Foreign Exchange Risk and Hedging Activities

### 1. Risk Management Policy of the Company with respect to the Commodities and Forex:

In terms of provisions of Regulation 34(3) of the Listing Regulations read with SEBI Circular dated 15th November, 2018, companies are required to make necessary disclosures about the Risk Management Policy with respect to commodities in the Corporate Governance Report.

Commodities form a major part of the raw materials required for the Company's products portfolio and hence commodity price risk is one of the important market risks for the Company. The commodities we source are priced using pricing benchmarks and commodity derivatives are priced using exchange traded pricing benchmarks. The Company has a robust framework and governance mechanism in place to ensure that the organisation is adequately protected from the market volatility in terms of price and availability.

The Commodity Risk Management (CRM) team of Unilever, based on intelligence and monitoring, forecasts commodity prices and movements and advises the Procurement team on cover strategy. A robust planning and strategy ensure that the Company’s interests are protected despite volatility in commodity prices.

The Company manages the foreign exchange risk with appropriate hedging activities in accordance with policies of the Company. The aim of the Company’s approach to manage currency risk is to

leave the Company with no material residual risk. The Company is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to US Dollar and Euro. The Company manages currency exposures through use of forward exchange contracts, monitored on a weekly basis in line with the Company Policy. The Company does not enter into any derivative instruments for trading or speculative purposes. The details of foreign exchange exposures as on 31st March, 2024 are disclosed in Note No. 38 to the standalone Financial Statements.

**2. Exposure of the listed entity to commodity and commodity risks faced by the entity throughout the year:**

- a) Total exposure of the listed entity to commodities during the Financial Year: ₹12,442 crores
- b) Exposure of the listed entity to material commodities

| Commodity Name | Exposure towards the material commodity (₹ in crores) | Exposure in Quantity terms towards the material commodity | Units of Measurement# | % of such exposure hedged through commodity derivatives |          |                      |          |       |
|----------------|---|---|-----------------------|---|----------|----------------------|----------|-------|
|                |   |   |                       | Domestic Market   |          | International Market |          | Total |
|                |   |   |                       | OTC   | Exchange | OTC                  | Exchange |       |
| Brent          |   |   |                       |   |          |                      |          |       |
| Benzene        | 3,831   | 21,09,725*  | Barrels               | -   | -        | 23%                  |          | 23%   |
| Kerosene       |   |   |                       |   |          |                      |          |       |
| Vegetable Oil  | 1,887   | 2,33,000  | KG/TO                 | -   | -        | -                    | -        | -     |
| Tea            | 2,747   | 16,09,85,276  | KG                    | -   | -        | -                    | -        | -     |

\*Quantity derived basis Labsa volumes and formulation

# KG - Kilograms; TO - Tonnes

- c) Commodity risks faced and management of Risks by the Company during the year are disclosed in Note No. 38 to the standalone financial statements.

**Compliance with the Discretionary Requirements under the Listing Regulations**

- **The Board:** The Board of Directors periodically reviewed the compliance of all applicable laws and steps taken by the Company to rectify instances of non-compliance, if any. The Company is in compliance with all mandatory requirements of Listing Regulations.
- **Shareholders’ rights:** The Company ensures that the disclosure of all the information is made on a non-discretionary basis to all the shareholders. The quarterly results along with the press release, investor presentations, recordings and transcripts of earnings call are uploaded on the website of the Company at <https://www.hul.co.in/>.
- **Audit qualifications:** The auditors have not qualified the financial statements of the Company.
- **Separate position of Chairperson and the Managing Director/CEO:** Separate individuals hold the positions of Chairperson and Managing Director & CEO since 2022. The Chairperson is a Non-Executive Non-Independent Director.
- **Reporting of Internal Auditor:** The Internal Auditor of the Company directly reports to the Audit Committee on functional matters.

The Company has submitted quarterly compliance report on Corporate Governance with the Stock Exchanges, in accordance with the requirements of Regulation 27(2)(a) of the Listing Regulations.



## Shareholder Information

### General Body Meetings

Details of last three Annual General Meetings and the summary of Special Resolutions passed therein are as under:

| Financial year ended | Date and Time                       | Venue   | Special resolution passed   |
|----------------------|-------------------------------------|---|---|
| 31st March, 2021     | 22nd June, 2021,<br>3.00 P.M. (IST) | Annual General Meeting through Video Conferencing/Other Audio-Visual Means facility | No special resolutions were passed in this meeting                          |
| 31st March, 2022     | 23rd June, 2022,<br>2.30 P.M. (IST) | Annual General Meeting through Video Conferencing/Other Audio-Visual Means Facility | No special resolutions were passed in this meeting                          |
| 31st March, 2023     | 26th June, 2023,<br>2.00 P.M (IST)  | Annual General Meeting through Video Conferencing/Other Audio-Visual Means Facility | Appointment of Mr. Ranjay Gulati (DIN: 10053369) as an Independent Director |

### Postal Ballot

During the year, the Company had passed Special Resolutions through Postal Ballot for the proposals as mentioned below.

The Company provided electronic voting facility to all its members in compliance with Regulation 44 of Listing Regulations and as per the provisions of Sections 108 and 110 of the Companies Act, 2013, (the Act), read with Rule 20 and Rule 22 of the Companies (Management and Administration) Rules, 2014, as amended (Rules), read with the General Circulars issued by the MCA (MCA Circulars),

The Company engaged the services of KFin Technologies Limited, Registrar and Share Transfer Agents (RTA) of the Company for facilitating e-voting to enable the Members to cast their votes electronically. The Board of Directors had appointed Mr. S. N. Ananthasubramanian (FCS: 4206

and COP No.: 1774), Practicing Company Secretary or failing him, Mr. S.N. Viswanathan (ACS 61955 and COP No. 24335), Practicing Company Secretary, as the Scrutinizer, for conducting the Postal Ballot process, in a fair and transparent manner.

The Scrutiniser, after the completion of scrutiny, submitted his report to Mr. Dev Bajpai, Company Secretary, who was duly authorised by the Chairperson to accept, acknowledge and countersign the Scrutiniser's Report as well as declare the voting results in accordance with the provisions of the Act, the Rules framed thereunder and the Secretarial Standard - 2 issued by the Institute of Company Secretaries of India.

The results were displayed on the website of the Company at <https://www.hul.co.in/> and on the website of KFin Technologies Limited at [www.kfintech.com](http://www.kfintech.com) and also communicated to BSE Limited (BSE), National Stock Exchange of India Limited (NSE).

#### a. Appointment of Ms. Neelam Dhawan (DIN: 00871445) as an Independent Director of the Company to hold office for a term of five consecutive years i.e., from 1st August, 2023 upto 31st July, 2028

|   |  |                |
|---|--|----------------|
| <b>Voting Period</b>  | Commenced on Wednesday, 9th August, 2023, at 9.00 A.M. (IST) and ended on Thursday, 7th September, 2023 at 5.00 P.M. (IST) |                |
| <b>Members as on Cut - off date i.e. Friday, 4th August, 2023</b> | 11,23,144  |                |
| <b>Announcement of Consolidated Results</b>                       | 8th September, 2023  |                |
| <b>Voting Pattern</b>   | <b>Particulars</b>   | <b>Number</b>  |
|   | Number of valid Electronic Votes received  | 1,97,55,21,825 |
|   | Votes in favour of the resolution  | 1,97,32,83,362 |
|   | Votes against the resolution   | 22,38,463      |

**b. Re-appointment of Mr. Leo Puri (DIN:01764813) as an Independent Director of the Company for the second term of five consecutive years with effect from 12th October, 2023 upto 11th October, 2028**

|   |  |                |
|---|--|----------------|
| <b>Voting Period</b>  | Commenced on Wednesday, 9th August, 2023, at 9.00 A.M. (IST) and ended on Thursday, 7th September, 2023 at 5.00 P.M. (IST) |                |
| <b>Members as on Cut – off date i.e. Friday, 4th August, 2023</b> | 11,23,144  |                |
| <b>Announcement of Consolidated Results</b>                       | 8th September, 2023  |                |
| <b>Voting Pattern</b>   | <b>Particulars</b>   | <b>Number</b>  |
|   | Number of valid Electronic Votes received  | 1,97,55,22,342 |
|   | Votes in favour of the resolution  | 1,97,33,73,768 |
|   | Votes against the resolution   | 21,48,574      |

**c. Appointment of Mr. Tarun Bajaj (DIN: 02026219) as an Independent Director of the Company to hold office for a term of five consecutive years i.e., from 1st December, 2023 upto 30th November, 2028**

|   |   |                |
|---|---|----------------|
| <b>Voting Period</b>  | Commenced on Monday, 11th December, 2023, at 9.00 A.M. (IST) and ended on Tuesday, 9th January, 2024 at 5.00 P.M. (IST) |                |
| <b>Members as on Cut – off date i.e. Monday, 4th December, 2023</b> | 11,53,812   |                |
| <b>Announcement of Consolidated Results</b>                         | 10th January, 2024  |                |
| <b>Voting Pattern</b>   | <b>Particulars</b>  | <b>Number</b>  |
|   | Number of valid Electronic Votes received   | 1,98,09,11,340 |
|   | Votes in favour of the resolution   | 1,97,88,61,614 |
|   | Votes against the resolution  | 20,49,726      |

**d. Introduction and Implementation of ‘Hindustan Unilever Limited Performance Share Plan Scheme 2024’**

|  |  |                |
|--|--|----------------|
| <b>Voting Period</b>   | Commenced on Monday, 5th February, 2024, at 9.00 A.M. (IST) and ended on Tuesday, 5th March, 2024 at 5.00 P.M. (IST) |                |
| <b>Members as on Cut – off date i.e. Tuesday, 30th January, 2024</b> | 11,59,063  |                |
| <b>Announcement of Consolidated Results</b>                          | 6th March, 2024  |                |
| <b>Voting Pattern</b>  | <b>Particulars</b>   | <b>Number</b>  |
|  | Number of valid Electronic Votes received  | 1,97,10,78,205 |
|  | Votes in favour of the resolution  | 1,65,34,59,932 |
|  | Votes against the resolution   | 31,76,18,273   |

**e. Extension of ‘Hindustan Unilever Limited Performance Share Plan Scheme 2024’ to Employees of Subsidiary Company(ies) of the Company**

|  |   |                |
|--|---|----------------|
| <b>Voting Period</b>   | Commenced on Monday, 5th February, 2024, at 9.00 A.M. (IST) and ended on Tuesday, 5th March, 2024 at 5.00 P.M (IST) |                |
| <b>Members as on Cut – off date i.e. Tuesday, 30th January, 2024</b> | 11,59,063   |                |
| <b>Announcement of Consolidated Results</b>                          | 6th March, 2024   |                |
| <b>Voting Pattern</b>  | <b>Particulars</b>  | <b>Number</b>  |
|  | Number of valid Electronic Votes received   | 1,96,96,94,498 |
|  | Votes in favour of the resolution   | 1,65,14,72,569 |
|  | Votes against the resolution  | 31,82,21,929   |

No Special Resolution is proposed to be conducted through Postal Ballot as on the date of this Integrated Annual Report.



# Corporate Governance Report

## Annual General Meeting for the FY 2023-24

|                                       |  |
|---------------------------------------|--|
| Date                                  | Friday, 21st June, 2024  |
| Venue                                 | Annual General Meeting through Video Conferencing/Other Audio Visual Means facility<br>(Deemed Venue for Meeting:<br>Registered Office: Unilever House,<br>B. D. Sawant Marg, Chakala,<br>Andheri (East) Mumbai - 400 099) |
| Time                                  | 2.00 P.M. (IST)  |
| Book Closure Dates for Final Dividend | 15th June, 2024 to 21st June, 2024<br>(both days inclusive)  |

## Calendar of financial year ended 31st March, 2024

The Company follows April-March as the Financial Year. The meetings of Board of Directors for approval of quarterly financial results during the FY 2023-24 were held on the following dates:

|  |                    |
|--|--------------------|
| First Quarter Results                  | 20th July, 2023    |
| Second Quarter and Half yearly Results | 19th October, 2023 |
| Third Quarter Results                  | 19th January, 2024 |
| Fourth Quarter and Annual Results      | 24th April, 2024   |

## Tentative Calendar for financial year ending 31st March, 2025

The tentative dates of meeting of Board of Directors for consideration of quarterly financial results for the FY 2024-25 are as follows:

|  |                    |
|--|--------------------|
| First Quarter Results                  | 23rd July, 2024    |
| Second Quarter and Half yearly Results | 23rd October, 2024 |
| Third Quarter Results                  | 20th January, 2025 |
| Fourth Quarter and Annual Results      | 24th April, 2025   |

## Dividend

The Board of Directors at their meeting held on 24th April, 2024, recommended a Final Dividend of ₹24/- per equity share of face value of ₹1/- each, for the Financial Year ended 31st March, 2024. Together with the Interim Dividend of ₹18/- per equity share of face value of ₹1/- each paid on 16th November, 2023, the total dividend for the Financial Year ended 31st March, 2024 amounts to ₹42/- per share of face value of ₹1/- each. Final Dividend, if approved by Shareholders, will be paid on or after 25th June, 2024.

## Unpaid/Unclaimed Dividends

In accordance with the provisions of Section 124(6) of the Act read with Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016 (IEPF Rules), as amended from time to time, dividends that remain unpaid or unclaimed for a period of seven years are to be transferred to the Investor Education

and Protection Fund (IEPF), established by the Central Government, from the unpaid or unclaimed dividend account of the Company.

The aforesaid provisions also mandate companies to transfer shares of those Members whose dividends remain unpaid or unclaimed for a period of seven consecutive years, to the demat account of IEPF.

## Transfer of unpaid or unclaimed dividends to IEPF

Details of dividends transferred to IEPF, during the FY 2023-24, in terms of the applicable provisions of the Act and IEPF Rules, are given below:

| Year         | Dividend | Dividend rate per share (in ₹) | Amount in crores (₹) |
|--------------|----------|--------------------------------|----------------------|
| 2015-16      | 60-F     | 9.50                           | 7.04                 |
| 2015-16      | GSK CH-F | 70.00                          | 1.45                 |
| 2016-17      | 61-I     | 7.00                           | 5.28                 |
| <b>Total</b> |          |                                | <b>13.77</b>         |

I - Internal F - Final

## Transfer of shares to IEPF

During the FY 2023-24, the Company transferred 4,99,050 shares, in respect of which dividends remained unpaid or unclaimed for a period of seven consecutive years, in accordance with the applicable provisions of the Act and IEPF Rules.

## Dividend paid to IEPF

Details of dividend paid to IEPF, during the FY 2023-24, in respect of the shares already transferred to IEPF, in terms of the applicable provisions of the Act and IEPF Rules, are given below:

| Year         | Dividend | Dividend rate per share (in ₹) | Amount in crores (₹) |
|--------------|----------|--------------------------------|----------------------|
| 2022-23      | 67-F     | 22.00                          | 9.86                 |
| 2023-24      | 68-I     | 18.00                          | 8.28                 |
| <b>Total</b> |          |                                | <b>18.14</b>         |

I - Internal F - Final

## Release of dividends/shares by IEPF

The Members, whose dividends/shares are transferred to IEPF, can claim the same from the IEPF Authority after complying with the prescribed procedures. More details regarding the procedure to claim back dividends/shares can be accessed at <https://www.iepf.gov.in/IEPF/pdf/FAQsIEPF5.pdf>.

Applications in Form IEPF-5 are made by the Claimants/Shareholders of the Company for claiming back their shares from IEPF. During the FY 2023-24, 1,45,481 shares were released by IEPF to the respective Claimants/Shareholders.

**Dividends due for transfer to IEPF**

Details of dividends that are due for transfer to IEPF on their respective due dates, are mentioned below:

| Year    | Dividend | Dividend per share | Date of Declaration | Due Date   |
|---------|----------|--------------------|---------------------|------------|
| 2016-17 | 61-F     | 10.00              | 30-06-2017          | 28-07-2024 |
| 2017-18 | 62-I     | 8.00               | 25-10-2017          | 22-11-2024 |
| 2017-18 | 62-F     | 12.00              | 29-06-2018          | 27-07-2025 |
| 2018-19 | 63-I     | 9.00               | 12-10-2018          | 09-11-2025 |
| 2018-19 | 63-F     | 13.00              | 29-06-2019          | 27-07-2026 |
| 2019-20 | 64-I     | 11.00              | 14-10-2019          | 11-11-2026 |
| 2019-20 | 64-F     | 14.00              | 30-06-2020          | 29-07-2027 |
| 2020-21 | 65-S     | 9.50               | 21-07-2020          | 19-08-2027 |
| 2020-21 | 65-I     | 14.50              | 20-10-2020          | 18-11-2027 |
| 2020-21 | 65-F     | 17.00              | 22-06-2021          | 20-07-2028 |
| 2021-22 | 66-I     | 15.00              | 19-10-2021          | 16-11-2028 |
| 2021-22 | 66-F     | 19.00              | 23-06-2022          | 21-07-2029 |
| 2022-23 | 67-I     | 17.00              | 21-10-2022          | 18-11-2029 |
| 2022-23 | 67-F     | 22.00              | 26-06-2023          | 24-07-2030 |
| 2023-24 | 68-I     | 18.00              | 19-10-2023          | 16-11-2030 |

**GSK CH Fractional Payment**

|         |                    |         |             |            |
|---------|--------------------|---------|-------------|------------|
| 2020-21 | Fractional Payment | 2020.28 | 29-05-2020* | 27-06-2027 |
|---------|--------------------|---------|-------------|------------|

**Dividend paid by GSK CH**

|         |   |        |            |            |
|---------|---|--------|------------|------------|
| 2016-17 | F | 70.00  | 09-08-2017 | 06-09-2024 |
| 2017-18 | F | 75.00  | 08-08-2018 | 05-09-2025 |
| 2018-19 | F | 105.00 | 02-08-2019 | 30-08-2026 |

\*Date of Payment

I - Internal F - Final S - Special

A detailed list of unpaid or unclaimed dividends lying with the Company as on 31st March, 2024 has been uploaded on the Company’s website at <https://www.hul.co.in/investor-relations/unclaimed-and-unpaid-dividend/> and on the IEPF website at [www.iepf.gov.in](http://www.iepf.gov.in).

**Reminder Letters sent and Notice published by the Company prior to transfer of shares to IEPF**

As per the IEPF Rules, Companies are required to inform regarding the transfer of shares to those Members whose shares are due for transfer to IEPF, three months prior to such transfer, at their latest available address and also publish newspaper advertisement for the same. In addition to compliance with the above, the Company proactively informed the Members regarding the transfer of unclaimed dividends as well, requesting them to comply with the requirements to claim back the dividends and avoid transfer of shares to IEPF.

In order to prevent the shares from getting transferred to IEPF, Members, who have not claimed their dividends for the previous seven years, are hereby requested to approach the Company/its RTA to claim the same, by complying with the necessary requirements.

**Nodal Officer and Deputy Nodal Officer (IEPF)**

Details of Nodal & Deputy Nodal Officer of the Company, appointed in accordance with the provisions of IEPF Rules, are given below. The same is also available on the website of the Company at <https://www.hul.co.in/investor-relations/unclaimed-and-unpaid-dividend/>

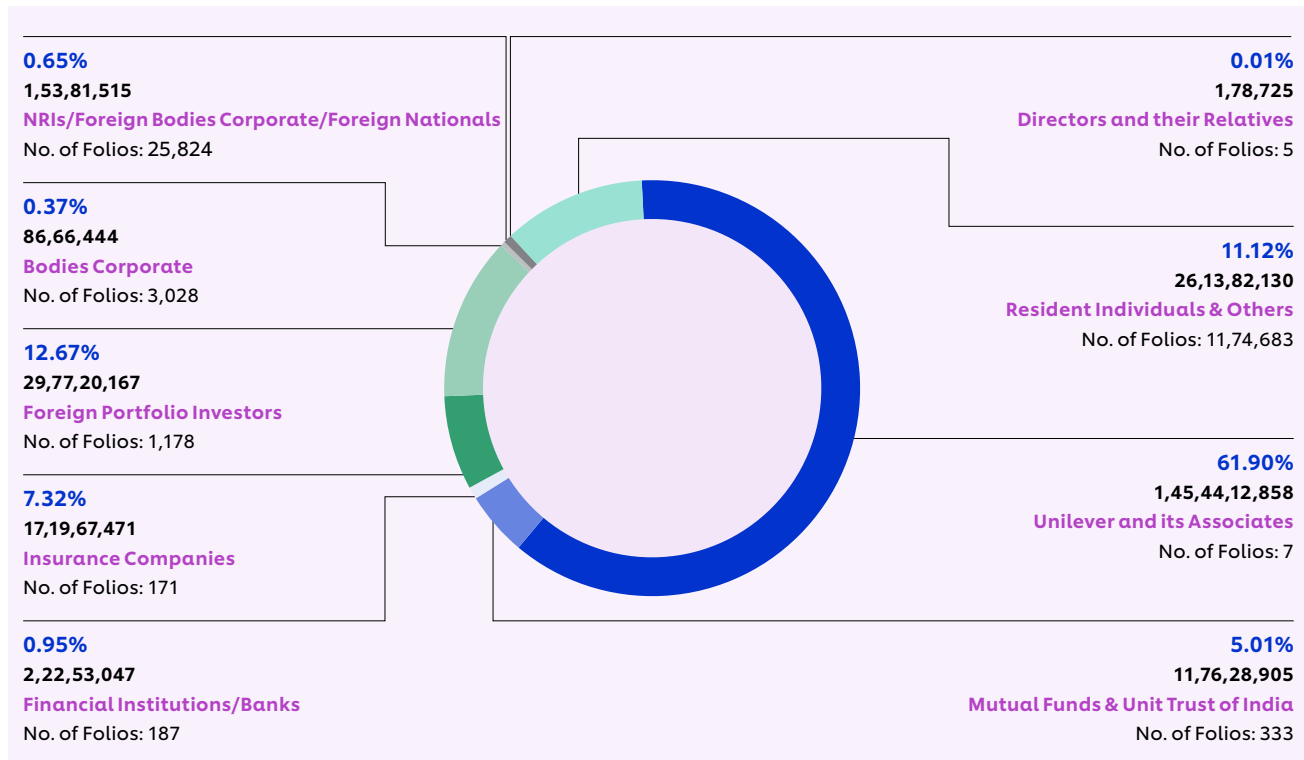
|                      |   |
|----------------------|---|
| Nodal Officer        | Mr. Dev Bajpai<br>Tel.: + 91 22 5043 32754  |
| Deputy Nodal Officer | Ms. Uma Rajagopalan<br>Email ID: <a href="mailto:comsec.hul@unilever.com">comsec.hul@unilever.com</a><br>Tel.: +91 22 5043 2790 |

**Distribution of Shareholding as on 31st March, 2024**

| Sr. No. | No. of shares | Shareholders     |            | Shareholding         |            |
|---------|---------------|------------------|------------|----------------------|------------|
|         |               | Number           | %          | Number               | %          |
| 1       | 1-5000        | 11,93,679        | 99.03      | 14,52,33,740         | 6.18       |
| 2       | 5001- 10000   | 6,425            | 0.53       | 4,51,02,670          | 1.92       |
| 3       | 10001- 20000  | 2,951            | 0.25       | 4,08,05,834          | 1.74       |
| 4       | 20001- 30000  | 779              | 0.06       | 1,88,91,079          | 0.80       |
| 5       | 30001- 40000  | 351              | 0.03       | 1,20,77,127          | 0.51       |
| 6       | 40001- 50000  | 198              | 0.02       | 88,03,163            | 0.38       |
| 7       | 50001- 100000 | 395              | 0.03       | 2,72,75,871          | 1.16       |
| 8       | 100001& Above | 638              | 0.05       | 2,05,14,01,778       | 87.31      |
|         | <b>Total</b>  | <b>12,05,416</b> | <b>100</b> | <b>234,95,91,262</b> | <b>100</b> |

# Corporate Governance Report

## Categories of Shareholders as on 31st March, 2024



## Top 10 Shareholders (other than Promoters) as on 31st March, 2024

| Name of the Shareholders*  | Total Shares        | % To Equity  |
|--|---------------------|--------------|
| Life Insurance Corporation of India (Insurance Companies)  | 11,67,15,055        | 4.97         |
| SBI Mutual Fund (Mutual Funds)   | 3,59,20,167         | 1.53         |
| ICICI Prudential Mutual Fund (Mutual Funds)  | 2,25,06,081         | 0.96         |
| NPS Trust (Provident/ Pension Funds)   | 1,82,77,082         | 0.78         |
| Government of Singapore (Foreign Portfolio Investors Category I)   | 1,30,23,103         | 0.55         |
| Vanguard Total International Stock Index Fund (Foreign Portfolio Investors Category I)   | 1,21,71,303         | 0.52         |
| Vanguard Emerging Markets Stock Index Fund, A Series of Vanguard International Equity Index Funds (Foreign Portfolio Investors Category I) | 1,18,65,506         | 0.51         |
| Kotak Mahindra Mutual Fund (Mutual Funds)  | 1,15,19,711         | 0.49         |
| UTI Mutual Fund (Mutual Funds)   | 1,10,54,223         | 0.47         |
| ICICI Prudential Life Insurance Company Limited (Insurance Companies)  | 1,06,78,904         | 0.45         |
| <b>Total</b>   | <b>26,37,31,135</b> | <b>11.22</b> |

\* Consolidated shareholding based on Permanent Account Number (PAN) of the Shareholder

## Bifurcation of shares held in physical and demat form as on 31st March, 2024

| Particulars             | No. of Shares         | %            |
|-------------------------|-----------------------|--------------|
| <b>Physical Segment</b> | <b>1,88,76,489</b>    | <b>0.80</b>  |
| <b>Demat Segment</b>    |                       |              |
| NSDL (A)                | 2,27,07,67,445        | 96.65        |
| CDSL (B)                | 5,99,47,328           | 2.55         |
| <b>Total (A+B)</b>      | <b>2,33,07,14,773</b> | <b>99.20</b> |
| <b>Total</b>            | <b>2,34,95,91,262</b> | <b>100</b>   |

There are no outstanding GDRs/ADRs/Warrants/Convertible Instruments of the Company.

### Listing Details

| Name and Address of Stock Exchange   | Stock Code   |
|--|--------------|
| <b>BSE Limited (BSE)</b><br>Floor 25, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001.                               | 500696       |
| <b>National Stock Exchange of India Limited (NSE)</b><br>Exchange Plaza, Bandra-Kurla Complex, Bandra (East), Mumbai - 400 051 | HINDUNILVR   |
| ISIN   | INE030A01027 |

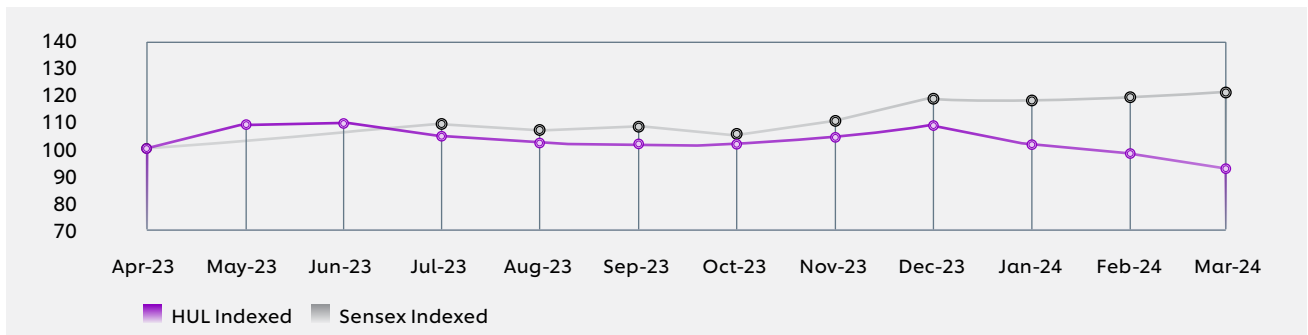
The listing fee for the FY 2023-24 has been paid to the above Stock Exchanges.

### Share Price Data

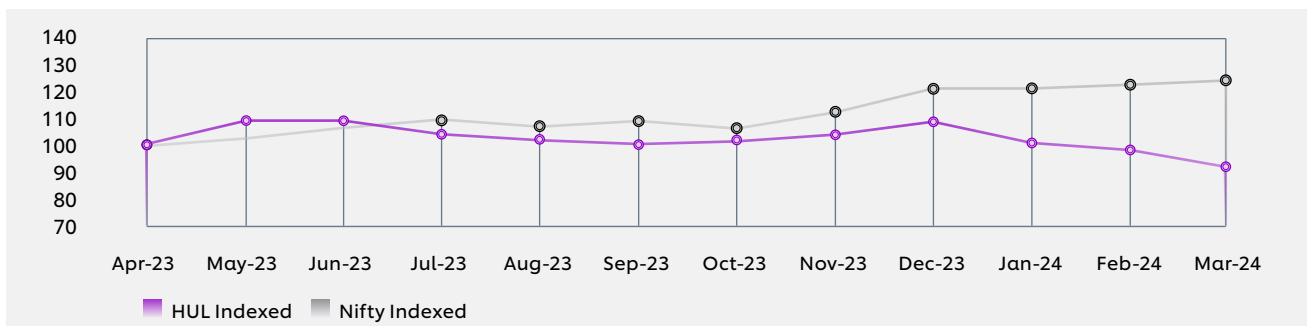
The monthly high and low prices and volumes of shares of the Company at BSE and NSE for the year ended 31st March, 2024 are as under:

| Month  | BSE      |          |           | NSE      |          |             |
|--------|----------|----------|-----------|----------|----------|-------------|
|        | High     | Low      | Volume    | High     | Low      | Volume      |
| Apr-23 | 2,589.00 | 2,419.60 | 9,91,785  | 2,588.55 | 2,419.00 | 2,55,01,376 |
| May-23 | 2,679.80 | 2,449.15 | 6,30,371  | 2,680.00 | 2,450.00 | 2,97,34,853 |
| Jun-23 | 2,738.00 | 2,620.80 | 9,57,484  | 2,738.20 | 2,620.10 | 2,53,74,578 |
| Jul-23 | 2,768.50 | 2,552.90 | 20,09,038 | 2,769.65 | 2,553.00 | 3,50,70,506 |
| Aug-23 | 2,591.00 | 2,488.00 | 9,15,976  | 2,591.75 | 2,488.10 | 2,92,61,678 |
| Sep-23 | 2,546.95 | 2,443.00 | 16,05,470 | 2,549.00 | 2,442.90 | 3,19,69,267 |
| Oct-23 | 2,581.95 | 2,455.05 | 29,18,817 | 2,582.00 | 2,455.65 | 3,03,44,853 |
| Nov-23 | 2,554.75 | 2,463.45 | 17,98,460 | 2,554.50 | 2,463.30 | 2,64,66,055 |
| Dec-23 | 2,666.00 | 2,497.55 | 24,62,884 | 2,667.10 | 2,497.00 | 3,67,83,692 |
| Jan-24 | 2,669.00 | 2,365.50 | 23,47,620 | 2,669.40 | 2,365.45 | 3,80,54,027 |
| Feb-24 | 2,510.90 | 2,347.00 | 19,41,369 | 2,511.55 | 2,346.75 | 3,05,52,116 |
| Mar-24 | 2,438.60 | 2,222.00 | 23,74,916 | 2,438.80 | 2,232.00 | 4,41,49,525 |

### BSE Sensex Vs HUL Share Price (Indexed)



### NSE Nifty Vs HUL Share Price (Indexed)



# Corporate Governance Report

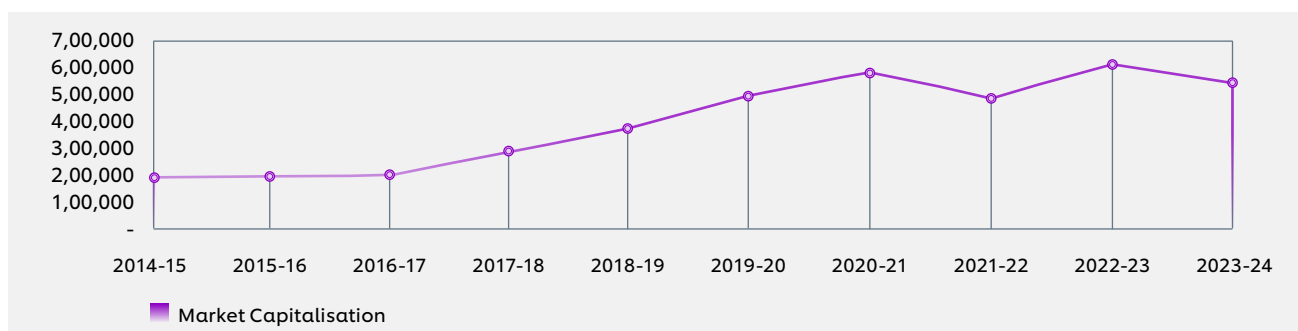
## 10 - year Performance of Hindustan Unilever Share vis-à-vis Sensex and Nifty

| Date of Purchase | HUL Share Price on BSE | HUL Share Performance | BSE Sensex | Sensex Performance | HUL Share Price on NSE | HUL Share Performance | NSE Nifty | Nifty Performance |
|------------------|------------------------|-----------------------|------------|--------------------|------------------------|-----------------------|-----------|-------------------|
| 31-03-2015       | 872.90                 | 160%                  | 27,957.49  | 163%               | 873.55                 | 159%                  | 8,491.00  | 163%              |
| 31-03-2016       | 869.50                 | 161%                  | 25,341.86  | 191%               | 869.50                 | 160%                  | 7,738.40  | 189%              |
| 31-03-2017       | 909.75                 | 149%                  | 29,620.50  | 149%               | 911.75                 | 148%                  | 9,173.75  | 143%              |
| 28-03-2018       | 1,335.90               | 70%                   | 32,968.68  | 123%               | 1,333.35               | 70%                   | 10,113.70 | 121%              |
| 29-03-2019       | 1,707.80               | 33%                   | 38,672.91  | 90%                | 1,706.80               | 33%                   | 11,623.90 | 92%               |
| 31-03-2020       | 2,298.15               | -1%                   | 29,468.49  | 150%               | 2,298.50               | -1%                   | 8,597.75  | 160%              |
| 31-03-2021       | 2,430.80               | -7%                   | 49,509.15  | 49%                | 2,431.50               | -7%                   | 14,690.70 | 52%               |
| 31-03-2022       | 2,048.85               | 11%                   | 58,568.51  | 26%                | 2,048.65               | 11%                   | 17,464.75 | 28%               |
| 31-03-2023       | 2,558.75               | -11%                  | 58,991.52  | 25%                | 2,560.35               | -12%                  | 17,359.75 | 29%               |
| 28-03-2024       | 2,268.25               |                       | 73,651.35  |                    | 2,264.35               |                       | 22,326.90 |                   |

Source: BSE and NSE Website

## Market Capitalisation

The Market Capitalisation of the Company based on year-end closing prices quoted in the BSE Limited is given below:



## Mergers and Demergers

The details of Mergers and Demergers and respective share exchange ratios are available on 'Investors' page on the website of the Company at <https://www.hul.co.in/investor-relations/mergers-demergers-acquisitions/>.

## Plant Locations

The details of Plant Locations are provided at page 449 of this Integrated Annual Report.

## Credit Ratings

CRISIL has given the credit rating of CRISIL AAA/Stable for debt instrument/facilities of the Company. The details of Credit Rating are available on the website of the Company at <https://www.hul.co.in/investor-relations/corporate-governance/>.

## Communication to Shareholders

Effective communication of information is an essential component of Corporate Governance. It is a process of sharing information, ideas, thoughts, opinions and plans to all stakeholders which promotes management- shareholder relations. The Company regularly interacts with Shareholders through multiple channels of communication such as:

|  |   |  |
|--|---|--|
|  | Results Announcements   | The quarterly, half yearly and annual financial results of the Company's performance are published in leading newspapers such as Business Standard, Loksatta and Navshakti.  |
|  | Integrated Annual Report                                      | Integrated Annual Report containing, <i>inter alia</i> , the Report of Board of Directors, Corporate Governance Report, Additional Shareholder's Information, the Business Responsibility and Sustainability Report, Management's Discussion and Analysis (MD&A), audited Standalone and Consolidated Financial Statements together with Auditor's Report and other important information are circulated to the Members.<br>The Annual Report is also available on the website of the Company in a downloadable form.  |
|  | Annual General Meeting  | At the AGM, the Shareholders also interact with the Board and the Management.  |
|  | Chairman's Speech   | The speech given at the AGM is made available on the website of the Company.   |
|  | News Releases   | All our official news releases and presentations are made available on the website of the Company.   |
|  | Analysts Presentation   | As per the requirements of Listing Regulations, the presentations, audio and video recordings and transcripts of investor conferences are available of the website of the Company.<br>The Company also conducts calls/meetings with investors post declaration of financial results to brief on the performance of the Company. These calls/meetings are attended by the CEO & MD and CFO of the Company.  |
|  | Company's Website   | The Company's website contains a dedicated section for Investors as per the requirements of Regulation 46 of Listing Regulations, where Annual Reports, quarterly and annual results, stock exchange filings, press releases, quarterly reports, all statutory policies, information relating to investor service requests, unclaimed unpaid dividend Investor Grievance Redressal Mechanism are available, apart from the details about the Company, Board of Directors and Management.<br>The Webcast/Transcript of the AGM is also available on the website of the Company.   |
|  | Designated Email Ids  | <ul style="list-style-type: none"> <li>Retail investor - <a href="mailto:Karvyshares.frontoffice@unilever.com">Karvyshares.frontoffice@unilever.com</a></li> <li>Institutional Investor - <a href="mailto:Investor.Relations-hul@Unilever.com">Investor.Relations-hul@Unilever.com</a></li> <li>Investor Grievance - <a href="mailto:levercare.shareholder@unilever.com">levercare.shareholder@unilever.com</a></li> <li>Nodal Officer/ Deputy Nodal Officer under IEPF - <a href="mailto:comsec.hul@unilever.com">comsec.hul@unilever.com</a></li> </ul>  |
|  | Stock Exchanges   | All price sensitive information and matters that are material to Shareholders are disclosed to the respective Stock Exchanges where the securities of the Company are listed i.e. BSE Limited and National Stock Exchange of India Ltd.<br>The Quarterly Results, quarterly reporting required under SEBI Regulations and all other corporate communications to the Stock Exchanges are filed through BSE Listing Centre and NSE Electronic Application Processing System (NEAPS) for dissemination on their respective websites.<br>The stock exchange filings are also made available on the website of the Company at <a href="https://www.hul.co.in/investor-relations/shareholder-information/stock-exchange-filings/">https://www.hul.co.in/investor-relations/shareholder-information/stock-exchange-filings/</a> . |
|  | SEBI and Stock Exchanges' Investor Grievance Redressal System | SCORES platform of SEBI, 'Investor Complaints' sections of BSE and NSE websites facilitate investors to file complaints online and get end-to-end status update of their grievances. The Company endeavours to redress the grievances of the Investors as soon as it receives the same from the respective forums.   |
|  | Reminders to Investors  | Reminders are sent to the Shareholders of the Company for: <ul style="list-style-type: none"> <li>registering their PAN, KYC &amp; Nomination details;</li> <li>claiming the unclaimed dividends and/or shares;</li> <li>completing the demat formalities so as to avoid transfer of shares to Suspense Escrow Demat Account.</li> </ul>   |
|  | Disclosure of Material Events                                 | The Company has adopted a Policy on Determination of Materiality of events as required under Listing Regulations.  |

# Corporate Governance Report

## Registrar and Share Transfer Agent

M/s. KFin Technologies Limited shall continue to act as the Registrar and Share Transfer Agent of the Company

## In case securities of the Company are suspended from trading, reasons thereof

During the year, no securities of the Company were suspended from trading.

## Process for requests related to physical shares

The Board has delegated the authority for approving requests pertaining to transmission, issue of duplicate shares, dematerialisation, etc. to the Share Transfer/ Transmission Committee. A summary of transactions so approved by the Committee is placed at the Board Meeting held quarterly. The Company obtains an Annual Certificate from a Practising Company Secretary as per the requirement of Regulation 40(9) of Listing Regulations. The same is filed with the Stock Exchanges and is also available on the website of the Company.

As per the notifications/circulars/guidelines issued by SEBI from time to time, listed entities are required to issue securities in demat mode only while processing any investor service requests, such as issuance of duplicate share certificates, exchange/sub-division/ split/ consolidation of securities, transmission/ transposition of securities and claim from Suspense Escrow Demat Account. SEBI had also clarified that listed entities/RTAs shall issue a 'Letter of Confirmation' in lieu of physical share certificates while processing any of the aforesaid investor service requests.

## Request for updation of PAN, KYC and Nomination details

As per circulars issued by SEBI from time to time, it is mandatory for holders of physical securities to furnish PAN, KYC and Nomination/Opt-out of Nomination details before getting any investor service request processed. Security holders holding securities in physical form, whose folio(s) do not have PAN, KYC or Nomination/Opt-out of Nomination, shall be eligible for dividend in respect of such folios, only through electronic mode with effect from 1st April, 2024. Members may refer to the FAQs provided by SEBI in this regard, for investor awareness, on its website at [https://www.sebi.gov.in/sebi\\_data/faqfiles/jan-2024/1704433843359.pdf](https://www.sebi.gov.in/sebi_data/faqfiles/jan-2024/1704433843359.pdf).

Members who are yet to update details in their physical folios are, therefore, urged to furnish PAN, KYC and Nomination/Opt-out of Nomination by submitting the prescribed forms duly filled, to the RTA by email from their registered email id to [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com) or by sending a physical copy of the prescribed forms duly filled and signed by the registered holders to M/s. KFin Technologies Limited at Selenium

Building, Tower-B, Plot No. 31 & 32, Financial District, Nanakramguda, Serilingampally, Hyderabad, Telangana, India - 500 032.

In accordance with the SEBI circular dated 16th March, 2023, the Company has sent/will be sending out intimations to those Members, holding shares in physical form, whose PAN, KYC and/or Nomination details are not updated, requesting them to update the details.

## Disclosures with respect to Suspense Escrow Demat Account

As per the Circulars/guidelines issued by SEBI, after due verification of the investor service requests received from the Shareholders/Claimants, 'Letters of Confirmation (LOC)' are issued in lieu of physical share certificate(s) by Companies/RTAs. The validity of such LOCs is one hundred twenty (120) days from the date of issuance, within which the Shareholder/Claimant is required to make a request to the Depository Participant (DP) for dematerialising the shares covered by the LOC. In case the demat request is not submitted within the aforesaid timeline of one hundred twenty (120) days, the Companies are required to transfer such shares to Suspense Escrow Demat Account (SEDA) of the Company opened for this purpose.

Shareholders/Claimants can claim back their shares from SEDA by submitting the required documents to RTA as per SEBI Advisory dated 30th December, 2022.

## Details of shares transferred to / released from SEDA during the FY 2023-24 are as under:

| Particulars                                     | No. of shares |
|---|---------------|
| Shares lying in SEDA as on 1st April, 2023      | 11,980        |
| Shares transferred to SEDA during FY 2023-24    | 8,232         |
| Shares claimed back from SEDA during FY 2023-24 | 2,690         |
| Shares lying in SEDA as on 31st March, 2024     | 17,522        |

The Company has not transferred any shares to any other Suspense Account.

## Investor Grievance Redressal Mechanism – Escalation Matrix

The Company believes that a transparent framework should be in place for handling investor grievances, which will enable investors register and escalate their grievances to the relevant officials. Keeping this in view, the Company has instituted an escalation mechanism for effective redressal of investor grievances. The detailed Escalation Matrix for redressal of Investor grievances along with details on how investors can file complaints is available on the Company's website at <https://www.hul.co.in/investor-relations/investor-grievance-redressal-mechanism-escalation-matrix/>.

## Investor Service Queries and Requests - One Stop Solution

### Website chatbot for public shareholders



As part of the Digital Initiatives of the Company, a Chatbot 'RASHI' has been developed for HUL Shareholders



The Bot will enable the Shareholders visiting our website to get their queries resolved on a real-time basis



The Bot is designed to answer queries based on FAQs covering all aspects of Investor Service Domain



Provision made to capture any query not covered, to equip the bot to respond to such queries in future



Shareholders can access the chatbot on the Company's website at <https://www.hul.co.in/investor-relations/investor-contacts/>

### Web-based Facility

Members may utilise the facility extended by RTA for redressal of queries, by visiting <https://ris.kfintech.com/> and clicking on 'INVESTORS SERVICES' option for query registration through an identity registration process. Members can submit their query in the 'QUERIES' option provided on the above website that would generate the query registration number. For accessing the status/response to the query submitted, the query registration number can be used at the option 'VIEW REPLY' after 24 hours. Members can continue to put an additional query, if any, relating to the grievance till they get a satisfactory reply.

Members can also visit the Investor Service Center (ISC) webpage <https://ris.kfintech.com/clientservices/isc/default.aspx> and get benefited from the available list of services such as post or track a query, check the dividend status, upload tax exemptions forms, view the demat request, download the required ISR forms and check KYC status for Physical Folios.

### KPRISM - Mobile and Web based Application

Additionally, a mobile based application named 'KPRISM' and a website <https://kprism.kfintech.com/> are also available for the benefit of Members holding shares in physical form. KPRISM enables Members to view as well as add their folios, check the status of demat requests, add reminders for General Meetings & e-voting events and connect with helpdesk on the go.

Members can download this android mobile application from play store and view their portfolios serviced by our RTA.

### Alternative Dispute Redressal Mechanism

Long pending litigations involve significant investment as monetary value of the disputed shares and accrued dividends/other benefits are locked up unutilised till the dispute is settled. Keeping this in mind, the Company has provided an Alternative Dispute Redressal Mechanism for Shareholders to resolve the shares related disputes pending before the Courts/authorities by amicable settlement.

The Company had started this unique initiative of organising Alternative Dispute Redressal meetings wherein aggrieved Shareholders come face to face and get a chance to settle their disputes, some of which were pending for years.

A number of Shareholders have availed the benefit of this process and the Company through its various initiatives keeps exploring the possibilities of settling such issues. The process helps the Shareholders in releasing their locked up investment and save their time consumed in contesting legal proceedings. The objective of this process is to facilitate quick resolution of the dispute between the parties.

The Shareholders who are willing to avail the benefits of Alternative Dispute Redressal Mechanism may approach the Investor Service Department of the Company at the Registered Office of the Company.

### Dispute Resolution Mechanism at Stock Exchanges

To enable the Shareholders to raise any dispute against the Company or its RTA on delay or default in processing any investor services related request, SEBI has provided an option of 'Arbitration with Stock Exchanges (NSE and BSE)' as a Dispute Resolution Mechanism.

### Online Dispute Resolution (ODR) Mechanism

As per SEBI Circulars issued from time to time, in case of any grievances, the Shareholders are advised to first approach the Company or its RTA. If the response is not received/not satisfactory, Shareholders can raise a complaint on SCORES/with Stock Exchanges, as detailed in the Escalation Matrix for Investor grievance available on the website of the Company.



# Corporate Governance Report

After exhausting all the above available options for resolution of the grievance, if the Shareholder is still not satisfied with the outcome, they can initiate dispute resolution through the ODR Portal at <https://smartodr.in/login>.

During the year, there were 2 complaints filed under the SEBI Smart ODR Mechanism. Both complaints underwent a complete conciliation process, whereby ODR Institutions were engaged by the Stock Exchange (in both cases, it was NSE) which in turn appointed Conciliators for each of the complaints and after hearing the parties, Conciliation Orders were passed in both the matters.

As mentioned above, for effective use of the ODR process, shareholders are requested to initiate the Smart ODR process

as the last resort after exhausting all available options for grievance redressal. The ODR serves as a platform for resolution of long pending disputes, which are otherwise difficult to be taken to a logical end.

## Address for Correspondence

- All correspondence by Members should be forwarded to M/s. KFin Technologies Limited, the Registrar and Share Transfer Agent of the Company or to the Investor Service Department at the Registered Office of the Company at the addresses mentioned below.
- The Company's dedicated e-mail address for Investors' Complaints and other communications is [levercare.shareholder@unilever.com](mailto:levercare.shareholder@unilever.com).

### **M/s. KFin Technologies Limited Unit: Hindustan Unilever Limited**

Selenium Building, Tower-B, Plot No. 31 & 32, Financial District, Nanakramguda, Serilingampally, Hyderabad, Rangareddy, Telangana, India - 500 032

WhatsApp No.: +91 9100094099

Toll Free no.: 1800 309 4001

E-mail: [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com)

Website: <https://ris.kfintech.com/>

Android Mobile App: KPRISM

### **Investor Service Department**

Unilever House,  
B. D. Sawant Marg, Chakala, Andheri (East), Mumbai-400 099

Phone: +91-22-50432791 / 50432792

E-mail:

[levercare.shareholder@unilever.com](mailto:levercare.shareholder@unilever.com)

[Karvyshares.frontoffice@unilever.com](mailto:Karvyshares.frontoffice@unilever.com)

Website: [www.hul.co.in](http://www.hul.co.in)

### **Compliance Officer**

Mr. Dev Bajpai  
Executive Director, Legal & Corporate Affairs and Company Secretary

E-mail: [comsec.hul@unilever.com](mailto:comsec.hul@unilever.com)

Phone: +91 - 8657921862

## Certificate of Non-Disqualification of Directors

[Pursuant to Regulation 34(3) and Schedule V Para C Clause (10) (i) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,  
The Members of  
**Hindustan Unilever Limited**  
Unilever House, B. D. Sawant Marg,  
Chakala, Andheri East Mumbai - 400099

We have examined the following documents:

- i) Declaration of non-disqualification as required under Section 164 of Companies Act, 2013 ('the Act');
  - ii) Disclosure of concern or interests as required under Section 184 of the Act;
- (hereinafter referred to as 'relevant documents')

as submitted by the Directors of Hindustan Unilever Limited ('the Company') bearing CIN: L15140MH1933PLC002030 and having its registered office at Unilever House, B. D. Sawant Marg, Chakala, Andheri East, Mumbai – 400099, to the Board of Directors of the Company ('the Board') for the FY 2023-24 and FY 2024-25 and relevant registers, records, forms and returns maintained by the Company and as made available to us for the purpose of issuing this Certificate in accordance with Regulation 34(3) read with Schedule V Para C Clause 10(i) of SEBI (LODR) Regulations, 2015. We have considered non-disqualification to include non-debarment by Regulatory / Statutory Authorities.

It is the responsibility of Directors to submit relevant documents with complete and accurate information in accordance with the provisions of the Act.

Ensuring the eligibility for appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification.

Based on our examination as aforesaid and such other verifications carried out by us as deemed necessary and adequate (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)), in our opinion and to the best of our information and knowledge and according to the explanations provided by the Company, its officers and authorised representatives, we hereby certify that none of the Directors on the Board of the Company, as listed hereunder for the Financial Year ended 31st March, 2024, have been debarred or disqualified from being appointed or continuing as Directors of Companies by Securities and Exchange Board of India / Ministry of Corporate Affairs or any such statutory authority.

| Sr. No. | Name of Director     | Director Identification Number (DIN) | Date of Appointment | Date of Cessation |
|---------|----------------------|--------------------------------------|---------------------|-------------------|
| 01      | Mr. Nitin Paranjpe   | 00045204                             | 31-03-2022          | NA                |
| 02      | Mr. Rohit Jawa       | 10063590                             | 01-04-2023          | NA                |
| 03      | Mr. Sanjiv Mehta     | 06699923                             | 01-10-2013          | 27-06-2023        |
| 04      | Mr. Ritesh Tiwari    | 05349994                             | 01-05-2021          | NA                |
| 05      | Mr. Dev Bajpai       | 00050516                             | 23-01-2017          | NA                |
| 06      | Mr. O. P. Bhatt      | 00548091                             | 20-12-2011          | NA                |
| 07      | Dr. Sanjiv Misra     | 03075797                             | 08-04-2013          | NA                |
| 08      | Ms. Kalpana Morparia | 00046081                             | 09-10-2014          | NA                |
| 09      | Mr. Leo Puri         | 01764813                             | 12-10-2018          | NA                |
| 10      | Dr. Ashish Gupta     | 00521511                             | 31-01-2020          | 27-06-2023        |
| 11      | Ms. Ashu Suyash      | 00494515                             | 12-11-2021          | NA                |
| 12      | Mr. Ranjay Gulati    | 03627064                             | 01-04-2023          | NA                |
| 13      | Ms. Neelam Dhawan    | 00871445                             | 01-08-2023          | NA                |
| 14      | Mr. Tarun Bajaj      | 02026219                             | 01-12-2023          | NA                |

This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

This Certificate has been issued at the request of the Company to make disclosure in its Corporate Governance Report of the Financial Year ended 31st March, 2024.

For **S. N. Ananthasubramanian & Co.**  
Company Secretaries  
ICSI Unique Code: P1991MH040400  
Peer Review Cert. No.: 5218/2023

**S. N. Ananthasubramanian**  
Founding Partner  
FCS: 4206 | COP No.: 1774  
ICSI UDIN: F004206F000224448

Thane, 24th April, 2024

## Corporate Governance Report

### Chief Executive Officer (CEO) and Chief Financial Officer (CFO) Certification

To,  
The Board of Directors  
**Hindustan Unilever Limited**

We, the undersigned, in our respective capacities as Chief Executive Officer and Chief Financial Officer of Hindustan Unilever Limited ('the Company'), to the best of our knowledge and belief, certify that:

- a) We have reviewed the financial statements and the cash flow statement for the financial year ended 31st March, 2024 and to the best of our knowledge and belief, we state that:
  - i) these statements do not contain any materially untrue statement or omit any material fact or contain any statements that might be misleading;
  - ii) these statements together present a true and fair view of the Company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.
- b) We further state that to the best of our knowledge and belief, there are no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of the Company's Code of Conduct.
- c) We hereby declare that all the members of the Board of Directors and Management Committee have confirmed compliance with the Code of Conduct as adopted by the Company.
- d) We are responsible for establishing and maintaining internal controls and for evaluating the effectiveness of the same over the financial reporting of the Company and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- e) We have indicated, based on our most recent evaluation, wherever applicable, to the Auditors and Audit Committee:
  - i) significant changes, if any, in the internal control over financial reporting during the year;
  - ii) significant changes, if any, in the accounting policies made during the year and that the same has been disclosed in the notes to the financial statements; and
  - iii) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having significant role in the Company's internal control system over financial reporting.

Mumbai, 24th April, 2024

**Rohit Jawa**  
Chief Executive Officer  
and Managing Director  
DIN: 10063590

**Ritesh Tiwari**  
Executive Director – Finance & IT  
and Chief Financial Officer  
DIN: 05349994

# Certificate of Compliance with the Corporate Governance Requirements

Independent Auditor's Certificate on compliance with the Corporate Governance requirements under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To  
The Members of  
**Hindustan Unilever Limited**

1. This certificate is issued in accordance with the terms of our engagement letter dated 29 July 2019 and addendum to the engagement letter dated 20 July 2020.
2. We have examined the compliance of conditions of Corporate Governance by Hindustan Unilever Limited ('the Company'), for the year ended 31 March 2024, as stipulated in regulations 17 to 27, clauses (b) to (i) of regulation 46(2) and paragraphs C, D and E of Schedule V of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time ('Listing Regulations') pursuant to the Listing Agreement of the Company with Stock Exchanges.

## Management's Responsibility

3. The compliance of conditions of Corporate Governance as stipulated under the listing regulations is the responsibility of the Company's Management including the preparation and maintenance of all the relevant records and documents. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of Corporate Governance stipulated in the Listing Regulations.

## Auditors' Responsibility

4. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
5. Pursuant to the requirements of the Listing Regulations, it is our responsibility to provide a reasonable assurance whether the Company has complied with the conditions of Corporate Governance as stipulated in Listing Regulations for the year ended 31 March 2024.
6. We conducted our examination of the above corporate governance compliance by the Company in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) and Guidance Note on Certification of Corporate Governance both issued by the Institute of the Chartered Accountants of India (the 'ICAI'), in so far as applicable for the purpose of this certificate. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

## Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulations.
9. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

## Restriction on use

10. The certificate is addressed and provided to the Members of the Company solely for the purpose of enabling the Company to comply with the requirement of the Listing Regulations and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

Mumbai, 24th April, 2024

For **BSR & Co. LLP**  
Chartered Accountants  
Firm's Registration No: 101248W/W-100022

**Aniruddha Godbole**  
Partner  
Membership No:105149  
UDIN: 24105149BKEXCW1670

## Form No. MR – 3 Secretarial Audit Report

For the financial year ended 31st March, 2024

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members,  
**Hindustan Unilever Limited**  
CIN: L15140MH1933PLC002030  
Unilever House, B. D. Sawant Marg,  
Chakala, Andheri (East), Mumbai – 400099

We have conducted Secretarial Audit of compliance with the applicable statutory provisions and adherence to good corporate practices by **Hindustan Unilever Limited** (hereinafter called 'the Company') for the **Financial Year ended 31st March, 2024**. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books and papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the **Financial Year ended 31st March, 2024** complied with statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books and papers, minute books, forms and returns filed and other records maintained by the Company for the Financial Year ended 31st March, 2024 according to the provisions of:

- (i) The Companies Act, 2013 ('the Act') and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings – **Not applicable for External Commercial Borrowings as there was no reportable event during the financial year under review;**
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 – **Not applicable as there was no reportable event during the financial year under review;**
  - (d) The Securities and Exchange Board of India (Share Based Employee Benefits & Sweat Equity) Regulations, 2021;
  - (e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 – **Not applicable as there was no reportable event during the financial year under review;**
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client – **Not applicable as the Company is not registered as Registrar to an Issue and Share Transfer Agent during the financial year under review;**
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 – **Not applicable as there was no reportable event during the financial year under review;**
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 – **Not applicable as there was no reportable event during the financial year under review and**
  - (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- (vi) Management has identified and confirmed the following laws as being specifically applicable to the Company:
- (a) The Drugs and Cosmetics Act, 1940;
  - (b) The Legal Metrology Act, 2009;
  - (c) The Legal Metrology (Packaged Commodities) Rules, 2011;
  - (d) The Food Safety and Standards Act, 2006 and Rules 2011 with allied rules and Regulations;
  - (e) Applicable BIS Standards for various categories and production process.

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards with respect to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India – The Company has generally complied with Secretarial Standards with respect to Meetings of the Board of Directors (SS-1) and General Meetings (SS-2) issued by the Institute of Company secretaries of India.

- (ii) Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above.

**We further report that:**

- (i) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, and Independent Directors including a Woman Independent Director. Changes in the composition of Board of Directors that took place during the year under review, were carried out in compliance with the provisions of the Act;
- (ii) Adequate notice is given to all Directors to schedule Board Meetings; agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on agenda items before the meeting and for meaningful participation at the meeting;
- (iii) All the decisions of the Board and Committees thereof were carried through with requisite majority.

Thane, 24th April, 2024

**We further report that** based on review of compliance mechanism established by the Company and on the basis of the Compliance Certificate(s) issued by the Company Secretary and taken on record by the Board of Directors at their meeting(s), we are of the opinion there are adequate systems and processes in place in the Company which is commensurate with its size and operations, to monitor and ensure compliance with applicable laws, rules, regulations and guidelines; and

**We further report that** during the financial year under review, following event has occurred having a major bearing on the Company's affairs in pursuance of the above referred Laws, Rules, Regulations, Guidelines, Standards etc. –

1. Approval of shareholders by Special Resolution dated 5th March 2024 through postal ballot for Introduction and implementation of the 'Hindustan Unilever Limited Performance Share Plan Scheme 2024' ('PSP 2024'), for grant of Employee Stock Options to Eligible Employees of the Company and for extension of the PSP 2024 to employees of subsidiary companies of the Company.

This Report is to be read with our letter of even date which is annexed as Annexure – A and forms an integral part of this report.

For **S. N. Ananthasubramanian & Co.**  
Company Secretaries  
ICSI Unique Code: P1991MH040400  
Peer Review Cert. No.: 5218/2023

**S. N. Ananthasubramanian**  
Founding Partner  
FCS: 4206 | COP No.: 1774  
ICSI UDIN: F004206F000224371

## Annexure – A

To,  
The Members,  
**Hindustan Unilever Limited**  
CIN: L15140MH1933PLC002030  
Unilever House, B. D. Sawant Marg,  
Chakala, Andheri (East), Mumbai – 400099.

### Management’s Responsibility

1. It is the responsibility of management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

### Auditor’s Responsibility

2. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.
3. We have conducted the Audit as per the applicable Auditing Standards issued by the Institute of Company Secretaries of India.
4. We believe that audit evidence and information obtained from the Company’s management is adequate and appropriate for us to provide a basis for our opinion.
5. Wherever required, we have obtained reasonable assurance whether the statements prepared, documents or Records, in relation to Secretarial Audit, maintained by the Company, are free from misstatement.
6. Wherever required, we have obtained the Management’s representation about the compliance of laws, rules and regulations and happening of events, etc.

### Disclaimer

7. The Secretarial Audit Report is neither an assurance as to future viability of the Company nor of the efficacy or effectiveness with which the management has conducted affairs of the Company.
8. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

Thane, 24th April, 2024

For **S. N. Ananthasubramanian & Co.**  
Company Secretaries  
ICSI Unique Code: P1991MH040400  
Peer Review Cert. No.: 5218/2023

**S. N. Ananthasubramanian**  
Founding Partner  
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