
# Aspire: Unlocking a Billion Aspirations

Integrated Annual Report 2024-25

Hindustan Unilever Limited

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# About the Report

## Basis of Preparation and Presentation

This Integrated Annual Report of Hindustan Unilever Limited presents our financial and non-financial performance, strategic priorities, and value creation model. It aligns with global best practices, covering our business model, governance, stakeholder engagement, sustainability, and risk management. Designed for transparency and accountability, it meets the needs of investors, regulators, customers, employees, and communities. The terms 'HUL', 'the Company', 'your Company', 'our Company', 'we', 'our', and 'us' refer to Hindustan Unilever Limited.

## Reporting Period

From 1st April, 2024 to 31st March, 2025.
(unless specifically mentioned otherwise)

## Reporting Boundary

This Report follows the Integrated Reporting Framework, showcasing an interconnected view of our financial and non-financial performance, business model, six capitals, strategy, stakeholder engagement, risks and associated opportunities, and outcomes impacting value creation.

No significant changes in structure, ownership, or reporting boundaries occurred during the reporting period. Data remains consistent with prior year, ensuring comparability, continuity in measurement, metrics, timeframes, and disclosures.

All the information presented in this Report pertains to standalone operations of Hindustan Unilever Limited (unless specifically mentioned otherwise).

## Accountability Statement

The Board and Management have reviewed this Integrated Annual Report to ensure it delivers a fair, balanced, and comprehensive view of our performance, business model, strategy, and material risks & opportunities. The Board confirms that the Report aligns with the Integrated Reporting Framework.

## Materiality Determination

We assess material issues affecting our long-term value creation, integrating stakeholder insights, business priorities, and emerging risks. Aligned with European Sustainability Reporting Standards (ESRS), our materiality process ensures transparency and accountability. This Report presents balanced, objective information on key matters influencing HUL's value creation journey.

## Reporting Framework

### Integrated Reporting

- IFRS Foundation's Integrated Reporting Framework
- SEBI Guidelines on Integrated Reporting

### Financial Reporting

- Indian Accounting Standards (Ind AS)
- The Companies Act, 2013 (and the rules thereunder)
- SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015
- Income Tax Act, 1961

### Corporate Governance Reporting

- SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015
- Companies Act, 2013 – Corporate Governance Provisions
- Secretarial Standards issued by the Institute of Company Secretaries of India

### Sustainability Reporting

- Business Responsibility and Sustainability Reporting (BRSR)

## Assurance

### Financial Information

Standalone and Consolidated Financial Statements have been audited by Independent Auditors M/s. Walker Chandiok & Co LLP, Chartered Accountants, Statutory Auditors.

### Non-Financial Information

**(a) Business Responsibility and Sustainability Report (BRSR)**

Reasonable assurance on BRSR Core indicators and Limited assurance on other key sustainability indicators reported in BRSR have been provided by M/s. B S R & Co. LLP, Chartered Accountants. The scope and basis of assurance have been described in the Assurance Statement issued by M/s. B S R & Co. LLP, Chartered Accountants which forms a part of the BRSR

**(b) Compliance with Corporate Governance under Listing Regulations**

Certification from M/s. Walker Chandiok & Co LLP, Chartered Accountants, Statutory Auditors

**(c) Compliance with the Companies Act, 2013, and Applicable Rules under the Act & Listing Regulations**

Certification from M/s. Parikh & Associates, Secretarial Auditors

### Other Non-Financial Performance and Information

Internally reviewed and assured by the Company's Management.

## Guiding Principles for the Annual Report

1. Strategic Focus and Future Orientation
2. Connectivity of Information
3. Stakeholder Relationships
4. Materiality
5. Conciseness
6. Reliability and Completeness
7. Consistency and Comparability

## Stakeholders We Create Value For

- Consumers
- Customers
- Suppliers & Business Partners
- Our People
- Planet & Society
- Shareholders

## Sustainable Development Goals (SDGs)

1 No Poverty; 2 Zero Hunger; 3 Good Health and Well-Being; 4 Quality Education; 5 Gender Equality; 6 Clean Water and Sanitation; 7 Affordable and Clean Energy; 8 Decent Work and Economic Growth; 9 Industry, Innovation and Infrastructure; 10 Reduced Inequalities; 11 Sustainable Cities and Communities; 12 Responsible Consumption and Production; 13 Climate Action; 14 Life Below Water; 15 Life on Land; 16 Peace, Justice and Strong Institutions; 17 Partnerships for the Goals

## Capitals Used to Create Value

**Intellectual:** Brands, R&D, technology, and innovation

**Human:** Employee skills, wellbeing, and leadership

**Social & Relationship:** Stakeholder trust, partnerships, and community impact

**Natural:** Energy, water, raw materials, and environmental sustainability

**Manufactured:** Infrastructure, production facilities, and supply chain assets

**Financial:** Capital and Reserves, and financial resources

## Forward-looking Statements

This Integrated Annual Report 2024-25 includes forward-looking statements that reflect the Company's objectives, projections, estimates, and expectations. These statements are generally identified by terms such as 'may', 'believe', 'outlook', 'plan', 'anticipate', 'continue', 'estimate', 'expect', 'aim', 'ambition', 'intends', 'will', 'would', 'undertakes', 'contemplates', 'seeks to', 'objective', 'goal', 'projects', 'should' and similar expressions. Such statements are necessarily dependent on projections and trends and constitute our current expectations based on reasonable assumptions and current business trends. However, the actual results might differ from those expressed or implied in such forward-looking statements, due to risks and uncertainties, and other external factors.

## Note

Find more information about Hindustan Unilever Limited at www.hul.co.in

Find more details about HUL ESG Goals at https://www.hul.co.in/sustainability/

Integrated Annual Report along with other related documents can be downloaded at https://www.hul.co.in/investor-relations/annual-reports/

# Partnering India's Growth Journey

**Hindustan Unilever Limited (HUL) is India's largest FMCG company and has served Indian consumers for over 90 years, driven by a belief that 'What is good for India, is good for HUL'. With a wide and resilient portfolio and a strong distribution network, we reach 9 out of 10 Indian households with at least one or more of our brands.**

We consistently cater to the evolving aspirations of Indian consumers through a strong focus on innovations. Keeping the needs of our consumers at the heart of our operations, we ensure that we deliver value to them through our unmissably superior brands while actively connecting with them via impactful, social-first marketing initiatives. We are strengthening our presence across channels of the future while leveraging our distinctive capabilities to create long-term value for all our stakeholders.

As we embark on our journey of 'Unlocking a billion aspirations', we are supported by our two foundational pillars: Sustainability and Culture, while being guided by our core values of Integrity, Respect, Responsibility and Pioneering. Our best-in-class ESG ratings in the Indian FMCG sector and recognition as the #1 Employer of Choice across sectors underscores our commitment to responsible practices and our people, positioning us as a leader in the industry.


## Consumers

**>85%**
Market leadership in categories we operate in

**50+**
Brands across 15 categories

**19 Brands**
With ₹1,000 Cr+ annual turnover

## Customers

**9 Mn+**
Outlets reached

**1.4 Mn+**
Retailers onboarded on Shikhar

**~35%**
Digitised demand capture

## Suppliers & Business Partners

**80 Bn+**
Units produced[1]

**27**
Owned factories[1]

**3**
World Economic Forum recognised Lighthouse factories

[1]For HUL and subsidiaries

## Planet & Society

**50%**
Reduction in water use within our factories[5]

**97%**
Operations powered by renewable energy

**96%**
Deforestation-free supply chain in Palm Oil, Tea, Soy, Cocoa, Paper and Board[6]

[5] Against 2008 baseline [6] In calendar year 2024
For HUL and subsidiaries

## Our People

**18,400+**
People[2,3]

**42%**
Gender diversity in managerial positions

**#1 Employer of Choice**
Across sectors in top Indian B-schools[4]

[2] For HUL and subsidiaries [3] Permanent employees and workers
[4] Based on brand perception study by InsideIIM at target B-Schools in 2024

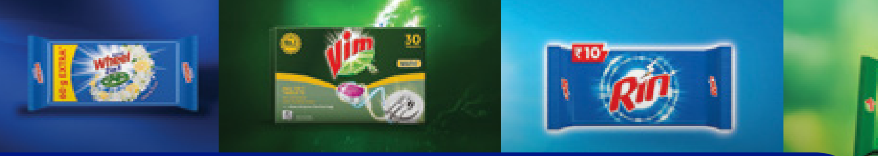
## Shareholders

**₹60,680 Cr**
Turnover

**₹10,644 Cr**
Profit After Tax

**₹53**
Dividend Per Share[7]

[7] Inclusive of Special Dividend




# Wide and Resilient Portfolio

**With a legacy that has withstood the test of time, we offer a wide portfolio of over 50 brands across 15 FMCG categories. Our products are thoughtfully designed to meet the diverse needs of Indian consumers, across all preferences and lifestyles. As times change, we continue to adapt our offerings, delivering relevant and meaningful solutions.**

### Home Care

Read more on page 30

### Beauty & Wellbeing

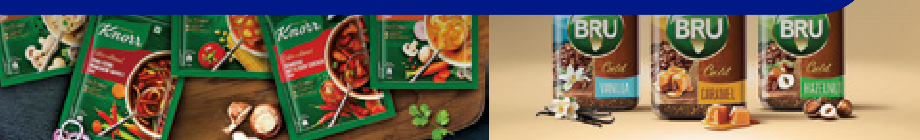
Read more on page 36

### Personal Care

Read more on page 42

### Foods

Read more on page 48


Rin
Vim
Surf excel
Easy Wash
sun
Domex
Vim
Surf excel matic
Comfort
Vim pure
Comfort
Sunlight
Clinic Plus
Dove
POND'S
POND'S
TRESemmé
LAKMÉ
Glow & Lovely
Vaseline
Gluta-Hya
Sunsilk
Super Shine
LAKMÉ
Vit C Brilliance
Lifebuoy
Dove
LUX
Pears
Pepsodent
Rexona
AXE
AXE
Hamam
MOTI
Pears
closeup
Kissan
Fresh Tomato
Hellmann's
BRU
Red Label Natural Care
Cornetto
Lipton
Boost
Horlicks
pukka

# Leveraging our Core Strengths to Improve Market Leadership

**Our strengths manifest in our long-term performance – competitive, resilient and consistent. We are market leaders in more than 85% of the categories we operate in. Underlying this performance are our strengths - deep consumer insights, focus on innovation, design-for-value, diverse product portfolio, extensive distribution network and digital transformation, that enable us to continue shaping consumer preferences across the country.**


## Begin with Consumers

Consumers are at the heart of everything we do. Over the years, we have developed a culture of deep consumer intimacy, enabled by robust insights infrastructure and thousands of man-hours spent across the organisation in listening, speaking to and learning from consumers.

**★ Surf excel is one such brand that has evolved along with consumers, fostered by deep consumer intimacy**

Surf excel, our biggest brand, has surpassed the ₹10,000 crore turnover milestone this financial year. It has evolved with our consumers, starting from being the smart choice for superior quality, to launching 'Dirt Is Good', a contrarian view in a category emphasising cleanliness and whiteness, to now, partnering with leading washing machine manufacturers to drive adoption of liquid detergent in machine households.

## Disrupt with Innovation

Innovation is critical for our growth, enabling us to adapt to changing markets, stay competitive, and create new value for consumers. We have one of the oldest and largest R&D centres in the country. Over 820 scientists proudly work with us to create breakthrough platforms.

**★ Red Label Natural Care and Hair Conditioners are two such examples, among many others, of breakthrough technology that have scaled up significantly**

Through Red Label Nature Care, we launched the first-ever immunity-boosting tea based on Ayurveda, delivering the power of five herbs without having to add them separately.

Our proprietary microsheets technology has helped build a market for hair conditioners, enabling us to deliver meaningful and superior value to consumers.

## Design-for-Value

We realise that 'value' continues to be an important driver of choice for consumers. Our design-for-value framework optimises three interdependent variables:

- What do consumers value in a product and will they pay for it?
- How does product design influence supply chain costs?
- What are the price points that we will need to unlock?

**★ Fabric Wash liquids exemplify our effective value-driven design**

We started our journey by introducing Surf excel liquid to Indian consumers in 2016. Over time, we realised the need to democratise the liquids segment by unlocking the cost barrier. This was done by expanding our play in the popular segment with Rin liquid. Today Rin is the market leader in this segment and continues to grow the overall liquids market.


## Build Unbeatable Portfolio

Our portfolio of brands continue to be our biggest asset. Straddling the price-benefit pyramid, we are able to serve the ever-evolving needs of all our consumers.

**★ Our Hair Care portfolio is one such example**

In the Hair Care segment, HUL has grown from strength to strength, meeting the needs of consumers across the pyramid – from Clinic Plus available in a ₹1 sachet, to Dove, a champion of real beauty in the country, to TRESemmé, our range that provides salon-like hair at home. As a result, we have continued to strengthen our market shares, widening our gap with the nearest competitor.


## Make Distinctive Moats

Brilliant execution underpins our strengths. We have a network of 27 factories and 50+ contract manufacturers producing 80 billion+ units annually[1]. We reach 9 million+ stores in this country, ensuring that our products are available wherever our consumers are present.

Our strong savings programme optimises cost across all lines of our P&L, generating fuel for growth for the organisation. By strategically embedding technology throughout our operations, we have cultivated a highly agile and responsive infrastructure. This technological backbone empowers us to optimise resource utilisation, accelerate decision-making, and adapt swiftly to market dynamics, ensuring maximum operational efficiency. For instance, Shikhar, our e-B2B app as well as our distribution management system has evolved to be a strong source of competitive advantage.

[1] For HUL and subsidiaries

# Our Strategy

# ASPIRE

## Unlocking a billion aspirations

### FINANCIAL AMBITION

Double-digit EPS growth driven by topline

### Three strategic thrusts

**FOCUS**

Focus on maximising organisational growth through portfolio segmentation into Core, Future Core and Market Makers

**EXCEL**

Excel in five pillars that are critical for driving demand

**ACCELERATE**

Accelerate future-proofing of distinctive capabilities that keep us ahead in a fast-changing world

**Supported by two foundational pillars**

### SUSTAINABILITY

Leveraging our proven models to focus on four areas that need action

- CLIMATE
- NATURE
- PLASTICS
- LIVELIHOODS

### CULTURE

Four key behaviours that will power our priorities

- CARE DEEPLY
- FOCUS ON WHAT COUNTS
- STAY THREE STEPS AHEAD
- DELIVER WITH EXCELLENCE

## FOCUS TO TRANSFORM PORTFOLIO

Segmenting our portfolio into Core, Future Core and Market Makers on the basis of future growth potential and premiumisation index, enabling sharper prioritisation of resources. We aim to get 80% of the delta growth through Future Core and Market Makers portfolio in the future

| Core | Future Core | Market Makers |
|---|---|---|
| Keeping the core contemporary and healthy to meet evolving consumer needs | Upgrading consumers with our aspirational brands that are at the sweet spot of premiumisation | Powering new segments and solving unmet consumer needs |

## EXCEL IN DEMAND DRIVERS

Pivoting investments to five drivers of demand in the evolving operating context

**Unmissable Brand Superiority**

Elevating brand experience by focussing on parameters that really matter to our consumers

**Multi-year Market Making**

Fuelling category creation in six segments of choice with a proven market-making model

**Social-first Demand Generation**

Embedding our brands into culture with data-driven insights and tech-enabled deployment models

**Channels of the Future**

Investing in category captaincy in modern trade and e-commerce

**Winning in Many Indias 2.0**

De-averaging the country by affluent agglomerations in top cities and villages

## ACCELERATE AND STRENGTHEN OUR DISTINCTIVE MOATS

Continuing to deliver disruptive innovation and operational excellence, while stepping up technology and AI to drive more revenue, generate more savings and create resilience across our value chain

| Disruptive Science & Technology | Lean and Agile Supply Chain | Digitised Distributive Trade | Net Productivity |
|---|---|---|---|

# Our Value Creation Model

| Capitals | Inputs |
|---|---|
| **Intellectual Capital**<br>Powered by pioneering research and deep consumer insights, our intellectual capital drives breakthrough innovations that meet evolving consumer needs. | **20,000+**<br>Access to global patents<br>**50+**<br>Brands |
| **Social & Relationship Capital**<br>Through meaningful partnerships built on integrity and shared purpose, we nurture lasting trust with stakeholders, creating resilient ecosystems that thrive on collective aspirations. | **~₹254 Cr**<br>Total CSR spends<br>**3,500+**<br>Distributors |
| **Manufactured Capital**<br>State-of-the-art factories, advanced digital supply chains and agile logistics position us to deliver quality products nationwide. | **₹8,666 Cr**<br>Total Property, Plant, and Equipment<br>**27**<br>Own manufacturing sites[1] |
| **Human Capital**<br>Our diverse and empowered workforce drives innovation, inclusion and continuous learning, propelling us towards a future-ready organisation. | **1,00,000+**<br>Hours of learning in the year<br>**20+**<br>Equitable work policies |
| **Natural Capital**<br>We are committed to protecting and regenerating natural resources, embedding sustainable practices across our operations and fostering a healthier planet for future generations. | **13,000+**<br>Hectares of land under regenerative agriculture[2]<br>**58%**<br>Of 12 key agricultural crops sourced sustainably[2] |
| **Financial Capital**<br>Our strong financial foundation fuels strategic investments, enabling sustained value creation. | **₹49,153 Cr**<br>Net worth<br>**₹(5,680) Cr**<br>Trade working capital[3] |

## Our Strategic Objectives

- FOCUS
- EXCEL
- ACCELERATE

## Core Business Activities

**1 Consumer Insights**
We constantly track changing consumer sentiments and trends to deeply understand and respond to evolving preferences.

**2 Innovation**
These insights are leveraged by our R&D and marketing teams to innovate, develop and deliver superior, relevant products.

**3 Sourcing**
We procure large volumes of sustainable raw materials and packaging to ensure consistent product quality and operational efficiency.

**4 Manufacturing**
Our advanced manufacturing facilities integrate cutting-edge technology to convert materials into products we sell.

## Enabling Functions

Human Resources ▪ Information Technology ▪ Procurement ▪ Finance ▪ Facility Management ▪ Legal ▪ Regulatory Support

## Output (Products)

[1] For HUL and subsidiaries [2] For calendar year 2024, HUL and subsidiaries [3] Working capital, excluding cash and bank balances and current investments

**Maximising organisational growth via portfolio segmentation, enabling crafting of tailored strategies**

**Dialling up demand by pioneering new markets, social-first mindset and unlocking future channels**

**Strengthening agile, digitally-enabled distinctive capabilities to generate long-term value**

## 8 Consumer Use

We deliver products that enrich daily lives, fulfilling consumer aspirations and enhancing wellbeing.

## 7 Sales

Our products are widely accessible across multiple channels, both offline and online platforms, ensuring we are available wherever our consumers are.

## 6 Marketing

We engage consumers through targeted, social and digital-first marketing strategies, strengthening brand visibility and identity.

## 5 Logistics

Our extensive and digitised logistics network allows for timely and efficient product distribution across millions of retail outlets.

## Executive Oversight

Strategic Planning ▪ Resource Allocation ▪ Governance ▪ Risk Management ▪ Performance Monitoring ▪ CSR ▪ ESG


## Outcomes

**>80%**
**Business superior to eyeball competition[4]**

**3**
**New brands added to HUL's portfolio during the year**

**~11 Mn**
**People reached through Prabhat since inception**

**9 out of 10**
**Households use one or more of HUL brands**

**8%**
**Reduction in energy intensity per tonne vs previous year[1]**

**>95%**
**Primary service level[5]**

**93%**
**Employee Net Promoter Score[6]**

**45%**
**Skilled shopfloor workforce**

**50%**
**Reduction in water use within our factories[7]**

**99%**
**Reduction in Scope 1 & 2 emissions in operations[7]**

**₹13,789 Cr**
**Cash Generated from Operations, before taxes**

**108.20%**
**ROCE**

## Stakeholders

### Consumers

We aim to provide superior-quality products and brands that cater to the needs of increasingly discerning consumers.

Read more on page 76

### Customers

We partner with traditional trade distributors, retailers, organised trade and digital commerce marketplaces to foster mutual and sustainable growth.

Read more on page 80

### Suppliers & Partners

We engage with suppliers and business partners collaboratively with shared goals to cultivate innovation and efficiency.

Read more on page 84

### Our People

We foster a culture of empowerment and continuous development while rewarding people fairly, enabling personal and professional growth.

Read more on page 90

### Planet & Society

By embedding sustainable practices and contributing to the wellbeing of society, we aid a fairer and more socially inclusive world.

Read more on page 96

### Shareholders

We aim to deliver consistent, competitive performance and drive long-term value creation for our shareholders.

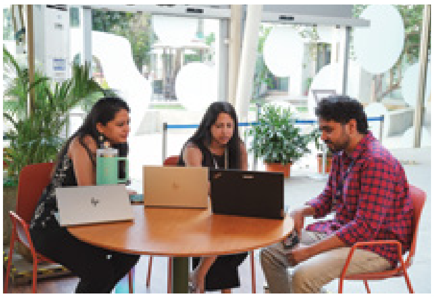
Read more on page 100

[4]Based on our Unmissable Brand Superiority framework as on December 2024 [5]Based on internal delivery metric
[6]Annual employee engagement survey, 2024 [7] Against 2008 baseline, HUL and subsidiaries

# Interplay of Capitals

Recipient

| Source | Intellectual | Social & Relationship | Manufactured |
|---|---|---|---|
| Intellectual |  | Empowering retailers with digital platforms like Shikhar for anytime ordering and transparency, while enabling next-day delivery through intelligent, automated warehousing systems. | Transforming production with Industry 4.0 technologies and digital pilot plants, while deploying digital solutions to increase efficiency, reduce wastage and enhance quality control. |
| Social & Relationship | Enhancing products through consumer insights & feedback, and enriching our data lake with key stakeholder inputs to power our advanced data democratisation platform, Chanakya. |  | Entering into partnerships to achieve backward integration of raw materials and promoting sustainable practices across our supply chain systems, exemplified by Tea. |
| Manufactured | Accelerating R&D breakthroughs through state-of-the-art factories and equipping R&D centres with cutting-edge technology. | Improving farmer livelihoods through strategic regenerative agriculture partnerships, while fostering trust with 3,500+ distributors via a resilient, future-ready supply chain. |  |
| Human | Building a robust digital talent ecosystem through strategic partnerships while maintaining focussed hiring and investments in developing digital expertise. | Enhancing productivity and awareness through comprehensive training for suppliers and distributors, and empowering women through initiatives like Shakti and Ahilya. | Creating a future-ready, efficient workforce by upskilling shopfloor employees and fostering diversity through increased female representation. |
| Natural | Harnessing biotechnology as a next-gen platform to deliver breakthrough innovations, and addressing resource scarcity through efficient utilisation, waste reduction, and circular economy models. | Building sustainable communities around manufacturing sites through the Prabhat programme, while supporting rural livelihoods by increasing local sourcing of key inputs. | Ensuring stable, cost-efficient factory operations through local sourcing of raw materials and enabling sustainability by powering factories with renewable energy. |
| Financial | Investing in next-gen technology platforms and innovation capabilities to deliver exceptional consumer experiences while significantly reducing innovation lead time. | Creating sustainable community impact through multiple CSR initiatives, while strengthening supplier and distributor relationships via regular engagement and training. | Driving end-to-end value chain transformation through digital, automation, and machine learning led solutions, with strategic investments like Project Nakshatra to enable closer-to-demand production. |

| Human | Natural | Financial |
| --- | --- | --- |
| Development of digital and AI led tools in areas like media deployment and forecasting to automate employee tasks while leveraging AI-powered platforms to identify personalised open opportunities across the business. | Utilising science and technology to drive sustainable operations and deliver impactful innovations in product and packaging that reduce environmental load. | Driving sales through stronger brand equity, product superiority, and tech-led innovations, simultaneously generating savings via enhancements in product and production processes. |
| Nurturing trust and collaboration through multiple initiatives, while building strong community ties that offer diverse learning opportunities and enrich employee skills and engagement. | Building grassroots sustainability through local partnerships to effectively support water stewardship and natural resource conservation in our communities. | Driving sales growth through shopper-centric innovations and collaborative customer plans, resulting in 9 out of 10 households using one or more of our brands. |
| Cultivating a safe, healthy, and inclusive workplace by boosting employee wellbeing and encouraging greater female participation on the shopfloor. | Aligning with net-zero goals by reducing logistical emissions through lean, close-to-demand manufacturing and minimising packaging and material waste. | Enhancing efficiency and agility through robust cost optimisation across the value chain and developing sophisticated forecasting tools to respond effectively to market fluctuations. |
|  | Creating a foundation of shared values with our employees to drive sustainability actions through initiatives like Prabhat, plastic collection and cleanliness drives. | Driving sustainable and inclusive growth by uniting purpose-driven talent, maintaining low attrition, and nurturing a strong leadership pipeline to ensure business continuity. |
| Attracting green-conscious talent through a purpose-driven culture, and supporting their development by maintaining a healthy ecosystem essential for social and economic stability. |  | Optimising resource utilisation to reduce operational costs and strengthening supply chain resilience, while building circular economy practices to generate value. |
| Building a future-ready organisation by investing over 1,00,000 hours in employee development and wellbeing, while retaining top talent through differentiated careers and rewards. | Advancing sustainable operations by accelerating renewable energy adoption, enhancing plastic recyclability, and promoting regenerative agriculture. |  |

# Sustainability at HUL

## Integrated Sustainability Strategy

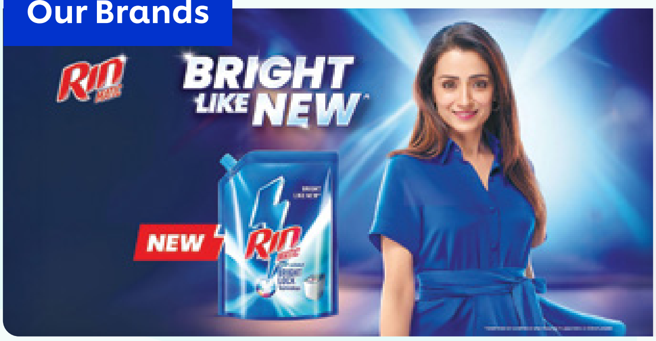
**Operations**

Driving change through our own operations and workforce

**Our Value Chain**

Using our size and reach to influence the entire value chain

**Our Brands**




Leveraging our purpose-led brands

**Wider Society**


Catalysing change in communities through partnerships and advocacy

Governance, Measurement & Reporting

## ESG Materiality Matrix

HUL's Double Materiality covers both impact and financial materiality. 'Impact Materiality' provides us the 'inside out' view, focusses on the actual or potential short, medium and long-term impact on people or the environment that are directly linked to a company's operations and its value chain. On the other hand, 'Financial Materiality' is the 'outside in' view and focusses on how sustainability matters, covering both material risk or opportunity that could affect our Company's financial performance and position over the short, medium and long term. Adopting Double Materiality Assessment (DMA) is a natural step towards strengthening our sustainability strategy. DMA will help HUL drive meaningful progress, ensuring its business remains future-ready while continuing to set industry benchmarks for responsible growth. We use our sustainability materiality assessment to identify priority sustainability issues across our operations and value chain so that we are able to report on the issues of most interest to our stakeholders. We have updated the double materiality assessment in financial year 2024-25 in line with our parent Unilever PLC and ESRS framework.

## Material Topics

**Resource Use and Circularity** | **Inclusive Access to Essential Products** | **Talent Retention** | **Business Ethics and Conduct** | **Diversity, Equity and Inclusion** | **Human Rights, Fair Work, and Responsible Sourcing, across Value Chain** | **Biodiversity and Ecosystem Health**


- Responsible Business Practices
- Enhancing Livelihoods
- Reducing Environmental Impact
- Improving Health and Wellbeing

For more details please refer the 'Sustainability' section on our website https://www.hul.co.in/sustainability/sustainability-reporting-centre/materiality-assessment/

# Stepping Up on Sustainability

**Our global Unilever sustainability agenda is focussed on those areas that are of greatest relevance to the business and where we can use our scale and influence to have maximum impact: Climate, Nature, Plastics and Livelihoods. In order to accelerate action, each area is underpinned by a number of stretching near- and medium-term targets. India will contribute significantly to delivering these global commitments.**

## 1 Climate

### Net Zero emissions across our value chain by 2039

- Reduce absolute operational GHG emissions (Scope 1 & 2) by 100% by 2030 from a 2015 baseline
- Reduce absolute Scope 3 energy and industrial GHG emissions by 42% by 2030 from a 2021 baseline
- Reduce absolute Scope 3 forest, land and agriculture (FLAG) GHG emissions by 30.3% by 2030 from a 2021 baseline

## 2 Nature

### Resilient and regenerative natural and agricultural ecosystems

- 95% volume of key crops to be verified as sustainably sourced by 2030
- Implement Regenerative Agriculture practices on 1 million hectares of agricultural land by 2030
- Help protect and restore 1 million hectares of natural ecosystems by 2030
- Maintain no deforestation across our primary deforestation-linked commodities
- Implement water stewardship programmes in 100 locations in water-stressed areas by 2030

## 3 Plastics

### An end to plastic pollution through reduction, circulation and collaboration

- Reduce our virgin plastic footprint – by 30% by 2026, and 40% by 2028, from a 2019 baseline
- 100% of our plastic packaging to be reusable, recyclable or compostable – by 2030 (for rigids) and 2035 (for flexibles)
- Use 25% recycled plastic in our packaging by 2025
- Collect and process more plastic packaging than we sell by 2025

## 4 Livelihoods

### A decent livelihoods for people in our value chain, including by earning a living wage

- Help 2,50,000 smallholder farmers in our supply chain access livelihoods programmes by 2026
- Suppliers representing 50% of our procurement spend to sign the Living Wage Promise by 2026
- Help 2.5 million SMEs in our retail value chain grow their business by 2026

**UNDERPINNED BY OUR CONTINUED COMMITMENT TO HUMAN RIGHTS AND EQUITY, DIVERSITY & INCLUSION**

Feature

# Accelerating Circularity

**Project Circular Bharat is HUL's initiative, contributing to India's transition to a circular economy.**

Project Circular Bharat is our end-to-end model that connects three critical levers; behaviour change to inspire source segregation, social inclusion of waste workers, and integrated recycling infrastructure to establish a circular system.

Anchored in innovation and a solutions-led approach, Project Circular Bharat is powered by a robust network of partnerships, bringing together 20+ partners across 10+ Indian cities. This includes government, UNDP India, Xynteo, other corporates such as SBI Foundation, startups, and community organisations.

In 2024, HUL deepened its catalytic role by launching 'Circular India – An Awareness to Action Toolkit' with three key Central Government Ministries: Ministry of Environment, Forest & Climate Change, Ministry of Social Justice & Empowerment and Ministry of Urban & Housing Affairs. The toolkit provides open-source actionable frameworks and tools to accelerate circularity at scale across the country.

To continue building the plastic ecosystem, Project Circular Bharat has mobilised over half a million citizens to adopt waste segregation, enabled social inclusion of 20,000 Safai Saathis through access to government welfare schemes, and operationalised 7 Material Recovery Facilities. The model is now being scaled up as a blueprint for inclusive circularity system in India.

Feature

# Trailblazing with Technology

**HUL's factory in Doom Dooma, Assam, has earned itself a prestigious place in the World Economic Forum's Global Lighthouse Network, for championing technology in all aspects from product manufacturing to delivery. Doom Dooma factory (DDF) is now Hindustan Unilever's third Lighthouse site and the eighth for Unilever globally, setting new benchmarks in speed, sustainability, and digital innovation, harnessing Fourth Industrial Revolution (4IR) technologies like AI, factory automation and IoT to drive meaningful change.**

**Here are five key AI-driven innovations shaping DDF's success:**

### Agile production

With AI powered vision systems, changeover times between product lines are 85% faster, therefore ensuring agile production planning and ensuring superior service levels even with more volatile e-commerce and quick commerce demand.

### Elevating Product Superiority

Generative AI analyses consumer feedback with 97% accuracy, reducing manufacturing defects by 21%.

### Enhanced Workforce Productivity

AI dynamically allocates employees to high-priority tasks based on skills, boosting labour productivity by 400% and generating insights for targeted upskilling.

### Sustainable Packaging

Using AI-enabled digital twin technology, DDF has reduced virgin plastic usage by 21% and cut packaging trial times by 84%, accelerating HUL's progress towards the aim of 40% reduction in use of virgin plastic by 2028.

### Dynamic Demand Planning

AAI-driven planning tools have shortened production rescheduling from 14 days to just one, improving forecasting accuracy by 35% and reducing inventory by 16%.

Beyond technological gains, DDF's digital transformation is creating jobs, fostering inclusivity, and accelerating our vision for a lean, agile and future-fit supply chain.

**At DDF, cutting-edge 4IR technology powers nearly every process, driving over 50 transformative initiatives across the end-to-end supply chain.**

# All increment numbers are for 2024 vs 2019

# Chairman's Statement

## Dear Shareholders,

In the financial year 2024-25, the business witnessed a challenging operating environment with uneven weather patterns, volatile commodity prices and muted consumer demand. Against this backdrop, your Company, Hindustan Unilever Limited, has delivered a competitive and profitable performance by navigating short-term volatility while continuing to invest for the long term. We remain confident that the future holds a host of exciting opportunities.

## An Aspiring India

India is well-poised to deliver strong and consistent growth with rising affluence, a burgeoning middle class, a vibrant young working population empowered by a strong public digital backbone and growth-oriented policies. Economic development, technological advancements and a better quality of life have fuelled the aspirations of our consumers.

These new dynamics present a significant opportunity for the FMCG sector. At HUL, we are well-positioned to meet the evolving needs of an aspiring India. Our strategy is clear, future-focussed and rooted in creating value for all stakeholders.

## Unlocking a Billion Aspirations

We are focussed on unlocking a billion aspirations of not only our consumers, but also every stakeholder across our value chain.

Our portfolio segmentation into Core, Future Core and Market Makers will be a key enabler towards our strategic goal. We are modernising our Core brands, keeping them healthy and contemporary, to meet the evolving needs of consumers. Our Future Core consists of brands that are at the sweet spot of premiumisation. Our Market Maker brands are those that will build segments of the future.

## Catering to the New Age Consumer

We are witnessing a rapid evolution of the Indian consumer with increased digital penetration and access to information.

To connect with this group of digital native consumers, we are adopting a social-first approach in our marketing and creating engaging content. We are strengthening our presence in channels of the future with a focus on Future Core and Market Maker portfolio. In fact, we are deploying the Winning in Many Indias (WiMI) 2.0 approach to reach our consumers. WiMI 2.0 is based on the understanding that consumers across the economic pyramid will have varied interests and expectations, including what they buy and where they shop.

## Strengthening our Moats

We are building distinctive moats that will help us thrive in the future. For example, we are leveraging our global repertoire of technology and innovation to bring science-backed products to our consumers. Unilever's three cutting-edge research platforms - Microbiome, Biotechnology and Next Generation Materials are powering our product superiority, while delivering savings and growth to the business.

Our world-class Supply Chain is becoming more agile and future-fit – three of our factories have now received the coveted World Economic Forum Advanced Fourth Industrial Revolution (4IR) End-to-End value chain Digital Lighthouse recognition.

Initiatives like Samadhan are helping us service our General Trade partners better and through 'Supply Chain for Smalls' we are equipped to service our e-commerce and quick commerce channels with more agility.

## Building for the Future

We are building a robust portfolio for future growth, by sharpening our 'where to play' choices. In line with this, we announced the acquisition of premium science-backed beauty brand, Minimalist. This acquisition is in line with our vision to become the beauty shapers of India.

We divested our water business, Pureit and announced the decision to demerge our Ice Cream business. The primary rationale for the demerger of the Ice Cream business stems from its limited complementarity and synergies with the broader organisational structure. This business operates under a distinct model, characterised by a separate go-to-market strategy compared to the rest of HUL and necessitates a dedicated cold chain infrastructure for both its supply chain and points of sale. We believe that a separate Ice Cream entity has the potential to seize the opportunity India has to offer.

## Embedding a Winning Culture

Our strategy is supported by our two foundational pillars – Culture and Sustainability.

At HUL, we are embedding a winning culture and have called out four new behaviours that we believe will power our priorities.

**Care Deeply:** This is both about our obsessive focus on consumers, as well as on our impact on every stakeholder across the value chain.

**Focus on What Counts:** This is about prioritising the things that have the biggest impact on the business.

**Staying Three Steps Ahead:** This is about being proactive and shaping the categories we play in.

**Deliver with Excellence:** This focusses on execution and ensures that we deliver the best output .

We believe that these behaviours underpinned by our core values will help us navigate the short-term and build for the future.

## Accelerating our Sustainability Impact

We are focussing our sustainability approach on four key priorities that need urgent action and where we can make maximum impact - Climate, Nature, Plastics and Livelihoods. We are embracing safe, superior, and net-zero carbon technologies, with an aim to have net-zero emissions across our value chain by 2039. We are embedding regenerative agriculture practices across our Foods supply chain. At HUL, we are continuously looking at new ways to reduce, reuse, recycle and recover plastic packaging and waste. Through our flagship livelihood programmes such as Project Shakti and Prabhat, we continue to impart livelihood building skills and generate employment opportunities.

## Moving Forward with Agility and Focus

Armed with our new strategy anchored around sharper portfolio choices, excellence in new demand drivers, acceleration of moats as well as the pillars of a winning culture and focussed actions on sustainability, we are ready to serve the needs and leverage the opportunities of an evolving India. We believe that in partnering the nation, we are well-placed to deliver growth in the future.

You, our shareholders, have always supported us in our journey and I would like to thank you, for your continued trust in Hindustan Unilever Limited.

Warm Regards,

**Nitin Paranjpe**
**Chairman**

# CEO and MD's Statement

## Dear Shareholders,

Your Company, Hindustan Unilever Limited (HUL), delivered a competitive performance, further strengthening its market leadership during the financial year 2024-25. During the year, we witnessed moderation in urban demand and gradual recovery of rural consumption. Against this backdrop, we remained focussed on driving volume growth and strengthening competitiveness for the business. We took actions in line with our new strategy, 'ASPIRE: Unlocking a billion aspirations', marking a step up in our portfolio transformation with increased innovations in high-growth spaces, amplified investments in channels of the future and strategic mergers and acquisitions.

## Competitive Performance in a Challenging Year

In financial year 2024-25, our turnover surpassed ₹60,000 crores, with an Underlying Sales Growth of 2%, Underlying Volume Growth of 2% and an EPS growth of 5%. EBITDA margin remained healthy at 23.5%. PAT at ₹10,644 crores grew 5% year-on-year. The Board of Directors have proposed a final dividend of ₹24 per share, subject to approval of shareholders at the Annual General Meeting. Together with interim dividend of ₹19 per share and special dividend of ₹10 per share declared in October 2024, the total dividend payout for the year will be ₹53 per share amounting to total payout of ₹12,453 crores.

In Home Care business, we sustained our competitive growth trajectory. This was made possible by strengthening Unmissable Brand Superiority scores with impactful marketing campaigns, agile innovations and sustained investments to deliver the right price-value equation. Surf excel, our largest brand, maintained its growth momentum and crossed the ₹10,000 crores turnover mark during the year. As market leaders in Home Care, we have been pioneers in developing the liquids market in the country. Last year, we further accelerated transformation in this space. We elevated the functionality of the existing brands, amplified market development activities by expanding into tier 2 price segments with Rin laundry liquid, expanded into adjacent white spaces with Vim floor cleaners, and boosted premiumisation through innovations such as Surf excel Smart Shots.

In Beauty & Wellbeing, significant developments marked our journey to become the beauty shapers of India – from renovating premium brands to launching new brands to strengthening high-growth market making segments; and developing the market to embrace future formats. We strengthened our competitiveness in Hair Care with volume-led growth. At the same time, we expanded our play in the masstige portfolio through multiple initiatives in the year. We announced the acquisition of the actives-led premium brand Minimalist, launched disruptive innovations in our existing brands like TRESemmé Silk Press, and introduced Liquid IV, Unilever's largest wellbeing brand.

Innovation in core product formulation and an accelerated expansion of the market-making portfolio were the key highlights for our Personal Care business. Lux and Lifebuoy were relaunched with a superior, patented technology called 'Stratos'. Stratos is a skin-friendly formula that uses plant-based polysaccharides scientifically designed to protect skin. We relaunched Dove bars with superior proposition of serum in a bar and introduced new communication in South India on Pears. As a result, we witnessed a recovery in premium bars growth. Our bodywash portfolio continued to grow, catering to more affluent consumers with the launch of Dove Serum Shower collection. Closeup launched a premium innovation White Now, with a promise to reverse one year of yellow stains.

In our Foods business, Tea maintained its leadership position, leveraging the 'WiMI' strategy to cater to consumers in different parts of the country. The premiumisation agenda was taken forward with the launch of Pukka, a range of herbal infusions that cater to health and wellness needs. Coffee delivered double-digit growth and continued to drive premiumisation with Bru cold coffee ready-to-drink packs. Foods Solutions business sustained yet another year of strong growth, offering blockbuster products with differentiated benefits, increasing our restaurant coverage and strengthening our partnership with chefs. Innovations fueled our Condiments, Cooking aids and Mini-meals segment led by Knorr and Kissan. To cater to a growing affinity for 'K-Drama' and Korean food, Knorr expanded the Korean noodles range and collaborated with Netflix's Squid Game 2 to reach its audience. We strengthened fundamental aspects of our Lifestyle Nutrition portfolio, including penetration, brand power and market share, but growth remained muted due to consumption headwinds.

## Transforming for Growth

This year marked a significant transformation towards excelling in demand drivers for our affluent and aspiring consumers. Consumers now navigate across platforms creating a complex web of touchpoints and we aim to go where our consumers are. For instance, we have significantly boosted our investments in digital marketing – today 40% of our spends are on digital media. We have over 12,000 influencers whom we collaborate with for our brands.

We continued not only to digitise our route-to-market approach, but also to empower our traditional trade partners with future-fit capabilities. Our e-B2B app Shikhar, that has over 1.4 million retailers onboard, helps them with specialised offers and AI-powered personalised advertisements. We are building specialty channels such as health and wellness stores, premium beauty outlets, and gourmet food retailers by understanding shopper behaviour and channel requirements. We now have a dedicated Premium Retail Organisation focussed on distributing and creating demand for our premium beauty products through the Beauty and Pharma channels. New channels have necessitated superior point-of-sale availability. We are leveraging advanced technology expertise to strengthen our presence in modern trade, e-commerce and the fast-growing quick commerce channels through technological interventions.

We stayed committed to our journey of building a world-class Supply Chain with a segmented approach – 'SC for Large' and 'SC for Smalls' - each requiring distinct capabilities for speed, efficiency and cost effectiveness. For example, under 'SC for Large', we have now expanded our 'lights-off' manufacturing from just soap lines to many other formats. Under 'SC for Smalls', our nano factories can handle smaller batches to service premium niche categories. It gives me immense pride to add that this year, our Doom Dooma factory received the World Economic Forum's 'End-to-End Digital Lighthouse' recognition, making it the third HUL factory on the coveted list following Sonepat and Dapada factories.

## Doing Well by Doing Good

Our focussed actions on sustainability will serve as an enabler to power our next phase of growth. Today, 97% of our operations is powered by renewable energy. In our journey towards protecting and regenerating nature, we are collaborating with State Governments to create sustainable palm plantations in south India. We are contributing to India's transition towards a plastic circular economy. We launched Project Circular Bharat this year that brings together behaviour change on source segregation, social inclusion of waste workers, and integrated recycling infrastructure. We also recently entered into a partnership with Lucro Plastecycle Pvt. Ltd. to further develop flexible plastics circularity. Through our long-standing initiatives such as Project Shakti and Prabhat, among others, we continue to enhance the lives of people across our value chain and in communities.

We are building an organisation with both sharp focus and expansive scale. Our people lie at the heart of our growth agenda and we are proud to be the No. 1 Employer of Choice across sectors yet again. Attracting, developing and retaining top talent continues to be one of our key priorities. We are investing significantly in upskilling and developing our people through focussed training initiatives. I thank every individual across our value chain who powered our growth journey with their tireless contribution.

Finally, I would like to thank all of you, our shareholders, whose trust and support lends us the confidence to navigate near-term challenges, enabling us in our journey to unlock a billion aspirations.

Warm Regards,

**Rohit Jawa**
**Chief Executive Officer and Managing Director**

# Financial Highlights (Standalone)

**financial year 2024-25**

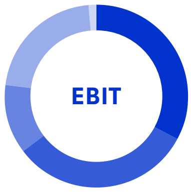
| Turnover | EBITDA Margin | PAT |
|---|---|---|
| ₹60,680 Cr | 23.5% | ₹10,644 Cr |

| EPS | Cash from Operations | ROCE |
|---|---|---|
| ₹45.30 | ₹13,789 Cr | 108.2% |

(₹ in crores)


### Segmental Revenue

| | |
|---|---|
| Home Care | 22,972 |
| Beauty & Wellbeing | 13,073 |
| Personal Care | 9,168 |
| Foods | 15,294 |
| Others | 962 |



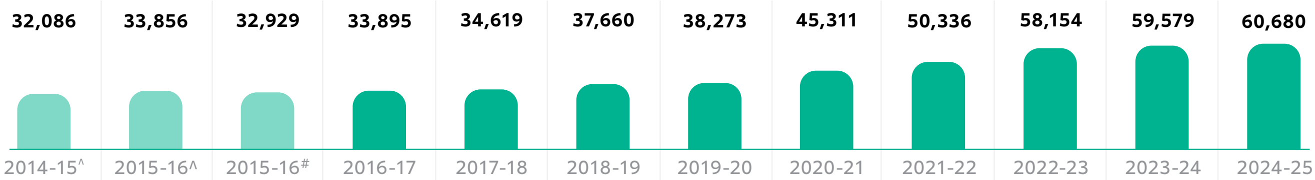

### Segmental Results (EBIT)

| | |
|---|---|
| Home Care | 4,306 |
| Beauty & Wellbeing | 4,176 |
| Personal Care | 1,606 |
| Foods | 2,808 |
| Others | 169 |

## Long-term Track Record

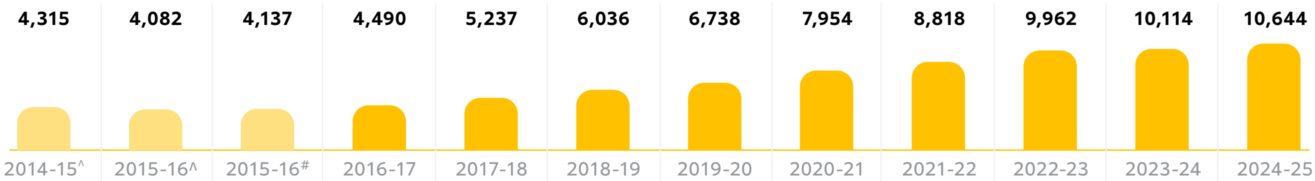
### Turnover

(₹ in crores)



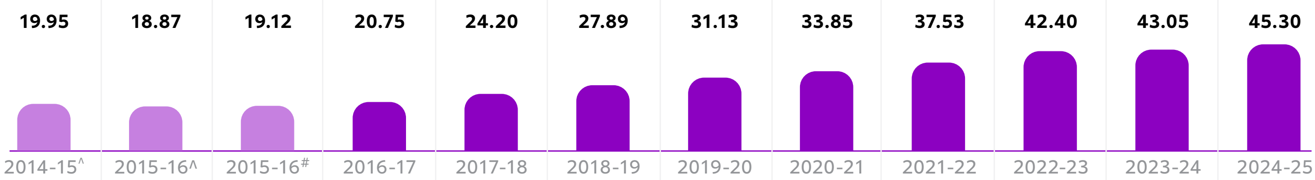

### Profit After Taxation [PAT]

(₹ in crores)



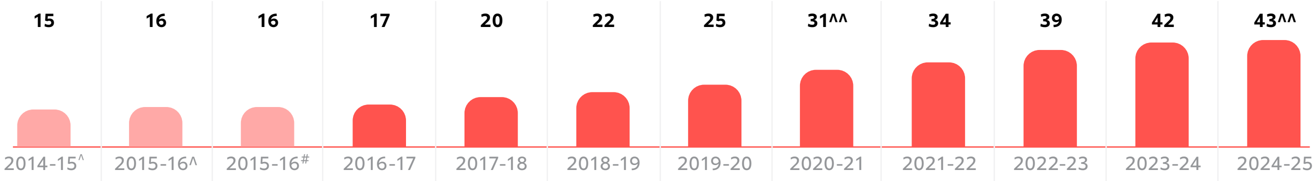

### Earnings Per Share (face value of ₹1) [EPS]

(₹)




### Dividend Per Share (face value of ₹1)

(₹)




^Based on Revised Schedule VI/ Schedule III #Figures are restated as per IND AS ^^Excludes special dividend

# Long-term Track Record

(₹ in crores)

| | IGAAP | | IND AS | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Balance Sheet** | **2014-15^** | **2015-16^** | **2015-16#** | **2016-17** | **2017-18** | **2018-19** | **2019-20** | **2020-21** | **2021-22** | **2022-23** | **2023-24** | **2024-25** |
| Property, Plant and Equipment | 2,915 | 3,288 | 3,288 | 3,857 | 4,206 | 4,280 | 5,138 | 6,409 | 6,714 | 7,209 | 8,093 | 8,666 |
| Intangible Assets | 22 | 12 | 12 | 370 | 366 | 436 | 431 | 45,241 | 45,221 | 45,216 | 45,201 | 45,197 |
| Other Assets | 10,697 | 10,867 | 10,620 | 10,524 | 12,577 | 13,149 | 14,033 | 16,466 | 17,802 | 19,400 | 23,782 | 24,450 |
| **Total Assets** | **13,634** | **14,167** | **13,920** | **14,751** | **17,149** | **17,865** | **19,602** | **68,116** | **69,737** | **71,825** | **77,076** | **78,313** |
| Share Capital | 216 | 216 | 216 | 216 | 216 | 216 | 216 | 235 | 235 | 235 | 235 | 235 |
| Other Equity | 3,508 | 3,471 | 6,063 | 6,274 | 6,859 | 7,443 | 7,815 | 47,199 | 48,525 | 49,986 | 50,738 | 48,918 |
| Other Liabilities | 9,909 | 10,480 | 7,641 | 8,261 | 10,074 | 10,206 | 11,571 | 20,682 | 20,977 | 21,604 | 26,103 | 29,160 |
| **Total Equity and Liabilities** | **13,634** | **14,167** | **13,920** | **14,751** | **17,149** | **17,865** | **19,602** | **68,116** | **69,737** | **71,825** | **77,076** | **78,313** |

| | IGAAP | | IND AS | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Key ratios and EVA** | **2014-15^** | **2015-16^** | **2015-16#** | **2016-17** | **2017-18** | **2018-19** | **2019-20** | **2020-21** | **2021-22** | **2022-23** | **2023-24** | **2024-25** |
| Fixed Asset Turnover (No. of times) | 10.9 | 10.3 | 10 .0 | 8.0 | 7.6 | 8.0 | 6.9 | 0.9 | 1.0 | 1.1 | 1.1 | 1.1 |
| PAT/Turnover (%) | 12.0 | 12.0 | 12.5 | 12.5 | 14.8 | 16.1 | 17.6 | 17.6 | 17.5 | 17.1 | 17.0 | 17.5 |
| Return On Capital Employed (ROCE) (%)## | 133.0 | 147.2 | 86.6 | 92.3 | 101.3 | 112.3 | 103.4 | 113.0 | 107.8 | 101.9 | 96.3 | 108.2 |
| Return On Net Worth (RONW) (%)## | 123.3 | 110.2 | 82.5 | 70.0 | 77.0 | 81.9 | 84.8 | 17.0* | 18.6 | 20.1 | 20.0 | 21.2 |
| Economic Value Added (EVA) (₹ in crores) | 3,380 | 3,526 | 3,438 | 3,498 | 4,258 | 5,291 | 6,085 | 3,810* | 4,435 | 4,435 | 4,808 | 4,686 |

| **Others** | **2014-15** | **2015-16** | **2016-17** | **2017-18** | **2018-19** | **2019-20** | **2020-21** | **2021-22** | **2022-23** | **2023-24** | **2024-25** |
|---|---|---|---|---|---|---|---|---|---|---|---|
| HUL Share Price on BSE (face value of ₹1)** | 873 | 870 | 910 | 1,336 | 1,708 | 2,298 | 2,431 | 2,049 | 2,559 | 2,268 | 2,259 |
| Market Capitalisation (₹ in crores) | 1,88,849 | 1,88,154 | 1,96,902 | 2,89,159 | 3,69,688 | 4,97,514 | 5,71,133 | 4,81,396 | 6,01,202 | 5,32,946 | 5,30,855 |

^ Based on Revised Schedule VI/ Schedule III

\# Figures are restated as per IND AS

\## ROCE and RONW has been restated for all years in accordance with formula prescribed by Guidance note on Schedule III issued by the Institute of Chartered Accountants of India.

ROCE and RONW are lower in Ind AS compared to IGAAP since under IND AS, final dividend including taxes are accounted after approval in AGM only; whereas in IGAAP, such dividends were recognised in the same year to which they relate.

* RONW and EVA have dropped due to increase in shareholders' equity pursuant to opening balances restated on account of GSK CH merger

** Based on year-end closing prices quoted on BSE Limited

## ESG Highlights

### Environment

**50%**

Reduction in water use within our factories[1]

**39%**

Reduction in Scope 1 emissions from previous year

**Launch**

of Project Circular Bharat with 3 government ministries

**13,000 Hectares+**

Land under regenerative agricultural practices[2]

### In Operations[1]

**99%**

Reduction in Scope 1 & 2 emissions in operations (kg/tonne of production)

**62%**

Reduction in the total waste generated (kg/tonne of production) from factories

**49%**

Reduction in total energy consumption (GJ/tonne of production) from factories

### Across Value Chain

**58%**

of 12 key agricultural crops sourced sustainably[2]

**96%**

Deforestation-free supply chain in palm oil, paper and board, tea, soy and cocoa[2]

[1]Against 2008 baseline
[2]For the calendar year 2024
All numbers are of HUL, including subsidiaries

# Social

**~11 Mn**

People reached till date through initiatives under our community programme 'Prabhat' that focusses on economic empowerment, environment, health & nutrition

**~9 Mn**

Children educated via Swasthya Curriculum to promote good health and hygiene practices since 2018

**5 lakh+**

People have access to safe hygiene and sanitation through Project Suvidha

**2 lakh+**

Women empowered through Project Shakti

## Top ESG-rated FMCG Company in India

| | |
|---|---|
| MSCI | HUL is a leader in the Household & Personal Products industry with an 'AA' ESG Rating |
| Crisil (a company of S&P Global) | Our ESG score of 64 has been classified as a 'Strong' score |
| SUSTAINALYTICS | #5 globally in Personal Products and #7 in Household Products category (Medium Risk at 20.0) |

## Segment Performance

# Home Care


**₹22,972 Cr**
Revenue

**19%**
Segment Margin

**37%**
Contribution to HUL

*"Home Care growth strategy is hinged on premiumisation and market making. We are committed to creating desirable brands that deliver indulgent consumer experiences through relentless focus on Unmissable Brand Superiority. By leveraging best-in-class science, aesthetics, and sensorials, and maintaining the right price-value balance amidst fluctuating commodity cycles, we will drive competitive growth."*

**Srinandan Sundaram**
*Executive Director, Home Care*

## Our Brands

### Fabric Wash

### Household Care

## Review of the Year

Our Home Care business delivered a robust 5% Underlying Sales Growth driven by high-single digit Underlying Volume Growth, in financial year 2024-25. With commodity prices continuing to soften, we responded with agility, passing on the benefit to our consumers in the form of price reductions and promotions. This resulted in negative pricing for the year. Within Home Care, both Fabric Wash and Household Care grew volumes in high-single digit.

**Our premium portfolio, which includes premium washing powders, washing liquids, and home & hygiene liquids continued to demonstrate strong growth, supported by multi-year market making activities.**

During the year, we strengthened our market leadership by significantly investing in making our brands unmissably superior, through impactful relaunches in Surf excel, Vim and Comfort, tailored to evolving consumer needs. With Rin liquid, Sun dishwash and Vim UltraPro floor cleaner, we strategically ventured into new demand spaces and price tiers with new brand launches and brand extensions, capturing future growth opportunities.

These efforts were complemented by ongoing market-making activities including engaging partnerships, high-impact media campaigns and robust design-for-channel strategy, aimed at establishing category leadership and fostering brand loyalty. Consequently, we delivered competitive growth in the category.

# Segment Performance › Home Care


### Core

Wheel, our mass-tier fabric cleaning brand, stands for freshness in thought and attire. Through our Winning in Many Indias (WiMI) approach, we have dialled up different credentials, like cleaning or fragrance, depending upon consumer needs through differentiated product formulation, pricing, promotion, packaging and communication. The latest communication on Wheel powder highlights its strong cleaning power and fragrance with the 'Power of 1,000 flowers,' while charmingly portraying relationships between husbands and wives.

Sunlight has kept coloured clothes bright since its launch over 130 years ago. This Durga Puja in Kolkata, we celebrated traditional art through an installation inspired by the Las Vegas Sphere. This one-of-a-kind memorable spectacle reinforced the Sunlight promise of colour care. Amplified across social and digital platforms, the campaign generated significant organic influencer engagement and boosted brand visibility.

### Future Core

Surf excel, our flagship brand in Fabric Wash surpassed ₹10,000 crores in turnover this year, fuelled by strong brand equity, product superiority and meaningful engagement. Surf excel's ethos over the years has been to encourage people, especially children and young people, to dream, dare, get stuck in, and get dirty. Surf excel has brought this alive with its 'Play On' sports-focussed campaign.

India's No. 1 dishwashing brand, Vim, has remained steadfast in its mission to democratise household chores by making dishwashing enjoyable and easier for everyone. This year, we have built upon the campaign of 'Apne Bartan Apne Aap' with our campaign on #equalvow while emphasising the superior degreasing and malodour removal benefits of our product. The campaign aims to inspire couples to commit to an equitable sharing of household chores 'When both partners share responsibilities, relationships shine brighter!'.


### Social-first Demand Generation

Achieving success, both socially and digitally is crucial for engaging with affluent Indian consumers. Therefore, we are developing content tailored for social-first demand generation. In a refreshing collaboration with pop artist, Ritviz, the brand transformed the routine, dishwashing task into a fun and enjoyable experience leveraging the universal appeal of music. To further amplify the campaign, Vim collaborated with over 200 influencers who shared fun moments from their chore routines to inspire families to join the trend. The campaign video generated significant social media traction across YouTube and Instagram with 35 million+ views.

## Market Makers

The growth of India's affluent consumer base, coupled with increasing washing machine penetration, is driving heightened demand for advanced and convenient household solutions. Our comprehensive portfolio, encompassing a wide spectrum of formats and price points, is strategically positioned to capture this expanding market. Through sustained and large-scale market development activities, we have facilitated the transition of consumers to premium product offerings over the years.


In Fabric Wash, we have successfully developed a market in the premium segment with Surf excel liquid. To further increase accessibility through sampling, Surf excel has established partnerships with washing machine manufacturers. These collaborations aim not only to increase the usage of liquid detergents but also to enhance the overall laundry experience and educate consumers on the benefits of our integrated solutions with these machine manufacturers. By combining advanced technologies, we strive to provide superior fabric care solutions while promoting awareness of proper laundry practices. During the year, Surf excel liquid reinforced its market superiority with the enhanced stain removal feature of 'Removes tough dried stains, 1st time in machine' featuring Rahul Dravid as a cricket coach. The campaign was further extended to social media with prominent cricket players sharing their stain moments and amplifying the proposition through an influencer campaign.

**We also embarked on our journey to democratise liquid detergent category by relaunching Rin liquid with a quality product at an attractive price point. With the promise of 'Bright like New', Rin detergent liquid has emerged as a leading brand in the tier 2 segment, further strengthening our category leadership.**

Comfort fabric conditioner remains the leader in the fabric conditioners market with its 'Freshness' proposition and expansion into complementary formats like Comfort beads.

We pursued a multi-pronged strategy in the liquid Household Care segment this year, developing the category, democratising access, and expanding our brand into new demand spaces. Vim is upgrading the dishwashing liquid market with its pH-neutral, Pro Clean formula, which is gentle on hands. It also offers powerful degreasing for machine dishwashers through Vim Matic, designed to remove tough grease and Indian food stains from steel, glass, and ceramic utensils.

### Multi-year Market Making

To address the evolving need for hyper convenience among consumers and enhance laundry efficiency, we are investing behind market development activities to expand the penetration of Surf excel's 3-in-1 Smart Shots. This product is a single-use soluble liquid detergent capsule featuring a unique three-chamber design, specifically engineered for fully automatic front and top load washing machines. The three chambers incorporate advanced technology for effective stain removal, long-lasting fragrance, and fabric care.


## Channels of the Future

Throughout the year, we strategically refined our pack-price architecture, offering our product portfolio across a diverse range of pack sizes and price points. This approach enabled us to effectively cater to our broad consumer base across various purchasing channels, directly addressing their diverse shopping objectives and affordability needs. Furthermore, modern trade continues to be a significant engine of growth for us, and our strategic focus remains on deepening category leadership within Home Care through collaborative partnerships that enhance value and reach for our consumers.

**Our evolved portfolio strategically incorporated targeted innovations designed to meet niche consumer demands, thereby establishing a competitive and relevant presence in the rapidly expanding e-commerce, quick commerce and modern trade. Collaborative category initiatives and curated events with key players have strengthened customer partnerships and ensured seamless tracking of shoppers in their omnichannel purchase journey.**

Backed by proprietary technology, we forayed into the floor cleaner segment with Vim. For the first time in India, we introduced a unique Ultra Pro technology combining probiotic and surface modification technology that delivers superior cleaning and stain removal, leaving behind a long-lasting fragrance. With a distinct proposition and superior product, Vim UltraPro Floor Cleaner aims at expanding our presence in the fast-growing floor cleaner segment.

The Vim floor cleaner was launched through partnerships with organised trade partners, employing joint business planning and category initiatives, including the use of Dynamic Product Displays (DPDs), also known as 'shelf bots' to elevate consumer experience. Strategically placed in modern trade stores, the shelf bots utilise motion detection technology to engage shoppers. This targeted approach ensured clear and relatable communication, enhancing consumer understanding and purchase consideration.

Feature

Through every campaign, Surf excel stays true to its guiding belief: 'What is good for India is good for HUL.'

# A Journey of Evolution, Purpose and Progress

Since its launch in 1959, Surf excel has been more than a detergent—it has been a reflection of an evolving India. Surf excel's journey has closely mirrored the changing aspirations of the Indian consumer.

As HUL's largest brand today, with a turnover exceeding ₹10,000 crores, Surf excel is synonymous with fabric care in India. Its story began by challenging norms when the brand introduced washing powder, necessitating the new habit of soaking clothes. HUL's door-to-door campaigns successfully educated sceptics, establishing Surf excel as a trusted laundry solution.

The 1990s brought competition, and Surf excel responded with a legendary campaign featuring Lalita ji. Created by ad maestro Alyque Padamsee, she famously declared, 'Surf ke kharidari mein hi samajhdari hai,' urging consumers to value quality over price.

In 2005, Surf excel broke new ground with the bold 'Dirt is Good' campaign, defying India's traditional aversion to dirt. A heartwarming advertisement featuring siblings turned an unconventional message into a cultural moment. It highlighted the importance of play, love and life's messy moments—while subtly reinforcing Surf excel's stain-fighting prowess.

As India embraced this counterintuitive idea, Surf excel soared in both sales and brand equity. Today, with innovations like Surf excel Matic Liquid, featuring biodegradable actives and recycled packaging, the brand remains committed to sustainability as it partners consumers in their format upgradation journey.

Segment Performance

# Beauty & Wellbeing


**₹13,073 Cr**
Revenue

**32%**
Segment Margin

**21%**
Contribution to HUL

*"This was a pivotal year for Beauty & Wellbeing as we set our vision to be the Beauty Shapers of India for the decades to come. We strengthened our portfolio for aspiring India, pivoted to new-age media models and continued to build our moats in distributive reach for Beauty & Wellbeing. With the transformation in play, we will continue to be the #1 Beauty Company in the country and strengthen our position."*

**Harman Dhillon**
*Executive Director, Beauty & Wellbeing*

## Our Brands

### Hair Care

### Skin Care and Colour Cosmetics

### Health and Wellbeing

## Review of the Year

In financial year 2024-25, the Beauty & Wellbeing segment embarked on a transformative journey with the vision of strengthening its position as the No. 1 Beauty Company in India by shaping beauty conversations in the country for decades to come.

**This year marked significant changes; we renovated our iconic brands, developed a comprehensive portfolio for high-growth market-making opportunities, and refined our mental and physical reach models to better cater to the beauty consumer.**

The segment delivered a 2% Underlying Sales Growth led by volume growth. Hair Care delivered high-single digit volume-led growth. Growth was broad-based across Core, Future Core and Market Makers portfolio. Skin Care was impacted by mass skin performance and delayed winter. However, the premium portfolio continued its strong growth trajectory driven by portfolio transformation.

Our investments in channels of the future encompassing assortment, targeted digital media deployment, and collaborative category development have yielded positive results, evidenced by strong double-digit growth in these channels. We continued to maintain our market leadership across categories on the back of iconic brands serving unmet consumer needs and building beauty habits.


## Core

In the year, Glow & Lovely, a brand that pioneered face care adoption in India, reinvented itself with new product, packaging, and proposition. These changes are designed to align with the desires of today's consumers and elevate the brand's offerings. Furthermore, Glow & Lovely aims to inspire aspiration with the launch of its premium variant - Glass Bright-Ultralight Gel Crème. This product caters to consumers' desire for glass-like skin, offering a delightful sensory experience infused with Niacinamide and Hyaluronic Serum.

Another key pillar on Core has been our endeavour to strengthen brand equity with consistent and purposeful communication. Clinic Plus has always championed the empowerment of mothers to raise strong daughters. Continuing this journey, ahead of Daughters Day in 2024, the brand launched the #BetiBankeAana campaign, to bring forth a movement to 'wish for a girl child' – a first step towards raising strong daughters, and by extension, a stronger nation. The campaign created significant social media interest, garnering 100 million+ views across multiple platforms.

## Future Core

Throughout the year, Lakmē has solidified its reputation as a trendsetting master-brand by introducing multiple innovations. The brand has enhanced its skincare offerings with potent ingredients in the Vitamin C Brilliance, Hyaluronic Dewy, and Lumi Smooth ranges. In the realm of Colour Cosmetics, Lakmē launched the Rouge Bloom Collection, embracing the concept of slow beauty and democratising premium trends with unique textures and sensory experiences. Marking a significant milestone, this year we proudly celebrated the 25th anniversary of Lakmē Fashion Week (LFW). Over the years, LFW has consistently cultivated a powerful voice and influence in both beauty and fashion, demonstrably setting trends that have shaped the industry's trajectory.

Dove has strengthened its expertise in damage care, while TRESemmé built on its commitment of delivering salon-like hair at home through professional technology. Both brands expanded their premium ranges, with Dove Scalp Therapy and TRESemmé Silk Press, to capitalise on the high-growth spaces of Scalp Care and Professional Haircare.


### Unmissable Brand Superiority

We have transformed our largest Skin Care brand, Pond's, from being perceived as a trusted name in tone management to a premium Skin Care master-brand rooted in expert science. The brand has reinvented itself to remain a pioneer in today's ever-changing beauty landscape, building on its equity with consumers across categories. The brand has had a strong year of competitive growth, backed by increased brand superiority scores, portfolio transformation and rewiring of media deployment.

## Market Makers

In the year, we accelerated initiatives across six major high-growth demand spaces: sun care, light moisturisers, face cleansing, de-seasonalising body care, serums & treatments, and masstige. Our portfolio strategy aimed to democratise, educate, and upgrade consumers across the pyramid with products such as the Lakmē Sun Expert Range, Pond's Super Light Gel, Vaseline Gluta-Hya Overnight Repair Body Lotion, TRESemmé Keratin Smooth Hair Serum, Dove Deep Repair Hair Mask, and more.

To address opportunities with super affluent consumers, we expanded our masstige portfolio through Novology, Simple and Love, Beauty & Planet. Each of these brands have a sharp positioning and are delivering strong growth.

OZiva, our Health & Wellbeing brand, has had a strong year. The business has grown multifold, from an Annual Revenue Runrate of ₹100 crores to ₹400 crores, since acquisition, backed by sharp innovation-led portfolio expansion. We pivoted our mental reach to strengthen equity via advocacy and enhanced our physical reach with a platform-specific playbook, focussing on e-commerce. We further strengthened our play in the Health & Wellbeing segment with the launch of Liquid I.V., Unilever's successful hydration brand. Liquid I.V. caters to affluent consumers with active lifestyles. The product has demonstrated a strong initial performance since its launch in early 2025.

During the year, we announced majority stake acquisition in Uprising Science Private Limited, the company that houses the actives-led premium brand Minimalist. Positioned at the intersection of beauty and actives-led science, it is a brand built on strong business fundamentals and rooted in product efficacy and consumer loyalty. Minimalist is a strategic fit for HUL and we are confident in our ability to scale this brand to greater heights by leveraging our complementary capabilities.

As a result of these focussed actions, today, Beauty & Wellbeing hosts an enviable portfolio across price tiers, demand spaces and formats, designed to win in beauty.


### Social-first Demand Generation

At Beauty & Wellbeing, we have built the largest network of beauty advocates, with the highest influencer and key opinion leader footprint. We collaborate with leading publications and focus on vernacular influencer marketing in small towns and rural areas. This strategy has resulted in four of our beauty master-brands ranking in the top five for their respective categories in advocacy. Through 'BeBeautiful', our in-house beauty editorial platform, we aim to build a community of beauty enthusiasts who share experiences and shape beauty conversations led by our brands.

We are building brands on social media to win in culture with 'content that converts'. In 2024, Dove launched #MatrimonialstoMothermonials as part of its iconic #StopTheBeautyTest campaign garnering 130 million+ views. Lakmē tapped on category-oriented cultures with a social-first launch for the Lakmē Rouge Bloom range leading to 100 million+ social channel profile visits. We also capitalised on topical and cultural moments with multi-brand campaigns like #PujoSaajeExtra and #ExtraGlowUp.


## Channels of the Future

Today, consumer journeys are no longer linear. A large portion of discovery drivers for shoppers are now online, making the shopper journey transcend channels with consumers seeking specialisation at their point of purchase.

In HUL, we have set up an exclusive route-to-market to deliver executional excellence in a highly fragmented beauty shelf. The online market is dominated by 'beauty.com', viewed by consumers as the 'Beauty destination' for content and commerce. The priority for us in this channel is to increase market shares with a future-facing portfolio supported by premium launches and desirable content and to deliver unparalleled consumer experiences backed by tech-enabled availability and discoverability. We went live with this approach and set up 'Beauty-verse' in 2023. In the last year alone, we have gained significant market share.

**In October 2024 we also went live in 75,000 outlets with the Beauty Premium Retail Organisation (PRO), an exclusive route-to-market for offline beauty, with 75% coverage focussed on health and beauty stores which are the offline beauty bastions.**

The PRO brings a curated portfolio of our premium mixes to specialised channels. Our objective is to land this future-focussed portfolio in the market, utilising best-in-class technology for demand capture and a fulfillment generation model that delivers world-class service while building our in-store brands to win with consumers.

Feature Story

By merging advanced science with a consumer-first approach, Dove is redefining the hair care narrative—empowering consumers to achieve lasting scalp and hair health.

## Addressing the Root of Change

Keeping the evolving needs of consumers at the heart of its business, HUL has always strived to address real consumer needs and challenges, be it in Skin Care, Hair Care or other categories.

Today's fast-paced world, work stress, rising pollution, humidity, and heat present even more challenges to maintaining healthy hair and scalp, leading to common concerns like hairfall, dryness, and itchiness. In all of this, scalp health often remains overlooked by consumers. Recognising this gap, HUL has reimagined scalp care with Dove Scalp+Hair Therapy Density Boost Serum - designed to address hair thinning and scalp health at its root.

By offering a science-backed hair therapy, armed with ingredients like Niacinamide and Zinc-Peptides, Dove empowers consumers to reclaim their hair density, leading to increased self-confidence and satisfaction. The serum's formulation, focussing on deep scalp revitalisation, caters to those wanting more than superficial results, at affordable price points, all of which consumers have come to expect from HUL.

The serum's advanced formulation and clinically proven results reflect its commitment to meaningful innovation for consumer wellness. Dove’s Density Boost Serum is more than just a cosmeceutical triumph in product innovation - it is a strategic win in an increasingly competitive hair care market.

For HUL, this innovation reflects its mission to elevate everyday essentials into transformative experiences by going beyond the obvious surface cosmetic appeal.

Segment Performance

# Personal Care


**₹9,168 Cr**
Revenue

**18%**
Segment Margin

**15%**
Contribution to HUL

*"As India's largest personal care business, we serve 1 Bn+ consumers with our unmissably superior brands. During the year, we have strengthened our brands, driven market development and premiumisation through breakthrough technologies and impactful communications. We are transforming our business to cater to the evolving needs and aspirations of India."*

**Vipul Mathur**
*Executive Director, Personal Care*

## Our Brands

### Skin Cleansing

LUX, Lifebuoy, Pears, Dove, Hamam, Rexona, Liril, MOTI, VWash

### Oral Care

closeup, Pepsodent

### Deodorant and Male Toiletries

Rexona, Dove, AXE

## Review of the Year

During the year, Personal Care turnover declined by 3%. Within the category, Skin Cleansing witnessed commodity fluctuations. Palm oil transitioned from being deflationary in the first half of the year to inflationary in the latter half. As a result, we passed on the benefits of deflating commodity prices to our consumers in the form of price drops and promotions in the beginning of the year, which was followed by calibrated price increases in the segment in the second half. Consequently, Skin Cleansing declined. Oral Care delivered a mid-single digit growth led by pricing. Our Deodorants portfolio gained strong traction, led by Rexona's renewed focus on core freshness and purpose-driven marketing.

**For Personal Care, financial year 2024-25 was characterised by strategic initiatives including significant product formulation enhancements involving groundbreaking technology, the re-staging of our hygiene segment, and the accelerated expansion of our market-making portfolio through technology-driven innovations.**

Strategic actions taken during the year resulted in positive momentum for the non-hygiene Skin Cleansing segment in the latter part of the financial year. The secular trend of premiumisation and rising affluence continues to transform the personal care category in India with the premium segment growing ahead of the rest of the portfolio for HUL. Bodywash continued to deliver strong double-digit growth backed by technology-based innovations and market development actions.


## Core

Lifebuoy, our Core brand in the Skin Cleansing portfolio, underwent a significant transformation, as we contemporised the portfolio, keeping it relevant, aspirational and purposeful. This transformation included technology-led product enhancement and a proposition, pack and communication change. The brand, deeply intertwined with culture and traditions, announced this relaunch at the world's largest gathering – the Mahakumbh Mela 2025. To strategically reinforce the relaunch, we made substantial media investments, notably onboarding one of India's biggest celebrities as our brand ambassador while also stepping up our digital media advertisements.

In its ongoing commitment to global health security through the promotion of handwashing, Lifebuoy introduced an AI-Teacher Hippo in 2024. This AI and AR-enabled tool provides personalised, multilingual instructions on proper handwashing techniques for children. Lifebuoy collaborated with Bharat Scouts and Guides, a prominent youth organisation in India, to deliver handwash hygiene education to 900,000 children across 9,000 schools utilising the Hippo platform.

Axe, our iconic male grooming brand, continued to build relevance with Gen Z audiences, with a focus on refreshing its proposition and sharpening execution to unlock future growth.


### Social-first Demand Generation

Over the past two years, Moti has pivoted towards becoming a social-first brand using digital platforms to engage with younger audiences. For the 2024 Diwali season, Moti launched the 'Din Din Diwali' campaign with an aim to keep the essence of Abhyanga Snan alive by combining nostalgia with modern entertainment elements. The campaign has garnered 150 million+ views on multiple social media channels. The market share of Moti saw one of its highest-ever growth on the back of this campaign.

## Future Core

Future Core brands and formats are those that are at the sweet spot of premiumisation, associated with desirability and aspiration. During the year we continued to strengthen these brands, expanding them into new formats and building them to be the next source of value creation.

Lux, the No. 1 soap brand in the country was relaunched with a sharper proposition of 'Flawless glow'. The brand has innovated across multiple formats and variants like Sandal, to appeal and drive relevance with more cohorts. As a result of these actions, the brand has strengthened its market position.


With a promise of '18H Freshness', Closeup continued to be the leader in freshness segment. Closeup also launched a premium innovation under the whitening benefit, called Closeup White Now, with a promise to reverse one year of yellow stains and whiten teeth from the first brush.


### WiMI 2.0

We continued to implement our 'Winning in Many Indias' (WiMI) strategy of portfolio differentiation based on consumer preferences and climatic conditions. This approach facilitates the development of products and communications specifically designed for local markets, thereby enhancing our ability to address the needs of diverse consumer cohorts. Identifying the specific proposition and celebrity that resonates with the South market, Pears landed a campaign that focusses on 'Glow' benefit with a prominent South Indian celebrity as the face.


### Unmissable Brand Superiority

As market leaders in Skin Cleansing, we continue to be a front-runner for Unmissable Brand Superiority and exceptional consumer experiences. During the year, we introduced new technology 'Stratos' for our soap bars. Stratos is a revolutionary technology that bolsters our product superiority while at the same time enables us to transition to more responsible sourcing and reduced carbon footprint. It is a first-of-its-kind groundbreaking technology developed and patented by our R&D team. This technology, developed with over 20 patents filed makes it possible to reformulate soap with a proprietary mix, including plant-derived polysaccharides, vitamin blends and skin care actives. This not only improves the product, but also reduces the non-functional total fatty matter from the soap by using smart structuring technologies. This allows us to include more skin health actives that will provide new and better benefit to the consumers. The efficacy and benefits of the new soap bar's formulation has been tested with thousands of Indian consumers, apart from independent clinical studies and lab tests and our product has tested superior in all these tests.

# Segment Performance › Personal Care


## Market Makers

The convergence of increasing per capita income, broader social media engagement, and heightened awareness of self-care practices has created a favourable environment for rapid growth in the premium end of the portfolio while also increasing affinity towards omnichannel shopper journeys. We are prioritising investments in channels of the future and strengthening our premium portfolio to meet these changing behaviours.

**We have an extensive portfolio of brands with offerings across the key benefit spaces of 'Moisture' with Dove, 'Glowing skin and clean beauty' with Pears and 'Fragrance' with Lux. This coupled with our market making capabilities enables us to capitalise on the huge premiumisation headroom. This has proven to be an attractive growth segment for us in the past few years with bodywash delivering strong competitive growth.**

Amongst the super affluent consumers, facecare needs are fast transcending to bodywash. For such consumers, we are also innovating and building super premium mixes in the fast-growing demand spaces of skinification, exfoliation and dermatologist-recommended bodywash. For the more sensorially indulgent consumer, we continued to activate the premium mix of Lux bodywash under the 'Essence of Himalayas' range on e-commerce and quick commerce.

With Dove, the very first shower-serum range was launched during the year. It was a first-of-its-kind, digital-first and 'Others Say' led campaign. Co-created with dermatologists, the collection combines key ingredients like pro-ceramides, unique sensories, premium fragrances and packaging to provide consumers with a luxurious bathing experience while addressing common skin concerns like acne, exfoliation and glow.

In our Deodorants and Male Toiletries segment, Rexona drove category growth with new product introductions and bold market development initiatives, anchored in its promise of all-day shower freshness. Rexona partnered with Mumbai Indians in the 2025 Women's Premier League and became an official sponsor of ICC Women's Cricket, marking a historic step in championing women in sport.

Meanwhile, Dove deodorant accelerated premiumisation of the category with breakthrough innovations in format and sensorial experience, reinforcing its strong position in the Deodorants and Male Toiletries segment.

Feature Story

The new Lifebuoy formulation is a science-backed innovation that ensures hygiene is delivered in tandem with skin barrier reinforcement, setting a new standard for protection.

## Future-focussed Hygiene

Lifebuoy continues to drive its mission to make good hygiene an everyday habit, albeit now in an improved avatar, going beyond germ protection to advanced skin protection.

Lifebuoy has long been a global leader in germ protection, safeguarding millions through its scientifically proven formulations. As consumer needs evolve, hygiene is increasingly becoming part of a larger health and wellness conversation, and consumers expect brands to bridge the gap between germ protection and skincare, seamlessly. In response, the brand is evolving beyond hygiene to strengthen the skin barrier itself, addressing concerns like dryness, rashes, and sensitivity. Lifebuoy's new plant polysaccharides based formula helps reinforce the skin barrier while giving stronger protection against skin infection causing germs. This dual-action approach ensures hygiene without compromising skin health, setting a new gold standard in personal care. With the new improved Lifebuoy, consumers benefit from not just a germ-fighting soap but a holistic solution that cleanses, strengthens and cares.

This transformation underscores HUL's dedication to science-backed research and consumer-driven innovation. By merging superior dermatological benefits with proven germ-fighting efficacy, HUL is redefining skincare protection—delivering a superior alternative to traditional soaps. With an elevated formula and a bold new brand identity, being championed by none other than Shahrukh Khan as its new ambassador, Lifebuoy continues to pioneer advancements in future-focussed hygiene and skin wellness, solidifying HUL's leadership in the evolving health and personal care landscape.

Segment Performance

# Foods


**₹15,294 Cr**
Revenue

**18%**
Segment Margin

**25%**
Contribution to HUL

*"As consumer tastes and preferences evolve, we are committed to transforming our portfolio. Our strategic focus is on high-growth segments and categories, with emphasis on premiumisation, innovation, and market development. By delivering organoleptically superior products, creating unmissable brands, building categories of the future, and desirability at scale, along with our formidable team and winning mindset, we aim to build HUL as a world-class foods company."*

**Rajneet Kohli**
*Executive Director, Foods*

## Our Brands

### Beverages

3 Roses, Taj Mahal, Red Label, Lipton, Taaza, BRU, pukka

### Lifestyle Nutrition

Horlicks, Boost

### Packaged Foods

Kissan, Hellmann's, Knorr, Unilever Food Solutions

### Ice Cream

Kwality Wall's, Cornetto, Magnum

## Review of the Year

In financial year 2024-25, we continued to transform our Foods portfolio and orient it towards premium and high-growth spaces, delivering better value to our consumers. While our turnover remained flat for the year, continued focus on strengthening our fundamentals through the Unmissable Brand Superiority framework holds us in good stead.

**Tea continued to maintain its market leadership. Coffee business delivered double-digit growth led by pricing. Packaged Foods led by Condiments, International Cuisines and Food Solutions business delivered robust growth. Driven by innovations, Ice Cream delivered strong volume-led growth for the year. Lifestyle Nutrition further strengthened its competitiveness marked by gains in both market share and penetration, however it faced category headwinds that impacted consumption.**

In line with our 'With India for India' strategy, this year saw us make sharper portfolio choices, transforming our portfolio to address evolving consumer needs in India. Key actions included expanding our premium Tea and Bru cold coffee offerings, introducing exciting innovations in the Condiments, Mini-meals segment, and strengthening our Food Solutions business. We also prioritised investments in channels of the future to drive growth, all while fostering meaningful consumer connections through creative campaigns.


## Core

Leveraging our WiMI strategy, we continue to customise our Tea blends based on consumers' preferences for distinct tastes across different parts of India. During the year, we kept our brands contemporary through distinctive communications and impactful innovations, delivering superior products crafted to excel in taste, health, and sustainability. We strengthened our connect with consumers through poignant and sincere campaigns, including the latest Brooke Bond Red Label advertisement, which beautifully captures the power of shared experiences to overcome prejudice.

### WiMI 2.0

In Coffee, similar to Tea, we have customised blends for South and Rest of India given unique consumer preferences. Identifying aroma as one of the key preference drivers in South, we developed a proprietary aroma technology to cater to this need in the year.

During the year, we increased penetration in our Lifestyle Nutrition segment, unlocking access while also strengthening market leadership. However, the category was impacted due to a decline in average household consumption. We are taking actions to address this category headwind and improve performance by incentivising consumption.

Horlicks' scientifically backed claim of 'Taller, Stronger, Sharper' was supported through impactful messaging and advertisements. Consequently, Horlicks further strengthened its strong brand equity and brand superiority. Boost continues to fortify its position with purposeful and meaningful communication while it stays committed to expanding the brand into new geographies.

## Future Core

Our Natural Care range in Red Label and 3 Roses offers the goodness of immunity boosting natural ingredients like Ginger, Cardamom, Tulsi, Mulethi and Ashwagandha. We are upgrading consumers through a superior mix and driving trials through our home-to-home programme.

In Coffee, our strategy has been to deliver superior products based on technology as we partner consumers in their premiumisation journey. Driven by the success of Freeze Dried Coffee, we further enhanced our portfolio this year with the launch of Bru Southern Trails. It is a range of fine speciality coffee made using 100% single origin, speciality grade Arabica coffee beans sourced from estates nestled in Chikmagalur.

In Packaged Foods, Kissan ketchup has had a strong year on the back of our market development activities which encompassed persuasive media, sampling and improved access.


Enhanced innovation across price-points and formats marked Ice Cream's performance this year. We strengthened our Cornetto range with the launch of Cornetto Strawberry, a rich creamy vanilla and strawberry mix surrounded by the crunchiest cone. The launch of 'Twister' in mango and pineapple flavours as well as 'Mango Masti' helped expand our play in the kids segment. We strengthened our premium play by localising Magnum production in India. This enabled us to introduce exciting new flavours like Magnum Pistachio, and Magnum Classic. In addition to premium offerings, Magnum also introduced its Magnum Mini at an affordable price.

Our in-home portfolio underwent significant transformation by adopting differentiated strategies to address multiple consumer segments. We introduced a dairy-based slow churned Ice Cream range under the 'The Dairy Factory' brand. We also introduced exciting mass offerings at competitive prices under 'Golden Spoon' brand.

## Market Makers

In Beverages, we are driving premiumisation across 3 vectors of benefits, flavours and formats. Considering the increasing awareness on health and overall wellbeing, we have launched herbal infusions in three variants to aid sleep, digestion and energy under the 'Pukka' brand. We expanded our Green Tea portfolio with the launch of tastier variants such as Raspberry Mint and Lemongrass Ginger. Bru introduced ready-to-drink cold coffee with a successful pilot on quick commerce in 2024. The mix is now being scaled up across all channels.


We have maintained our strong growth momentum on Hellmann's Mayonnaise and Knorr's range of International Sauces through a mix of market development actions and home-to-home sampling. As consumers spend more time on social platforms, we are taking a social-first approach for our market-making portfolio and newer launches, focussing on creating unique content for engaged reach. Knorr has taken its successful journey of the Korean Ramen a step further. The brand was at the forefront of culture with a hip-hop collaboration and a unique tie-up with Netflix for Squid Game 2.


### Multi-year Market Making

In Lifestyle Nutrition, consumers are seeking newer formats and specialised benefits. Boost has had an impressive entry in the fast-growing ready-to-drink space with the launch of Boost milkshake. In the Horlicks Plus range that offers specialised benefits for adults, we are building high science and expert credentials by having superior products and stronger claims. Our priority is to create consumer awareness on the conditions of bone health in women and the importance of fibre in managing diabetes. After a successful incubation, Strength Plus is now being rolled out nationally. Strength Plus is a specialised nutritional supplement designed to address the unique health challenges that come with ageing.


## Channels of the Future

Foods category is witnessing a significant expansion in channels of the future, specifically in e-commerce and quick commerce. We continued to drive growth with mixes designed exclusively for these channels of the future while also incubating newer launches.

**We had several modern trade and e-commerce exclusive launches in the year led by Pukka herbal infusions, Bru cold coffee and Korean meal pots.**

With our premium Ice Cream portfolio of Magnum, Cornetto and Slow Churn, we continued to strengthen our play in channels of the future, building on the trend of in-home Ice Cream consumption. We are partnering with customers for category management and building consumption occasions in newer categories.

With rising incomes, more consumers are spending on eating out while increasing internet penetration has resulted in higher adoption of online food delivery. This is a significant tailwind for our Unilever Food Solutions (UFS) business. Our emphasis continues to be on blockbuster products with differentiated benefits, increasing our restaurant coverage and strengthening our partnership with chefs. We are also leveraging the global expertise in UFS. Consequently, UFS delivered strong double-digit growth in the year.

Feature Story

Taj Mahal Tea has always been synonymous with moments of quiet indulgence - where music, flavour, and serenity intertwine to create an immersive experience that lingers beyond the last sip.

## A Symphony in Every Sip

Brooke Bond Taj Mahal Tea has, from its very inception, championed Indian classical music, collaborating with legendary artistes such as Zakir Hussain and Amjad Ali Khan, among others, all of whom have collectively shaped its rich legacy. Taking this philosophy further, the brand has introduced the 'Chai Bansuri', a first-of-its-kind installation that fuses the heritage of tea brewing with the artistry of Indian classical music.

In this unique creation, a grand tea kettle transforms its spout into a flute, allowing steam to flow through it and play a soulful rendition of Raag Hamsadhwani. Set against the serene backdrop of Bhavani Island in Vijayawada, with the Krishna River gently coursing nearby, the installation serves to elevate the simple act of brewing tea into an immersive sensory experience - where melody and warmth blend into pure Sukoon (tranquillity) and time appears to stand still. Guests can experience this moment of serenity for themselves, by savouring a cup of Taj Mahal Tea at the Taj Mahal Tea House pop-up at the venue, while the strains of Raag Hamsadhwani emanating from the Chai Bansuri create a 'Sukoon ka pal' for them.

To bring this harmonious innovation into homes, Taj Mahal Tea collaborated with a popular Telugu TV show, seamlessly weaving the unveiling of the Chai Bansuri into the storyline. The lead character's journey to Vijayawada became a pivotal moment, turning this real-life activation into an emotional touchpoint for audiences across the region. By bridging tradition, artistry, and media in a single frame, the brand has sparked conversations and deepened its cultural resonance - leaving viewers with a lingering sense of wonder and an instinctive 'Wah Taj!'

# Awards & Recognition

HUL was declared as the

## Leading Sustainable Organisation by Times Now Global Sustainability Alliance


## HUL won the FE CFO Award, 2024

in the Large Enterprises Manufacturing Sector category

## HUL received Platinum Innovator in Digital Technology Integration award

for Overall Operations at Now Supply Chain Summit

## HUL's Doom Dooma factory in Assam recognised by World Economic Forum's Global Lighthouse Network

declared as E2E Value Chain Lighthouse

HUL was adjudged Responsible Business of the Year, and HUL Chairman Nitin Paranjpe was awarded Responsible Business Leader of the year at SABERA awards

HUL's Project Prabhat won the SKOCH Awards for Best CSR Programme

HUL was declared India's Top Supply Chain Champion - #1 at Institute of Supply Chain Management (ISCM) Awards

HUL's Project Uthaan won the CSR Project Excellence Award at AIMA's 11th Business Responsibility Summit

Hindustan Unilever Foundation won Beyond the Fence National Award for Excellence in Water Management at the 10$^{th}$ Water Innovation Summit 2024

HUL's Sonepat factory won a Silver at the 6$^{th}$ CII Food Safety and Quality Kaizen Competition

HUL's nutrition initiative Swasthya Ki Baat won at the

## Rural Marketing Association of India (RMAI) Flame awards

## HUL was awarded at the KPMG ESG Excellence Conclave and Awards 2024

in the Consumer Markets Large Cap category

**HUL R&D was awarded at the 1st Confederation of Indian Industry (CII) Grand Jury Award for Industry-Academia Partnership at CII Annual Summit on Technology, Intellectual Property, and Industry-Academia Partnership 2024**

**HUL won four awards at the MRSI Golden Key Awards 2025 for 'Best Work in Emerging Sector', 'Best Business Impact through Analytics', 'Best Business Impact through Research', and 'Best Research Methodology'**

**HUL won the Asset Triple A Treasurise Award 2025 for Best Supply Chain Solution in the Consumer Goods Retail category**

**HUL's erstwhile R&D Centre in Gurugram won the prestigious Silver award 'Shreshta Suraksha Puraskar' in the Service sector at the National Safety Council of India awards 2024. HUL's R&D centre in Mumbai was also recognised with a Certificate of Excellence**

**HUF honoured with the prestigious Doing Good for Bharat Awards 2024 in the category 'Doing Good for Jal'**

**HUL's Sumerpur factory received the Indian Green Building Council Platinum Certification for its commitment to sustainability**

# Awards & Recognition


## HUL was awarded Silver Shield by ICAI

for Excellence in Financial Reporting for financial year 2023-24

## HUL ranked among the top sustainable companies

in India by Business World

## HUL was once again named Employer of Choice across sectors

based on brand perception study by InsideIIM at target B-Schools


## HUL named as Gold Employer

by India Workplace Equality Index (IWEI)

## HUL ranked as 'One of the Best Companies to work for in India in 2024'

by Business Today

## Suvidha was recognised as an innovative and scalable solution in urban sanitation

by Harvard Kennedy School


**The Chhindwara factory received the prestigious Platinum Certificate by Alliance of Water Stewardship for its commitment to outstanding water stewardship initiatives**

**HUL was awarded by the Times Now Global Sustainability Alliance for being a leading sustainable organisation**

**HUL's Prabhat initiative won the Global CSR Award by the Global Energy & Environment Foundation**

**HUL was recognised for Advancement of Women in India by Community Business and also for Championing Neurodiversity and Disability Confidence in India**

**HUL Brands have won over 60 medals at various forums, including WARC, Festival of Media Global, Festival of Media APAC, MMA Smarties X (Global), MMA Smarties APAC, MMA Smarties India, E4m IDMA, E4m ICMA, E4m Maddies, Media Abbys, Creative Abbys, Big Bang Awards**

## HUL recognised as Best Organisation for Women in India 2024

by Economic Times


## Eight HUL brands featured

in Kantar's Most Chosen FMCG Brands of India 2023 list

| | | | |
|---|---|---|---|
| CLINIC PLUS+ | 4 | Surf excel | 6 |
| Brooke Bond | 13 | Vim | 16 |
| Lifebuoy | 19 | Active Wheel | 21 |
| LUX | 23 | Glow & Lovely | 24 |

Feature

# Transforming Hygiene and Sanitation for a Healthier India

**HUL's Suvidha Model is a pioneering public-private partnership that addresses critical needs such as sanitation, hygiene, drinking water and laundry in underserved communities.**

With 20 operational Suvidha Centres in Mumbai, the initiative serves over 500,000 people, transforming community toilets into hygienic, self-sustaining spaces managed largely by women.

Building on this model, HUL and the Ministry of Housing & Urban Affairs (MoHUA) have signed an MoU to establish a Hygiene & Sanitation Centre of Excellence, scaling Suvidha's learnings nation-wide and strengthening climate-resilient sanitation in India.

The journey began in 2016 with HUL and BMC, followed by a 2020 partnership with HSBC India to scale to 17 centres. Now, with JSW Foundation joining the mission, the initiative has expanded to 20 centres, with more in the pipeline.

Beyond infrastructure, HUL drives behaviour change programmes, encouraging critical hygiene habits. The impact is clear—98% women feel Suvidha is safe for them and their children[1], and there is a ~50% reduction in diarrhoea incidences[2] cases among users. Additionally, solar-powered centres have saved over 180 million litres of water through advanced treatment technologies.

Recognised globally, Suvidha was showcased at COP28 as a Climate Resilient WASH Model and has been acknowledged by the World Economic Forum as an example of a 'Public-Private' collaboration that can improve the health of cities. Further, Harvard Kennedy School recognised it as a replicable and sustainable solution for urban slums, setting a new benchmark in urban hygiene and sanitation.

[1] As per impact assessment conducted by Ipsos-Kantar

2 As per the study conducted by Dalberg advisors to assess the impact of Suvidha in building climate resilience, 2024



# Governance Overview

## Governance Philosophy

With a heritage spanning over 90 years in India, our Corporate Governance framework has evolved significantly over the decades. It is deeply rooted in our core values of Integrity, Respect, Responsibility, and Pioneering. Our values are the simplest statement of who we are. They govern everything we do.

### Our Core Values

- Integrity
- Respect
- Responsibility
- Pioneering

## Governance Structure

Our Governance Structure is multi-tiered, comprising the Board of Directors, Board Committees, CEO & MD and the Management Committee. The Board is dedicated to upholding sound principles of Corporate Governance within the Company. It consistently sets high standards that not only comply with applicable legislation but also exceed expectations in many areas of our operations. The Board holds ultimate responsibility for the development of strategy, material acquisitions and divestments, significant capital expenditures, the Company's capital structure, and other financing matters. Additionally, it oversees policies, procedures, and internal controls, while also setting and monitoring the Company's culture and promoting ethical behaviour.

The Board fulfils some of its responsibilities directly and delegates others to six Board Committees. These Committees, along with the CEO & MD and the Management Committee, provide essential support to the Board in executing its duties.

### Board of Directors

The Board's primary role is to ensure the long-term sustainable success of the Company for the mutual benefit of all stakeholders.

### Board Committees

The Board Committees play a crucial role in the governance structure of the Company and have been constituted to deal with specific areas/activities which concern the Company and need a closer review.

| Audit Committee | Nomination and Remuneration Committee | Corporate Social Responsibility Committee | Risk Management Committee | Stakeholders Relationship Committee | Environmental, Social and Governance Committee |
|---|---|---|---|---|---|

### CEO & MD, Management Committee

The CEO & MD, supported by the Management Committee, is responsible for ensuring delivery of the Company's strategy, business plans and financial performance.

# Key Responsibilities of the Committees

## Audit Committee

Primarily responsible for overseeing:

- the integrity of the Company's financial statements;
- the internal control arrangements;
- the compliance of financial statements with legal and regulatory requirements;
- the performance, qualifications, and independence of the Statutory Auditors and the performance of the internal audit function.

**100%**
**Independent Directors**

## Nomination and Remuneration Committee

Primarily responsible for:

- recommending candidates for appointment as Directors on the Board or on the Management Committee, or as Key Managerial Personnel in accordance with the criteria laid down;
- recommending the level and structure of remuneration for members of the Board and the Management Committee and Key Managerial Personnel;
- ensuring orderly succession planning at the Board level.

**100%**
**Independent Directors**

## Corporate Social Responsibility Committee

Primarily responsible for:

- formulating and recommending to the Board, a Corporate Social Responsibility (CSR) Policy, which shall indicate the activities to be undertaken by the Company;
- recommending the amount of expenditure to be incurred on the activities referred;
- monitoring the CSR Policy and programmes of the Company from time to time.

**100%**
**Independent Directors**

## Environmental, Social and Governance Committee

Primarily responsible for overseeing:

- the vision and focus on the Company's strategy relating to Environmental, Social and Governance (ESG) and sustainability matters;
- key decisions, monitoring the progress against the stated vision, and in reviewing the practices, initiatives, and goals of the Company relating to ESG and ensuring that they remain effective.

**66.67%**
**Independent Directors**

## Stakeholders Relationship Committee

Assists the Board in fulfilling its responsibilities towards:

- reviewing the Investor Service Standards of the Company;
- redressal of Shareholders' Grievances.

**66.67%**
**Independent Directors**

## Risk Management Committee

Assists the Board in:

- monitoring and reviewing the Risk Management Policy;
- implementation of the risk management framework.

**80%**
**Independent Directors**

**All Committees are chaired by Independent Directors**

# Governance Overview

## Board of Directors

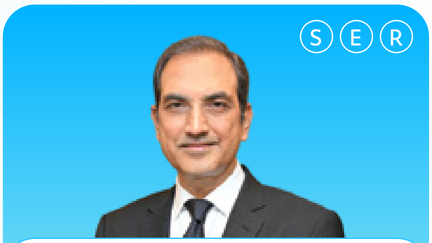
### Mr. Nitin Paranjpe

**Chairman and Non-Executive Director**

**Age**
62 years

**Date of Appointment**
31st March, 2022

**Experience**
- Chief Transformation & Chief People Officer, Unilever
- Chief Operating Officer, Unilever
- President – Foods & Refreshment, Unilever
- President – Home Care, Unilever
- MD & CEO, HUL




### Mr. Rohit Jawa

**Chief Executive Officer and Managing Director**

**Age**
58 years

**Date of Appointment**
1st April, 2023

**Experience**
- Chief of Transformation, Unilever
- EVP - North Asia & Chair, Unilever China
- Chair and CEO and EVP, Unilever Philippines

### Mr. Ritesh Tiwari

**Executive Director, Finance & IT and Chief Financial Officer**

**Age**
49 years

**Date of Appointment**
1st May, 2021

**Experience**
- Vice President, Finance - Global Performance Management, Unilever and CFO, Unilever International
- Vice President Finance - Global Supply Chain, Unilever

### Mr. BP Biddappa

**Executive Director, Chief People, Transformation and Sustainability Officer**

**Age**
58 years

**Date of Appointment**
1st June, 2024

**Experience**
- Chief HR Officer – Global Home Care business and Global Head - Employee Relations, Unilever
- Executive Director – HR, HUL


### Mr. Leo Puri

**Independent Director**

**Age**
64 years

**Date of Appointment**
12th October, 2018

**Experience**
- Chairman, JP Morgan Chase for South & South East Asia
- Managing Director, UTI Asset Management Company Limited
- Director, McKinsey & Company
- Managing Director, Warburg Pincus


### Ms. Ashu Suyash

**Independent Director**

**Age**
58 years

**Date of Appointment**
12th November, 2021

**Experience**
- Founder & CEO, Colossa Ventures LLP
- MD & CEO, CRISIL
- CEO, L&T Finance Holding's Investment Management and Capital Markets businesses

Chairperson
Member

**A** *Audit Committee*
**N** *Nomination and Remuneration Committee*
**C** *Corporate Social Responsibility Committee*
**E** *Environmental, Social and Governance Committee*
**S** *Stakeholders Relationship Committee*
**R** *Risk Management Committee*

S
N C

## Mr. Ranjay Gulati
**Independent Director**

**Age**
62 years

**Date of Appointment**
1st April, 2023

**Experience**
- Professor of Business Administration, Harvard Business School
- President of the Business Policy and Strategy Division, Academy of Management

N
A R E
C

## Ms. Neelam Dhawan
**Independent Director**

**Age**
65 years

**Date of Appointment**
1st August, 2023

**Experience**
- VP for Global Industries, Strategic Alliances, and Inside Sales for Asia Pacific and Japan, Hewlett Packard Enterprise
- Managing Director, Microsoft India

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## Mr. Tarun Bajaj
**Independent Director**

**Age**
62 years

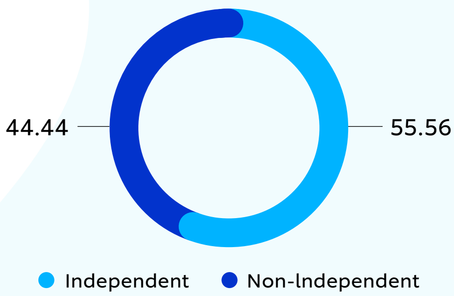
**Date of Appointment**
1st December, 2023

**Experience**
- Revenue Secretary, Government of India
- Economic Affairs Secretary, Government of India
- Joint Secretary Department of Financial Services, Government of India

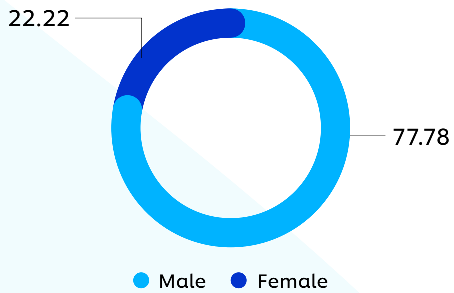
Ms. Radhika Shah, Company Secretary and Compliance Officer, acts as the Secretary to all the Committees of the Board.

The Board Composition is as on the date of this Integrated Annual Report.

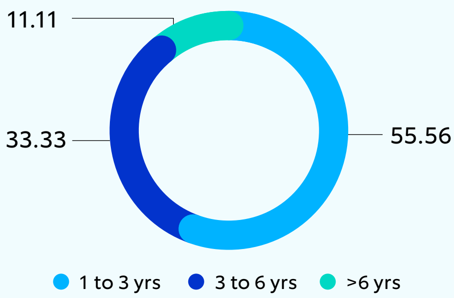
### Independence (%)



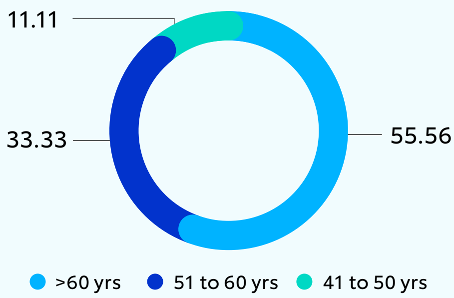

### Diversity (%)




### Tenure (%)




### Age Profile (%)



# Governance Overview

## Management Committee

### Mr. Rohit Jawa

**Chief Executive Officer and Managing Director**

**Age**
58 years

**Joined MC**
April 2023

**Joined HUL**
June 1988

**Previous Roles**
Additional information can be found on page 458.

### Mr. Ritesh Tiwari

**Executive Director, Finance & IT and Chief Financial Officer**

**Age**
49 years

**Joined MC**
May 2021

**Joined HUL**
November 1999

**Previous Roles**
Additional information can be found on page 459.

### Mr. BP Biddappa

**Executive Director, Chief People, Transformation and Sustainability Officer**

**Age**
58 years

**Joined MC**
June 2024 (Executive Director, HR – February 2013 to May 2019)

**Joined HUL**
May 1992

**Previous Roles**
Additional information can be found on page 459.

### Mr. Srinandan Sundaram

**Executive Director, Home Care**

**Age**
50 years

**Joined MC**
September 2016

**Joined HUL**
May 1999

**Previous Roles**
- Executive Director, Foods & Refreshment
- Executive Director, Sales & Customer Development
- Vice President, Skin Care

### Ms. Harman Dhillon

**Executive Director, Beauty and Wellbeing**

**Age**
45 years

**Joined MC**
April 2024

**Joined HUL**
September 2006

**Previous Roles**
- Vice President, Skin Care & Color Cosmetics
- Vice President, Hair Care
- General Manager, Skin Cleansing

### Mr. Vipul Mathur

**Executive Director, Personal Care**

**Age**
45 years

**Joined MC**
June 2024

**Joined HUL**
May 2003

**Previous Roles**
- Head, Growth & Transformation
- Vice President, eCommerce & Modern Trade
- Vice President, Fabric Care

**Mr. Rajneet Kohli**

**Executive Director, Foods**

**Age**
50 years

**Joined MC**
April 2025

**Joined HUL**
April 2025

**Previous Roles**
- CEO & Executive Director, Britannia Industries Limited
- President & Chief Business Officer, Jubilant Foodworks Limited (Domino's)
- Senior Vice President, The Coca-Cola Company

**Dr. Vibhav Sanzgiri**

**Executive Director, Research and Development**

**Age**
55 years

**Joined MC**
June 2019

**Joined HUL**
September 1997

**Previous Roles**
- Global Vice President – R&D, Skin Cleansing

**Mr. Yogesh Mishra**

**Executive Director, Supply Chain**

**Age**
58 years

**Joined MC**
September 2022

**Joined HUL**
February 1990

**Previous Roles**
- Vice President, Beauty & Personal Care
- General Manager – Operations, Home Care
- Head of Innovations & Supply Planning, Home Care

**Mr. Arun Neelakantan**

**Executive Director, Customer Development**

**Age**
44 years

**Joined MC**
January 2024

**Joined HUL**
June 2006

**Previous Roles**
- Chief Digital Officer
- Vice President, Growth & Transformation
- Regional Manager, South

**Dr. Vivek Mittal**

**Executive Director, Legal & Corporate Affairs**

**Age**
48 years

**Joined MC**
February 2025

**Joined HUL**
February 2025

**Previous Roles**
- Global General Counsel, Dr. Reddy's Laboratories Limited
- Regional Counsel – METAI Region, DH Diagnostics LLC
- Head-Legal, Lupin Limited

The Composition of the Management Committee is as on the date of this Integrated Annual Report

## Board Activities and Key Decisions during the Year

The Board meets at regular intervals to discuss and decide on the Company's business policy and strategy, as well as other matters. Board and Committee meetings are pre-scheduled, and a tentative annual calendar is circulated to the Directors at the beginning of the year. This allows them to plan their schedules and ensure meaningful participation in the meetings. During financial year 2024-25, in addition to the prescribed quarterly meetings, the Board of Directors met 6 (six) times to consider and decide on matters of strategic importance. The average participation rate at the Board meetings was 94%.

**10**

Board Meetings held in financial year 2024-25


| | |
|---|---|
| Strategy | 65 |
| Financial Review | 10 |
| Governance | 10 |
| People & Talent | 5 |
| Operational | 5 |
| Risk Management, CSR & Sustainability | 5 |

### Key Decisions Taken During the Year:

- **Divestment of Pureit – Water Purification business of the Company**
- **Demerger of Ice Cream business of the Company**
- **Acquisition of stake in Uprising Science Private Limited (Minimalist)**
- **Acquisition of the palm undertaking of Vishwatej Oil Industries Private Limited, as a part of Company's Palm localisation strategy**
- **Acquisition of stake in Lucro Plastecycle Private Limited to strengthen flexible plastics circularity**
- **Appointments of Key Managerial and Senior Managerial personnel**

# ESG Governance

Sustainability is a foundational pillar of our business strategy, driven by the belief that sustainable practices and financial performance are mutually reinforcing. Through a robust governance framework, we are dedicated to making significant contributions towards global Unilever commitments in the areas of Climate, Nature, Plastics, and Livelihoods (CNPL).

## ESG Governance Structure

**Board of Directors**
Responsible for formulating the Company's strategy relating to ESG and sustainability matters

**ESG Committee**
Responsible for overseeing the vision and focus on the Company's strategy relating to ESG and sustainability matters

**ESG Functional Leads**
Responsible for on-ground implementation and execution of commitments in the areas of Climate, Nature, Plastics, and Livelihoods.

# Risk Governance

Our Risk Management Framework seamlessly integrates risk management into daily operations through self-assessment procedures and adherence to Corporate Policies. The Board continuously oversees this process, ensuring effective internal control and maintaining an acceptable risk profile.

## Risk Governance Structure

**Board of Directors**
Highest governing body overseeing all aspects of risk management

**Risk Management Committee**
Assists the Board in monitoring and reviewing the Risk Management Policy and carries out formal bi-annual review of risks

**Audit Committee**
Responsible for Risk Identification, Risk Minimisation and Risk Mitigation as a part of Risk Management Framework (jointly with the Board and Risk Management Committee)

**Management Committee**
Escalates any new or enhanced risks to the Risk Management Committee as soon as they are perceived in the business

Members of the Senior Leadership provide an annual Positive Assurance confirming their understanding and adherence to the processes relating to risk management.

Internal Auditor provides an independent re-assurance to the Board, that all major risks affecting the achievement of Company's objectives are adequately understood and managed.

## Business Integrity & Compliance

**BUSINESS INTEGRITY**
**IT'S HOW WE WORK**

We expect everyone at HUL to be an ambassador of our high ethical standards – what we call 'Business Integrity.' Behaving with integrity is part of who we are. We have strong values and clear policies and standards to ensure our employees not only do things right but also do the right thing.

Our Code of Business Principles is a simple ethical statement of how we should operate. It sets out a clear standard of conduct to ensure that we make the right choice always. The Code and Code Policies provide a framework of simple 'Musts' and 'Must Nots' designed to be readily applied by employees in their day-to-day work. They are mandatory for all employees and others working for HUL.

**Key Pillars of our Code of Business Principles**

- **Countering Corruption**
- **Respecting People**
- **Safeguarding Information**
- **Engaging Externally**

During the year, comprehensive training programmes were implemented to sensitise employees about the Company's values, policies, and the ethical standards as set forth in the Code of Business Principles.

**In 2024, 100% employees were trained on Code of Business Principles both through online and offline training modules.**

To know more about the policies that guide our ethical behaviour, visit https://www.hul.co.in/investors/corporate-governance/policies/

# Data Privacy

We respect the privacy of all individuals and their personal data, including digital information and will use personal data in accordance with our values, applicable laws and with respect for privacy as a human right. The Code Policy on Personal Data and Privacy is an integral part of our Code of Business Principles and guides our employees on responsible handling of personal data on behalf of the Company.

## Five fundamentals of privacy at HUL

**1 Understand the Purpose and Objective**
We understand the purpose and objective of the business activity that requires personal data.

**2 Maintain Proportionality**
We assess if there is proportionality for the type and amount of data we are attempting to collect/use.

**3 Transparency**
Ensuring transparency is of paramount importance to drive and maintain trust. This sits at the centre of our Five Privacy Fundamentals, and we expect everyone to go above and beyond legal requirements to achieve the highest levels of transparency.

**4 Security and Protection of Data**
Securing and protecting the data is fundamental to maintaining compliance with laws and most importantly trust from those who have trusted us with their personal data.

**5 Governance and Accountability**
We must demonstrate good governance and accountability across HUL, such as looking at the controls that are in place, and how we ensure that these principles are being met.

## Privacy For You & U

We organised inaugural Data Privacy Awareness Month ‘Privacy For You & U’ commencing from 28th January, 2025, i.e. the Data Privacy Day to build on the earlier work around building a stronger culture of Privacy. The Data Privacy Awareness Month was officially launched by Mr. Rohit Jawa, CEO and MD. This organisation-wide month-long event involved recurring awareness cascades, training, games, quizzes, etc. to raise awareness on Data Privacy, internal processes and governance necessary for a privacy centric approach on behalf of the organisation.

The month-long engagement concluded with an exclusive fireside chat between a reputed industry leader and Mr. Srinandan Sundaram (Executive Director, Home Care). They discussed their perspectives on the importance of privacy in the evolving area of data-driven marketing.

Feature

# Going 'Maha' (Big) at the Mahakumbh

**At the Mahakumbh, where millions converge in faith and tradition, HUL's brands played a vital role in enriching the pilgrim experience - blending service, innovation, and cultural relevance.**

HUL reinforced its standing as a company that doesn't merely sell products but shapes experiences—building lasting connections, cultural relevance, and a legacy of impactful brand activations.

Lifebuoy's spectacular drone show illuminated the night sky, marking its transformation from a hygiene brand to a leader in advanced skin protection, reinforcing trust among generations of consumers. Surf excel's innovative Easy Bag, designed to store wet clothes in a ziplock pocket after the holy dip, provided a simple yet invaluable solution, ensuring pilgrims could fully immerse in sacred rituals without worry.

Meanwhile, Vim created history with the Maha Kadhai, a gigantic kadhai that stood 6.5 feet tall, had a diameter of 15 feet, and weighed a staggering 1,800 kg. This kadhai was laced with 1,300 kg of ghee to prepare 10,000 kg of halwa for over 2 lakh attendees, at the end of which, the Maha Kadhai was spotlessly cleaned with Vim bar. Additionally, Vim also partnered with the Om Namah Shivay Seva Group, supporting massive community kitchens with branded dishwashing stations and solar-lit installations – the 'Chamakta Chaurahas'.

This deep engagement underscores HUL's commitment to creating meaningful connections that go beyond products on household shelves, embedding itself in everyday moments that celebrate India's rich heritage. By seamlessly integrating its brands into the Mahakumbh experience, HUL strengthened consumer recall and trust, proving that a brand's impact is measured in the value it brings to people's lives.


Vim
महा कढ़ाई रिकॉर्ड
निकाले चिपचिपी चिकनाई


99

# Stakeholder Engagement

**Stakeholders are integral to our Company's long-term value creation, forming the cornerstone of our value-creation model. Engaging with stakeholders fosters trust, builds strong relationships, and provides invaluable insights that inform strategic decision-making. By understanding and addressing their needs and concerns, we mitigate risks and create a sustainable and mutually beneficial ecosystem. We are committed to maintaining transparent, consistent and meaningful communication with our stakeholders to ensure their interests are aligned with our long-term goals.**

## Consumers

By placing our consumers at the heart of our business, we not only meet their needs but also build lasting relationships based on trust and satisfaction. Understanding and serving their evolving needs is at the core of our business strategy.

## Customers

Our customers are crucial partners in delivering value to our consumers. We work closely with them to ensure efficiency and excellence, fostering mutual growth and success. We are digitising traditional trade, fostering strong relationships with organised trade, and expanding on digital commerce platforms.

## Suppliers & Business Partners

Our suppliers & business partners are integral to building an agile and lean supply chain. Through strong, collaborative relationships, we ensure quality, efficiency, and sustainability in our operations.


## Our People

Our employees are our greatest asset. We are committed to creating a supportive and inclusive workplace where everyone can thrive. Investing in our people through training, development, and wellbeing initiatives has helped us attract, develop and retain top talent.

## Planet & Society

We are dedicated to making a positive impact on the planet & society. Our commitment to environmental, social, and governance principles ensures that we operate responsibly and sustainably, benefitting both society and the environment.

## Shareholders

Shareholders provide the capital and confidence that fuel our growth. We prioritise their interests by delivering consistent financial performance, strategic growth and long-term value.

## CONSUMERS

### Key Interests

- Products that meet highest quality and safety standards
- Value for money products, across demographics and income levels
- New products that meet evolving consumer needs and preferences
- Ease in availability of products across online and offline channels
- Honest labelling, ethical practices, and active communication about the Company's values and efforts

### Engagement Objectives

- Leverage data and feedback to innovate, improve and tailor products to consumer expectations
- Build an emotional resonance with consumers through purpose-driven branding and community initiatives
- Educate consumers about healthy choices and sustainable consumption habits
- Enhance consumer experience by ensuring seamless purchasing, usage and service experiences across touchpoints

### How We Engage

- Market research and feedback through surveys, interviews, and focus group discussion
- In-person consumer connects for feedback and consumer perception understanding
- Active engagement on social medial platforms through influencer collaborations, responding to consumer queries and sharing regular Company updates
- Advertisement and direct communication
- Consumer grievance redressal mechanism through the Levercare helpline centre
- Market development activities involving product trials and testing

## CUSTOMERS

### Key Interests

- Ensuring margins and profitability for the customers
- Consistent and reliable supply of products
- Innovative product offerings to meet market trends and consumer preferences
- Training and knowledge sharing
- Ease of doing business

### Engagement Objectives

- Ensure an uninterrupted supply chain that bridges the three verticals of demand generation, demand capture and demand fulfilment
- Drive product availability through efficient supply chain management and strategic retailer partnerships
- Build long term trust-based relationships that result in mutual growth
- Gather and analyse customer feedback to generate actionable insights for product and service enhancements
- Equip customers with tools, training, and marketing support to help them grow their business
- Collaborate on performance reviews, deliver targeted improvement suggestions, and support digital transformation efforts to build future-proof capabilities

### How We Engage

- Strategic interactions to discuss performance, address issues, and plan future activities
- Training sessions to update customers on new products, market trends, and best practices
- Regular sales representative visits focussing on understanding needs and strengthening partnerships
- Joint Business Planning session with modern trade and e-commerce partners
- Co-create compelling promotional campaigns
- Levercare helpline centre for raising queries and concerns

# Stakeholder Engagement

## SUPPLIERS & BUSINESS PARTNERS

| | |
|---|---|
| **Key Interests** | • Fair and transparent business practices, including equitable contract terms and ethical sourcing<br>• Reliable and stable business partnerships that promote mutual growth<br>• Shared commitments on responsible sourcing, circular economy and resource efficiency<br>• Knowledge and infrastructure support |
| **Engagement Objectives** | • Ensure reliable supply of quality materials<br>• Promote ethical and sustainable practices<br>• Ensure supply chain efficiency and reliability<br>• Develop strong, long-term relationships<br>• Equip suppliers and business partners with tools and training to help them grow their business |
| **How We Engage** | • Regular meetings to address operational challenges, review performance and align on goals<br>• Collaborative workshops to address supply chain bottlenecks or explore cost optimisation opportunities<br>• Structured feedback collection to identify challenges and areas of improvement<br>• Regular third-party audits of supplier facilities to ensure compliance with quality standards |

## OUR PEOPLE

| | |
|---|---|
| **Key Interests** | • Opportunities for professional growth, training, and advancement within the Company<br>• A safe and healthy work environment<br>• Fair compensation<br>• Discover meaningful purpose at work<br>• Diversity, Equity and Inclusion |
| **Engagement Objectives** | • Create a positive work environment that fosters loyalty and reduces attrition<br>• Encourage diversity, equity, and inclusion to ensure all employees feel valued and respected<br>• Provide training and development opportunities to help employees enhance their skills and advance their careers<br>• Implement policies and practices that prioritise the health and safety of employees<br>• Establish programmes to recognise and reward employee achievements and contributions |
| **How We Engage** | • UniVoice: Annual employee engagement survey<br>• Annual CEO review to discuss the Company's performance and strategic priorities for the coming year<br>• UniPulse: Consistent employee engagement surveys<br>• Regular team meetings, townhalls, and one-on-one sessions to build trust and transparency<br>• Workshops, e-learning modules, and leadership programmes to enhance skills and capabilities<br>• Health camps, mental health support, and recreational activities to promote holistic wellbeing<br>• Awards, incentives, and public acknowledgment of outstanding contributions<br>• Regular performance review and feedback sessions<br>• Robust whistle-blowing policy empowering employees to speak up |

## PLANET & SOCIETY

| | |
|---|---|
| **Key Interests** | • Address long term material risks such as climate change and issue of plastic waste<br>• Protect and regenerate nature<br>• Enhance livelihoods of people within our value chain and those in communities in which we operate<br>• Ensure strong governance practices, compliance with laws, and ethical business conduct<br>• Further strengthen the Company's position as a responsible business |
| **Engagement Objectives** | • Drive collective action from Government, industry and civil society<br>• Strengthen consumer trust in business as a responsible corporate<br>• Generate insights that can be used to implement initiatives that drive positive action<br>• Create strategy for implementing action across our focus areas of Climate, Nature, Plastics and Livelihoods |
| **How We Engage** | • Regular meetings of the ESG committee consisting of independent directors<br>• ESG materiality process<br>• Regular interaction with partners and beneficiaries of Prabhat and HUF<br>• Assessment surveys carried out for environmental projects<br>• Interaction with Key Opinion Formers during the Sustainability roundtable<br>• Liaise with partners and suppliers through Clean Future initiative |

## SHAREHOLDERS

| | |
|---|---|
| **Key Interests** | • Long-term value creation<br>• Clear and timely disclosure of financial performance, business strategies and risks<br>• Strong governance practices, compliance with laws, and ethical business conduct<br>• Consistent financial growth and capital appreciation<br>• Maintaining and strengthening the Company's position in market<br>• Business resilience and agility |
| **Engagement Objectives** | • Engage shareholders as long-term partners in the Company's vision and growth trajectory<br>• Provide transparent, accurate and comprehensive updates on financial and strategic performance<br>• Share key business strategy, performance, and sustainability updates, seeking stakeholder insights and collaborative feedback<br>• Incorporate shareholder feedback to generate actionable insights for strategic refinement and enhanced decision-making<br>• Build investor confidence through robust corporate governance, ethical practices and proactive risk management |
| **How We Engage** | • Annual General Meeting<br>• Quarterly earnings calls<br>• Capital Markets Day<br>• Investor and analyst meetings<br>• Management participation in investor events and conferences<br>• Engagement via email<br>• Meeting arranged by Stakeholders Relationship Committee |

## Stakeholders

# Consumers

## Consumer-centric R&D and Innovation

Keeping in line with our strategy, R&D design philosophy has evolved into designing for an aspiring and affluent India. This has translated into successful and differentiated innovations in Core, Future Core and Market Makers portfolio. We have been expanding our technologies across emerging demand spaces, new benefit segments and new formats. Unmissable Brand Superiority (UBS) is at the heart of this agenda with an acute focus on superior, premium & sustainable packaging, fragrances and flavours providing our consumers with high-quality products for the best possible experiences.

To ensure that these superior innovations stay true to evolving consumer needs and are three steps ahead of the market, we leverage a wide gamut of physical and digital consumer insight tools. This requires a deep understanding of consumer behaviour, a commitment to continuous improvement, and the ability to rapidly translate insights into tangible offerings.

Our breakthrough Agile Innovation (AI) Hub, now powered by generative artificial intelligence and rapid prototyping capabilities, helps us discover new consumer trends before they become mainstream and converts them into product designs for rapid testing. Deep consumer intimacy through digital data-backed tools, always-on virtual product testing and in-person consumer interactions help uncover latent consumer needs and form a key competitive edge for us. Our focus is on fulfilling all consumer needs, from the readily identified to the yet-to-be-discovered. Over the last few years, the AI Hub has transformed hundreds of projects helping reduce innovation lead time by up to a third.

**8 HUL brands featured in Kantar's Most Chosen FMCG Brands of India***

*Kantar, 2023


**3 new brands added to HUL's portfolio in the year**

**Capital linkages**

**SDGs impacted**


**40% of total media spends is on digital media**

Our R&D function leverages Unilever's global R&D prowess for HUL. Our world-class R&D teams comprising of 820+ scientists, innovators and engineers are spread across Mumbai and Bengaluru. These sites are an integral part of Unilever's global R&D ecosystem and thrive in deep knowledge and expertise sharing with access to over 20,000 patents globally.

## Differentiated and patented technologies form competitive moats for our business, and R&D has identified three strategic next-generation science & technology platforms to power our innovations – Microbiome, Next-Generation Materials, and Biotechnology.

Our teams are pioneering IP-protected research in these fields that is bringing a step change in our products' efficacy and consumer-perceivable benefits across categories. While these are multi-year research platforms for our business, they have already begun enabling our recent Core and Market Making innovations such as the Vim UltraPro floor cleaner, Stratos soap bars in Lux and Lifebuoy and Dove Scalp+Hair Therapy.

To further drive efficiency in product scale up at factories, R&D has setup the Advanced Manufacturing centre for Bars in Mumbai and Bengaluru.
The state-of-the-art digital pilot plants mimic factory manufacturing methods in places across the world, helping R&D innovate and iterate scaleup processes at an unprecedented pace. Over the last year, this transformative capability has helped us reduce factory trials by up to 50%, enabling landmark technologies like Stratos to reach consumers in record time.

R&D is at the forefront of designing big-bet multi-year innovations powered by next-generation science & technology platforms, underpinned by future-fit R&D capabilities and talent to power HUL's growth ambitions.

## Meeting Evolving Consumer Needs by Pioneering Future Categories

Consumers are becoming increasingly discerning in their purchasing decisions. The proliferation of social media has not only amplified their awareness of global trends and brands but also empowered them with access to a wealth of information, from product reviews and comparisons to ethical sourcing and sustainability practices. This heightened awareness has resulted in placing a greater emphasis on value, quality, and brand authenticity. Consumers are no longer passively accepting marketing messages; they are actively researching, comparing, and engaging with brands before making a purchase. They seek personalised experiences, unique offerings, and brands that align with their values.

To meet evolving consumer demands, we have been agile and responsive, constantly adapting our products, services, and marketing strategies. We have identified six specific segments where we expect to see rapid growth in the years to come, given changing market and consumer dynamics in the country. The areas include premium Skin Care, premium Hair Care, Bodywash, Home Care liquids, Condiments and Mini-meals and Prestige & Wellbeing.


**Driven by innovations, media investments and market development activities, the ₹7,000 crores market-making portfolio has grown in double-digits during the year.**


We have successfully launched multiple innovations in this space, for instance TRESemmé Silk Press in Hair Care, Dove's Serum Shower collection range in Bodywash, Vim Pro-clean range in Home Care liquids, expansion of Hellmann's Mayonnaise and introduction of Liquid I.V. in Health & Wellbeing.

## Fostering Meaningful Connections

Impactful marketing campaigns transcend mere advertising; they forge genuine connections with target audiences, leaving a lasting impression. At HUL, marketing campaigns are meticulously crafted, grounded in deep consumer insights and a clear understanding of market dynamics.

During the year, we have executed several successful marketing campaigns. At the heart of each was authenticity and a compelling narrative, woven through creative visuals and engaging storytelling. They have been able to resonate with the target audience's values, aspirations, and concerns, sparking conversations and building brand affinity. We leveraged a multi-channel approach, seamlessly integrating various touchpoints to maximise reach and engagement.

With our new Vim 'Equal Vow' campaign, we are shining a light on equal partnership in a marriage founded on equality and trust that extends to showing love and care in action by equally shouldering everyday household chores like dishwashing.

With the #TheBeautyTestStopsWithMe campaign, Dove set out to transform traditional matrimonial profiles into 'mothermonials' i.e. narratives crafted by mothers that celebrate their daughters' personalities, achievements, and ambitions, challenging the focus on physical appearance. This campaign has been very successful with 100 million+ page views and 33 million+ video views leading to consumer purchase intent recording an increase of 15%.


Riding the Korean wave in India, Knorr has taken its successful journey of the Korean Ramen a step further. Knorr joined forces with Squid Game 2 for a one-of-a-kind campaign where 45 creators showcased their unique takes on the 'Dare to Slurp' challenge. This is a step towards making Knorr synonymous with Korean food in India.

These campaigns have contributed to brand equity, enhanced brand perception and have strengthened brand position. Our impactful advertising has won us multiple awards at different forums during the quarter.

**HUL was accorded several accolades at the global MMA SMARTIES that celebrates exceptional innovation and creativity that have led to positive business outcomes.**

## Engaging Across Multiple Touchpoints

Consumer journey has fundamentally transformed. No longer confined to a single channel, consumers now seamlessly navigate a complex web of touchpoints, purchasing products across a variety of platforms. Each channel plays a distinct role in fulfilling specific consumer needs and preferences. This multi-channel reality necessitates a fundamental shift in how companies approach consumer engagement. Our aim is to be strategically present wherever the consumer is, across all relevant channels. We have embraced an omnichannel strategy and prioritised a consistent, personalised experience across all touchpoints, to build stronger relationships with our consumers. Our design-for-channel strategy enables us to offer a highly differentiated and customised portfolio of brands and pack sizes, ensuring we meet the diverse needs of consumers in each channel.

We are specialising our route-to-market channels. Given consumers are increasingly turning to specialised channels for specific concerns, we are building a robust infrastructure of channels that cater to and specialise in beauty, gourmet food and health & wellness.

With the explosion of social media and digital technology, we have increasingly pivoted our spends towards digital marketing. Today, almost 40% of our spends is on digital media advertisements curated in-line with consumer profile and requirements. We have a roster of 12,000+ influencers with whom we engage on influencer campaigns. Our 'Others-Say' marketing model leverages the voices of others to amplify brand messages to authentically build credibility and trust with our audience, driving business and communications goals.

# Customers

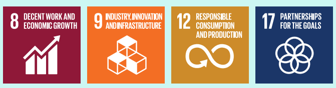
The Indian FMCG environment is characterised by new-age consumers, new behaviours, and new shopping habits. Specifically, we see increased fragmentation with more brands and SKUs in the market, sharper divergence of behaviour across consumer strata, unprecedented digital acceleration with media and commerce impact at the forefront, and omnichannel shopper journeys. Today's consumers have access to a wide range of shopping channels and numerous product options. Our strategy focusses on excelling with consumers, going where they are by specialising in each channel.

**Our diverse customer base includes traditional distributors, modern trade partners, digital commerce platforms, and millions of neighbourhood retailers. Through our network of over 3,500 distributors across more than 2,000 towns and channel partners, we reach more than 9 million retail outlets.**

We proactively engage with our customers, nurturing collaborative partnerships and co-creating future-fit business models to deliver maximum value and convenience. While traditional distribution, or 'kiranas,' remains our leading channel, we are witnessing rapid growth in e-commerce, quick commerce, e-B2B and modern trade.

### Capital linkages

### SDGs impacted




## 69% direct value weighted distribution*

*We are directly servicing stores that cumulatively sell over 69% in value of our relevant categories

## ~2x assortment expansion on quick commerce#

#FY'25 vs FY'24

## Strengthening Traditional Trade


**~50% of packs are designed for channel (D4C)**

In the fast-paced FMCG sector, traditional trade remains a vital part of our distribution strategy. Over the last year, we have focussed on strengthening this channel with a 'kirana-centric, distributor-inclusive' model. Our strategy involves building stronger relationships with our distributor partners and kirana stores, partnering them in their journey of digitisation, empowering them with future-fit capabilities to ensure we position them to succeed in the rapidly evolving distribution landscape. This approach ensures local retailers and wholesalers benefit from a reliable supply chain tailored to meet the diverse needs of our customer base, leading to improved satisfaction.

**One of the standout initiatives driving our 'kirana-centric, distributor-inclusive' model is our in-house e-B2B app, Shikhar.**

With over 1.4 million retailers onboarded and an impressive 70% monthly active user rate, Shikhar has transformed how retailers operate. Our strategy includes a 'Buy Smarter, Sell More' approach for kirana stores. Shikhar provides 24/7 ordering, real-time updates, transparent pricing, and credit solutions, supporting our efforts toward a distributor and customer-centric digital transformation. By adopting a data-driven approach, we continue to strengthen our capabilities across demand capture, demand generation and demand fulfilment.

To further enhance retailer engagement and diversify product offerings, we deploy advanced features such as loyalty programmes, an intuitive user interface, AI-powered personalised ads and CRM tools. We are also scaling up our capabilities to help retailers improve footfall through point-of-sale interventions, personalised content for advertising their store, and consumer engagement. Driven by best-in-class analytics and creative marketing campaigns, these innovations increase self-adoption and order frequency. By automating routine tasks like order capturing, it frees up distributor sales representatives to focus on market expansion and innovation, making our distribution ecosystem more efficient and agile.

Further, leveraging our Shikhar reach, we are actively collaborating with and promoting the Government of India's initiative, Open Network for Digital Commerce (ONDC), to democratise digital commerce. With the help of an integrated module in Shikhar, neighbourhood kiranas can go live on ONDC seamlessly and sell their entire range of products online. This is a significant step towards empowering kiranas with the tools and support they need to thrive and remain competitive in a changing retail landscape.

**Aligned with our mission of 'Doing well by doing good,' our flagship initiative, Shakti continues to empower over 2 lakh Shakti Ammas by fostering entrepreneurship and financial independence.**

Through Shakti Ammas, our health and nutrition initiative has reached over 12 lakh rural households till date[1], promoting health awareness and improving community wellbeing. In our pursuit of diversity and inclusion, we are proud to have over 1,500 Ahilyas as part of our frontline traditional trade salesforce. Ahilya has become a cornerstone of our efforts to boost women's participation in the labour force, paving the way for a more equitable and empowered future.

[1] As of December 2024

## Amplifying Organised Trade: Modern Trade and E-commerce

The rise of modern trade (MT) and e-commerce has reshaped the FMCG industry, offering new opportunities to meet evolving shopper needs. MT has become more consolidated, with fewer but highly strategic customers driving sharper shopper-focussed solutions. We are strengthening our presence in MT through channel-specific portfolios, increased in-store manning, and execution excellence. Our strategic partnerships are expanding our product reach and visibility, supported by collaborative shopper decision trees and joint marketing initiatives.

Responding to differing online shopping behaviours, e-commerce has evolved into a variety of models. To cater to the distinct needs, we have established dedicated teams for each e-commerce model, focussing on future-ready, need-based portfolios, optimised platform-specific content, and algorithm-driven performance marketing. With a mix of internal and external specialised talent, we have enhanced our resource allocation to stay ahead of the curve in this fast-evolving channel.

We are leveraging advanced technology stacks for MT and e-commerce by combining local insights with global Unilever capabilities, drawing from best practices in developed organised trade markets. Our platform-centric approach ensures a consistent, seamless experience across online and offline touchpoints. We are creating a singular data lake to ensure democratised data access ensuring faster and better decision-making.

We have remained steadfast in our design-for-channel strategy as we continue to ensure that we sell curated portfolio and pack sizes across each platform to cater to different needs of consumers using these platforms. AI-driven performance automation enables us to personalise and deploy marketing campaigns and product recommendations at scale, boosting engagement and sales.


## Customised Route-to-Market: Speciality Channels

Building upon our WiMI initiative, which established 16 unique clusters, WiMI 2.0 strategically ensures channel specialisation. There is a growing trend among consumers to utilise speciality channels to address their increasingly diverse and specific requirements. To cater to the unique needs of different customer segments, we have developed a customised route-to-market (RTM) strategy that focusses on speciality channels. This approach allows us to target niche markets with tailored products and services. Our speciality channels include health and wellness stores, premium beauty outlets, and gourmet food retailers. By understanding the specific shopper behaviours and channel requirements, we have been able to deliver solutions that resonate with the retailers and their shoppers.

**During the year, we established a dedicated Beauty Premium Retail Organisation (PRO) focussed on distributing and creating demand for our premium beauty products.**

Stakeholders

# Suppliers & Business Partners

The convergence of increasing consumer affluence, rapid growth of digital and quick commerce, and supply-demand changes has reshaped market dynamics. Enhanced supply chain agility, resilience, digitalisation and sustainability are therefore essential for us to maintain competitiveness and provide superior service.

Our supply chain has been a cornerstone of our competitive advantage. Our network includes 27 factories, over 50 collaborative manufacturing sites, 32 distribution centres[1], and more than 3,500 distributors. This infrastructure enables us to deliver over 80 billion units of products to around 9 million outlets. Our supply chain strategy is built on four key pillars: Superior Availability, Superior Value, Superior Product, and Superior Care for People and Planet.

**We have continued to fortify our supply chain systems, building a stronger, more digital and highly autonomous system to drive value in our operations, and provide superior service to consumers & customers.**

**Capital linkages**

**SDGs impacted**

**14 out of 27 factories with 100% renewable energy status**

**99% lower $CO_2$ emissions in our manufacturing sites compared to 2008**

[1] For HUL and subsidiaries

**>95% of all goods, services and CAPEX locally sourced**

## Superior Availability

The rise of new-age channels has significantly amplified the importance of point-of-sale availability. Managing inventory across diverse touchpoints, from e-commerce platforms to physical stores, presents a complex challenge, but ensuring product availability at each point of purchase is now essential for success. To remain competitive across traditional channels and channels of the future, we are enhancing the agility of our manufacturing and distribution networks. We have unlocked efficiency in our mass formats production by replicating our single-minute changeovers and online changeover strategies across multiple manufacturing lines.

Our nano factories, which enable us to handle lower volume production plans, have allowed us to achieve superior fulfilment with lower inventory. We have produced over 500 SKUs in these factories and supported more than 150 innovations, leading to faster time-to-market. Our nano manufacturing is backed by an agile planning system, where production planning occurs more frequently, allowing us to react to market spikes in real time and ensure high levels of service despite heavy volatility.

The requirements of traditional retailers are evolving, with expectations for faster delivery and greater assortment. To achieve next-day delivery for retailers, we piloted Project Samadhan in Chennai a few years ago. During this year, we expanded the model to Mumbai. Samadhan model is curated for high complex metro geographies and is a fully end-to-end tech enabled ecosystem. We aim to provide optimal service to kirana stores, ensuring timely delivery while addressing the challenges they face with inventory and capital.

Alongside developing capabilites for new-age channels, we continue to bolster our resilience programme through partnership with our suppliers. This ensures business continuity by advancing our agenda of localisation and engaging multiple suppliers.

We continued to leverage our sophisticated forecasting tools to gain data-driven insights that streamline our planning processes and enhance our ability to anticipate and respond to market cycles with greater precision. This allows us to proactively adjust inventory levels and optimise resource allocation to ensure superior availability.

## Superior Value

Our commitment to competitive pricing is underpinned by a robust cost management programme. This includes optimising asset utilisation across our operations and implementing continuous process improvements to maximise efficiency and minimise waste.

At HUL, we have a robust system of governance where individual machine performance is closely monitored using key efficiency metrics such as Overall Equipment Effectiveness and Asset Utilisation.

**The implementation of our Manufacturing Control Tower facilitates cross-site benchmarking of parameters to identify best practices and optimise machine efficiency.**

Furthermore, our digital interventions offer timely insights to mitigate production and energy losses, consequently reducing conversion costs.

We have expanded our 'lights-off manufacturing' approach from soap lines to multiple formats. These 'dark operations' are highly advanced manufacturing lines requiring minimal manual intervention. They have not only enhanced efficiency and reduced waste but also reinforced our non-negotiables of safety and quality.

We have significantly benefitted from Project Nakshatra, our supply chain network transformation programme, which operates on the principle of 'produce close to demand'. Through this project, we have been able to reduce the distance between factories and consumers and increase multi-format factories, improving agility and rationalising cost. We are also upgrading the infrastructure of our distribution centres to make them future-ready. These modern warehouses will feature consolidated sheds, a smaller space footprint, and higher throughput, further dialling up value creation.


## Superior Product

Delivering superior quality products is essential to enhancing the consumer experience. To this end, we have intensified our efforts to ensure zero market incidents. Our Quality Management Systems have been reinforced to better align with evolving consumer needs. Additionally, stringent quality norms have been implemented at multiple stages, from suppliers and factories to warehouses and retail stores. These initiatives are enhancing our competitive edge in quality compared to our competitors.

We have been leveraging digital interventions for both quality assurance and quality control. Technologies such as Process Digital Twin and AI Vision Systems are enhancing our in-pack and on-pack product quality standards. We plan to expand these technologies to improve process parameters and prevent quality defects.

**Our continuous efforts have resulted in a 30% improvement* in our retail quality standards compared to last year therefore ensuring better consumer experience.**


* For calendar year 2024

## Superior Care for People and Planet

Sustainability is at the core of HUL's operations, with multiple strategies in place to support this commitment. This year marked a significant transformation in our soap bars business in India, with reformulations that helped reduce the use of high GHG-impact palm oil-derived materials while also moving to 100% certified No Deforestation, No Peat (NDP). In line with our palm localisation strategy, we announced the acquisition of palm undertaking of Vishwatej Oil Industries Private Limited. We aim to build supply chain resilience for palm derivatives through backward integration while enabling sustainable and regenerative agricultural practices.

We are committed to transitioning our operations to renewable energy sources: wind, biomass, and solar. 97% of our operations are now powered by renewable energy.

Our sustainable community development initiative, Prabhat, has positively impacted the lives of nearly 11 million people through economic empowerment, health and nutrition, and environmental sustainability since its inception. Prabhat actively engages with communities around our factories, focussing significantly on water issues. Our primary goal in water-related efforts is to create climate-resilient and sustainable communities by reducing consumption and increasing conservation through strategic partnerships and technology. We have also aligned our water stewardship programme with the Alliance for Water Stewardship (AWS) Standard, with our Chhindwara site being the first in Unilever to achieve AWS Platinum certification.

On the plastic front, since 2021 we have been collecting and responsibly processing more plastic than we use in our product packaging. We continue to advance our agenda of absolute plastic reduction and increasing the recyclability of our plastic. During the year, we announced our investment in Lucro Plastecycle Private Limited, a leading player in recycled flexible plastics. The investment aims to strengthen plastic circularity by increasing the availability of recycled content for flexibles, providing a roadmap for businesses to move towards sustainable plastic packaging and address the challenge of hard-to-recycle flexible plastic.


Our Responsible Partner Policy (RPP) embodies our commitment to responsible, transparent, and sustainable business, structured around Business Integrity & Ethics, Human Rights, and Planet. It guides our expectations for responsible partners. We ensure RPP adherence through self-declaration, due diligence, assessments, and audits, especially in high-risk areas.

We employ a 'mutual recognition' approach, which means recognising suppliers who have their own mature, comprehensive compliance and responsible sourcing programmes in place. For this reason, we do not expect our partners to 'sign up' to our RPP, or adopt our policies, but instead to confirm they can – and do – meet or exceed the RPP's Mandatory Requirements and Mandatory Management Systems through the application of their own policies and practices and, where necessary, validate these with industry-recognised auditing methodologies.

## End-to-End Digital Transformation

Driven by the need to accelerate the pace of innovation and speed of response to changing consumer demand, while augmenting cost competitiveness in an increasingly challenging market, we are deploying digital, automation and machine-learning led solutions across the end-to-end value chain. As part of Project Samarth, we are creating an intelligent, customer-centric end-to-end integrated Supply Chain Nerve Centre (SCNC) which prescribes actions based on real-time alerts and predictions.

The SCNC will provide diagnostic and predictive alerts for proactive responses to disruptions, along with visibility and insights, intelligent recommendations based on data analytics, and automated execution.

In manufacturing, we have established a strong foundation by introducing several master applications for enhancing asset, labour, energy and material efficiency across our sites. Implementing AI on these master applications is helping us provide actionable insights and recommendations to our shopfloor operators by enabling quicker loss analysis and allowing immediate course correction. These digital twins and AI-led solutions are driving higher service levels, reducing waste, and improving efficiency. To improve the implementation of these use cases, we introduced a structured framework—the Digital Transformation Index (DTI)—which encapsulates and monitors elements of on-time deployment, adoption, value creation, and people upskilling.

Recognising that the true value of our digitisation agenda lies in its effective adoption, we have an intensive, ongoing training programme to upskill our personnel across all sites. This commitment to continuous learning ensures that our digital tools are not only implemented but that our people across all locations possess the necessary skills to fully leverage our digital tools, enabling our teams to drive continuous improvement and achieve optimal operational efficiency.

**Our large-scale adoption of Industry 4.0 technologies is gaining recognition from external forums. This year, our Doom Dooma factory was honoured by the World Economic Forum as an 'End-to-End Digital Lighthouse', becoming the third site in HUL to receive this prestigious recognition.**

The site has implemented digital innovations that have led to a more proactive production planning, superior product quality, and increased labour productivity. Beyond its operational achievements, the site has also fostered local digital skill development through initiatives such as an industrial training institute and a digital Braille lab, creating a self-sustaining digital ecosystem. Partnerships with local universities and upskilling centres have unlocked new-age jobs and accelerated the region's digital transformation.

This achievement underscores how Industrial AI and digital innovation can drive both operational excellence and community empowerment, laying the foundation for a future-ready, sustainable supply chain.

Stakeholders

# Our People

Our people are our most valuable asset, and their wellbeing is central to everything we do. Our commitment to attracting, developing, and retaining top talent represents a foundational investment in the long-term viability and prosperity of our organisation, underscoring the indispensable role of our people as the primary drivers of value creation and sustained success.

**We are dedicated to creating a performance-driven culture that prioritises employee engagement and empowerment, enabling them to reach their full potential. We believe this approach is essential for achieving sustainable and inclusive growth, both for our people and our organisation.**

**45% of our shopfloor workforce is skilled**

**Best Organisation for Women***

*Economic Times, 2024

**Capital linkages**

**SDGs impacted**

3 GOOD HEALTH AND WELL-BEING

5 GENDER EQUALITY

8 DECENT WORK AND ECONOMIC GROWTH

10 REDUCED INEQUALITIES

## Zero fatalities in 2024-25

# All In for Safety

Prioritising the safety and wellbeing of people in our organisation and extended value chain is a fundamental cornerstone of our Company. Proactive risk assessment, coupled with continuous training and development, empowers employees to identify and address potential hazards, cultivating a culture of shared responsibility.

We have well-established Behavioural Safety Programmes for all our employees in all our factories and offices. In addition, we leverage technology to ensure the safety of our employees in the workplace and during commute. We have expanded our coverage of computer vision cameras for enhanced operational safety of our employees. We continue to focus on deployment of Life Critical Standards and 10 Safety Life Saving Pledge across our locations.

In our recent strives in road safety under the Six-Pillar Road Safety Strategy – Drive to Zero, we have deployed Advanced Driver Assistance System (ADAS) across buses and 4-wheelers at our manufacturing sites to facilitate safe travel of our employees. ADAS provides automated voice alerts for various unsafe behaviours like over speeding, rash driving, unsafe lane changing, advising drivers to drive defensive and safe. All our factories and depots have Driver Management Centres (DMC) under our programme 'Suraksha Sabke Saath' for driver trainings and awareness sessions.

**Our Total Recordable Frequency Rate* for employees and contractors put together was 0.31 whereas our Lost Time Frequency Rate# for employees and workers was 0.15.**

*Total Recordable Frequency Rate is the combined number of lost time accidents, restricted work cases, all medical treatment cases and fatalities class A, expressed as a rate per million hours worked. (For HUL including subsidiaries)

#Lost Time Injury Frequency Rate is injuries per million hours worked. (For HUL including subsidiaries)

## Wellbeing at Work

HUL fosters an environment where employees can bring their best selves to work, supported by programmes for their physical, mental, and emotional wellbeing. Investing in comprehensive support fosters a culture of psychological safety, reducing stigma and encouraging employees to seek help when needed.

**Our 'Healthier U' programme encompasses health risk assessments, health drives, on-site check-ups, vaccination drives, eye check-up camps, and mental health support. Over 18,000 employees participated in these programmes, leading to improved health outcomes and reduced chronic disease risks.**

Additionally, we offer resources and training for psychological safety and mental health, including Mental Health Champion (MHC) training, with over 1,000 employees trained to provide support to colleagues in need. Our Global Health & Wellbeing Hub provides access to MHCs, e-learning for managers, and self-learning resources.

## Strengthening Our Distinctive Edge: Attracting & Retaining Superior Talent

We remain the #1 Employer of Choice across sectors in top business schools in the country*. This reflects our employer-centric culture, positive work environment, opportunities made available for growth and development and the organisation's ability to nurture talent. It provides extensive cross-functional experience through live projects and assignments. Our flagship Unilever Future Leaders Programme (UFLP) continues to be an accelerated learning ground for many aspiring leaders across HUL and Unilever. We continue to strengthen our employer brand through heightened engagement with candidates not only in the form of student campaigns but also through our signature case study competitions such as LIME, FINACE and Techtonic.

Driven by the 'leaders build leaders' philosophy; we have sustained an environment where people are empowered with big responsibilities early in their career with the freedom to experiment, backed by the right guidance and support.

We have also diversified our mid-career recruitment strategy with a targeted outreach to niche talent pools and are building active communities of talent that are integral for achieving our organisation strategy and business priorities.

Along with attracting the best talent, we have continued to invest in retaining and ring-fencing our top talent with differentiated career and rewards. Consequently, HUL attrition continues to be lower than that of industry average.


* Based on a brand perception study by InsideIIM at target B-Schools in 2024

## Future-fit Workforce

With shifting market dynamics, evolving customer demands and emerging technology, it becomes critical to build a future-ready workforce who can embrace changes while enhancing productivity. We are proactively building a future-ready talent pool by investing over 100,000 hours in learning and development programmes.

Our annual employee survey 'UniVoice' conducted during the year garnered participation from 90% of our office-based employees. Overall engagement stood at 82%, with 93% of our employees proud to work at HUL. As we continue to build organisational capabilities and enable our people to upskill and reskill for their roles and help them prepare for the changing landscape of work, 83% of our people believe that the Company provides opportunities for skill development to advance them towards a successful future. The employee voice through these encouraging scores is a testimony to our actions and how our employees experience our Company every day.

Focussing on talent development, we have strengthened frontline sales and marketing talent through digital interventions, and continued to upskill our shopfloor workforce. As of the end of the year, 45% of our shopfloor workforce is now skilled, a 500 bps increase year-on-year. We remain committed to our ambition of having over 50% of our workforce skilled in the coming years.

We have continued to explore and invest in contemporary, new age learning tools as well. Through our partnership with Degreed and LinkedIn, we empower people to learn through different formats, anywhere and anytime, giving employees access to the world's largest collection of professional learning content.

**Through our 'Leading the Unilever way' programme, we enabled leaders with tools to navigate key career moments and strengthen their leadership edge. Across the 17 modules, we have received 100% advocacy.**

Our 'Shape Your Own Adventure' initiative empowers employees to drive their careers towards their aspirations through meaningful career conversations, transparency of opportunities, and clarity on roles, skills, and experiences, further driving employee engagement. Our ongoing experimentation of adaptable employment models allows us to swiftly tap into diverse talent pools, bringing in a spectrum of skills and experiences, while also providing our employees with continuous opportunities for professional development. Open2U, Flex projects and U-Work continue to unlock employee efficiency and empower employees.

## Fostering Inclusivity

At HUL, fostering an inclusive and diverse workplace is a strategic priority embedded in our culture, policies, and everyday actions. We believe that a diverse workforce drives innovation, enhances decision-making, and strengthens business performance.

**HUL's progressive and equitable people policies have strengthened inclusion in our culture, as indicated by 86% of employees who believe that the Company has a work environment where people of diverse backgrounds can thrive.**

We continue to provide support to our employees through different life stages and for different lived realities through our 20+ equitable policies, ranging from flexible work options to support for domestic abuse survivors to disability accommodation and gender reassignment support. This year, we have further enhanced our policies in respect to creche facilities, secondary caregiver policy, leaves for miscarriage, adoption care and fertility cover.

HUL has been consistent in its efforts to become a gender-balanced organisation and has made significant strides in moving the needle on gender representation. Over the years, we have transitioned from focussing on representation to fostering true equity and belonging across all facets of our workforce.

With an ambition to achieve women representation from the Boardroom to the shop floor, today we have 42% representation in managerial positions. Through transformational programmes like Ahilya, over 1,500 women have joined frontline sales roles. In our factories, we are proud to have over 1,600 women on the shopfloor and are pioneering change with over 42% women representation at our Sumerpur site. We have expanded our efforts on awareness, accessibility and accommodation to champion persons with disabilities (PwDs) and are scaling our pioneering Saksham programme across units. Our ProUd network celebrated its fourth year, continuing to provide a safe and inclusive space for LGBTQI+ employees and allies. With over 200 active members, this employee network has been instrumental in enhancing psychological safety and empowering the voices of LGBTQI+ community within and beyond the organisation.

We have strengthened our efforts to make HUL an inclusive workplace with the unwavering commitment of our senior leadership, collaborating with subject matter experts and driving a culture of belonging across the organisation.

## Our Winning Culture

Our ambition of unlocking the aspirations of a billion Indians is underpinned by our winning culture, brought to life by our New Unilever Behaviours.

### CARE DEEPLY

We care about how consumers experience our brands, the growth and development of our people and their impact on the planet. We emphasise the importance of performance and care.

### FOCUS ON WHAT COUNTS

We prioritise what truly matters, setting clear and stretching goals. We aim to focus on fewer, bigger things that are delivered to conclusion and are being rewarded.

### STAY THREE STEPS AHEAD

We encourage bold and creative thinking to make breakthroughs in performance. We focus on anticipating and staying ahead of consumer needs and external trends.

### DELIVER WITH EXCELLENCE

We emphasise on delivering everything we do with excellence and pace, taking personal ownership and holding each other accountable to develop breakthrough solutions and take pride in our execution.

Through these behaviours, our goal is to not only amplify what we already do well but to also identify areas where we can grow and succeed as an organisation.

## Stakeholders

# Planet & Society

Sustainability is one of the foundational pillars of our strategy and is imperative for our business. We have refocussed our sustainability strategy with near and medium-term goals to accelerate action across four priority areas where we can and need to deliver greatest impact: Climate, Nature, Plastics, and Livelihoods. These goals are underpinned by our strong commitment to Human Rights.

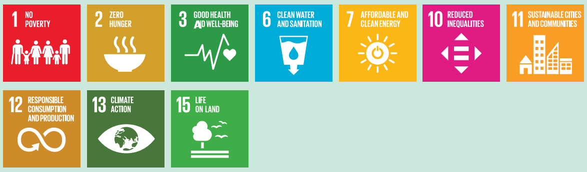
We are scaling our proven models across these pillars to create exponential impact. With a sharper focus, we are driving sustainability across the value chain with renewed rigour and a firm belief that 'What is good for India is good for HUL'.

We are dedicated to driving Unilever's ambitious sustainability agenda by embedding responsible practices across our operations, value chain, brands and around our communities. Through strategic collaborations and partnerships, we aim to foster systemic change, ensuring that our business contributes positively to the planet and society.

**In alignment with India's development goals, we strive to contribute to a more resilient and equitable future.**

### Capital linkages

### SDGs impacted




**50% reduction in water use***

*within our factories, against 2008 baseline

**39% reduction in Scope 1 emissions***

*from previous year

**96% deforestation-free supply chain***

**in Palm Oil, Tea, Soy, Cocoa, Paper and Board, in calendar year 2024*

## Climate

Climate change poses a material risk to our business. Our priority remains clear—achieve significant reductions in our Scope 1 and 2 emissions, while stepping up efforts to reduce Scope 3 emissions. At HUL, 2024 marked a year of accelerated climate action. Over the years, we have taken decisive steps to reduce energy consumption and lower our Greenhouse Gas (GHG) footprint across our supply chain.

We are on a journey to transition to renewable energy sources—wind, biomass, and solar—across our operations. Through energy-efficient capital projects and infrastructure upgrades, we have successfully reduced energy use and eliminated coal from all our manufacturing sites. Today, 100% of our electricity is sourced from renewables, with a combination of solar, wind, and IREC-certified green energy. Around 50% of our factories are now fully powered by renewable energy.

In 2024, our factories were recognised for their environmental stewardship. Our Sumerpur factory achieved IGBC's (Indian Green Building Council) Platinum Certification for its green campus. The site is carbon-neutral, powered entirely by solar energy, and ensures zero water waste through harvesting, recycling, and reuse. Our Chhindwara factory earned the prestigious Alliance for Water Stewardship Platinum Certification, reflecting our commitment to water stewardship that benefits both operations and local communities.

We are reducing our environmental footprint through new technologies. In 2024, a breakthrough innovation by our R&D teams transformed our soap bars business—reducing TFM, reducing reliance on high GHG-impact palm oil, all while shifting to No Deforestation, No Peat (NDP) palm oil. Recognising the chemical industry's role in emissions, we collaborated with Resource Efficiency and Circular Economy Industry Coalition to address material transition challenges. A working group of key stakeholders developed a knowledge paper to support this shift.

Our 'Load more, travel less' strategy is driving fuel efficiency in logistics. We are exploring LNG/CNG and engaging with EV suppliers for last-mile delivery. Further more, we launched the FICCI Centre for Sustainability Leadership to accelerate the Net Zero transition of SMEs in India.

## Nature

Our business relies on resilient natural and agricultural ecosystems. We source agricultural raw materials for our products and hence can play a significant role in driving sustainable practices, protecting and regenerating nature in the Indian agricultural ecosystem.

In 2021, Unilever introduced the Regenerative Agriculture Principles that provided guidance on how to nourish the soil, capture carbon and restore and regenerate the land. Working closely with numerous smallholder farmers, we ensure they receive training and adopt good agricultural practices, resulting in significantly higher yields and better returns. In 2024, we stepped up our actions to protect and regenerate natural ecosystems associated with our sourcing locations. To facilitate adoption of regenerative agricultural practices by farmers, we carried out several workshops throughout the year.

Tea is one of our key sourced crops, and our commitment to sustainable tea has been long lasting. We buy Trustea-certified tea, aligned with our deforestation-free commitment featuring checks against satellite imagery. Additionally, we work closely with smallholder farmers to implement sustainable practices and help improve working conditions for tea workers. We realise that investing in smallholder farmers, who are responsible for more than half of India's tea production, is one way we can empower communities to grow sustainably and care for land and soil.

Our commitment towards preserving and regenerating nature goes beyond procurement of sustainable raw materials. Through Hindustan Unilever Foundation (HUF), our not-for-profit subsidiary that was set up in 2010, we continue to address India's water challenges. Along with partners, HUF aims to drive scalable solutions to secure India's water future as well as positively impact the environment.

## Plastics

Our plastic packaging goals focus on the areas of our value chain where we can deliver most impact. At HUL, we are continuously looking at new ways to reduce, re-use, recycle and recover packaging and waste.

We are committed to accelerating a transition to a circular economy, moving from the linear take-make-dispose model to a regenerative approach, which keeps materials at their highest value for as long as possible. We have been on a journey to use less plastic, better plastic or no plastic. For instance, we have resized sachets across our Hair and Home Care portfolio and developed a new slim cap design for our Glow & Lovely tubes to reduce the use of virgin plastic.

To strengthen flexible plastics circularity, we have made an investment for acquiring 14.3%[1] stake in Lucro Plastecycle Private Limited, a leading player in recycled flexible plastics. The investment is a significant step that will help us drive our sustainability goals to scale up the use of recycled flexible plastic content in packaging.

**25 of our brands use Post Consumer Recycled (PCR) plastic in packaging, contributing towards circularity.**

Additionally, through Project Circular Bharat — HUL's initiative to support India's transition to a circular economy— we are helping build the circularity ecosystem. The proven end-to-end model brings together behaviour change on source segregation, social inclusion of waste workers, and integrated recycling infrastructure.

In 2024, HUL deepened its catalytic role by launching 'Circular India – An Awareness to Action Toolkit' with three key Central Government Ministries - Ministry of Environment, Forest & Climate Change, Ministry of Urban & Housing Affairs and Ministry of Social Justice & Empowerment along with UNDP India and Xynteo.

The toolkit provides open-sourced actionable frameworks and tools to accelerate circularity at scale across the country.

[1]On a fully diluted basis

## Livelihoods

Our Livelihoods agenda is focussed on enhancing lives across our value chain—improving livelihoods, building economic resilience, and in turn, strengthening our business. We believe we can help raise living standards not just for those who work with us, but also for the communities we operate in. Our approach is rooted in programme implementation and collective action.

We are supporting SME retailers and promoting financial inclusion by offering digital solutions in both rural and urban markets. Collaborating with financial partners, we provide instant, paperless working capital loans for distributors. Digital payment options and affordable credit terms help retailers grow and integrate into the formal financial system.

**Project Shakti empowers rural women through entrepreneurship training for better livelihoods and financial independence.**

Through HUF and its NGO partners, we also leverage Government schemes like National Rural Employment Guarantee Programme and National Rural Livelihoods Mission to build water conservation infrastructure, supporting both livelihoods and water security in rural areas.

Our community development programme, Prabhat runs livelihood centres that train women and youth in vocational skills such as IT, electrical work, plumbing, tailoring, and solar technology. In 2024, we launched the Skills Academy for Advancement of Livelihoods (SAFAL) to further this mission. SAFAL includes the Sales Pro Academy, which trains youth for frontline sales roles, and the Retailer Strengthening Project, which educates young retailers on government schemes to help grow their businesses.

We also work closely with farmer partners—from tea gardens in Assam to dairy farmers in the North—supporting their upliftment and empowerment.

In partnership with UNDP, we are advancing social inclusion through Project Utthaan, that is helping Safai Saathis transition from the informal sector into the mainstream workforce.

These efforts are part of our broader commitment under the pillars of Climate, Nature, Plastics, and Livelihoods—small steps that we believe will make a big difference to India's sustainable development journey.

For more, visit www.hul.co.in or refer to our CSR and BRSR Reports.

Stakeholders

# Shareholders

## FY 2024-25 Performance

During the year, FMCG industry witnessed subdued demand trends. While rural demand saw a gradual improvement, urban demand moderated. In this operating context, we stayed focussed on driving volume growth and strengthening competitiveness whilst maintaining healthy margins. We remained steadfast in our commitment of unlocking a billion aspirations by transforming our portfolio with pace, pivoting investments towards evolving demand drivers and accelerating future-proofing of our distinctive capabilities while upholding our foundational pillars of sustainability and culture.

Our turnover at ₹60,680 crores grew at 2%. This was led by an Underlying Volume Growth of 2%. We continued to maintain healthy margins with our Gross Margin at 50.3% and EBITDA at 23.5%. We delivered a Net Profit of ₹10,644 crores, up by 5% versus last year. Our Earnings Per Share (EPS) at ₹45.3 grew 5% while we generated a healthy Cash from Operations of ₹13,789 crores, before taxes.

Keeping in view our profitable and competitive performance, your directors are pleased to recommend a final dividend of ₹24/- per equity share of face value of ₹1/- for the year ended 31st March, 2025. Together with the interim dividend of ₹19/- per share and special dividend of ₹10 per share, paid in November 2024, the total dividend for financial year ended 31st March, 2025 amounts to ₹53/- per share of face value of ₹1/- each.

**At ₹53 per share, total dividend declared for FY 2024-25 is ₹12,453 crores, a 26% year-on-year increase, including special dividend.**

### Capital linkages

### SDGs impacted

8 DECENT WORK AND ECONOMIC GROWTH

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

**₹60,680 Cr**
**Turnover**

**₹10,644 Cr**
**Profit After Tax**



**5%**
**EPS Growth**

# Our Priorities

## Driving Competitive Volume-led Growth

We are the market leaders in more than 85% of the categories we operate in. We are committed in our journey of transforming our portfolio and capabilities to ensure that we remain leaders for decades ahead. In financial year 2024-25, we delivered competitive growth, further strengthening our market position. This was fuelled by robust mid-single digit absolute volume (tonnage) growth. Our ability to successfully traverse challenging market conditions is testament to the strength of our brands, strong operational rigour and rapid portfolio transformation into high-growth spaces.

## Portfolio Transformation

We have segmented our portfolio into Core, Future Core and Market Makers portfolio. This approach facilitates better prioritisation of resources and crafting of tailored strategies to maximise each portfolio's contribution to overall organisational growth.

We have continued to contemporise our Core portfolio, keeping it healthy and modern as these brands are the source of our deep penetration and distribution might. During the year, we relaunched Lifebuoy and Glow & Lovely to meet the changing consumer needs.

Future Core entails brands that are at the sweet spot of premiumisation. We have continued to unlock access of these brands to a larger number of consumers by democratising trends, and as a result, grew faster than the market.

We are building segments of the future through our Market Makers portfolio. While it is currently a smaller part of our business, it will continue to grow rapidly in the years to come. This ₹7,000 crores segment has delivered double-digit growth during the year, as we focus on expanding business.

As a result of these actions, we have driven a 200 bps portfolio shift from Core to Future Core and Market Makers in the year, strengthening our future-facing portfolio and increasing our play in high-growth spaces.


## Generating fuel for growth

Commodity prices displayed divergent trends in the year. Significant inflation was observed in Palm Oil, Tea and Coffee, whereas Crude Oil, Soda Ash and Skimmed Milk Powder was deflationary. Despite this, we maintained a healthy Gross Margin at 50.3%.

During the year, we continued to generate fuel for growth with our end-to-end net productivity programme across all the lines of the P&L leveraging buying efficiencies, smart formulations, driving logistics and manufacturing cost efficiencies, marketing efficiencies, net revenue management and accelerating simplicity through digital transformation.

We deployed the generated savings to build our brands and strategic capabilities, in line with our capital deployment strategy. We focussed on providing the right-price value equation to our consumers whilst investing behind brands to make them unmissably superior, pioneering category defining innovations, fostering partnerships with customers and building digital-first capabilities. Our A&P spends continued to remain competitive, with a significant pivot towards digital media.

## Making Sharper Portfolio Choices

We have executed several strategic portfolio decisions over the past few years to sharpen our where-to-play choices, notably accelerating this year.

On an ongoing basis, we evaluate various strategic opportunities for organic as well as inorganic growth, strategic partnerships and investments, divestments, disposals, for furtherance of our business and to maximise shareholder value.

During the year, we divested our water business, Pureit, obtained Board approval to demerge Ice Cream business and announced the acquisition of majority stake in Uprising Science Private Limited, the company that houses the brand Minimalist.

Both Ice Cream and Pureit are strong businesses, but they have different operating models, profit margin structures and limited synergies as compared to HUL. This decision will enable the businesses to operate with greater flexibility and for HUL to sharpen its focus on core business.

In alignment with our intent of further premiumising our Beauty & Wellbeing portfolio, we announced the acquisition of 90.5% stake in the premium beauty brand Minimalist. This marks another step in the transformation journey of our portfolio towards higher-growth demand spaces. Minimalist is an evidence-based, consumer-focussed skin and hair care brand that provides high-quality, science-backed solutions. The business has scaled rapidly to cross an annual turnover of ₹500 crores[1] in financial year 2024-25. We believe this brand is a strategic fit to our portfolio and are confident of scaling this up, leveraging our complementary capabilities. Minimalist will join the strong portfolio of brands in our Beauty & Wellbeing division.

In line with our strategy to strengthen business resilience, we announced the acquisition of palm undertaking of Vishwatej Oil Industries Private Limited and announced our investment in Lucro Plastecycle Private Limited. The former will aid our palm localisation strategy while the latter is a step forward towards developing flexible plastics circularity.

These value chain integrations are long-term strategic decisions designed to strengthen our business and partake in our firm belief of 'What is good for India is good for HUL'.


[1] Consolidated turnover as per unaudited financials of USPL (Minimalist)


## Our Mid-to-long Term Ambition

We will continue to execute our strategy, with an ambition to deliver double-digit EPS growth for our shareholders, in the mid-to-long term. Our approach for creating long-term value focusses on:

- Competitive turnover growth
- Moderate margin expansion as we re-invest a large portion of our savings back into the business
- Efficient use of capital by maintaining a healthy cash conversion ratio
- Robust capital allocation principles

## Rationale for Decision of Ice Cream Demerger

Our Ice Cream business is a high-growth business with iconic brands such as 'Kwality Wall's', 'Cornetto' and 'Magnum', operating in an attractive category. We have a large distribution network with over 2,50,000 cabinets in market, 19 warehouses and 5 co-manufacturing sites. The business contributes c. 3% to HUL's turnover.

The primary rationale for the demerger of the Ice Cream business stems from its limited complementarity and synergies with HUL's broader business model. This business operates under a distinct model, characterised by a separate go-to-market strategy compared to the rest of HUL and necessitates a dedicated cold chain infrastructure for both its supply chain and points of sale. Furthermore, its pronounced seasonality and capital intensity distinguish it significantly from other segments.

The demerger will enable the Company to drive sharper focus in the business as it further accelerates its play in high-growth demand spaces, strengthening its future-fit portfolio. It will create a leading listed ice cream company in India, which will have a focussed management with greater flexibility to deploy strategies suited to its distinctive business model and market dynamics thus realising its full potential. The business will continue to be equipped with the portfolio, brand and innovation expertise from the leading global ice cream business enabling it to keep winning in the marketplace.

To enhance the interest of shareholders and provide flexibility to remain invested, the Board of Directors of the Company approved the demerger of the Ice Cream business, subject to regulatory approvals. As a result of the demerger, all HUL shareholders will be allotted shares in the newly-formed company, 'Kwality Wall's (India) Limited' (KWIL), in 1:1 ratio i.e. for every 1 equity share of face value of ₹1/- fully paid up held in the Company, 1 equity share of face value of ₹1/- will be allotted as fully paid up in KWIL.

A separate listed entity will unlock value for HUL shareholders and give them the flexibility to stay invested in Ice Cream's growth journey. The demerger will facilitate a smoother transition of business including our people, minimising disruption and protecting value for all our shareholders during the separation process.

While Ice Cream remains a nascent category in India characterised by low per-capita consumption and on-shelf availability, the ongoing increase in refrigerator penetration, continuous improvement of cold chain infrastructure and the expansion of e-commerce platforms are expected to unlock substantial growth for the segment in the near future. Favourable demographics, climate conditions, rising affluence and urbanisation will further strengthen the category's prospects, with the industry expected to deliver strong growth in the coming years.

Feature

# BELONGing at HUL

## Where Everyone Thrives

**At HUL, inclusion isn't just a principle—it's a purpose. We believe an equitable, inclusive workplace fuels innovation, drives sustainable growth, and creates meaningful societal impact. At the heart of this commitment lies our BELONG framework—a structured approach to inclusion that celebrates individual uniqueness, empowers leadership, and embeds robust governance to ensure long-term progress.**

### Women Inclusion

We are creating pathways for women to lead and thrive—right from boardrooms to shopfloors. Focussed programmes such as Ahilya and Samavesh are reshaping possibilities. While Ahilya opens the door for women in frontline customer development, offering mentorship, structured training, and supportive infrastructure, Samavesh transforms our manufacturing spaces, enabling women to take on factory operations— roles that were once dominated by men.

### Disability & LGBTQI+ Inclusion

Inclusion at HUL also means removing barriers for Persons with Disabilities (PwDs). Our four-pronged strategy—Acquisition, Awareness, Accommodation, and Accessibility—ensures a barrier-free, welcoming environment. Our internship programme for PwDs opens a pipeline for inclusive hiring. For the LGBTQI+ community, our proUd network and dedicated Employee Resource Group (ERG) foster allyship, safety, and advocacy, ensuring every voice is heard and celebrated.

### Equitable Policies

We back our values with action through 20+ equitable policies such as gender-neutral caregiving, flexible work, career breaks, and support for domestic abuse survivors, designed to support employees at every life stage.

At HUL, inclusion is more than an initiative—it's how we lead, grow, and thrive together.

| 1,500+ | 1,600+ | 100+ |
|---|---|---|
| **Women in CD frontline** | **Women as shopfloor employees** | **PwDs at work** |


JUNE IS
PRIDE MONTH

# Report of Board of Directors and Management Discussion and Analysis

## Your Board of Directors is pleased to share with you the Business Performance along with the Audited Financial Statements for the financial year ended 31st March, 2025.

### About HUL

Hindustan Unilever Limited (HUL) is India's largest Fast-Moving Consumer Goods (FMCG) Company. With a legacy spanning over 90 years, we have remained committed to our ethos of 'Doing well by doing good'.

With a robust portfolio of over 50 brands across 15 FMCG categories and a total distribution reach (direct and indirect) panning over 9 million stores, one or more of our brands reach 9 out of 10 Indian households. This deep reach allows us to deliver significant value and positively impact millions of lives in India.

Through our extensive range of brands and committed workforce we have continued to build categories of the future to empower India while fostering sustainable community development and improved livelihoods, guided by the mantra of 'What is good for India is good for HUL'.

Amidst growing affluence, heightened global trend awareness, and shifting consumer preferences, we are building future-facing categories while democratising trends, thereby unlocking the aspirations of diverse populations.

### Global Economic Overview

In 2024, the global economy navigated moderate growth amidst persistent inflationary pressures and geopolitical instability. A year marked by significant global elections, the immediate impact of which is evident, while long-term effects remain to be seen, added another layer of complexity. Monetary policy, particularly interest rate adjustments in major economies, remained a central focus. Emerging markets exhibited diverse performance, influenced by commodity markets and debt vulnerabilities. Trade tensions and supply chain disruptions continued to strain global commerce and investment, while geopolitical volatility persisted. Concurrently, technological advancements, especially in AI and renewable energy, presented both, significant opportunities for productivity gains and challenges related to workforce adaptation. This confluence of factors created a dynamic and uncertain economic landscape for businesses and policymakers worldwide.

Looking ahead, the global economy in 2025 is projected to grow at a low but steady rate of 2.8%[1]. Global inflation is expected to continue its downward trend, but the pace of decline may vary. Geopolitical tensions and trade uncertainties remain significant risks to the global economy. A balanced policy approach is essential to manage these risks, enhancing medium-term growth prospects through structural reforms and stronger multilateral cooperation.

### Indian Economic Overview

India's real GDP is projected to grow at 6.5%[2] in financial year 2024-25, following a steady recovery to pre-COVID levels. While this growth was slower than expected, it continues to be one of the fastest growing major economies. Retail headline inflation has softened in line with global deflation trends, decreasing from 5.4% in financial year 2023-24 to 4.6% in financial year 2024-25, exhibiting increased deceleration towards the latter part of the year. However, food inflation that has remained a significant contributor to total inflation continued to remain high, albeit decelerating in the last quarter of the fiscal. With early indications of softening of food inflation, we will continue to monitor the trends. The Government allocated over ₹11 lakh crores to capital expenditure during the fiscal, contributing to 3.4% of the GDP. The agriculture sector received a boost through several schemes and incentives, driving a gradual recovery in financial year 2024-25. Increased grassroots-level structural reforms and a focus on deregulation are expected to bolster medium-term growth and competitiveness.

FMCG consumption remained subdued during the year. While rural demand recuperated, urban consumption continued to moderate. However, upper-end consumption continued to drive growth, with a growing preference for premium products and amplified consumer demand in the digital commerce space. Looking forward, the pace of recovery of consumption will depend on real wage growth, employment and food inflation levels. Higher agricultural output combined with government initiatives towards boosting consumption should benefit well for the FMCG industry in the near term.

India is at the forefront of digital infrastructure developments. In the year, India not only expanded its digital infrastructure but also focussed on ensuring its accessibility, security, and impact on various sectors of the economy. This should set the stage for continued digital transformation and economic growth.

Looking ahead, India is expected to maintain its position as one of the fastest-growing major economies. The momentum is anticipated to be driven by sustained government investments in infrastructure, a growing middle class, and increasing digital adoption. The Government's reforms aimed at boosting manufacturing, enhancing productivity and improving ease of doing business will play a crucial role in ensuring long-term sustainable growth. Within this, private consumption will play an important role. The ability to navigate global factors such as geopolitical developments, market sentiment shifts, and currency fluctuations will be crucial for maintaining growth momentum.

[1] World Economic Outlook, Jan 2025, International Monetary Fund

[2] Ministry of Statistics and Programme Implementation, Government of India

## FMCG Sector Overview:

The FMCG sector is a cornerstone of the Indian economy, ranking as the fourth-largest sector in the country. Providing employment to a large population, it also significantly contributes to the nation's GDP. The FMCG market in India is projected to grow at a double-digit CAGR over the next decade, fuelled by multiple factors[3]. The sector is characterised by a diverse range of products, including food and beverages, personal care, and household care items, catering to both urban and rural populations. Demand for FMCG products in India is primarily led by non-food categories, with household and personal care products contributing to approximately 50% of the sales. Even amidst turbulent economic periods, the FMCG industry has shown incredible resilience, consistently generating demand by adapting to changing consumer preferences, creating value through innovations and establishing robust end-to-end distribution systems.

Financial year 2024-25 was marked by subdued demand trends led by gradual recovery of rural demand and moderation in urban demand. Notably, rural growth outpaced urban growth. The trend of premiumisation remained persistent across consumer segments. Commodity prices displayed divergent trends. While Tea, Coffee and Palm Oil were inflationary, Crude Oil, Soda Ash and Skimmed Milk Powder were deflationary. Thus, the potential for growth driven by price increases remained limited. Looking forward, monetary stimulus, tax relief, lower food inflation and higher agricultural output, should augur well for the FMCG industry in the near-to-mid term.

The Indian FMCG industry's mid-to-long term outlook remains highly optimistic, underpinned by various favourable factors:

- Fast-growing Indian economy will foster urbanisation and improved infrastructure. Rapid urbanisation will drive demand for packaged goods and convenience products in cities. Simultaneously, improved infrastructure and digital connectivity expansion will unlock significant rural growth potential.
- India's burgeoning affluent households represent a pivotal growth frontier for the FMCG sector. With higher disposable incomes, both per-capita FMCG consumption as well as premiumisation will continue to drive growth.
- The growing prevalence of digital media and platforms will accelerate the transformation of the FMCG landscape, significantly broadening consumer reach, fostering innovation, and catalysing category expansion.
- India's demographic profile represents a massive consumer base and will support sustained demand for FMCG products across various categories.

## Key Trends driving the Indian FMCG Sector and HUL's Response to the same

### Trend: Rising affluence

India's growing affluent households present a significant expansion opportunity in the FMCG sector. These consumers are increasingly selective, seeking premium, high-quality, sustainable, and personalised products. The beauty category is at the forefront of this trend, followed by foods and beverages, and home care. Preferences are shifting from traditional product formats to premium offerings. This rise in affluence, propelled by higher incomes has fostered a consumer landscape where aspirations for quality and exclusivity are increasingly rising.

**HUL's Response:** HUL's strategy of 'Unlocking a billion aspirations' has been crafted recognising this trend. As affluence and demand for higher-quality premium products increase, HUL intends to be at the forefront of this change by providing an accessible product portfolio that meets the aspirations of consumers. With a portfolio that straddles the price-benefit pyramid, we believe we can capitalise on this trend. We have stepped up our pace of innovation, specifically in high demand segments like premium Skin Care, premium Hair Care, Bodywash, Home Care liquids, Condiments and Mini-meals and Prestige & Wellbeing with offerings like TRESemmé's Silk Press, Lakmē's Rouge bloom, Dove's Serum Shower collection, Vim UltraPro floor cleaner, introduction of Liquid I.V., expansion of Hellman's Mayonnaise and Knorr's Korean range, and the acquisition of the Minimalist brand. Our focus on brand superiority, extensive presence in channels of the future, and innovative brand-building strategies, including influencer collaborations and social-first campaigns, are driving significant value. With WiMI 2.0, we are also accelerating our focus on key agglomerations across the country that are at the juncture of rapid premiumisation. Our strategic actions this year have successfully reshaped our portfolio, increasing the contribution of future-facing and premium segments, thus strengthening the resilience of our business.

### Trend: Rapidly increasing digital access

The rapidly increasing digital access in India, with over 900 million internet users and around 450 million social media users, is enabling FMCG companies to reach a broader audience through targeted online marketing and e-commerce platforms. The extensive use of social media enables brands to engage directly with consumers, gather real-time feedback, and build stronger customer relationships. Additionally, the convenience of online shopping has led to a surge in demand for FMCG products.

[3] India Brand Equity Foundation (IBEF)

**HUL's Response:** To specifically address increasing digital proliferation amongst consumers, our media spending has been revamped with a greater emphasis on digital spending. 40% of the Company's total media spends is now digital. We have built an in-house media planning tool to build effective reach. This tool uses category specific data to customise media spends across platforms for different brands and consumer cohorts while also significantly reducing deployment time. We also continued to strengthen our AI based technology to enhance consumer experience and deliver superior value. We are leading the influencer ecosystem by partnering with well-known voices of authority.

### Trend: Accelerating technological advancements, including AI

The increasing prevalence of digital technologies and the rapid advancements in artificial intelligence are fundamentally reshaping the interactions between different stakeholders. This digital transformation unlocks substantial opportunities for businesses, notably in achieving significant cost reductions, minimising waste across operations, and driving substantial improvements in overall efficiency.

**HUL's Response:** We are proactively driving digital transformation across our entire value chain. This includes leveraging AI-powered demand forecasting for more accurate planning, implementing cutting-edge Industry 4.0 technologies within our supply chain for enhanced agility and efficiency, and deploying comprehensive digital solutions within our sales and marketing functions to optimise customer engagement and drive growth. These integrated digital interventions are designed to create a more responsive, efficient, and future-ready organisation. Through AI-led customised ads and influencer campaigns, we are also driving product awareness through advanced technology.

We are extensively investing in our e-commerce and quick commerce platforms, utilising data-driven insights to ensure the right assortment, product placement, and advertising reach.

### Trend: Increased consumption through organised retail and specialised channels

The rise of organised retail and specialised channels is significantly changing the way consumers discover products and purchasing behaviours. Consumers are embracing integrated shopping experiences, seamlessly transitioning between online and physical channels, and concurrently pursuing specialised outlets for tailored solutions.

**HUL's Response:** HUL has invested ahead of the curve when it comes to organised trade, the results of which are now evident. With higher market shares and strong leadership positions across categories, growing demand in modern trade will serve as a tailwind in driving sales. We are also investing in e-commerce capabilities to build a strong digital moat. Dedicated efforts in this direction have led us to gain market shares in this highly fragmented space. Under the WiMI 2.0 mandate, HUL is also building specialised new route-to-markets (RTMs) for emerging segments, such as health and wellness, premium beauty, and gourmet food. These channels will help HUL reach more than 70% of the premium beauty and foods markets, while also driving assortment growth. We have further strengthened our presence in the D2C space through acquisition of Minimalist during the year. Through these proactive measures, we are significantly enhancing our distribution moat, solidifying our current advantages and simultaneously forging new strategic strengths to future-proof our market position.

### Trend: Enhanced focus on individual and planet health and wellbeing

Growing emphasis on individual health and wellbeing is re-shaping FMCG demand. Consumers are increasingly scrutinising product labels, seeking transparency about ingredients and nutritional content. This heightened awareness is driving a surge in demand for products perceived as healthier, including those with reduced sugar, salt and fat, as well as those fortified with vitamins and minerals. Companies are responding by investing in research and development to create innovative products that cater to these evolving preferences, while also focussing on sustainable sourcing and packaging to align with consumer values. Consumer demand for sustainable products is rapidly transforming the market, fuelling a worldwide drive for change. In response to heightened public consciousness, businesses must prioritise sustainable practices as a core operational imperative to safeguard our planet. The economic and environmental repercussions of inaction significantly outweigh the strategic investments needed for sustainable transformation.

**HUL's Response:** HUL has always put consumer wellbeing and sustainability at the core of its operations. By leveraging technology-led product superiority, HUL is redesigning its products to be healthier than ever, an example of this being the Diabetes Plus Horlicks that is clinically proven to address diabetes concerns. HUL has continued to scale up investment in its Health and Wellbeing portfolio through our strategic partnerships with OZiva and Wellbeing Nutrition which are clean, plant based, organic nutritive supplements. Capitalising on the trend of shift towards healthier hydration options, we have launched Liquid I.V. to cater to this growing demand. We continued to expand our paraben-free dishwash formulations for an enhanced Home Care experience. Sustainability is deeply ingrained in all our operations here at HUL. We have resized sachets across our Hair and Home Care portfolio and developed a new slim cap design for our Glow & Lovely tubes to reduce the use of virgin plastic. Today, more than 97% of our operations are fuelled by renewable energy[1] and we have reduced 99% of our Scope 1 & 2 emissions in our operations[1,2]. We are also a recognised industry leader with best-in-class ESG ratings in the Indian FMCG industry.

[1] HUL and subsidiaries

[2] Against 2008 baseline

## Ensuring Resilient Growth Through Robust Risk Management

Risk management is not merely about safeguarding against uncertainties; it is a strategic enabler that fortifies our long-term vision of unlocking a billion aspirations. Our ability to anticipate, assess, and mitigate risks ensures business continuity, operational excellence, and sustainable growth in an ever-evolving global landscape.

## Our Risk Governance Framework

Our risk management approach is deeply embedded within our corporate governance framework, ensuring a structured and proactive response to emerging challenges. We have set Business Risk Assessment procedures for self-assessment of business risks, operating controls and compliance with Corporate Policies. It is a proactive and value-adding review process that enables operating management to maintain a risk profile associated with transactional controls at an acceptable level. This continuous process tracks the evolution of risks and the delivery of mitigating action plans. The Board has overall responsibility for managing risks and reviewing the effectiveness of the internal control system and risk management approach.

We uphold a balanced risk appetite, enabling us to pursue growth while maintaining strong risk controls. Our approach is driven by a commitment to environmental and social responsibility, ethical governance, regulatory compliance, agility in innovation, operational resilience and financial prudence.

## Our Risk Governance Structure

| | |
|---|---|
| **Board of Directors** | The highest governing body oversees all aspects of risk management. |
| **Risk Management Committee** | This Committee assists the Board in monitoring and reviewing the Risk Management Policy and carries out formal bi-annual risk reviews. |
| **Audit Committee** | Responsible for Risk Identification, Minimisation and Mitigation as part of the Risk Management Framework (jointly with the Board and Risk Management Committee). |
| **Management Committee** | Escalates any new or enhanced risks to the Risk Management Committee as soon as they are perceived in the business. |

Senior Leadership Members provide an annual Positive Assurance confirming their understanding and adherence to risk management processes.

The Internal Auditor assures the Board that all significant risks affecting the achievement of the Company's objectives are adequately understood and managed.

## Risk Management Process

**Identification**
Identify risks that threaten the achievement of our business objectives

**Measure**
Assess the potential impact and likelihood of each risk

**Respond**
Agree with an approach for addressing principal risks

**Control**
Execute the risk management strategy and continually evaluate the approach

**Report**
Regular risk reporting to the Management and Board Committees

## A Dynamic Risk Management Approach

The risk landscape continuously changes, influenced by global economic shifts, regulatory changes, and technological advancement. We proactively refine our risk mitigation strategies through periodic risk reviews and internal audits to assess and update our principal risks. We invest in future-ready business models, focusing on sustainable innovations, resilient supply chains and digital-first consumer brands to navigate uncertainties effectively. Our robust crisis management and business continuity planning ensure swift response mechanisms to safeguard our people, operations, and financial stability. By embedding risk management at the core of our decision-making, we enhance our agility, maintain a forward-focussed approach, and strengthen resilience, enabling us to unlock aspirations and create enduring value for our stakeholders.

## Principal Risks and Mitigation Strategies

| Brand Preference | Category of Risk: Market Risk | Level of Change: Increased |
|---|---|---|

Consumer preferences are changing unprecedentedly, driven by various factors, including digital engagement, sustainability consciousness, health awareness, and the growing demand for personalised experiences. As new market entrants intensify competition, staying ahead requires more than innovation—it demands a deep understanding of consumer aspirations and the ability to translate them into purpose-driven brand propositions.

Our brands are not just products but enablers of aspirations, shaping lifestyles and enhancing livelihoods. We continuously strive to strengthen brand preference in an era of limitless choices. Failure to adapt, innovate, and resonate with evolving consumer expectations can lead to a loss of brand equity, erosion of market share, and a diminished competitive advantage.

**Capitals Impacted**

- Manufactured Capital
- Intellectual Capital
- Social and Relationship Capital

**SDGs Impacted**

3 GOOD HEALTH AND WELL-BEING; 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE; 12 RESPONSIBLE CONSUMPTION AND PRODUCTION

**"A brand is more than just a product—it is an experience, a belief, and a promise. At HUL, we craft brands that inspire trust, build meaningful connections, and evolve with the aspirations of a billion consumers."**

To unlock a billion aspirations, we integrate consumer insights, innovation, and purpose-led strategies into our brand-building approach:

1. **Insight-Led Brand Evolution:** We leverage analytics to track external market trends and shifting consumer behaviour and craft relevant brand experiences. Our R&D function actively identifies ways to translate trends in consumer preferences into new technologies that can be incorporated into future products.
2. **Innovation & Sustainability at the Core:** Developing functional and sustainable products that align with emerging consumer values.
3. **Purpose-Driven Storytelling:** Embedding inclusivity and purpose into brand narratives to forge deeper emotional connections.
4. **Omnichannel Consumer Engagement:** Creating personalised, digital-first interactions that seamlessly integrate across online and offline platforms.
5. **Agility & Future-Ready Brand Positioning:** Continuously adapting packaging, messaging, and innovation pipelines to stay ahead of market trends.

**Legal and Regulatory Risk** | **Category of Risk: Compliance & Regulatory Risk** | **Level of Change: No Change**

India's regulatory landscape is undergoing rapid changes, encompassing taxation, labour laws, consumer protection, cyber security, data protection and privacy, advertising, environmental regulations, and corporate governance. These changes can impact business continuity, financial performance, and corporate reputation if not managed effectively. Additionally, heightened enforcement measures and the global shift towards sustainability and responsible business practices add complexity to compliance.

We regard compliance as a critical enabler of trust, resilience, and enduring value, transcending mere obligation to ensure our growth is responsibly governed. By staying updated with regulatory changes and embedding governance excellence into our operations, we ensure that we continue to unlock a billion aspirations with integrity and accountability.

**Capitals Impacted**

Financial Capital

Social and Relationship Capital

**SDGs Impacted**

16 PEACE, JUSTICE AND STRONG INSTITUTIONS

**"As we unlock a billion aspirations, trust remains our strongest foundation. At HUL, regulatory excellence is about compliance and setting the benchmark for responsible business leadership."**

We adopt a proactive, structured, and technology-driven approach to regulatory compliance, providing agility, risk mitigation, and operational resilience:

1. **Real-Time Regulatory Monitoring and Compliance:** team tracks evolving laws and integrates changes into our business operations.
2. **Governance & Risk Management:** Periodic audits and compliance reviews ensure that the highest statutory and corporate governance standards are followed.
3. **Regulatory Advocacy & Industry Collaboration:** Engaging with policymakers and industry associations to recommend new and changing regulations while keeping the multistakeholder model at the centre.
4. **Embedding Compliance Culture Across the Organisation:** Regular training programmes and leadership engagement reinforce a culture of accountability and adherence at all levels.

**Supply Chain** | **Category of Risk: Operational Risk** | **Level of Change: No Change**

A robust, agile, and sustainable supply chain is the backbone of HUL's ability to serve millions of consumers efficiently. However, geopolitical uncertainties, climate-related disruptions, raw material volatility, and logistics constraints pose significant challenges to business continuity, cost efficiency, and service reliability. The global trade landscape is evolving, bringing new regulations, inflationary pressures, and increased risks associated with supplier dependencies and transportation networks.

To unlock a billion aspirations, we are transforming our supply chain into a future-ready, technology-driven, and sustainable ecosystem, ensuring that we deliver trusted products with speed, efficiency, and environmental responsibility.

**Capitals Impacted**

Financial Capital

Manufactured Capital

**SDGs Impacted**

8 DECENT WORK AND ECONOMIC GROWTH

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

13 CLIMATE ACTION

**"Unlocking a billion aspirations requires a supply chain built on agility, technology, and sustainability —ensuring that we deliver trusted products responsibly, efficiently, and resiliently."**

We focus on building resilience and agility across our supply chain through:

1. **Diversified & Sustainable Sourcing:** Strengthening multi-geography supplier partnerships to reduce dependencies while enhancing local procurement and sustainability efforts.
2. **Agility in Manufacturing & Logistics:** Deploying technology-driven demand forecasting, automated production systems, and digital supply chain tracking to optimise efficiency and minimise lead times.
3. **Cost Hedging & Commodity Price Management:** Proactively managing commodity price fluctuations through forward buying, hedging mechanisms, and diversified sourcing to stabilise costs.
4. **Business Continuity & Risk Preparedness:** Implementing contingency planning, alternative material sourcing, and flexible production capabilities to ensure seamless supply chain operations.

**Business Transformation** | **Category of Risk: Strategic & Operational Risk** | **Level of Change: Increased**

The successful execution of transformation projects is key to maintaining a competitive advantage, driving synergies, and future-proofing our business. As consumer expectations shift, regulatory landscapes evolve, and digital innovations accelerate, our ability to adapt, innovate, and execute transformation with precision and agility is critical to delivering long-term business success.

At HUL, transformation is more than change—it is about unlocking new possibilities, shaping the future of business, and empowering a billion aspirations.

**Capitals Impacted**

- Manufactured Capital
- Intellectual Capital
- Human Capital
- Financial Capital

**SDGs Impacted**

8 DECENT WORK AND ECONOMIC GROWTH
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE
17 PARTNERSHIPS FOR THE GOALS

**"At HUL, transformation is not just about adapting to change—it is about unlocking a billion aspirations by building a future-ready, consumer-centric, and innovation-driven business."**

To ensure the success of our transformation journey, we follow a structured, disciplined, and technology-driven approach with a focus on:

1. **Strategic Portfolio Expansion & Business Optimisation:** Continuously evaluating acquisitions, disposals, and new business models to align with our long-term growth vision and consumer aspirations.
2. **Strong Governance & Leadership Oversight:** Dedicated steering committees and leadership teams drive transformation initiatives with rigorous governance frameworks and execution excellence.
3. **Digital Transformation & Process Innovation:** Our business's digitalisation is led by a dedicated specialist team and representatives from all parts of the Company to ensure an integrated and holistic approach. This enhances efficiency and data-driven decision-making.
4. **Agile Workforce & Capability Building:** Investing in upskilling, reskilling, and leadership development to empower employees and build a workforce ready for the future.
5. **New Ways of Working & Business Model Evolution:** Exploring innovative go-to-market strategies, direct-to-consumer (D2C) models, and sustainability-driven business practices to stay ahead of industry shifts.

**Macro-Economic Volatility** | **Category of Risk: Market & Economic Risk** | **Level of Change: No Change**

Rising inflation, currency fluctuations, shifts in disposable income, and global supply chain disruptions can affect product demand and profitability.

Additionally, geopolitical instability and regulatory changes across global trade policies introduce further complexities in maintaining cost efficiencies and stable operations.

**Capitals Impacted**

- Financial Capital
- Manufactured Capital

**SDGs Impacted**

8 DECENT WORK AND ECONOMIC GROWTH

**"By embedding agility and innovation in our operations, we turn economic challenges into growth opportunities—ensuring that we continue to serve and inspire a billion aspirations."**

To navigate economic volatility and sustain long-term growth, we employ a flexible and responsive business model that allows us to:

1. **Portfolio Diversification & Adaptive Pricing Strategies:** A well-balanced product portfolio ensures that we cater to premium and value-conscious consumers, adjusting pricing strategies based on market conditions.
2. **Agility in Market Response & Consumer Insights:** Real-time data analytics and predictive modelling help us anticipate demand fluctuations and swiftly adapt marketing and product strategies.
3. **Cost Optimisation & Financial Planning:** To safeguard profitability, we continuously reassess investment priorities, optimise costs, and implement supply chain efficiencies.
4. **Strengthening Local Sourcing & Supply Chain Resilience:** By diversifying supplier networks, localising raw material procurement, and enhancing distribution networks, we mitigate risks arising from global trade disruptions.
5. **Leveraging Digital & e-commerce Growth:** The rise of digital commerce and direct-to-consumer channels helps us remain resilient against traditional retail slowdowns and expand access to our brands.

**Plastic Packaging** | **Category of Risk: Environmental & Regulatory Risk** | **Level of Change: No Change**

Plastic packaging ensures product safety and convenience, but its environmental impact and evolving regulations necessitate a strategic shift towards circular economy principles.

With increasing consumer demand for sustainable products, government regulations, and rising costs of alternative materials, the challenge lies in reducing our dependence on virgin plastic, increasing recyclability, and innovating packaging solutions that do not compromise quality and affordability while continuously striving to achieve this goal.

**Capitals Impacted**

Natural Capital

Social and Relationship Capital

**SDGs Impacted**

12 Responsible Consumption and Production

13 Climate Action

**"By investing in packaging innovation today, we are building a waste-free world for tomorrow that aligns with consumer aspirations and regulatory commitments."**

We have embedded sustainability at the core of our packaging strategy, focusing on three key pillars:

1. **Regulatory Advocacy & Industry Collaboration:** We work closely with government bodies, industry leaders, and policymakers to develop harmonised plastic waste management regulations, Extended Producer Responsibility (EPR) frameworks, and improved recycling infrastructure.
2. **Plastic Collection and Recovery Initiatives:** Through partnerships with NGOs, waste management firms, and circular economy innovators, we drive initiatives for waste collection, segregation, and safe disposal. These efforts ensure that we recover, which boosts recycling.
3. **Innovation in Sustainable Packaging:** Our R&D teams are actively working on plastics, focusing on principles that reduce plastic, eliminate plastic, and develop better plastics while exploring alternative materials to reduce dependence on virgin plastic without compromising product integrity and quality.

**Systems & Information** | **Category of Risk: Operational Risk** | **Level of Change: Increased**

As we deepen our digital engagement with consumers, suppliers, and partners, the threat landscape continues to evolve with an increasing risk of cyberattacks, data breaches, and system disruptions. Unauthorised access, misuse of sensitive data, and disruptions in IT infrastructure could impact business operations, hinder sales, disrupt supply chains, and compromise consumer trust.

Moreover, the growing reliance on third-party technology providers and cloud-based solutions introduces additional complexities in managing IT security. As we continue to unlock a billion aspirations through digital transformation, safeguarding our IT ecosystem remains a top strategic priority.

We have embedded advanced cybersecurity measures and risk monitoring into its digital infrastructure to protect systems, data, and business continuity. Our key focus areas include:

1. **Advanced Cybersecurity Infrastructure & Threat Monitoring:** We have deployed multi-layered security protocols, including firewalls, threat detection systems, and authentication mechanisms to prevent unauthorised access and mitigate cyber risks in real-time.

**Capitals Impacted**

Financial Capital

Intellectual Capital

**SDGs Impacted**

9 Industry, Innovation and Infrastructure

16 Peace, Justice and Strong Institutions

**"By fortifying our digital system with advanced cybersecurity and resilient IT architecture, we safeguard stakeholder data, ensure seamless operations, & reinforce the trust that underpins sustainable and long-term growth."**

2. **Cloud-Based Resilience & Data Protection:** Embracing a cloud-first strategy, all critical systems and data are hosted on our earmarked estate for Unilever. This setup features real-time data replication, multi-level redundancy, and disaster recovery mechanisms, ensuring business continuity with minimal downtime and data loss.
3. **Enterprise Architecture and Financial Information Safeguards:** Our enterprise architecture is developed in line with a robust technology roadmap, ensuring vendor stability and long-term scalability. Systems handling financially sensitive information are governed by differentiated access protocols and reinforced controls.
4. **Access Control & Regulatory Compliance:** We implement stringent access controls, encryption mechanisms, monitoring systems and follow CERT-in requirements to ensure compliance with evolving data privacy laws and protection of business and personal information.
5. **Employee Awareness & Cybersecurity Training:** We conduct periodic IT security trainings, phishing simulations, and awareness programmes to keep employees vigilant and prepared against cyber threats.
6. **Automation & AI Risk Management:** By integrating AI, machine learning, and robotics process automation, we are enhancing our risk detection and mitigation frameworks to identify and address vulnerabilities in automated systems.
7. **Regular BCP/DR Drills:** A structured calendar of Business Continuity Planning (BCP) and Disaster Recovery (DR) drills is in place across all systems to validate readiness and response effectiveness.

**Quality and Safety** | **Category of Risk: Operational Risk** | **Level of Change: No Change**

Ensuring product integrity, safety, and transparency is a top priority for us. The risks associated with raw material contamination, product defects, human errors, equipment malfunctions, or labelling inaccuracies can have far-reaching consequences—impacting consumer health, brand reputation, and regulatory compliance.

Any failure to maintain high safety standards could erode consumer trust, disrupt operations, and lead to potential liabilities. In an era of heightened consumer awareness, delivering safe, high-quality products is essential to unlocking a billion aspirations.

**Capitals Impacted**

Manufactured Capital

Social and Relationship Capital

**SDGs Impacted**

**"The highest standards of safety and quality are not just goals; they are our promise to consumers—ensuring trust, excellence, and wellbeing in every product we produce."**

To ensure best-in-class product safety, we have embedded stringent quality control protocols, risk management frameworks, and supplier compliance mechanisms across its value chain:

1. **End-to-End Quality Control & Risk Mitigation:** Comprehensive quality assurance measures, from product design to the retail shelf, ensure that any safety risks are identified and mitigated early.
2. **Manufacturing and Supply Chain Safety Standards:** Conducting regular inspections, sampling, and monitoring across production facilities, warehouses, and market shelves to maintain the highest safety benchmarks.
3. **Supplier Quality & Certification Protocols:** All key suppliers are externally certified, and continuous quality assessments ensure that raw materials meet our rigorous safety and regulatory standards.
4. **Transparent and Accurate Product Labelling:** Strict data compliance mechanisms, in accordance with applicable regulations and our labelling policies, ensure that on-pack ingredient labelling provides consumers with clear, accurate, and compliant information to make informed choices.
5. **Regulatory Compliance and Continuous Improvement:** We adhere to rigorous safety protocols and industry and regulatory standards. We also have ongoing audits and updates to quality frameworks to stay ahead of emerging safety risks.

**Talent** | **Category of Risk: Operational Risk** | **Level of Change: No Change**

We understand that employee wellbeing, equipping our workforce with future-ready skills, and adopting an agile and inclusive culture are essential for sustained growth. With rapid digitalisation and shifting consumer demands, the risk of talent shortages and skill gaps poses significant challenges. Attracting, developing, and retaining top talent ensures that we remain competitive, innovative, and adaptable in a dynamic global market.

Our commitment to building a purpose-driven, skilled, and diverse workforce in an interweaving ecosystem of physical and virtual workspaces and hybrid working methods remains stronger as we unlock a billion aspirations.

**Capitals Impacted**

Human Capital

Social and Relationship Capital

**SDGs Impacted**

**"Unlocking a billion aspirations begins with unlocking the full potential of our people—ensuring that every employee at HUL is equipped, engaged, and inspired to shape the future of our business."**

To enhance workforce capabilities, attract top talent, and strengthen leadership development, we focus on:

1. **Employee Safety & Wellbeing:** Ensuring the highest safety standards, mental wellbeing programmes, and hybrid work infrastructure to support employees across all operations.
2. **Upskilling and Reskilling for Future-Ready Talent:** We invest in continuous learning, leadership development, and digital skills enhancement to equip our workforce for evolving business needs.
3. **Agile & Flexible Ways of Working:** Implementing dynamic talent allocation, cross-functional mobility, and flexible work arrangements to drive speed, simplicity, and efficiency.
4. **Attracting & Retaining Top Talent:** Leveraging our strong employer brand, leadership training programmes, and structured career growth plans to engage, develop, and retain high-performing professionals.
5. **Diversity, Equity, and Inclusion (DEI):** Committed to building an inclusive and diverse workforce, fostering gender parity, equal opportunities, and leadership representation from diverse backgrounds.
6. **Targeted Development & Talent Initiatives:** Our integrated management development process involves regular performance reviews guided by standard leadership competencies. We upskill and reskill employees for future roles, adopt flexible talent strategies, and deploy targeted programmes to attract and retain top and niche talent, actively monitoring diversity in our talent pool.

**Ethics** | **Category of Risk: Governance Risk** | **Level of Change: No Change**

Ethics are the foundation of our reputation, stakeholder trust, and long-term success. As a market leader, how we function, engage with society, and contribute to sustainable growth is constantly under scrutiny. Ensuring we act with integrity, fairness, and transparency is critical to maintaining consumer trust, regulatory compliance, and corporate responsibility.

A breach of ethical conduct—within our organisation or by extended enterprises—can have far-reaching consequences, impacting our reputation, business performance, and stakeholder confidence. This highlights the importance of integrating ethical decision-making throughout our operations, encompassing all employees, suppliers, distributors, and partners. As we unlock a billion aspirations, we remain committed to responsible business practices that create positive social and environmental impacts.

**Capitals Impacted**

Human Capital

Social and Relationship Capital

**SDGs Impacted**

5 Gender Equality; 8 Decent Work and Economic Growth; 10 Reduced Inequalities; 12 Responsible Consumption and Production; 16 Peace, Justice and Strong Institutions

**"Unlocking a billion aspirations starts with doing the right thing—always. At HUL, we uphold ethical excellence in every action, every decision, and every partnership."**

To maintain ethical leadership, prevent misconduct, and ensure compliance, we have implemented a robust governance framework that focusses on:

1. **The HUL Code of Business Principles & Policies:** Governing ethical conduct for employees, suppliers, distributors, and third-party partners, ensuring alignment with legal, regulatory, and corporate responsibility standards.
2. **Proactive Compliance & Ethical Risk Monitoring:** Regular audits, whistleblower mechanisms, and compliance reporting help identify, address, and prevent breaches before they escalate. We also have detailed safety standards and monitor safety incidents at the highest level.
3. **Strong Board & Leadership Oversight:** The Management Committee and relevant Board Committees review ethical risk management, ensuring continuous improvement in policies, training, and compliance initiatives.
4. **The Responsible Partner Policy:** Strengthening ethical standards across the supply chain by enforcing human rights protection and mandatory workplace health and safety requirements for suppliers.
5. **Ethics Training & Awareness programmes:** Continuous employee education, leadership training, and third-party compliance workshops reinforce ethical decision-making across all business functions.
6. **Brands with Purpose:** Many of our brands are actively driving social equity, fairness, and sustainability initiatives, ensuring that our ethical commitments extend beyond corporate policies to tangible impact.

**Climate Change** | **Category of Risk: Environmental & Regulatory Risk** | **Level of Change: No Change**

Climate change influences everything from raw material sourcing and supply chain operations to consumer behaviour. Extreme weather events, water scarcity and shifting seasonal patterns pose direct challenges to our operations.

Additionally, we have a conscious consumption agenda across consumer segments and evolving government policies on carbon emissions. Failing to address these challenges could disrupt operations, impact profitability, weaken brand trust and be detrimental to our reputation and growth in the long term.

However, we view sustainability as a core driver of our long-term vision, embedding climate resilience and environmental stewardship throughout every facet of our operations in keeping with our commitment to unlock a billion aspirations responsibly.

**Capitals Impacted**

Manufactured Capital

Natural Capital

**SDGs Impacted**

2 Zero Hunger; 7 Affordable and Clean Energy; 11 Sustainable Cities and Communities; 13 Climate Action; 14 Life Below Water; 15 Life on Land

**"By embedding sustainability into our business model, we are not just mitigating risks—we are pioneering solutions that drive resilience, innovation, and long-term growth."**

To mitigate risks and drive long-term value creation, we have embedded climate action into its core business strategy with a focus on:

1. **Decarbonising Operations & Supply Chains:** We are committed to reducing carbon emissions across our value chain, optimising energy efficiency, and integrating renewable energy solutions in our manufacturing and logistics.
2. **Sustainable Sourcing & Circular Economy Practices:** Ensuring deforestation-friendly supply chains, responsibly sourced raw materials, and waste reduction initiatives to minimise environmental impact. We are working with farmers to help them adopt more regenerative agricultural practices that reduce environmental impact.
3. **Water Stewardship & Product Innovation:** Addressing water scarcity challenges by developing water-efficient formulations and improving sustainable water management across operations.
4. **Weather-Adaptive Portfolio & Seasonal Resilience:** We adjust our product portfolios to counter extreme seasonal swings, ensuring our offerings remain relevant across unpredictable climate patterns.
5. **Regulatory Readiness & Policy Advocacy:** We monitor governmental developments around actions to combat climate change and balance sustainability with economic growth.

## Opportunities

### Growing in Channels of the Future

As technology-enabled distribution models evolve, channels are becoming increasingly fragmented and dynamic. The accelerated rise of e-commerce, quick-Commerce, modern trade, and digital platforms presents a significant opportunity to expand reach, personalise consumer engagement, and drive sustainable business growth.

The rapid digitisation of consumer purchase behaviours also calls for robust e-RTM (route-to-market) strategies to stay ahead of market trends. Supply Chain transformation would open up a huge opportunity to tap into new-age channels and drive business growth.

**Capitals Impacted**

- Financial Capital
- Intellectual Capital
- Social and Relationship Capital

**SDGs Impacted**

8 DECENT WORK AND ECONOMIC GROWTH; 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE; 12 RESPONSIBLE CONSUMPTION AND PRODUCTION

**"By strategically embracing technology-enabled channels and innovative digital models, we are unlocking new pathways to reach consumers —accelerating growth, enhancing convenience, and shaping the future of retail in India."**

**Strategic Response**

1. **Digitally Strengthen Traditional Trade:** We continue to scale our e-B2B Shikhar platform to digitise trade and keep it relevant for the retailers by providing them with anytime demand capture and demand generation capabilities.
2. **Smart Demand Capture & Customised Route-to-Market:** Leverage real-time online and offline data to optimise distribution and inventory, customised RTM to cater to growing specialised channels. We are implementing superior fulfilment capabilities with "Samadhan" for our key metros. We are also leveraging opportunities in omnichannel, B2B2C, and e-commerce, including q-Commerce.
3. **Omnichannel & New-Age Partnerships:** Collaborating with online retailers, modern trade outlets, and next-gen commerce platforms for greater brand visibility. Aligning with last-mile delivery startups and tech partners to expand reach and improve consumer convenience.
4. **Future-Fit Supply Chain:** Transform end-to-end logistics to manage high-velocity demands, aligning warehouse networks with digital-first strategies and forming strategic alliances with technology partners.

### Future-Fit Portfolio

Our strategic investment choices, in keeping with changing consumer demographics, aspirations, and spending power, present a substantial opportunity for growth and improved margins. There is significant headroom to expand our product portfolio in high-growth spaces such as masstige, health and hygiene, digital-first brands, naturals, and therapeutics.

By positioning our brands at the sweet spot of high desirability and performance, we tap into a growing consumer appetite for premium offerings—unlocking new avenues for sustained growth, aspirational appeal, and brand equity.

**Capitals Impacted**

- Financial Capital
- Intellectual Capital
- Social and Relationship Capital

**SDGs Impacted**

8 DECENT WORK AND ECONOMIC GROWTH; 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

**"By aligning our portfolio with fast-evolving consumer needs and amplifying premium and aspirational brand propositions, we unlock opportunities for sustained growth while inspiring a billion aspirations."**

**Strategic Response**

1. **Proactive Innovation and Consumer Aspiration:** We maintain an innovation pipeline and proactively track consumer insights, enabling us to swiftly respond to short-term market shifts, foster brand aspirations, and prepare for medium-term structural changes.
2. **Investing in Superior Brand Experiences:** Enhance packaging, communication, and service touchpoints to create holistic, aspirational consumer journeys.
3. **Driving Scalable Premium Plays:** Focus on sizeable segments where premiumisation can expand market share and revenue potential.
4. **Cultivating High-Performance Brands:** We focus on brands that connect deeply with evolving consumer aspirations—driving scalable growth, elevated margins, and enduring brand equity. Our strategic plans also prioritise resources toward high-growth segments underpinned by a robust innovation pipeline and proactive consumer insight gathering.
5. **Strengthening Underpenetrated Segments:** We have substantially elevated brand propositions and amplified marketing efforts to boost adoption in under-penetrated categories.

## Digital Transformation

Rapid advances in digital technologies, data and AI are redefining how businesses operate, presenting unprecedented opportunities to deliver value across the entire value chain.

By future-proofing our operations—building robust digital capabilities in systems, workforce, and business models—we can stay agile, respond effectively to evolving consumer needs, and unlock a billion aspirations.

**Capitals Impacted**

- Financial Capital
- Intellectual Capital
- Human Capital

**SDGs Impacted**

**"By embedding digital transformation at the core of our strategy, we ensure that HUL remains resilient, consumer-centric, and prepared to seize tomorrow's opportunities today."**

**Strategic Response**

1. **Leading with Data & Analytics:** Building on the legacy of leveraging data, predictive insights, and AI-led analytics to drive sustainable growth and informed decision-making.
2. **Integrating Cloud & AI Technologies:** Modernise ERP platforms and operations with cloud computing and AI-driven solutions, enhancing agility and efficiency.
3. **Enterprise-Wide Digitisation & Partnerships:** Establishing clear digital priorities across functions while collaborating with technology firms, industry bodies, and startups to accelerate the adoption of technology.
4. **Future-Fit Workforce & Talent Enablement:** Equipping employees with digital skills through targeted upskilling and promoting a culture of innovation, experimentation, and continuous learning.
5. **Scaling Digital Commerce and New Business Models:** Enhancing consumer reach through e-commerce, B2B solutions, and direct-to-consumer strategies while engaging ecosystem partners to design innovative tech solutions for emerging consumer needs.

## ESG Focus

The impacts of climate change, ecological degradation, and social inequalities are becoming increasingly urgent, and stakeholders expect responsible business practices that contribute to long-term value creation.

We can deliver financially robust and sustainability-led growth by integrating Environmental, Social, and Governance (ESG) principles into our core strategies. This approach underlines our commitment to responsibly unlocking a billion aspirations.

**Capitals Impacted**

- Financial Capital
- Natural Capital
- Social and Relationship Capital

**SDGs Impacted**

**"At HUL, we believe that robust financial performance and responsible business practices go hand in hand—demonstrating that actual growth is sustainable, inclusive, and transformative for both people and the planet."**

**Strategic Response**

1. **Integrating ESG with Financial Goals:** Proving that robust financial performance and sustainable practices can mutually reinforce long-term value.
2. **Governance & Collaborative Advocacy:** Our cross-functional steering committees implement our ESG goals. We consistently promote advocacy for sustainability and encourage broader industry participation to drive change.
3. **Innovations in Green Solutions:** Developing low-carbon products, eco-friendly packaging, and nature-positive practices supported by clear metrics that build stakeholder trust.
4. **Fostering Social Equity:** Addressing social inequalities by implementing initiatives that promote livelihoods, inclusivity, and equal opportunities in local communities.
5. **Purpose-Led Culture & Employee Engagement:** Cultivating a workforce committed to responsible business behaviours and purpose-driven strategies, ensuring ethical operations and societal benefit.

# Financial Review

## Results

(₹ in crores)

| | For the year ended 31st March, 2025 | For the year ended 31st March, 2024 |
|---|---|---|
| Turnover | 60,680 | 59,579 |
| EBITDA | 14,289 | 14,190 |
| Profit before exceptional items and tax | 13,878 | 13,764 |
| Profit after tax | 10,644 | 10,114 |

## Segment Wise Turnover

(₹ in crores)

| | For the year ended 31st March, 2025 | | For the year ended 31st March, 2024 | |
|---|---|---|---|---|
| | Turnover | Other Operating Revenue | Turnover | Other Operating Revenue |
| Home Care | 22,808 | 164 | 21,767 | 133 |
| Beauty & Wellbeing | 12,821 | 252 | 12,554 | 199 |
| Personal Care | 9,039 | 129 | 9,310 | 102 |
| Foods | 15,098 | 196 | 15,153 | 139 |
| Others (including exports, consignment sales) | 914 | 48 | 795 | 317 |
| **Total** | **60,680** | **789** | **59,579** | **890** |

## Summarised Profit and Loss Account

(₹ in crores)

| | For the year ended 31st March, 2025 | For the year ended 31st March, 2024 |
|---|---|---|
| **Turnover** | 60,680 | 59,579 |
| Other operating revenue | 789 | 890 |
| **Total Revenue from operations** | **61,469** | **60,469** |
| Operating Costs | 47,180 | 46,279 |
| **EBITDA** | **14,289** | **14,190** |
| Depreciation and amortisation | 1,224 | 1,097 |
| **Earnings Before Interest & Tax (EBIT)** | **13,065** | **13,093** |
| Other Income (net) | 813 | 671 |
| **Profit before exceptional items** | **13,878** | **13,764** |
| Exceptional items | 422 | (89) |
| **Profit Before Tax (PBT)** | **14,300** | **13,675** |
| Taxation | 3,656 | 3,561 |
| **Profit after Tax** | **10,644** | **10,114** |
| **Basic EPS (₹)** | **45.30** | **43.05** |

## Key Financial Ratios

| Particulars | 2024-25 | 2023-24 |
|---|---|---|
| Return on Net Worth (%) | 21.2 | 20.0 |
| Return on Capital Employed (%) | 108.2 | 96.3 |
| Basic EPS (after exceptional items) (₹) | 45.30 | 43.05 |
| Debtors Turnover (no. of times) | 19.8 | 22.0 |
| Inventory Turnover (no. of times) | 15.2 | 15.2 |
| Interest coverage ratio | 100.5 | 118.3 |
| Debt Service Coverage Ratio | 20.5 | 23.6 |
| Current ratio | 1.3 | 1.6 |
| Debt Equity ratio | 0.0 | 0.0 |
| Operating profit margin (%) | 22 | 22 |
| Net profit margin (%) | 17.5 | 17.0 |

There is no significant change (i.e., change of 25% or more as compared to financial year 2023-24) in the key financial ratios.

# Explanation to Key Financial Ratios

## (i) Return on Net Worth (%)

Return on Net Worth is a measure of profitability of a Company expressed in percentage. It is calculated by dividing total comprehensive income by average shareholder's equity.

## (ii) Return on Capital Employed (%)

Return on Capital Employed indicates the ability of a Company's management to generate returns for both the debt holders and the equity holders. It measures a Company's profitability and the efficiency with which its capital is used. It is calculated by dividing profit before exceptional items, interest and tax by capital employed. Capital Employed = Tangible net worth + Total debt + Deferred tax liabilities.

## (iii) Basic EPS

Earnings Per Share (EPS) is the portion of a Company's profit allocated to each share. It serves as an indicator of a Company's profitability. It is calculated by dividing Profit for the year by weighted average number of shares outstanding during the year.

## (iv) Debtors Turnover

Debtors Turnover measures the efficiency at which the Company is managing the receivables. The ratio shows how well a Company uses and manages the credit it extends to customers and how quickly short term debt is collected or is paid. It is calculated by dividing turnover by average trade receivables.

## (v) Inventory Turnover

Inventory Turnover measures the efficiency with which a Company utilises or manages its inventory. It establishes the relationship between sales and average inventory held during the period. It is calculated by dividing turnover by average inventory.

## (vi) Interest Coverage Ratio

Interest Coverage Ratio measures how many times a Company can cover its current interest payment with its available earnings. It is calculated by dividing earnings available for debt service by interest payments.

## (vii) Debt Service Coverage Ratio

Debt Service coverage ratio is used to analyse the firm's ability to pay off current interest and instalments. It is calculated by dividing earnings available for debt service by debt service.

## (viii) Current Ratio

Current Ratio indicates a Company's overall liquidity position. It measures a Company's ability to pay short-term obligations or those due within one year. It is calculated by dividing the current assets by current liabilities.

## (ix) Debt Equity Ratio

Debt Equity ratio is used to evaluate a Company's financial leverage. It is a measure of the degree to which a Company is financing its operations through debt versus wholly owned funds. It is calculated by dividing total debt by shareholder's equity.

## (x) Operating Profit Margin (%)

Operating Profit Margin is used to calculate the percentage of profit a Company produces from its operations. It is calculated by dividing EBIT by turnover.

## (xi) Net Profit Margin (%)

The net profit margin is equal to how much net profit is generated as a percentage of revenue. It is calculated by dividing net profit by turnover.

# Economic Value Added

## What is EVA?

Traditional approaches to measuring Shareholder's Value Creation have used parameters such as earnings capitalisation, market capitalisation and present value of estimated future cash flows. Extensive equity research has established that it is not earnings per se, but VALUE that is important. A measure called 'Economic Value Added' (EVA) is increasingly being applied to understand and evaluate financial performance.

***EVA = Net Operating Profit after Taxes (NOPAT) - Cost of Capital Employed (COCE), where**

NOPAT = Profits after depreciation and taxes but before interest costs. NOPAT thus represents the total pool of profits available on an ungeared basis to provide a return to lenders and shareholders.

COCE = Weighted Average Cost of Capital (WACC) x Average Capital employed. Cost of debt is taken at the effective rate of interest applicable to an 'AAA' rated Company like HUL for a short term debt, net of taxes. We have considered a pre tax rate of 7.34%.

Cost of Equity is the return expected by the investors to compensate them for the variability in returns caused by fluctuating earnings and share prices. Cost of Equity = Risk free return equivalent to yield on long term Government Bonds + Market risk premium (x) Beta variant for the Company, where Beta is a relative measure of risk associated with the Company's shares as against the market as a whole. Thus, HUL's cost of equity = 11.30%.

## What does EVA show?

EVA is residual income after charging the Company for the cost of capital provided by lenders and Shareholders. It represents the value added to the Shareholders by generating operating profits in excess of the cost of capital employed in the business.

## When will EVA increase?

EVA will increase if:

a Operating profits can be made to grow without employing more capital, i.e. greater efficiency.

b Additional capital invested in projects that return more than the cost of obtaining new capital, i.e. profitable growth.

c Capital is curtailed in activities that do not cover the cost of capital, i.e. liquidate unproductive capital.

## EVA in practice at Hindustan Unilever Limited

In Hindustan Unilever Limited, the goal of sustainable long term value creation for our shareholders is well understood by all the business groups. Measures to evaluate business performance and to set targets take into account this concept of value creation.

(₹ in crores)

| | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | 2024-25 |
|---|---|---|---|---|---|---|---|---|---|---|
| **Cost of Capital Employed (COCE)** | | | | | | | | | | |
| 1 Average Debt | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 2 Average Equity | 5,664 | 5,831 | 6,181 | 6,668 | 7,227 | 46,890 | 47,156 | 48,486 | 49,508 | 48,983 |
| 3 Average Capital Employed: (1)+(2) | **5,664** | **5,831** | **6,181** | **6,668** | **7,227** | **46,890** | **47,156** | **48,486** | **49,508** | **48,983** |
| 4 Cost of Debt, post-tax % | 5.43 | 4.90 | 5.21 | 5.77 | 5.25 | 4.70 | 4.81 | 5.87 | 5.75 | 5.49 |
| 5 Cost of Equity % | 11.98 | 12.85 | 14.19 | 11.84 | 9.11 | 8.86 | 9.09 | 10.90 | 10.70 | 11.30 |
| 6 Weighted Average Cost of Capital % (WACC) | 11.98 | 12.85 | 14.19 | 11.84 | 9.11 | 8.86 | 9.09 | 10.90 | 10.70 | 11.30 |
| 7 COCE: (3)x(6) | **679** | **749** | **877** | **789** | **658** | **4,153** | **4,289** | **5,285** | **5,297** | **5,535** |
| **Economic Value Added (EVA)** | | | | | | | | | | |
| 8 Profit after tax, before exceptional items | 4,116 | 4,247 | 5,135 | 6,080 | 6,743 | 7,963 | 8,724 | 9,720 | 10,105 | 10,221 |
| 9 Add: Interest, after taxes | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 10 Net Operating Profits After Taxes (NOPAT) | 4,117 | 4,247 | 5,135 | 6,080 | 6,743 | 7,963 | 8,724 | 9,720 | 10,105 | 10,221 |
| 11 COCE, as per (7) above | 679 | 749 | 877 | 789 | 658 | 4,153 | 4,289 | 5,285 | 5,297 | 5,535 |
| **12 EVA: (10)-(11)** | **3,438** | **3,498** | **4,258** | **5,291** | **6,085** | **3,810** | **4,435** | **4,435** | **4,808** | **4,686** |

## Other Financial Disclosures

There were no revisions of financial statements and the Board's Report of the Company during the year under review. Further, there were no material changes and commitments affecting the financial position of the Company which occurred between the end of the financial year and the date of this Integrated Annual Report.

During the financial year, there was no amount proposed to be transferred to the Reserves.

Capital Expenditure (including Intangible Assets) during the financial year was at ₹1,149 crores (financial year 2023-24: ₹1,318 crores).

The Company manages cash and cash flow processes assiduously, involving all parts of the business. There was cash and bank balance of ₹7,293 crores as on 31st March, 2025 (financial year 2023-24: ₹7,216 crores). The Company's low debt equity ratio provides ample scope for gearing the Balance Sheet, should the need arise. Foreign Exchange transactions are fully covered with strict limits placed on the amount of uncovered exposure, if any, at any point in time. There are no materially significant uncovered exchange rate risks in the context of Company's imports and exports. The Company accounts for mark-to-market gains or losses every quarter end in line with the requirements of Ind AS 21.

During the financial year, the Company did not accept any public deposits as defined under Chapter V of the Companies Act, 2013 (the Act).

## Foreign Exchange Earnings and Outgo

The details of foreign exchange earnings and outgo as required under Section 134 of the Act and Rule 8(3) of Companies (Accounts) Rules, 2014 are mentioned below:

(₹ in crores)

| | For the year ended 31st March, 2025 | For the year ended 31st March, 2024 |
|---|---|---|
| Foreign Exchange earnings | 1,485 | 1,497 |
| Foreign Exchange outgo | 6,281 | 4,463 |

Includes all Indian subsidiaries, excludes Unilever Nepal Limited.

## Performance of Subsidiaries

As on the date of this Integrated Annual Report, the Company has 12 subsidiaries and 1 (one) joint venture company. A list of the companies that were considered in the Consolidated Financial Statements (CFS) for the year ended 31st March, 2025 is included in the notes to the CFS. The CFS, prepared in accordance with Section 129(3) of the Act, and the applicable Accounting Standards, forms part of this Integrated Annual Report. Additionally, a separate statement containing the salient features of the financial statements of all subsidiaries and joint venture, in prescribed Form AOC-1, is also included. This statement provides details of the performance and financial position of each subsidiary and the performance of the joint venture. The audited financial statements, together with related information and other reports of each of the subsidiary companies are available on the Company's website at https://www.hul.co.in/investors/annual-reports-and-performance-highlights/annual-reports/ .

The summary of performance of the Company's subsidiaries is provided as below:

### Unilever India Exports Limited

Unilever India Exports Limited (UIEL) is a wholly owned subsidiary of the Company and is engaged in business of export of Fast Moving Consumer Goods (FMCG) products. The focus of the FMCG exports operation is two-fold: to expand global presence of brands, such as Vaseline, Dove, Pears, Bru, Lakmē, Sunsilk, Horlicks and Boost and to effectively provide cross-border sourcing of FMCG products to other Unilever companies across the world.

The turnover of UIEL was driven by products in Skin Care, Lifestyle Nutrition, Hair Care and Personal Wash. Brands like Dove, Horlicks, Vaseline, Pears, Bru, Sunsilk, Glow and Lovely, Pond's, Lakmē, Lifebuoy have contributed in the focussed markets.

### Lakme Lever Private Limited

Lakme Lever Private Limited (LLPL) is a wholly owned subsidiary of the Company. LLPL is engaged in salon business and also operates a manufacturing unit at Gandhidham, Gujarat which carries out job work operations for HUL.

LLPL has 459 owned and managed & franchisee salons. The extended team comprising the housekeeping staff, experts, salon managers and business partners were trained and audited continuously to ensure complete adherence to protocols. LLPL has also dialled up expertise by enhancing training and launching its flagship Salon at Powai, Mumbai.

By ensuring safety and keeping customer satisfaction as focus, LLPL's Net Promoter Score continued to be 91%. Innovations like Vita C+ & Nature's Nurture Facials, Candy Crush Hands & Feet Ritual, Zero Amm Hair Color added excitement to Lakmē Salon's comprehensive Runway Secrets portfolio. Thematic campaigns – 'Good Hair Day', 'Skin Investment Plan' and 'Happy New You' continued helping gain new clients and sustain existing ones. Lakmē Salon continues to be the preferred option for franchisees in the beauty and wellness category attracting several professionals and entrepreneurs.

LLPL delivered topline growth of 2%. With focus on quality of operations, expert treatments and prudent cost optimisation, the salon business continued to perform well in the beauty services category. Job work business' topline declined due to reduction in Personal Care volumes procured by HUL and restructuring of the Home Care line.

### Hindustan Unilever Foundation

Hindustan Unilever Foundation (HUF) is a not-for-profit company that anchors water management related community development and sustainability initiatives of the Company. HUF operates the 'Water for Public Good' programme, with a specific focus on water conservation, building local community institutions to govern water resources and enhancing farm-based livelihoods through adoption of judicious water practices. It aims to catalyse effective solutions to India's water challenges through a partnership approach involving the Government, communities, experts and mission-based organisations. HUF partners with non-profit organisations in water stressed regions across the country to support rural communities with water conservation and regenerative agricultural practices amongst farmers. The initiative has delivered a cumulative and collective water potential of over 3.9 trillion litres through improved supply and demand water management, over 2.4 million metric tonnes of additional agricultural and biomass production, and over 118 million person-days of employment due to project interventions. Till now, HUF's programmes have reached more than 15,500 villages across India.

### Unilever Nepal Limited

Unilever Nepal Limited (UNL) is a subsidiary of the Company listed on Nepal Stock Exchange and is engaged in marketing and manufacturing products related to Beauty & Wellbeing, Personal Care and Home Care in Nepal for the past 30 years.

Despite a challenging business environment in Nepal, (impacted by national liquidity crunch led out of inefficient government spending and strict central bank guidelines for credit disbursement, slowdown in overall consumption, currency devaluation and rising migration), UNL has demonstrated resilient performance with flat growth for this year and held its profitability on par with past years performance. To boost consumer franchise, UNL has invested in advertising and promotion spends across various mediums in Nepal and has also invested in capacity expansion projects to support future growth and demand.

## Unilever India Limited

Unilever India Limited (UIL) is a wholly owned subsidiary of the Company incorporated to leverage the growth opportunities in a fast-changing business environment. UIL has a Home Care factory in Sumerpur, Uttar Pradesh.

The state-of-the-art spray dried detergent factory manufactures Home Care products for Company. It is designed to make the best use of digital 4th industrial revolution, guaranteeing world class performance in people safety, product quality, innovation lead times and environmental performance. The site's integrated design allows for an ecosystem of material suppliers, logistic operators and manufacturing partners to be located at the site for optimal supply chain integration.

This unit is firmly on its path to be Unilever's first gender balanced factory in South Asia and currently has 196+ female employees. It is an inspiring example of the path breaking work being done to increase female representation in our shop floors through Project Samavesh. The unit has also added 40 new positions during the year.

In the current financial year, UIL has ramped up its operations and has delivered robust volume led turnover growth.

## Zywie Ventures Private Limited

Zywie Ventures Private Limited (ZVPL) is a subsidiary of the Company engaged in the business of Health and Wellbeing products under the brand name of 'OZiva'. The Company acquired 53.34% stake (51.00% on a fully diluted basis) in ZVPL on 10th January, 2023. OZiva is a plant-based and clean label consumer wellness brand focussed on need spaces such as Lifestyle Protein, Hair & Beauty Supplements and Women's Health. OZiva is a digital-first brand with an omnichannel approach, available on its D2C website, digital marketplaces and a growing offline presence. ZVPL has a strong inhouse R&D team comprising Ph.D.s, Phytochemists and Biotechnologists. This investment is in line with the Company's strategy to enter fast evolving growth space of Health and Wellbeing.

In the current financial year, ZVPL witnessed growth of 149% on account of innovations and higher return on marketing spends resulting in higher revenues.

## Other Subsidiaries

Daverashola Estates Private Limited is a subsidiary of the Company which currently has no business activity. There is an ongoing litigation on the property owned by the company in Tamil Nadu. Levers Associated Trust Limited, Levindra Trust Limited and Hindlever Trust Limited, subsidiaries of the Company, act as trustees of the employee benefits trusts of your Company.

During the year, the Company also incorporated a wholly owned subsidiary under the name of Kwality Wall's (India) Limited (KWIL) for the purpose of proposed demerger of the Ice Cream business. The Company has received a certificate from the Statutory Auditors confirming compliance with FEMA Regulations for the downstream investment in KWIL.

At its meeting on 22nd January, 2025, the Board approved the acquisition of 90.5% stake in Uprising Science Private Limited (Minimalist), and an eventual acquisition of the remaining 9.5% stake in the company. For further details of the acquisition, please refer to page 127 of this Integrated Annual Report. This has no impact on the results for year and as at 31st March, 2025.

# C. Other Statutory Information

## Audit Committee & Auditors

### Audit Committee

The Board has constituted an Audit Committee that performs the roles and functions mandated under the Act, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), and other matters as prescribed by the Board from time to time. During the year under review, the Board has accepted the recommendations of the Audit Committee on various matters, with no instances where such recommendations have not been accepted.

For further details on the composition of the Audit Committee, its terms of reference and attendance at its meetings, please refer to the Corporate Governance Report at pages 234 and 235.

### Statutory Auditors

In terms of provisions of Section 139 of the Act, M/s. Walker Chandiok & Co LLP, Chartered Accountants (Firm Registration No. 001076N/N500013), were appointed as Statutory Auditors of the Company, for a term of 5 (five) consecutive years from the conclusion of 91st Annual General Meeting (AGM) till the conclusion of the 96th AGM.

M/s. Walker Chandiok & Co. LLP have confirmed that they are not disqualified from continuing as Statutory Auditors of the Company and satisfy the prescribed eligibility criteria.

The Report given by the Statutory Auditors on the financial statements of the Company is part of this Integrated Annual Report. The said Report was issued by the Statutory Auditors with an unmodified opinion and does not contain any qualification, reservation, adverse remark or disclaimer. During the year under review, the Auditors have not reported any instances of fraud under Section 143(12) of the Act and therefore disclosure of details under Section 134(3)(ca) of the Act is not applicable.

### Secretarial Auditors

In line with the best governance practices codified under the HUL Corporate Governance Code, the Secretarial Auditors were required to be rotated every 10 (ten) years even prior to the recent amendment to the Listing Regulations. Accordingly, in terms of provisions of Section 204 of the Act, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the the Board of Directors (the Board), at its meeting held on 19th January, 2024, had appointed M/s. Parikh & Associates, Company Secretaries (ICSI Unique Code: P1988MH009800) to conduct the Secretarial Audit for the financial year 2024-25, as M/s. S. N. Ananthasubramanian & Co. (ICSI Unique Code: P1991MH040400), the erstwhile Secretarial Auditors of the Company, had completed their two consecutive terms of 5 (five) years each.

Since the Secretarial Auditors were already rotated prior to the amendment to the Listing Regulations, the Board, at its meeting held on 24th April, 2025, based on the recommendation of the Audit Committee, has considered, approved, and recommended to the Members of the Company the appointment of M/s. Parikh & Associates as Secretarial Auditors of the Company. The proposed appointment is for a term of 5 (five) consecutive years from the financial year 2025-26 to the financial year 2029-30, on payment of such remuneration as may be mutually agreed upon between the Board and the Secretarial Auditors from time to time.

M/s. Parikh & Associates have confirmed they are not disqualified from being appointed as the Secretarial Auditors of the Company and satisfy the prescribed eligibility criteria.

The Secretarial Audit Report and Secretarial Compliance Report for the financial year 2024-25, does not contain any qualification, reservation, or adverse remark. During the year under review, the Secretarial Auditors have not reported any instances of fraud under Section 143(12) of the Act and therefore disclosure of details under Section 134(3)(ca) of the Act is not applicable.

For further details on the proposed appointment of Secretarial Auditors, please refer to the Notice of the 92nd AGM at pages 454 and 455.

### Cost Records and Cost Audit

In terms of provisions of Section 148 of the Act read with the Companies (Accounts) Rules, 2014, Cost Audit is applicable for following businesses such as coffee, drugs and pharmaceuticals, insecticides, milk powder, organic chemicals, other machinery, petroleum products and tea. The accounts and records for the above applicable businesses are made and maintained by the Company as specified by the Central Government under Section 148 (1) of the Act.

The Board, based on the recommendation of the Audit Committee, has appointed M/s. R Nanabhoy & Co., Cost Accountants (Firm Registration No. 000010) as Cost Auditors for the financial year 2025-26. M/s. R Nanabhoy & Co., being eligible, have consented to act as the Cost Auditors of the Company for the financial year 2025-26.

The remuneration of ₹16.20 lakhs (Rupees Sixteen Lakhs and Twenty Thousand only) 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.

M/s. R Nanabhoy & Co have confirmed that they are not disqualified from being appointed as the Cost Auditors of the Company and satisfy the prescribed eligibility criteria.

The Cost Audit Report issued during the financial year 2024-25, does not contain any qualification, reservation, or adverse remark. During the year under review, the Cost Auditors have not reported any instances of fraud under Section 143(12) of the Act and therefore disclosure of details under Section 134(3)(ca) of the Act is not applicable.

For further details on the proposed ratification of remuneration payable to the Cost Auditors, please refer to the Notice of the 92nd AGM at page 456.

## Related Party Transactions

The Company has a robust process for approval of Related Party Transactions (RPT) and dealing with the Related Parties. In line with the requirements of the Act and the Listing Regulations, the Company has formulated a Policy on Materiality of Related Party Transaction & Dealing with Related Party Transactions (RPT Policy) which is also available on the Company's website at https://www.hul.co.in/investors/corporate-governance/policies/. The RPT Policy intends to ensure that proper reporting, approval and disclosure processes are in place for all transactions between the Company and its related parties. During the year, the Board approved amendment to the RPT Policy at its meeting on 22nd January, 2025, based on the Audit Committee's recommendation. These changes were made to incorporate the amendments to the Listing Regulations.

All Related Party Transactions (RPT) and subsequent material modifications are placed before the Audit Committee for its review and approval. Prior omnibus approval is obtained for RPT which are of repetitive nature and / or entered in the ordinary course of business and are at arm's length. All RPT are subjected to independent review by a reputed accounting firm to establish compliance with the requirements under the Act, and Listing Regulations.

All RPT entered during the year were in ordinary course of the business and at arm's length basis. At the 91st AGM, the Shareholders had approved entering into and/or continuing with Material Related Party Transactions/ contracts/arrangements/ agreements with PT. Unilever Oleochemical Indonesia (UOI), a Related Party within the meaning of Section 2(76) of the Act, and Regulation 2(1)(zb) of the Listing Regulations for purchase of raw material/semifinished goods, for a period of 3 (three) years commencing from financial year 2024-25 to financial year 2026-27, individually and/ or in the aggregate up to an amount not exceeding ₹3,000 crores in a financial year. For details of such transactions entered into with UOI, in prescribed Form AOC-2, please refer page 133.

## Internal Financial Controls

The Company has a comprehensive Internal Audit and Enterprise Risk Assessment and mitigation system, supported by an independent Internal Audit Department and outsourced audit teams. The Audit Committee annually approves the Internal Audit plan, which focusses on reviewing internal controls and risks across factories, sales offices, warehouses, and centrally controlled businesses and functions. Each quarter, the Audit Committee receives summaries of significant audit observations and follow-up remediation actions. Business Risk Assessment procedures enable self-assessment of business risks, operating controls, and compliance with Corporate Policies, with an ongoing process to track risk evolution and mitigation actions.

The Company has established an internal financial control framework in accordance with the Committee of Sponsoring Organisations (COSO) framework, which is suitable for the size and operations of the business and complies with the requirements of the Act. This framework is based on the 'three lines of defense model'. The Company has implemented Standard Operating Procedures and Policies to guide business operations. Unit heads are responsible for ensuring compliance with these policies and procedures as laid down by the Management. Robust and continuous internal monitoring mechanisms are in place to ensure timely identification of risks and issues. The Management, along with Statutory and Internal Auditors, conducts rigorous testing of the Company's control environment.

Assurance on compliance with the Code of Business Principles (Code) and our Code Policies is obtained annually from the Management via a formal Code declaration. Specialist awareness and training programmes are run throughout the year, varying based on business priorities. An integrated assurance map is maintained across the principal risks to confirm mitigation through the three lines of defense. The Internal Audit function plays a vital role in providing both Management and the Board with an objective and independent review of the effectiveness of risk management and internal control systems throughout the Company.

The use of data and analytics continues to enhance the efficiency and coverage of the internal audit team's work. In 2024, the Internal Audit team laid the pathway for a system-based anomaly detection tool that functions around the Company's Enterprise Resource Planning tool and critical data sources. Further, fraud risk assessments on a pilot basis to detect control misalignments in key functions were carried out by the Internal Audit function. The Audit Committee reviews quarterly and year-end summary reports, including the results of audit activities and the status of agreed actions.

The Board, based on the recommendation of the Audit Committee, at its meeting held on 23rd July, 2024 appointed Mr. Prem Kumar as Internal Auditor of the Company with effect from 24th July, 2024, succeeding Ms. Surabhi Mehrotra.

## Corporate Social Responsibility Policy and Initiatives

A belief that sustainable business drives superior performance lies at the heart of HUL. We seek to deliver long-term sustainable growth while driving change for People and the Planet. The Company strives to create a fairer and more inclusive world, where everyone lives with, rather than at the expense of, nature and the environment.

Our approach to Corporate Social Responsibility (CSR) goes beyond philanthropy. It encompasses comprehensive community development, institution-building, and sustainability initiatives. We focus on water conservation, health and hygiene, waste management, regenerative agriculture, skill development, education, social advancement, gender equality, women empowerment, and rural development. Through these efforts, we aim to foster holistic community development and drive meaningful change.

The CSR Policy of the Company, as approved by the Board, is available on the Company's website at https://www.hul.co.in/investors/corporate-governance/policies/.

For details on our CSR Initiatives please refer to our Annual Report on Corporate Social Responsibility at page 136.

## Material Developments in Human Resource Front

The Company recognises that fostering a culture prioritising wellbeing and empowering employees to learn and develop is crucial for long-term success. This year, we invested over 1,00,000 hours in learning and development sessions. Our well-defined policies promote a positive work environment, enabling employees to perform at their highest potential and consistently deliver results. We continue to lead in inclusion through pioneering programmes and policies. As a result, the Company has retained its position as the #1 Employer of Choice across sectors in top business schools and the preferred employer for women.

For further details on the material developments in Human Resource front, please refer to the Stakeholder Engagement and Review section at page 90.

## Employee Stock Option Plan (ESOP)

The employees of the Company are eligible for Unilever share award plans, namely Annual Share Plan (ASP), Performance Share Plan (PSP) and the SHARES plan.

Junior and middle management talent are covered by the ASP. For 2025, grants under ASP are made based on the Personal Differentiation Factor awarded for the impact, leadership and future fitness of an individual with a range of 0% – 200%. These shares vest after a 3 (three) year period with no business performance conditions being applied at the time of vesting. The target ASP share award is equivalent to 50% of the target bonus for junior management and 100% of the target bonus for middle management.

Senior management talent is covered under the PSP scheme. For 2025, grants under PSP are made based on the Personal Differentiation Factor awarded for the impact, leadership and future fitness of an individual with a range of 0% – 200%. These shares vest after a 3 (three) year period with vesting being determined by Company's performance against metrics. The performance measures for PSP at the time of vest of grants are Underlying Sale Growth, Relative Total Shareholder Return, Underlying Return on Invested Capital and Sustainability Progress Index. The awards under PSP scheme will vest after 3 (three) years between 0% and 200% of grant level, depending on the achievement against the performance metrics. The Target PSP share award is equivalent to 100% of the Target Bonus.

In 2024, based on the approval of the Shareholders vide resolution dated 5th March, 2024, the Company introduced the Hindustan Unilever Limited Performance Share Plan Scheme 2024 (HUL PSP Scheme 2024 / the Scheme). The Scheme aims to attract and retain talented employees, motivate them with incentives and rewards, achieve sustained growth and shareholder value by aligning employee interests with long-term wealth creation, and foster a sense of ownership and participation among employees. Pursuant to the HUL PSP Scheme 2024, eligible employees would receive 38% of their ASP / PSP Award denominated in HUL Shares. All grants under the Scheme are considered and approved by the Nomination and Remuneration Committee of the Company. The balance 62% of their ASP / PSP Award would continue to be denominated in Unilever PLC shares. Other terms and conditions on determination of value of grants for the award and vesting conditions continue to remain the same as under the Unilever ASP / PSP Scheme. All other employees under the Unilever ASP/PSP plan are eligible for 100% Unilever PLC shares.

The HUL PSP Scheme 2024, instituted by the Company, in compliance with SEBI (Share Based Employee Benefits) Regulations, 2014 (SBEB Regulations). Disclosures in compliance with SBEB Regulations, are uploaded on the website of the Company at https://www.hul.co.in/investors/annual-reports-and-performance-highlights/annual-reports/. The certificate from the Secretarial Auditor on the implementation of the 2021 Plan in accordance with Regulation 13 of the SBEB Regulations, has been uploaded on the Company's website at https://www.hul.co.in/investors/annual-reports-and-performance-highlights/annual-reports/. Furthermore, the Company has adhered to the applicable accounting standards in this regard.

Further, under the SHARES Plan, eligible employees can invest in the shares of Unilever PLC up to a specified amount and after 3 (three) years, one share is granted to the employees for every 3 (three) shares invested, subject to the fulfilment of conditions of the plan. Unilever PLC charges the Company for the grant of shares to the Company's employees based on the market value of the shares on the exercise date.

During the year under review, the Company did not provide any loans to its employees for the purchase of Company shares.

## Particulars of Employees and Related Disclosures

Disclosures with respect to the remuneration of Directors and employees as required under Section 197(12) of the Act and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (Rules) have been appended as an Annexure to this Integrated Annual Report.

The statement containing particulars of employee remuneration as required under provisions of Section 197(12) of the Act and Rule 5(2) and 5(3) of the Rules, forms part of this Report. In terms of Section 136(1) of the Act, the Annual Report is being sent to the Shareholders, excluding the aforesaid statement. The statement is open for inspection upon request by the Shareholders, and any Shareholder desirous of obtaining the same may write to the Company at levercare.shareholder@unilever.com.

## Dividend

In accordance with the requirements of Regulation 43A of the Listing Regulations, the Board has adopted Dividend Distribution Policy (DDP). The DDP ensures that excess cash from operations, beyond immediate and foreseeable needs, is returned to shareholders over the long term. The DDP is available on the website of the Company at https://www.hul.co.in/investors/corporate-governance/policies/.

Based on the principles set forth in the DDP, the Directors are pleased to recommend a Final Dividend of ₹24/- per equity share of face value of ₹1/- each for the year ended 31st March, 2025. Additionally, during the year, an Interim Dividend of ₹29/- per equity share (inclusive of a Special Dividend of ₹10/- per equity share) was paid on Thursday, 21st November, 2024.

The Final Dividend, subject to the approval of Members at the AGM on Monday, 30th June, 2025, will be paid on or after Friday, 4th July, 2025, to the Members whose names appear in the Register of Members, as on 23rd June, 2025, being the cut-off date, i.e. one day prior to the commencement of the Book Closure dates, i.e. Tuesday, 24th June, 2025 to Monday, 30th June, 2025 (both days inclusive). The total dividend for the financial year, including the proposed Final Dividend, amounts to ₹53/- per equity share, leading to a total dividend payout of ₹12,453 crores for the year.

In view of the changes made under the Income Tax Act, 1961, by the Finance Act, 2020, dividends paid or distributed by the Company shall be taxable in the hands of the Shareholders. The Company shall, accordingly, make the payment of the Final Dividend after deduction of tax at source (TDS).

For further details related to TDS on dividend, please refer to the Notes to Notice of the 92nd AGM at pages 452 and 453.

## Unpaid / Unclaimed Dividend

In terms of the provisions of Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016 / Investor Education and Protection Fund (Awareness and Protection of Investors) Rules, 2001, ₹21.09 crores of unpaid / unclaimed dividends were transferred during the year to the Investor Education and Protection Fund (IEPF).

For details of unclaimed dividends and equity shares liable to be transferred to the IEPF, please refer the Corporate Governance Report at page 260.

## Demerger, Acquisitions & Divestment

### Divestment of Water Purification Business

At its meeting on 15th July, 2024, the Board approved the divestment of the Company's Water Purification business carried under the brand 'Pureit' to A.O. Smith India Water Products Private Limited, a leading global water technology company, based on the Audit Committee's recommendation. The transaction involved sale of the Water Purification business including the trademarks, copyrights and other intellectual properties and identified assets and contracts associated with the business, as a going concern on slump sale basis. The divestment aligns with the Company's strategic intent to focus sharply on its core categories and was completed on 1st November, 2024.

### Demerger of Ice Cream Business

Following the announcement by the parent entity, Unilever PLC, of its intention to separate its Ice Cream Business globally, the Board of the Company undertook a comprehensive review of the Ice Cream Business in India.

- Towards this end, on 6th September, 2024, the Board constituted an Independent Committee (IDC) of the Company.
- At its meeting held on 23rd October, 2024, the Board, after an in depth analysis of the options available and based on the recommendation of the IDC, decided to separate the Ice Cream business, in view of its different operating model, including differentiated infrastructure for supply and distribution, capital allocation needs, distinct channel landscape and go-to-market strategy.
- Following a detailed evaluation of the different modes of separation and with a view to maximise value for all the shareholders, the Board, at its meeting held on 25th November, 2024, accorded its in-principle approval to demerge the Ice Cream business. For the purpose of the proposed demerger, the Board also approved incorporation of a wholly owned subsidiary of the Company.
- Accordingly, on 10th January, 2025, a wholly owned subsidiary under the name of Kwality Wall's (India) Limited ('KWIL') was incorporated.
- At its meeting held on 22nd January, 2025, based on the recommendation of IDC and the Audit Committee, the Board accorded its approval to the Scheme of Arrangement amongst the Company and KWIL and their respective shareholders under Sections 230 to 232 read with other applicable provisions of the Act (Scheme).

To ensure utmost transparency and information symmetry, necessary intimations on any Board decision in the matter were submitted to the exchanges periodically.

#### Salient features of the Scheme

- The said Scheme involves the demerger of the Ice Cream Business Undertaking (as defined in the Scheme) of the Company into KWIL on a going concern basis.
- Based on the Share Entitlement Ratio Report and the Fairness Opinion issued thereon, the Scheme involves issuance of equity shares by KWIL to all the shareholders of the Company in accordance with the Share Entitlement Ratio of 1:1 i.e. for every 1 (one) equity share of face value of Re.1/- fully paid up held in the Company, 1 (one) equity share of face value of Re. 1/- credited as fully paid up in the KWIL.

The Board of the Company firmly believes that the Demerger would be in the best interest of the Company and KWIL, and their respective shareholders, creditors, employees and other stakeholders on account of the following reasons:

- it will result in the separation of the Ice Cream Business Undertaking from the Remaining Business (as defined in the Scheme), which will enable the companies to sharpen focus on their respective businesses and strategies in pursuit of their respective growth and value creation models;
- the Ice Cream Business Undertaking operates in an attractive high-growth category and has built iconic brands such as 'Kwality Wall's', 'Cornetto' and 'Magnum' and the Demerger would create a leading listed ice cream company in India, which will have a focussed management with greater flexibility to deploy strategies suited to its distinctive operating model and market dynamics, to realise its full potential;
- KWIL will have ability to benefit from the portfolio, brand and innovation resources and technical expertise from the largest global ice cream business enabling it to keep winning in the market space;
- it will enable the Company to drive sharper focus in the business as it further accelerates its play in high-growth demand spaces, strengthening its future fit portfolio;
- it would unlock value for all shareholders of the Company and give them the flexibility to stay invested in the growth journey of the Ice Cream Business Undertaking; and
- it will facilitate a smoother transition for the Ice Cream Business Undertaking and its people.

The Scheme is subject to the receipt of approval of shareholders and creditors, approvals from the jurisdictional Hon'ble National Company Law Tribunal, the Securities and Exchange Board of India, BSE Limited and the National Stock Exchange of India Limited (BSE and NSE are collectively referred to as the 'Exchanges') and such other approvals, permissions, and sanctions of regulatory and other authorities as may be necessary.

As on the date of this Integrated Annual Report, in accordance with the requirements of Regulation 37 of the Listing Regulations, the Scheme has been filed with the Exchanges for obtaining the required No-Objection letter.

### Acquisition of Stake in Uprising Science Private Limited

At its meeting on 22nd January, 2025, the Board, based on the Audit Committee's recommendation, approved the acquisition of 90.5% stake in Uprising Science Private Limited (Minimalist), and an eventual acquisition of the remaining 9.5% stake in the company. This move is another step in the transformation journey of Company's Beauty & Wellbeing portfolio towards evolving and higher growth demand spaces.

Founded in 2020, Minimalist is one of the fastest growing digital-first brands that sits at the intersection of beauty and actives-led science. The brand is committed to delivering highly effective skincare and haircare solutions to its consumers, driven by its mission to #HideNothing. The business has scaled rapidly to cross an annual turnover of ₹500 crores in financial year 2024-25, within a short span of 4 (four) years. Minimalist will join the strong portfolio of brands in the Beauty & Wellbeing division of the Company.

The Competition Commission of India, vide its Order dated 17th March, 2025, has approved the proposed acquisition. On 21st April, 2025, the Company completed the acquisition of 90.5% stake in Minimalist.

## Acquisition of Palm Undertaking

At its meeting on 22nd January, 2025, the Board, approved the acquisition of palm undertaking of Vishwatej Oil Industries Private Limited, as a part of Company's palm localisation strategy. The palm undertaking is based in the Kamareddy district of Telangana.

Palm and its derivatives are a key feedstock to manufacture a variety of Company's Personal Care, Beauty and Home Care products and are largely imported from Indonesia and Malaysia. The Company's palm localisation strategy aims to build supply chain resilience for palm derivatives through backward integration. With the acquisition of palm undertaking, the Company has taken a big step forward to build infrastructure for palm under the aegis of India's 'National Mission on Edible Oils'. The acquisition is also in alignment with the Company's firm belief of 'What is good for India, is good for HUL'.

## Investment in Lucro Plastecycle Private Limited

At its meeting held on 20th March, 2025, the Board approved the acquisition of 14.3%* stake in Lucro Plastecycle Private Limited (Lucro), a leading player in recycled flexible plastics. Lucro is a well-integrated waste management, recycling and product manufacturing company, working to create a circular plastics economy for a better tomorrow.

On 23rd April, 2025, the Company completed the acquisition of 14.3%* stake in Lucro. The Company's investment is a step towards its sustainability goals to scale up the use of recycled flexibles content in packaging. The investment aims to strengthen plastic circularity by increasing the availability of recycled content for flexibles, providing a roadmap for businesses to move towards sustainable plastic packaging and address the challenge of hard-to-recycle flexible plastic.

## Particulars of Loan, Guarantee or Investments

Details of loans, guarantee or investments made by the Company under Section 186 of the Act, during financial year 2024-25 are appended as an Annexure to this Integrated Annual Report.

* On a fully diluted basis.

## Governance, Compliance and Business Integrity

The Legal function of the Company remains a crucial business partner, offering solutions to safeguard the Company and help it thrive in a complex and unpredictable environment. By emphasising 'Value with Values,' the function provides strategic business support in areas such as product claims, mergers and acquisitions, legislative changes, combating unfair competition, business integrity, and governance. Utilising advanced technology and promoting a proactive risk management culture, the function plays a vital role in advancing the Company's growth agenda and facilitating digital transformation.

As markets are continually disrupted by new technologies and shifting consumer preferences, the function ensures that the Company's data security and privacy frameworks are robust, adaptable, and in line with global best practices. The Company believes that the issue of counterfeits can be effectively tackled by combining enforcement actions with consumer awareness initiatives. We have engaged with various stakeholders, including e-commerce partners, industry bodies, and consumers, to combat counterfeiting across channels and markets, including imports into the country. Additionally, the Legal function collaborates with leading industry associations, national and regional regulators, and key opinion leaders to foster a progressive regulatory environment that benefits all stakeholders, positioning the Company to navigate regulatory complexities while driving innovation.

## Corporate Governance

Conducting our business with integrity and highest level of governance has been core to our corporate behaviour. Our Corporate Governance framework has evolved over the years underpinned by our core values of Integrity, Responsibility, Respect, and Pioneering. A separate report on Corporate Governance is provided together with a Certificate from the Statutory Auditors of the Company regarding compliance of conditions of Corporate Governance as stipulated under Listing Regulations. A Certificate from the CEO and CFO of the Company in terms of Listing Regulations, *inter-alia*, confirming the correctness of the financial statements and cash flow statements, adequacy of the internal control measures and reporting of matters to the Audit Committee, is also annexed.

## Compliance

The Company leverages a robust compliance management tool which is designed to streamline and manage compliance tracking and reporting across all functions. The tool has been systematically rolled out to record and track compliance across factories, depots, and offices of the Company. Customised compliance checklists are developed for each operating unit based on discussions with the respective teams, and a centralised compliance repository is available for user reference. Compliance based tasks are mapped to respective users, who in turn ensure to complete the same within stipulated timelines and update the necessary systems to facilitate monitoring. Any changes in the regulatory landscape are suitably built into the system from time to time. This has fostered a system driven, steady compliance culture in the Company over time. In accordance with best governance practices, the Compliance Officer provides quarterly reports to the Audit Committee and the Board regarding the status of compliance with applicable laws.

## Business Integrity

Our principles and values are upheld by all employees through our Code of Business Principles (Code) and Code Policies. Employees are required to complete mandatory annual training on these policies via online learning modules and sign an annual Business Integrity Pledge. Our Business Integrity Governance Framework includes clear processes for addressing Code breaches.

During the year under review, 92 incidents were reported across all areas of our Code and Code Policies, with 50 confirmed breaches. As a result, we terminated the employment of 37 employees and issued 30 warning letters. The Code and Code Policies reflect our commitment to combating corruption in all its forms, and we maintain a zero-tolerance approach to such practices.

The Code is periodically updated to reflect current business practices at the Company. The Code Policies are also reviewed to ensure alignment with changes in both the internal and external environment. Our Responsible Partner Policy helps to give us visibility of our third parties to ensure their business principles are consistent with our own.

## Prevention of Sexual Harassment at Workplace

As per the requirement of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 (POSH Act) and Rules made thereunder, the Company has constituted Internal Committees (IC). Our POSH Policy is inclusive and gender neutral, detailing the governance mechanisms for prevention of sexual harassment issues relating to employees across genders including the ones who identify themselves with LGBTQI+ community.

During the year, 7 (seven) complaints with allegations of sexual harassment were received by the Company, all of which were investigated and resolved as per the provisions of the POSH Act. To build awareness in this area, the Company has been conducting induction/ refresher programmes on a continuous basis. The Company organised offline training sessions on the topics of Gender Sensitisation and Code Policies including POSH for all office and factory-based employees.

## Annual Return

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, the Annual Return of the Company in Form MGT-7 for financial year 2024-25, is available on the Company's website at https://www.hul.co.in/investors/annual-reports-and-performance-highlights/.

# Board of Directors and Key Managerial Personnel

The Board is unwavering in its commitment to the highest principles of Corporate Governance within the Company. It consistently sets standards that not only adhere to applicable legislation but also surpass expectations across various facets of our operations. The Board holds ultimate responsibility for the development of strategy, material acquisitions and divestments, capital expenditure, capital structure, financing matters, policy oversight, internal controls, and the promotion of ethical behaviour.

As on the date of this Integrated Annual Report, the Board comprises a diverse mix of Executive and Non-Executive Directors with majority of Independent Directors.

## Change in Directorate

- At the 91st AGM of the Company held on 21st June, 2024, the Shareholders approved the appointment of Mr. Biddappa Bittianda Ponnappa (DIN: 06586886) as a Whole-time Director of the Company for a term of 5 (five) consecutive years with effect from 1st June, 2024.
- During the year, Dr. Sanjiv Misra (DIN: 03075797), Mr. O.P. Bhatt (DIN: 00548091) and Ms. Kalpana Morparia (DIN: 00046081) completed their second consecutive term as Independent Directors of the Company and consequently ceased to be Directors of the Company effective close of business hours on 29th June, 2024 and 8th October, 2024, respectively.
- Further, during the year, Mr. Dev Bajpai (DIN: 00050516), (former) Executive Director, Legal, Corporate Affairs & Company Secretary demitted his office pursuant to early retirement from the services of the Company effective close of business hours on 31st December, 2024.
- Mr. Leo Puri (DIN: 01764813) resigned as the Independent Director of the Company, due to an increase in his board commitments including his proposed appointment on the board of a global entity and the over boarding criteria for Independent Directors as prescribed under the European Corporate Governance requirements. The resignation will take effect from close of business hours on 30th June, 2025.

The Board expresses its heartfelt appreciation for the leadership, guidance, and invaluable contributions made by the Directors during their respective tenures. Their unwavering commitment to exemplary governance and their pivotal role in steering the Company towards sustained growth and success have been commendable. The Directors' efforts in upholding the Company's values and ensuring compliance with corporate policies have been instrumental in achieving strategic objectives and have played a significant role in the Company's transformation journey.

## Retirement by rotation and subsequent re-appointment

In accordance with the provisions of Section 152 of the Act read with the Rules made thereunder and the Articles of Association of the Company, Mr. Nitin Paranjpe (DIN: 00045204), Mr. Ritesh Tiwari (DIN: 05349994) and Mr. Biddappa Bittianda Ponnappa (DIN: 06586886), are liable to retire by rotation at the ensuing AGM and being eligible have offered their candidature for re-appointment.

Brief resume, nature of expertise, disclosure of relationship between Directors inter-se, details of directorships and committee membership held in other companies of the Directors proposed to be appointed/re-appointed, along with their shareholding in the Company, as stipulated under Secretarial Standard 2 and Regulation 36 of the Listing Regulations, is appended as an Annexure to the Notice of the 92nd AGM.

## Key Managerial Personnel

Mr. Rohit Jawa (DIN: 10063590), Managing Director & Chief Executive Officer, Mr. Ritesh Tiwari (DIN: 05349994), Chief Financial Officer and Ms. Radhika Shah (Membership No. A19308), Company Secretary & Compliance Officer are the Key Managerial Personnel of the Company as on 31st March, 2025. During the year, Ms. Radhika Shah succeeded Mr. Dev Bajpai as the Company Secretary and Compliance Officer with effect from 1st January, 2025.

## Management Committee

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

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

- the appointment of Mr. Vipul Mathur as the Executive Director, Personal Care, in succession to Mr. Madhusudhan Rao, with effect from 1st June, 2024.
- the appointment Mr. Arun Neelakantan as the Executive Director, Customer Development in succession to Mr. Kedar Lele with effect from 1st July, 2024.
- the appointment of Mr. Vivek Mittal as the Executive Director, Legal & Corporate Affairs in succession to Mr. Dev Bajpai.
- the appointment of Mr. Rajneet Kohli as the Executive Director, Foods in succession to Mr. Shiva Krishnamurthy with effect from 7th April, 2025.

## Declaration from Independent Directors

The Company has, *inter-alia*, received the following declarations from all the Independent Directors confirming that:

- they meet the criteria of independence as prescribed under the provisions of the Act, read with the Rules made thereunder, and the Listing Regulations. There has been no change in the circumstances affecting their status as Independent Directors of the Company;
- they have complied with the Code for Independent Directors prescribed under Schedule IV to the Act; and
- they have registered themselves with the Independent Director's Database maintained by the Indian Institute of Corporate Affairs.

The Independent Directors have also confirmed that they are not aware of any circumstance or situation that exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence.

The Board has taken on record the declarations and confirmations submitted by the Independent Directors after undertaking due assessment of the veracity of the same. In the opinion of the Board, all Independent Directors possess requisite qualifications, experience, expertise and hold high standards of integrity required to discharge their duties with an objective independent judgment and without any external influence.

List of key skills, expertise and core competencies of the Board, including the Independent Directors, forms a part of the Corporate Governance Report of this Integrated Annual Report.

## Meetings of the Board, Board Evaluation, Training and Familiarisation Programme & Vigil Mechanism

During the year, 10 meetings of the Board were held.

The details of, meetings held and Director's attendance, training and familiarisation programme and Annual Board Evaluation process for Directors, policy on Director's appointment and remuneration including criteria for determining qualifications, positive attributes, independence of Director, and also remuneration for key managerial personnel and other employees, composition of Audit Committee, establishment of Vigil Mechanism for Directors and employees, Policy on Director's Remuneration, form a part of the Corporate Governance Report of this Integrated Annual Report.

## Technology Absorption

Details of technology absorption as prescribed under Section 134(3)(m) of the Act, read with the Companies (Accounts) Rules, 2014, have been appended as an Annexure to this Integrated Annual Report.

## Conservation of Energy

For details on the steps taken by the Company on conservation of energy, water and reduction of waste, please refer to the Business Responsibility and Sustainability Report, which forms part of this Integrated Annual Report.

## Compliance with Secretarial Standards

The Company has generally complied with all the applicable provisions of Secretarial Standard on Meetings of Board of Directors (SS-1) and Secretarial Standard on General Meetings (SS-2), respectively issued by Institute of Company Secretaries of India.

## Stakeholder Engagement

Our multi-stakeholder model aims to respect the interests of and be responsive towards all stakeholders. Stakeholder engagement and partnership are essential to grow your Company's business and to reach the ambitious targets set out in the Compass sustainability commitments. The Code, which is the statement of values and represents the standard of conduct for everyone associated with the Company, and the Code Policies guide how we interact with our partners, suppliers, customers, employees, shareholders, Government, Non-Governmental Organisations (NGOs), trade associations and industry bodies. Through the underlying standards set in Code and Code policies, the Company is committed to transparency, honesty, integrity and openness in all its engagements with the various stakeholders.

## Outlook

In financial year 2024-25, we delivered a competitive and profitable performance, marked by a step up in our portfolio transformation with increased innovation in high-growth spaces, amplified investments in channels of the future, acquisition of Minimalist, divestment of Pureit, and the decision to demerge Ice Cream business. Looking ahead, we expect demand conditions to improve gradually over the next fiscal year. Macro conditions will benefit from monetary stimulus, lower food and crude inflation and higher agricultural output. In this context, our focus remains on driving competitive volume led growth across our business. In this backdrop, we will step up investments behind our multi-year market making platforms, channels of the future and strategic capabilities to successfully land our portfolio transformation. We maintain a strong conviction in the significant mid to long-term potential of the Indian FMCG sector, fueled by increasing affluence across the population, currently low per capita FMCG consumption indicating substantial headroom for growth, and a rapidly developing digital infrastructure that enhances market access and consumer engagement. We are confident that our commitment to the strategic objective of unlocking a billion aspirations, supported by our robust business fundamentals, will enable us to continue winning competitively.

## Director's Responsibility Statement

Pursuant to Section 134 of the Act, the Board confirms having:

- followed the applicable Accounting Standards in the preparation of the Annual Accounts, and there are no material departures from the same;
- selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs and of the profits of the Company for that period;
- taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act and for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- prepared the Annual Accounts on a going concern basis;
- laid down internal financial controls for the Company and such internal financial controls are adequate and operating effectively; and
- devised proper systems to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively.

## Other Disclosures

During the year under review:

- no significant and material orders were passed by the regulators or courts or tribunals impacting the going concern status of the Company and or its operations in future;
- no proceedings are made or pending under the Insolvency and Bankruptcy Code, 2016 and there is no instance of one-time settlement with any Bank or Financial Institution;
- the requirement to disclose the details of the difference between the amount of the valuation done at the time of one-time settlement and the valuation done while taking a loan from the Banks or Financial Institutions along with the reasons thereof, is not applicable;
- no shares with differential voting rights and sweat equity shares have been issued;
- no public deposits as defined under Chapter V of the Act have been accepted by the Company;
- there has been no change in the nature of business of the Company.

## Appreciations and Acknowledgments

The Directors express their deep appreciation to all employees for their hard work, dedication, and commitment. The enthusiasm and unwavering efforts of the employees have enabled the Company to maintain its position as an industry leader.

The Directors also acknowledge Unilever's excellent contributions to the Company, providing the latest innovations, technological advancements, and marketing inputs across nearly all categories in which it operates. This support has allowed the Company to enhance consumer satisfaction through continuous improvements in existing products and the introduction of new ones.

The Board appreciates the support and cooperation the Company has received from its suppliers, distributors, retailers, business partners, and others involved as trading partners. The Company views them as partners in its progress and has shared the rewards of growth with them. The Company is committed to building and nurturing strong relationships with the trade based on mutual benefits, respect, and cooperation, consistent with consumer interests.

The Directors also take this opportunity to thank all Shareholders, business partners, government and regulatory authorities, and stock exchanges for their continued support.

On behalf of the Board

**Nitin Paranjpe**
Chairman
(DIN: 00045204)

Mumbai, 24th April, 2025

# Annexure to the Report of Board of Directors

**Statement of Disclosure of Remuneration under Section 197 of the Companies Act, 2013 and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014**

i. Ratio of the remuneration of each Director to the median remuneration of the Employees of the Company for the financial year 2024-25, the percentage increase in remuneration of Chief Executive Officer, Chief Financial Officer and other Director(s) and Company Secretary during the financial year 2024-25.

| Sr. No. | Name of Director/KMP | Designation | Ratio of remuneration of each Director to median remuneration of Employees | Percentage increase in Remuneration |
|---|---|---|---|---|
| 1. | Nitin Paranjpe@ | Chairman | N.A. | N.A. |
| 2. | Rohit Jawa | Chief Executive Officer and Managing Director | 146.47 | 3.75 |
| 3. | Ritesh Tiwari | Executive Director, Finance, IT and CFO | 59.18 | 9.70 |
| 4. | BP Biddappa* | Executive Director and Chief People, Transformation and Sustainability Officer | 66.32 | Not comparable** |
| 5. | Dev Bajpai# | Executive Director, Legal and Corporate Affairs and Company Secretary | 83.65 | Not comparable** |
| 6. | Leo Puri | Independent Director | 3.58 | 142.70^ |
| 7. | Ashu Suyash | Independent Director | 3.51 | 122.66^ |
| 8. | Ranjay Gulati | Independent Director | 2.71 | 109^ |
| 9. | Neelam Dhawan | Independent Director | 3.66 | Not comparable** |
| 10. | Tarun Bajaj | Independent Director | 3.55 | Not comparable** |
| 11. | O.P. Bhatt | Independent Director | 1.49 | Not comparable** |
| 12. | Sanjiv Misra | Independent Director | 1.35 | Not comparable** |
| 13. | Kalpana Morparia | Independent Director | 2.41 | Not comparable** |
| 14. | Radhika Shah | Company Secretary & Compliance Officer | - | Not comparable** |

ii. The percentage increase in the median remuneration of Employees for the financial year was 8.39%.

iii. The Company has 6,604 permanent employees on the rolls of Company as on 31st March, 2025.

iv. Average increase made in the salaries of employees other than the managerial personnel in the financial year was 4.62% and does not include increase on account of promotions. Increase every year is an outcome of Company's market competitiveness as against its peer group companies as well as financial performance. In keeping with our reward philosophy and benchmarking results, the increase this year reflects the market practice and sound financial management. The increase in managerial remuneration aligns with the recommendations of the Nomination and Remuneration Committee and has been duly approved by the Board.

v. It is hereby affirmed that the remuneration paid during the year is as per the Remuneration Policy of the Company.

**Note:**

a) The Non-Executive Independent Directors of the Company are entitled to sitting fee and commission as per the statutory provisions and within the limits approved by the Shareholders. The remuneration of Non-Executive Directors, details of which are provided in the Corporate Governance Report and is governed by the Differential Remuneration Policy, as detailed in the said Report.

b) Employees for the purpose above include all employees excluding employees governed under collective bargaining.

@ During the financial year 2024-25, the Non-Executive Chairman of the Company did not receive any sitting fees, commission or stock options from the Company.

* Mr. Biddappa Ponnappa Bittianda was appointed as the Executive Director and Chief People, Transformation and Sustainability Officer of the Company with effect from 1st June, 2024.

# Mr. Dev Bajpai ceased to be the Executive Director, Legal & Corporate Affairs and Company Secretary of the Company with effect from close of business hours on 31st December, 2024.

^ The increase in remuneration of Non-Executive Independent Directors is in accordance with the amendment to the Differential Remuneration Policy of the Company effective 1st April, 2024.

** Percentage increase/decrease in remuneration is not reported as they were holding directorship / office for part of the financial year 2023-24 / 2024-25 and/or they were appointed during the financial year 2024-25.

On behalf of the Board

**Nitin Paranjpe**
Chairman
(DIN: 00045204)

Mumbai, 24th April, 2025

## Particulars of Loans, Guarantees or Investments

### Amount outstanding as on 31st March, 2025

(₹ in crores)

| Particulars | |
|---|---|
| Loans given | 256 |
| Guarantee given | - |
| Investments made | 4,602 |

### Loan, Guarantee and Investments made during the financial year 2024-25

| Name of Entity | Relation | Amount (₹ in crores) | Particulars of loan, guarantee and investments | Purpose for which the loans, guarantee and investments are proposed to be utilised |
|---|---|---|---|---|
| Lakme Lever Private Limited | Subsidiary | 10 | Loan | Business purpose |
| Unilever India Exports Limited | Subsidiary | 352 | Loan | Business purpose |
| Unilever Industries Private Limited | Fellow subsidiary | 10 | Loan | Business purpose |
| Kwality Wall's (India) Limited[1] | Subsidiary | 5 | Investments | Business purpose |
| Mutual Funds + T-Bills + Certificate of Deposits [2] | - | 20,943 | Investments | Cash Management |

[1] Investment in 5,00,00,000 equity shares of ₹1 each

[2] For details refer to Note 6 of Notes to the financial statements

On behalf of the Board

**Nitin Paranjpe**
Chairman
(DIN: 00045204)

# Form No. AOC-2

**(Pursuant to clause (h) of sub-section (3)of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)**

Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

1. **Details of contracts or arrangements or transactions not at arm's length basis**

   Not applicable. During the financial year 2024-25, all related party transactions entered into by the Company were in the ordinary course of business and on an arm's length basis and were approved by the Audit Committee of the Company.

2. **Details of material contracts or arrangement or transactions at arm's length basis**

| Sr. No. | Particulars | Details |
|---|---|---|
| a) | Name(s) of the related party and nature of relationship: | PT. Unilever Oleochemical Indonesia (Fellow Subsidiary) |
| b) | Nature of contracts/arrangements/transactions: | Purchase of raw materials/ semi-finished goods |
| c) | Duration of the contracts / arrangements/ transactions: | Recurring Transactions for a duration of 3 (three) financial years commencing from financial year 2024-25 to financial year 2026-27 |
| d) | Salient terms of the contracts or arrangements or transactions including the value, if any: | The Company sources raw materials/semi-finished goods primarily Palm Oil and its derivatives from its fellow subsidiary PT. Unilever Oleochemical Indonesia. The value of transaction shall not exceed ₹3,000 crores in a financial year. |
| e) | Date(s) of approval by the Board, if any: | 24th April, 2024 |
| f) | Amount paid as advances, if any: | - |

On behalf of the Board

**Nitin Paranjpe**
Chairman
(DIN: 00045204)

## Technology Absorption

The Company has a long tradition of being a responsible and pioneering business. Innovations for our great brands are powered by deep consumer understanding combined with science & technology expertise.

Unilever R&D is known for innovating boldly for people and planet. It has 6 global R&D innovation centers. The India R&D team is spread across 2 world-class sites: Mumbai and Bengaluru hosting global and regional R&D teams. Through these, the HUL business has access to more than 20,000 international patents, and more than 5,000 scientists and technology experts working across all business groups and critical R&D capabilities such as Regulatory, Clinicals & Digital R&D. HUL business benefits from collaboration, co-creation and constant knowledge flow of new products designs, novel products & formats and processing technologies between the global R&D centers.

The Company derives exceptional benefits and advantage of scale from Unilever R&D's extensive global ecosystem of academia, technology experts and long-term collaborations with large suppliers for material and technologies. HUL also benefits from Unilever's continued capital investments into critical R&D capabilities and infrastructure in India, including setting up of 'Agile Innovation Hub' and 'Advanced Manufacturing Centre', robotics led high throughput technology screening and product validation capabilities to step up innovation, speed & impact by leveraging data science, technology & automation.

The above flow of benefits to the Company have been enabled through a Technical Collaboration Agreement (TCA) and a Trademark License Agreement (TMLA) between HUL & Unilever since 2013. The TCA provides for payment of royalty on net sales of specific products manufactured by the Company, with technical know-how provided by Unilever. The TMLA provides for the payment of trademark royalty as a percentage of net sales on specific brands where Unilever owns the trademark in India including use of 'Unilever Corporate logo'. With the aid of these agreements, the Company's business has been able to bring in bigger, better, and faster innovations to Indian consumers from the global R&D teams. The Company continuously imports technology from Unilever under the TCA, which is fully absorbed in our products.

Below is a representative list of technologies imported over the last financial year:

| Sr. No. | Technology absorbed | Year of Import | Has the technology been fully absorbed? | If not fully absorbed, areas where absorption has not taken place, and reasons thereof |
|---|---|---|---|---|
| 1. | Incorporation of eco-design weight-efficient materials allowing for superior stain removal in laundry detergents. | 2024 | Yes | NA |
| 2. | Incorporation of probiotics in Vim Ultra Pro floor cleaners allowing for superior clean and streak-free floors. | 2024 | Yes | NA |
| 3. | Inclusion of responsibly sourced plant-based materials via Stratos technology for superior skin care benefits & germ protection. | 2024 | Yes | NA |
| 4. | GAP technology in skin care for a light sensory, all-season moisturiser adapted for face and body lotions. | 2024 | Yes | NA |
| 5. | Dynoxidil – combination of Niacinamide and Zinc Peptides for strengthening hair root anchorage and delivering scalp barrier repair benefits. | 2024 | Yes | NA |
| 6. | Micro Sheet technology in TRESemmé Lamellar Gloss range seals hair uniformly to provide superior shine. This makes hair smoother and manageable. | 2024 | Yes | NA |
| 7. | Adoption of Core Formulation Design and Process for Flavoured Mayonnaise range. | 2024 | Yes | NA |
| 8. | Localisation of Magnum ice cream in India and associated product and packaging technology knowledge absorption. | 2024 | Yes | NA |
| 9. | Anti-redeposition technology in laundry detergents. | 2023 | Yes | NA |
| 10. | Dynazinc technology for dove scalp serum. | 2023 | Yes | NA |
| 11. | Synergistic technology of 3 potent actives – niacinamide, hexyl resorcinol and Retinyl Propionate helps reduce hyper pigmentation for Novology. | 2023 | Yes | NA |
| 12. | Adoption of Core Formulation design and process for Flavoured Mayonnaise range. | 2023 | Yes | NA |
| 13. | Smart foam technology for better wash experience in laundry detergents. | 2022 | Yes | NA |
| 14. | Sulphate and silicone free shampoo technology for Love Beauty & Planet curly hair shampoo. | 2022 | Yes | NA |
| 15. | Dove Body Love Proage lotion for Mature skin with NutriDUO technology infused with AHA, Olive oil & Vitamin B3. | 2022 | Yes | NA |

## Sustainability

R&D is committed to anchor initiatives that drive progress in HUL's sustainability commitments. These, spread across climate, nature, plastics and livelihoods are stretching our ambitious targets, requiring disruptive and innovative thinking to succeed. Absorption of technologies that reduce our environmental impact helps in developing products that deliver on both superiority and sustainability. For instance, the Stratos technology in our personal care soap bars delivers a superior product with skin care benefits in a wash-off product while reducing our Greenhouse gas emissions.

## Digital Transformation for Productivity & Speed

AI-led digital transformation is central to our strategy in R&D. We are building bespoke, industry-first R&D capabilities powered by cutting-edge digital technologies such as artificial intelligence, robotics and automation to improve our research productivity, and speed of innovation. Some recent examples include:

- The Agile Innovation Hub – an innovation accelerator has capabilities that identify new consumer trends, demand spaces, and builds prototypes for products at speed.
- The Bars Advanced Manufacturing Center houses a physical and digital twin of our soap & detergent bar factories across the world, permitting our R&D teams to take trials in a single location and greatly expediting the scaleup process. New-age models and simulations of process assets are cutting down the innovation lead times and helping us reduce number of factory trials needed for a full product rollout.
- Our R&D processes run on a backbone of digital data capture – from idea to final product in the factory, data platforms capture structured and unstructured data at each stage, allowing for complete traceability of raw materials, products and packaging.
- Unilever's Datalab platform provides access to digital models and simulations which help in running in-silico virtual experiments and cutting down the need for physical experimentation.

## Benefits Derived

The absorption of these technologies delivers significant benefits to the business:

- Development of superior products with consumer-perceivable benefits
- Making HUL products more sustainable and reducing our environmental impact
- Delivering smart product savings for accreting margin
- Introducing efficiencies through adoption of digital technologies
- Holistic and always-on understanding of new consumer insights and trends
- Reducing lead time for new product launches

R&D will continue to deliver superior, sustainable and value-optimised products for the business. Some key focus areas include:

- Premiumisation of product portfolio with step-up in packaging and sensory
- Strengthening and contemporising the core portfolio
- Designing market-making and future-core innovations
- Making progress on our sustainability commitments
- Stepping up collaborative partnerships with government, academic and industry ecosystem
- Elevating the impact of AI and digital transformation through disruptive capabilities and digital tools

## Expenditure on R&D

(₹ in crores)

| | For the year ended 31st March, 2025 |
|---|---|
| Capital | 18.61 |
| Recurring | 137.96 |
| **Total** | **156.57** |

On behalf of the Board

**Nitin Paranjpe**
Chairman
(DIN: 00045204)

# Annual Report on Corporate Social Responsibility (CSR)

(Pursuant to the Companies (Corporate Social Responsibility) Rules, 2014)

## 1) Brief outline on CSR Policy of the Company, including overview of projects/ programmes undertaken:

We are driven by the belief that 'What is good for India is good for HUL'. Through our CSR initiatives, we strive to empower the communities we serve and society at large. The Company aims to create a fairer and more inclusive world where everyone lives with, rather than at the expense of, nature and the environment.

Last year, the Company launched a refocussed sustainability strategy, with near and medium-term goals to accelerate action in four priority areas where we can deliver the greatest impact: Climate, Nature, Plastics and Livelihoods. We will continue to focus our resources on accelerating progress against these priorities to deliver impact at large.

For more details visit https://www.hul.co.in/sustainability/.

Our CSR philosophy extends beyond philanthropy and endeavours to create a significant impact on society. We strive to channelise our efforts towards community development, thereby contributing to the nation's growth journey. We partner with multiple agencies to drive initiatives across the length and breadth of the country.

The CSR Policy of the Company, as approved by the Board of Directors, is available on the Company's website at https://www.hul.co.in/investors/corporate-governance/policies/corporate-social-responsibility-policy/.

A brief overview of the Company's CSR projects is given below.

### CLIMATE:

#### i. Material Transition in Chemical Industry

Material sustainability is as important and critical as environmental sustainability. This is especially relevant for chemical industries. Since we use a large number of chemicals in our operations we have committed to achieve net zero across our value chain by 2039. To achieve our goal it is important to transition to renewable and recycled raw materials.

In alignment with India's Panchamrit Framework and Mission LiFE, the company has joined the Resource Efficiency and Circular Economy Industry Coalition (RECEIC), established by the Ministry of Environment, Forest and Climate Change (MoEFCC). This initiative aims to advance the chemical industry's transition towards NetZero by shifting from fossil-based carbon to renewable carbon.

The HUL-Federation of Indian Chambers of Commerce and Industry (FICCI) knowledge paper, 'Transitioning the Chemical Industry to a Net Zero Pathway' developed in collaboration with leading Indian academic institutions, policy think tanks, and industry partners, was released in March this year at the RECEIC global symposium in New Delhi. The paper outlines five key areas where policy support is essential to accelerate the industry's NetZero transition namely (i)Technology innovation and development (ii) Strengthening supply chains (iii) Incentives for the production of biobased chemicals (iv) Promotion of green bonds (v) Public procurement strategies and consumer awareness initiatives.

#### ii. The Centre for Sustainability Leadership

The Company has partnered with the Federation of Indian Chambers of Commerce and Industry (FICCI) to launch the Centre for Sustainability Leadership (CSL) that aims to accelerate the Indian corporate sector's climate action by institutionalising sustainability leadership across FICCI members especially Small and Medium Enterprises (SMEs). In 2024, HSBC partnered with the centre as a co-founder.

Since its launch, the Centre has undertaken a nationwide survey of more than 600 SMEs while nearly 50% of SMEs wanted to further increase their awareness on Sustainability & ESG and take action.

Based on the assessment the Centre has done a series of capacity building sessions that reached over 2,300 representatives from a cross section of Large, Medium and Small Enterprises, Think-tanks, Financial Institutions.

#### iii. Climate Incubation Hub

The Company has partnered with Indian Institute of Management-Bangalore's (IIM-B) startup hub NSRCEL, to launch the Climate Incubation Hub. Through this unique collaboration between Industry and Academia, we aim to nurture Indian startups working on climate action and support them in accelerating the pace of transformational and scalable climate innovations.

### NATURE:

#### iv. Regenerative Agriculture

The loss of biodiversity, soil degradation, and increasing water scarcity are major challenges faced today. Restoring and regenerating nature is crucial for addressing climate change, reversing biodiversity loss, and improving livelihoods.

The Company is investing in regenerative agriculture practices to reduce emissions, build resilience, and regenerate nature.

Regenerative agriculture prioritises soil health, improves nutrition, makes soil drought-resistant, increases crop yields, and lowers carbon footprints. The Company supports farmers in implementing practices such as cover cropping, crop rotation, planting green manure crops, and using natural alternatives to synthetic fertilisers. This includes promoting compost production through on-farm resource recycling and integrated soil management.

The Company's tea programme aims to build climate resilience and crop sustainability by implementing regenerative agricultural practices that nourish the soil, reduce dependence on chemical inputs, and improve soil organic matter, leading to lower carbon emissions in tea production. Similarly, the coffee programme seeks to mitigate climate change risks affecting Indian coffee production by promoting regenerative agriculture and low-carbon farming at scale. The programme also aims to develop sustainable livelihood models with diversified incomes for smallholder coffee farmers. Currently, 13,000 hectares of land is under regenerative agriculture programmes.

In this programme, the Company is working with numerous stakeholders, including the Government, farmers, academia and non-profits. For instance, the Company has partnered with the Tea Research Association (TRA) Tocklai to address climate change challenges in the tea industry and improve its resilience and sustainability. HUL and TRA conducted detailed Lifecycle Analysis of over 10,000 hectares across 21 tea estates, factories, and small tea growers covering all major tea-growing regions of India. The outcome of this research will be available to the tea industry to devise mitigation strategies for reducing the carbon footprint of Indian tea.

## v. Water Security

2 ZERO HUNGER | 6 CLEAN WATER AND SANITATION | 13 CLIMATE ACTION

The Company in 2010 had set up Hindustan Unilever Foundation (HUF), not-for- profit Company to support and amplify scalable solutions that can help address India's water challenges. In India since 80% of water is used in agriculture, HUF's work focusses on helping rural communities, especially those that depend on agriculture for their core livelihood. HUF established its 'Water for Public Good' programme anchored in the belief that water is a common asset and must be governed by citizen communities. The Foundation aims to catalyse effective solutions to improve water security through a partnership approach involving the Government, communities, experts, and mission-based organisations.

HUF partners with non-profit organisations in water-stressed regions across the country to support rural communities with water conservation and encourage regenerative agricultural practices amongst farmers.

The HUF-supported programmes, in collaboration with partners, have delivered a cumulative and collective water potential of over 3.9[1] trillion litres till financial year 2023-24 through improved water management, both on the supply and demand side. More than 2.4 million tonnes of additional agricultural and biomass production, and over 118 million person-days of employment have also been generated due to programme-led interventions[1]. Till now, HUF's programmes have reached more than 15,500 villages in 14 States and 2 Union Territories.

Across diverse river basins and hydrogeological zones, three core pillars define HUF's work with rural communities and the key highlights are:

- **Know More (water numeracy):** HUF in collaboration with the Development Support Centre (DSC), has launched a programme in 150 villages across three water-stressed districts of North Gujarat—Aravalli, Mehsana, and Sabarkantha. Based on the principle of Atal Bhujal Yojana, the initiative aims to educate farming communities on groundwater resources, equipping them with the skills to manage these resources effectively. Water budgeting and the active involvement of the communities are key components of the programme.
- **Save More (citizen-led scientific water conservation and governance efforts):** In Ramanathapuram, Pudhukottai, and Sivagangai three districts of Tamil Nadu—HUF and PRADAN are working to rehabilitate the region's interconnected tank systems, which have historically been a lifeline for agriculture but have fallen into disrepair. Restoring these tanks is critical to securing sustainable water access. Additionally, the partnership also aims to establish a Centre of Excellence (CoE) on tanks, serving as a regional platform for advocating science-led tank rehabilitation.
- **Use Less (behaviour change in water use):** In Budaun district, Uttar Pradesh, within the lower Ganga-Ramganga interbasin, HUF has partnered with Society for Upliftment of Villagers and Development of Himalayan Areas (SUVIDHA), to reduce groundwater dependency by promoting water use efficiency at the farm level. Alongwith SUVIDHA we have developed demonstration farms to help farmers learn and adopt climate-smart agricultural practices that reduces water usage. The programme will also establish community-led Water and Environment Groups (WEGs) to drive sustainable water management practices.

HUF actively supports not just field programmes, but also contributes towards building thought leadership around water security. For example, HUF, together with its partner Well Labs, is leading efforts

[1] *Assured by an external independent firm for assessment conducted during the financial year 2024-25.*

to standardise a universal set of indicators in India to gauge the state of water security. This framework is aimed at adoption by other CSR/Foundations, NGOs, academic institutions and government. HUF is also collaborating with Atlas for Behaviour Change in Development to advance behaviour change interventions for water security in India.

## PLASTIC CIRCULARITY:

### vi. Project Circular Bharat

The Company's circularity initiative, Project Circular Bharat (PCB) has been working to build an integrated waste management ecosystem by connecting three critical levers essential to accelerate circularity of waste & plastics:

#### 1. Responsible Citizenship - A Behaviour Change Programme on Source Segregation Habits

Waste segregation is the first step in the waste management chain, influencing the entire system's efficiency and environmental impact. To inspire people to segregate waste at home, HUL designed 'Start A Little Good' programme. A door-to-door behaviour change programme that enrols college students as ambassadors of change to demonstrate how a simple act of segregation can create a big impact.

- 5,45,000 citizens inspired across Mumbai and Chhatrapati Sambhajinagar.
- 200+ student ambassadors trained through a structured internship programme.
- 30%[2] increase in segregation rates from baseline was observed in Chhatrapati Sambhajinagar.

#### 2. Social Inclusion of Waste Workers (Safai Mitras) - Dignified Livelihood Programme

Despite their valuable role, waste workers continue to face various challenges, including marginalisation and social exclusion, increased vulnerability to climate and natural disasters, low and unsteady incomes and health risks. HUL's Project Utthaan is a first-of-its-kind programme with United Nations Development Program (UNDP) that focusses on linking waste workers with government social protection schemes, including Pradhan Mantri Suraksha Bima Yojana, Pradhan Mantri Jeevan Jyoti Bima Yojana, E-SHRAM card, and Jan Dhan account.

- 20,000 Safai Mitras have got access to over 47,000 government social protection schemes covering food, health, identity, safety, education, and financial inclusion.
- ₹8.76 of the social value for Safai Mitras and their families was created for every ₹1 of investment on the programme.[3]
- 50% Safai Mitras impacted under the programme indicated better saving habits, with average annual savings of ₹2,341.[3]

#### 3. Integrated Infrastructure – Decentralised Material Recovery Facilities

The Company has set up sustainable end-to-end waste management projects enabling waste collection, segregation, processing, and recycling. The projects have been set up in partnership with the Brihanmumbai Municipal Corporation (BMC), State Bank of India (SBI), Chhatrapati Sambhajinagar Municipal Corporation (CSMC), United Nations Development Program (UNDP) and Xynteo. UNDP and Xynteo are the Company's design, monitoring and evaluation partners.

- 7 operational Material Recovery Facilities (MRFs): 5 in Mumbai and 2 in Chhatrapati Sambhajinagar.
- Over 7,000 metric tonnes of waste processed annually.
- In addition, HUL launched an **'Awareness to Action toolkit'** featuring industry-leading best practices and insights from HUL's PCB model to accelerate circularity in India. The toolkit was launched with three key ministries critical to India's waste-to-value chain: the Ministry of Environment, Forest & Climate Change (MoEFCC), the Ministry of Housing & Urban Affairs (MoHUA), and Ministry of Social Justice & Empowerment (MoSJE). This resource includes framework and communication material that is available online to ensure wider access and enable replication.

## LIVELIHOODS:

### vii. Project Shakti

Project Shakti aims to financially empower and provide livelihood opportunities to women in rural India.

The Company has always believed that:

i. For the country to grow, people living in its villages must be empowered with livelihood skills and opportunities.

ii. Women in villages must be empowered if households in villages have to progress.

*[2] As per the study conducted by Sattva Consulting in Chhatrapati Sambhajinagar (in 2025)*

*[3] As per the Impact assessment conducted by KPMG Assurance & Consulting Services LLP, 2025*

Keeping this in mind, the Company launched the Shakti programme. Shakti Entrepreneurs are given training for familiarisation with the Company's products and basic tenets of distribution management. In addition, the Company has a team of Rural Sales Promoters (RSPs) who coach and help Shakti Entrepreneurs manage their business. Across 22 States, Project Shakti has over 2 lakh Shakti Entrepreneurs whom we call 'Shakti Ammas'. This programme has helped them become self-confident, improve their self-esteem and learn communication skills. Most importantly, our interventions have helped in building and fostering an entrepreneurial mindset amongst Shakti Entrepreneurs.

The Company is working towards empowering Shakti Entrepreneurs with information on health and nutrition. Through this initiative, RSPs conduct sessions on nutrition awareness and enable Shakti Entrepreneurs to take the message further to beneficiaries in the villages. The initiative has achieved substantial progress reaching over 12 lakh households. These training sessions will help Shakti Entrepreneurs drive social change at a grassroot level in their communities and continue to make a positive impact on the health and nutrition of their communities.

## viii. SAFAL

**SAFAL (Skills Academy For Advancement of Livelihoods)** has expanded its reach and impact this year, empowering youth and enhancing livelihoods through skill development, entrepreneurship, and inclusivity initiatives. In partnership with the National Institute for Entrepreneurship and Small Business Development (NIESBUD) and aligned with the Ministry of Skill Development and Entrepreneurship (MSDE) programme, HUL provided funding that helped 1 lakh youth gain awareness of the entrepreneurship ecosystem, and 2,784 youth received capacity-building and mentoring support.

Under the SAFAL Skill Development Project, the Employment & Skilling Programme, in collaboration with UNICEF's Passport to Earning platform and LabourNet, have trained more than 100,000 youth, enabling employment for 80,000 till now. The SAFAL Sales Pro Academy trained 8,500 youth in retail and employability skills across Hyderabad, Chennai, Mumbai and Delhi NCR, with plans to expand and benefit over 7,000 youth next year.

SAFAL Centres for skilling differently-abled youth continued in Mysuru and Guwahati, with 717 trained and 437 placed in jobs. The SAFAL Retailer Strengthening Programme formalised 10,771 kirana stores, unlocking ₹2.8 crores in credit access and social protection benefits worth ₹2.2 crore.

Overall, SAFAL has benefited over 3.0 lakh individuals, including ~11,000 retailers, across 20+ states, generating an SROI of 69.8%.[4]

## ix. Empowering Women in Tea Estates

Under our social impact programmes, we aim to improve lives in India's tea supply chain. Safety is crucial for sustainable development. Tea employs about 1.2 million workers, 60% of whom are women. The sector faces women's human rights issues, similar to other agricultural value chains.

In 2024, we launched the Women Safety Accelerator Fund 2.0 (WSAF 2.0) to build on previous successes. This programme targets systemic changes that integrate safety, sustainability, and equality in tea estates, emphasising prevention and response mechanisms for Gender-Based Violence (GBV) and advancing women's leadership. It aligns with international sustainability and gender equality goals.

WSAF is a transformative programme addressing GBV and promoting gender equity in India's tea sector. Launched in 2020, it is a collaborative effort involving stakeholders like Unilever, IDH India Hub Private Limited, and other tea companies. The fund implements the UN Women's Global Women's Safety Framework in rural areas, focusing on creating safe, violence-free workplaces for women in the tea industry.

The programme builds awareness and understanding of GBV, supports tea producers in strengthening prevention and response mechanisms, and helps comply with the law to create safe spaces. It engages multiple stakeholders at local and state levels to address violence against women and girls in tea garden communities. The current phase focusses on digital and data-driven solutions for GBV cases, enhanced livelihood, and financial literacy support. It aims to cover 550 tea estates and impact over 4,00,000 workers.

So far, the programme has benefited more than 3,75,000 tea workers, 80% of whom are women from 329 tea estates. The Women Safety and Livelihoods programme demonstrates that addressing GBV fosters gender equality, business resilience, and financial success, serving as a model for other sectors.

[4] *Impact assessment was conducted by EY.*

## x. Prabhat – Impacting Communities around our manufacturing units

Prabhat is the community development initiative of the Company, aiming to create sustainable and inclusive communities. It leverages HUL's scale for good, contributing to a fairer, more socially and environmentally inclusive world. Over the past decade, Prabhat has positively impacted ~11 million lives across 12 States and 2 Union Territories. A third-party impact evaluation ranked the overall impact of all programmes as 'high' and rated the Social Return on Investment (SROI) at ₹8.30 for every ₹1 invested[5].

**Key Pillars of Prabhat:**

- **Livelihood:** Prabhat's 18 livelihood centres train women and youth in vocational skills and entrepreneurship development, including data entry, IT, electrical, plumbing, tailoring, beauty, mechanics, and more. Inclusivity is promoted by involving PwDs, transgenders, and other vulnerable communities. Nearly 1,47,000 people have received skill development and training, with over 85,000 securing employment.

  Suprabhat, an independent Industrial Training Institute at Doom Dooma, Assam, trains students in trades like Fitter, Electrician, Welder, Computer Operator, and Programming Assistant, increasing their employability and helping them find suitable employment opportunities.

  Established in 1993 in Doom Dooma, Assam, Ankur provides free special educational, vocational, and rehabilitative training to over 350 physically and mentally challenged children from underprivileged backgrounds.

- **Farm-Based Value Chain Initiatives:** Prabhat works with rural women and small farmers to improve their income through Farmer Producer Organisations (FPOs) and sustainable agricultural practices. Over 35,000 farmers have benefited from these initiatives. We also work with dairy farmers to enhance dairy productivity and improve incomes.

- **Health and Nutrition:** Aligning with the National Nutrition Mission, Prabhat's nutrition programme focusses on improving the health and nutritional status of women of reproductive age, pregnant and lactating women, adolescent girls, and children under five. Outreach workers buddy rural women in their nutrition journey, improving health outcomes and supporting in the reduction of anaemia and malnutrition. The programme is active in 12 locations, benefiting over 36 lakh women and children so far. Prabhat's Healthcare Service runs a mobile medical unit providing routine health check-ups, consultations, free medicines, and bi-monthly health camps in 5 locations, treating over 6,00,000 people till now.

- **Environmental Sustainability:** Prabhat under the environment pillar, is working in communities around factories to educate people on the importance of segregation of waste at source. The dry waste is processed, recycled or upcycled into value-added products like handwashing stations and benches. Wet waste is converted into compost and biogas. Over 16 lakh kilograms of waste have been managed across eight factories. Prabhat also runs water conservation interventions, ensuring adequate water for agriculture and drinking water. The factory at Chhindwara earned the Alliance for Water Security Certificate (Platinum) due to combined water security efforts within our factory premises and communities around factories.

## xi. Suvidha – Community Hygiene Centres

Accelerating progress on the Swachh Bharat Mission (SBM) 2.0 Urban and Sustainable Development Goals, HUL set up Suvidha (Convenience) – a first-of-its-kind urban hygiene and sanitation community centre providing affordable access to clean toilets, purified drinking water, showers, and laundry services to over 5,00,000 people residing in informal settlements in Mumbai. Inclusive by design, the centre provides safe, private, hygienic, and odour-free toilet facilities for women, men, children and people with disabilities. Further, extensive behaviour change programmes are conducted around Suvidha centres to encourage people to adopt four simple yet important habits: washing hands with soap; eating nutrition-rich meals; drinking safe water; and using clean toilets to reduce the scope of illness and improve overall health outcomes for families.

The Company has built 20 Suvidha centres as of today, through a public-private partnership with the Brihanmumbai Municipal Corporation (BMC), HSBC India and JSW Foundation. The Company also works with implementing partners United Way Mumbai and Pratha Samajik Sanstha and governance partner Ernst & Young (EY).

The holistic Suvidha model is helping transform urban community toilets into clean, hygienic and self-sustainable centres that have bolstered health, nutrition, sanitation, and livelihood

[5] *An impact assessment conducted by EY*

outcomes, as assessed by Deloitte Touche Tohmatsu India LLP in 2023.

Over 5,00,000 people have access to safe and dignified hygiene and sanitation services[6]

- The centres cumulatively save over 180 million litres of water through water-saving technologies[6]
- The estimated return on investment for time saved by using Suvidha's services is ₹15 for every rupee invested in the centres[7]
- Today, 100% of Suvidha users avail purified and clean drinking water and other WASH (water, hygiene and sanitation) services at the centres at all times thereby building community resilience against climate change[7]

Suvidha's model has been presented at COP28 as a Climate Resilient WASH Model and featured by the World Economic Forum (WEF) as an example of a 'Public- Private' collaboration that can improve the health of cities. It has, further, been recognised by Harvard Kennedy School (HKS) as a sustainable & replicable model for urban slums.

In 2024, the Ministry of Housing & Urban Affairs (MoHUA) has signed a MOU with HUL for establishing a Technical Support Unit (TSU) to support the development of model Suvidha Centres nationwide and in building capacity for climate resilience sanitation in India.

## Other Programmes.

### xii. Health and Nutrition

#### - Swasthya Ki Baat

The Company has been running 'Swasthya ki Baat' a robust health and nutrition programme in collaboration with the State Governments of Bihar, Uttar Pradesh, Gujarat, and West Bengal for expecting mothers. It raises awareness about the importance of iron and protein in mothers and children through interpersonal, community and digital interventions. The programme emphasises balanced diets and proper portion sizes, and discusses life-saving behaviors like complementary feeding and breastfeeding with pregnant and new mothers. It also involves mothers-in-law and spouses to create a supportive home environment for good nutrition practices. The programme has reached over 3.8 million mothers and children cumulatively, in more than 20 districts of these states.

#### - Swasthya Curriculum

The Company also runs Swasthya Curriculum for school children, HUL's pioneering health education initiative launched in 2016, successfully reaching about 9 million students across 80,000 government schools in seven states: Bihar, Gujarat, Madhya Pradesh, Haryana, Uttarakhand, Maharashtra, and Uttar Pradesh. Through strategic partnerships with these State Governments, the programme has embedded comprehensive health education into public school systems, teaching essential practices like proper handwashing, safe water consumption, nutrition awareness, and sanitation through age-appropriate, engaging methodologies aligned with the Government's Swachh Bharat Abhiyaan and Poshan Abhiyaan.

- Over 17% increase reported in children now adhering to all four healthy habits of washing hands with soap; eating nutrition-rich meals; drinking safe water; and using clean toilets.[8]
- 25% rise reported in usage of toilets for defecation instead of defecating in the open.[8]
- With a 50% rise, children accurately identify opportunities to wash their hands with soap.[8]

### xiii. HUL - TATA MEMORIAL HOSPITAL (TMH) PARTNERSHIP - Improving Cancer and Tuberculosis Patient Outcomes

HUL's project with Tata Memorial Hospital aims to provide nutritional support to patients with head, neck, oesophageal and gastrointestinal cancers who were planned for curative intent treatment. Nutritional support helps these patients in the timely completion of treatments and limits the delays and toxicity related to treatment. A BIA (Bioelectrical Impedance Analysis) machine was also procured to assess the nutritional status of the patients.

More than 2,000 patients were screened, out of which 278 were recruited. Overall, 52% of enrolled patients were malnourished at the baseline nutritional assessment. Nearly 76% of patients who underwent a 12-week assessment had a stable or improved nutritional status.

In another project, in line with the Ministry of Health & Family Welfare's initiative, the Company has set up a programme to address the dual burden of Tuberculosis (TB) & Malnutrition. The partnership was designed to roll out a comprehensive, family-centred nutrition intervention for people with TB in three selected districts in India. This project

[6] Calculations based on 20 Suvidha centres built till date

[7] As per the impact assessment conducted by Deloitte Touche Tohmatsu India LLP, 2023

[8] As per impact assessment by Axis My India, 2023

was implemented by REACH (Resource Group for Education and Advocacy for Community Health) in Patiala in Punjab, Haridwar in Uttarakhand, and East Godavari (Rajahmundry) in Andhra Pradesh.

The Ministry of Health and Family Welfare, Government of India, registered HUL as 'Ni-shay Mitra' and has acknowledged HUL's valuable support to the 'Pradhan Mantri TB Mukt Bharat Abhiyaan' programme.

- In the 7 months since the project's inception, 30 Community Health Workers from 21 TB Units, most of them TB survivors themselves, have supported 1,363 people with the treatment, providing them peer support and assessing their social and nutritional vulnerabilities.
- As of January 2025, 292 people with TB, identified from among 1,363 as most vulnerable (based on their BMI), received additional nutritional support in the form of a locally designed food basket, and they will continue to receive this every month through their treatment period. Regular nutrition support group meetings are held regularly, fostering community conversations on the importance of good nutrition.

## xiv. Samriddhi

Samriddhi, launched in 2024, is a programme which is aimed at transforming India's pharmacists into community healthcare champions to address the growing challenge of non-communicable diseases (NCDs), which account for 63% of all deaths in the country. The programme provides pharmacists with comprehensive training through self-paced, bite-sized instructional videos and assessments, focusing on nutrition, cardiovascular diseases, and diabetes management. Through partnerships with Collective Good Foundation, Doctors For You, and the Indian Pharmacy Graduates Association, the programme aligns with India's National Programme for Prevention and Control of Non-Communicable Diseases. The successful pilot in Mumbai was concluded with more than 100 pharmacists onboarded in 2024.

## xv. Vidyavritti TIFR Project

HUL is one of the funding partners for ARUMDA (Advanced Research Unit on Metabolism, Development & Aging) which is conceived by TIFR (Tata Institute of Fundamental Research) with a mission to bring together biologists and clinical researchers to provide solutions to tackle malnutrition. ARUMDA provides advanced research on nutrition and metabolism during development and aging. Key highlights in 2024-25 are operationalising the National Facility for Nutrition and Metabolism Research, installation of the Human Metabolic Chambers at CMC-Vellore. This enables the community at large to utilise state-of-the-art technologies and methods for nutrition and metabolic research. The aim is to understand the association between Body Mass Index, body composition and systemic metabolism in both clinical and community settings. The outcome of the research will feed into national nutrition policy advocacy to address India's malnutrition problem.

## xvi. Asha Daan

Asha Daan is a home for children with special needs, sick and destitute people in Mumbai. It is run by the Missionaries of Charity (MoC) which was founded by Mother Teresa. Since the inception of Asha Daan in 1976, the Company has been looking after the maintenance and upkeep of the premises. At any time, there are around 350 inmates at Asha Daan. The redevelopment work is underway which will soon be completed with improved amenities.

## xvii. Women in STEM

The Company launched a Women in STEM (Science, Technology, Engineering & Mathematics) fellowship in partnership with top institutions like IISc, NCBS, and IITM. The fellowship provides a five-year financial grant to support research, travel, and international conference attendance, aiming to inspire the next generation of Indian women scientists, engineers, and innovators.

The fellowship aims to seed research activities, create an ecosystem of skilled academicians and researchers, and develop a workforce of well-trained women capable of addressing various industry challenges. A rigorous selection process, conducted by a panel of eminent academicians, assesses applications based on research proposals, impact, and academic achievements. The fellowship also has a grant of ₹10 lakhs per year per Fellow for five years, supporting transformative change in the STEM fields. As on date, we have 15 fellows under the fellowship. Beyond the financial support, the fellowship incorporates a crucial element often lacking in STEM career growth for women – mentorship. Throughout their Ph.D. journey, the fellows will have access to senior mentors from both Unilever and HUL's External Ecosystem.

### xviii. Empowering Women Cricketers

The Company has partnered with leading cricket academy, Coaching Beyond to help reduce barriers that come in the way of budding women cricketers and support them to excel in the game. Last year in the pilot phase, following a robust selection process, women cricketers across 20 districts in Andhra Pradesh, Tamil Nadu and Telangana were chosen and inducted into Coaching Beyond's Junior Athlete Development programme. A total of 28 girls have achieved significant milestones this season. Six players have been selected to represent the Senior State Women's Team, while seven have secured spots in the State U-23 Team. Additionally, fifteen talented girls will be representing the State U-19 Team.

### xix. Road Safety

HUL has partnered with Save Life Foundation (SLF) to implement the Zero Fatality District initiative in Unnao in Uttar Pradesh as part of our Road Safety Initiative. This project aims to enhance road safety and reduce fatalities through comprehensive safety treatments, infrastructure upgrades, and capacity building via structured interventions.

Key achievements during the year include the identification and assessment of locations for safety treatments, installation of over 250 road safety signages across the Unnao district road corridor. Additionally, the Community Health Centre (CHC) at Bangarmau has been selected for an upgrade to a stabilisation centre as part of the emergency care services enhancement. A road safety awareness campaign was also run on local radio to sensitise the public about the importance of adhering to road safety guidelines.

## 2) Composition of CSR Committee:

| Sr. No. | Name of the Members | Nature of Directorship | Number of meetings of CSR Committee held during the year | Number of meetings eligible to attend during the year | Number of meetings of CSR Committee attended during the year |
|---|---|---|---|---|---|
| 1 | Tarun Bajaj – Chairperson* | Independent Director | 2 | 2 | 2 |
| 2 | O. P. Bhatt^ | Independent Director | 2 | 1 | 1 |
| 3 | Sanjiv Misra$ | Independent Director | 2 | 1 | 1 |
| 4 | Kalpana Morparia# | Independent Director | 2 | 1 | 1 |
| 5 | Ranjay Gulati | Independent Director | 2 | 2 | 1 |
| 6 | Neelam Dhawan@ | Independent Director | 2 | 1 | 1 |

*Notes:*

*^ Mr. O.P Bhatt ceased to be the Chairperson of the Committee with effect from close of business hours on 29th June, 2024.*

*$ Dr. Sanjiv Misra ceased to be the Member of the Committee with effect from close of business hours on 29th June, 2024.*

** Mr. Tarun Bajaj was appointed as the Chairperson of the Committee with effect from 1st July, 2024.*

*# Ms. Kalpana Morparia ceased to be the Member of Committee with effect from close of business hours on 8th October, 2024.*

*@ Ms. Neelam Dhawan was appointed as the Member of the Committee with effect from 9th October, 2024.*

## 3) The web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company:

The web-link is as follows: https://www.hul.co.in/investor-relations/corporate-social-responsibility/

## 4) The details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014:

The Company engages in the CSR programmes to serve community and society at large. The Company conducts impact assessments for the projects identified as per the provisions of the Act on a periodical basis. The Impact Assessment will be conducted for the projects which are eligible, during the financial year 2025-26. Further, for certain projects, the Company had conducted voluntary impact assessment during the financial year 2024-25.

## 5)

| Sr. no. | Particulars | Amount (in crores) |
|---|---|---|
| a. | Average net profit of the Company as per section 135(5) | 12,505.81 |
| b. | Two percent of average net profit of the Company as per Section 135(5) | 250.12 |
| c. | Surplus arising out of the CSR projects or programmes or activities of the previous financial years | Nil |
| d. | Amount required to be set off for the financial year, if any | Nil |
| e. | Total CSR obligation for the financial year (5b+5c-5d) | 250.12 |

## 6)

| Sr. no. | Particulars | Amount (in crores) |
|---|---|---|
| a. | Amount Spent on CSR Projects (both Ongoing Project and other than Ongoing Project) | 244.55 |
| b. | Amount spent in Administrative Overheads | 6.98 |
| c. | Amount spent on Impact Assessment* | 2.49 |
| d. | Total amount spent for the financial year (6a+6b+6c) | 254.02 |

** Including Voluntary impact assessment conducted during financial year 2024-25*

### e. CSR amount spent or unspent for the financial year:

| Total Amount Spent for the financial year (in crores.) | Amount Unspent (in ₹) | | | | |
|---|---|---|---|---|---|
| | Total amount transferred to Unspent CSR Account as per Section 135(6) | | Amount transferred to any fund specified under Schedule VII as per second proviso of Section 135(5) | | |
| | Amount | Date of Transfer | Name of the Fund | Amount | Date of Transfer |
| 254.02 | - | - | | NIL | |

### f. Excess amount for set-off, if any:

| Sr. No. | Particular | Amount (in crores) |
|---|---|---|
| (i) | Two percent of average net profit of the Company as per sub-section (5) of section 135 | 250.12 |
| (ii) | Total amount spent for the financial year | 254.02 |
| (iii) | Excess amount spent for the financial year [(ii)-(i)] | 3.90 |
| (v) | Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any | Nil |
| (v) | Amount available for set off in succeeding financial years [(iii)-(iv)] | Refer Note |

Note: The total CSR spend during the financial year 2024-25 amounts to ₹254.02 crores against an obligation of ₹250.12 crores. Hence, there is an excess spend of ₹3.90 crores for which set-off is not being claimed by the Company.

## 7) Details of Unspent CSR amount for the preceding three financial years:

| (1) | (2) | (3) | (4) | (5) | (6) | | (7) | (8) |
|---|---|---|---|---|---|---|---|---|
| Sr. No. | Preceding financial year(s) | Amount transferred to Unspent CSR Account under section 135(6) (in ₹) | Balance Amount in Unspent CSR Account under section 135(6) (in ₹) | Amount spent in the financial Year (in ₹) | Amount transferred to a fund specified under Schedule VII as per second proviso to section 135(5), if any | | Amount remaining to be spent in succeeding financial years (in ₹) | Deficiency, if any |
| | | | | | Amount (in ₹) | Date of Transfer | | |
| 1 | FY 2023-24 | 17,60,00,000 | - | 17,60,00,000 | Not Applicable | | - | - |
| 2 | FY 2022-23 | 7,00,00,000 | - | 7,00,00,000 | Not Applicable | | - | - |
| 3 | FY 2021-22 | 28,14,87,646 | 10,286 | 28,14,77,360 | - | | - | - |

Note: ₹10,286/-, the balance unspent amount for the financial year 2021-22 was spent in financial year 2022-23

## 8) Whether any capital assets have been created or acquired through CSR amount spent in the financial year: No

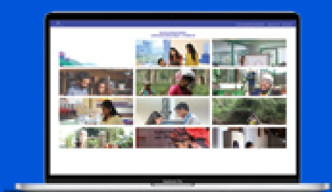
## 9) Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per section 135(5): N.A.

**On behalf of the CSR Committee**

| | | |
|---|---|---|
| | **Tarun Bajaj**<br>Chairman,<br>CSR Committee | **Rohit Jawa**<br>Chief Executive Officer and<br>Managing Director |
| Mumbai, 24th April, 2025 | (DIN: 02026219) | (DIN: 10063590) |

# BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

Our Online Business Responsibility and Sustainability Report - financial year 2024-25



# Dear Stakeholders,

I am pleased to share our Business Responsibility and Sustainability Report (BRSR) for the financial year 2024-25. This report aims to update you of our sustainability performance driven by our efforts to create a positive impact on the environment and society.

## Sustainability Embedded In Our Strategy

Our new strategy, 'ASPIRE: Unlocking a Billion Aspirations', aims to unlock growth for the business and is underlined by the key pillar of sustainability. We have been driving an ambitious sustainability agenda for decades. Yet, in the face of ever-growing economic, environmental, and social challenges, we are evolving our approach. Now is the time to focus on delivering impact by making sustainability progress integral to business performance.

We will continue to focus on four sustainability priorities – Climate, Nature, Plastics, and Livelihoods. We will be scaling our proven models across these pillars to create a larger impact. We truly believe that embracing sustainability is the only way for businesses to remain relevant in the future.

## Accelerating ESG Leadership

At HUL, we have made significant progress against our ESG (Environmental, Social, and Governance) Goals. In our manufacturing operations, we have reduced our $CO_2$ emissions by 99% (per tonne of production), water usage by 50% (cubic meter per tonne of production), and total waste generated from our factories by 62% (per tonne of production) in financial year 2024-25 compared to the 2008 baseline.

We are targeting net zero emissions across Scope 1, 2, and 3 by 2039. While we are well placed to deliver on Scope 1 & 2 emissions, we are relentlessly working on achieving our commitment on Scope 3 by 2039. This includes working closely with our biggest suppliers across all our categories. As a founding member of the Resource Efficiency and Circular Economy Industry Coalition (RECEIC), we aim to meet Net Zero commitments by addressing the use of sustainable raw materials through industry-wide action and government support.

## Doing Well By Doing Good

On our journey towards building plastic circularity through our Program 'Project Circular Bharat' we have developed a decentralised financially viable model that works in the areas of Behaviour change, Social inclusion of waste workers, and Infrastructure development. We partner with multiple government bodies, other corporates such as SBI Foundation, and organisations such as UNDP and Xynteo on our plastic initiatives. Last year we launched 'Project Circular India Toolkit', a first-of-its-kind awareness-to-action toolkit which will help replicate the change across the ecosystem along with the Ministry of Environment, Forests, & Climate Change (MoEFCC).

To play our part in securing the future of water we continue to build water conservation potential and enhance water-dependent livelihoods through the Hindustan Unilever Foundation and its partners. Since 2010, we have enabled creation of a cumulative water conservation potential of over 3.9 trillion litres.

# Rohit Jawa

### Chief Executive Officer and Managing Director

Suvidha, our pioneering model of urban hygiene and sanitation centre today serves 5,00,000 people in Mumbai. Our first centre was set up in a slum in Mumbai in 2016 in partnership with the BMC to serve 2,000 people annually. We have now scaled it up to 20 centres across Mumbai in partnership with the government, HSBC India, and JSW Foundation. We have also signed a Memorandum of Understanding (MoU) with Ministry of Housing & Urban Affairs (MoHUA) to provide innovation & design expertise to build climate – resilient sanitation models for Urban India.

Not just the environment, but we have also been working towards creating a positive social impact. Project Shakti, launched at the dawn of the new millennium with the vision of empowering women in rural areas, has been a resounding success. It has been 11 years since we started 'Prabhat', our sustainable community development initiative aimed at improving livelihoods, health, and nutrition as well as protecting the environment. Since its inception, Prabhat has positively benefitted 11 million lives across 12 states and 2 union territories.

## Building For The Future

Sustainability has always been ingrained in the way we do our business and not just a separate initiative. This is because we truly believe that sustainable practices can drive innovation, reduce costs, enhance brand reputation, and create long-term value for shareholders.

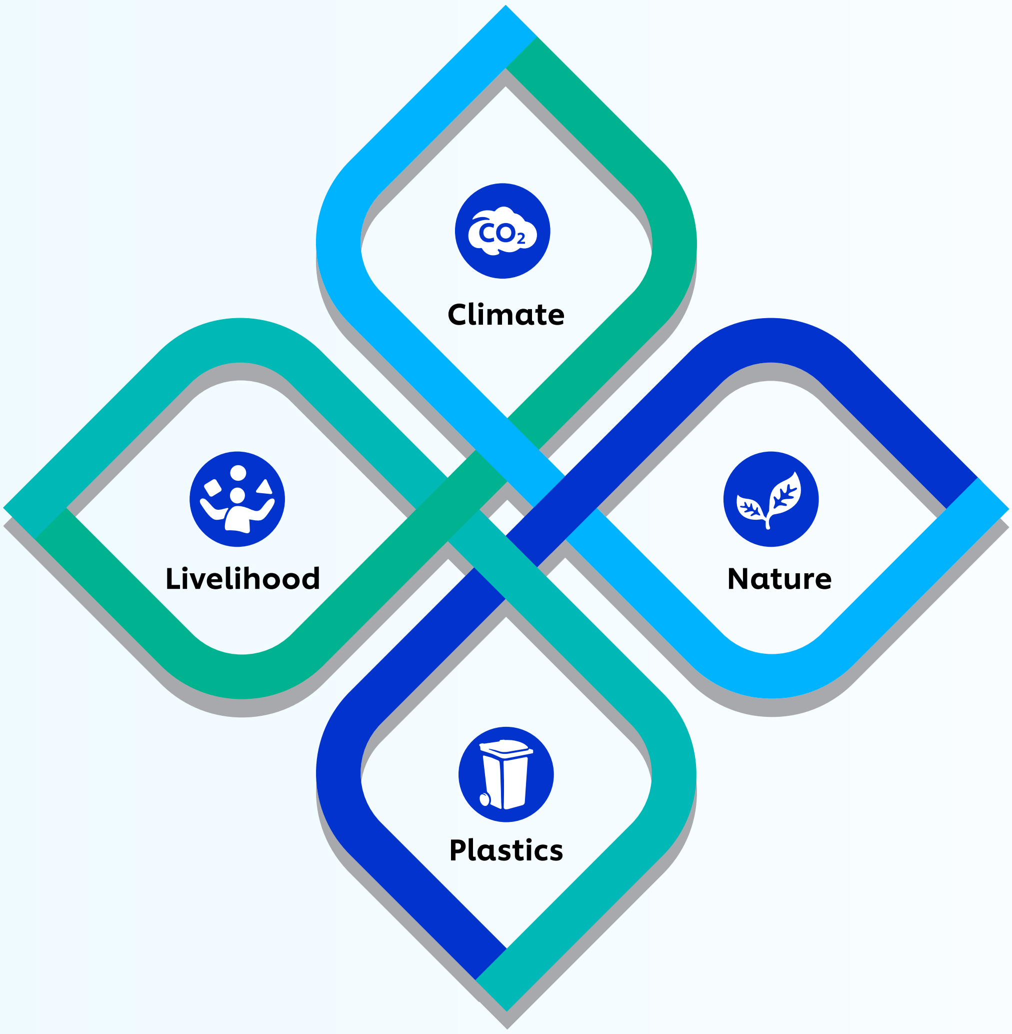
We have come a long way in our sustainability journey and going forward we will require bold and decisive leadership to make a meaningful difference.

# Executive Summary

At Hindustan Unilever Limited (HUL), our Business Responsibility & Sustainability Report adheres to the nine principles of the SEBI framework on sustainability reporting, informing stakeholders of our sustainability endeavours. HUL is dedicated to sustainable growth by providing products that meet consumer needs while minimising environmental impact.

Our ESG Committee, constituted in 2022, oversees ESG strategy and performance, ensuring alignment with the company's purpose and progress towards the ESG Goals. We are evolving our approach to make sustainability progress integral to business performance, focusing on delivering impact. Our continued focus will be on four sustainability priorities: Climate, Nature, Plastics, and Livelihoods.

## Aligned to our Sustainability Goals HUL demonstrates its Key ESG Focus Areas

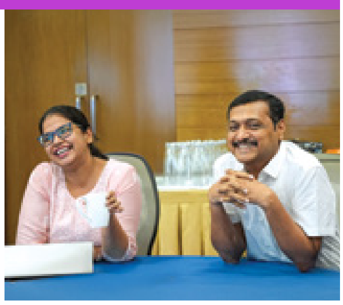


# Contents

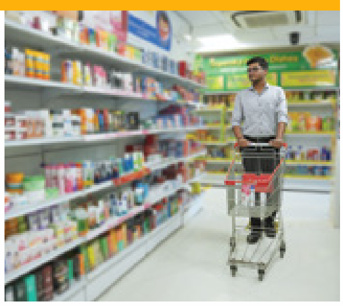























# Independent Practitioners' Reasonable and Limited Assurance Report

**To the Board of Directors of Hindustan Unilever Limited**

## Assurance report on select sustainability disclosures in the Annual Report

Assurance report on select sustainability disclosures in the Annual Report prepared in accordance with the Business Responsibility and Sustainability Reporting (BRSR) framework (called 'Identified Sustainability Information' (ISI)) of Hindustan Unilever Limited and its wholly owned subsidiaries (together called as 'HUL Group' or the 'Company') for the period from 1st April, 2024 to 31st March, 2025

## Reasonable Assurance Opinion and Limited Assurance Conclusion

We have performed an assurance engagement on the Identified Sustainability Information (ISI) as detailed in the table below:

| Identified Sustainability Information subject to assurance | Period subject to assurance | Level of assurance | Reporting criteria |
|---|---|---|---|
| BRSR Core Attributes (Refer to Appendix A) | From 1st April, 2024 to 31st March, 2025 | Reasonable assurance | • Regulation 34(2)(f) of the Securities and Exchange Board of India (SEBI) Listing Obligations and Disclosure Requirements (SEBI LODR)<br>• Guidance note for BRSR format issued by SEBI<br>• Greenhouse Gas (GHG) Protocol (A Corporate Accounting and Reporting Standard) (Revised) developed by World Resources Institute (WRI) / World Business Council for Sustainable Development (WBCSD) |
| Select sustainability disclosures in the BRSR Report (which are not part of the BRSR Core) (refer Appendix B) | From 1st April, 2024 to 31st March, 2025 | Limited Assurance | • Regulation 34(2)(f) of the Securities and Exchange Board of India (SEBI) Listing Obligations and Disclosure Requirements (SEBI LODR)<br>• Guidance note for BRSR format issued by SEBI |

This engagement was conducted by a multidisciplinary team including assurance practitioners, engineers, environmental and social professionals.

For the purposes of the remainder of our assurance report:

- "Information covered by Reasonable Assurance" refers to the Identified Sustainability Information identified above that was covered by reasonable assurance;
- "Information covered by Limited Assurance" refers to the Identified Sustainability Information identified above that was covered by limited assurance;
- "Assured Sustainability Information" refers to all Identified Sustainability Information covered by assurance (both reasonable assurance and limited assurance); and
- "Applicable Criteria" refers to the reporting criteria relevant to the information covered by assurance as identified above.

### Reasonable assurance opinion

In our opinion, the HUL Group's Information covered by Reasonable Assurance in the Business Responsibility and Sustainability Report for the period from 1st April, 2024 to 31st March, 2025, is prepared, in all material respects, in accordance with the Regulation 34(2)(f) of the Securities and Exchange Board of India (SEBI) Listing Obligations and Disclosure Requirements (SEBI LODR) and the Greenhouse Gas (GHG) Protocol (A Corporate Accounting and Reporting Standard) (Revised) developed by World Resources Institute (WRI) / World Business Council for Sustainable Development (WBCSD) and the Reporting Boundary as set out in Section A: General Disclosures 13 of the Business Responsibility and Sustainability Report.

### Limited assurance conclusion

Based on the procedures performed and evidence obtained, nothing has come to our attention to cause us to believe that the HUL Group's Information covered by Limited Assurance in the Business Responsibility and Sustainability Report (which are not part of the BRSR Core) relating to the BRSR attributes for the period from 1st April, 2024 to 31st March, 2025, is not prepared, in all material respects, in accordance with the Regulation 34(2)(f) of the Securities and Exchange Board of India (SEBI) Listing Obligations and Disclosure Requirements (SEBI LODR) and the Reporting Boundary as set out in Section A: General Disclosures 13 of the Business Responsibility and Sustainability Report.

## Basis for opinion and conclusion

We conducted our engagement in accordance with Standard on Sustainability Assurance Engagements (SSAE) 3000, Assurance Engagements on Sustainability Information and SAE 3410 Assurance Engagements on Greenhouse Gas Statements issued by the Sustainability Reporting Standards Board of the Institute of Chartered Accountants of India ('ICAI'). Our responsibilities under those standards are further described in the "Our responsibilities" section of our report.

We are required to comply with the independence and other ethical requirements of the Code of Ethics issued by the ICAI.

Our firm applies 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" issued by the ICAI. This standard requires the firm to design, implement and operate a system of quality management, including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our reasonable assurance opinion and limited assurance conclusion.

## Other information

Management and the Board of Directors are responsible for the other information. The other information comprises the information included in the Company's Annual Report (but does not include the BRSR attributes and assurance report thereon). The Company's Annual Report is expected to be made available to us after the date of this assurance report.

Our reasonable and limited assurance on ISI does not cover the other information and we are not expressing any form of assurance conclusion thereon.

In connection with our assurance on the ISI, our responsibility is to read the other information identified above when it becomes available, and in doing so, consider whether other information is materially inconsistent with the ISI, or our knowledge obtained in the assurance, or otherwise appears to be materially misstated.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and describe actions applicable under the applicable laws and regulations.

## Other Matter

The reporting boundary of the ISI in the BRSR attached herewith is based on the sustainability information for entities considered for preparation of consolidated financial statements, other than two partly owned subsidiaries and a joint venture. In our opinion and according to the information and explanations given to us by the Management, the sustainability information relating to these entities is not qualitatively and quantitatively material for the BRSR.

Our opinion is not modified in respect of this matter.

## Intended use or purpose

The ISI and our reasonable and limited assurance report are intended for users who have reasonable knowledge of the BRSR attributes, the reporting criteria and ISI and who have read the information in the ISI with reasonable diligence and understand that the ISI is prepared and assured at appropriate levels of materiality.

Our opinion is not modified in respect of this matter.

## Management's responsibilities for Assured Sustainability Information

The management of the Company are responsible for:

- designing, implementing and maintaining internal control relevant to the preparation of the Assured Sustainability Information that is free from material misstatement, whether due to fraud or error;
- selecting or developing suitable criteria for preparing the Assured Sustainability Information and appropriately referring to or describing the criteria;
- preparing/fairly stating/properly calculating the Assured Sustainability Information in accordance with the Applicable Criteria;
- ensuring the reporting criteria is available for the intended users with relevant explanation;
- establishing targets, goals and other performance measures, and implementing actions to achieve such targets, goals and performance measures;
- providing the details of the management personnel who takes ownership of the ISI disclosed in the report;
- ensuring compliance with law, regulation or applicable contracts;
- making judgements and estimates that are reasonable in the circumstances;
- identifying and describing any inherent limitations in the measurement or evaluation of information covered by assurance in accordance with the reporting criteria;
- preventing and detecting fraud;
- selecting the content of the ISI, including identifying and engaging with intended users to understand their information needs;
- informing us of other information that will be included with the ISI;
- supervision of other staff involved in the preparation of the ISI; and

Those charged with governance are responsible for overseeing the reporting process for the Company's Assured Sustainability Information.

## Inherent limitations

The preparation of the HUL Group's BRSR information requires the management to establish or interpret the criteria, make determinations about the relevancy of information to be included, and make estimates and assumptions that affect the reported information.

Measurement of certain amounts and BRSR attributes, some of which are estimates, is subject to substantial inherent measurement uncertainty, for example GHG emissions, water footprint, energy footprint. Obtaining sufficient appropriate evidence to support our opinion/ conclusion does not reduce the uncertainty in the amounts and metrics.

The absence of a significant body of established practice on which to draw to evaluate and measure non-financial information allows for different, but acceptable, measures and measurement techniques and can affect comparability between entities.

## Our responsibilities

We are responsible for:

- Planning and performing the engagement to obtain a reasonable assurance and limited assurance on the Assured Sustainability Information about whether the ISI is free from material misstatement, whether due to fraud or error;
- forming an independent reasonable assurance opinion and limited assurance conclusion, based on the procedures we have performed and the evidence we have obtained; and
- reporting reasonable assurance opinion and limited assurance conclusion to the Board of Directors of HUL.

### Summary of the work we performed as the basis for our opinion/conclusion

We exercised professional judgement and maintained professional skepticism throughout the engagement. We designed and performed our procedures to obtain evidence that is sufficient and appropriate to provide a basis for our reasonable assurance opinion and limited assurance conclusion.

### Reasonable assurance opinion

The nature, timing, and extent of the procedures selected depended on our judgement, including an assessment of the risks of material misstatement of the information covered by reasonable assurance, whether due to fraud or error. We identified and assessed the risks of material misstatement through understanding the information covered by reasonable assurance and the engagement circumstances. We also obtained an understanding of the internal control relevant to the information covered by reasonable assurance in order to design procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of internal controls. In carrying out our engagement, we:

- assessed the suitability of the criteria used by the entity in preparing the reasonable assurance information;
- evaluated the appropriateness of reporting policies, quantification methods and models used in the preparation of the information covered by reasonable assurance and the reasonableness of estimates made by the entity; and
- evaluated the overall presentation of the information covered by reasonable assurance.

### Limited assurance conclusion

Our procedures selected depended on our understanding of the information covered by limited assurance and other engagement circumstances, and our consideration of areas where material misstatements are likely to arise. In carrying out our engagement, we:

- assessed the suitability of the criteria used by the entity in preparing the information covered by limited assurance;
- interviewed senior management and relevant staff at corporate and selected locations concerning policies for environmental, social and occupational health and safety, and the implementation of these across the business;
- through inquiries, obtained an understanding of the Company's control environment, processes and information systems relevant to the preparation of the information covered by limited assurance, but did not evaluate the design of particular control activities, obtain evidence about their implementation or test their operating effectiveness;
- made inquiries of relevant staff at corporate and selected locations responsible for the preparation of the Information covered by limited assurance;
- undertook site visits at 5 plants of HUL Group and Corporate office; we selected these sites based on the relative size of the GHG emissions, water footprint, energy footprint of these locations to the total and unexpected fluctuations in the information covered by limited assurance since the prior period;
- inspected, at each site visited, a limited number of items to or from supporting records, as appropriate;
- applied analytical procedures, as appropriate;
- recalculated the information covered by limited assurance based on the criteria; and
- evaluated the overall presentation of the information covered by limited assurance to determine whether it is consistent with the criteria and in line with our overall knowledge of, and experience with, the Company's occupational health and safety.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

## Exclusions:

Our assurance scope excludes the following and therefore we will not express an opinion/ a conclusion on the same:

- The HUL Group's statements that describe the strategy, progress on goals (other than those listed under the scope of assurance), expression of opinion, claims, belief, aspiration, expectation, aim to future intention provided by the Company;
- The statements that describe expression of opinion, belief, aspiration, expectation, aim, or future intentions provided by the Company;
- Operations of the HUL Group other than those mentioned in the "Scope of Assurance";
- Aspects of the BRSR attributes and the data/information (qualitative or quantitative) other than the ISI; and
- Data and information outside the defined reporting period from 1st April, 2024 to 31st March, 2025.

For **B S R & Co. LLP**
**Chartered Accountants**
Firm registration No. 101248W/W-100022

**Aniruddha Godbole**
**Partner**
Membership No: 105149
ICAI UDIN: 25105149BMLWYN6113

# Appendix – A

## Appendix A – BRSR Core attributes - Reasonable assurance for financial year 2024-25

| Sr. No. | BRSR Core Indicator | Description of Indicator |
|---|---|---|
| 1 | Section C – Principle 1 – E8 | Number of days of accounts payable |
| 2 | Section C – Principle 1 – E9 | Concentration of purchases & sales done with trading houses, dealers, and related parties Loans and advances & investments with related parties |
| 3 | Section C – Principle 3 – E1(c) | Spending on measures towards well-being of employees and workers – cost incurred as a % of total revenue of the company |
| 4 | Section C – Principle 3 – E11 | Details of safety related incidents including lost time injury frequency rate, recordable work-related injuries, no. of fatalities |
| 5 | Section C – Principle 5 – E3(b) | Gross wages paid to females as % of wages paid |
| 6 | Section C – Principle 5 – E7 | Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, including complaints reported, complaints as a % of female employees, and complaints upheld |
| 7 | Section C – Principle 6 – E1 | Details of total energy consumption (in Joules or multiples) and its intensity |
| 8 | Section C – Principle 6 – E3 | Total volume of water withdrawal by source and water consumption in Kilolitres and its intensity |
| 9 | Section C – Principle 6 – E4 | Water discharge by destination and level of treatment (in kilolitres) |
| 10 | Section C – Principle 6 – E7 | Details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) and its intensity |
| 11 | Section C – Principle 6 – E9 | Details related to waste generated by category, waste recovered through recycling, re-using or other recovery operations, waste disposed by nature of disposal method and its intensity |
| 12 | Section C – Principle 8 – E4 | Input material sourced from following sources as % of total purchases – Directly sourced from MSMEs/ small producers and from within India |
| 13 | Section C – Principle 8 – E5 | Job creation in smaller towns – Wages paid to persons employed in smaller towns (permanent or non-permanent /on contract) as % of total wage cost |
| 14 | Section C – Principle 9 – E7 | Instances involving loss / breach of data of customers as a percentage of total data breaches or cyber security events |

## Appendix B – BRSR attributes (not part of BRSR Core) - Limited assurance for financial year 2024-25

| Sr. No. | BRSR Indicator reference ('E' indicates Essential Indicator & 'L' indicates Leadership Indicator) | Description of Indicator |
|---|---|---|
| 1 | Section A – 20a | Employees and workers (including differently abled) |
| 2 | Section A – 20b | Differently abled Employees and workers |
| 3 | Section A – 21 | Participation/Inclusion/Representation of women in BoD/ KMP |
| 4 | Section A – 22 | Turnover rate for permanent employees and workers |
| 5 | Section A – 25 | Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct |
| 6 | Section C – Principle 1 – E1 | Percentage coverage by training and awareness programmes on any of the Principles during the financial year |
| 7 | Section C – Principle 1 – E6 | Details of complaints with regard to conflict of interest |
| 8 | Section C – Principle 1 – L1 | Awareness programmes conducted for value chain partners on any of the Principles during the financial year |
| 9 | Section C - Principle 2 - E2 (b) | What percentage of inputs were sourced sustainably? (For Calendar Year 2024) |
| 10 | Section C - Principle 2 – L3 | Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry) |
| 11 | Section C – Principle 2 – L4 | Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed |
| 12 | Section C – Principle 2 – L5 | Reclaimed products and their packaging materials (as percentage of products sold) for each product category |
| 13 | Section C – Principle 3 – E1 | Details of measures for the well-being of employees and workers |
| 14 | Section C – Principle 3 – E2 | Details of retirement benefits, for Current financial year (excluding amounts deducted and deposited with the authority) |
| 15 | Section C – Principle 3 – E5 | Return to work and Retention rates of permanent employees and workers that took parental leave |
| 16 | Section C – Principle 3 – E7 | Membership of employees and worker in association(s) or Unions recognised by the listed entity |

| Sr. No. | BRSR Indicator reference ('E' indicates Essential Indicator & 'L' indicates Leadership Indicator) | Description of Indicator |
|---|---|---|
| 17 | Section C – Principle 3 – E8 | Details of training given to employees and workers |
| 18 | Section C – Principle 3 – E9 | Details of performance and career development reviews of employees and workers |
| 19 | Section C – Principle 3 – E13 | Number of Complaints on working conditions & Health safety made by employees and workers |
| 20 | Section C – Principle 3 – E14 | Assessments for the year (Health and safety practices, Working Conditions) |
| 21 | Section C – Principle 3 – L3 | Number of employees and workers having suffered high consequence work related injury / ill-health / fatalities, who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment |
| 22 | Section C – Principle 5 – E1 | Number of Employees and workers who have been provided training on human rights issues and policies of the entity |
| 23 | Section C – Principle 5 – E2 | Details of minimum wages paid to employees and workers |
| 24 | Section C – Principle 5 – E3 | Details of remuneration/salary/wages on median remuneration |
| 25 | Section C – Principle 5 – E6 | Number of Complaints on (Sexual Harassment, Discrimination at workplace, Child Labour, Forced Labour/Involuntary Labour, Wages and Other human rights related issues) made by employees and workers |
| 26 | Section C – Principle 5 – E10 | Percentage of your plants and offices that were assessed (by entity or statutory authorities or third parties) on Sexual Harassment, Discrimination at workplace, Child Labour, Forced Labour/Involuntary Labour, Wages and Other human rights related issues. |
| 27 | Section C – Principle 6 – E6 | Details of air emissions (other than GHG emissions) by the entity |
| 28 | Section C – Principle 6 – L1 | Water withdrawal, consumption and discharge in areas of water stress (in kilolitres) |
| 29 | Section C – Principle 8 – E2 | Information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity |
| 30 | Section C – Principle 9 – E3 | Number of consumer complaints in respect of Data Privacy, Advertising, Cyber-Security, Delivery of essential services, Restrictive Trade Practices, Unfair Trade Practices, Others |
| 31 | Section C – Principle 9 – E4 | Details of instances of product recalls on account of safety issues |

# Section A - GENERAL DISCLOSURES


At HUL, we are committed to unlocking a billion aspirations by leveraging our core strengths, driving innovation, and building an unbeatable portfolio. Our focus on sustainability is at the heart of our strategy, ensuring we lead the way in environmental stewardship, responsible sourcing and reducing our carbon footprint. By integrating sustainable practices into every aspect of our operations, we aim to create a positive impact on the planet while delivering consistent performance and growth.

**~8,200**
**Employees**

**100+**
**Differently abled Employees and Workers**

**~18,450**
**Workers**

**~1,600**
**Women on Shopfloor**

"Our strategic priority is to unlock a billion aspirations, while aligning our business practices with the highest standards of sustainability and cutting-edge innovation. We are committed to embedding responsible business practices into our operational framework, thereby generating long-term value for our stakeholders and fostering environmental resilience."

**Ritesh Tiwari**

Executive Director, Finance & IT and Chief Financial Officer

## I DETAILS OF THE LISTED ENTITY

| S. No. | Particulars | Response |
|---|---|---|
| 1 | Corporate Identity Number (CIN) of the listed entity | L15140MH1933PLC002030 |
| 2 | Name of the listed entity | Hindustan Unilever Limited |
| 3 | Year of incorporation | 1933 |
| 4 | Registered office address | Unilever House, B. D. Sawant Marg, Chakala, Andheri (East), Mumbai–400099 |
| 5 | Corporate address | |
| 6 | E-mail | levercare.shareholder@unilever.com |
| 7 | Telephone | + 91 (0) 022 – 5043 2790/32516/32754 |
| 8 | Website | www.hul.co.in |
| 9 | Financial year for which reporting is being done | 1st April, 2024 to 31st March, 2025 |
| 10 | Name of the stock exchange(s) where shares are listed | BSE Limited;<br>National Stock Exchange of India Limited |
| 11 | Paid-up capital | ₹235 crores |
| 12 | Name and contact details (telephone and email address) of the person who may be contacted in case of any queries on the BRSR report | Name: Radhika Shah – Company Secretary<br>Contact: +91 (0) 022 – 5043 2790/32516/32754<br>Email: levercare.shareholder@unilever.com |
| 13 | Reporting boundary – Are the disclosures under this Report made on a standalone basis (i.e., only for the entity) or on a consolidated basis (i.e., for the entity and all the entities that form part of its consolidated financial statements taken together)? | Disclosures under this Report are made on a consolidated basis covering wholly-owned subsidiaries (Refer table V-23. (a) for list of wholly-owned subsidiaries) |
| 14 | Name of assessment or assurance provider | M/s B S R & Co. LLP, Chartered Accountants |
| 15 | Type of assessment or assurance obtained | Reasonable assurance on BRSR Core parameters and Limited assurance on other parameters. Refer the Independent Practitioners' Reasonable and Limited Assurance Report for list of Identified Sustainability Indicators covered under the assurance |

## II PRODUCTS/SERVICES

### II-16. Details of business activities (accounting for 90% of turnover):

| S. No. | Description of the main activity | Description of business activity | Entity turnover (%) |
|---|---|---|---|
| 1 | Manufacturing - FMCG | Soaps, detergents, cosmetics & toiletries, and packaged foods | 100.0% |

### II-17. Products/services sold by the entity (accounting for 90% of the entity's turnover):

| S. No. | Product/service | NIC code | Total turnover contributed (%) |
|---|---|---|---|
| 1 | Home Care | 20233 Detergents<br>27501 Water purifiers<br>20239 Surface and bathroom cleaners | 36.8% |
| 2 | Beauty & Wellbeing | 20236 Shampoos<br>20237 Cosmetics<br>96020 Hairdressing and other beauty treatment | 21.3% |
| 3 | Personal Care | 20231 Soaps<br>20235 Toothpastes<br>20234 Deodorants | 14.7% |
| 4 | Foods | 10791 Tea<br>10792 Coffee<br>10750 Packaged foods (including frozen desserts)<br>10794 Malt-based foods | 24.5% |

## III OPERATIONS

### III-18. Number of locations where plants and/or operations/offices of the entity are situated:

| Location | Number of plants | Number of offices | Total |
|---|---|---|---|
| National | 27 | 11 | 38 |
| International | - | - | - |

### III-19. Markets served by the entity:

#### a. Number of locations

| Location | Number |
|---|---|
| National | 28 states and 8 union territories |
| International | 61 countries |

We have a pan-India presence and serve all states and union territories in India.

#### b. What is the contribution of exports as a percentage of the total turnover of the entity?

Exports contribute to 2.7% of our total turnover. We aim to expand global presence of our brands, such as Vaseline, Dove, Pears, BRU, Red Label, Lakmé, Horlicks, and Boost, and to effectively provide cross-border sourcing of FMCG products to other Unilever companies across the world.

#### c. A brief on the types of customers:

We have 90 years of presence in the country, and 9 out of 10 Indian households use one or more of our brands. Our brands are present in around 9 million retail outlets spread across the country through a network of 3,500+ distributors, the backbone of our retail reach. We also help our retail partners to grow sustainably. The longstanding relationships with our customers are based on trust and mutual understanding. We continue to work with all our partners including, small family-owned stores to large, organised retail, e-Commerce and now quick-commerce, to serve the ever evolving needs of our shoppers, in rural as well as urban areas. Our endeavour has always been to ensure that our brands are readily available wherever consumers shop.

## IV EMPLOYEES

### IV-20. Details as of the end of the financial year:

#### a. Employees and workers (including differently abled):

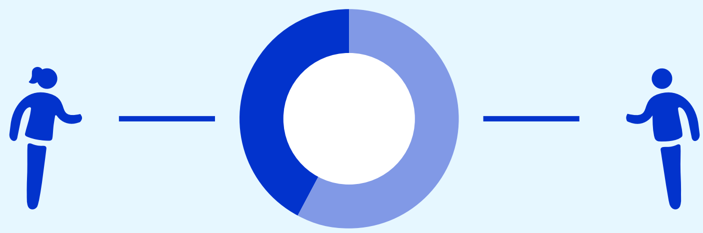
Our journey towards achieving an equitable and inclusive culture in our workforce has been marked by significant milestones. We have a 42% representation of women at the managerial level, and are dedicated to further strengthening this. Through several programs, such as 'Samavesh' and 'Ahilya', we strive to enhance women's representation in our factories and salesforce, respectively. We have over 1,600 women as shopfloor employees across our manufacturing locations and have onboarded over 1,500 women in sales.

| S. No. | Particulars | Total (A) | Male | | Female | |
|---|---|---|---|---|---|---|
| | | | Nos. (B) | % (B/A) | Nos. (C) | % (C/A) |
| **Employees** | | | | | | |
| 1 | Permanent (D) | 7,693 | 5,477 | 71.2% | 2,216 | 28.8%* |
| 2 | Other than permanent (E) | 509 | 266 | 52.3% | 243 | 47.7% |
| **3** | **Total employees (D+E)** | **8,202** | **5,743** | **70.0%** | **2,459** | **30.0%** |
| **Workers** | | | | | | |
| 4 | Permanent (F) | 11,109 | 10,373 | 93.4% | 736 | 6.6% |
| 5 | Other than permanent (G) | 7,356 | 6,479 | 88.1% | 877 | 11.9% |
| **6** | **Total workers (F+G)** | **18,465** | **16,852** | **91.3%** | **1,613** | **8.7%** |

*As of March 2025, we have achieved a gender diversity of 42% at our managerial base

**42%**

**gender diversity across our managerial base**



#### b. Differently abled employees and workers:

We continue to work towards inclusivity beyond gender. This involves celebrating the distinctive contributions of all individuals, regardless of factors such as their background, disability, sexual orientation, or any other characteristic. Our disability inclusion programme has been designed to create an inclusive ecosystem. We facilitate voluntary self-disclosure and reasonable accommodation policy to enable employees to disclose their disability and avail support discreetly. Our sites in Dapada, Amli, Haridwar and R&D Centres in Mumbai and Bengaluru have been certified for accessibility. Refer to our page for more details on https://www.hul.co.in/sustainability/equity-diversity-and-inclusion/.

| S. No. | Particulars | Total (A) | Male | | Female | |
|---|---|---|---|---|---|---|
| | | | Nos. (B) | % (B/A) | Nos. (C) | % (C/A) |
| **Differently abled employees** | | | | | | |
| 1 | Permanent (D) | 19 | 15 | 78.9% | 4 | 21.1% |
| 2 | Other than permanent (E) | 2 | - | - | 2 | 100.0% |
| **3** | **Total differently-abled employees (D+E)** | **21** | **15** | **71.4%** | **6** | **28.6%** |
| **Differently abled Workers** | | | | | | |
| 4 | Permanent (F) | 84 | 73 | 86.9% | 11 | 13.1% |
| 5 | Other than permanent (G) | 2 | 2 | 100.0% | - | - |
| **6** | **Total differently-abled workers (F+G)** | **86** | **75** | **87.2%** | **11** | **12.8%** |

## IV-21. Participation/Inclusion/Representation of women

| Particulars | Total (A) | No. and percentage of females | |
|---|---|---|---|
| | | No (B) | % (B/A) |
| Board of Directors (BoD) | 9 | 2 | 22.2% |
| Key Management Personnel (KMP)* | 3 | 1 | 33.3% |

Above table represents HUL's Board of Directors and Key Management Personnel

*Two KMPs i.e. Managing Director & Chief Executive Officer and Executive Director – Finance, IT & Chief Financial Officer, are on our Board of Directors

## IV-22. Turnover rate for permanent employees and workers

HUL, often referred to as the 'leadership factory', is known to attract and develop the best talent in the industry. Recognised as one of the best companies to work for, we continue to be the 'No. 1 Employer of Choice' across sectors, based on a brand perception study by InsideIIM at target B-Schools in 2024 and 'Best Organisation for Women 2025' by Economic Times.

| Particulars | FY 2024-25 Turnover rate (%) | | | FY 2023-24 Turnover rate (%) | | | FY 2022-23 Turnover rate (%) | | |
|---|---|---|---|---|---|---|---|---|---|
| | Male | Female | Total | Male | Female | Total | Male | Female | Total |
| Permanent employees | 17.8% | 21.8% | **18.9%*** | 15.9% | 21.6% | **17.4%** | 17.7% | 25.3% | **19.6%** |
| Permanent workers | 2.9% | 2.6% | **2.8%**** | 6.0% | 13.1% | **6.3%** | 7.9% | 11.1% | **8.0%** |

Turnover rate includes voluntary and involuntary attrition

*Voluntary: 13.1%; Involuntary: 5.8%

**Voluntary: 0.3%; Involuntary: 2.5%

**'No. 1 Employer of Choice'**
**across sectors, based on a brand perception study by InsideIIM at target B-Schools in 2024**

**'Best Organisation for Women 2025'**
**by Economic Times**

## V HOLDING, SUBSIDIARY, AND ASSOCIATE COMPANIES (INCLUDING JOINT VENTURES)

### V-23. (a) Names of holding, subsidiary, associate companies, and joint ventures

| S. No. | Name (A) | Type of holding/subsidiary/ associate/joint venture | % of shares held by the listed entity | Does the entity in column A, participate in the business responsibility initiatives of the listed entity? |
|---|---|---|---|---|
| 1 | Unilever PLC | Holding | - | No |
| 2 | Unilever Group Limited | Holding | - | No |
| 3 | Unilever Overseas Holdings AG | Holding | - | No |
| 4 | Unilever UK&CN Holdings Limited | Holding | - | No |
| 5 | Unilever South India Estates Limited | Holding | - | No |
| 6 | Unilever Assam Estates Limited | Holding | - | No |
| 7 | Unilever Overseas Holdings B V | Holding | - | No |
| 8 | Unilever India Exports Limited | Wholly-owned subsidiary | 100.0% | Yes |
| 9 | Lakme Lever Private Limited | Wholly-owned subsidiary | 100.0% | Yes |
| 10 | Unilever Nepal Limited | Subsidiary | 80.0% | No |
| 11 | Daverashola Estates Private Limited | Wholly-owned subsidiary | 100.0% | Yes |
| 12 | Levers Associated Trust Limited | Wholly-owned subsidiary | 100.0% | Yes |
| 13 | Levindra Trust Limited | Wholly-owned subsidiary | 100.0% | Yes |
| 14 | Hindlever Trust Limited | Wholly-owned subsidiary | 100.0% | Yes |
| 15 | Hindustan Unilever Foundation | Wholly-owned subsidiary | 76.0%# | Yes |
| 16 | Unilever India Limited | Wholly-owned subsidiary | 100.0% | Yes |
| 17 | Kwality Wall's (India) Limited | Wholly-owned subsidiary | 100.0%@ | Yes |
| 18 | Zywie Ventures Private Limited | Subsidiary | 51.0%* | No |
| 19 | Nutritionalab Private Limited | Joint Venture | 19.8%* | No |

# 24% shareholding of Hindustan Unilever Foundation is held by Unilever India Exports Limited

*On a fully diluted basis

@ On 10th January, 2025, the Company has incorporated a wholly-owned subsidiary in the name of 'Kwality Wall's (India) Limited' (KWIL). HUL has decided to demerge its Ice Cream business into a separate listed entity through KWIL, which will have an authorised share capital of ₹250 crores and will handle the manufacture, marketing, distribution, and sale of ice creams, frozen desserts, and other frozen foods, in line with SEBI regulations, with HUL owning 100% of KWIL at the time of incorporation

## VI CSR DETAILS

### VI-24. (i). Is CSR applicable as per Section 135 of the Companies Act, 2013 (Yes/No)?

Yes, CSR provisions are applicable as per Section 135 of the Companies Act, 2013. A belief that sustainable business drives superior performance lies at the heart of our business strategy. We have been undertaking CSR activities before it was made a regulation. We have a dedicated CSR Policy focussed on the key strategic sustainability pillars of Climate, Nature, Plastics and Livelihoods, and lays down the approach towards community development in water conservation, health and hygiene, skill development, education, social advancement, gender equality, empowerment of women, ensuring environmental sustainability and rural development projects. The CSR Policy, as approved by the Board of Directors, is available on our website at: https://www.hul.co.in/investor-relations/corporate-social-responsibility/.

### VI-24. (ii) Turnover: ₹61,517 crores*

### VI-24. (iii) Net worth: ₹49,153 crores#

* Turnover excludes Unilever Nepal and Zywie Ventures Private Limited

# Net worth is for HUL Standalone

## VII TRANSPARENCY AND DISCLOSURE COMPLIANCE

### VII-25. Complaints/grievances on any of the principles (one to nine) under the National Guidelines on Responsible Business Conduct:

| Stakeholder group from whom the complaint was received | Grievance redressal mechanism in place? (If yes, provide web-link for the grievance redressal policy) | FY 2024-25 | | | FY 2023-24 | | |
|---|---|---|---|---|---|---|---|
| | | No. of complaints filed during the year | No. of complaints pending resolution at the close of the year | Remarks | No. of complaints filed during the year | No. of complaints pending resolution at the close of the year | Remarks |
| Communities | Yes https://app.convercent.com/en-us/LandingPage/99b958aa-55a1-e611-80d3-000d3ab1117e and manual registers at factories | 1 | - | - | - | - | - |
| Investors (other than shareholders) | | Not applicable, as we do not have any investors other than the shareholders (e.g., preference shareholders or debenture holders) | | | | | |
| Shareholders | Yes https://www.hul.co.in/investors/shareholder-information-and-contacts/investor-contacts/ | 227 | - | - | 242 | - | - |
| Employees and workers | Yes https://app.convercent.com/en-us/LandingPage/99b958aa-55a1-e611-80d3-000d3ab1117e and manual registers at factories | 94 | 6 | - | 89 | 21 | - |
| Customers* | Yes https://www.hul.co.in/contact/ | 3,386 | 116 | - | 3,583 | 225 | - |
| Value chain partners* | Yes https://app.convercent.com/en-us/LandingPage/99b958aa-55a1-e611-80d3-000d3ab1117e | - | - | - | - | - | - |

*Customers include distributors; Value chain partners include vendors/suppliers

### VII-26. Overview of the entity's material responsible business conduct issues. Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to the business, the rationale for identifying the same, and the approach to adapting or mitigating the risk along-with its financial implications, as per the following format.

In today's uncertain and ever-changing world, having a formal process to identify material sustainability issues is crucial. This process helps us focus on what matters most to our business and stakeholders. A sustainability issue is considered material if it meets two conditions: first, it poses a principal risk or is part of a principal risk that could impact our business or performance; second, it holds importance for our key stakeholders, including our employees, consumers, customers (retailers), suppliers, business partners, planet, and society (citizens, NGOs, governments). HUL updates its material topics every two years to stay aligned with changes in Global and Indian context. This year, HUL has refreshed its assessment to identify additions and revisions to the material topics, aligning with ESRS and parent entity (Unilever PLC). Below is the re-prioritised list of top sustainability issues across our operations and value chain.

| S. no. | Material issue identified | Indicate whether risk or opportunity (R/O) | Rationale for identifying the risk/ opportunity | In case of risk, approach to adapt or mitigate | Financial implications of the risk or opportunity (Indicate positive or negative implications) |
|---|---|---|---|---|---|
| **Environment** | | | | | |
| 1 | Resource use and Circularity | Risk | Waste management, Resource use and Circularity is a material topic for HUL. While plastic ensures product durability and affordability, its improper disposal leads to environmental and social consequences | We aim to transform plastic use by treating waste as a valuable resource and advocating for a circular economy. Extended Producer Responsibility (EPR) applies to HUL, and we are fully compliant with EPR rules, aligning our credit purchase plan with guidelines from the Central Pollution Control Board (CPCB). Starting financial year 2023- 24, we registered on the CPCB portal for EPR Credit exchange, ensuring timely submissions of our plastic footprint and credits.<br>We drive comprehensive waste management programs through partnerships with companies, governments and NGOs for collection, segregation, and processing, promoting consumer behaviour change. We are innovating alternative packaging solutions to reduce virgin plastic use and maximise recycled plastic. | Increased cost of developing sustainable packaging alternatives and risk of fines and penalties associated with non-compliance with statutory EPR regulations.<br>In the long run, initiatives and innovation have the potential to yield positive financial outcomes in the form of reduction in the amount of virgin plastic used, use of recycled plastic and alternative packaging considering the evolving regulatory landscape. |
| 2 | Biodiversity and Ecosystem Health | Risk | HUL's operations and supply chain depend heavily on natural resources, making biodiversity loss, deforestation, and land-use changes as a material risk. The company sources key agricultural and non-agricultural commodities, which, if not managed sustainably, can contribute to ecosystem degradation, impact biodiversity, and attract regulatory and reputational risks. | We are committed to restoring the health of our planet, in our supply chain and beyond. The Unilever Sustainable Agriculture Principle (SAP) and the Unilever Regenerative Agriculture Principles (RAPs) also provide the basis for our sustainable sourcing programme.<br>In this program, we focus on 12 key crops and agricultural commodities, prioritising their importance to our business and brands. Certification is a vital tool for driving positive change in agricultural supply chains. As India's largest tea business and a founding member of trustea, we collaborate with the Indian tea industry on sustainability efforts. | Biodiversity loss and ecosystem degradation may pose financial risks for HUL. Regulatory and compliance costs may rise due to stricter regulations on land use and biodiversity harm. Supply chain risks include increased raw material costs from climate change impacts. Operational risks involve non-compliance affecting business expansion. Market risks arise from failing to meet sustainability goals, leading to competitive disadvantages. |
| 3 | Climate Change | Risk | Climate Change is a material risk to us, which has the potential to impact both environment and our business in the short, medium, and long term, given our extensive manufacturing operations, global supply chains, and reliance on climate-sensitive raw materials. Our activities contribute to greenhouse gas (GHG) emissions across value chain, from raw material sourcing and logistics to product usage and disposal. Additionally, extreme weather events such as floods, droughts, and heatwaves impact agricultural yields, disrupt supply chains, and alter consumer purchasing patterns. Regulatory pressures related to carbon emissions, and energy transition further necessitate proactive adaptation strategies. | We are committed to addressing climate change through renewable energy investments, low-carbon supply chain initiatives, and sustainable product innovation. As a result, energy consumption per tonne of production has decreased by 49% since 2008. We have expanded our renewable energy footprint with additional solar plants and wind energy investments. To reduce emissions from our largest raw material sources, HUL has successfully launched several reformulated, lower-emission products in our Home Care and Personal Care portfolios which form the bulk of our emissions and also laying the foundation to scale these in the future. | Programs to mitigate risk emanating from climate change can lead to incremental costs in the short to medium term, which can be partly compensated by increased efficiency in the long-term. Importantly, these programs would strengthen business resilience and protect long term value. |

| S. no. | Material issue identified | Indicate whether risk or opportunity (R/O) | Rationale for identifying the risk/ opportunity | In case of risk, approach to adapt or mitigate | Financial implications of the risk or opportunity (Indicate positive or negative implications) |
|---|---|---|---|---|---|
| 4 | Water Security and Management | Risk | The 2030 Water Resources Group has estimated that India will have only half the water it needs by 2030 for farming, household and industrial use. Rising water scarcity could interrupt our production schedules, affecting our operations and at the same time impact the demand for products that require excessive water during consumer use or decreasing sales because of reduced product efficacy due to water shortages. Uncertainty in the timing and severity of summer, winter, and monsoon may also impact the business adversely. | We have taken steps to reduce and conserve water across our manufacturing operations. We have delivered a 50% reduction in water usage (cubic metre per tonne of production) in our own manufacturing operations in financial year 2024-25 as compared to the 2008 baseline. We could achieve this by focusing on reducing freshwater abstraction, implementing captive rainwater harvesting, and maximising the use of RO plants.<br>Since its inception in 2010, the Hindustan Unilever Foundation (HUF) has enabled the creation of over 3.9 trillion litres of water potential*, enough to meet India's drinking water needs for nearly two years. This achievement underscores HUF's significant impact on water conservation and community resource management. | Water scarcity can have an adverse impact on our operations, agricultural sourcing and can potentially reduce demand for our products that require water during use.<br>Measures to reduce and conserve water would optimise resource requirement, not just in our operations, but also in the wider communities. This would secure water needs and create enabling environment for future demand of our products. |
| 5 | Pollution | Risk | Pollution from industrial activities, logistics, and waste discharge poses significant environmental and social risks for us. Factory emissions, improper waste handling, and pollutants released during production or transportation can degrade air quality, contaminate water bodies, and harm soil health. This pollution not only disrupts ecosystems and endangers biodiversity but also impacts human health, particularly in communities near our operations and supply chain hubs | We are continually developing new methods to eliminate the use of hazardous chemicals in cleaning and disinfection processes by upgrading our hardware with the latest technologies. We have successfully achieved zero non-hazardous waste to landfill status across all our factories by maximising the reuse and recycling of non-hazardous waste in environmentally friendly ways. In the absence of recycling infrastructure, we recover energy from waste, optimising waste flows and enhancing our circular economy approach. This improves factory operations and reduces environmental impact. All our factories are equipped with pre-processing facilities, such as waste segregation and source reduction, to enhance recyclability.<br>We maximise recycling and reuse treated wastewater on-site, reducing freshwater intake. As of 31st March, 2025, 25 out of 27 factories achieve Zero Liquid Discharge, recycling 100% of wastewater for uses like cooling, boiler feed, and gardening.<br>Additionally, our factories are equipped with efficient air pollution control devices installed at the stacks to minimise the risk of air pollution. Furthermore, we monitor air, water and soil pollutants at a minimum bi-annually across our sites to ensure we can promptly address any risks | Environmental pollution caused by operations or supply chain activities can harm our reputation as a responsible brand.<br>Regulatory penalties and legal challenges arising from pollution can increase operational costs and disrupt business activities. Compliance with environmental regulations is critical, and violations could lead to fines, lawsuits, or even restrictions on production. |
| **Social** | | | | | |
| 6 | Diversity, Equity, and Inclusion | Opportunity | We believe Diversity, Equity Inclusion (DEI) is a business imperative that drives innovation, enhances employee engagement, and strengthens market relevance. With evolving workforce demographics, DEI allows us to unlock untapped talent pools, attract and retain top talent, and reflect the diverse consumers and communities we serve. DEI also presents an opportunity to strengthen brand reputation, ensure fairness in our practices, and build trust among employees, customers, and stakeholders. | Our approach to Diversity, Equity and Inclusion is grounded in strong governance, continuous capability building, and measurable outcomes. Diversity, equity, and inclusion are core elements of our culture and are embedded across our employee life cycle. We have been investing in the capability building of our business leaders and HR practitioners to support equity advocacy, diversity awareness, and psychological safety in their teams. Externally, we stay attuned to evolving regulations and societal expectations by engaging with industry experts and benchmarking our practices. We are committed to creating a culture where everyone can thrive and contribute to our collective growth. | Diversity, Equity, and Inclusion are business enablers that enhance performance, fuel innovation, and foster a more balanced and inclusive work culture. By embedding DEI into our core, we drive sustainable growth, and contribute to a fairer, more socially inclusive world. |

* Assured by an external independent firm

| S. no. | Material issue identified | Indicate whether risk or opportunity (R/O) | Rationale for identifying the risk/ opportunity | In case of risk, approach to adapt or mitigate | Financial implications of the risk or opportunity (Indicate positive or negative implications) |
|---|---|---|---|---|---|
| 7 | Talent Retention | Risk | Talent retention is a vital risk for us, impacting efficiency, innovation, and competitiveness. By focusing on employee engagement, skill development, and a supportive culture, we boost employee satisfaction and loyalty, reduce recruitment costs and ensuring business continuity. Our talent strategy helps HUL maintain a high-performing workforce adaptable to market changes, positioning it as an employer of choice and strengthening its competitive edge. | HUL emphasises talent attraction and retention, leveraging brand equity to draw top talent. Digital campaigns and capability-building initiatives enhance our appeal as an employer of choice. Robust Talent and Reward Management processes, succession planning, proactive market mapping and progressive policies ensure we nurture a high-performing workforce, and secure our reputation as a forward-thinking organisation. | Our long-term success relies on attracting and retaining diverse talent, especially in competitive markets. The evolving nature of work poses risks to productivity and operations. Effective talent management is crucial, to maintain engagement, productivity, and collaboration. |
| 8 | Human Rights, Fair Work, and Responsible Sourcing, across Value Chain | Risk | Maintaining human rights and fair working practices throughout our operations and value chain is crucial for upholding ethical business standards, regulatory compliance, and the well-being of the workforce.<br><br>Addressing challenges such as workplace health and safety, discrimination, and fair wages is vital for protecting worker rights, preventing exploitation, and fostering workplace equity. Additionally, investing in training programs and capability-building initiatives for workers and suppliers enhances long-term workforce development and business resilience. | We are committed to upholding and promoting human rights across our operations and interactions with business partners, aligning with the United Nations Global Compact. We have identified and prioritised eight human rights issues: discrimination, fair wages, forced labour, freedom of association, harassment, health and safety, land rights, and working hours. Our Human Rights Policy Statement outlines our principles, supported by a comprehensive framework guiding expected behaviors from employees and partners.<br><br>Our Responsible Partner Policy (RPP) sets supplier requirements, embodying our commitment to responsible, transparent, and sustainable practices. We work with suppliers on continuous improvement, verifying RPP compliance through self-declarations, online assessments, and third-party audits in high-risk areas, reinforcing our dedication to ethical supply chain practices. Additionally, we are committed to ensuring that suppliers representing 50% of our procurement spend to sign a living wage promise by 2026. | Potential human rights violations and noncompliance can cause damage to corporate reputation and have financial repercussions. |
| **Other Material Responsible Business Conduct Topic(s)** | | | | | |
| 9 | Business Ethics and Conduct | Opportunity | Our brands and reputation are invaluable assets, and how we operate, contribute to society, and engage with the world around is always under scrutiny. Acting ethically is essential to protect our reputation and brands. | Our Business Integrity framework ensures that how we do business is fully aligned with our values and applicable laws and regulations of the country. Our Code of Business Principles (CoBP) and Code Policies govern the behaviour of employees, suppliers, distributors and other third parties, who work with us. Processes for identifying and resolving breaches of Code and Code Policies are clearly defined and regularly communicated throughout the Company.<br><br>We, from the very inception, are known to conduct our business with integrity and highest level of governance, which form the bedrock of our operations. | We are committed to doing business with integrity and play a positive role in building relationships with customers, suppliers and other third parties. Good governance and ethics not only help increase trust among consumers, investors, and other stakeholders, but also help avoid fines, penalties, and other legal implications. |

For a complete materiality matrix, please refer to our website https://www.hul.co.in/sustainability/sustainability-reporting-centre/materiality-assessment/.

## Section B - MANAGEMENT AND PROCESS DISCLOSURES

Our ESG objectives are both ambitious and realistic, allowing us to seamlessly integrate them into our business operations. By leveraging our brands as a force for good, powered by purpose and innovation, we aim to drive transformative change and contribute positively to society and the environment. Our robust governance framework supports our ESG objectives, ensuring responsible, transparent, and sustainable business practices.

**Independent Chair**
of ESG Committee at Board level

**67%**
Independent Directors on ESG Committee

**CoBP**
aligning with UNGC principles and ILO guidelines

**ESG Policy**
approved by the Board

"Our purpose is to succeed by upholding high corporate standards, positively impacting communities and the environment. By fostering a culture of integrity, responsibility, and sustainability, we aim to create lasting value for our stakeholders and contribute to a better world. Our commitment to ethical practices and social responsibility drives us to innovate and lead with purpose, ensuring a brighter future for all."

**BP Biddappa**
Executive Director and Chief People, Transformation and Sustainability Officer

## POLICY AND MANAGEMENT PROCESSES

National Guidelines on Responsible Business Conduct Principles

**PRINCIPLE 1**
Businesses should conduct and govern themselves with integrity, and in a manner that is ethical, transparent, and accountable.

**PRINCIPLE 2**
Businesses should provide goods and services in a manner that is sustainable and safe.

**PRINCIPLE 3**
Businesses should respect and promote the well-being of all employees, including those in their value chains.

**PRINCIPLE 4**
Businesses should respect the interests of and be responsive to all its stakeholders.

**PRINCIPLE 5**
Businesses should respect and promote human rights.

**PRINCIPLE 6**
Businesses should respect and make efforts to protect and restore the environment.

**PRINCIPLE 7**
Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.

**PRINCIPLE 8**
Businesses should promote inclusive growth and equitable development.

**PRINCIPLE 9**
Businesses should engage with and provide value to their consumers in a responsible manner.

## Section B - MANAGEMENT AND PROCESS DISCLOSURES

| Disclosure questions | P1 Ethics & integrity | P2 Sustainable products | P3 Employee well being | P4 Stakeholders | P5 Human rights | P6 Environment | P7 Regulatory requirement | P8 Inclusive growth | P9 Consumer and IT |
|---|---|---|---|---|---|---|---|---|---|
| 1. a. Whether your entity's policy/ policies cover each principle and its core elements of the NGRBCs. (Yes/No) | Yes, we have an ESG Policy, approved by our ESG Committee, which covers all National Guidelines on Responsible Business Conduct ('NGRBC') principles. In addition to the ESG Policy*, we have various other policies relevant to NGRBC principles. | | | | | | | | |
| 1. b. Has the policy been approved by the Board? (Yes/No) | Yes | | | | | | | | |
| 1. c. Web Link of the Policies, if available | The policies can be accessed via the link https://www.hul.co.in/investors/corporate-governance/ and some internal policies applicable to employees are available on our intranet. | | | | | | | | |
| 2. Whether the entity has translated the policy into procedures. (Yes/No) | Yes | | | | | | | | |
| 3. Do the enlisted policies extend to your value chain partners? (Yes/No) | Yes, our Code of Business Principles (CoBP) and Responsible Partner Policy (RPP) extend to value chain partners. | | | | | | | | |
| 4. Name of the national and international codes/certifications/ labels/standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity | Our CoBP conforms to UNGC guidelines and ILO Principles | Farm Sustainability Assessment, Rainforest Alliance, TrustTea, Forest Stewardship Council, Roundtable on Sustainable Palm Oil, Round Table for Responsible Soya, FSSC 22000 | Unilever Occupational Health & Safety Framework based on the OHSAS Safety Management system | Unilever Environmental Care Framework based on ISO 14001 standards | Our CoBP conforms to UNGC guidelines and ILO principles | Unilever Environmental Care Framework standards based on ISO 14001 standards | Tax Transparency policy is based on OECD principles | CSR disclosures pursuant to Section 135 of the Companies Act, 2013 | Cyber Security Standards are aligned to the NIST-CSF<br>Advertising Standards Council of India (ASCI) – Code on Fair Advertising to Consumers. (We are a founder member of ASCI) |
| 5. Specific commitments, goals, and targets set by the entity with defined timelines, if any. | We have established Environmental, Social, and Governance (ESG) Goals as part of our Sustainability Strategy. Our ambitious agenda addresses critical issues that matter deeply to our consumers and stakeholders, including climate action, protecting and regenerating nature, managing plastics, and improving livelihoods.<br>The ESG Goals form a part of the Integrated Annual Report. | | | | | | | | |
| 6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met. | We constantly monitor the performance towards the goals and take adequate actions wherever required. We have a robust governance mechanism to monitor the progress of our goals. The Sustainability leadership team, chaired by the Chief People, Transformation and Sustainability Officer, reports the progress to the Chief Executive Officer & Managing Director, and Management Committee quarterly. Our ESG Committee, chaired by an Independent Director and comprising of a majority of Independent Directors, assists the Board in overseeing the vision and focus on our strategy relating to ESG as well as monitoring the progress against the stated vision and reviewing the policies and practices, initiatives and goals about ESG, ensuring that they remain effective.<br>For details, refer to the ESG highlights section of the Integrated Annual Report. | | | | | | | | |

*The other policies relevant to respective NGRBC Principles are listed below

**P1:** Code of Business Principles (CoBP), Policy on Conflict of Interest, Policy on Prevention of Insider Trading (Share Dealing Code) , Anti-corruption and Anti-bribery Policy, Board Familiarisation Programme, Corporate Governance Code, Policy on Related Party Transactions, Whistle Blower Policy, Policy for Determination of Materiality of Events, Code of Conduct for Board and Members of Senior Management

**P2:** Responsible Partner Policy (RPP), Business Partner Code, Quality Policy, Sustainable Agriculture Principle (SAP)

**P3:** CoBP, Safety & Health Policy, Equal Opportunity Policy, Disability Accommodation Policy, Parental Leave Policy, Prevention of Sexual Harassment Policy (POSH), Affirmative Action Policy, Education Assistance Policy, Reward Policy, Gender Transition Policy, Career Break Policy, Location flexibility and Split Family Arrangement, Travel Policy for New Parents, Foster Kinship Caregiver Policy, Retirement Policy

**P4:** CoBP, CSR Policy, Corporate Governance Code

**P5:** CoBP, Prevention of Sexual Harassment Policy (POSH), Policy to Support Survivors of Abuse, Whistle Blower Policy, Board Diversity Policy

**P6:** Environment, Health & Safety Policy, CoBP

**P7:** CoBP, Anti-trust and Fair Competition (as part of CoBP)

**P8:** Supplier Diversity & Inclusion Programme, CoBP, CSR Policy

**P9:** Cyber Security Policy, Data Privacy Policy, Quality Policy

## 7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)

### Dear Stakeholders,

I am pleased to share our Business Responsibility and Sustainability Report (BRSR) for the financial year 2024-25. This report aims to update you of our sustainability performance driven by our efforts to create a positive impact on the environment and society.

### Sustainability Embedded In Our Strategy

Our new strategy, 'ASPIRE: Unlocking a Billion Aspirations', aims to unlock growth for the business and is underlined by the key pillar of sustainability. We have been driving an ambitious sustainability agenda for decades. Yet, in the face of ever-growing economic, environmental, and social challenges, we are evolving our approach. Now is the time to focus on delivering impact by making sustainability progress integral to business performance.

We will continue to focus on four sustainability priorities – Climate, Nature, Plastics, and Livelihoods. We will be scaling our proven models across these pillars to create a larger impact. We truly believe that embracing sustainability is the only way for businesses to remain relevant in the future.

### Accelerating ESG Leadership

At HUL, we have made significant progress against our ESG (Environmental, Social, and Governance) Goals. In our manufacturing operations, we have reduced our $CO_2$ emissions by 99% (per tonne of production), water usage by 50% (cubic meter per tonne of production), and total waste generated from our factories by 62% (per tonne of production) in financial year 2024-25 compared to the 2008 baseline.

We are targeting net zero emissions by 2039. While we are well placed to deliver on Scope 1 & 2 emissions, we are relentlessly working on achieving our commitment on Scope 3 by 2039. This includes working closely with our biggest suppliers across all our categories. As a founding member of the Resource Efficiency and Circular Economy Industry Coalition (RECEIC), we aim to meet Net Zero commitments by addressing the use of sustainable raw materials through industry-wide action and government support.

### Doing Well By Doing Good

On our journey towards building plastic circularity through our Program "Project Circular Bharat" we have developed a decentralised financially viable model that works in the areas of Behaviour change, Social inclusion of waste workers, and Infrastructure development. We partner with multiple government bodies, other corporates such as SBI Foundation, and organisations such as UNDP and Xynteo on our plastic initiatives. Last year we launched 'Project Circular India Toolkit', a first-of-its-kind awareness-to-action toolkit which will help replicate the change across the ecosystem in partnership with the Ministry of Environment, Forests, & Climate Change (MoEFCC).

To play our part in securing the future of water we continue to build water conservation potential and enhance water-dependent livelihoods through the Hindustan Unilever Foundation and its partners. Since 2010, we have enabled creation of a cumulative water conservation potential of over 3.9 trillion litres.

Suvidha, our pioneering model of urban hygiene and sanitation centre today serves 5,00,000 people in Mumbai. Our first centre was set up in a slum in Mumbai in 2016 in partnership with the BMC to serve 2,000 people annually. We have now scaled it up to 20 centres across Mumbai in partnership with the government, HSBC India, and JSW Foundation. We have also signed a Memorandum of Understanding (MoU) with Ministry of Housing & Urban Affairs (MoHUA) to provide innovation & design expertise to build climate – resilient sanitation models for Urban India.

Not just the environment, but we have also been working towards creating a positive social impact. Project Shakti, launched at the dawn of the new millennium with the vision of empowering women in rural areas, has been a resounding success. It has been 11 years since we started 'Prabhat', our sustainable community development initiative aimed at improving livelihoods, health, and nutrition as well as protecting the environment. Since its inception, Prabhat has positively benefitted 11 million lives across 12 states and 2 union territories.

### Building For The Future

Sustainability has always been ingrained in the way we do our business and not just a separate initiative. This is because we truly believe that sustainable practices can drive innovation, reduce costs, enhance brand reputation, and create long-term value for shareholders.

We have come a long way in our sustainability journey and going forward we will require bold and decisive leadership to make a meaningful difference.

**Rohit Jawa**

Chief Executive Officer and Managing Director


## 8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies)

Our Chief Executive Office & Managing Director is responsible for the implementation and oversight of our Business Responsibility & Sustainability policies. Our ESG Committee, chaired by an Independent Director and comprising of a majority of Independent Directors, assists the Board in overseeing the vision and focus on our strategy relating to ESG as well as monitoring the progress against the stated vision and reviewing the policies and practices, initiatives and goals about ESG, ensuring that they remain effective.

## 9. Does the entity have a specified Committee of the Board/Director responsible for decision making on sustainability related issues? (Yes/No). If yes, provide details.

The ESG Committee of the Board is responsible for oversight of sustainability-related matters. The ESG committee of the Board comprises three directors (two Independent Directors and one Executive Director).

| S. No. | Name of the Director | DIN | Designation | Role |
|---|---|---|---|---|
| 1 | Leo Puri | 01764813 | Independent Director | Chairperson |
| 2 | Neelam Dhawan | 00871445 | Independent Director | Member |
| 3 | Rohit Jawa | 10063590 | Executive Director | Member |

## 10. Details of Review of NGRBCs by the Company: Indicate whether review was undertaken by Director/Committee of the Board/Any other Committee

| Subject for review | Indicate whether the review was undertaken by the Director/committee of the Board/any other committee | | | | | | | | | Frequency (annually/half-yearly/quarterly/other – please specify) | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | P1 | P2 | P3 | P4 | P5 | P6 | P7 | P8 | P9 | P1 | P2 | P3 | P4 | P5 | P6 | P7 | P8 | P9 |
| Performance against above policies and follow up action | All NGRBC related policies are reviewed by ESG Committee. Additionally, Audit Committee reviews the Code of Business Principles | | | | | | | | | ESG Committee – Half yearly basis<br>Audit Committee – Quarterly basis (for CoBP) | | | | | | | | |
| Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances | Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances is done by the Audit Committee | | | | | | | | | Quarterly basis | | | | | | | | |

## 11. Has the entity carried out independent assessment/evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.

| S. No. | P1 | P2 | P3 | P4 | P5 | P6 | P7 | P8 | P9 |
|---|---|---|---|---|---|---|---|---|---|
| 1 | We have a robust functional review mechanism complemented by an independent internal audit process that covers the working of all key policies. The internal audits are conducted by various external independent firms during the year. In addition to the above, relevant third-party assessments are conducted across business units periodically. | | | | | | | | |

## 12. If answer to question (1) above is No i.e. not all Principles are covered by a policy, reasons to be stated:

| Questions | P1 | P2 | P3 | P4 | P5 | P6 | P7 | P8 | P9 |
|---|---|---|---|---|---|---|---|---|---|
| The entity does not consider the principles material to its business (Yes/No) | Not applicable | | | | | | | | |
| The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No) | | | | | | | | | |
| The entity does not have the financial or/human and technical resources available for the task (Yes/No) | | | | | | | | | |
| It is planned to be done in the next financial year (Yes/No) | | | | | | | | | |
| Any other reason | | | | | | | | | |

# Section C - PRINCIPLE WISE PERFORMANCE DISCLOSURE

## PRINCIPLE 1

### BUSINESSES SHOULD CONDUCT AND GOVERN THEMSELVES WITH INTEGRITY, AND IN A MANNER THAT IS ETHICAL, TRANSPARENT AND ACCOUNTABLE

We aim to create an environment where employees embody our values of integrity, respect, responsibility, and pioneering, while remaining vigilant and confident in addressing potential concerns. Our Business Integrity programme brings these values to life, helping employees apply ethical standards in their daily work. This programme includes clear policies, guidelines, and robust procedures to prevent, detect, and respond to inappropriate behaviour. By focusing on business integrity, we strengthen our ability to attract and retain top talent, select the right partners, and protect our people, assets, and reputation.

Our Business Integrity framework ensures our operations align with our values and comply with laws and regulations. It has three pillars: Prevention, Detection, and Response. These high standards protect our stakeholders and support sustainable growth. Knowing the code and doing the right thing makes our company stronger.

**Nil**

**Bribery/corruption charges against our BoD/KMPs/employees/workers by law enforcement agency**

**Nil**

**Corruption/conflicts of interest complaints against the Director/KMPs**

**Nil**

**Material fines/penalties/punishments as per regulation 30 of SEBI LODR**

**98.3%**

**Value chain partners covered by the awareness programs**

"At HUL, we are committed to upholding the highest standards of business integrity. Our Code of Business Principles and related policies guide our actions, ensuring we operate with honesty, integrity, and respect for human rights. We strive to create a positive impact through our operations and relationships, fostering a culture of integrity at all levels"

**Vivek Mittal**
Executive Director, Legal and Corporate Affairs

## ESSENTIAL INDICATORS:

### EI-1. Percentage covered by training and awareness programmes on any of the principles during the financial year:

| Segment | Total number of training and awareness programmes held | Topics/principles covered under the training and its impact | Percentage of persons in respective category covered by the awareness programmes |
|---|---|---|---|
| Board of Directors | 5 | Update on ESG Goals, Customer Development, Consumer and Market Insights, Research & Development, Building Talent and Capabilities & Update on Changes to the BRSR Reporting Framework | 88.9% |
| Key Managerial Personnel | 5 | | 100.0% |
| Employees other than BoD and KMPs** | 1* | Introduction to Sustainability, ESG Goals, Climate Change, Human Rights, Health and Safety, and Skill Upgradation | 78.9% |
| Workers** | 1* | | 85.7% |

Above table represents HUL's Board of Directors and Key Managerial Personnel

*During the year, we rolled out a comprehensive training module to drive awareness among our employees and workers on the above topics, as represented in the table. In addition to this, we undertook various thematic training programmes across the organisation during the year

**Employees and workers include both permanent and other than permanent/contractual (including part time)

### EI-2. Details of fines/penalties/ punishment/award/compounding fees/ settlement amount paid in proceedings (by the entity or by Directors/KMPs) with regulators/law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures based on materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website)

During financial year 2024-25, there were no material fines/penalties/punishments/awards/compounding fees/ settlements as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 imposed on the Company or its Directors/KMPs.

**100%**
KMP covered by ESG awareness programme

### EI-3. Of the instances disclosed in Question 2 above, details of the Appeal/Revision preferred in cases where monetary or non-monetary action has been appealed.

Not applicable

## EI-4. Does the entity have an Anti-Corruption or Anti-Bribery Policy? If yes, provide details in brief and if available, provide a web link to the Policy.

Yes, one of the five pillars of our code policy focusses on countering corruption. Under this pillar, various policies address bribery, money laundering, gifts and hospitality, conflicts of interest, and more. Our commitment to doing business with integrity requires consistently high standards. We have built a strong reputation for being an ethical, trustworthy company. We are responsible for protecting that reputation by conducting our business with integrity as we interact with business partners, consumers, and public authorities. Dealings with public officials are particularly high risk; even the appearance of illegal conduct could cause significant damage to our reputation. Accordingly, our zero-tolerance approach towards bribery and corruption applies to all our operations and prohibits any kind of bribery. All these policies can be referred at https://www.hul.co.in/sustainability/responsible-business/business-integrity/

## EI-5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/corruption.

During financial year 2024-25, there were no charges of bribery/corruption by any law enforcement agency against our Directors/KMPs/employees/workers.

| Category | FY 2024-25 | FY 2023-24 |
|---|---|---|
| Directors | - | - |
| KMPs | - | - |
| Employees | - | - |
| Workers | - | - |

## EI-6. Details of complaints with regard to conflict of interest:

During financial year 2024-25, there were no complaints concerning conflicts of interest against the Directors and KMPs.

| Category | FY 2024-25 | Remarks | FY 2023-24 | Remarks |
|---|---|---|---|---|
| Number of complaints received in relation to issues of conflict of interest of the Directors | - | - | - | - |
| Number of complaints received in relation to issues of conflict of interest of the KMPs | - | - | - | - |

## EI-7. Provide details of any corrective action taken or underway on issues related to fines/ penalties/action taken by regulators/law enforcement agencies/judicial institutions, on cases of corruption and conflicts of interest.

Not applicable, as we do not have any instances of corruption/conflicts of interest against Directors and KMPs.

## EI-8. Number of days of accounts payables (Accounts payable *365) / Cost of goods/ services procured) in the following format:

| Parameter | FY 2024-25 | FY 2023-24 |
|---|---|---|
| Number of days of accounts payables | 84 days | 85 days |

## EI-9. Open-ness of business: Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format:

| Parameter | Metrics | FY 2024-25 | FY 2023-24 |
|---|---|---|---|
| Concentration of purchases* | a. Purchases from trading houses as % of total purchases | 23.0% | 22.8% |
| | b. Number of trading houses where purchases are made from | 332 | 296 |
| | c. Purchases from top 10 trading houses as % of total purchases from trading houses | 42.5% | 51.9% |
| Concentration of sales | a. Sales to dealers/distributors as % of total sales | 66.9% | 69.6% |
| | b. Number of dealers/distributors to whom sales are made | 4,373 | 4,394 |
| | c. Sales to top 10 dealers/distributors as % of total sales to dealers/ distributors | 5.3% | 4.9% |
| Share of RPTs** in | a. Purchases (Purchases with related parties/Total purchases) | 10.6% | 6.2% |
| | b. Sales (Sales to related parties/Total sales) | 1.0% | 1.0% |
| | c. Loans & advances (Loans & advances given to related parties/ Total loans & advances) | 66.8% | 69.2% |
| | d. Investments (Investments in related parties/Total investments made) | 21.4% | 17.9% |

*From financial year 2024-25, Purchases include both product input materials and capex procurement

**Related party transactions are as per the standalone financial statements of HUL

## LEADERSHIP INDICATORS

### LI-1. Awareness programmes conducted for value chain partners on any of the principles during the financial year:

Our Responsible Partner Policy (RPP) sets out the requirements that all our suppliers must comply to do business with us. Our RPP and its Fundamental Principles embody our commitment to responsible, transparent, and sustainable business.

Each fundamental principle of the RPP guides what HUL expects from its responsible and sustainable suppliers. We are committed to working with our suppliers on this journey of continuous improvement.

We have also verified alignment to and implementation of the RPP's mandatory requirements using supplier self-declarations, online assessments and independent verification, including third-party audits for designated high-risk countries and supplier types.

| S. No. | Total number of awareness programmes held | Topics/principles covered under the training | % of value chain partners covered (by value of business done with such partners) under the awareness programmes |
|---|---|---|---|
| 1 | One programme (total of 5,098 vendors were trained through digital medium) | • Legal Compliance & Countering Corruption<br>• Safeguarding Information & Property<br>• Sourcing and Manufacturing Products<br>• Freely Agreed Terms of Employment<br>• Free from Discrimination<br>• Free from Harassment<br>• Work is Voluntary<br>• Appropriate Age<br>• Fair Wages<br>• Reasonable Working Hours<br>• Freedom of Association<br>• Health & Safety<br>• Access to Grievance Mechanisms & Remedies<br>• Land Rights<br>• Protect and Regenerate Nature<br>• Climate Action<br>• Waste-free World | 98.3% |

### LI-2. Does the entity have processes in place to avoid/manage conflict of interests involving members of the Board? (Yes/No) If yes, provide details of the same.

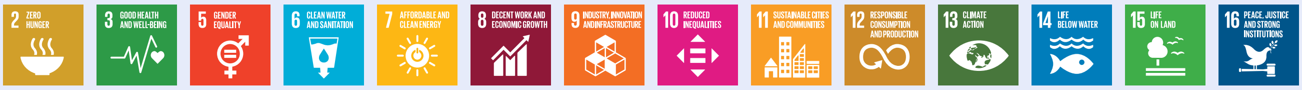
Yes, we have adopted the 'Code of Conduct' for the Board of Directors, which sets clear guidelines for avoiding and disclosing actual or potential conflicts of interest with the Company. We receive an annual declaration and changes, if any, from time to time from our Board of Directors and Senior Management on the Code of Conduct Policy. The Policy is available on our website and can be viewed at https://www.hul.co.in/investors/corporate-governance/.

**5,098**

**Vendors trained through Digital medium**

## PRINCIPLE 2

### BUSINESSES SHOULD PROVIDE GOODS AND SERVICES IN A MANNER THAT IS SUSTAINABLE AND SAFE




Innovation is at the heart of our ambition to grow sustainably. By combining key consumer insights with cutting-edge science and technology, we develop products that improve lives while positively impacting the environment and society. Our comprehensive portfolio of projects focusses on breakthrough technologies and responding to consumer demands, making our products more sustainable. We leverage advanced digital technology and data to deliver extraordinary products, services, and experiences. With world-class R&D centers and a strong tradition of research, we aim to innovate boldly for people and the planet.

**13.2%**

**R&D Investments in technologies to improve the environmental and social impacts of product and processes**

**13.6%**

**Capex Investments in technologies to improve the environmental and social impacts of product and processes**

**6.1%**

**Recycled plastic procured as a % of total plastic footprint in finished goods sold**

**58.2%**

**Key crops sustainably sourced**

"Our strategy is centred on disruptive, technology-led, and consumer-centric innovation interlocked with sustainability - transforming the way we deliver value. While we leverage advanced digital and AI capabilities to drive speed and agility, we are also harnessing the power of nature and science to develop next-generation materials and technologies that are beneficial for both people and planet. This ensures we not only meet current demands but also pave the way for an exciting sustainable future."

**Vibhav Sanzgiri**

Executive Director, Research and Development

## ESSENTIAL INDICATORS

### EI-1. Percentage of R&D and capital expenditure (CAPEX) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and CAPEX investments made by the entity, respectively.

| Category | FY 2024-25 | FY 2023-24 | Details of improvements in environmental and social impacts |
|---|---|---|---|
| R&D | 13.2%* | 9.5%* | Throughout the year, we focussed on research and development for sustainability projects across different business groups. Our efforts included incorporating post-consumer recycled (PCR) materials, reducing the use of virgin plastics, cutting greenhouse gas (GHG) emissions, reducing sugar content, and transitioning to plant-based materials.<br>Our R&D sites also worked on improving processes and capabilities thus enhancing safety, conserving water, managing waste, and promoting employee health and wellbeing. |
| CAPEX | 13.6% | 25.0% | During the year, we have undertaken capital expenditure on various projects like upgrading infrastructure, implementing energy-efficient systems like magnetic chillers and heat pumps, improving safety measures, automating processes, and ensuring compliance with statutory requirements, all to deliver positive outcomes for environmental and social aspects. |

*In addition to this, we benefit from the extensive R&D work undertaken by the Unilever Group through the technology licensing arrangement. Projects having positive environmental and social impact of R&D undertaken by the parent company will be over and above the reported numbers

### EI-2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)

Yes, our Responsible Partner Policy (RPP) outlines mandatory supplier requirements for ethical and sustainable business practices. It reflects our commitment to responsible, transparent, and sustainable operations, central to our core sustainable business strategy. In addition to RPP, The Unilever Sustainable Agriculture Principle (SAP) and the Unilever Regenerative Agriculture Principles (RAPs) also provide the basis for our sustainable sourcing programme. The Unilever Sustainable Agriculture Principle (SAP) presents best practices for farming, utilised by hundreds of thousands of farmers since 2010 for sustainable operations and Unilever Regenerative Agriculture Principles guide soil nourishment, carbon capture, and land restoration. These principles inspire our business, brands, suppliers, and peers, forming the foundation for regenerative programs in our supply chain.

In our revised Sustainable Sourcing programme, we concentrate on 12 key crops and agricultural commodities, prioritising their significance to our business and brands.

We believe that certification is one of the vital ways to drive positive change in agricultural supply chains. We are India's largest tea business and a founding member of trustea (https://trustea.org/partner), the Indian tea industry collaboration on sustainability.

The RPP and Sustainable Agriculture Principle and Regenerative Agriculture Principles (RAPs) are hosted on our website at https://www.hul.co.in/sustainability/nature.

### EI-2. b. If yes, what percentage of inputs were sourced sustainably?

58.2%* of key crops were sourced sustainably.

These crops include tea, palm oil, paper and board, cereal, sugar, dairy, cocoa, coconut oil, soy, starches, and vegetables & herbs, comprising more than two-third of our agricultural raw material volumes. Through focused programmes, we have achieved sustainable sourcing for 96% of our paper and board, 77% of our tomatoes and 82% of our tea procured during the calendar year 2024.

**82%**

**of Tea sustainably sourced**

### EI-3. Describe the processes in place to safely reclaim your products for reusing, recycling, and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.

There are mainly two categories of material that are reclaimed:

a) **Damaged and expired finished goods:** There is a comprehensive standard operating procedure (SOP) for safely handling and disposing of expired/ damaged stocks returned from the market and depots. These goods are either safely disposed of or recycled or reused.

b) **Plastic waste as part of Extended Producer Responsibility (EPR):** We follow the new national EPR Framework notified by CPCB that has become operational since Apr 2023 wherein an EPR wallet credit system has been created by CPCB. We undertake EPR credit purchases based on our plastic footprint / consumption and fully meet the EPR obligation.

### EI-4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes/No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

Yes, Extended Producer Responsibility (EPR) is applicable to HUL, and we comply with the prevailing EPR rules and regulations. Our waste collection plan aligns with the EPR guidelines and the plan submitted to the Central Pollution Control Board (CPCB). W.e.f. financial year 2023-24, we have been registered on the CPCB online portal dedicated to EPR Credit exchange and ensure timely submissions of our plastic footprint and corresponding EPR credits purchased.

## LEADERSHIP INDICATORS

### LI-1. Has the entity conducted Life Cycle Perspective/Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?

Life Cycle Assessments (LCAs) of our products are conducted by our Parent Company (Unilever PLC), either internally with in-house LCA experts or by external partners and in compliance with ISO 14040. Unilever applies internationally accepted impact assessment methods, such as the IPCC 2021 GWP100, ReCiPe and the European Commission's Environmental Footprint (EF) for quantifying the environmental impacts of a product – from the sourcing of raw materials to product manufacture, distribution, consumer use and disposal.

Unilever conducts an annual GHG footprinting (i.e., LCA focussed on climate change impact category) exercise for representative products across 13 countries, including India. The methodology is consistent with ISO 14040.

Additionally, each year, Unilever assesses its corporate GHG emissions through a corporate LCA focussed on climate change, using a top-down approach (utilising material flow analysis - MFA) enabling reporting on its mid-term 2030 SBTi targets and its 2039 Net Zero target.

| | |
|---|---|
| Name of Product/ Service | All major brands across Home Care, Beauty & Wellbeing, Personal Care, Foods and Refreshments |
| % of total Turnover contributed | 76.7% |
| Boundary for which the Life Cycle Perspective/ Assessment was conducted | Cradle-to-grave LCA focussed on climate change was conducted to assess GHG emissions over the entire life cycle of the products, from raw material extraction to final disposal |
| Whether conducted by independent external agency (Yes/No) | Assessment was conducted by internal agency (Safety, Environmental & Regulatory Sciences) |
| Results communicated in public domain (Yes/ No) If yes, provide the web-link. | Results are currently not communicated in the public domain |

In 2022, LCA was used to understand the key challenges to achieve our Net Zero target for all our products from sourcing to point of sale. A key area of focus was the raw materials footprint, which is related to the emissions

*This indicator is for Calendar Year 2024 which consists of percentage of inputs sourced sustainably for 12 key crops.

from our suppliers. We also included the impact of packaging, inbound and outbound logistics (including retail-related emissions) and disposal of the products (post-consumer use, i.e., biodegradation of chemicals and treatment of packaging).

In 2024, Unilever commissioned an annual LCA model representing its palm oil sourcing, and HUL together with the Indian Tea Research Association (TRA) commissioned an LCA of tea production in India.

Unilever has provided funding towards development of the World Foods Life Cycle Database, and is still among the key users and partners of this initiative, owned and managed by an external LCA consultancy. Unilever is a sponsor of the United Nations Environment Programme (UNEP) Life Cycle Initiative (LCI), which aims to support the application of LCA for policy and wider decision-making.

## LI-2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products/services, as identified in the Life Cycle Perspective/Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.

We have conducted a detailed analysis to identify inherent ESG risks for our business, considering issues significant to our stakeholders. And the key risks identified, inter alia, are climate change, waste management, resource use and circularity, biodiversity and ecosystem health and water scarcity and use. Our Life Cycle Assessments have highlighted Scope 3 emissions as a notable factor in our overall emissions footprint.

Raw material sourcing and production represents a significant contribution to the total life cycle impact of our products. The GHG emissions from the production of our key forest-risk commodities (i.e. palm oil, paper and board, tea, soy and cocoa) arise from land use change (e.g. deforestation), agricultural practices and downstream processing and hence our focus is on using non-deforestation materials – including in the case of palm, for example, NDP (No deforestation, no use of peat land).

Aligned with Unilever's climate action transition plan to achieve net zero across our value chain by 2039, we are working closely with our supplier partners, industry associations, regulatory bodies, and the government to foster a supportive ecosystem and implement the necessary changes.

Ingredients in our products contribute a significant portion to our scope 3 emissions and is completely dependent on external partners. Keeping that in mind we hosted 'Clean Future Summit' in August 2023 to foster industry-wide commitments on sustainable practices around emissions across the value chain. During this event we also revealed the results of successful scale up of low greenhouse gas emitting soda in partnership with Tuticorin Alkali Chemicals and Fertilizers Limited. We have made progress since then and are now sourcing a significant portion of our Soda Ash requirements from Low GHG sources.

To achieve net zero across our value chain, we need industry and government alignment and action. To enable this, we have secured founding membership of the Resource Efficiency and Circular Economy Industry Coalition (RECEIC); launched under India's G20 Presidency in 2023. FICCI acts as the secretariat for RECEIC. Within this Unilever is chairing a working group "Material Transition for the Chemical Industry". Through this platform, we are collaborating with chemical industry partners across value chain to recommend suitable policies and measures to the government for enabling materials transition from current fossil-based ingredients to renewable ingredients.

The Company has partnered with the Federation of Indian Chambers of Commerce and Industry (FICCI) to launch the Centre for Sustainability Leadership (CSL). The ambition of CSL is to help accelerate the Indian corporate sector's climate action by institutionalising sustainability leadership across FICCI members. In 2024, HSBC has partnered with the centre as a co-founder.

### Sustainable Palm

Soap bars typically comprising more than 80% soap molecules (>70% TFM - Total Fatty Matter) account for a large part of the palm footprint in non-edible usage. Ensuring availability and managing the environmental impacts of increased oil consumption are challenges faced by the soap industry today. Our R&D is committed to and has developed novel and proprietary technologies to manufacture soap bars that meet the desired functionality, while reducing the palm footprint significantly, and helping address climate change through lowering greenhouse gas emissions and the carbon footprint of our products. Further, from a consumer point of view, these products allow for better affordability, beauty and hygiene benefits, and sensory properties, which are desired by consumers. For example, we have implemented 'Stratos Technology,' which not only uses more sustainable palm oil but also enhances the efficacy of our soap bars. By incorporating benefit agents like plant polysaccharides, natural fatty acids, and vitamins, this technology reduces Total Fatty Matter (TFM) by upto 25%, decreases GHG emissions across the value chain, and delivers superior products to our consumers. We have received the prestigious Skin Health Alliance accreditation on Lux and also multiple accolades at the IPHA conference for the hygiene benefits of this technology.

Additionally, we have acquired a palm undertaking in Telangana as part of our palm localisation strategy. This backward integration will help build a resilient supply chain for palm derivatives, ensuring sustainable practices, reducing import dependency, and supporting the local value chain. This initiative aligns with the National Mission on Edible Oils, which aims to boost domestic production and reduce reliance on imports.

### Plastic Circularity

We are rethinking innovative solutions to redesign our packaging by cutting down the use of virgin plastic and replacing by post-consumer recycled (PCR) resins (https://www.hul.co.in/sustainability/plastics/).
Over the past five years, we have been at the forefront fostering recyclers, nurturing startups, and championing sustainable practices. In a groundbreaking collaboration with Banyan Nation, we achieved a significant milestone by incorporating PCR into shampoo bottles for the first time and since then have been expanding PCR inclusion across all Brands. As one of the early adopters, we have incorporated recycled plastic into our packaged food business following the r-PET regulation unlock (e.g., Kissan Squash).

We have also announced acquisition of stake in recycled flexible plastics firm Lucro Plastecycle Private Limited, taking ahead our partnership. With their expertise in flexibles, we were able to pioneer PCR in flexibles packaging. These collaborative approaches not only mark pivotal moments in sustainable packaging but also promotes the growth of its supply chain partners and fosters innovation within the industry. Over 25 of our brands use PCR, to name a few like Vim Dishwash, Surf excel, Comfort, Vaseline, Dove, Sunsilk etc.

To sustain the transitions from non-recyclable to recyclable design, practical and cost-efficient solutions are imperative. Our strategy to achieve cost-efficient solution are effective e-tendering, developing alternate feedstock suppliers and convertors, one structure to achieve scale benefit and digitisation.

## LI-3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

Plastic packaging needs to be recycled in environmentally friendly ways to build a circular economy. We have set ambitious targets to ramp up the use of recycled plastic and only use reusable, recyclable or compostable plastic packaging (https://www.hul.co.in/sustainability/plastics/).

| Indicate input material | Recycled or re-used input material to total material | |
|---|---|---|
| | FY 2024-25 | FY 2023-24 |
| Plastic packaging | 6.1%* | 4.4%* |

*% of recycled plastic as post-consumer recycled plastic procured on a base of total plastic footprint in the finished goods sold during the financial year

## LI-4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:

| Product | FY 2024–25 | | | FY 2023–24 | | |
|---|---|---|---|---|---|---|
| | Re-used | Recycled | Safely disposed | Re-used | Recycled | Safely disposed |
| Plastics (including packaging) (MT)* | - | - | 2,07,005** | - | - | 88,294** |
| E-waste | - | - | - | - | - | - |
| Hazardous waste | - | - | - | - | - | - |
| Other waste – Expired and damaged products (MT) | 1,549 | 682 | 6,380 | 1,909 | 539 | 6,352 |

* Since April 2023, EPR for Plastics is carried out by purchase of EPR credits from Plastic Waste Processors (PWPs) via portal maintained by Central Pollution Control Board (CPCB), in line with applicable guidelines. HUL is not collecting any branded plastic waste directly. On-ground plastic waste collection & disposal is carried out by PWPs authorised & monitored by CPCB/ State Pollution Control Board (SPCB)

**A part of the safely disposed plastic is also recycled, however, due to practical difficulties in traceability of such recycled plastics, the entire quantum is reported as safely disposed

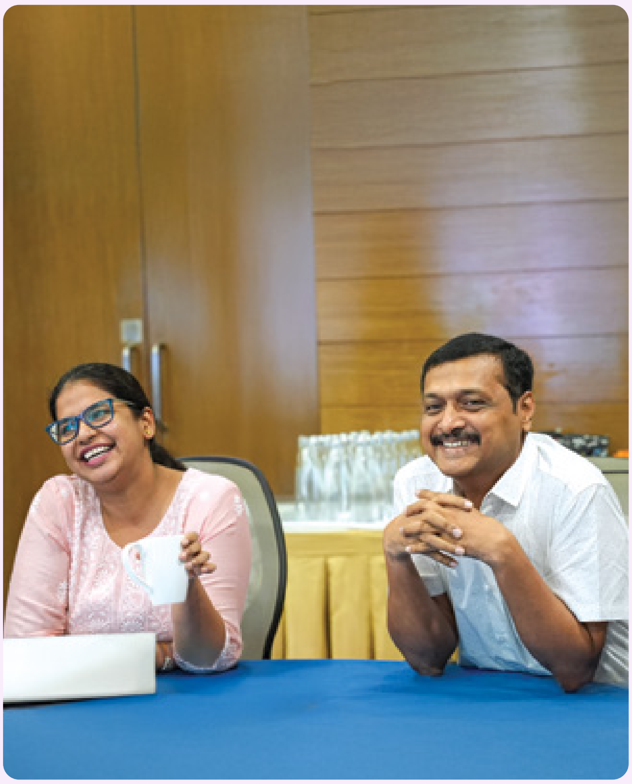
## LI-5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.

| S. no. | Indicate product category | Reclaimed products and their packaging materials as % of total products sold in respective category |
|---|---|---|
| 1 | Expired and damaged products (Depot and Market Return) | 0.2% |
| 2 | Plastic waste | 165.8% of total plastic packaging material* |

* HUL is committed to fulfilling its plastic waste management EPR obligations as mandated by the government. We actively pursue EPR credits to meet our commitment of purchasing EPR credits equal to 100% of the plastics used in our products. In financial year 2023-24, we received 88,294 tons of actual credits, covering 72.2% of our total plastic packaging material. This shortfall was due to a temporary system glitch on the CPCB's EPR portal. Consequently, the pending credits from the previous financial year, were credited in addition to this financial year's requirement

## PRINCIPLE 3

### BUSINESSES SHOULD RESPECT AND PROMOTE THE WELL-BEING OF ALL EMPLOYEES, INCLUDING THOSE IN THEIR VALUE CHAINS



At HUL, we are committed to empowering our employees to be the best version of themselves. We achieve this by fostering a work environment that prioritises health, safety, and a high-quality work-life balance. We understand that when our employees are healthy and well, and living their life's purpose, they can contribute more effectively to their families, their work, and society as a whole. Our initiatives include comprehensive wellness programs, flexible working hours, and opportunities for personal and professional growth, ensuring that our team members feel supported and valued in every aspect of their lives.

**96.6%**
**Return to work rate for female employees**

**94.3%**
**Value chain partners assessed on health and safety and working conditions**

**100%**
**Plants and offices assessed on health and safety and working conditions**

**81.7%**
**Permanent workers associated with the union**

"At HUL, we are dedicated to making a meaningful impact on the world while excelling in our professional endeavours and promoting overall wellbeing. This unique blend of purpose, excellence, and wellbeing distinguishes us in the industry. By fostering a culture that values both achievement and care, we aim to inspire positive change and create lasting value for our stakeholders and the communities we serve."

**BP Biddappa**

Executive Director and Chief People, Transformation and Sustainability Officer

## ESSENTIAL INDICATORS

### EI-1. a. Provide details of measures for the well-being of employees

| Category | % of employees covered by | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Health insurance | | Accident insurance | | Maternity benefits | | Paternity benefits | | Day-care facilities | |
| | Total (A) | Number (B) | % (B/A) | Number (C) | % (C/A) | Number (D) | % (D/A) | Number (E) | % (E/A) | Number (F) | % (F/A) |
| | Permanent employees | | | | | | | | | | |
| Male | 5,477 | 5,477 | 100% | 5,477 | 100% | - | - | 5,173 | 94.5% | 5,028 | 91.8% |
| Female | 2,216 | 2,216 | 100% | 2,216 | 100% | 2,216 | 100% | - | - | 1,726 | 77.9% |
| **Total** | **7,693** | **7,693** | **100%** | **7,693** | **100%** | **2,216** | **100%** | **5,173** | **94.5%** | **6,754** | **87.8%** |
| | Other than permanent employees | | | | | | | | | | |
| Male | 266 | 252 | 94.7% | 215 | 80.8% | - | - | 248 | 93.2% | - | - |
| Female | 243 | 233 | 95.9% | 212 | 87.2% | 243 | 100% | - | - | - | - |
| **Total** | **509** | **485** | **95.3%** | **427** | **83.9%** | **243** | **100%** | **248** | **93.2%** | **-** | **-** |

### EI-1. b. Details of measures for the well-being of workers

| Category | % of workers covered by | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Health insurance | | Accident insurance | | Maternity benefits | | Paternity benefits | | Day-care facilities | |
| | Total (A) | Number (B) | % (B/A) | Number (C) | % (C/A) | Number (D) | % (D/A) | Number (E) | % (E/A) | Number (F) | % (F/A) |
| | Permanent workers | | | | | | | | | | |
| Male | 10,373 | 10,373 | 100% | 10,373 | 100% | - | - | 10,373 | 100% | 10,354 | 99.8% |
| Female | 736 | 736 | 100% | 736 | 100% | 736 | 100% | - | - | 736 | 100% |
| **Total** | **11,109** | **11,109** | **100%** | **11,109** | **100%** | **736** | **100%** | **10,373** | **100%** | **11,090** | **99.8%**** |
| | Other than permanent workers | | | | | | | | | | |
| Male | 6,479 | 6,479 | 100% | 6,479 | 100% | - | - | - | - | 6,466 | 99.8% |
| Female | 877 | 877 | 100% | 877 | 100% | 877 | 100% | - | - | 870 | 99.2% |
| **Total** | **7,356** | **7,356** | **100%*** | **7,356** | **100%** | **877** | **100%** | **-** | **-** | **7,336** | **99.8%**** |

*Health insurance coverage as per ESI for other than Permanent Worker is 100% in all locations where ESIC is applicable as per statutory requirements. Of the 27 operating factories under the scope of reporting, 7 factories are in locations where there is no ESI coverage

**One of our site i.e. Tatapuram have less than 50 workers which do not meet the minimum threshold for running a day care centre. This is also in line with the requirements of Section 11A of Maternity Benefit (Amendment) Act, 2017

### EI-1. c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format:

| Parameter | FY 2024-25 | FY 2023-24 |
|---|---|---|
| Cost incurred on well-being measures as a % of total revenue of the company | 0.2% | 0.2% |

* Following costs are considered: Health and accident insurance premium, maternity and paternity leave cost, day care cost and staff welfare expenses relating to wellbeing

### EI-2. Details of retirement benefits, for current and previous financial years

| Benefits | FY 2024-25 | | | FY 2023-24 | | |
|---|---|---|---|---|---|---|
| | No. of employees covered as a % of total employees | No. of workers covered as a % of total workers | Deducted and deposited with the authority (Y/N/NA) | No. of employees covered as a % of total employees | No. of workers covered as a % of total workers | Deducted and deposited with the authority (Y/N/NA) |
| PF | 100.0% | 100.0% | Yes | 100.0% | 100.0% | Yes |
| Gratuity | 100.0% | 100.0% | Not applicable | 100.0% | 100.0% | Not applicable |
| ESI* | 1.0% | 0.2% | Yes | 1.9% | 1.2% | Yes |

*As per the ESI regulation, 100% of the eligible employees and workers have been covered under the benefits

### EI-3. Are the premises/offices of the entity accessible to differently-abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

We recognise the importance of meeting the requirements of the Rights of Persons with Disabilities Act, 2016 and are taking proactive steps to support the needs of individuals with disabilities. Our Company has implemented various measures to provide disabled-accessible infrastructure. In our various factories and offices, we have installed:

- Ramps
- Lowered reception desk for wheelchair access
- Elevator voice annunciator
- Evacuation chair
- Automated sliding doors to support mobility
- Tactile flooring and Braille signages
- Induction loop system
- All gender accessible toilets, fire alarm freshers and accessible guest rooms

Additionally, we are preparing the remaining factories and offices for accessibility infrastructure and aim to achieve certification for 100% of our sites with the Minimum Mandatory Standards required under the Persons with Disabilities Act. We believe that accessibility is an essential aspect of social responsibility and are persistent in our efforts to create an inclusive environment for everyone.

### EI-4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a weblink to the policy.

Yes, we have an equal employment opportunity policy, which can be referred to on https://www.hul.co.in/investors/corporate-governance/policies/hr-policies/.
We continue to believe that our policies regarding equal employment opportunities are necessary not only to comply with state and local laws and obligations, but also because they are in line with our core values and represent an important contribution to the communities in which we live and work. We have set clear goals to eliminate bias and discrimination in our policies and practices, accelerate diverse representation in our workforce, and remove barriers for people with disabilities.

### EI-5. Return to work and retention rates of permanent employees and workers that took parental leave.

We understand the needs of our employees, who are planning to or have recently become parents, to take paid leave to experience this beautiful phase and nurture a bond with their young child. We also extend maternity and paternity leave with full pay and benefits to parents legally adopting a child. We also extend this benefit to same-sex partners, where the partner who is a primary caregiver is eligible for paid leave and benefits as applicable for maternity, and the secondary caregiver is eligible for paid leave and benefits as applicable for paternity. Additionally, we offer extended caregiver leave and foster care leave to support our employees in various parenting roles.

| Gender | Permanent employees (FY 2024-25) | | Permanent workers (FY 2024-25) | |
|---|---|---|---|---|
| | Return-to-work rate | Retention rate | Return-to-work rate | Retention rate |
| Male | 100.0% | 84.3% | 100.0% | 98.1% |
| Female | 96.6% | 77.5% | 95.8% | 92.3% |
| **Total** | **98.5%** | **82.6%** | **99.0%** | **97.0%** |

## EI-6. Is there a mechanism available to receive and redress grievances for the following categories of employees and workers? If yes, give details of the mechanism in brief.

| Category | Yes/No | Details of the mechanism in brief |
|---|---|---|
| Permanent workers | Yes | Yes. Grievances received at the factories are duly acknowledged and recorded in the grievance register and these are regularly monitored. Workers can raise grievances at https://app.convercent.com/en-us/LandingPage/99b958aa-55a1-e611-80d3-000d3ab1117e (an online portal for raising concerns and grievances), which also allows filing of anonymous complaints. We also have a website (https://www.hul.co.in/investor-relations/corporate-governance/), a dedicated hotline (000 800 100 7096), and an e-mail ID (cobp.hul@unilever.com) for raising code* and non-code related breaches. |
| Other than permanent workers | Yes | |
| Permanent employees | Yes | Yes. we have grievance drop boxes at the office premises, where employees can share their grievances, and these are regularly monitored. Employees can raise grievances at https://app.convercent.com/en-us/LandingPage/99b958aa-55a1-e611-80d3-000d3ab1117e (an online portal for raising concerns and grievances), which also allows filing of anonymous complaints. There is also a website (https://www.hul.co.in/investor-relations/corporate-governance/), a dedicated hotline (000 800 100 7096), and an e-mail ID (cobp.hul@unilever.com) for raising code and non-code related breaches. |
| Other than permanent employees | Yes | |

*The Code of Business Principles (CoBP) can be referred to on: https://www.hul.co.in/files/8da5bc9c-f79a-4c6c-b1cd-b1fae8acfb9a/db2d2fdb318d8603c25ebe4e018a3b87e904a3b8.pdf

## EI-7. Membership of employees and workers in association(s) or union(s) recognised by the listed entity:

All the employees and workers are free to exercise their right to form and/or join trade unions, refrain from doing so, or bargain collectively. This freedom of association also ensures fair compensation and that long-term settlements cover all the factories and offices.

| Category | FY 2024-25 | | | FY 2023-24 | | |
|---|---|---|---|---|---|---|
| | Total employees/ workers in respective category | No. of employees/ workers in respective category, who are part of association(s) or union | % | Total employees/ workers in respective category | No. of employees/ workers in respective category, who are part of association(s) or union | % |
| | (A) | (B) | (B/A) | (A) | (B) | (B/A) |
| **Total permanent employees** | **7,693** | **-** | **0.0%** | **8,245** | **-** | **0.0%** |
| Male | 5,477 | - | 0.0% | 5,945 | - | 0.0% |
| Female | 2,216 | - | 0.0% | 2,300 | - | 0.0% |
| **Total permanent workers** | **11,109** | **9,077** | **81.7%** | **11,182** | **9,272** | **82.9%** |
| Male | 10,373 | 8,759 | 84.4% | 10,524 | 8,947 | 85.0% |
| Female | 736 | 318 | 43.2% | 658 | 325 | 49.4% |

## EI-8. Details of training given to employees and workers

We have a robust and diverse agenda to impart skills to employees and workers through various training programs.

| Category | FY 2024-25 | | | | | FY 2023-24 | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | On health and safety measures | | On skill upgradation | | | On health and safety measures | | On skill upgradation | |
| | Total (A) | No. (B) | % (B/A) | No. (C) | % (C/A) | Total (D) | No. (E) | % (E/D) | No. (F) | % (F/D) |
| **Employees** | | | | | | | | | | |
| Male | 5,743 | 4,657 | 81.1% | 4,657 | 81.1% | 6,179 | 5,762 | 93.3% | 5,762 | 93.3% |
| Female | 2,459 | 1,815 | 73.8% | 1,815 | 73.8% | 2,476 | 2,222 | 89.7% | 2,222 | 89.7% |
| **Total** | **8,202** | **6,472** | **78.9%** | **6,472** | **78.9%** | **8,655** | **7,984** | **92.2%** | **7,984** | **92.2%** |
| **Workers** | | | | | | | | | | |
| Male | 16,852 | 14,589 | 86.6% | 14,589 | 86.6% | 17,790 | 16,935 | 95.2% | 16,935 | 95.2% |
| Female | 1,613 | 1,232 | 76.4% | 1,232 | 76.4% | 1,319 | 1,094 | 82.9% | 1,094 | 82.9% |
| **Total** | **18,465** | **15,821** | **85.7%** | **15,821** | **85.7%** | **19,109** | **18,029** | **94.4%** | **18,029** | **94.4%** |

## EI-9. Details of performance and career development reviews of employees and workers

We are a performance-driven organisation with a robust Performance Management System. At the start of every performance year, based on business priorities, each unit/function crafts its flexible goals, which include business and development-related objectives. We assess the achievements against these goals at the end of the year with regular feedback throughout the year to ensure that people deliver their best. We provide our employees with versatile horizontal and vertical exposure to chart a course for developing leaders for the future. For factory workers, performance is evaluated annually through our in-house Performance Appraisal System. We assess workers based on their performance for their assigned jobs against set standards and ensure communication.

| Category | FY 2024-25 | | | FY 2023-24 | | |
|---|---|---|---|---|---|---|
| | Total (A) | No. (B) | % (B/A) | Total (A) | No. (B) | % (B/A) |
| **Employees** | | | | | | |
| Male | 5,477 | 5,173 | 94.4% | 5,945 | 5,670 | 95.4% |
| Female | 2,216 | 1,976 | 89.2% | 2,300 | 2,060 | 89.6% |
| **Total** | **7,693** | **7,149** | **92.9%** | **8,245** | **7,730** | **93.8%** |
| **Workers** | | | | | | |
| Male | 10,373 | 10,372 | 99.9% | 10,524 | 10,522 | 99.9% |
| Female | 736 | 736 | 100.0% | 658 | 658 | 100.0% |
| **Total** | **11,109** | **11,108** | **99.9%** | **11,182** | **11,180** | **99.9%** |

As per the Company's policy, every employee and worker is eligible for an annual performance and career development review. At HUL, we follow a calendar year cycle i.e., January to December for performance and career development review. In the above table, % of employees not covered are largely those who have joined the organisation in the period January 2025 to March 2025 as they would be covered in next year's performance review

### EI-10. a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/No). If yes, the coverage such system?

Yes, we have established a robust health and safety management system for all employees and workers. Our occupational health and safety system is governed by our Occupational Health and Safety (OHS) Framework Standards. We are committed to providing a safe and healthy work environment for those working on, visiting, or living near our operations. Management at all levels is responsible and accountable for everyone involved in our operations, including employees and visitors.

### EI-10. b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

We conduct risk assessments based on the Unilever's Occupational Health and Safety Risk Assessment Methodology. Occupational health and safety risk assessment is integral to the organisation's routine operations and management of change processes for new processes, equipment and methods of working. We conduct a thorough risk assessment exercise for routine and non-routine tasks. Adequate controls are put in place to mitigate the identified risks. For non-routine tasks, the risks are governed by the 'Permit-to-work' process and task specific 'Method statements'. The process involves identifying the hazards associated with the facilities and the work involved and outlining the controls to eliminate or reduce hazards. A Job safety assessment is developed for specific permitted work tasks and displayed with the permit.

### EI-10. c. Whether you have processes for workers to report work-related hazards and to remove themselves from such risks. (yes/no)

Yes, workers are encouraged to report work-related hazards through offline as well as online modes. We take adequate measures to mitigate these hazards and communicate the same to the workers.

### EI-10. d. Do the employees/worker of the entity have access to non-occupational medical and healthcare services? (yes/no)

Yes, the employees and workers have access to non-occupational on-site medical and healthcare services for common health conditions and emergency management. In addition, employees and workers can avail medical services from a chain of hospitals across the country through the insurance coverage extended by the organisation.

### EI-11. Details of safety related incidents, in the following format:

| Safety incident/ number | Category* | FY 2024-25 | FY 2023-24 |
|---|---|---|---|
| Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked) | Employees | - | 0.13 |
| | Workers | 0.23 | 0.13 |
| Total recordable work-related injuries | Employees | 1 | 3 |
| | Workers | 24 | 21 |
| No. of fatalities | Employees | - | - |
| | Workers | - | - |
| High consequence work-related injury or ill-health (excluding fatalities) | Employees | - | - |
| | Workers | 1 | - |

*Including in the contract workforce

### EI-12. Describe the measures taken by the entity to ensure a safe and healthy workplace.

We strive to integrate safety into all our business processes. Our safety and health management system follows the principle of Plan, Do, Check and Act. We assess credible risks and take appropriate measures to mitigate them. Periodic training, capacity-building sessions and regular mock drills are conducted at each unit. Safety induction is mandatory for all new employees and workers, including contractors, security personnel and staff. Safety incidents are reported and investigated, with lessons learned communicated widely within the organisation.

Our approach is supported by continuous improvement objectives and periodic reviews through the Safety and Health Sub-Committees, each led by a Management Committee Member. A robust audit mechanism verifies compliance with internal standards and statutory requirements. We promote a safety culture through behavioural interventions at all levels, emphasising the importance of safety as a personal value. Positive safety behaviours are encouraged, and unsafe behaviours are corrected through established procedures. We maintain a comprehensive emergency response plan and related facilities at all sites, training employees to respond effectively.

We also utilise digital tools to improve safety of our employees. Our team, comprising over 150 experienced and well-trained medical professionals (including physicians and nursing staff), is committed to maintaining a safe and healthy working environment. For instance, all employees can benefit from periodic health evaluations for health issues, health promotion programs, access to market-leading medical care, and other support facilities.

### EI-13. Number of complaints on the following made by employees and workers.

At factories, there is a formal grievance redressal mechanism for workers along with a defined escalation matrix to ensure timely closure of complaints. In addition to these, complaints can also be raised through our online portal i.e., 'Convercent Tool', which is available on our website: (https://app.convercent.com/en-us/LandingPage/99b958aa-55a1-e611-80d3-000d3ab1117e )

| Category | FY 2024-25 | | | FY 2023-24 | | |
|---|---|---|---|---|---|---|
| | Filed during the year | Pending resolution at the end of year | Remarks | Filed during the year | Pending resolution at the end of year | Remarks |
| Working conditions | - | - | - | - | - | - |
| Health and safety | - | - | - | 2 | 1 | - |

### EI-14. Assessments for the year

We have a robust mechanism to assess all our premises' health, safety, and working conditions. All our sites undertake continuous gap assessments to track the effectiveness of the defined standards in the operations.

| Category | % of your plants and offices that were assessed (by entity or statutory authorities or third parties) |
|---|---|
| Health and safety practices | 100% |
| Working conditions | 100% |

### EI-15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and significant risks/concerns arising from assessments of health and safety practices and working conditions.

We investigate all recordable incidents to identify root causes and implement actions to prevent recurrence. We ensure timely closure of all gaps identified during internal and external audits and assessments. In financial year 2024-25, we enhanced our Safety & Health Policy. A safety pledge campaign was launched at our manufacturing sites to emphasise safe behaviors in both factories and offices. As part of our Road Safety Program, we established driver management centers at manufacturing sites and depots. These centers offer training facilities, dedicated resting areas, washrooms, and drinking water facilities for truck drivers, improving their health and sanitation, and thereby ensuring safety. We have also focussed on disseminating and implementing lessons learned from past incidents to prevent similar occurrences in the future.

## LEADERSHIP INDICATORS

### LI-1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).

Yes, we extend requisite support in the form of ex gratia to the legal heirs of all full-time employees and workers in the event of death during their service with us.

### LI-2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

Our Responsible Partner Policy (RPP) includes a set of mandatory requirements that all our suppliers need to meet to do business with us. Under RPP, value chain partners are required to comply with all applicable laws and regulations of the country where we undertake operations.

### LI-3. Provide the number of employees/workers having suffered high consequence work-related injury/ill-health/fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment.

| Category | Total no. of affected | | No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment employees/workers | |
|---|---|---|---|---|
| | FY 2024-25 | FY 2023-24 | FY 2024-25 | FY 2023-24 |
| Employees | - | - | - | - |
| Workers* | 1 | - | - | - |

*Worker will be redeployed to a suitable job position post rehabilitation

### LI-4. Does the entity provide transition assistance programmes to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/No)

Yes, we conduct retirement workshops for retiring employees. The Rewards and Human Resources teams conduct financial well-being sessions periodically and extend support in outplacements for redundancy cases. Furthermore, with the 'Future Fit' model, we upskill our workforce to equip them with digital and non-digital skills, which helps hone their existing skillsets.

### LI-5. Details on assessment of value chain partners

Our Responsible Partner Policy (RPP) sets out the requirements that all our suppliers must meet to do business with us. Our RPP and its Fundamental Principles embody our commitment to responsible, transparent, and sustainable business.

Each fundamental principle of the RPP provides guidance on what we expect from our suppliers. We are committed to working with our suppliers on this journey of continuous improvement.

We also verify alignment to and implementation of the RPP's mandatory requirements using supplier self-declarations, online assessments and independent verification, including third-party audits which are performed for designated high-risk countries and supplier types.

| Category | % of value chain partners (by value of business done with such partners) that were assessed |
|---|---|
| Health and safety practices | We conduct periodic risk assessments of our suppliers using country risk and commodity risk data from external third-party risk data providers. As of 31st March, 2025, **94.3%** of the suppliers (by value of business done) have undergone risk assessment and are compliant. |
| Working conditions | |

### LI-6. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from assessments of health and safety practices and working conditions of value chain partners.

During the reporting period, no significant risks / concerns were identified in the assessment of our suppliers. We expect our partners and their employees or contractors to report actual or suspected breaches of our RPP. We will investigate any non-conformity reported in good faith and discuss findings with the partner. If remediation is needed, we work with the partner to identify the root cause of the issue and to develop a time-bound corrective action plan to resolve the failure effectively and promptly. By working with partners to overcome any issues, we support the betterment of their business and, most importantly, promote respect for human rights. We conduct regular audits, and both third-party audit companies and suppliers are responsible for continuously updating us with the audit outcome on a digital system. Audit companies are mandated to report the audit documentation and the outcome of the initial and follow-up audits, while suppliers are mandated to report corrective actions and progress against each non-conformance identified, both within certain specified timeframes.

## PRINCIPLE 4

### BUSINESSES SHOULD RESPECT THE INTERESTS OF AND BE RESPONSIVE TO ALL ITS STAKEHOLDERS

Our stakeholder driven strategy emphasises collaboration, transparency, and sustainability. Our commitment to integrity and transparency builds trust and strengthens relationships with stakeholders. Additionally, our focus on sustainability and corporate social responsibility aims to create positive impacts on society and the environment. Through regular communication and engagement, HUL thus, aligns its strategic goals with stakeholder interests, driving long-term growth and value creation.

**6 categories**
**of Key stakeholders identified**

**20**
**Suvidha Centres across Mumbai**

**~11 million**
**Beneficiaries in Prabhat**

**78**
**Aspirational Districts under SAFAL Coverage**

"In today's dynamic world, our stakeholders play an increasingly vital role in driving innovation, fostering collaboration, and ensuring sustainable growth. Their diverse perspectives and active engagement are essential for navigating the complexities of our rapidly changing environment. By leveraging their insights and contributions, we build a resilient and forward-thinking organisation that is prepared to meet the challenges and opportunities of the future."

**Srinandan Sundaram**
Executive Director, Home Care

## ESSENTIAL INDICATORS

### EI-1. Describe the processes for identifying key stakeholder groups of the entity.

Our strategy and business model are centered around prioritising our stakeholders. By staying informed about their evolving needs, we can make strategic and well-informed decisions. Hence, we have established a robust process for identifying stakeholders and engaging with them to strengthen our partnerships. The six key stakeholder groups critical to our success are consumers, customers (including retailers), suppliers & business partners, planet & society (including citizens, NGOs, governments), shareholders and employees. We conduct regular stakeholder reviews to assess and address the business's evolving interests, concerns, and expectations. Details of such reviews can be found in the stakeholder engagement section of the Report.

### EI-2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

| S. No. | Stakeholder group | Whether identified as vulnerable and marginalised group (yes/no) * | Channels of communication (e-mail, SMS, newspaper, pamphlets, advertisement, community meetings, notice board, website), other | Frequency of engagement (annually/half yearly/quarterly/ others – please specify) | Purpose and scope of engagement including key topics and concerns raised during such engagement |
|---|---|---|---|---|---|
| 1 | Consumers | No | Phone, e-mail, social media channel, brands website, consumer surveys and digital voice of consumers | Ongoing | Product quality and safety, information on products, fair and competitive pricing, complaints, queries, feedback, praise, and suggestions |
| 2 | Suppliers and business partners | No | Phone, e-mail, Convercent helpline, supplier meeting, audit, survey, and evaluation | Ongoing | New business opportunities, supplier transparency, adherence to our RPP and Business Partner Code, ESG, value chain efficiency, payments, and purchase prices |
| 3 | Our people | No | Surveys, townhalls, workshops, training, induction programs, grievance handling process, and performance appraisal | Ongoing | Career development, diversity and equal opportunity, health and safety, skill upgradation, learning and development, organisational culture/workplace, and grievances |
| 4 | Shareholders | No | Phone, e-mail, annual report, results announcements, microsite on performance highlights, media releases, Capital Markets Day, Annual General Meeting (AGM) and website | Ongoing, quarterly | AGMs allow shareholders to communicate directly with the Board of Directors and the Management Committee. Capital markets day and quarterly earnings calls allow investors to engage with the Company's management on business strategy and performance. We have dedicated e-mail IDs through which our Investor Service Department engages with shareholders to resolve their queries and grievances |

| S. No. | Stakeholder group | Whether identified as vulnerable and marginalised group (yes/no) * | Channels of communication (e-mail, SMS, newspaper, pamphlets, advertisement, community meetings, notice board, website), other | Frequency of engagement (annually/half yearly/quarterly/ others – please specify) | Purpose and scope of engagement including key topics and concerns raised during such engagement |
|---|---|---|---|---|---|
| 5 | Planet and society | No | Field visits, CSR projects and engagements, Sustainability Forums, brand activations and campaign, community needs assessment, and website | Ongoing | Emissions reduction, regenerative agriculture and water stewardship, plastics footprint reduction and recycled plastics, livelihoods of farmers and value chain; health and hygiene, skill development, education, social advancement, and rural development projects |
| 6 | Customers | No | Phone, e-mail, social media channels, brand pages, and the digital voice of consumers | Ongoing | Product quality and safety, adequate information on products, timely delivery, service levels, training on technology and process capabilities |

*While we have marked 'no' above as these stakeholders are not vulnerable and marginalised in entirety, we are consciously involved in uplifting the vulnerable and marginalised segments for these stakeholders via our extensive CSR activities across India referenced in respective sections

## LEADERSHIP INDICATORS

### LI-1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.

We strive to grow our business while protecting the planet and doing good for the community. To generate superior long-term value, we need to care for all our stakeholders: consumers, customers, employees, shareholders, business partners, and above all, the planet and society. We call it the multi-stakeholder model of sustainable growth. The CoBP and Code Policies guide how we interact with our key stakeholders. All engagements are conducted transparently, with honesty, integrity, and openness. Our engagement with our broader stakeholder community is undertaken by respective functions in consultation with the leadership team and overseen by the ESG committee. Feedback from different stakeholder groups on environmental, social, or economic topics is shared with the ESG Committee of the Board. We also have a CSR committee to review, monitor, and provide strategic direction to our CSR practices and social initiatives.

### LI-2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes/No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.

We conduct and regularly update sustainability materiality assessment to identify and prioritise sustainability issues across our value chain so that we can focus on the key issues affecting our stakeholders. A sustainability issue is material to us if it is considered a principal risk or an element of a principal risk that could impact our business or performance or it has an impact on our stakeholders.

Stakeholder consultation is paramount to us, as we live in an uncertain and constantly changing world. We constantly engage with our numerous stakeholders – be it consumers, customers, suppliers, and communities through both direct engagement (for example – in home consumer visits and also through forums). For example, our regenerative agriculture programme in tea & coffee has been set up in close consultation with small holder farmers keeping in mind their challenges. During this process, we also recognised the need for a Life Cycle Analysis (LCA) for tea production in India which has been carried out with the Tea Research Association (TRA).

### LI-3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalised stakeholder groups.

We engage with the vulnerable/marginalised stakeholder groups in our local communities through different CSR programs with the aim to address issues, challenges faced by these various stakeholder. The programs encompass holistic community development, institution-building, and sustainability-related initiatives.

Few instances to address the concerns of vulnerable/ marginalised groups through various initiatives are listed below:

**Prabhat:** Our sustainable community development initiative ensures the addressing of challenges faced by the local communities around our operational sites. For supporting communities dependent on agriculture, and water, as part of the Water stewardship, we try to understand the status of water and its existing governance mechanisms. When we embarked on the journey in our Chhindwara site, the small, marginalised farmers along with other stakeholders highlighted the issues of water security coupled with poor WASH facilities, water governance in the region. Taking immediate steps, we formed Paani Panchayats in the villages across the catchment, so that the community can own their water challenges, address it with the help of programme and the Panchayats. Farmers were sensitised on how to enhance their irrigation efficiency, make better crop choices requiring less water and improved agricultural practices. Additionally, watershed structures were constructed helping in increasing infiltration adding to ground water for improved water security. WASH facilities were provided and repaired in schools clubbed with awareness sessions for students.

**Suvidha:** Access to clean water and sanitation is one of the most pressing issues of our time. With the onset of the pandemic, it has become more critical than ever to provide hygiene and sanitation solutions to low-income urban households, especially to communities residing in congested arrangements. HUL's Suvidha centres provide best in class, affordable access to sanitation with clean toilets, purified drinking water, showers, laundry services to in informal settlements in Mumbai. Inclusive by design, the centres provide safe, private, hygienic, and odour-free toilet facilities for women, men, children and people with disabilities. Designed to be safe for women and girls, the centres include features such as 24x7 security, CCTV cameras, adequate lighting and a panic button connected to the main alarm. Moreover, the centres are run by staff hired from the community. The Company has built 20 Suvidha centres as of today, through a public-private partnership with the Brihanmumbai Municipal Corporation.

**SAFAL:** To enhance India's employability ecosystem to educate youth lacking necessary skills. Additionally, the female labour force participation rate was just 32.8% in 2022, much lower than that of men. While the India Skills Report 2024 notes an improvement in employability to 51.25%, disparities persist across states and demographics. Addressing this gap requires a multifaceted approach. HUL took this on priority and started working of livelihood enhancement of the women and youth of the country. Currently, our livelihood centers are present in 21 states and 2 union territories covering 78 aspirational districts. Initiatives like SAFAL (Skills Academy for Advancement of Livelihoods) are vital, as they engage with communities and provide tailored support to improve livelihoods. SAFAL helps build India's more skilled and resilient workforce by focusing on marginalised groups and promoting inclusive growth.

## PRINCIPLE 5

### BUSINESSES SHOULD RESPECT AND PROMOTE HUMAN RIGHTS

Our commitment to human rights governance is unwavering, and we continuously strive to improve our practices and uphold the dignity and rights of all individuals within our sphere of influence. Through proactive measures, swift responses to challenges, and collaborative efforts with our partners and stakeholders, we are dedicated to fostering a workplace and supply chain environment where human rights are respected, protected, and promoted. Together, we are shaping a future where fairness, equality, and inclusivity are integral to our operations, contributing to a more sustainable and responsible business landscape.

**100%**
**Assessment of own plants and offices on human rights**

**94.3%**
**Suppliers assessed on human rights**

**100%**
**Permanent workers are paid more than minimum wages**

**100%**
**Permanent employees are paid more than minimum wages**

"HUL places an unwavering commitment to human rights at the core of its corporate values and operations. By implementing a comprehensive framework that includes robust policies, proactive measures, and continuous monitoring, HUL upholds the highest standards of ethical conduct. This dedication not only mitigates risks but also cultivates a respectful and equitable business environment, setting a benchmark for corporate responsibility."

**Arun Neelakantan**
Executive Director, Customer Development

## ESSENTIAL INDICATORS

### EI-1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

| Category | FY 2024-25 | | | FY 2023-24 | | |
|---|---|---|---|---|---|---|
| | Total (A) | No. of employees/ workers covered (B) | % (B/A) | Total (A) | No. of employees/ workers covered (B) | % (B/A) |
| **Employees** | | | | | | |
| Permanent | 7,693 | 6,325 | 82.2% | 8,245 | 7,689 | 93.3% |
| Other than permanent | 509 | 147 | 28.9% | 410 | 295 | 72.0% |
| **Total employees** | **8,202** | **6,472** | **78.9%** | **8,655** | **7,984** | **92.2%** |
| **Workers** | | | | | | |
| Permanent | 11,109 | 10,913 | 98.2% | 11,182 | 11,044 | 98.8% |
| Other than permanent | 7,356 | 4,908 | 66.7% | 7,927 | 6,985 | 88.1% |
| **Total workers** | **18,465** | **15,821** | **85.7%** | **19,109** | **18,029** | **94.4%** |

### EI-2. Details of minimum wages paid to employees, in the following format:

| Category | FY 2024-25 | | | | | FY 2023-24 | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | Equal to minimum wage | | More than minimum wage | | | Equal to minimum wage | | More than minimum wage | |
| | Total (A) | No. (B) | % (B/A) | No. (C) | % (C/A) | Total (A) | No. (B) | % (B/A) | No. (C) | % (C/A) |
| **Employees** | | | | | | | | | | |
| **Permanent** | **7,693** | **-** | **-** | **7,693** | **100.0%** | **8,245** | **-** | **-** | **8,245** | **100.0%** |
| Male | 5,477 | - | - | 5,477 | 100.0% | 5,945 | - | - | 5,945 | 100.0% |
| Female | 2,216 | - | - | 2,216 | 100.0% | 2,300 | - | - | 2,300 | 100.0% |
| **Other than permanent** | **509** | **-** | **-** | **509** | **100.0%** | **410** | **-** | **-** | **410** | **100.0%** |
| Male | 266 | - | - | 266 | 100.0% | 234 | - | - | 234 | 100.0% |
| Female | 243 | - | - | 243 | 100.0% | 176 | - | - | 176 | 100.0% |
| **Workers** | | | | | | | | | | |
| **Permanent** | **11,109** | **-** | **-** | **11,109** | **100.0%** | **11,182** | **-** | **-** | **11,182** | **100.0%** |
| Male | 10,373 | - | - | 10,373 | 100.0% | 10,524 | - | - | 10,524 | 100.0% |
| Female | 736 | - | - | 736 | 100.0% | 658 | - | - | 658 | 100.0% |
| **Other than permanent** | **7,356** | **4,789** | **65.1%** | **2,567** | **34.9%** | **7,927** | **5,702** | **71.9%** | **2,225** | **28.1%** |
| Male | 6,479 | 4,101 | 63.3% | 2,378 | 36.7% | 7,266 | 5,225 | 71.9% | 2,041 | 28.1% |
| Female | 877 | 688 | 78.4% | 189 | 21.6% | 661 | 477 | 72.2% | 184 | 27.8% |

## EI-3. Details of remuneration/salary/wages, in the following format:

### (a) Median remuneration/wages:

Our framework ensures that compensation adheres to the Collective Bargaining Agreements and is at par with the external industry benchmarks by continually reviewing the average pay between genders.

| FY 2024-25 | Male | | Female | |
|---|---|---|---|---|
| | Number | Median remuneration/ salary/wages of respective category (₹) | Number | Median remuneration/ salary/wages of respective category (₹) |
| Board of Directors (BoDs)* | 7 | 56,78,630 | 2 | 56,81,829 |
| Key Managerial Personnel | 2** | 12,69,63,711# | 1 | 35,45,825 |
| Employees other than BoD and KMP | 5,474 | 14,58,472 | 2,215 | 14,80,093 |
| Workers | 10,373 | 6,68,239 | 736 | 4,50,433 |

*BoDs includes Executive Directors and Independent Directors, as on 31st March, 2025

**Ms. Radhika Shah succeeded Mr. Dev Bajpai as Company Secretary and Compliance Officer of the Company with effect from 1st January, 2025

#Including Mr. Dev Bajpai's remuneration for the period of his appointment as KMP, the Median KMP Remuneration - (Male) is 6,71,97,715

## EI-3. Details of remuneration/salary/wages, in the following format:

### (b) Gross wages paid to females as % of total wages paid by the entity, in the following format:

| Parameter | FY 2024-25 | FY 2023-24 |
|---|---|---|
| Gross wages paid to females* as % of total wages | 22.5% | 22.0% |

*Permanent employees and workers

## EI-4. Do you have a focal point (individual/ committee) responsible for addressing human rights impacts or issues caused or contributed to by the business (yes/no)?

We are clear about our human rights commitments and our vision of building a fairer, more socially inclusive world. Our overarching principles relating to respect for human rights are set out in our Human Rights Policy Statement. We have a strong and comprehensive human rights policy framework, which supports us in realising these commitments and driving the behaviour we expect from our employees and everyone in our value chain.

Yes, we have a Business Integrity Committee constituted under the Code of Business Principles (CoBP) to address human rights impacts and issues. We have also established a web portal and helpline for registering complaints, which can be accessed at https://app.convercent.com/en-us/LandingPage/99b958aa-55a1-e611-80d3-000d3ab1117e.

Our ESG Committee oversees and addresses human rights impacts or issues at the Board level, and additionally, the Audit Committee reviews critical human rights complaints on a quarterly basis.

In addition to the above, we have a dedicated e-mail ID (cobp.hul@unilever.com) and contact number (+91 22 5043 2789) for anonymous reporting of issues or concerns around the CoBP.

## EI-5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

We are committed to ensuring an inclusive environment where people are treated with dignity and respect.

We have 24 well-defined policies under our CoBP to effectively address grievances. Under these policies, we have established a web portal, email IDs, and contacts for receiving and managing complaints. If any employee has concerns, their reporting manager or Business Integrity Officer is their first point of contact. Employees can use web portal and phone option to report an issue anonymously.

## EI-6. Number of complaints on the following made by employees and workers:

We are committed to upholding and promoting human rights across our operations and in our interactions with business partners. Our approach aligns with the United Nations Global Compact. We have identified and prioritised eight human rights issues and are committed to addressing them across our operations. The eight priority issues are discrimination, fair wages, forced labour, freedom of association, harassment, health and safety, land rights and working hours. Unilever's Human Rights Progress Report (https://www.unilever.com/files/cefcd733-4f03-4cc3-b30a-a5bb5242d3c6/unilever-human-rights-progress-report-2021.pdf and https://www.unilever.com/files/2d5cebae-87d6-4411-817d-22757e597cbf/2022-progress-report-final-12-04.pdf), and Modern Slavery Statement 2024 (https://www.unilever.com/files/2326fa58-7615-4d9e-97db-60e77ff63730/unilever-modern-slavery-statement-2024.pdf) provide a comprehensive review of our efforts, including India operations. In India, we fully adhere to Unilever's approach to human rights. In addition to this, our Code of Business Principles (CoBP) steadfastly upholds the principles of human rights and fair treatment. Aligned with the International Labour Organization (ILO) principles, our CoBP serves as a guide to our actions both within and outside the organisation when engaging with business partners.

| Category | FY 2024-25 | | | FY 2023-24 | | |
|---|---|---|---|---|---|---|
| | Filed during the year | Pending resolution at the end of year | Remarks | Filed during the year | Pending resolution at the end of year | Remarks |
| Sexual harassment | 7 | - | - | 7 | - | - |
| Discrimination at the workplace | - | - | - | - | - | - |
| Child labour | - | - | - | - | - | - |
| Forced labour/Involuntary labour | - | - | - | - | - | - |
| Wages | - | - | - | - | - | - |
| Other human rights-related issues | - | - | - | - | - | - |

## EI-7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:

| Parameter | FY 2024-25 | FY 2023-24 |
|---|---|---|
| Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH) | 7 | 7 |
| Complaints on POSH as a % of female employees/workers | 0.2% | 0.2% |
| Complaints on POSH upheld | 7 | 7 |

## EI-8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

We prioritise equal opportunity and affirmative action by implementing comprehensive policies such as Whistle-blower, gender-neutral Prevention of Sexual Harassment (POSH), and Respect, Dignity, and Fair Treatment to effectively prevent discrimination and harassment. Our Respect, Dignity, and Fair Treatment Policy ensures that everyone in the workplace is treated with respect and dignity, guaranteeing equal treatment.

The POSH Policy is both gender-neutral and LGBTQI+ inclusive, detailing governance mechanisms for addressing sexual harassment across all genders and orientations. We regularly communicate with employees about various aspects of POSH to ensure awareness and understanding. We assure confidentiality and no retaliation for complaints made in good faith, upholding fairness and integrity in our investigation processes. Our policies are designed to protect individuals involved, including witnesses, from adverse treatment. In cases where a complaint is found to be made with false intent, we take necessary disciplinary actions to safeguard individuals' interests.

## EI-9. Do human rights requirements form part of your business agreements and contracts (yes/no)?

Yes. All our business agreements specifically provide for labour law compliances to be adhered to by all our suppliers and business partners, including fair wages and timely payment of statutory dues. The agreements also require all the organisation's suppliers and business partners to ensure compliance with the sexual harassment law and adhere to our Code of Business Principles. Some of the fundamental principles of our RPP are based on voluntary work, eliminating forced or slave labour, appropriate age – no child labour, fair wages, and freedom of association with trade unions and collective bargaining.

### EI-10. Assessments for the year:

On the eight priority issues identified, each factory/branch/office reviews and provides positive assurance to a Human Rights Assessment checklist annually.

| Category | % of your plants and offices that were assessed (by entity or statutory authorities or third parties) |
|---|---|
| Child Labour | 100% |
| Forced/involuntary labour | 100% |
| Sexual harassment | 100% |
| Discrimination at workplace | 100% |
| Wages | 100% |
| Others – Freedom of Association, Law of Land, Working Hours, Grievance Redressal Mechanism | 100% |

### EI-11. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from the assessments at Question 10 above.

Not applicable, as we have not come across any significant concerns from assessments conducted at our plant and offices.

## LEADERSHIP INDICATORS

### LI-1. Details of a business process being modified/introduced as a result of addressing human rights grievances/complaints.

We have not encountered any concern requiring a change in our business processes because of addressing human rights grievances or complaints.

### LI-2. Details of the scope and coverage of any human rights' due diligence conducted.

Our approach is to embed human rights in all parts of our business, using global expertise to guide and support our teams. This approach includes expertise within our Global Sustainability, Supply Chain, Procurement and Responsible Business (part of Business Integrity) teams. Human rights due diligence is necessary for businesses to proactively manage potential and actual adverse human rights impacts with which they are or could be, involved. Human rights due diligence involves four core components:

- Identifying and assessing actual or potential adverse human rights impacts.
- Integrating findings from impact assessments into relevant Company processes and taking appropriate action.
- Tracking the operating effectiveness of measures taken to address adverse human rights issues.
- Communicating how issues are being addressed and showing stakeholders – in particular, affected stakeholders – that adequate policies and processes are in place.

Please refer to our Human Rights Progress Report for further details: https://www.unilever.com/files/2d5cebae-87d6-4411-817d-22757e597cbf/2022-progress-report-final-12-04.pdf and Modern Slavery Statement 2024 (https://www.unilever.com/files/2326fa58-7615-4d9e-97db-60e77ff63730/unilever-modern-slavery-statement-2024.pdf)

### LI-3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

We recognise the importance of meeting the requirements of the Rights of Persons with Disabilities Act, 2016 and are taking proactive steps to support the needs of individuals with disabilities. Our Company has implemented various measures to provide disabled-accessible infrastructure. In our various factories and offices, we have installed:

- Ramps
- Lowered reception desk for wheelchair access
- Elevator voice annunciator
- Evacuation chair
- Automated sliding doors to support mobility
- Tactile flooring and Braille signages
- Induction loop system
- All gender-accessible toilets, fire alarm freshers and accessible guest rooms

Additionally, we are preparing all our factories and offices for accessibility infrastructure and aim to achieve certification for 100% of our sites with the Minimum Mandatory Standards required under the Persons with Disabilities Act. We believe that accessibility is an essential aspect of social responsibility and are persistent in our efforts to create an inclusive environment for everyone.

### LI-4. Details on assessment of value chain partners

Our Responsible Partner Policy (RPP) sets out the requirements that all our suppliers must meet to do business with us. Our RPP and its Fundamental Principles embody our commitment to responsible, transparent, and sustainable business.

Each fundamental principle of the RPP provides guidance on what we expect from our responsible and sustainable suppliers. We are committed to working with our suppliers on a journey of continuous improvement.

We also verify alignment to and implementation of the RPP's mandatory requirements using supplier self-declarations, online assessments and independent verification, including third-party audits which are performed for designated high-risk countries and supplier types.

We have also updated our global progress on raising awareness about Human Rights with Suppliers in the Unilever Modern Slavery Statement 2024 (https://www.unilever.com/files/2326fa58-7615-4d9e-97db-60e77ff63730/unilever-modern-slavery-statement-2024.pdf)

| Category | % of value chain partners (by value of business done with such partners) that were assessed |
|---|---|
| Sexual harassment | We conduct periodic risk assessments of our suppliers using country risk and commodity risk data from external third-party risk data providers. As of 31st March, 2025, **94.3%** of the suppliers (by value of business done) have undergone risk assessment and are compliant. |
| Discrimination at the workplace | |
| Child labour | |
| Forced labour/ involuntary labour | |
| Wages | |

## LI-5. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from the assessments at Question 4 above.

During the reporting period, no significant risks/concerns were identified in the assessment of our suppliers. We expect our partners and their employees or contractors to report actual or suspected breaches of our RPP. We will investigate any non-conformity reported in good faith and discuss findings with the partner. If remediation is needed, we work with the partner to identify the root cause of the issue and to develop a time-bound corrective action plan to resolve the failure effectively and promptly. By working with partners to overcome any issues, we support the betterment of their business and, most importantly, promote respect for human rights.

We conduct regular audits, and both third-party audit companies and suppliers are responsible for continuously updating us with the audit outcome on a digital system. Audit companies are mandated to report the audit documentation and the outcome of the initial and follow-up audits, while suppliers are mandated to report corrective actions and progress against each non-conformance identified, both within certain specified timeframes.

## PRINCIPLE 6

### BUSINESSES SHOULD RESPECT AND MAKE EFFORTS TO PROTECT AND RESTORE THE ENVIRONMENT*


HUL recognises climate change as a significant threat to both people and the planet, as well as a material risk to their business. To address this challenge, HUL has set ambitious climate targets and is committed to delivering impact faster through focussed, urgent, and systemic actions. We are committed to reducing emissions within our operations by transitioning to renewable energy, enhancing energy efficiency, and reducing Scope 3 emissions through materials transition.

**97%**
**Energy consumed from renewable sources**

**Platinum-AWS Certification**
**Chhindwara HUL Factory**

**39%**
**Reduction in Scope 1 emissions from previous year**

**Zero**
**Scope 2 emissions (net)**

*At HUL, we have a robust process to capture environment data across our manufacturing sites and offices, which is the basis for the numbers reported in Principle 6

The Purchasing Power Parity (PPP) conversion rate used in intensity ratio calculations across Principle 6 is 20.66 for financial year 2024-25 and same is updated for previous year

"At HUL, energy efficiency is integral to our operational excellence, underpinning our commitment to climate action as the cornerstone of our ESG strategy. By prioritising emissions reduction, waste management, and water conservation, we are driving sustainable growth and pioneering a resilient future for all. Our strategic initiatives and innovative partnerships ensure we lead the way in sustainability, creating long-term value for our stakeholders and contributing to a healthier planet."

**Yogesh Mishra**
Executive Director, Supply Chain

## ESSENTIAL INDICATORS

### EI-1. Details of total energy consumption (in joules or multiples) and energy intensity, in the following format:

At HUL we have been continuously working towards reducing the environmental impact across our operations. Refer to our 'Climate Action' page to know more about our key initiatives: https://www.hul.co.in/sustainability/climate/

| Parameter | FY 2024-25 | FY 2023-24 |
|---|---|---|
| **From renewable sources** | | |
| Total electricity consumption – Gigajoules (A)* | 12,25,671 | 11,86,957 |
| Total fuel consumption – Gigajoules (B) | 22,19,234 | 23,83,647 |
| Energy consumption through other sources – Gigajoules (C) | - | - |
| **Total energy consumption – Gigajoules (A+B+C)** | **34,44,905** | **35,70,604** |
| **From non-renewable sources** | | |
| Total electricity consumption (D) | - | - |
| Total fuel consumption (E) | 1,02,998 | 1,54,980 |
| Energy consumption through other sources (F) | 4,131 | 1,019 |
| **Total energy consumed from non-renewable sources (D+E+F)** | **1,07,129** | **1,55,999** |
| **Total energy consumed (A+B+C+D+E+F)** | **35,52,034** | **37,26,603** |
| Energy intensity per rupee of turnover (Total energy consumed/revenue from operations) | 57.7 GJ/crore | 61.7 GJ/crore |
| Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed/revenue from operations adjusted for PPP) | 1,193 GJ / $ crore | 1,276 GJ / $ crore |
| Energy intensity in terms of physical output | 1.10 GJ/tonne | 1.19 GJ/tonne |

*Sources of renewable electricity include solar energy, wind energy and offsets though International Renewable Energy Certificates (IREC) purchased for grid electricity

**8%**

**Reduction in energy intensity per tonne vs previous year**

### EI-1. Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency (yes/no)? If yes, name of the external agency.

Yes, reasonable assurance has been conducted by M/s B S R & Co. LLP, Chartered Accountants.

### EI-2. Does the entity have any sites/facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) scheme of the Government of India (yes/no)? If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any

Not applicable, as we are not an energy-intensive industry as outlined under the Performance, Achieve and Trade (PAT) scheme of the Government of India.

### EI-3. Provide details of the following disclosures related to water, in the following format:

We are addressing water scarcity through conservation, restoration, recharge, and reuse of water. In this pursuit, at the community level, we have implemented Water Stewardship Projects across 15 water-stressed locations (as per ground water resources and the World Resources Institute) in India. At our manufacturing sites, we have reduced our water usage by 50% compared to the 2008 baseline. This achievement is due to our focus on reducing abstraction, implementing rainwater harvesting, and maximising the use of RO plants. This has helped us in increased efficiencies, risk reduction, and stronger stakeholder relationships. We have also embarked on a journey to align our Water Stewardship Programme to the Alliance for Water Stewardship (AWS) standard. AWS is a global membership bringing together businesses, NGOs, and the public sector. In the International Water Stewardship Standard, members uphold local water-resource sustainability through their adoption and promotion of a universal framework, this standardises good water stewardship practices, driving recognition and rewarding performance. The Chhindwara HUL Factory has achieved Platinum-level AWS Certification in financial year 2024-25.

We set up the Hindustan Unilever Foundation (HUF) in 2010 to support and amplify scalable solutions that can help address India's water challenges - specifically for rural communities that intersect with agriculture. HUF established its 'Water for Public Good' programme, which is anchored in the belief that water is a common good and must be governed by citizen communities. The aim was to catalyse effective solutions to India's water challenges involving the government, communities, experts, and mission-based organisations. HUF's programs have reached over 15,500 villages since inception and have enabled creation of a cumulative and collective water potential of over 3.9 trillion litres* since its inception. To underscore the importance of the water potential created by HUF, 3.9 trillion litres of water is the quantity required to meet the drinking water needs of India's population for nearly two years. HUF also supports several knowledge initiatives in water conservation and governance.

We also have project Prabhat, our sustainable community initiative that has been implementing water conservation projects in water-stressed sites across the country. We constructed water conservation structures, such as check dams, farm ponds, farm bunds, and water absorption trenches in programme villages to enhance access to water. The programme also supports agricultural communities with water conservation solutions to help them achieve better water efficiency.

| Parameter | FY 2024-25 | FY 2023-24 |
|---|---|---|
| **Water withdrawal by source (in kilolitres)** | | |
| (i) Surface water | 200 | - |
| (ii) Groundwater | 20,24,990 | 21,63,447 |
| (iii) Third party water | 8,11,232 | 8,14,723 |
| (iv) Seawater/desalinated water | - | - |
| (v) Others (Rain Water) | 71,299 | 52,486 |
| **Total volume of water withdrawal (in kilolitres) (i+ii+iii+iv+v)** | **29,07,721** | **30,30,656** |
| **Total volume of water consumption (in kilolitres)** | **28,77,728** | **29,69,699** |
| Water intensity per rupee of turnover (Water consumed/turnover in rupees) | 46.8 KL / crore | 49.2 KL / crore |
| Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption/revenue from operations adjusted for PPP) | 966 KL / $crore | 1,017 KL / $crore |
| Water intensity in terms of physical output | 0.89 KL / tonne | 0.95 KL / tonne |

*Assured by an independent external firm

## EI-3. Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency (yes/no)? If yes, name of the external agency

Yes, reasonable assurance has been conducted by M/s B S R & Co. LLP, Chartered Accountants.

## EI-4. Provide the following details related to water discharged:

| Parameter | FY 2024-25 | FY 2023-24 |
|---|---|---|
| **Water discharge by destination and level of treatment (in kilolitres)*** | | |
| (i) To surface water | | |
| - No treatment | - | - |
| - With treatment | - | - |
| (ii) To groundwater | | |
| - No treatment | - | - |
| - With treatment | - | - |
| (iii) To seawater | | |
| - No treatment | - | - |
| - With treatment | - | - |
| (iv) Sent to third-parties | | |
| - No treatment | - | - |
| - With treatment (secondary treatment) | 29,993 | 60,957 |
| (v) Others | | |
| - No treatment | - | - |
| - With treatment | - | - |
| **Total water discharged (in kilolitres)** | **29,993** | **60,957** |

Wastewater is treated in the Company's own effluent treatment plants through secondary treatment and then discharged in line with consent requirements of the Pollution Control Board

*Water discharge has been reported for owned manufacturing sites

### EI-4. Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency (yes/no)? If yes, name of the external agency

Yes, reasonable assurance has been conducted by M/s B S R & Co. LLP, Chartered Accountants.

### EI- 5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

We focus on maximising recycling and reusing treated wastewater on-site, effectively reducing the need for freshwater intake. As of 31st March, 2025, 25 out of 27 of our factories are Zero Liquid Discharge, i.e. they recycle and reuse 100% of their wastewater within the site. Such recycled water is used in cooling towers, as a boiler feed, in fire tanks, external area cleaning, toilet flushing, and gardening. The remaining two factories discharge water in common effluent treatment plants (CETP)/municipal drainages as per the consent to operate conditions issued by the Pollution Control Board.

### EI- 6. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

| Parameter* | Please specify unit | FY 2024-25 | FY 2023-24 |
|---|---|---|---|
| NOx | MT | 278 | 312 |
| SOx | MT | 132 | 161 |
| Particulate matter (PM) | MT or mg/$Nm^3$ | 278 MT | 51 mg/$Nm^3$ |
| Persistent organic pollutants (POP) | MT | - | NA |
| Volatile organic compounds (VOC) | MT | 574 | NA |
| Hazardous air pollutants (HAP) | MT | - | NA |

*POP, VOC & HAP were not included in the Factory's Consent to Operate issued by the pollution control board and therefore not applicable for financial year 2023-24

Pollutants are calculated using the IPCC/EMEP/EEA Guidebook 2023 factors for NOx, SOx, PM, and VOC. HAP & POP have been updated to zero based on emission test reports for financial year 2024-25

### EI- 6. Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency (yes/no)? If yes, name of the external agency.

Yes, an independent assurance has been conducted by M/s B S R & Co. LLP, Chartered Accountants.

### EI-7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

To reduce our carbon footprint, we are investing in new technologies, switching to renewable sources, and innovating to transform our factory operations. Refer to our https://www.hul.co.in/sustainability/climate/

| Parameter | Unit | FY 2024-25 | FY 2023-24 |
|---|---|---|---|
| Total Scope 1 emissions | $tCO_{2e}$ | 8,944 | 14,622 |
| Total Scope 2 emissions | $tCO_{2e}$ | Gross: 2,23,923<br>Net: 0** | Gross: 2,20,234<br>Net: 96** |
| **Total Scope 1 and Scope 2 emissions*** | $tCO_{2e}$ | **8,944** | **14,718** |
| Total Scope 1 and Scope 2 emissions per rupee of turnover | $tCO_{2e}$/₹crore | 0.15 | 0.24 |
| Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) | $tCO_{2e}$/$crore | 3.0 | 5.0 |
| Total Scope 1 and Scope 2 emission intensity in terms of physical output | $tCO_{2e}$/tonne | 0.003 | 0.005 |

* We report our emissions with reference to the latest Greenhouse Gas Protocol Corporate Accounting and Reporting Standard (GHG Protocol). Energy conversion and emission factors are used as per the UN's Intergovernmental Panel on Climate Change (IPCC)

**The above numbers are after deducting the International Renewable Energy Certificates (IREC) purchased for grid electricity

## EI-7. Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency (yes/no)? If yes, name of the external agency

Yes, reasonable assurance has been conducted by M/s B S R & Co. LLP, Chartered Accountants.

## EI-8. Does the entity have any project related to reducing Green House Gas emission? If yes, then provide details

We are committed to using energy from renewable sources and at the same time reduce our energy consumption to support our goal of achieving zero emissions in our own operations.

1. **Transition to Renewable Energy:** We have started purchasing renewable energy through onsite solar power plants and invested in offsite windmills to reduce our reliance on grid power. Additionally, we have invested in a group captive solar power plant with a 45MW capacity, in partnership with Brookfield, to meet the daytime energy requirements of all our factories in India.
2. **Substitution of Fossil Fuels:** We have eliminated coal from our operations and replaced it with green fuels. Biomass has been introduced instead of coal, and biofuel is used instead of furnace oil and high-speed diesel (HSD). As of March 2025, 97% of our energy (both electrical and thermal) comes from renewable sources. All our electricity is sourced from renewable energy, including solar, wind, and IREC green certification. Additionally, 14 out of our 27 sites now meet Unilever's internal criteria for RE100.
3. **Energy Efficiency:** We have implemented various energy-saving projects, such as heat pumps, magnetic chillers, energy-efficient motors, variable voltage and frequency drives (VVFD), thermic fluid heaters, and energy-efficient air handling units (AHUs) to reduce overall energy consumption in our factories. We have significantly reduced our per tonne GHG emissions and energy consumption by 49% in financial year 2024-25 compared to the 2008 baseline.

Our Climate Transition Action Plan outlines our strategy to achieve near-term value chain emission reduction targets, focusing on following priority action areas: Supplier Climate Programme, product reformulation, forest-risk commodities, regenerative agriculture, chemical ingredients, packaging and logistics.

## EI-9. Provide details related to waste management by the entity, in the following format:

We have spent many years reducing waste and recycling in our operations and we continue to look for innovative ways to eliminate and extract value from our waste streams. We continue to maintain our standard to send zero non-hazardous waste to landfill from our factories.

| Parameter | FY 2024-25 | FY 2023-24 |
|---|---|---|
| **Total waste generated (in metric tonnes)** | | |
| Plastic waste (A) | 12,531 | 12,105 |
| E-waste (B) | 51 | 62 |
| Bio-medical waste (C) | 14 | 12 |
| Construction and demolition waste (D) | 4,013 | 7,800 |
| Battery waste (E) | 26 | 53 |
| Radioactive waste (F) | - | - |
| Other hazardous waste (G)* | 638 | 437 |
| Other non-hazardous waste generated (H) | 73,704 | 82,653 |
| **Total (A+B+C+D+E+F+G+H)** | **90,977** | **1,03,122** |
| Waste intensity per rupee of turnover (Total waste generated/Revenue from operations) | 1.5 MT/crore | 1.7 MT/crore |
| Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) | 30.6 MT / $crore | 35.3 MT / $crore |
| Waste intensity in terms of physical output | 0.03 MT/tonne | 0.03 MT/tonne |
| **For each category of waste generated, total waste recovered through recycling-using or other recovery operations (in metric tonnes)** | | |
| **Category of waste** | | |
| (i) Recycled | 53,338 | 59,566 |
| (ii) Re-used | 35,269 | 43,023 |
| (iii) Other recovery operations** | 1,871 | 181 |
| **Total** | **90,478** | **1,02,770** |
| **For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)** | | |
| **Category of waste** | | |
| (i) Incineration | 186 | 219 |
| (ii) Landfilling | 313 | 133 |
| (iii) Other disposal operations | - | - |
| **Total** | **499** | **352** |

*The hazardous waste has increased due to waste reject from Multi effect evaporators (Drum Dryer) to achieve Zero Liquid Discharge

**Hazardous waste is disposed of through Pollution Control Board authorised/licensed vendors in line with Consent to Operate condition. The increase in Category 'Other recovery operations' for financial year 2024-25 compared to the previous year is due to a change in the categorisation of recycled/recovered waste

## EI-9. Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency (yes/no)? If yes, name of the external agency.

Yes, reasonable assurance has been conducted by M/s B S R & Co. LLP, Chartered Accountants.

## EI-10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

Our zero-waste mindset means we view waste materials as valuable resources. When we cannot reduce waste, we seek ways to reuse or recycle it. In the absence of recycling infrastructure, we recover energy from waste to ensure the best routes for our waste flows, thereby strengthening our circular economy approach, improving factory operations, and reducing our environmental impact. All our factories are equipped with pre-processing facilities, such as waste segregation and source reduction, to enhance recyclability.

We are continually developing new methods to eliminate the use of hazardous chemicals in cleaning and disinfection processes by upgrading our hardware with the latest technologies. We have successfully achieved zero non-hazardous waste to landfill status across all our factories by maximising the reuse and recycling of non-hazardous waste in environmentally friendly ways. This includes reusing jumbo bags, cardboard cartons, and process waste like soap; repurposing sludge waste as boiler fuel; upcycling plastic; and using food waste for animal feed. For hazardous waste, we comply with the 'Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016' and adhere to the conditions set by the State Pollution Control Board's 'Authorisation'.

Additionally, our R&D teams are improving material selection and product design to reduce waste at the source. We also use recycled materials in our packaging and collect and safely dispose of more plastic waste than we sell, in line with our Extended Producer Responsibility (EPR). As a result, the total waste generated from our factories in financial year 2024-25 has decreased by 62% (per tonne of production) compared to the 2008 baseline and Hazardous has decreased by 79% (per tonne of production) compared to the 2008 baseline).

## EI-11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, and coastal regulation zones) where environmental approvals/clearances are required, please specify details in the following format:

| S. no. | Location of operations/offices | Type of operations | Whether the conditions of environmental approval/clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any. |
|---|---|---|---|
| 1 | Dapada* | Manufacturing | Yes |

*Notified as an ecologically sensitive area by Dadra & Nagar Haveli Planning and Development Authority in November 2023

## EI-12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

| S. no. | Name and brief details of project | EIA Notification No. | Date | Whether conducted by independent external agency (yes/no) | Results communicated in public domain (yes/no) | Relevant web link |
|---|---|---|---|---|---|---|
| 1 | Proposed Establishment of 'Magnum' Ice Cream Plant in the Existing HUL Nashik Factory | Voluntary: S.O. 1533- under sub-rule (3) of Rule 5 of the Environment (Protection) Rules, 1986- 14th September, 2006 | 8th July, 2024 | Yes (Life First Solutions) | Yes | https://www.hul.co.in/files/magnum-ice-cream-plant-eia-report-nashik-factory.pdf |
| 2 | Automated Storage and retrieval system project at Silvassa Detergents factory | | 31st December, 2024 | Yes (M/s. ASERIES ENVIROTEK INDIA PVT. LTD.) | Yes | https://www.hul.co.in/files/asrs-hul-eia-report-dapada.pdf |

## EI-13. Is the entity compliant with the applicable environmental law/regulations/guidelines in India, such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (yes/no)? If not, provide details of all such non-compliances, in the following format:

Yes, the Company's operations and offices comply with the country's applicable environmental laws and regulations and operate as per Consent to Operate conditions from the Central and State Pollution Control Boards. Our dedicated, trained, and qualified Environment, Health, and Safety representative at each site coordinates the overall implementation of the site environmental management system. This includes the environmental performance of individual activities, coordinating environmental matters within the organisation, advising line management in environmental matters, and contacting regulatory authorities and residents.

| S. no. | Specify the law/regulation/guidelines which was not complied with | Provide details of the non-compliance | Any fines/penalties/action taken by regulatory agencies such as pollution control boards or by courts | Corrective action taken if any |
|---|---|---|---|---|
| 1 | None | | | |

## LEADERSHIP INDICATORS

### LI-1. Water withdrawal, consumption, and discharge in areas of water stress (in kilolitres):

**(i) Name of the area:**

As per the Central Ground Water Authority, the below locations are in water-stressed areas: Chhindwara, Nabha, Rajpura, Sonipat, Pondicherry, Amli, Dapada, and Nashik.

**(ii) Nature of operations:** Manufacturing

**(iii) Water withdrawal, consumption, and discharge in the following format:**

| Parameter | FY 2024-25 | FY 2023-24 |
|---|---|---|
| **Water withdrawal by source (in kilolitres)** | | |
| (i) Surface water | 200 | - |
| (ii) Groundwater | 10,07,973 | 10,63,781 |
| (iii) Third party water | 2,94,769 | 2,76,529 |
| (iv) Seawater/desalinated water | - | - |
| (v) Others (Rain water) | 29,374 | 22,878 |
| **Total volume of water withdrawal (in kilolitres)** | **13,32,316** | **13,63,188** |
| **Total volume of water consumption (in kilolitres)** | **13,32,316** | **13,63,188** |
| Water intensity per rupee of turnover (Water consumed/turnover in rupees) | 21.7 KL/ ₹ crore | 22.6 KL/ ₹ crore |
| **Water discharge by destination and level of treatment (in kilolitres)** | | |
| (i) Into surface water | | |
| - No treatment | - | - |
| - With treatment | - | - |
| (ii) Into groundwater | | |
| - No treatment | - | - |
| - With treatment | - | - |
| (iii) Into seawater | | |
| - No treatment | - | - |
| - With treatment | - | - |
| (iv) Sent to third-parties | | |
| - No treatment | - | - |
| - With treatment (secondary treatment) | - | - |
| (v) Others | | |
| - No treatment | - | - |
| - With treatment | - | - |
| **Total water discharged (in kilolitres)** | **-** | **-** |

### LI-1. Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency (yes/no) If yes, name of the external agency.

Yes, an independent assurance has been conducted by M/s B S R & Co. LLP, Chartered Accountants.

## LI-2. Please provide details of total Scope 3 emissions & its intensity, in the following format:

Measuring GHG emissions is a significant challenge and relies on many estimates and on information from third parties. We have estimated our Scope 3 emissions across each of the 15 GHG Protocol Scope 3 emission categories relevant to our business. We measure our most material emissions from procured goods and services, using data on real volumes of procured raw materials/packaging and services combined with standard emissions factors for these materials, applying the latest guidance on the use of emissions factors (IPCC AR6) and the draft GHG Protocol Land Sector guidance. Under the GHG Protocol, indirect consumer use-phase emissions are an optional part of a company's Scope 3 emissions. Our GHG emissions in scope of our Net Zero by 2039 ambition do not include these optional indirect emissions sources.

| Parameter | Unit | Jan'24 – Dec '24* | Oct'22-Sep'23* |
|---|---|---|---|
| Total Scope 3 emissions in scope of Net zero ambition | Metric tonnes of $CO_2$ equivalent | 99,62,535 | 87,19,253 |
| Total Scope 3 emissions inclusive of indirect consumer use | | 1,13,37,855 | 95,82,781 |
| Total Scope 3 emissions per rupee of turnover | $tCO_2$ / ₹ crore | 184.3 | 158.8 |

*The period of Scope 3 emissions is from 1st January, 2024 to 31st December, 2024 for this year and 1st October, 2022 to 30th September, 2023 for previous year

## LI-2. Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency (yes/no) If yes, name of the external agency.

No

## LI-3. With respect to the ecologically sensitive areas reported at Question 11 of essential indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

We have duly complied with the conditions laid down by the Dadra & Nagar Haveli Planning and Development Authority. During financial year 2024-25, there was no significant impact on biodiversity due to our manufacturing operations.

## LI-4. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions/effluent discharge/waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

| S. No. | Initiative undertaken | Details of the initiative (web-link, if any, may be provided along-with summary) | Outcome of the initiative |
|---|---|---|---|
| 1 | Water Stewardship | Active water stewardship programs are ongoing in all our factories. Through this, we are not only reducing water consumption but are also enhancing the resilience to water-related challenges. To cite a few examples, at our Doom Dooma factory, through rooftop rainwater harvesting and modular filtering systems, we capture nearly 100% of rainfall for high-quality water reuse in production. With over 65,963 KL collected and reused in four years, borewell extractions have decreased significantly. In HUL's Chhindwara factory, we have installed a 15,000KL rainwater storage pond and five harvesting pits within the factory premises. These significantly reduce reliance on external water sources, whereas off-site efforts include the construction of stop dams and recharge structures to reduce groundwater consumption and promote community engagement. Further, some of our technology and digital interventions within the factory include the following:-<br>• Digital ETP: Digitised parameter monitoring, streamlined processes, and reduced incoming load<br>• Closed Circuit Reverse Osmosis (CCRO) water treatment technology to reuse treated water from the Effluent Treatment Plant (ETP) in cooling towers, thereby conserving water resources.<br>• Solar panel cleaning robots that eliminate the need for water consumption<br>• Steam and Water Conservation through Flash Steam Recovery and Efficiency Optimisation | Our own manufacturing operations have witnessed a 50% reduction in water usage (cubic meter per tonne of production) in financial year 2024-25 as compared to the 2008 baseline. We were able to achieve this by focusing on reducing freshwater abstraction, implementing captive rainwater harvesting, and maximising the use of RO plants. The benefits include increased efficiencies, reduced risks, strengthening stakeholder relationships and building community trust. HUL has been honored with several prestigious external recognitions, including:<br>• Platinum Level Certification by the Alliance for Water Stewardship.<br>• Excellence in Water Management Award 2024 by the Confederation of Indian Industry (CII) for HUL Prabhat |

| S. No. | Initiative undertaken | Details of the initiative (web-link, if any, may be provided along-with summary) | Outcome of the initiative |
|---|---|---|---|
| | | We set up the Hindustan Unilever Foundation (HUF) in 2010 to support and amplify scalable solutions that can help address India's water challenges - specifically for rural communities that intersect with agriculture. HUF established its 'Water for Public Good' programme that is anchored in the belief that water is a common good and must be governed by citizen communities. The aim was to catalyse effective solutions to India's water challenges involving the government, communities, experts, and mission-based organisations. HUF's programs have reached over 15,500 villages since inception. HUF also supports several knowledge initiatives in water conservation and governance.<br><br>We also have project Prabhat– our sustainable community initiative that has been implementing water conservation projects in water-stressed sites across the country, focusing on ensuring water security. Water conservation structures, such as check dams, farm ponds, farm bunds, water absorption trenches were constructed in programme villages to enhance access to water. The programme also supports agricultural communities with water conservation solutions helping in achieving better water efficiency. We have implemented Water Stewardship Projects outside the factory boundaries across 15 water-stressed locations in India, as identified by groundwater resources and the World Resources Institute (WRI). Please refer https://www.hul.co.in/sustainability/improve-the-health-of-the-planet/ for more details. | HUF along with its partners has enabled creation of cumulative and collective water potential of over 3.9 trillion litres*. To underscore the importance of the water potential created by HUF, 3.9 trillion litres of water can meet the drinking water needs of India's population for nearly two years. |
| 2 | Emissions | We are committed to taking steps to collectively and positively address climate change.<br><br>We have started purchasing renewable energy through onsite solar power plants and invested in offsite windmills to reduce our reliance on grid power. Additionally, we have invested in a group captive solar power plant with a 45MW capacity, in partnership with Brookfield, to meet the daytime energy requirements of all our factories in India.<br><br>All our electricity is sourced from renewable energy, including solar, wind, and IREC green certification.<br><br>We have eliminated coal from our operations and replaced it with green fuels. Biomass has been introduced instead of coal, and biofuel is used instead of furnace oil and high-speed diesel (HSD).<br><br>Additionally, 14 out of our 27 sites now meet Unilever's internal criteria for RE100.<br><br>We have implemented various energy-saving projects, such as heat pumps, magnetic chillers, energy-efficient motors, variable voltage and frequency drives (VVFD), thermic fluid heaters, and energy-efficient air handling units (AHUs), to reduce overall energy consumption in our factories<br><br>We have implemented Digital Energy Management System (EMS) and Boiler Hub insights to optimise energy consumption and improve boiler efficiency through advanced digital solutions.<br><br>Please refer https://www.hul.co.in/sustainability/climate/ for more details | As on March 2025, the renewable energy percentage (for both Electrical and Thermal combined) is 97% for our own manufacturing sites.<br><br>We have significantly reduced our per tonne GHG emission by 99% and energy consumption by 49% in our own manufacturing operations in financial year 2024-25 compared to 2008 baseline.<br><br>Additionally, HUL has been honored with several prestigious external recognitions, including:<br>• The National Energy Conservation Award by the Ministry of Power, Government of India.<br>• The Best Boiler Award 2024 by the Directorate of Steam Boilers, Labour Department, Maharashtra State Government.<br>• The National Energy Efficiency Circle Award 2024 by the Confederation of Indian Industry (CII). |
| 3 | Waste | Our factories have identified innovative ways to reuse various non-hazardous waste streams and maintain the status of zero non-hazardous waste to landfills in factories and offices across the Company. This was done by maximising the reuse and recycling of all non-hazardous waste in environmentally friendly ways.<br><br>We have also taken the initiative to eliminate food waste by commissioning a dewatering screw press and sludge drying beds on-site for dewatering and drying of sludge with an intent to use it as a boiler fuel. Please refer https://www.hul.co.in/sustainability/plastics/ for more details | The total waste generated from the factories was 62% (per tonne of production) lower in our own manufacturing operations in financial year 2024-25 than the 2008 baseline.<br><br>All our factories are equipped with pre-processing facilities, such as waste separation and waste reduction at the source, thus improving recyclability.<br><br>Additionally, HUL has been honored with several prestigious external recognitions, including Greentech PCWR Award for Pollution Control and waste management by Green Tech Energy |

*Assured by an external independent firm

## LI-5. Does the entity have a business continuity and disaster management plan? Give details in 100 words/web link.

We have a standardised procedure to maintain business continuity and ensure robust and effective management of incidents. It is based on the principles of prevention, preparedness, response, and recovery. We follow a risk-based approach to identify credible business risks and review the management plan regularly to ensure that it is up-to-date and effective.

We incorporate advanced cyber considerations into our existing Business Continuity Plan to strengthen resilience against cyber threats. This includes conducting regular cybersecurity risk assessments, developing comprehensive incident response plans, enhancing network security, and providing ongoing employee training.

In addition, to safeguard our data and IT systems, we have a Data Recovery Capability Standard for designing, operating and managing any device or technology solution that stores or processes our data. The purpose of this standard is to specify controls to ensure that our data, applications, and systems can be recovered to meet business operational requirements following a disruptive cyber incident.

## LI-6. Disclose any significant adverse impact on the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard?

We have set sustainability targets, serving as our strategy to deliver consistent, competitive, profitable, and responsible growth. We have set an ambitious sustainability agenda to tackle the issues that our consumers and stakeholders care deeply about. The details of our mitigation measures can be reviewed on the following websites: https://www.hul.co.in/sustainability/climate/ and https://www.hul.co.in/sustainability/nature/

Our plan to progress towards our near-term value chain emission reduction targets has following priority action areas which include Supplier Climate Programme, reformulating products, forest-risk commodities, regenerative agriculture, chemical ingredients, packaging and logistics.

## LI-7. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.

We conduct periodic risk assessments of our suppliers using country risk and commodity risk data from external third-party risk data providers. As of 31st March, 2025, 94.3% of the suppliers (by value of business done) have undergone risk assessment and are compliant.

Our RPP and its Fundamental Principles embody our commitment to responsible, transparent, and sustainable business. Each fundamental principle of the RPP provides guidance on what we expect from responsible and sustainable business partners. We are committed to working with our suppliers on this journey of continuous improvement.

We also verify alignment to and implementation of the RPP's mandatory requirements using supplier self-declarations, online assessments and independent verification, including third-party audits which are performed for designated high-risk countries and supplier types.

## LI-8. How many Green Credits have been generated?

a. **By the listed entity:** In financial year 2024-25, HUL through its CSR programs under Regenerative Agriculture goal, has started a Verified emission reduction (VER) program. HUL has been doing impactful work through our existing agricultural linked programs, which ensured significant increase in crop production owing to resilient regenerative and sustainable agricultural practices, leading to increased net income for farmers. VER programme will go one step further and HUL will map and record the carbon footprint reduction through improved agricultural practices clubbed with agro forestry.

b. **By the top ten (in terms of value of purchases and sales, respectively) value chain partners:** Not available.

## PRINCIPLE 7

### BUSINESSES, WHEN ENGAGING IN INFLUENCING PUBLIC AND REGULATORY POLICY, SHOULD DO SO IN A MANNER THAT IS RESPONSIBLE AND TRANSPARENT


We are committed to enhancing lives and fostering a sustainable future through ethical and transparent interactions, as well as advocacy efforts with government bodies. Our initiatives address environmental sustainability, waste management, resource efficiency, health and hygiene, and inclusive growth. By collaborating with diverse stakeholders, we aim to create a ripple effect of positive change, empowering all stakeholders to make informed choices and contribute to a better world. Through our advocacy efforts, we strive to enhance policy and create a supportive environment for sustainable practices, ensuring that our actions are aligned with the highest standards of integrity and transparency.

**10**
**Affiliations with national/state level trade and industry chambers/associations**

**Nil**
**Instances of anticompetitive conduct**

"We aim to engage with government entities to potentially expedite various initiatives, enhance the ease of doing business, and explore partnerships that could drive systemic change. Our objective is to consider ways to streamline processes for the industry, aiming for a level playing field that align with the interests of all stakeholders. By collaborating with governmental bodies, we hope to identify effective policies and frameworks that could support growth, ensuring that our efforts would lead to meaningful impact across the industry."

**Vipul Mathur**
Executive Director, Personal Care

## ESSENTIAL INDICATORS

### EI-1. a. Number of affiliations with trade and industry chambers/associations.

We are affiliated with 10 trade and industry chambers/associations.

### EI-1. b. List the top 10 trade and industry chambers/associations (determined based on the total members of such body) the entity is a member of/affiliated to

| S. No. | Name of the trade and industry chambers/associations | Reach of trade and industry chambers/associations (state/national) |
|---|---|---|
| 1 | Federation of Indian Chambers of Commerce and Industry (FICCI) | National |
| 2 | Confederation of Indian Industry (CII) | National |
| 3 | Indian Beauty and Hygiene Association (IBHA) | National |
| 4 | Bombay Chamber of Commerce & Industry | State |
| 5 | Bengal Chamber of Commerce & Industry | State |
| 6 | Protein Food Nutrition Development Association of India (PFNDAI) | National |
| 7 | Public Affairs Forum of India (PAFI) | National |
| 8 | European Business Group, India | National |
| 9 | Indian Home & Personal Care Industry Association (IHPCIA) | National |
| 10 | Sustainable Palm Oil Coalition of India | National |

### EI-2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.

During the year, there were no adverse orders from regulatory authorities relating to anti-competitive conduct.

| S. no. | Name of authority | Brief of the case | Corrective action taken |
|---|---|---|---|
| 1 | Nil | Nil | Nil |

## LEADERSHIP INDICATORS

### LI-1. Details of public policy positions advocated by the entity:

| S. No. | Public policy advocated | Methods resorted for such advocacy | Whether information available in public domain (yes/no)? | Frequency of Review by Board (annually/ half yearly/quarterly/ others – please specify) | Web link, if available |
|---|---|---|---|---|---|
| | We participate in multi-stakeholder engagements and, when relevant, respond to public consultations. Our approach to advocacy is guided by the Code of Business Principles (CoBP). The Code provides that any contact by us or our business associates with Government, legislators, regulators or NGOs must be done with honesty, integrity, openness and in compliance with applicable laws. Only authorised individuals can interact with these institutions. Prior internal approval is required for initiating any contact between us, our representatives, and officials, aimed at proactively addressing changes/ suggestions to regulation or legislation. | We are represented in key industry and business associations. We perform policy advocacy in a transparent and responsible manner while engaging with all the authorities considering ours as well as the larger national interest. | No | NA | NA |

## PRINCIPLE 8

### BUSINESSES SHOULD PROMOTE INCLUSIVE GROWTH AND EQUITABLE DEVELOPMENT

We are dedicated to fostering a workplace that celebrates diversity and promotes inclusivity. By empowering our employees from various backgrounds, we ensure that their unique perspectives contribute to our innovation and progress. Our commitment to diversity within our workforce is reflected in our hiring practices, professional development programs, and employee engagement initiatives. Additionally, we are committed to the inclusion of diverse communities as key stakeholders, ensuring that representation of diverse communities is integral to our success and growth. By creating an environment where every community feels valued and heard, we build a stronger, more resilient organisation that thrives on the collective strengths of our diverse team.

**17.9%**
**of all goods, services and capex sourced from MSMEs**

**95.6%**
**of all goods, services and capex sourced from within India**

**Nil**
**Projects undertaken requiring Rehabilitation and Resettlement**

**₹32.9 crores**
**CSR Spends in Aspirational Districts**

"We are committed to cultivating an equitable workforce and ensuring diverse community representation. By valuing and amplifying every voice, we not only drive our success but also contribute to a more inclusive and unbiased society. Through these efforts, we aim to build a future where equity and representation are at the forefront of our mission, creating lasting positive change."

**Harman Dhillon**
Executive Director, Beauty & Wellbeing

## ESSENTIAL INDICATORS

### EI-1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

During financial year 2024-25, we have not undertaken any projects that require Social Impact Assessments (SIA).

| S. no. | Name and brief details of project | SIA Notification No. | Date of notification | Whether conducted by independent external agency (yes/no) | Results communicated in public domain (yes/no) | Relevant web link |
|---|---|---|---|---|---|---|
| 1 | Not applicable | | | | | |

### EI-2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

During financial year 2024-25, we have not undertaken any projects that require Rehabilitation and Resettlement (R&R).

| S. no. | Name of Project for which R&R is ongoing | State | District | No. of Project Affected Families (PAFs) | % of PAFs covered by R&R | Amounts paid to PAFs in the FY (In ₹) |
|---|---|---|---|---|---|---|
| 1 | Not applicable | | | | | |

### EI-3. Describe the mechanisms to receive and redress grievances of the community.

With regards to grievance redressal for communities, we have various programs on ground to address the respective concerns listed below:

**Water in Agriculture:** The programs are being implemented by our NGO partners. The field teams engage with community comprising primarily of members from vulnerable communities. They address issues on water and agriculture covering water access, use efficiency, productivity enhancement, income generation among others. The mechanism of addressing is through group formation of Paani Panchayats, Jal Saheli collectivisation, engagement with panchayat or block functionaries with involvement of field cadres. Most often the field cadres are first point of contact who helps in addressing any concerns or issues and as required these are escalated to field teams at program, block or district level for its resolution.

**Prabhat:** Prabhat is committed to developing communities around our manufacturing sites where we have our CSR community development programs ongoing. The HR and CSR team members regularly visit the villages nearby to understand the community's requirements as well as grievances. The CSR team has also conducted formal community need assessment to understand such requirements. Based on these inputs, CSR programs are designed and executed year on year to enhance the social value creation efforts. This helps to build a positive relationship with the community and address their concerns effectively.

There are several community-based organisations that have been set up. These CBOs have a strong representation from all sections of the society including women & marginalised groups. These groups meet periodically and identify any issues impacting them. As a group, they then connect with the implementing partners. If required, they also engage with the factory team at site to express their concerns. The OPD centers under health programme also have contact details for any feedback.

SAFAL focussed on empowering youth and marginalised groups, including women and persons with disabilities (PWDs), SAFAL aims to bridge India's livelihood gap in sales and retail through skilling, entrepreneurship and employability. SAFAL is targeting 21 states and 78 aspirational districts across India. To enhance transparency, accessibility, and efficiency in handling community grievances, a Google Form-based Grievance Redressal Mechanism is in place at the training center. This system allows beneficiaries to submit concerns easily for systematic review and resolution. Additionally, POSH training is provided, supported by an active committee across all centers.

**WASH:** Accelerating progress on the Swachh Bharat Mission (SBM) 2.0 Urban and Sustainable Development Goals, HUL set up Suvidha – as a first-of-its-kind urban hygiene and sanitation community centre providing affordable access to clean toilets, purified drinking water, showers, and laundry services to over 5 lakh people residing in informal settlements in Mumbai. Suvidha's operation is 100% digitised and if the community has any concerns related to the operations or the quality of the service, the community can raise the concern directly via an app which is accessible by the community through a QR code printed on their passes which is accessible in 3 languages to the users free of cost. An email is automatically sent to the SUVIDHA operations team ensuring quality of response in a timely manner. The concerns are typically resolved within 48 hours.

### EI-4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

| Category | FY 2024-25 | FY 2023-24 |
|---|---|---|
| Directly sourced from MSMEs/small producers | 17.9% | 22.7%* |
| Directly from within India | 95.6% | 92.7% |

*For financial year 2024-45, input material also included services and capex procured in addition to raw materials and packaging materials, while financial year 2023-24 included only raw material and packaging materials. Therefore, the change in the percentage in comparison to reported previous year percentage is primarily attributable to the inclusion of services and capital expenditures under 'input materials'. The comparative percentage based on the revised methodology is 18.3%.

### EI-5. Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent/on contract basis) in the following locations, as % of total wage cost.

| Location | FY 2024-25 | FY 2023-24 |
|---|---|---|
| Rural | 32.4% | 31.2% |
| Semi-urban | 6.7% | 6.3% |
| Urban | 7.2% | 6.8% |
| Metropolitan | 53.7% | 55.7% |

The reporting boundary for the above table is employees and workers represented in Section A – IV 20

## LEADERSHIP INDICATORS

### LI-1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

It is not applicable as there was no Social Impact Assessment required to be conducted during financial year 2024-25.

| S. no. | Details of negative social impact identified | Corrective action taken |
|---|---|---|
| 1 | Not applicable | |

### LI-2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

We are dedicated to contributing to the socio-economic development of aspirational districts identified by Niti Aayog. These districts have been selected based on their need for focussed interventions to improve various development indicators. Below is an overview of our CSR projects undertaken in these districts, highlighting our efforts to maximise investment and impact.

| S. no. | State | Aspirational district | Amount spent (In ₹) |
|---|---|---|---|
| 1 | Multiple | Multiple* | 16,81,38,670 |
| 2 | Bihar | Muzaffarpur | 3,55,61,889 |
| 3 | Maharashtra | Osmanabad | 3,37,51,543 |
| 4 | Uttarakhand | Haridwar | 2,19,40,285 |
| 5 | Kerala | Wayanad | 1,37,22,209 |
| 6 | Chhattisgarh | Bastar | 1,21,79,450 |
| 7 | Uttar Pradesh | Unnao | 1,19,28,920 |
| 8 | Chhattisgarh | Kanker | 1,13,64,763 |
| 9 | Chhattisgarh | Sukma | 1,05,89,190 |
| 10 | Chhattisgarh | Kondagaon | 1,01,69,126 |
| **Total** | | | **32,93,46,045** |

*100 out of the 112 aspirational districts notified by the NITI Aayog

Total 109 districts covered through our programs

Our CSR projects in aspirational districts have led to significant improvements in water and waste management, livelihood opportunities and other areas. These initiatives have not only enhanced the quality of life for beneficiaries but also contributed to the overall sustainable development of the regions. By strategically focusing our investments while leveraging partnerships in these districts, we have been able to maximise the impact of our CSR initiatives. We remain committed to continuing our efforts in these districts, working closely with our partners and stakeholders to ensure sustainable and inclusive growth.

### LI-3. a. Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalised/vulnerable groups (yes/no)?

No.

### LI-3. b. From which marginalised/ vulnerable groups do you procure?

Not applicable.

### LI-3. c. What percentage of total procurement (by value) does it constitute?

Not applicable.

### LI-4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

Not applicable.

### LI-5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

Not applicable.

### LI-6. Details of beneficiaries of CSR Projects

We are committed to operating and growing our business in a socially responsible way. Our purpose is to make sustainable living commonplace while firmly believing that 'What's good for India is good for HUL'.

In our commitment towards CSR, we have prioritised the inclusion and support of vulnerable groups in all our projects. Our approach is rooted in understanding and addressing the unique challenges faced by these communities, ensuring that our initiatives are both inclusive and impactful.

We have identified vulnerable groups as women, children, elderly, differently-abled persons, small and marginal farmers and others. These groups are part of our project planning and implementation processes. By conducting thorough needs assessments and engaging with community stakeholders, we have tailored our projects to meet their specific needs. Regular consultations with community have helped us to understand their needs and incorporate their feedback into project design. To ensure this, providing capacity building and infrastructure to empower vulnerable groups and enabling them to take an active role in the projects is always at the core of our belief.

Our inclusive approach has led to significant positive outcomes, including improved livelihoods, enhanced access to development infrastructure, and greater community cohesion. We remain committed to continuously evaluating and refining our projects to ensure they effectively address the evolving needs of vulnerable groups.

| S. no. | CSR project | No. of persons benefitted from CSR projects | % of beneficiaries from vulnerable and marginalised groups |
|---|---|---|---|
| 1 | Prabhat | 12,21,629 | 95 |
| 2 | Nutrition | 10,59,759 | 100 |
| 3 | Shakti | 13,88,989 | 40 |
| 4 | Swasthya Ki Baat | 3,82,369 | 100 |
| 5 | Tea Estates: Women Safety and Livelihoods Program | 3,95,714 | 80 |
| 6 | Hindustan Unilever Foundation: Programs | 3,79,001 | 75 |
| 7 | Road Safety - Truck Drivers | 20,96,000 | 10 |
| 8 | Suvidha | 5,00,000 | 40 |
| 9 | Plastics | 3,86,246 | 42 |
| 10 | SAFAL | 1,94,242 | 30 |
| 11 | Other Projects (10) | 25,742 | 81 |

In addition to the above, we also run several behavioural change programs across all media channels which has a widespread reach

## PRINCIPLE 9

### BUSINESSES SHOULD ENGAGE WITH AND PROVIDE VALUE TO THEIR CONSUMERS IN A RESPONSIBLE MANNER.

We have enhanced customer experiences through advanced support systems. We leverage digital tools to provide seamless and personalised interactions, ensuring convenience and satisfaction. By focusing on customer support technologies, we aim to deliver exceptional service and build lasting relationships with our customers.

We are committed to protecting our digital infrastructure from cyber threats. We employ robust cybersecurity measures to safeguard customer data and ensure secure transactions. By continuously monitoring and updating our security protocols, we aim to prevent cyber attacks and maintain the trust of our customers.

**Nil**

**Data breaches involving personal identifiable information**

**Nil**

**Product recalls on account of safety issues**

**Nil**

**Consumer complaints on data privacy, cyber-security, delivery of essential services, restrictive trade practices, unfair trade practices**

**100%**

**Products with labelling on environmental and social parameters**

"At HUL, our commitment to excellence drives us to not only deliver superior products but also to protect our consumers' personal information with the highest standards of security. We understand that customer satisfaction is deeply intertwined with data privacy and robust customer support. By fostering trust through transparent practices and responsive support, we build enduring relationships with our customers, ensuring their needs are met with care and integrity."

**Rajneet Kohli**
Executive Director, Foods

## ESSENTIAL INDICATORS

### EI-1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

Our procedures for addressing consumer complaints and feedback are meticulously structured and customer-centric, focusing on providing swift responses and timely resolutions to customer inquiries, feedback, and complaints. Customers can reach out to us through different channels as listed below:

- Toll-free Number: 1800-120-2088
- E-mail: levercare.customer@unilever.com
- WhatsApp chatbot: 8655307496

We have a specialised team for managing customer complaints and concerns. Upon receipt of a customer concern through any communication channel, a unique complaint reference or ticket number is promptly provided to the customer, along with the details of the registered complaint. Subsequently, our Support team initiates detailed discussions with the customer within 24 hours of receiving the complaint. Each complaint is governed by a Service Level Agreement (SLA), ensuring the responsible party delivers an appropriate resolution within the specified timeframe. After the resolution, we ask our customers to indicate their level of satisfaction using three criteria: Satisfied, Neutral, and Not Satisfied. This feedback mechanism enables us to validate the effectiveness of our customer service solutions while significantly contributing to the continuous improvement of our customer service processes.

### EI-2. Turnover of products and services as a percentage of turnover from all products/ services that carry information about:

| Category | As a percentage to total turnover* |
|---|---|
| Environmental and social parameters relevant to the product | 100%* |
| Safe and responsible usage | 100%* |
| Recycling and/or safe disposal | 100%* |

*All artworks are checked, by brand, legal and other compliance functions on all required parameters, approved and maintained digitally on an internal system . This includes, but not limited to, Lever Care Details, Dustman logo, Material identification number and Best before/Use by or Directions for Use/Caution Statement. These are in line with Cosmetic Rules 2020, wherever applicable

## EI-3. Number of consumer complaints in respect of the following:

| | FY 2024-25 | | | FY 2023-24 | | |
|---|---|---|---|---|---|---|
| | Received during the year | Pending resolution at end of year | Remarks | Received during the year | Pending resolution at end of year | Remarks |
| Data privacy | - | - | | - | - | |
| Advertising | 4 | - | | 18 | - | |
| Cybersecurity | - | - | | - | - | |
| Delivery of essential services | - | - | | - | - | |
| Restrictive trade practices | - | - | | - | - | |
| Unfair trade practices | - | - | | - | - | |
| Other | - | - | | - | - | |

We have a very robust mechanism to receive and address queries, feedback and complaints received from our consumers

## EI-4. Details of instances of product recalls on account of safety issues

We have a stringent mandatory quality standard in place against which compliance is verified through regular audits and self-assessments. These standards ensure we design, manufacture, and supply safe, excellent quality products and conform to the relevant industry and regulatory standards. Comprehensive management procedures are in place to mitigate risks and protect our consumers and markets. We take prompt and timely action wherever and whenever we encounter products which do not meet the standards and ensuring that the right quality product enters the market.

| Category | Number | Reasons for recall |
|---|---|---|
| Voluntary recalls | Nil | - |
| Forced recalls | Nil | - |

## EI-5. Does the entity have a framework/ policy on cyber security and risks related to data privacy (yes/no)? If available, provide a web-link of the policy.

Yes, we have extensive cybersecurity and data privacy policies applicable to the entire organisation. We respect the privacy of all individuals, including employees, consumers and our partners and protect their personal data appropriately. We recognise and protect privacy as an essential human right under our Code of Business Principles, which is available on our website at https://www.hul.co.in/investors/corporate-governance/policies/

We also have specific code policies governing the organisation and our employees when dealing with the Personal Data and Privacy of individuals. We have been proactive in preparing for being compliant with the DPDPA (Digital Personal Data Protection Act) 2023. We have focussed learning modules on the Code Policy on Personal Data, which is mandatory for the entire organisation. We regularly train the workforce on the Personal Data Code Policy (general privacy principles, practices, processes, and behaviour). We also have training on handling sensitive personal data for HR functions handling such data.

In addition, we disclose a 'Privacy Notice' pertaining to our data processing practices to consumers before they consent to process their personal data. The Privacy Notice proactively discloses all the relevant information necessary to make an informed choice, including but not limited to types of data, purposes, security safeguards, principal data rights, contact details of the Data Privacy Officer and grievance redressal mechanisms, retention, and third-party disclosure policies. For more details refer to: https://www.unilevernotices.com/privacy-notices/india-english.html.

We also have a designated Data Privacy Officer, whose key responsibility is to ensure data privacy guidelines are followed in the organisation and any privacy related grievances are being addressed. We have disclosed the details of the DPO externally on our website in the Privacy Section at: https://www.hul.co.in/contact/ .

We have a central e-mail ID, i.e., grievance.officer-privacy@unilever.com , which is disclosed in the privacy notices and on our website. There is also a 'Contact Us' form for privacy issues that is directed to the Data Privacy Office. Our Responsible Partner Policy, which applies to all third parties, includes an obligation to protect and safeguard personal data involving our consumers and customers.

### EI-6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cybersecurity and data privacy of customers; reoccurrence of instances of product recalls; penalty/action taken by regulatory authorities on safety of products/services.

No significant concerns/complaints/penalties/regulatory actions were identified during the year. However, in case of any concerns, consumers can reach out to us via multiple channels, i.e., phone, e-mail, social media, and WhatsApp. We have a pre-defined turnaround time and response mechanism for complaint closure.

For data privacy-related concerns, we have a Personal Data Incident Reporting process to report and investigate any suspected or potential threat to personal data. The Data Privacy Officer and Cyber Security Lead investigate incidents to identify lapses and gaps to continuously improve processes and controls to mitigate future breaches.

### EI-7. Provide the following information relating to data breaches:

**a. Number of instances of data breaches along-with impact**

Nil, there were no instances of reportable data breaches in the current financial year.

**b. Percentage of data breaches involving personally identifiable information of customers**

Nil, there were no instances of reportable data breaches involving personally identifiable information.

**c. Impact, if any, of the data breaches**

Not applicable as there were no reportable data breaches for the year.

## LEADERSHIP INDICATORS

### LI-1. Channels/platforms where information on products and services of the entity can be accessed (provide web link, if available)

Information regarding all products is available in the Brand section of our website: https://www.hul.co.in/brands/.

Consumers can also reach out to us via one of the following modes for any additional information:

- Toll-free number for Levercare: 1800-102-2221
- WhatsApp number: +91 8291082913
- E-mail ID: lever.care@unilever.com
- Address: PO Box 14760, Mumbai 400 099, Maharashtra, India
- Contact Us form on the website: https://www.hul.co.in/contact/

### LI-2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.

We provide information on our product packaging, including ingredients, expiry date, and usage directions, as appropriate to inform our consumers about safe and responsible usage. Consumers can also contact us on our Levercare toll-free number (1800-102-2221) and via our e-mail ID (lever.care@unilever.com) printed on each product label. Our website has a dedicated section where consumers can reach us through the Contact Us form and a dedicated section on 'What is in Our Products' (https://www.hul.co.in/our-company/rd-innovation/safety-environment/whats-in-our-products/) is hosted to inform consumers about our products and the ingredients.

### LI-3. Mechanisms in place to inform consumers of any risk of disruption/ discontinuation of essential services.

At HUL, we do not deal with any essential services. However, in case of any disruption, we can disseminate information through our website, various mass media platforms, social media platforms, distribution networks, sales representatives, and e-mails. In addition, consumers can contact us on our toll-free number for Levercare (1800-102-2221) and e-mail id (lever.care@unilever.com), printed on each product.

### LI-4. Does the entity display product information on the product over and above what is mandated as per local laws (yes/ no/not applicable)? If yes, provide details in brief.

We are fully committed to not only ensuring compliance to mandatory labelling, but also to providing important information to consumers regarding safety, health, proper usage and appropriate precautions. These are embedded in the Trust & Transparency pillar of our ESG strategy. For example, on Foods, HUL provides transparent nutrition information of its products to empower consumers to make informed choices. In addition to the mandatory nutritional labelling requirements as per regulations, we also provide Front-of-pack (FOP) icon showing energy content as % contribution to the Recommended Dietary Allowance (RDA) and as an absolute quantity.

For home care products, e.g., our laundry pods, we provide safety precautions, symbols, and usage directions in text and pictures, along with warnings (e.g., Keep out of the reach of children) to ensure consumers are aware of proper product usage and application.

Similarly, we provide usage instructions and cautionary statements for Beauty & personal care products. For example, on our hair serum label, we give the ideal usage directions for maximum benefit, precautions to be taken, and immediate action in case of an issue. In addition, all products contain information on the product benefits and any special ingredients delivering the benefits. This information helps consumers make an informed choice.

### LI-4. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products/services of the entity, significant locations of operation of the entity or the entity as a whole (yes/no)?

Our Levercare team (also known as Consumer Engagement Centre) provides a comprehensive omnichannel (Phone, e-mail, social media, WhatsApp, and Web) system to help answer product-related queries and complaints to deliver best-in-class consumer experience. We monitor consumer sentiments (i.e., the digital voice of the consumer via social media and brand pages) to receive overall feedback on issue resolution and products/services and calculate the Net Promoter Score (0 to 10). We then evaluate consumer experiences on both product and service based on how likely they are to recommend the product and the service to family and friends on a scale of 0 to 10.

Additionally, to capture feedback from e-Commerce consumers, we use digitally enabled consumer-focussed capability, which provides specific insights based on ratings and reviews at brand and product levels that help identify product improvements and feed into innovations. This also helps improve end-to-end consumer experience on e-Commerce and social media.

Furthermore, we conduct a 'Customer Voice Survey' annually to assess overall performance and sentiment among distributors and customers. The survey covers Overall Experience, Customer Service, Finance, Supply Chain, and IT Support. We also have a customer license activity, where each employee is responsible for working in the market, visiting the re-stockist point, collecting customer feedback, and understanding their concerns.

We also have a 'Customer Delight Officer' based in branches with a pivotal role in addressing customer grievances and ensuring compliance. These executives diligently promote a customer-centric approach within the organisation. They engage with customers regularly, exchanging feedback to drive continuous improvement in satisfaction levels. This structured methodology, involving employees and dedicated teams, reflects a robust commitment to customer-centricity.

# Corporate Governance Report

**Nitin Paranjpe**
**Chairman**

*"At Hindustan Unilever Limited, good corporate governance has been the cornerstone of our journey over the many decades of our existence. Our unwavering commitment to transparency, accountability, and ethical conduct has enabled us to build enduring trust with all our stakeholders. This strong governance framework has played a crucial role in driving sustainable growth, helping us navigate a dynamic business landscape with confidence and resilience. We continue to strive towards long-term value creation for all our stakeholders and reinforce our position as a responsible, future-ready organisation committed to inclusive progress and excellence in everything we do"*

**The Report comprises**

1. Corporate Governance Philosophy
2. Board and Committees of the Board
3. Governance of Subsidiaries
4. Company Policies
5. Affirmation and Disclosure
6. Shareholder Information

## Company's Corporate Governance Philosophy

At Hindustan Unilever Limited (HUL), we uphold a tradition of outstanding governance, established by our visionary founders which is seamlessly integrated into our daily operations. With over 90 years of legacy in the country, our Corporate Governance framework is deeply rooted in our core values of Integrity, Respect, Responsibility, and Pioneering.

We conduct all our activities with integrity and a profound respect for the diverse individuals, organisations, and environments we impact, which is central to our corporate responsibility. Our journey is one of consistent growth, driven by innovative ideas and unwavering values. We believe that businesses must serve a purpose beyond profit and that true prosperity comes from making a positive impact on the world's pressing challenges.

### Our Corporate Governance Structure and Framework

Our Governance Structure is multi-tiered, comprising the Board of Directors (the Board), Board Committees, the Chief Executive Officer & Managing Director (CEO & MD), and the Management Committee. Our business has always been driven by a sense of purpose and the belief that business must have purpose beyond profit. Our history is a story of growth powered by ideas and values.

- Our Code of Business Principles (Code) embodies our values and demonstrates our dedication to ethical practices throughout our operations. Our Code motivates us to conduct business with integrity and set governance standards that exceed legal requirements.
- We believe in maintaining the highest standards of corporate conduct towards everyone we collaborate with, the communities we impact, and the environment we help shape. This approach ensures consistent, competitive performance and drives long-term value creation for all our stakeholders.
- Our Corporate Governance Code (HUL CG Code) provides a comprehensive framework for the Company, its Board and Committees to operate effectively for the benefit of our diverse stakeholders.
- We keep our corporate governance practices under continuous review and benchmark ourselves to best practices across the globe.

**Our Core Values**

Integrity | Respect | Responsibility | Pioneering

## Board and Committees of Board

HUL is professionally managed under the Board's guidance. The responsibilities of the Board and its Members include:

### Board

The Board's primary role is to ensure the Company's long-term sustainable success for all stakeholders. It is responsible for developing strategy, overseeing material acquisitions and divestments, managing capital expenditure and the Company's capital structure, and handling other financing matters. Additionally, the Board is committed to upholding sound principles of Corporate Governance within the Company.

### Chairman

The Chairman leads the Board and fosters effective participation from all Executive and Non-Executive Directors during Board meetings. Additionally, the Chairman promotes transparency and encourages debate, which leads to effective decision-making at the Board level.

### Independent Directors

The Independent Directors provide strategic guidance and expert advice, fostering objective judgment and accountability. They offer constructive feedback, hold management accountable, and engage continuously with the Company and its employees.

### 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 which concern the Company and need a closer review.

### CEO & MD, Management Committee

The Management Committee, headed by the CEO & MD, is responsible for ensuring delivery of the Company's strategy, business plans and financial performance. Management Committee Members (business/ functional heads) manage the Company's day-to-day affairs.

## Composition

The Board of the Company comprises highly experienced persons of repute and eminence and has an optimal mix of professionalism, knowledge and experience that enables it to discharge its responsibilities and provide effective leadership to the business.

The Board comprises both Executive and Non-Executive Directors, with a majority being Independent Directors, including Independent Women Directors.

As a part of the Board's succession planning exercise, the Board composition is periodically reviewed to ensure that it continues to be closely aligned with the Company's strategy, long- term needs and skill-matrix approved by the Board.

It is hereby confirmed that:

- The Board composition is in conformity with the applicable provisions of the Companies Act, 2013 (the Act) and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, (Listing Regulations).
- None of the Directors of the Company are related to each other.
- 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.

**Changes in Board of Directors / Key Managerial Personnel of the Company during the financial year 2024-25:**

- **Appointment of Mr. Biddappa Ponnappa Bittianda (DIN: 06586886)**

  Based on the recommendation of the Nomination and Remuneration Committee, the Board approved the appointment of Mr. Biddappa Ponnappa Bittianda as an Additional Director and Whole-time Director designated as Executive Director and Chief People, Transformation and Sustainability Officer of the Company with effect from 1st June, 2024. At the 91st AGM of the Company held on 21st June, 2024, his appointment was approved by the Shareholders of the Company.

- **Cessation of Mr. O. P. Bhatt (DIN: 00548091)**

  Mr. O.P. Bhatt ceased to be the Independent Director of the Company on completion of his second term with effect from close of business hours on 29th June, 2024.

- **Cessation of Dr. Sanjiv Misra (DIN: 03075797)**

  Dr. Sanjiv Misra ceased to be the Independent Director of the Company on completion of his second term with effect from close of business hours on 29th June, 2024.

- **Cessation of Ms. Kalpana Morparia (DIN: 00046081)**

  Ms. Kalpana Morparia ceased to be the Independent Director of the Company, on completion of her second term with effect from close of business hours on 8th October, 2024.

- **Cessation of Mr. Dev Bajpai (DIN: 00050516 and Membership No. F3354)**

  During the year, Mr. Dev Bajpai (DIN: 00050516 and Membership No. F3354) stepped down as the Executive Director, Legal & Corporate Affairs, Company Secretary and as a Member of Management Committee of the Company with effect from close of business hours on 31st December, 2024, pursuant to his early retirement from the services of the Company.

  In light of this transition, Ms. Radhika Shah (Membership No. A19308) succeeded Mr. Dev Bajpai as Company Secretary and Compliance Officer of the Company with effect from 1st January, 2025.

  The Board expresses its heartfelt appreciation for the leadership, guidance, and invaluable contributions made by the Directors during their respective tenures. Their unwavering commitment to exemplary governance and their pivotal role in steering the Company towards sustained growth and success have been commendable. The Directors' efforts in upholding the Company's values and ensuring compliance with corporate policies have been instrumental in achieving strategic objectives and have played a significant role in the Company's growth journey.

- **Cessation of Mr. Leo Puri (DIN: 01764813)**

  On 13th March, 2025, Mr. Leo Puri resigned as the Independent Director of the Company, due to an increase in his board commitments including his proposed appointment on the board of a global entity and the overboarding criteria for Independent Directors as prescribed under the European Corporate Governance requirements. Mr. Puri further confirmed that there was no material reason for his resignation other than as mentioned above. The resignation will take effect from close of the business hours on 30th June, 2025.

**Composition and Directorship(s)/Committee Membership(s)/Chairmanship(s), joining dates and number of other Board and Committee positions as on the date of this Integrated Annual Report:**

| Name and Category | Date of joining the Board | No. of shares held in the Company | Attendance at the last AGM held on 21st June, 2024 | Directorship(s) in other Companies# | Membership(s) in other Companies## | Chairmanship(s) of Committees of other Companies## |
|---|---|---|---|---|---|---|
| **Non-Executive Chairman** | | | | | | |
| Nitin Paranjpe | 31.03.2022 | 1,24,509 | Yes | 1 | - | - |
| **Chief Executive Officer & Managing Director** | | | | | | |
| Rohit Jawa | 01.04.2023 | 10 | Yes | - | - | - |
| **Executive Director, Finance & IT and Chief Financial Officer** | | | | | | |
| Ritesh Tiwari | 01.05.2021 | 2,630 | Yes | 1 | - | - |
| **Executive Director and Chief People, Transformation and Sustainability Officer** | | | | | | |
| Biddappa Ponnappa Bittianda | 01.06.2024 | 500 | Yes | 1 | - | - |
| **Independent Directors** | | | | | | |
| Leo Puri | 12.10.2018 | - | Yes | 2 | 1 | 1 |
| Ashu Suyash | 12.11.2021 | - | Yes | 2 | 3 | 1 |
| Ranjay Gulati | 01.04.2023 | - | Yes | - | - | - |
| Neelam Dhawan | 01.08.2023 | 454 | Yes | 5 | 4 | 2 |
| Tarun Bajaj | 01.12.2023 | - | Yes | 3 | 3 | 1 |

**Notes:**

The names of the listed entities along with the category of Directorship for all the Directors form part of Profile of Directors from pages 458 to 463 of this Integrated Annual Report.

*# 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.*

## Board Independence

The term Independent Directors is defined under Section 149(6) of the Act and Regulation 16 of the Listing Regulations. The Company has received requisite declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence prescribed under Section 149(6) of the Act read with Rule 5 of the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 16(1)(b) of the Listing Regulations. Further, the Independent Directors have also confirmed that they are not aware of any circumstance or situation that exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence. The Board affirms that the Company's Independent Directors meet the criteria prescribed under Schedule V of the Listing Regulations and remain independent from the management, based on the following:

- Annual declarations submitted by the Independent Directors pursuant to Regulation 25(8) of the Listing Regulations, confirming their compliance with the independence criteria.
- A certificate issued by M/s. Parikh & Associates, Practising Company Secretaries, under Regulation 25(9) of the Listing Regulations, validating the authenticity and accuracy of the declarations received.

Additionally, the Independent Directors have confirmed their registration with the Independent Directors' Database maintained by the Indian Institute of Corporate Affairs. The Company issues a formal letter of appointment at the time of each Independent Director's appointment or re-appointment. The detailed terms and conditions of their appointment are available on the Company's website at: https://www.hul.co.in/investors/corporate-governance/corporate-information/.

As of 31st March, 2025, the Board comprises 5 (five) Independent Directors.

## Appointment and Tenure

The Company follows a robust process for appointment of Directors, Executive as well as Non-Executive. The Nomination and Remuneration Committee (NRC) plays an important role in this process and provides its recommendations to the Board. The criteria is set out as under:

**The NRC determines and recommends the criteria, qualifications, positive attributes for appointment of Executive, Non-Executive and Independent Directors to the Board.**

**The NRC also identifies candidates who are qualified to become Directors based on the Board Skill Matrix and who may be appointed on the Management Committee, or as a Key Managerial Personnel and recommends to the Board their appointment.**

**For every appointment of an Independent Director, the NRC evaluates the balance of skills, knowledge and experience required. On the basis of such evaluation, candidate(s) are recommended to their appointment to the Board.**

**The Directors of the Company are appointed/ re-appointed by the Board on the recommendation of the NRC 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.

During the year under review, none of the Independent Director(s) of the Company except Mr. Leo Puri (DIN: 01764813) resigned before the expiry of their tenure.

Appointment and tenure of Independent Directors are consistent with the Act and Listing Regulations. All the Executive Directors of the Company are appointed as per the provisions of the Act and Listing Regulations and serve in accordance with the terms of employment with the Company. Pursuant to HUL CG Code for the purpose of determining the composition of the Board, all Independent Directors who are appointed from the financial year 2022-23 and thereafter, and who complete ten years on the Board, shall be treated as Non-Independent and ineligible for appointment as Independent Directors for any period thereafter.

## Directors' and Officers' Liability Insurance Policy

In compliance with the provisions of the Act and Listing Regulations, the Company has taken a Director's and Officer's (D&O) Liability Insurance Policy to indemnify Directors, Officers or any employee acting in a managerial capacity, against any personal liability or legal action coming onto them whilst discharging fiduciary responsibilities in relation to the Company. The Policy also covers those who serve as Director(s), Officer(s) or equivalent of an outside entity at the Company's request.

## Board and Committee Meetings

The Board meets at regular intervals to discuss and take decisions on Company/business policies and strategies apart from other Board businesses. Usually, Meetings of the Board/Committees are held in Mumbai at the Registered Office of the Company.

### Measures to ensure effective participation by the Directors

- Pre-scheduled Board/Committee Meetings.
- Annual calendar for Board / Committee meetings is agreed and circulated in advance.
- At each Board meeting, Chairperson of respective Committees briefs the Board on matters discussed by the Committee at their respective meetings.
- For urgent business needs - approval is taken by resolution passed through circulation.
- Agenda is set by the Company Secretary in consultation with the Chairperson of the Board/ Committee.
- Agenda of Meetings includes detailed notes to enable the Directors to take an informed decision.
- Board/Committee Agenda includes Action Taken Report comprising actions from previous Meetings and status updates thereon.
- Prior approval is obtained for circulating Agenda items with shorter notice for matters of Unpublished Price Sensitive Information (UPSI) nature.

## Notice and Agenda of Board and Committee Meetings

The Agenda for the Board and Committee Meetings covers items set out as per the Companies Act and Listing Regulations. 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 may be required.

The information set out in the Agenda and notes thereon enables the Board to deliberate and take informed decisions on the matters.

The meetings are usually conducted at the Company's Registered Office. Audio/ Video conferencing facilities are made available for the Directors who are travelling or located outside Mumbai to participate in the Meetings.

During the financial year 2024-25, 10 Board Meetings were held. The interval between any two Board Meetings was well within the maximum allowed gap of 120 days. During the year, some of the business were considered by the Board by passing resolutions by circulation.

## Attendance of the Board Meetings

| Name of the Members | 24.04.2024 | 15.07.2024 | 23.07.2024 | 06.09.2024 | 23.10.2024 | 29.10.2024 (Strategy Meeting) | 25.11.2024 | 20.01.2025 & 21.01.2025 (Strategy Meeting) | 22.01.2025 | 20.03.2025 | Attendance % |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Nitin Paranjpe | Present in person | Present in person | Present in person | Video conference | Present in person | Video conference | Present in person | Present in person | Present in person | Video conference | 100% |
| Rohit Jawa | Present in person | Present in person | Present in person | Video conference | Present in person | Present in person | Present in person | Present in person | Present in person | Video conference | 100% |
| Ritesh Tiwari | Present in person | Present in person | Present in person | Present in person | Present in person | Present in person | Present in person | Present in person | Present in person | Present in person | 100% |
| Dev Bajpai* | Present in person | Leave of absence | Present in person | Present in person | Present in person | Video conference | Present in person | N.A. | N.A. | N.A. | 85.71% |
| Biddappa Ponnappa Bittianda | N.A. | Video conference | Present in person | Video conference | Present in person | Leave of absence | Present in person | Present in person | Present in person | Video conference | 88.89% |
| Kalpana Morparia$ | Present in person | Video conference | Present in person | Video conference | N.A. | N.A. | N.A. | N.A. | N.A. | N.A. | 100% |
| O.P. Bhatt# | Present in person | N.A. | N.A. | N.A. | N.A. | N.A. | N.A. | N.A. | N.A. | N.A. | 100% |
| Sanjiv Misra# | Present in person | N.A. | N.A. | N.A. | N.A. | N.A. | N.A. | N.A. | N.A. | N.A. | 100% |
| Leo Puri | Video conference | Video conference | Video conference | Video conference | Present in person | Video conference | Present in person | Present in person | Video conference | Video conference | 100% |
| Ashu Suyash | Present in person | Video conference | Present in person | Video conference | Present in person | Video conference | Present in person | Present in person | Present in person | Video conference | 100% |
| Ranjay Gulati | Present in person | Video conference | Video conference | Video conference | Leave of absence | Leave of absence | Video conference | Video conference | Leave of absence | Video conference | 70% |
| Neelam Dhawan | Present in person | Video conference | Present in person | Leave of absence | Video conference | Video conference | Present in person | Present in person | Present in person | Video conference | 90% |
| Tarun Bajaj | Present in person | Video conference | Present in person | Video conference | Present in person | Video conference | Present in person | Present in person | Present in person | Video conference | 100% |

*Present in person* *Video conference* *Leave of absence*

*# Mr. O.P. Bhatt and Dr. Sanjiv Misra ceased to be the Independent Directors of the Company with effect from close of business hours on 29th June, 2024.*

*$ Ms. Kalpana Morparia ceased to be the Independent Director of the Company with effect from close of business hours on 8th October, 2024.*

** Mr. Dev Bajpai ceased to be Executive Director, Legal, Corporate Affairs & Company Secretary with effect from close of business hours on 31st December, 2024.*

## Board Support: Company Secretary

The Company Secretary supports the Board by making sure it has the policies, processes, information, time and resources it needs to work and take decisions effectively and efficiently. The Company Secretary acts as the Secretary to the Board and all its Committees.

The Company Secretary is responsible for:

- preparing the Agenda and convening the Board and Committee meetings;
- facilitating the convening of meetings, attending Board, Committee, and General Meetings, and ensuring minutes of the meetings are recorded properly.
- providing guidance to the Directors, both collectively and individually, regarding their roles, responsibilities, and powers.
- assisting the Chairperson in all Board development processes like Board evaluation, Board re-structuring, succession planning, inductions and trainings etc.
- representing the Company before various regulators and authorities in connection with the discharge of duties under the Act & SEBI Regulations.
- assisting the Board in conduct of the Company's affairs and compliance with corporate governance requirements, and best practices.

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.

## Tech Interventions: Web based application/ tool

### Application for circulating Agendas/Pre-reads

To leverage technology and reduce paper consumption, the Company has adopted a web-based application for transmitting Board/ Committee Agenda and pre-reads in electronic form, which can be accessed through web browser or iPad.

The application meets high standards of security and integrity, required for storage and transmission of Board/ Committee Agenda and pre-reads.

### Statutory Compliance Monitoring Tool

- The Company uses a web-based Statutory Compliance Monitoring Tool designed to enhance and streamline the tracking of all its statutory and legal obligations.
- The tool provides a comprehensive platform for managing compliance across various domains, ensuring that all legal requirements are met timely and efficiently.
- It provides the necessary assurances to the Board regarding the Company's adherence to legal requirements.
- This tool helps the Company to effectively navigate the complex statutory requirements and mitigate potential risks.

## Post-Meeting Follow-up Mechanism

The Company has an effective governance mechanism wherein, the important decisions and suggestions of the Board and Committees are communicated to the respective functional departments immediately after the meetings. An action taken report emanating from the suggestions of the Board/Committee and status update thereon is placed at the subsequent meetings.

## 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.

During the financial year 2024-25, the Independent Directors met twice on 24th April, 2024 and 21st January, 2025.

The Independent Directors inter alia discuss the issues arising out of the Committee Meetings and Board discussions including reviewing the performance of Non-Independent Directors and Board as a whole; 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 efficiently 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, Secretarial Auditors, Cost Auditors, Internal Auditor and the Management of the Company for discussions and questions, if any.

### Attendance of the Independent Director Meetings

| Name of the Independent Directors | 24.04.2024 | 21.01.2025 |
|---|---|---|
| Kalpana Morparia$ | Present in person | N.A. |
| O.P. Bhatt# | Present in person | N.A. |
| Sanjiv Misra# | Present in person | N.A. |
| Leo Puri | Video conference | Present in person |
| Ashu Suyash | Present in person | Present in person |
| Ranjay Gulati | Leave of absence | Present in person |
| Neelam Dhawan | Present in person | Present in person |
| Tarun Bajaj | Present in person | Present in person |

*Present in person* *Video conference* *Leave of absence*

**Notes:**

*# Mr. O.P. Bhatt and Dr. Sanjiv Misra ceased to be the Independent Directors of the Company with effect from close of business hours on 29th June, 2024.*

*$ Ms. Kalpana Morparia ceased to be the Independent Director of the Company with effect from close of business hours on 8th October, 2024.*

## 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 includes:**

- **Induction Programme:** Directors, on their appointment to Board, are taken through a detailed induction and familiarisation programme. The induction programme is exhaustive and covers the Company's history, culture, background, growth over the last several decades, major milestones, present structure, sustainability agenda and ESG Goals, overview of businesses, functions and people and the strategy of the Company. The CEO & MD and the Company Secretary ensure that these programmes are conducted, providing an overview of the organisation and its values. Directors also visit manufacturing locations and markets to understand operations and are informed about Board procedures, major risks, and mitigation programmes.
- **Immersion Sessions:** These sessions, held during Board Meetings, cover different business aspects, providing a comprehensive understanding on different business areas and nuances. They include pre-reads and deep dives on specific subjects, allowing Directors to interact with senior management and understand the business impact. These sessions also enable the Board to interact with the next level of management. The

sessions are aimed at improving the understanding of the Board members on different business aspects. There are opportunities for the Independent Directors to interact amongst themselves through out the year. These immersive sessions on different topics are also suggested by the Board members as an outcome of the Board Evaluation exercise.

- **Strategy Sessions:** Each year, the Company organises Board Strategy Sessions either at its Registered Office or at other establishments of the Company. These sessions allow the Board to gain insights into the Company's market presence and engage with senior management and business teams. The focus is on future strategy, encompassing all business and functional areas, identifying necessary adjustments, and exploring future opportunities and challenges. This year, the Board met for a two-day immersive session in January 2025, where the Board discussed and focussed on:
  - The Aspire Strategy – Unlocking a billion aspirations;
  - Performance of the business groups;
  - Culture and talent agenda of the organisation;
  - Portfolio reviews, and mergers and acquisitions;
  - Research and Development initiatives and innovation in different product categories; and
  - Functional reviews of functions such as supply chain, customer development, etc.

  During the financial year 2024-25, 2 (two) Board Strategy Meetings were held on 29th October, 2024, and 20th and 21st January, 2025.

**Throughout the year, the Board addresses various matters, including:**

- **Strategy and Business Plan:** Approving business separations, disposals, acquisitions and reviewing strategies for different business groups and categories of business.
- **Operational Performance and Financial Management:** Regularly reviewing performance, approving dividends, etc.
- **Governance and External Reporting:** Considering feedback from the Audit Committee, approving results and reports and overseeing shareholder communication and important press releases.
- **Culture and Stakeholders:** Reviewing employee engagement programmes and investors feedback.
- **Sustainability:** Reviewing the sustainability agenda and plans in the areas of Climate, Nature, Plastic and Livelihood and reviewing strategies relating to the Corporate Social Responsibility initiatives.
- **Political and Regulatory Environment:** Receiving updates on macro environment and emerging laws and their implications.
- **Risk and Internal Controls:** Assessing the effectiveness of internal controls and reviewing risk management plans.

these comprehensive familiarisation programmes ensures Directors are well-informed and prepared to contribute effectively to the Company's governance and strategic direction.

More details on our training programmes are available on the Company's website at https://www.hul.co.in/investors/corporate-governance/corporate-information/.

The Independent Directors are made aware of their roles and responsibilities at the time of their appointment and are issued a detailed letter of appointment.

## Board Evaluation

In compliance with the Act and Listing Regulations, the Board conducts an annual performance evaluation to enhance its effectiveness and that of its Committees. The Board, in collaboration with the NRC, has established criteria for evaluating the performance of the Board, its Committees and individual Directors. These criteria are part of the HUL CG Code, available on the Company's website at https://www.hul.co.in/investors/corporate-governance/our-approach-to-corporate-governance/.

### Evaluation Process:

During the year, the Company conducted an internal Board Evaluation exercise, which included assessments of the Board as a whole, its Committees, peer evaluations of Directors, and evaluation of the Chairperson. This process was led by the Chairperson of the Company along with the Chairperson of the NRC. Detailed questionnaires covering various relevant parameters were circulated, followed by one-on-one discussions between the Chairperson and the Directors. Additionally, specific feedback was sought on the performance of the Chairperson, Independent Directors, and Executive Directors in their respective roles.

For the year under review, the quantitative scores on all the parameters of the evaluation were high as per the scale, both for the Board and the Committees. A detailed presentation setting out the scores, trends, qualitative feedback, key themes and action areas were made to NRC and the Board at their respective meetings. The Independent Directors, at their meeting, discussed the performance of the Chairperson and Non-Independent Directors. The Committee(s) discussed the outcome of the evaluation at their respective meetings and noted the action areas. Some of the focus areas agreed upon for the Committee(s) of the Board were as follows:

**Audit Committee:** Special Audit Committee meetings to be convened to review matters regarding Internal Audit and Internal Control. Special sessions from external experts on topics such as Artificial Intelligence (AI), technology, regulatory and accounting developments.

**Nomination and Remuneration Committee:** Focus on Succession Planning for senior management and key employees in the Company as well as strengthening of the talent pipeline of the Company.

**Corporate Social Responsibility Committee:** Prioritise and focus on CSR programmes to enhance the impact, long-term sustainability and reach of such programmes. Continued focus on building a long-term roadmap to increase the impact of the Company's CSR programmes.

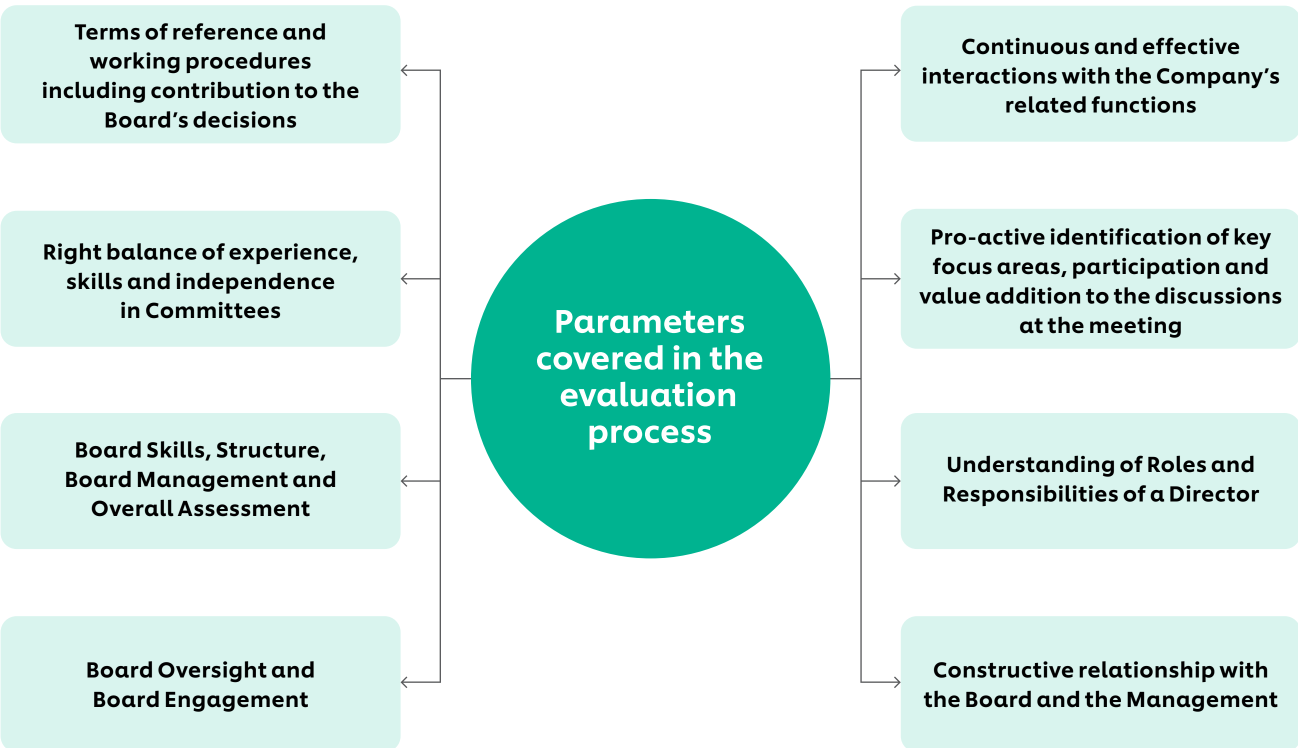
**Risk Management Committee:** Continue to evaluate the risk management systems and mitigation plans with a focus on Digital and Cyber Security risks.

Further, the Board noted the following as an outcome of the performance evaluation exercise:

- The Directors engage in open and candid discussions, collaborate effectively, and follow a rigorous decision-making process, fostering a positive climate of support, challenge, and transparent exchange of views.
- 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.

Following were the key focus areas and action points identified by the Board as an outcome of the Board Evaluation:

- **Board Knowledge Sessions:** Engage in learning sessions on pivotal topics such as AI and Generative AI, regulatory developments, ESG Trends & Sustainability practices, critical developments in the FMCG space, and cyber security and IT risks. These sessions will provide a comprehensive understanding, enabling informed decision-making for the Board.
- **New Strategy:** Renewed focus on the transformation agenda, particularly the new strategic initiatives. Seek external perspective to ensure that the Company continues to stay ahead in the country's transformation wave and dynamic and evolving market scenario. This will offer the Board valuable insights, supporting informed decision-making and help the Company maintain its leadership position in the industry.
- **Succession planning:** Work towards building a robust pipeline of future leaders, to ensure that it is well-prepared for seamless transitions and sustained leadership excellence. This strategic focus will support the Company's long-term success and stability by nurturing talent and fostering growth at all leadership levels.




## Confirmation and Certification

The Company annually obtains disclosure from each Director regarding details of the Board and Board Committee positions held in other companies/ bodies corporate and changes, if any. A Certificate has been obtained from M/s. Parikh & Associates, Company Secretaries, under Schedule V of Listing Regulations confirming that none of the Directors of the Company have been debarred or disqualified from being appointed or continuing as Directors of the Company by Securities and Exchange Board of India (SEBI) and Ministry of Corporate Affairs (MCA) or any such authority and the same forms part of this Integrated Annual Report.

## Committees of the Board

The Board Committee(s) are essential for effective corporate governance, providing focussed oversight and specialised expertise in key areas. They enhance the Board's efficiency by allowing focussed discussions and in-depth analysis on specific topics, such as finance, audit, governance, and risk management. This division of responsibilities ensures thorough oversight, informed decision-making, and strategic focus, ultimately strengthening Company's overall Governance Framework.

The Committees may have special invitees join the meeting when necessary. During the year, the Board has endorsed all Committee recommendations.

### Committees of the Board

**Audit Committee**

- **Ashu Suyash**
- Leo Puri
- Neelam Dhawan
- Tarun Bajaj

**Nomination and Remuneration Committee**

- **Neelam Dhawan**
- Ashu Suyash
- Ranjay Gulati
- Tarun Bajaj

**Corporate Social Responsibility Committee**

- **Tarun Bajaj**
- Ranjay Gulati
- Neelam Dhawan

**Stakeholders' Relationship Committee**

- **Ranjay Gulati**
- Tarun Bajaj
- Rohit Jawa

**Risk Management Committee**

- **Leo Puri**
- Ashu Suyash
- Neelam Dhawan
- Tarun Bajaj
- Rohit Jawa

**Environmental, Social and Governance Committee**

- **Leo Puri**
- Neelam Dhawan
- Rohit Jawa

*Chairperson* *Member*

In addition to the aforementioned Committees, the Board has constituted the Share Transfer and Transmission Committee, the Committee for Allotment of Shares under ESOPs, and the Administrative Matters Committee. Furthermore, during the year, the Board established an Independent Directors Committee to conduct a comprehensive review of the Ice Cream business in India.

## Audit Committee

**Ashu Suyash**

**Chairperson**

Independent Director

**100%**

**of Independent Directors**

**3 out of 4**

**Members have 100% attendance**

As on 31st March, 2025, the Company's Audit Committee comprises 4 (four) Members and all the Members are Independent Directors. The Committee is chaired by 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.

Ms. Radhika Shah, the Company Secretary and Compliance Officer of the Company, acts as the Secretary to the Committee.

| Key activities of the Audit Committee during the year |
|---|
| Review and approval of the quarterly/ annual financial results and other related matters; |
| Special Meetings for review of various businesses, fraud risk assessment, internal audit, control assurance, review of regulatory changes, etc.; |
| Independent meetings with the Internal and Statutory Auditors, without the presence of Management representatives; |
| Review and approval of the valuation decisions for the acquisition of stake in Uprising Science Private Limited and divestment of water purification business of the Company; |
| Review and approval the Related Party Transactions including inter-corporate loans; and |
| Review of key litigations and tax matters for the Company. |

### 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 HUL CG Code which is available on the website of the Company at https://www.hul.co.in/investors/corporate-governance/our-approach-to-corporate-governance/.

| Key Terms of Reference of the Committee | 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 | |
| Reviewing management letters/letters of internal control weaknesses issued by the Statutory Auditors | |

| Key Terms of Reference of the Committee | Frequency |
|---|---|
| Evaluating internal financial controls and risk management systems | Periodically |
| Verifying that the systems for internal controls for compliance with SEBI (Prohibition of Insider Trading) Regulations, 2015 are adequate and are operating effectively | Annually |
| Reviewing the functioning of the Code of Business Principles and Vigil Mechanism | Quarterly |
| 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 | Quarterly |

| Key Terms of Reference of the Committee | Frequency |
|---|---|
| Recommending the appointment and remuneration to be paid to the Cost Auditor | Annually |

Quarterly Annually Periodically

The meetings of the Audit Committee are also attended by the Chief Financial Officer, Statutory Auditor, Group Controller and Internal Auditor as special invitees. The minutes of each Audit Committee Meeting, are placed in the next meeting of the Board.

## Attendance at the Audit Committee Meetings

During the financial year 2024-25, the Audit Committee met 9 (nine) times. Additionally, some of the businesses 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.

| Name of the Members | 23.04.2024 & 24.04.2024 | 15.07.2024 | 22.07.2024 | 23.07.2024 | 06.09.2024 | 23.10.2024 | 25.11.2024 | 21.01.2025 & 22.01.2025 | 20.03.2025 | % of Attendance |
|---|---|---|---|---|---|---|---|---|---|---|
| Ashu Suyash (Chairperson)* | Present in person | Video conference | Present in person | Present in person | Video conference | Present in person | Present in person | Present in person | Video conference | 100% |
| Kalpana Morparia# | Present in person | Video conference | Present in person | Present in person | Video conference | N.A. | N.A. | N.A. | N.A. | 100% |
| O.P. Bhatt$ | Present in person | N.A. | N.A. | N.A. | N.A. | N.A. | N.A. | N.A. | N.A. | 100% |
| Sanjiv Misra$ | Present in person | N.A. | N.A. | N.A. | N.A. | N.A. | N.A. | N.A. | N.A. | 100% |
| Leo Puri | Video conference | Video conference | Video conference | Video conference | Video conference | Present in person | Present in person | Present in person | Video conference | 100% |
| Neelam Dhawan | Present in person | Video conference | Present in person | Present in person | Leave of absence | Video conference | Present in person | Present in person | Video conference | 88.89% |
| Tarun Bajaj | Present in person | Video conference | Present in person | Present in person | Video conference | Present in person | Present in person | Present in person | Video conference | 100% |

*Present in person* *Video conference* *Leave of absence*

**Notes:**

$ *Mr. O.P. Bhatt and Dr. Sanjiv Misra ceased to be the Members of the Committee with effect from close of business hours on 29th June, 2024.*

# *Ms. Kalpana Morparia ceased to be the Chairperson of the Committee with effect from close of business hours on 8th October, 2024.*

* *Ms. Ashu Suyash was appointed as a Chairperson of the Committee with effect from 9th October, 2024.*

## Internal Financial Controls

The Company has established a robust Internal Audit and Enterprise Risk Management framework, anchored by an Internal Audit Department and supported by external audit partners. Each year, the Audit Committee reviews and approves a comprehensive Internal Audit Plan that prioritises the evaluation of internal controls and risk exposures across factories, sales offices, warehouses, and centrally governed business units and functions.

On a quarterly basis, the Audit Committee is presented with summaries of key audit findings along with updates on remediation efforts. Additionally, the Company employs structured Business Risk Assessment procedures that facilitate self-evaluation of operational risks, control effectiveness, and adherence to Corporate Policies. This is complemented by a continuous monitoring mechanism to track the evolution of risks and the implementation of mitigation strategies. For further details on Internal Financial Control, refer page 124 of this Integrated Annual Report.

## Nomination and Remuneration Committee

**Neelam Dhawan**
**Chairperson**
Independent Director

**100%**
**of Independent Directors**

**3 out of 4**
**Members have 100% attendance**

As on 31st March, 2025, the Company's Nomination and Remuneration Committee comprises 4 (four) Members and all the Members are Independent Directors. The Nomination and Remuneration Committee is chaired by Ms. Neelam Dhawan. Ms. Ashu Suyash, Mr. Ranjay Gulati and Mr. Tarun Bajaj act as Members of the Committee.

Ms. Radhika Shah, the Company Secretary and Compliance Officer of the Company, acts as the Secretary to the Committee.

| Key activities of the Nomination and Remuneration Committee during the year |
|---|
| Identification of candidates and recommending their candidature for appointment as Executive Director, Key Managerial Personnel and Members of Management Committee and their remuneration; |
| Reviewing the talent pipeline for the key roles in the Company; |
| Reviewing and approval of the annual reward proposals of the senior leadership and the Executive Directors; |
| Reviewing and approval of grant of stock options under the HUL Performance Share Plan Scheme 2024; |
| Review and confirmation of the Board Skill Matrix. |

### Terms of Reference of Nomination and Remuneration Committee

The detailed terms of reference of the Nomination and Remuneration Committee form part of the HUL CG Code which is available on the website of the Company at https://www.hul.co.in/investors/corporate-governance/our-approach-to-corporate-governance/.

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

| Key Terms of Reference of the Committee | Frequency |
|---|---|
| Determine/recommend the criteria for appointment of Directors, Members of Management Committee and Key Managerial Personnel | Periodically |
| Identify candidates who are qualified to become Directors and who may be appointed on the Management Committee, or as a Key Managerial Personnel | Periodically |
| 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) | Periodically |
| Review and determine all elements of remuneration package of all the Executive Directors, i.e. salary, benefits, bonuses, stock options, pension, etc. | Periodically |
| 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 | Periodically |
| Recommend to the Board, all remunerations, in whatever form, payable to Senior Management | Annually / Periodically |

Quarterly Annually Periodically

## Attendance at the Nomination and Remuneration Committee Meetings

During the financial year 2024-25, the Nomination and Remuneration Committee met 3 (thrice). Additionally, some of the businesses 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.

| Name of the Members | 24.04.2024 | 23.10.2024 | 20.02.2025 | % of Attendance |
|---|---|---|---|---|
| Neelam Dhawan (Chairperson)* | Present in person | Video conference | Video conference | 100% |
| Sanjiv Misra$ | Present in person | N.A. | N.A. | 100% |
| O.P. Bhatt^ | Present in person | N.A. | N.A. | 100% |
| Kalpana Morparia# | Present in person | N.A. | N.A. | 100% |
| Ashu Suyash | Present in person | Present in person | Present in person | 100% |
| Ranjay Gulati | Present in person | Leave of absence | Video conference | 66.67% |
| Tarun Bajaj@ | N.A. | Present in person | Video conference | 100% |

*Present in person*   *Video conference*   *Leave of absence*

**Notes:**

$ *Dr. Sanjiv Misra ceased to be the Chairperson of the Committee with effect from close of business hours on 29th June, 2024.*

^ *Mr. O.P. Bhatt ceased to be the Member of the Committee with effect from close of business hours on 29th June, 2024.*

* *Ms. Neelam Dhawan was appointed as the Chairperson of the Committee with effect from 1st July, 2024.*

# *Ms. Kalpana Morparia ceased to be the Member of the Committee with effect from close of business hours on 8th October, 2024.*

@ *Mr. Tarun Bajaj was appointed as the Member of the Committee with effect from 9th October, 2024.*

## Succession Planning

The Company believes that succession planning is vital for ensuring leadership continuity and organisational stability. It helps the Company mitigate risks associated with leadership changes, maintains strategic direction, and preserves institutional knowledge. The Company's succession planning framework is intricately designed to anticipate and address its evolving leadership needs. By embedding succession planning into our strategic initiatives, we fortify our resilience, promote a culture of meritocracy, and sustain our competitive edge in an everchanging landscape.

### Board

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 expertise, prospective Directors are identified and onboarded in line with the long-term strategy of the Company.

### Senior Management

The NRC 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 a contingency plan for each position. During the year under review, the Company saw many leadership changes, where the NRC with the Board played an active role in onboarding the right talent to enable the Company to achieve the strategic objectives.

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

The NRC 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 includes:

- composition of the Board, which is commensurate with the size of the Company, its portfolio, geographical spread and its status as a Listed Company;
- 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, balance of skills and experience in specific area of relevance to the Company;
- avoidance of any present or potential conflict of interest;
- availability of time and other commitments for proper performance of duties; and
- personal characteristics being in line with the Company's values, such as Integrity, Respect, Responsibility, and Pioneering.

In alignment with Listing Regulations, the Board has meticulously identified the requisite skills, expertise, and competencies of its Directors.

## 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

Demonstrates 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.

The table below highlights the core areas of expertise/skills/competencies of the Board members. However, absence of mention of a skill/expertise/competency against a member's name does not necessarily indicate that the member does not possess that competency or skill.

| 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 Paranjpe | ✓ | ✓ | ✓ | ✓ | ✓ | | ✓ | ✓ | ✓ |
| 2. | Rohit Jawa | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| 3. | Ritesh Tiwari | ✓ | ✓ | ✓ | ✓ | | ✓ | ✓ | ✓ | ✓ |
| 4. | Biddappa Ponnappa Bittianda | ✓ | ✓ | ✓ | | ✓ | | ✓ | ✓ | ✓ |
| 5. | Leo Puri | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| 6. | Ashu Suyash | ✓ | ✓ | | ✓ | ✓ | | ✓ | ✓ | ✓ |
| 7. | Ranjay Gulati | | ✓ | ✓ | | | | ✓ | ✓ | ✓ |
| 8. | Neelam Dhawan | ✓ | ✓ | ✓ | | ✓ | ✓ | ✓ | ✓ | ✓ |
| 9. | Tarun Bajaj | ✓ | ✓ | ✓ | ✓ | ✓ | | ✓ | ✓ | ✓ |

## Reward Policy

### Philosophy

To provide market competitive total reward opportunity that has a strong linkage to and reinforces the performance culture of the Company. This reward philosophy is set forth into practice by various policies governing the different elements of total reward.

### Guiding Principles

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

1. **Open, Fair and Consistent:** increase transparency and ensure fairness and consistency in reward framework;
2. **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;
3. **Innovation:** continuously improve Company's reward through innovations based on insight, analytics and Unilever's expertise;
4. **Simplicity, Speed and Accuracy:** simplify reward plans and processes and deliver the information employees need quickly, clearly and efficiently; and
5. **Business Results:** Company's business results are the ultimate test of whether reward solutions are effective and sustainable.

### Ultimate objective

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 the Company's promise to consumers and achieve superior operational results.

### Remuneration to Directors

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 for its approval, by the NRC 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 HUL CG Code, the NRC considers the outcome of the Annual Evaluation before recommending the re-appointment of Directors.

Independent Directors are eligible for sitting fees and commission not exceeding the limits prescribed under the Act. The Board determines the aggregate remuneration payable to Non-Executive Directors, subject to the approval of the Shareholders of the Company, in accordance with the Differential Remuneration Policy. The Reward Policy can be accessed on the Company's website at https://www.hul.co.in/investors/corporate-governance/policies/.

### Differential Remuneration Policy for Non-Executive Directors

In line with the globally accepted governance practices, the Board has a Differential Remuneration Policy for

Non-Executive Directors remuneration which is available on the Company's website at https://www.hul.co.in/investors/corporate-governance/policies/.

During the financial year 2024-25, Independent Directors were paid sitting fees of ₹75,000/- for attending every meeting of the Board or Committee thereof. Further, the Independent Directors who continuously served minimum two terms of five years each, were also entitled to one time commission of ₹10 lakhs at the time of stepping down from the Board.

**The criteria for remuneration to the Independent Directors of the Company effective 1st April, 2024, is as under:**

(₹ in lakhs)

| Particulars | Commission |
|---|---|
| **Fixed Commission** | |
| Base Fixed Commission for Independent Directors | 25.00 |
| **Additional Variable Commission*** | |
| Corresponding to the % 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 |

At the 91st AGM, the Members of the Company approved the remuneration payable to Non-Executive Directors, including the Non-Executive Chairperson, by way of commission or otherwise upto a maximum of ₹400 lakhs per annum in aggregate effective 1st April, 2024 till 31st March, 2029.

**Non-Executive Directors with materially significant, pecuniary or business relationship with the Company**

During the year, there were no materially significant, pecuniary or business 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.

Mr. Nitin Paranjpe, Non-Executive Chairman of the Company, has retired from his executive role as Chief Transformation Officer & Chief People Officer at Unilever PLC. He continues to serve as the Non-Executive Chairman of the Company. Until his retirement from Unilever, Mr. Paranjpe did not receive any remuneration, whether by way of commission or sitting fees, from the Company. Following his retirement, the Board, upon the recommendation of the NRC, has approved the proposal to remunerate Mr. Paranjpe for his role as Non-Executive Chairman, effective 1st June, 2025.

Mr. Paranjpe will be entitled to the following remuneration effective 1st June, 2025:

- Annual Commission: ₹1,00,00,000 subject to tax.
- Sitting Fees: ₹75,000 per meeting
- Any other additional benefits as applicable to other Non-Executive Directors.

The details of remuneration paid to the Executive and Non-Executive Directors for the financial year 2024-25 are provided hereinafter:

**Details of Remuneration to the Executive Directors**

(₹ In crores)

| Name of Directors | Rohit Jawa | Dev Bajpai* | Ritesh Tiwari | Biddappa Ponnappa Bittianda@ |
|---|---|---|---|---|
| Salary | 3.65 | 2.56 | 2.74 | 2.56 |
| Allowances | 11.45 | 2.47 | 2.19 | 1.80 |
| Bonus^^ | 3.78 | 1.68 | 1.57 | 0.93 |
| Perquisite – Long-term Incentives (LTI)$ | 2.76 | 3.04 | 2.51 | 3.22 |
| Perquisite – Others# | 1.01 | 0.09 | 0.04 | 0.05 |
| Contribution to PF | 0.58 | 0.10 | 0.33 | 0.31 |
| **Total** | **23.23** | **9.95** | **9.39** | **8.87** |

**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.*

*^^ Annual Bonus incentivises 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.*

*$ 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.*

*# Inclusive of perquisites on account of Housing, Medical, Club Fee, Car as applicable.*

*@ Mr. Biddappa Ponnappa Bittianda was appointed as the Executive Director and Chief People, Transformation and Sustainability Officer of the Company with effect from 1st June, 2024.*

** Mr. Dev Bajpai ceased to be the Executive Director, Legal & Corporate Affairs and Company Secretary of the Company with effect from close of business hours on 31st December, 2024*

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

(₹ in lakhs)

| Name of Directors | Sitting Fees* | Commission# | One-time Retirement Commission | Total |
|---|---|---|---|---|
| Nitin Paranjpe^ | - | - | - | - |
| O. P. Bhatt | 4.50 | 9.12 | 10 | 23.62 |
| Sanjiv Misra | 3.00 | 8.38 | 10 | 21.38 |
| Kalpana Morparia | 9.75 | 18.48 | 10 | 38.23 |
| Leo Puri | 21.00 | 35.79 | - | 56.79 |
| Ashu Suyash | 21.75 | 33.92 | - | 55.67 |
| Ranjay Gulati | 10.50 | 32.49 | - | 42.99 |
| Neelam Dhawan | 22.50 | 35.47 | - | 57.97 |
| Tarun Bajaj | 21.00 | 35.23 | - | 56.23 |

**Notes:**

*^ The Non-Executive Chairman of the Company did not receive any sitting fees, commission or stock options from the Company for the financial year ended 31st March, 2025.*

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

*# The Commission for the financial year ended 31st March, 2025 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 30th June, 2025.*

## Corporate Social Responsibility Committee

**Tarun Bajaj**

**Chairperson**
Independent Director

**100%**
**of Independent Directors**

**2 out of 3**
**Members have 100% attendance**

As on 31st March, 2025, the Corporate Social Responsibility (CSR) Committee comprises 3 (three) Members and all the Members are Independent Directors. The CSR Committee is chaired by Mr. Tarun Bajaj. Mr. Ranjay Gulati and Ms. Neelam Dhawan act as Members of the Committee.

Ms. Radhika Shah, the Company Secretary and Compliance Officer of the Company, acts as the Secretary to the Committee.

### Terms of Reference of Corporate Social Responsibility Committee

The detailed terms of reference of the CSR Committee form part of the HUL CG Code which is available on the website of the Company at https://www.hul.co.in/investors/corporate-governance/our-approach-to-corporate-governance/.

| Key Terms of Reference of the Committee | Frequency |
|---|---|
| Formulate and recommend to the Board the CSR Policy and activities to be undertaken | Periodically |
| Recommend the amount of expenditure to be incurred on CSR activities | Annually |
| Review and approve the Annual Action Plan in pursuance of the CSR Policy | Annually / Periodically |
| Oversee the manner of execution of projects or programmes; the modalities of utilisation of funds and implementation schedules for the projects/programmes | Periodically |
| Impact assessment, monitoring and reporting mechanism for the projects/ programmes | Annually |

Quarterly | Annually | Periodically

### Attendance at the Corporate Social Responsibility Committee Meetings

During the financial year 2024-25, the Committee met twice. All the decisions and recommendations made by the Committee were approved by requisite majority of the Members of the Committee. Additionally, some of the businesses were considered by passing resolution(s) by circulation.

| Name of the Members | 23.04.2024 | 22.10.2024 | % of Attendance |
|---|---|---|---|
| Tarun Bajaj (Chairperson)* | Present in person | Video conference | 100% |
| O.P Bhatt^ | Present in person | N.A. | 100% |
| Sanjiv Misra$ | Present in person | N.A. | 100% |
| Kalpana Morparia# | Present in person | N.A. | 100% |
| Neelam Dhawan@ | N.A. | Video conference | 100% |
| Ranjay Gulati | Present in person | Leave of absence | 50% |

*Present in person* | *Video conference* | *Leave of absence*

**Notes:**

*^ Mr. O.P Bhatt ceased to be the Chairperson of the Committee with effect from close of business hours on 29th June, 2024.*

*$ Dr. Sanjiv Misra ceased to be the Member of the Committee with effect from close of business hours on 29th June, 2024.*

** Mr. Tarun Bajaj was appointed as the Chairperson of the Committee with effect from 1st July, 2024.*

*# Ms. Kalpana Morparia ceased to be the Member of Committee with effect from close of business hours on 8th October, 2024.*

*@ Ms. Neelam Dhawan was appointed as the Member of the Committee with effect from 9th October, 2024.*

## Risk Management Committee

**Leo Puri**

**Chairperson**
Independent Director

**80%**

**of Independent Directors**

**5 out of 5**

**Members have 100% attendance**

As on 31st March, 2025, the Risk Management Committee (RMC) of the Company comprises 5 (five) Members. The RMC is chaired by Mr. Leo Puri. Ms. Ashu Suyash, Ms. Neelam Dhawan, Mr. Tarun Bajaj and Mr. Rohit Jawa act as the Members of the Committee.

Ms. Radhika Shah, the Company Secretary and Compliance Officer of the Company, acts as the Secretary to the Committee.

### Terms of Reference of the Risk Management Committee

The detailed terms of reference of the RMC form part of the HUL CG Code which is available on the website of the Company at https://www.hul.co.in/investors/corporate-governance/our-approach-to-corporate-governance/.

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

Quarterly Annually Periodically

### Attendance at the Risk Management Committee Meetings

During the financial year 2024-25, the RMC met twice, for reviewing the Company level risks and mitigation plans and actions. The gap between two meetings was not more than 210 days as stipulated under the Listing Regulations. All the decisions and recommendations made by the Committee were approved by requisite majority of the members of the Committee.

| Name of the Members | 23.04.2024 | 22.10.2024 | % of Attendance |
|---|---|---|---|
| Leo Puri (Chairperson) | Video conference | Present in person | 100% |
| Ashu Suyash | Present in person | Video conference | 100% |
| Neelam Dhawan | Present in person | Video conference | 100% |
| Tarun Bajaj | Present in person | Video conference | 100% |
| Rohit Jawa | Present in person | Present in person | 100% |

*Present in person* *Video conference* *Leave of absence*

## Stakeholders' Relationship Committee

**Ranjay Gulati**
**Chairperson**
Independent Director

**66.67%**
**of Independent Directors**

**2 out of 3**
**Members have 100% attendance**

As on 31st March, 2025, the Stakeholders' Relationship Committee comprises 3 (three) Members. The Committee is chaired by Mr. Ranjay Gulati. Mr. Tarun Bajaj and Mr. Rohit Jawa act as Members of the Committee.

Ms. Radhika Shah, Company Secretary and Compliance Officer of the Company, acts as the Secretary to the Committee. Ms. Shah is also appointed as the Nodal Officer under Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, with effect from 1st January, 2025.

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

The detailed terms of reference of the Stakeholders' Relationship Committee form part of the HUL CG Code which is available on the website of the Company at https://www.hul.co.in/investors/corporate-governance/our-approach-to-corporate-governance/.

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

Quarterly Annually Periodically

### Attendance at the Stakeholders' Relationship Committee Meetings

During the financial year 2024-25, the Committee met twice. All the decisions and recommendations made by the Committee were approved by requisite majority of the Members of the Committee.

| Name of the Members | 23.04.2024 | 23.10.2024 | % of Attendance |
|---|---|---|---|
| Ranjay Gulati (Chairperson)* | Present in person | Leave of absence | 50% |
| O.P. Bhatt$ | Present in person | N.A. | 100% |
| Tarun Bajaj | Present in person | Present in person | 100% |
| Rohit Jawa | Present in person | Present in person | 100% |

*Present in person* *Video conference* *Leave of absence*

**Notes:**

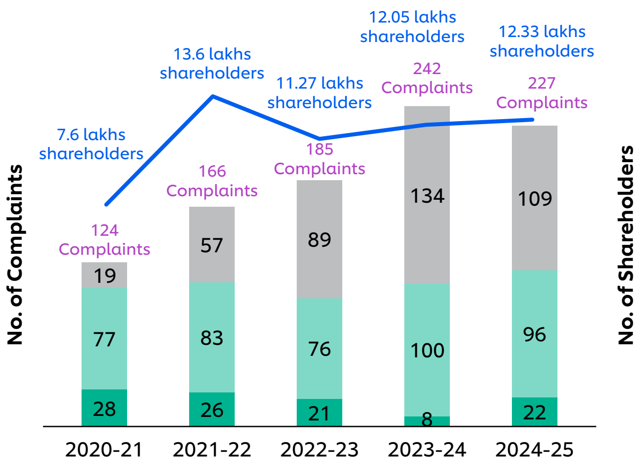
*$ Mr. O.P. Bhatt ceased to be the Chairperson of the Committee with effect from close of business hours on 29th June, 2024.*

** Mr. Ranjay Gulati was appointed as the Chairperson of the Committee with effect from 1st July, 2024.*

**Details of Investors' Complaints**

During the financial year 2024-25, 227 complaints were received from the Investors. All complaints were redressed by 31st March, 2025. In addition to reviewing the investor complaints, the Committee also has periodic interactions with the representatives of the RTA and shareholders as well. This enables the Committee to invite feedback on investor service standards in the Company and suggest improvements in the process.

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




Others - Non-Receipt of Annual Report, IEPF, KYC, Other ISRs
Non-Receipt of Shares
Non-Receipt of Dividend
Shareholders

** Others include complaints related to IEPF, non-receipt of Annual Report, KYC, transfer/transmission of shares and TDS on dividends.*

## Environmental, Social and Governance Committee

**Leo Puri**
**Chairperson**
Independent Director

**66.67%**
**of Independent Directors**

**3 out of 3**
**Members have 100% attendance**

As on 31st March, 2025, the Environmental, Social and Governance (ESG) Committee of the Company comprises Mr. Leo Puri, Independent Director as the Chairperson. Ms. Neelam Dhawan and Mr. Rohit Jawa act as the Members of the Committee.

Ms. Radhika Shah, the Company Secretary and Compliance Officer of the Company, acts as the Secretary to the Committee.

### Terms of Reference of the ESG Committee

The detailed terms of reference of the ESG Committee form part of the HUL CG Code which is available on the website of the Company at https://www.hul.co.in/investors/corporate-governance/our-approach-to-corporate-governance/.

| Key terms of reference of the Committee | Frequency |
|---|---|
| Review the ESG policies that are formalised along with the oversight on their implementation and considering the same periodically | 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 relevant to ESG matters | Periodically |
| Oversee the Company's engagement with its broader stakeholders community and ensure that the Company takes appropriate measures | Periodically |
| Monitor Company's ESG rating and statutory requirements for Sustainability reporting & disclosure | Annually |
| Review regularly the requirement for external assurance of ESG matters | Annually |
| Provide advice and direction to the Company's management on implementation of the Company's ESG Strategy, the opportunities and risks to the Company's operations and reputation and its corporate responsibility | Periodically |
| Review the ESG matters to be presented in the Company's Annual Report and monitor the integrity of these reports | Annually |

Quarterly Annually Periodically

### Attendance at the ESG Committee Meetings

During the financial year 2024-25, the ESG Committee met twice. All the decisions and recommendations made by the Committee were approved by requisite majority of the Members of the Committee.

| Name of the Members | 23.04.2024 | 22.10.2024 | % of Attendance |
|---|---|---|---|
| Leo Puri (Chairperson)^ | Video conference | Present in person | 100% |
| Ashu Suyash# | Present in person | N.A. | 100% |
| O.P. Bhatt$ | Present in person | N.A. | 100% |
| Kalpana Morparia@ | Present in person | N.A. | 100% |
| Neelam Dhawan | Present in person | Video conference | 100% |
| Rohit Jawa | Present in person | Present in person | 100% |

*Present in person* *Video conference* *Leave of absence*

**Notes:**

$ *Mr. O.P. Bhatt ceased to be the Member of the Committee with effect from close of business hours on 29th June, 2024.*

@ *Ms. Kalpana Morparia ceased to be the Member of Committee with effect from close of business hours on 8th October, 2024.*

# *Ms. Ashu Suyash ceased to be the Chairperson of the Committee with effect from 9th October, 2024.*

^ *Mr. Leo Puri was appointed as the Chairperson of the Committee with effect from 9th October, 2024.*

## Independent Committee

During the year, the Board constituted an Independent Committee (IDC) to undertake a comprehensive review of the Ice Cream business in India. After a thorough evaluation, the IDC recommended to the Board the separation of the Ice Cream business via demerger. The IDC is currently responsible for overseeing the operational separation of the Ice Cream business via demerger and making necessary recommendations to the Audit Committee / Board as may be required. Other Members of the Board are invited for discussion at the IDC meetings. The Committee met 4 (four) times during the year.

### Attendance at the Independent Committee Meetings

| Name of the Independent Directors | 28.09.2024 | 21.10.2024 | 12.11.2024 | 17.01.2025 |
|---|---|---|---|---|
| Leo Puri (Chairperson) | Video conference | Video conference | Video conference | Video conference |
| Kalpana Morparia$ | Video conference | N.A. | N.A. | N.A. |
| Ashu Suyash | Video conference | Video conference | Video conference | Leave of absence |
| Ranjay Gulati | Leave of absence | Video conference | Leave of absence | Video conference |
| Neelam Dhawan | Video conference | Video conference | Video conference | Video conference |

*Present in person* *Video conference* *Leave of absence*

**Notes:**

$ *Ms. Kalpana Morparia ceased to be the Chairperson of Committee with effect from close of business hours on 8th October, 2024.*

## Other Committees

In addition to the aforementioned Committees, the Board has established the following Committees aimed at elevating the standards of governance and addressing the specific business requirements. These Committees are accountable to the Board.

### Share Transfer/Transmission Committee

- **Composition** - The Committee comprises three Executive Directors of the Board.
- **Role** - Responsible, *inter alia*, for overseeing and approving Investor Service Requests received from Shareholders/Claimants within prescribed timelines, with a view to enhance shareholder satisfaction.
- **Purpose** - The Committee generally meets on a weekly basis to ensure that all investor service requests are considered and actioned within the prescribed timelines.

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.

### Committee for Allotment of Shares under ESOPs

- **Composition** - The Committee comprises three Executive Directors of the Board.
- **Role** - Responsible for approval, issue and allotment of shares to eligible employees under ESOP Schemes.
- **Purpose** - To expedite the process of allotment and issue of shares to eligible employees under the Stock Option Plan of the Company.

### Administrative Matters Committee

- **Composition** - The Committee comprises three Executive Directors of the Board.
- **Role** - Responsible for overseeing 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.
- **Purpose** - The Committee assists Board in considering and approving operational business requests that arise in the normal course of the business.

### Committee for approving Disposal of Surplus Assets

- **Composition** - The Committee comprises three Executive Directors of the Board.
- **Role** - Responsible for identifying the surplus assets of the Company and to authorise sale and disposal of such surplus property.
- **Purpose** - The Committee is 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.

## Management Committee

- **Composition -** The Committee comprises 11 Members as on the date of this Integrated Annual Report, headed by the CEO & MD with Functional/Business Heads as its members.
- **Role -** Responsible for the day-to-day management of the Company, the overall superintendence and control being with the Board.

**Composition as on 24th April, 2025**

| Name of the Members | Designation |
|---|---|
| Rohit Jawa | Chief Executive Officer & Managing Director |
| Ritesh Tiwari | Executive Director, Finance & IT and Chief Financial Officer |
| Biddappa Ponnappa Bittianda | Executive Director and Chief People, Transformation and Sustainability Officer |
| Srinandan Sundaram | Executive Director, Home Care |
| Yogesh Mishra | Executive Director, Supply Chain |
| Vibhav Sanzgiri | Executive Director, Research & Development |
| Arun Neelakantan | Executive Director, Customer Development |
| Harman Dhillon | Executive Director, Beauty and Wellbeing |
| Vipul Mathur | Executive Director, Personal Care |
| Vivek Mittal | Executive Director, Legal and Corporate Affairs |
| Rajneet Kohli | Executive Director, Foods |

The Board, based on the recommendation of the NRC approved the following changes to the Management Committee of the Company:

a. appointment of Mr. Biddappa Ponnappa Bittianda as the Executive Director and Chief People, Transformation and Sustainability Officer with effect from 1st June, 2024.

b. appointment of Mr. Vipul Mathur as the Executive Director, Personal Care in succession to Mr. Madhusudhan Rao with effect from 1st June, 2024.

c. appointment of Mr. Arun Neelakantan as the Executive Director, Customer Development with effect from 1st July, 2024.

d. appointment of Mr. Vivek Mittal as the Executive Director, Legal and Corporate Affairs in succession to Mr. Dev Bajpai*.

e. appointment of Mr. Rajneet Kohli as the Executive Director, Foods in succession to Mr. Shiva Krishnamurthy effective 7th April, 2025.

** Mr. Vivek Mittal took charge as the Executive Director, Legal & Corporate Affairs with effect from 26th February, 2025*

## Governance of Subsidiary Companies

The minutes of subsidiary board meetings, along with key transaction details, are shared with the Board of Directors quarterly, and their financial statements are reviewed by the Audit Committee. As on the date of this Integrated Annual Report, the Company has no material subsidiaries exceeding 10% of the consolidated net worth or income. As per Regulation 23 of Listing Regulations, omnibus approval of the Audit Committee is obtained for all material related party transactions of the subsidiaries.

# 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 supports in generating superior long-term value and reducing risks encountered by the business. Through this Policy, the Company aims to define its 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. Our Policy is implemented through a number of publicly communicated plans and policies, supported by internal policies and standards.

The ESG Policy is available on the website of the Company at https://www.hul.co.in/investors/corporate-governance/policies/.

## Code of Business Principles and Whistle Blower Policy

The Code of Business Principles (the Code) represents Company's core 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 assess the Company's activities.

The Company has adopted a Whistle Blower Policy, as part of Vigil Mechanism to provide appropriate mechanisms/ 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 Policy is a mechanism to alert the Management and to bring any unethical behaviour, suspected fraud or abrasion or irregularity in the Company to its attention promptly and directly.

The Code of Business Principles and Whistle Blower Policy are available on the website of the Company at https://www.hul.co.in/investors/corporate-governance/policies/

### Vigil Mechanism at HUL

The employees are encouraged to voice their concerns by way of Whistle Blowing.

→ Concerns can be raised on
cobp.hul@unilever.com
008001007096
www.unilevercodesupportline.com

→ Every employee and all other persons defined under the code can directly raise their concerns to the Management or to the Chair of the Audit Committee.

→ All the employees have been given access to the Audit Committee.

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.

**During the financial year 2024-25, 92 incidents were reported across all areas of our Code and Code Policies, with 50 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 dedicated to foster an inclusive and equitable work environment where the employees have an opportunity to bring their best selves at the workplace. We are committed to provide a work environment that ensures every individual is treated with dignity, respect and fairness. To strengthen this vision, 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 aims at not only promoting diversity and equality but also mutual trust, equal opportunity and respect to everyone who visits our workplace. Our POSH Policy is inclusive and gender neutral and details 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 as per the POSH Act.

| | |
|---|---|
| Number of Complaints received during the financial year 2024-25 | 7 |
| Number of Complaints disposed of during the financial year 2024-25 | 7 |
| Number of Complaints pending as on 31st March, 2025 | 0 |

## Policy on avoiding Conflict of Interest

The Board 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 of Conduct 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 of Conduct 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/investors/corporate-governance/our-approach-to-corporate-governance/.

In addition:

- the Directors and Management Committee members annually submit, the details of individuals to whom they are related and entities in which they hold interest and the same are placed before the Board.
- The Directors also 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 and interested Directors recuse themselves from any discussion thereon.
- Details of all Related Party Transactions are placed before the Audit Committee, wherein all the Committee Members are Independent Directors, on a quarterly basis.

## Policy on Related Party Transactions

The Company has adopted the Policy on Related Party Transactions (RPTs) in compliance with the requirements of the Act and Listing Regulations, as amended from time to time, which is available on the website of the Company at https://www.hul.co.in/investors/corporate-governance/policies/.

The Policy aims to ensure that effective procedures for reporting, approval, and other disclosures are established to govern transactions between the Company and Related Parties.

The Policy focusses on the review and approval of Material RPTs, while addressing the potential or actual conflicts of interest that may arise out of these transactions. All RPTs are placed before the Audit Committee for review and approval. For RPTs of a repetitive nature or those undertaken in the ordinary course of business and at arm's length, prior omnibus approval from the Audit Committee is obtained on an annual basis. Further, the Audit Committee , on quarterly basis, reviews the details of the RPTs entered into by the Company pursuant to such omnibus approval.

The Policy ensures compliance with regulatory guidelines and promotes accountability while adhering to the corporate governance principles.

### Confirmations

**During the financial year 2024-25:**

- all RPTs were entered in ordinary course of business and on arm's length basis.
- there are no materially significant related party transactions that may have potential conflict with interest of the Company at large.

### Report from an independent firm of accountants

During the financial year 2024-25, the Company had engaged a firm of accountants to review the processes followed by the Company for determining that the transactions with certain identified related parties are at an arm's length and in the 'ordinary course of business'.

The report provided by the aforesaid firm states that Company's processes in this regard are adequate and the relevant approvals under the Act and Listing Regulations have been obtained for such transactions.

## Policy on Material Subsidiary

The Company is in compliance with the requirements of Listing Regulations. The objective of this Policy is to establish a criteria for identifying and dealing with material subsidiaries and developing an effective governance framework for the Company's subsidiaries. The Policy on Material Subsidiary is available on the website of the Company at https://www.hul.co.in/investors/corporate-governance/policies/.

## 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 a https://www.hul.co.in/investors/corporate-governance/policies/.

## Share Dealing Code

The Share Dealing Code (SDC) 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 SEBI (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 SDC. The SDC 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 SDC also sets out the procedures that the Special Employees have to follow when they share any UPSI.

The Company has established a mechanism for tracking the trades done by Special Employees as well as generating system based disclosures according to the SDC. Further, the Board has constituted the Share Dealing Code Compliance Committee comprising Chief Executive Officer, Executive Director, Finance & IT, Chief Financial Officer, 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 SDC.

**SDC Framework**

**Aim:** Prevent insider trading and ensure Special Employees follow laws and ethical standards while dealing in the Company's securities.

| Key aspects | SDC Compliance Committee | Governance | Awareness Initiatives |
|---|---|---|---|
| • SDC mandates the process for dealing in the Company securities and procedures for sharing UPSI for legitimate purpose.<br>• The Code of Practices and Procedures for Fair Disclosure of UPSI (Code of Fair Disclosure) also forms part of the SDC.<br>• The Compliance Officer is designated as the Chief Investor Relations Officer entrusted with the administration of Code of Fair Disclosure. | • The SDC Compliance Committee comprises 2 Board Members, 1 Management Committee Member along with the Company Secretary & Compliance Officer.<br>• The Company Secretary is designated as the Compliance Officer under the SDC.<br>• The Committee ensures adherence to monitor compliances with SEBI PIT Regulations, including leak or suspected leak of UPSI.<br>• The Committee has the power to impose sanctions for violating the provisions of the SDC by Special Employees. | • Dealing in the securities of the Company by Special Employees and their Immediate Relatives is monitored.<br>• Disclosures and declarations are obtained as per SDC.<br>• Non-compliances, if any, are reported to Stock Exchanges and penalties are deposited in SEBI's Investor Protection and Education Fund by the Special Employee directly.<br>• Details of dealing, including any violations by Special Employees, are placed before the Audit Committee and the Board in their quarterly meetings. | • During financial year 2024-25, the Company regularly created awareness campaigns through Leadership Speech Videos, Emailers, etc.<br>• The Special Employees were also informed and kept updated on the compliances via informational e-mails and WhatsApp messages.<br>• These efforts significantly raised awareness on PIT compliances among Special Employees. |

**During the financial year 2024-25, the SDC and the Sanction Framework thereunder were amended**

**For financial year 2024-25, 100% submission of Annual Disclosure as prescribed under provisions of the SDC and SEBI PIT Regulations, was obtained**

A copy of the SDC is made available to all the employees of the Company and compliance of the same is ensured. The SDC is available on the website of the Company at https://www.hul.co.in/investors/corporate-governance/dealing-in-hul-shares/

## 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, 2025 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 was 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 Listing Regulations.

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

During the financial year ended 31st March, 2025, there were no loans or advances provided by the Company or its subsidiaries to firms/companies in which Directors are interested.

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

## Auditors

### Secretarial Auditors

In line with the best governance practices codified under the HUL Corporate Governance Code, the Secretarial Auditors were required to be rotated every ten years even prior to the recent amendment to the Listing Regulations. 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 the Secretarial Audit for the financial year 2024-25, as M/s. S. N. Ananthasubramanian & Co. (ICSI Unique Code: P1991MH040400), the erstwhile Secretarial Auditors of the Company, had completed their two consecutive terms of 5 (five) years each.

Since the Secretarial Auditors were already rotated prior to the amendment to the Listing Regulations, the Board, at its meeting held on 24th April, 2025, based on the recommendation of the Audit Committee, has considered, approved, and recommended to the Members of the Company the appointment of M/s. Parikh & Associates as Secretarial Auditors of the Company. The proposed appointment is for a term of 5 (five) consecutive years from the financial year 2025-26 to the financial year 2029-30, on payment of such remuneration as may be mutually agreed upon between the Board of Directors and the Secretarial Auditors from time to time.

### Statutory Auditors

As per Section 139 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the tenure of M/s. B S R & Co. LLP, Chartered Accountants (Firm Registration No.: 101248W/W-100022), as the Statutory Auditors of the Company concluded at the 91st AGM held on 21st June, 2024. Consequent to the completion of their tenure, M/s. Walker Chandiok & Co. LLP (Firm Registration No.: 001076N/N500013) was appointed as the Statutory Auditors of the Company with the approval of the Members at the 91st AGM. Their Report on the Company's financial statements for financial year 2024-25 is included in this Integrated Annual Report, with no qualifications, reservations, adverse remarks, or disclaimers.

**Fees paid to the Statutory Auditors**

The total fee for all services paid by the Company and its Subsidiaries to M/s. Walker Chandiok & Co. LLP, Statutory Auditors, and all the entities in the network firm/network entity, of which Statutory Auditors are a part, for the financial year 2024-25 are as follows:

(₹ in crores)

| Particulars | Amount |
|---|---|
| Statutory Audit Fees | 2.5 |
| Tax Audit Fees | 0.72 |
| Certifications for demerger compliances | 0.40 |
| Other Certifications | 0.25 |
| Subsidiaries Statutory & Tax Audit Fees | 0.81 |
| **Total** | **4.68** |

### Cost Auditors

The Board, 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 financial year 2025-26. M/s. R. Nanabhoy & Co., being eligible, have consented to act as the Cost Auditors of the Company for financial year 2025-26.

The remuneration of ₹16.20 lakhs (Rupees Sixteen lakhs Twenty Thousand only) 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 financial year 2024-25 for all applicable compliances as per SEBI Regulations and Circulars/Guidelines issued thereunder. The Annual Secretarial Compliance Report pursuant to Regulation 24A of Listing Regulations will be 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 HUL CG Code, a statement of practices and procedures to be followed by the Company and its officers and employees. The HUL CG 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. It acts as a guidebook to be followed by the Company, its officers and employees. It is amended from time to time to align with the amendments to the Act, Listing Regulations and for adoption of the best governance practices. HUL CG Code is available on Company's website at https://www.hul.co.in/investors/corporate-governance/our-approach-to-corporate-governance/.

The Company had appointed M/s Parikh & Associates, Company Secretaries as the Auditor for the audit of the practices and procedures followed by the Company as prescribed under the HUL CG Code. The Company has received the HUL CG Code Audit Report for the financial year 2024-25.

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

Over the last 3 (three) years, there has been no non-compliances by the Company and no instances of penalties and strictures were imposed on the Company by the Stock Exchanges or SEBI or any other Statutory Authority on any matter related to the capital market.

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, 2025 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: ₹12,362 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 | | |
| | | | | OTC | Exchange | OTC | Exchange | Total |
| Brent | 3,971 | 23,63,156* | Barrels | - | - | 29% | - | 29% |
| Benzene | | | | | | | | |
| Kerosene | | | | | | | | |
| Crude Palm Oil | 1,175 | 90,234 | TO | - | - | 25% | - | 25% |
| Tea | 3,129 | 15,67,34,702 | 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 Company has a Non-Executive Chairperson who is entitled to maintain his office at the Company's expense and is also allowed reimbursement of expenses incurred in performance of his duties.
- **Shareholders' rights:** The Company ensures that disclosure of all the information is made available to all the shareholders on a non-discretionary basis. 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 MD & CEO. The Company's 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.
- **Independent Directors:** During the financial year 2024-25, the Independent Directors met twice on 24th April, 2024 and 21st January, 2025 without the presence of Non-Independent Directors and Members of Management.

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 Listing Regulations. The same is available on the Company's website at https://www.hul.co.in/investors/corporate-governance/corporate-information/.

# Shareholder Information

## Listing Details

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

The listing fees for the financial year 2024-25 have been paid to the above Stock Exchanges .

## General Body Meetings and Postal Ballot

### Annual General Meetings of last three years

Details of last three AGMs and the summary of Special Resolutions passed therein are as under:

| Financial year ended | Date and Time | Venue | Special resolution passed |
|---|---|---|---|
| 31st March, 2022 | 23rd June, 2022, 02:30 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, 02:00 P.M. (IST) | Annual General Meeting through Video Conferencing/ Other Audio-Visual Means facility | Appointment of Mr. Ranjay Gulati (DIN: 03627064) as an Independent Director |
| 31st March, 2024 | 21st June, 2024, 02:00 P.M. (IST) | Annual General Meeting through Video Conferencing/ Other Audio-Visual Means facility | No special resolutions were passed in this meeting |

### Postal Ballot

During the financial year 2024-25, no Special Resolution was passed by the Company through Postal Ballot. No Special Resolution is proposed to be conducted through Postal Ballot as on the date of this Integrated Annual Report.

### Annual General Meeting for the financial year 2024-25

| | |
|---|---|
| Date | 30th June, 2025 |
| Venue | Annual General Meeting through Video Conferencing/Other Audio Visual Means facility.<br>(Deemed Venue for Meeting - Registered Office: Unilever House, B. D. Sawant Marg, Chakala, Andheri (East) Mumbai - 400 099) |
| Time | 02:00 P.M. (IST) |
| Book Closure Dates for Final Dividend | 24th June, 2025 to 30th June, 2025 |

## Calendar for Board Meetings

### Calendar of financial year 2024-25

The Company follows April-March as the financial year. The meetings of Board of Directors for approval of quarterly financial results during the financial year 2024-25 were held on the following dates:

| | |
|---|---|
| First Quarter Results | 23rd July, 2024 |
| Second Quarter and Half yearly Results | 23rd October, 2024 |
| Third Quarter Results | 22nd January, 2025 |
| Fourth Quarter and Annual Results | 24th April, 2025 |

### Tentative Calendar of financial year 2025-26

The tentative dates of meetings of Board of Directors for consideration of quarterly financial results for the financial year 2025-26 are as follows:

| | |
|---|---|
| First Quarter Results | 31st July, 2025 |
| Second Quarter and Half yearly Results | 23rd October, 2025 |
| Third Quarter Results | 5th February, 2026 |
| Fourth Quarter and Annual Results | 30th April, 2026 |

## Shareholding Pattern

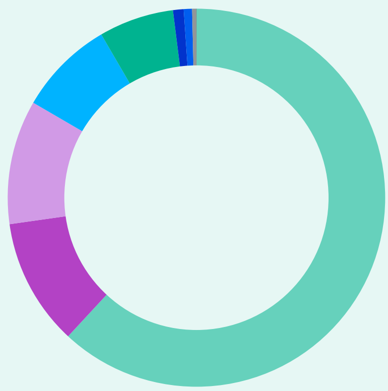
**Distribution of Shareholding as on 31st March, 2025**

| Sr. No. | No. of shares | Shareholders | | Shareholding | |
|---|---|---|---|---|---|
| | | Number | % | Number | % |
| 1 | 1-5000 | 12,22,052 | 99.08 | 14,22,85,377 | 6.06 |
| 2 | 5001- 10000 | 6,221 | 0.50 | 4,37,09,730 | 1.86 |
| 3 | 10001- 20000 | 2,870 | 0.23 | 3,96,33,740 | 1.69 |
| 4 | 20001- 30000 | 773 | 0.06 | 1,87,69,616 | 0.80 |
| 5 | 30001- 40000 | 324 | 0.03 | 1,11,99,789 | 0.48 |
| 6 | 40001- 50000 | 184 | 0.01 | 81,76,527 | 0.35 |
| 7 | 50001- 100000 | 385 | 0.03 | 2,70,26,722 | 1.15 |
| 8 | 100001& Above | 629 | 0.05 | 2,05,87,89,761 | 87.62 |
| | **Total** | **12,33,438** | **100.00** | **2,34,95,91,262** | **100.00** |

### Shareholding pattern of the Company as on 31st March, 2025 vis-à-vis as on 31st March, 2024

| | Category of shareholder(s) | 31st March, 2025 | | 31st March, 2024 | | Change (%) |
|---|---|---|---|---|---|---|
| | | No. of shares | % of total no. of shares | No. of shares | % of total no. of shares | |
| 1 | Unilever and its Associates | 1,45,44,12,858 | 61.90 | 1,45,44,12,858 | 61.90 | 0.00 |
| 2 | Resident Individuals & Others | 25,51,17,659 | 10.86 | 26,13,82,130 | 11.12 | (0.26) |
| 3 | Foreign Portfolio Investors | 24,95,82,383 | 10.62 | 29,77,20,167 | 12.67 | (2.05) |
| 4 | Insurance Companies | 19,28,86,497 | 8.21 | 17,19,67,471 | 7.32 | 0.89 |
| 5 | Mutual Funds & UTI | 15,08,43,003 | 6.42 | 11,76,28,905 | 5.01 | 1.41 |
| 6 | Financial Institutions & Banks | 2,14,44,355 | 0.91 | 2,22,53,047 | 0.95 | (0.04) |
| 7 | NRIs, Foreign Bodies Corporate & Foreign Nationals | 1,66,26,757 | 0.71 | 1,53,81,515 | 0.65 | 0.06 |
| 8 | Bodies Corporate | 85,50,101 | 0.36 | 86,66,444 | 0.37 | (0.01) |
| 9 | Directors and their Relatives | 1,27,649 | 0.01 | 1,78,725 | 0.01 | 0.00 |
| | **TOTAL** | **2,34,95,91,262** | **100** | **2,34,95,91,262** | **100** | **0.00** |

### Categories wise Shareholding as on 31st March, 2025



**61.90%**
**Unilever and its Associates**
No. of shareholders : 7
No. of shares : 1,45,44,12,858

**10.86%**
**Resident Individuals & Others**
No. of shareholders : 11,97,747
No. of shares : 25,51,17,659

**10.62%**
**Foreign Portfolio Investors**
No. of shareholders : 1,105
No. of shares : 24,95,82,383

**8.21%**
**Insurance Companies**
No. of shareholders : 169
No. of shares : 19,28,86,497

**6.42%**
**Mutual Funds & UTI**
No. of shareholders : 403
No. of shares : 15,08,43,003

**0.91%**
**Financial Institutions & Banks**
No. of shareholders : 195
No. of shares : 2,14,44,355

**0.71%**
**NRIs, Foreign Bodies Corporate & Foreign Nationals**
No. of shareholders : 30,155
No. of shares : 1,66,26,757

**0.36%**
**Bodies Corporate**
No. of shareholders : 3,653
No. of shares : 85,50,101

**0.01%**
**Directors and their Relatives**
No. of shareholders : 4
No. of shares : 1,27,649

### Top 10 Shareholders (other than Promoters) as on 31st March, 2025

| Name of the Shareholder | Category of Investor | No. of Shares* | % |
|---|---|---|---|
| Life Insurance Corporation of India | Insurance Company | 14,11,83,893 | 6.01 |
| SBI Mutual Fund | Mutual Fund | 4,10,01,465 | 1.75 |
| ICICI Prudential Mutual Fund | Mutual Fund | 3,04,81,982 | 1.30 |
| NPS Trust | Provident/Pension Fund | 1,63,48,774 | 0.70 |
| Nippon Life India Trustee Ltd. | Mutual Fund | 1,31,76,256 | 0.56 |
| Vanguard Total International Stock Index Fund | Foreign Portfolio Investors | 1,25,63,632 | 0.53 |
| UTI Mutual Fund | Mutual Fund | 1,24,30,384 | 0.53 |
| Kotak Mahindra Mutual Fund | Mutual Fund | 1,15,40,638 | 0.49 |
| Vanguard Emerging Markets Stock Index Fund, A Series of Vanguard International Equity Index Funds | Foreign Portfolio Investors | 1,13,38,620 | 0.48 |
| General Insurance Corporation of India | Insurance Company | 91,85,223 | 0.39 |
| **Total** | | **29,92,50,867** | **12.74** |

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

**Bifurcation of shares held in physical and demat form as on 31st March, 2025**

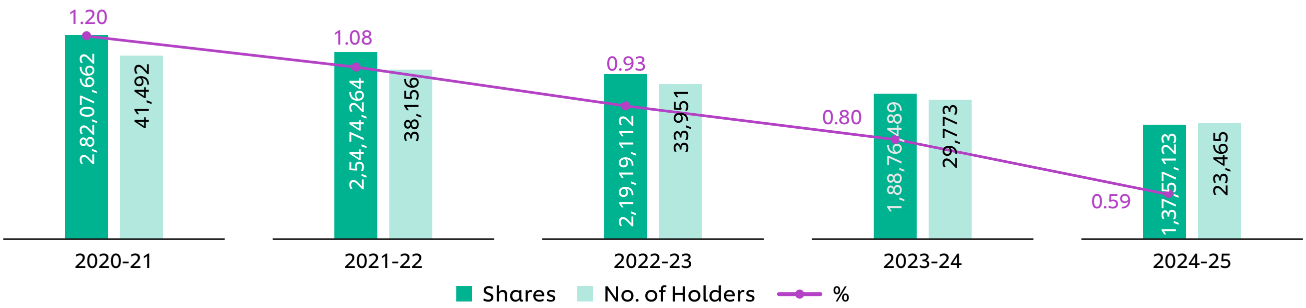
| Particulars | No. of Shareholders | No. of Shares | % |
|---|---|---|---|
| Physical Segment | 23,465 | 1,37,57,123 | 0.59 |
| Demat Segment | | | |
| NSDL (A) | 4,11,536 | 2,27,42,64,651 | 96.79 |
| CDSL (B) | 7,98,437 | 6,15,69,488 | 2.62 |
| Total Demat (A+B) | 12,09,973 | 2,33,58,34,139 | 99.41 |
| **Total** | **12,33,438** | **2,34,95,91,262** | **100.00** |

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

## Reduction in physical shareholders

The Company as well as the Regulators such as SEBI, have been making continuous efforts to ensure physical shareholders convert their physical holdings to dematerialised form. As a result of the same, there has been significant reduction in number of shareholders holding shares in physical form in the last 5 years.

As on 31st March, 2025, number of shareholders holding shares in physical form decreased by 0.61% (23,465 shareholders in financial year 2024-25 as compared to 41,492 shareholders in financial year 2020-21).



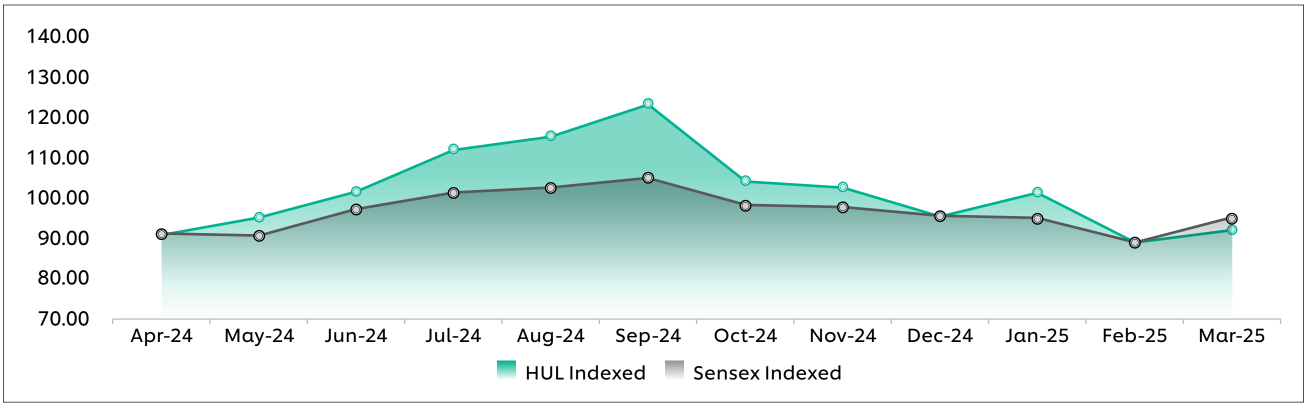

# Share Price Related Data

## Share Price Data

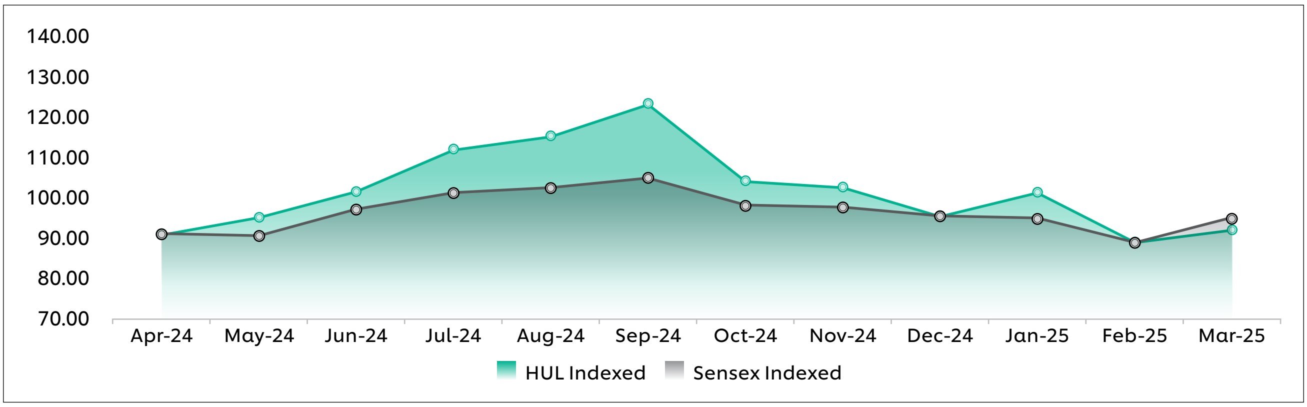
The monthly high and low prices and volumes of shares of the Company at BSE and NSE for the year ended 31st March, 2025 are as under:

| Month | BSE | | | NSE | | |
|---|---|---|---|---|---|---|
| | High | Low | Volume | High | Low | Volume |
| Apr-24 | 2,295.00 | 2,170.25 | 26,39,564 | 2,298.00 | 2,172.05 | 4,43,17,176 |
| May-24 | 2,410.00 | 2,204.00 | 18,91,350 | 2,409.00 | 2,204.00 | 4,43,81,556 |
| Jun-24 | 2,723.90 | 2,340.35 | 26,72,654 | 2,723.95 | 2,342.10 | 5,62,98,156 |
| Jul-24 | 2,812.00 | 2,455.30 | 27,52,455 | 2,811.30 | 2,450.10 | 4,86,20,480 |
| Aug-24 | 2,834.75 | 2,550.05 | 20,21,506 | 2,834.95 | 2,666.20 | 3,62,28,373 |
| Sep-24 | 3,034.50 | 2,775.00 | 15,91,510 | 3,035.00 | 2,771.65 | 3,85,88,483 |
| Oct-24 | 2,970.65 | 2,453.10 | 16,24,273 | 2,962.70 | 2,452.60 | 3,88,95,165 |
| Nov-24 | 2,550.05 | 2,375.65 | 13,20,586 | 2,547.00 | 2,375.75 | 2,87,95,834 |
| Dec-24 | 2,514.70 | 2,315.35 | 18,69,981 | 2,515.00 | 2,315.25 | 3,42,45,501 |
| Jan-25 | 2,478.00 | 2,255.00 | 20,23,834 | 2,479.00 | 2,253.85 | 3,98,83,089 |
| Feb-25 | 2,600.00 | 2,186.85 | 15,25,682 | 2,602.00 | 2,185.85 | 3,43,17,771 |
| Mar-25 | 2,295.95 | 2,136.00 | 21,43,320 | 2,296.00 | 2,136.00 | 3,24,29,226 |

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




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




### 10 - year Performance of the 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 |
|---|---|---|---|---|---|---|---|---|
| 31-03-2016 | 869.5 | 160% | 25,341.86 | 205% | 869.5 | 160% | 7,738.40 | 204% |
| 31-03-2017 | 909.75 | 148% | 29,620.50 | 161% | 911.75 | 148% | 9,173.75 | 156% |
| 28-03-2018 | 1,335.90 | 69% | 32,968.68 | 135% | 1,333.35 | 69% | 10,113.70 | 133% |
| 29-03-2019 | 1,707.80 | 32% | 38,672.91 | 100% | 1,706.80 | 32% | 11,623.90 | 102% |
| 31-03-2020 | 2,298.15 | -2% | 29,468.49 | 163% | 2,298.50 | -2% | 8,597.75 | 174% |
| 31-03-2021 | 2,430.80 | -7% | 49,509.15 | 56% | 2,431.50 | -7% | 14,690.70 | 60% |
| 31-03-2022 | 2,048.85 | 10% | 58,568.51 | 32% | 2,048.65 | 10% | 17,464.75 | 35% |
| 31-03-2023 | 2,558.75 | -12% | 58,991.52 | 31% | 2,560.35 | -12% | 17,359.75 | 35% |
| 28-03-2024 | 2,268.25 | 0% | 73,651.35 | 5% | 2,264.35 | 0% | 22,326.90 | 5% |
| 28-03-2025 | 2,259.35 | | 77,414.92 | | 2,258.85 | | 23,519.35 | |

*Source: BSE and NSE Website*

### Dividends paid by the Company in the last 5 years

| Year | In ₹ per share (face value of ₹ 1 each) | Dividend amount (₹ in crores) |
|---|---|---|
| 2020-21 | 40.50 | 9,516 |
| 2021-22 | 34.00 | 7,989 |
| 2022-23 | 39.00 | 9,163 |
| 2023-24 | 42.00 | 9,868 |
| 2024-25^ | 53.00 | 12,453 |

*^ Includes final dividend of ₹24 for the financial year 2024-25 recommended by the Board, subject to approval of shareholders at the 92nd AGM of the Company.*

## Dividend for the financial year 2024-25

**Following dividends were declared and paid/will be paid for the financial year 2024-25:**

| Interim Dividend | |
|---|---|
| **Date of declaration by the Board of Directors** | |
| 23rd October, 2024 | Dividend - 69-I |
| 23rd October, 2024 | Dividend - 69-S |
| **Date of payment** | 21st November, 2024 |

**₹29** Interim Dividend rate (inclusive of Special Dividend of ₹10) per share of face value of ₹1/- each

+

**₹24** Final Dividend rate per share of face value of ₹1/- each

| Final Dividend | |
|---|---|
| **Date of declaration by the Board of Directors** | |
| 24th April, 2025 | Dividend - 69-F |
| **Date of payment** | 4th July, 2025^ |

*I – Interim S – Special F - Final*

*^ Subject to approval of Shareholders at the 92nd AGM of the Company.*

## Communication with Shareholders

Effective communication of information is an essential component of Corporate Governance. It is a process of sharing information, ideas, thoughts, opinions and plans with 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, *inter alia*, 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 Shareholders.<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. |
| Capital Markets Day | Capital Markets Day provides a structured forum for investors to engage with the Company's Management, offering insights into its strategic initiatives and operational performance. |
| 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/ Investor Call | 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 dividends, 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 | • Retail investor - Karvyshares.frontoffice@unilever.com<br>• Institutional Investor - Investor.Relations-hul@unilever.com<br>• Investor Grievance - levercare.shareholder@unilever.com<br>• Nodal Officer/ Deputy Nodal Officer under IEPF - comsec.hul@unilever.com |
| 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 Limited.<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 https://www.hul.co.in/investor-relations/shareholder-information/stock-exchange-filings/. |
| SEBI and Stock Exchanges' Investor Grievance Redressal System | SCORES and SMART ODR platforms 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:<br>• registering their PAN, KYC & Nomination details;<br>• claiming the unclaimed dividends and/or shares;<br>• completing the demat formalities so as to avoid transfer of shares to Suspense Escrow Demat Account. |
| Disclosure of Material Events | The Company has adopted a Policy on Determination of Materiality of events as required under Listing Regulations. |

## Registrar and Share Transfer Agent

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

## Investor Service Requests

### Process for requests related to physical shares

The Board has delegated the authority for approving requests pertaining to transmission, name deletion, issuance 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.

As per the notifications/circulars 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 transmission, name deletion, issuance of duplicate share certificates, exchange/sub-division of securities and transposition of securities. SEBI had also clarified that listed entities/RTAs shall issue a Letter of Confirmation (LOC) in lieu of physical share certificates while processing any of the aforesaid investor service requests.

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

As per circulars issued by SEBI from time to time, it is mandatory for holders of physical securities to furnish PAN, KYC details (viz. Contact details, Mobile Number, Bank Account Details, Signature) and Nomination/Opt-out of Nomination, before getting any Investor Service Request (ISR) processed.

Security holders holding securities in physical form, whose folio(s) do not have PAN, KYC details or Choice of Nomination updated, 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 SEBI FAQs (FAQ Nos. 38 & 39) issued in this regard, available on its website at https://www.sebi.gov.in/sebi_data/faqfiles/sep-2024/1727418250017.pdf.

Members who are yet to update the said details in their physical folios are, therefore, urged to furnish PAN, KYC details and Choice of Nomination by submitting the prescribed forms duly filled, to the RTA by e-mail from their registered e-mail id to einward.ris@kfintech.com or by sending a physical copy of the prescribed forms duly filled and signed by the registered holders to the RTA at the below mentioned address:

**KFin Technologies Limited,**

Unit – Hindustan Unilever Limited
Selenium Building, Tower-B, Plot No. 31 & 32,
Gachibowli Financial District, Nanakramguda,
Hyderabad, Telangana – 500 032.

### Reminder Letters to holders of physical shares for updation of PAN, KYC details and Choice of Nomination

In accordance with the SEBI circular dated 16th March, 2023, as amended, the Company has sent reminders to those Members, holding shares in physical form, whose PAN, KYC details and/or Choice of Nomination are not updated, requesting them to update the details.

### Suspense Escrow Demat Account (SEDA)

As per the Circular(s) issued by SEBI, after due verification of the investor service requests received from the Shareholders/Claimants, LOCs are issued in lieu of physical share certificate(s) by Companies/RTAs. The validity of such LOCs is 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 120 days, companies are required to transfer such shares to SEDA opened by companies for this purpose.

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

**Details of shares transferred to / released from SEDA during the financial year 2024-25 are as under:**

| Particulars | No. of Shareholders/ Claimants | No. of shares |
|---|---|---|
| Shares lying in SEDA as on 1st April, 2024 | 52 | 17,522 |
| Shares transferred to SEDA during financial year 2024-25 | 29 | 8,558 |
| Shares claimed back from SEDA during financial year 2024-25 | 20 | 4,334 |
| Shares lying in SEDA as on 31st March, 2025 | 61 | 21,746 |

The voting rights on these shares shall remain frozen till the rightful owner of the shares claims the shares.

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

## Unpaid/Unclaimed Dividends And Investor Education And Protection Fund (IEPF)

### Statutory requirements regarding transfer of dividend and/or shares to IEPF

In accordance with the provisions of Section 124(6) of the Act read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended (IEPF Rules), dividends that remain unpaid or unclaimed for a period of 7 (seven) years are to be transferred to 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 7 (seven) consecutive years, to the demat account of IEPF Authority.

### Nodal Officer and Deputy Nodal Officer (IEPF)

Details of Nodal Officer & 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/investors/shareholder-information-and-contacts/information-on-dividends/.

| | |
|---|---|
| Nodal Officer | Ms. Radhika Shah<br>Company Secretary & Compliance Officer<br>Email: HUL.CompanySecretary@unilever.com<br>Tel.: +91 22 5043 2754 |
| Deputy Nodal Officer | Ms. Uma Rajagopalan<br>Manager - Investor Services<br>Email: HUL.IEPF@unilever.com<br>Tel.: +91 22 5043 2790 |

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

In accordance with the IEPF Rules, companies are required to notify shareholders whose shares are due to be transferred to the Investor Education and Protection Fund (IEPF) at least 3 (three) months prior to the transfer. This notification must be sent to the shareholders' latest available address. Additionally, companies must publish a notice in a leading newspaper in English and regional language having wide circulation, to inform the concerned shareholders about the impending transfer. In addition to compliance with the above, the Company proactively sent Reminder Letters to Shareholders prior to transfer of unclaimed dividends as well, requesting them to comply with the requirements to claim back the dividends so as to avoid transfer of shares to IEPF.

In order to prevent the shares from getting transferred to IEPF, Shareholders, who have not claimed their dividends for the previous 7 (seven) years, are hereby requested to approach the Company/its RTA to claim the same, by complying with the necessary requirements.

### Transfer of unpaid or unclaimed dividends and shares to IEPF

Details of dividends and shares transferred to IEPF, during the financial year 2024-25, in accordance with the applicable provisions of the Act and IEPF Rules, are given below:

| Year | Dividend | Dividend rate per share (₹) | Amount in crores (₹) | No. of shares |
|---|---|---|---|---|
| 2016-17 | 61-F | 10.00 | 10.90 | 25,71,357 |
| 2016-17 | GSK CH-F | 70.00 | 1.55 | NA |
| 2017-18 | 62-I | 8.00 | 8.64 | 1,96,268 |
| **Total** | | **88.00** | **21.09** | **27,67,625** |

*I – Interim F - Final*

## Dividends paid to IEPF in respect of the shares already transferred to IEPF

Details of dividends paid to IEPF, during the financial year 2024-25, 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 (₹) |
|---|---|---|---|
| 2023-24 | 68-F | 24.00 | 11.52 |
| 2024-25 | 69-I & S | 29.00 | 19.49 |
| **Total** | | | **31.01** |

*I – Interim F - Final S - Special*

## Release of dividends/shares by IEPF

During the financial year 2024-25, 1,06,656 shares of the Company were released by the IEPF Authority, which pertain to 111 claims, to the demat accounts of respective Claimants/Shareholders. As on 31st March, 2025, 85,09,815 shares of the Company are lying outstanding in the demat account of IEPF Authority.

## Process for claiming dividends/shares from IEPF

The Members, whose dividends and/or shares are transferred to IEPF, can claim the same from the IEPF Authority after complying with the prescribed procedures.

A flow chart explaining the procedure in detail is given below:

**1. Online Application vide Form IEPF-5 on MCA V3:**
Claimant to claim dividends and/or shares by filing the Form IEPF-5 on MCA V3 Portal. Required documents to be attached.

**2. Dispatch of documents to the Nodal/Deputy Nodal Officer of the Company:**
Claimant to dispatch hard copy of the self-attested Form IEPF-5 along with other requisite documents, to the Nodal/Deputy Nodal Officer of the Company at its registered office.

**3. Upload of proof of dispatch on MCA V3 Portal:**
Claimant to update date of dispatch and upload proof thereof, on the MCA V3 Portal.

**4. Submission of E-Verification Report by the Company:**
Within 30 days of receiving the IEPF-5 claim, the Company is required to approve/reject the claim by way of filing E-Verification Report on MCA V3 Portal.

**5. IEPFA to release shares and/or dividends:**
Once the claim approved by the Company, gets approved by the IEPF Authority as well, the dividends and/or shares are electronically transferred by the Authority to the Claimant's bank and/or demat account.

## Dividends due for transfer to IEPF

Details of dividends that are due for transfer to IEPF for the next 7 (seven) years on their respective due dates, are mentioned below:

| Year | Dividend | Dividend per share | Amount in crores (₹) | Date of Declaration | Due Date |
|---|---|---|---|---|---|
| 2017-18 | 62-F | 12.00 | 11.79 | 29-06-2018 | 27-07-2025 |
| 2018-19 | 63-I | 9.00 | 8.74 | 12-10-2018 | 09-11-2025 |
| 2018-19 | 63-F | 13.00 | 11.98 | 29-06-2019 | 27-07-2026 |
| 2019-20 | 64-I | 11.00 | 9.80 | 14-10-2019 | 11-11-2026 |
| 2019-20 | 64-F | 14.00 | 11.26 | 30-06-2020 | 28-07-2027 |
| 2020-21 | 65-S | 9.50 | 7.55 | 21-07-2020 | 18-08-2027 |
| 2020-21 | 65-I | 14.50 | 10.84 | 20-10-2020 | 17-11-2027 |
| 2020-21 | 65-F | 17.00 | 13.12 | 22-06-2021 | 20-07-2028 |
| 2021-22 | 66-I | 15.00 | 11.24 | 19-10-2021 | 17-11-2028 |
| 2021-22 | 66-F | 19.00 | 14.44 | 23-06-2022 | 21-07-2029 |
| 2022-23 | 67-I | 17.00 | 12.60 | 21-10-2022 | 18-11-2029 |
| 2022-23 | 67-F | 22.00 | 16.40 | 26-06-2023 | 26-07-2030 |
| 2023-24 | 68-I | 18.00 | 13.33 | 19-10-2023 | 16-11-2030 |
| 2024-25 | 68-F | 24.00 | 29.36 | 21-06-2024 | 20-07-2031 |
| 2024-25 | 69-I | 19.00 | 29.06 | 23-10-2024 | 21-11-2031 |
| 2024-25 | 69-S | 10.00 | | 23-10-2024 | 21-11-2031 |
| **GSK CH related payments/dividends** | | | | | |
| 2017-18 | F | 75.00 | 1.79 | 08-08-2018 | 05-09-2025 |
| 2018-19 | F | 105.00 | 1.93 | 02-08-2019 | 30-08-2026 |
| 2020-21 | Fractional Payment | 2020.28 | 0.09 | 29-05-2020 | 27-06-2027 |

*I - Interim F - Final S – Special*

A detailed list of unpaid or unclaimed dividends lying with the Company as on 31st March, 2025 has been uploaded on the Company's website at https://www.hul.co.in/investors/shareholder-information-and-contacts/information-on-dividends/ and on the website of IEPF Authority at https://iepfa.gov.in/login.

## Tech Initiatives for the Benefit of Shareholders

### Website chatbot for public shareholders

RASHI - Reliable Assistant & Support for HUL Investors, is a website chatbot developed in-house by the Company for the benefit of its Shareholders. It can be accessed on the Company's Website at https://www.hul.co.in/investors/shareholder-information-and-contacts/investor-contacts/.

The chatbot enables Shareholders visiting the Company's 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.

**During the financial year 2024-25, the bot was accessed by around 2800 users with more than 9,500 messages/queries. All the valid queries were answered by the Bot.**

### Web-based Facility

Members may utilise the facility extended by the Company's 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 additional queries, if any, relating to the grievance till they get a satisfactory reply.

Members can also visit the Investor Service Center (ISC) webpage https://kprism.kfintech.com/ 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.

### Automation of Shareholder Correspondences

In order to drive effectiveness and efficiency in timely and prompt response to Shareholder queries, the Company has automated the email correspondences from Shareholders using an IT tool. A unique ticket number is assigned to every mail received and the same is allocated to dedicated agents for resolution within a defined turnaround-time. This automation is aimed to ensure that no Shareholder query remains unanswered.

**Since the go-live of the tool, over 6,500 emails have been received, all of which have been responded to within the defined timelines subject to certain exceptions due to disputes or litigations.**

### Online application for Investor Query

It is hereby informed that our RTA, KFin Technologies Limited has launched an online application which can be accessed at https://kprism.kfintech.com/.

Members are requested to register / signup using their Name, PAN, Mobile Number and email ID. Post registration, they can login via OTP and execute activities like raising ISR, query, complaints, check for status, KYC details, Dividend, Interest, Redemptions, e-Meeting and e-Voting details.

### KPRISM - Mobile and Web based Application

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

### Senior Citizens - Investor Support

In order to enhance the experience for Senior Citizen Shareholders (above 60 years of age), a Senior Citizens investor cell has been formed by our RTA, to exclusively assist the Senior Citizens in redressing their grievances, complaints and queries. The special cell closely monitors the queries and requests received from Senior Citizens through this channel and handholds them at every stage of the service request till closure of the request.

Senior Citizens wishing to avail this service can send their communications with the below details at senior.citizen@kfintech.com. Citizen Shareholders are required to provide the following details :

- ID proof showing Date of Birth
- Folio Number
- Company Name
- Nature of Grievance

A dedicated Toll-free number for Senior Citizens can also be accessed at 1-800-309-4006 for any queries or information.

## Good Governance Initiatives

### Manual for Shareholders / Members

The Company has developed a Shareholder Manual which is a reflection of the Company's ongoing commitment to ensure Shareholders' delight. It is aimed to provide a comprehensive resource that compiles all necessary information for the Company's Shareholders thereby increasing transparency and awareness. We believe that informed Shareholders are essential to the Company's success. We encourage the Shareholders to refer this manual for all necessary information. Please feel free to reach out to the Company for any queries. The Manual for Shareholders can be accessed on the Company's website at https://www.hul.co.in/investors/shareholder-information-and-contacts/manual-for-shareholders/.

The Manual also includes Do's and Don'ts for Shareholders, which can be referred to by them for their awareness.

### Rights of Shareholders

As per Regulation 4(2)(a) of Listing Regulations, as amended, the rights of Shareholders are as under:

i. to participate in, and to be sufficiently informed of, decisions concerning fundamental corporate changes.

ii. opportunity to participate effectively and vote in general shareholder meetings.

iii. being informed of the rules, including voting procedures that govern general shareholder meetings.

iv. opportunity to ask questions to the board of directors, to place items on the agenda of general meetings, and to propose resolutions, subject to reasonable limitations.

v. effective shareholder participation in key corporate governance decisions, such as the nomination and election of members of board of directors.

vi. exercise of ownership rights by all shareholders, including institutional investors.

vii. adequate mechanism to address the grievances of the shareholders.

viii. protection of minority shareholders from abusive actions of controlling shareholders and seeking effective means of redressal.

ix. to approach the SEBI Complaints Redress System (SCORES) and/or avail the dispute resolution mechanism at the Stock Exchange(s) in case of any unresolved grievance(s).

### No Special Rights to any Shareholder(s)

The Company ensures equitable treatment to all its Shareholders and has not granted any special rights to any of its Shareholders. Further, the Company did not undertake any transactions nor has taken any actions which could be prejudicial to the interests of minority shareholders.

### Timely, accessible and comprehensive information for all shareholder meetings

The Company believes that informed Shareholders are essential to the Company's success. It is hereby confirmed that all the relevant Information for the Shareholder Meeting held during the financial year 2024-25, was provided in a timely, comprehensive and accessible manner.

## Investors' Grievance Redressal

### 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 an escalation mechanism in place, for effective redressal of investor grievances. The detailed Escalation Matrix for redressal of Investor grievances is available on the Company's website at https://www.hul.co.in/investors/shareholder-information-and-contacts/investor-contacts/investor-grievance-redressal-mechanism-escalation-matrix/.

### Procedure to raise Investor Grievances

**Step 1: Initial Approach – The Registrar and Share Transfer Agent (RTA):**

The Shareholder(s) are advised to initially approach the RTA with their requests/queries along with requisite documents/information, either through mail, letter or in-person visit.

**Step 2: Escalations:**

In case Shareholder(s) is/are not satisfied with the response/resolution provided by the RTA, then Shareholder(s) may approach the following designated officials:

**1st Escalation –** Investor Services Department of the Company

**2nd Escalation -** Manager - Investor Services / Deputy Nodal Officer for IEPF

**3rd Escalation -** Company Secretary & Compliance Officer / Nodal Officer for IEPF

**4th Escalation –** Chairperson of Stakeholders Relationship Committee of the Company.

**Step 3: Lodging of Complaint through various designated portals/forums:**

If the concern remains unresolved, then Shareholder may raise complaints to the following Statutory Authorities/Stock Exchanges:

i. **Stock Exchange(s):** The Shareholder may lodge a complaint along with requisite supporting document(s) to any of the following Stock Exchange(s):

   (a) BSE

   (b) NSE

ii. **SEBI Complaints Redress System (SCORES):** SEBI has an online platform which allows Shareholders to file and track complaint(s) against the Companies and various other stakeholders of the industry. The complaint(s) of Shareholder shall pass through the following steps, if not resolved satisfactorily:

   - **First Level Review –** Cognizance by Designated Body
   - **Second Level Review –** Cognizance by SEBI.

**Step 4: Online Dispute Resolution ("SMART ODR")/ Civil remedies:**

If the Shareholder is still not satisfied with the resolutions provided through the above forums, then they may opt for SMART ODR (Conciliation) or Civil Remedy as last resort.

## 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 at https://www.hul.co.in/investors/shareholder-information-and-contacts/investor-contacts/investor-grievance-redressal-mechanism-escalation-matrix/.

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

During the year, 37 complaints were filed on the SEBI SMART ODR Portal. Out of this, 3 complaints underwent a complete conciliation process, whereby ODR Institutions were engaged by the Stock Exchange (in all 3 cases, it was NSE) which in turn appointed Conciliators for each of the complaints and after hearing the parties, Conciliation Orders were passed in all 3 matters. In one of the matter, conciliation order was successful, while in the other 2 matters, the order was unsuccessful i.e., the parties did not reach to a mutual conclusion.

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 Mechanism serves as a platform for resolution of long pending disputes, which are otherwise difficult to be taken to a logical end.

# Other Useful Information For Shareholders

## 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/investors/corporate-governance/corporate-information/. The Company did not have any debt instruments or any fixed deposit programme or any scheme or proposal involving mobilisation of funds, in India or abroad, during the year.

**Reasons for Pledge**

There has been no pledging of shares by the Promoters/ Promoter Group.

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

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

## Mergers and Demergers

The details of Mergers and Demergers and respective share exchange ratios are available on the Company's website at https://www.hul.co.in/investors/shareholder-information-and-contacts/mergers-and-demergers/.

## Plant Locations

The details of Plant Locations are provided at page 464 of this Integrated Annual Report.

## Address For Correspondence

- All correspondence by Members should be forwarded to the Company's RTA, M/s. KFin Technologies Limited or to the Company at the following addresses.
- The Company's dedicated e-mail id for Investors correspondences, queries or complaints is levercare.shareholder@unilever.com.

### KFin Technologies Limited

**Unit – Hindustan Unilever Limited**

Selenium Building, Tower-B, Plot No. 31 & 32,
Gachibowli Financial District,
Nanakramguda, Hyderabad, Telangana – 500 032
WhatsApp No.: +91 9100094099
Toll Free no.: 1800 309 4001
E-mail: einward.ris@kfintech.com
KFINTECH Corporate Website:
https://www.kfintech.com
Website for Investors: https://ris.kfintech.com/
Investor Support Centre: https://kprism.kfintech.com/
KPRISM: https://kprism.kfintech.com/signup

### Hindustan Unilever Limited

**Investor Service Department**

Unilever House, B. D. Sawant Marg, Chakala,
Andheri (East), Mumbai-400 099
Phone: +91 86579 21862 / +91 22 5043 2792
E-mail: levercare.shareholder@unilever.com,
Karvyshares.frontoffice@unilever.com
Website: www.hul.co.in

### Compliance Officer

**Ms. Radhika Shah**

Company Secretary & Compliance Officer
E-mail: HUL.CompanySecretary@unilever.com
Phone: +91 22 5043 2754

# Certificate of Non-Disqualification of Directors

**(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)**

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

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Hindustan Unilever Limited** having **CIN L15140MH1933PLC002030** and having registered office at Unilever House, B.D. Sawant Marg, Chakala, Andheri East, Mumbai – 400099 (hereinafter referred to as 'the Company'), produced before me/us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the financial year ending on 31st March, 2025 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

| Sr. No. | Name of Director | DIN | Date of Appointment in Company* |
|---|---|---|---|
| 1. | Mr. Nitin Paranjpe | 00045204 | 31-03-2022 |
| 2. | Mr. Rohit Jawa | 10063590 | 01-04-2023 |
| 3. | Mr. Leo Puri | 01764813 | 12-10-2018 |
| 4. | Mr. Ritesh Tiwari | 05349994 | 01-05-2021 |
| 5. | Ms. Ashu Suyash | 00494515 | 12-11-2021 |
| 6. | Mr. Ranjay Gulati | 03627064 | 01-04-2023 |
| 7. | Ms. Neelam Dhawan | 00871445 | 01-08-2023 |
| 8. | Mr. Tarun Bajaj | 02026219 | 01-12-2023 |
| 9. | Mr. Biddappa Bittianda Ponnappa | 06586886 | 01-06-2024 |

** the date of appointment is as per the MCA Portal.*

Ensuring the eligibility for the 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. 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.

For **Parikh & Associates**
Practising Company Secretaries

**Jigyasa N. Ved**
Partner
FCS No.: 6488 CP No.: 6018
UDIN: F006488G000176592
PR No.: 6556/2025

Mumbai, 22.04.2025

## Chief Executive Officer (CEO) and Chief Financial Officer (CFO) certification pursuant to Regulation 17(8) and Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

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, 2025 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.

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

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

Mumbai, 24th April, 2025

# Certificate of Compliance with the Corporate Governance Requirements

**Independent Auditor's Certificate on Corporate Governance**

To
The Members of
**Hindustan Unilever Limited**

1. This certificate is issued in accordance with the terms of our engagement letter dated 17th April, 2025.

2. We have examined the compliance of conditions of corporate governance by Hindustan Unilever Limited ('the Company') for the year ended 31st March, 2025, 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 and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

## Management's Responsibility

3. The compliance of conditions of corporate governance is the responsibility of the management. This responsibility includes the designing, implementing and maintaining operating effectiveness of internal control to ensure compliance with the conditions of corporate governance as stipulated in the Listing Regulations.

## Auditor's Responsibility

4. Pursuant to the requirements of the Listing Regulations, our responsibility is to express a reasonable assurance in the form of an opinion as to whether the Company has complied with the conditions of corporate governance as stated in paragraph 2 above. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring the compliance with the conditions of corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

5. We have examined the relevant records of the Company in accordance with the applicable Generally Accepted Auditing Standards in India, the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India ('ICAI'), and Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

6. 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

7. Based on the procedures performed by us and to the best of our information and according to the explanations provided to us, in our opinion, the Company has complied, in all material respects, with the conditions of corporate governance as stipulated in the Listing Regulations during the year ended 31st March, 2025.

   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

8. This certificate is issued solely for the purpose of complying with the aforesaid regulations and may not be suitable for any other purpose.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Registration No. 001076N/N500013

**Aasheesh Arjun Singh**
Partner
Membership No.: 210122
UDIN: 25210122BMONBA8382

Place: Mumbai
Date: 24 April 2025

## Form No. MR-3 Secretarial Audit Report

**For the financial year ended 31st March, 2025**

**[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**
Unilever House, B. D. Sawant Marg,
Chakala, Andheri (East), Mumbai – 400099

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Hindustan Unilever Limited** (hereinafter called "the Company"). 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, papers, minute books, forms and returns filed and other records maintained by the Company, to the extent the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, the explanations and clarifications given to us and the representations made by the Management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India, we hereby report that in our opinion, the Company has during the audit period covering the **financial year ended on 31st March, 2025**, generally complied with the 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, papers, minute books, forms and returns filed and other records made available to us and maintained by the Company for the financial year ended on 31st March, 2025 according to the applicable provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Securities Contract (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 the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; as applicable;

(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 to the Company during the audit period)**

(d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;

(e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; **(Not applicable to the Company during the audit period)**

(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 to the Company during the audit period)**

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; **(Not applicable to the Company during the audit period)** and

(h) The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018; **(Not applicable to the Company during the audit period)**

(vi) Other laws applicable specifically to the Company namely:-

a) The Drugs and Cosmetics Act, 1940

b) The Consumer Protection Act, 2019

c) Cosmetic Rules, 2020

d) The Legal Metrology Act, 2009;

e) The Legal Metrology (Packaged Commodities) Rules, 2011;

f) The Food Safety and Standards Act, 2006 along with Rules, Standards and Regulations;

g) Applicable BIS Standards for various categories and production process.

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India with respect to board and general meetings.

(ii) The Listing Agreements entered into by the Company with National Stock Exchange of India Limited and BSE Limited read with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review, the Company has generally complied with the provisions of the Act, rules, regulations, guidelines, standards, etc. mentioned above.

## We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice was given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance for meetings other than those held at shorter notice, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All the decisions of the Board and Committees thereof were carried through with requisite majority.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations, guidelines, etc.

We further report that during the audit period the Company had following events which had bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

1. The Board of directors at its meeting held on 22nd Jan 2025 considered and unanimously approved the Scheme of Arrangement amongst Hindustan Unilever Limited and Kwality Wall's (India) Limited and their shareholders under section 230 – 232 and other applicable provisions of the Companies Act, 2013;
2. The Board of directors at its meeting held on 22nd Jan 2025 considered and unanimously approved acquisition of 90.5% stake in Uprising Science Private Limited ('Uprising'), with an eventful acquisition of the remaining 9.5% of Uprising's shareholding as per the terms set out in the Share Purchase and Subscription Agreement.

For **Parikh & Associates**
Company Secretaries

**Jigyasa N. Ved**
Partner
FCS No: 6488 CP No: 6018
UDIN: F006488G000186701
PR No.: 6556/2025

Place: Mumbai
Date: 24.04.2025

*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.*

## 'Annexure A'

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

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management Representation about the Compliance of laws, rules and regulations and happening of events, etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **Parikh & Associates**
Company Secretaries

**Jigyasa N. Ved**
Partner
FCS No: 6488 CP No: 6018
UDIN: F006488G000186701
PR No.: 6556/2025

Place: Mumbai
Date: 24.04.2025

# FINANCIAL STATEMENTS

# Independent Auditor's Report

To the Members of Hindustan Unilever Limited

## REPORT ON THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

### Opinion

1. We have audited the accompanying standalone financial statements of Hindustan Unilever Limited ('the Company'), which comprise the Standalone Balance Sheet as at 31st March, 2025, the Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Standalone Statement of Cash Flow and the Standalone Statement of Changes in Equity for the year then ended, and notes to the standalone financial statements, including material accounting policy information and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2025, its profit (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

### Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Key Audit Matters

4. Key Audit Matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

5. We have determined the matters described below to be the key audit matters to be communicated in our report.

| Key Audit Matters | How our audit addressed the key audit matters |
|---|---|
| **Revenue Recognition – Discounts and Rebates**<br><br>(Refer Notes 2 and 25 to the standalone financial Statements)<br><br>The revenue of the Company consists primarily of sale of products through various distribution channels. Revenue is recognised net of trade and volume discounts and other rebates as described in the aforesaid notes (hereinafter referred to as 'discounts and rebates').<br><br>Accrual towards discounts and rebates at the reporting date with respect to ongoing discount and incentive schemes is complex due to varying terms and conditions, multiplicity of products, channel partners and markets. Significant judgments are required to be made by management in order to determine variable consideration in accordance with Ind AS 115, 'Revenue from Contracts with Customers' ("Ind AS 115"), particularly in estimating accruals relating to incentive schemes that are based on secondary sales made by the customers of the Company.<br><br>The above complexity leads to a risk of revenue being misstated due to inaccurate estimation of such discounts and rebates, and hence, it requires significant auditor attention.<br><br>Considering the materiality of amounts involved and significant management judgements required in estimating the accrual of discounts and rebates, this matter has been considered as a key audit matter for the current year audit. | **Our audit procedures included, but were not limited to, the following:**<br><br>• Assessed the appropriateness of the Company's revenue recognition accounting policies, including those relating to discounts and rebates in accordance with Ind AS 115;<br><br>• Evaluated the design and tested the operating effectiveness of the Company's key internal controls, including general and specific information technology controls, exercised implemented by the management for measurement and recording of such discounts and rebates;<br><br>• On a sample basis, inspected key customer contracts and incentive schemes to understand the terms and conditions pertaining to discounts and rebates and evaluated the process followed by the management to determine the amount of accruals as at year end;<br><br>• Performed substantive testing on selected samples of discounts and rebates recorded during the year as well as those recorded through year-end provisions recognised by the Company, by testing relevant approvals and underlying supporting documents in respect of such schemes and customer contracts;<br><br>• Performed analytical procedures on discounts and rebates during the year to identify unusual variances;<br><br>• Tested accuracy of management judgements in estimating discounts and rebates accruals;<br><br>• Tested, on a sample basis, the manual journal entries posted to revenue relating to the discounts and rebates to identify unusual items, if any; and<br><br>• Evaluated the appropriateness and adequacy of related disclosures in the standalone financial statements in accordance with applicable accounting standards. |

| Key Audit Matters | How our audit addressed the key audit matters |
|---|---|
| **Impairment assessment of Foods Cash Generating Unit (Foods CGU)**<br><br>As disclosed in Notes 2 and 4 to the standalone financial statements, the Foods CGU includes goodwill and intangible assets (having an indefinite useful life) aggregating ₹17,301 crores and ₹27,210 crores, respectively, which cumulatively represents 57% of total assets of the Company as at 31st March, 2025.<br><br>The Foods CGU is tested for impairment annually, whereby the carrying amount of the CGU (including aforementioned goodwill and intangible assets) is compared with its recoverable amount, in accordance with the requirements of Ind AS 36, Impairment of Assets' ('Ind AS 36'). The Company determines recoverable amount as higher of the:<br><br>(a) value-in-use (determined using discounted cash flow ('DCF') model); and<br><br>(b) fair value less cost to sell (determined using comparable companies multiple ('CCM') method)<br><br>The annual impairment testing involves significant estimates and judgment by the management in relation to forecasting future cash flow projections basis expected growth rates, determining appropriate discount rate for DCF model and identification of appropriate comparable companies for the CCM method of valuation.<br><br>Considering the materiality of the amounts involved and significant judgments and estimates involved in the impairment testing, this matter has been considered as a key audit matter for the current year audit. | **Our audit procedures included, but were not limited to, the following:**<br><br>• Obtained an understanding of the management process for annual impairment assessment, and assessed the appropriateness of the Company's accounting policy for impairment of non-financial assets in accordance with Ind AS 36;<br><br>• Evaluated the design and tested the operating effectiveness of key internal controls implemented by the management over the impairment assessment of Foods CGU;<br><br>• Assessed the professional competence and objectivity of the management's and auditor's valuation experts;<br><br>• Involved auditor's valuation experts to assist in evaluating the appropriateness of the valuation methodology and the reasonableness of the assumptions used by the management's expert to calculate the recoverable amount of Foods CGU;<br><br>• Evaluated and challenged management's assumptions used in the impairment assessment, particularly those related to forecast revenue growth, earnings, weighted average cost of capital, terminal growth rates and comparable company multiples based on our understanding of the business, past results, approved business plans and external factors;<br><br>• Tested the mathematical accuracy of the valuation model;<br><br>• Assessed the robustness of the financial projections prepared by the management by comparing projections of previous financial years with the actual results achieved to and carried out an analysis of significant variances, if any;<br><br>• Performed an independent sensitivity analysis for reasonably possible changes in the key assumptions used in estimating the recoverable amount to assesses the estimation uncertainties involved and evaluate the sufficiency of available headroom between recoverable amount and carrying amount in the standalone financial statements; and<br><br>• Evaluated the appropriateness and adequacy of the related disclosures in the standalone financial statements in accordance with applicable accounting standards. |

| Key Audit Matters | How our audit addressed the key audit matters |
|---|---|
| **Provision and contingent liabilities relating to taxation, litigation and claims**<br><br>(Refer Notes 2, 9D, 21 and 24 to the standalone financial statements)<br><br>The Company is involved in various direct tax, indirect tax, transfer pricing arrangements, claims, general legal proceedings ('litigations') arising in the normal course of business which includes complexities arising from uncertain tax positions.<br><br>Provisions are recognised when the Company has a present obligation (legal/ constructive) as a result of a past event for which it is probable that a cash outflow will be required, and a reliable estimate can be made of the amount of the obligation.<br><br>A disclosure for contingent liabilities is made where there is a possible obligation or a present obligation that may probably not require an outflow of resources. When there is a possible or a present obligation where the likelihood of outflow of resources is remote, no provision or disclosure is made.<br><br>The level of management judgement associated with determining the need for, and the quantum of, provisions for any liabilities and disclosures of any contingent liabilities arising from these litigations is considered to be high.<br><br>This judgement is dependent on a number of significant assumptions and assessments which involves interpreting the various applicable rules, regulations, practices and considering precedents in the various jurisdictions, for which the management uses various subject matter experts.<br><br>In view of the uncertainty relating to the outcome of these litigations, the significance of the amounts involved, and the subjectivity involved in management's judgement, this matter has been considered as a key audit matter for the current year audit. | **Our audit procedures included, but were not limited to, the following:**<br><br>• Assessed the appropriateness of the Company's accounting policies relating to provisions and contingent liabilities, in accordance with the applicable accounting standards;<br><br>• Obtained an understanding of the process, and evaluated the design and tested the operating effectiveness of the key internal controls around the recording and assessment of provisions and contingent liabilities.<br><br>• Engaged subject matter specialists, in case of material litigations, to gain an understanding of the current status of litigations and monitored changes in the disputes, if any, through discussions with the management and by reading external advice received by the Company from their legal counsel, where relevant, to validate management's conclusions. Also, assessed the professional competence and objectivity of such management experts;<br><br>• On a sample basis, obtained and assessed the Company's assumptions and estimates in respect of litigations, including the liabilities or provisions recognised or contingent liabilities disclosed in the standalone financial statements, by reviewing the appropriateness of the probability assessment of unfavourable outcomes of various litigations, with the help of auditor's subject matter specialists, wherever required;<br><br>• On a sample basis, performed substantive procedures on the underlying calculations supporting the amount involved recorded as provisions or disclosed as contingent liability; and<br><br>• Evaluated the appropriateness and adequacy of related disclosures in the standalone financial statements in accordance with applicable accounting standards. |

## Information other than the Standalone Financial Statements and Auditor's Report thereon

6. The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the standalone financial statements and our auditor's report thereon.

   Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

   In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

7. The accompanying standalone financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS specified under Section 133 of the Act and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were

operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

8. In preparing the standalone financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

9. The Board of Directors is also responsible for overseeing the Company's financial reporting process.

## Auditor's Responsibilities for the Audit of the Standalone Financial Statements

10. Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

11. As part of an audit in accordance with Standards on Auditing, specified under Section 143(10) of the Act we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

    - Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
    - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls;
    - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
    - Conclude on the appropriateness of Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern;
    - Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

12. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

13. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

14. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## Other Matter

15. The standalone financial statements of the Company for the year ended 31st March, 2024 were audited by the predecessor auditor, B S R & Co. LLP, who have expressed an unmodified opinion on those standalone financial statements vide their audit report dated 24th April, 2024.

## Report on Other Legal and Regulatory Requirements

16. As required by Section 197(16) of the Act based on our audit, we report that the Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under Section 197 read with Schedule V to the Act.

17. As required by the Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of Section 143(11) of the Act we give in the Annexure I a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

18. Further to our comments in Annexure I, as required by Section 143(3) of the Act based on our audit, we report, to the extent applicable, that:

    a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the accompanying standalone financial statements;

    b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books, except for the matters stated in paragraph 18(h)(vi) below on reporting in relation to audit trail as required under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended);

    c. The standalone financial statements dealt with by this report are in agreement with the books of account;

    d. In our opinion, the aforesaid standalone financial statements comply with Ind AS specified under Section 133 of the Act;

    e. On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2025 from being appointed as a director in terms of Section 164(2) of the Act;

    f. The modification relating to the maintenance of accounts and other matters connected therewith in relation to audit trail are as stated in paragraph 18(b) above on reporting under Section 143(3)(b) of the Act and paragraph 18(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended);

    g. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company as on 31st March, 2025 and the operating effectiveness of such controls, refer to our separate report in Annexure II wherein we have expressed an unmodified opinion; and

    h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:

    i. The Company, as detailed in Notes 9, 21 and 24 to the standalone financial statements, has disclosed the impact of pending litigations on its financial position as at 31st March, 2025;

    ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31st March, 2025;

    iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended 31st March, 2025;

    iv. a. The management has represented that, to the best of its knowledge and belief, as disclosed in Note 50 to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any person(s) or entity(ies), including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;

    b. The management has represented that, to the best of its knowledge and belief, as disclosed in Note 50 to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

    c. Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.

v. The final dividend paid by the Company during the year ended 31st March, 2025 in respect of such dividend declared for the previous year is in accordance with Section 123 of the Act to the extent it applies to payment of dividend.

   The interim dividend declared and paid by the Company during the year ended 31st March, 2025 and until the date of this audit report is in compliance with Section 123 of the Act.

   As stated in Note 36 to the accompanying standalone financial statements, the Board of Directors of the Company have proposed final dividend for the year ended 31st March, 2025 which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with Section 123 of the Act to the extent it applies to declaration of dividend.

vi. Based on our examination which included test checks, except for instances mentioned below, the Company, in respect of financial year commencing on 1st April, 2024, has used accounting software for maintaining its books of account, which have a feature of recording audit trail (edit log) facility and the same have been operated throughout the year for all relevant transactions recorded in the respective software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with for the period where audit trail is enabled and operated. Furthermore, the audit trail has been preserved by the Company as per the statutory requirements for record retention where the audit trail feature was enabled:

(i) In respect of an accounting software used for maintenance of all accounting records, the audit trail for changes to the application layer by a super user has been enabled and preserved w.e.f. 1st May, 2024.

(ii) The accounting software used for maintaining purchase orders is operated by a third-party software service provider. In absence of an independent auditor's report in relation to controls at the third-party service provider, we are unable to comment if the audit trail feature of the said software was enabled and operated for all relevant transactions recorded in the software at the database level.

The daily back-up of audit trail (edit log) in respect of its accounting software for maintenance of all accounting records, an accounting software for maintaining purchase orders and the accounting software for journal entries has been maintained on the servers physically located in India as mentioned in Note 51 to the financial statements.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

**Aasheesh Arjun Singh**
Partner
Membership No.: 210122
UDIN: 25210122BMONAY1763

Place: Mumbai
Date: 24th April, 2025

# Annexure I

referred to in paragraph 17 of the Independent Auditor's Report of even date to the members of Hindustan Unilever Limited on the standalone financial statements for the year ended 31st March, 2025

**In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:**

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment, capital work-in-progress and relevant details of right-of-use assets.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) The Company has a regular programme of physical verification of its property, plant and equipment, capital work-in-progress and relevant details of right-of-use assets under which the assets are physically verified in a phased manner over a period of two years, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this programme, certain property, plant and equipment, capital work-in-progress and relevant details of right-of-use assets were verified during the year and no material discrepancies were noticed on such verification.

(c) The title deeds of all the immovable properties held by the Company (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), disclosed in Note 3A to the standalone financial statements, are held in the name of the Company, except for the following properties:

| Description of property | Gross carrying value (₹ in crore) | Held in the name of | Whether promoter, director or their relative or employee | Period held since FY- indicate range where appropriate | Reason for not being held in name of company. Also indicate, if in dispute |
|---|---:|---|---|---|---|
| **Owned properties** | | | | | |
| Land | 176 | GlaxoSmithKline Consumer Healthcare Limited (GSKCH) | No | 2020 – 21 | Owned by erstwhile GSKCH which has merged into HUL, as per a court approved scheme of merger. |
| Building | 182 | | No | 2020 – 21 | |
| Land | 135 | Hindustan Milk Food Manufacturers Limited | No | 2020 – 21 | |
| Land | 110 | | No | 2020 – 21 | |
| Land and Building | 3 | Various^ | No | Various | |
| Building | 34 | Hindustan Milk Food Manufacturers Limited | No | 2020 – 21 | Pending litigation |
| Land and Building | 2 | Various^ | No | Various | Pending litigation |
| **Leasehold Properties** | | | | | |
| Leasehold land | 13 | Trent Limited | No | 1998 – 99 | Pending application |
| Leasehold land | 0* | TATA Oil Mills Company Limited | No | 1994 – 95 | Pending litigation |

*Represents amount less than ₹1 crore.

^Amounts individually insignificant

(d) The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets during the year.

(e) No proceedings have been initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended) and rules made thereunder.

(ii) (a) The management has conducted a physical verification of inventory at reasonable intervals during the year, except for goods-in-transit and inventory lying with third parties. In our opinion, the coverage and procedure of such verification by the management is appropriate and no discrepancies of 10% or more in the aggregate for each class of inventory were noticed as compared to book records. In respect of inventory lying with third parties, these have substantially been confirmed by the third parties and in respect of goods-in-transit, these have been confirmed from corresponding receipt.

(b) The Company has not been sanctioned working capital limits by banks or financial institutions on the basis of security of current assets at any point of time during the year. Accordingly, reporting under clause 3(ii)(b) of the Order is not applicable to the Company.

(iii) The Company has not provided any guarantee or security to companies, firms, limited liability partnerships during the year. Further, the Company has made investments in subsidiaries and granted interest bearing unsecured loans to companies and interest free unsecured loans to others (employees), in respect of which:

(a) The Company has granted loans to subsidiaries and others (employees) during the year as per details given below:

(₹ in crore)

| Particulars | Loans |
|---|---|
| **Aggregate amount granted during the year:** | |
| - Subsidiaries | 362 |
| - Others (including employees) | 38 |
| **Balance outstanding as at balance sheet date:** | |
| - Subsidiaries | 252 |
| - Others (including employees) | 126 |

(b) In our opinion, and according to the information and explanations given to us, the investments made, and terms and conditions of the grant of unsecured loans are, prima facie, not prejudicial to the interest of the Company.

(c) In respect of the loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments/ receipts of principal and interest are regular.

(d) There is no overdue amount for more than ninety days in respect of loans or advances in the nature of loans granted to such companies or other parties.

(e) The Company has not granted any loan, which has fallen due during the year. Further, no fresh loans were granted to any party to settle the overdue loans/ advances in nature of loan that existed as at the beginning of the year.

(f) The Company has not granted any loan, which is repayable on demand or without specifying any terms or period of repayment.

(iv) In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of Section 186 of the Act in respect of loans and investments made and guarantees and security provided by it, as applicable. Further, the Company has not entered into any transaction covered under Section 185 of the Act.

(v) In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposits or there are no amounts which have been deemed to be deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.

(vi) The Central Government has specified maintenance of cost records under sub-section (1) of Section 148 of the Act only in respect of specified products of the Company. For such products, we have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under the aforesaid section, and are of the opinion that, prima facie the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vii) (a) In our opinion, and according to the information and explanations given to us, the Company is regular in depositing undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, we report that there are no statutory dues referred in sub-clause (a) which have not been deposited with the appropriate authorities on account of any dispute except for the following:

| Name of the statute | Nature of dues | Gross Amount (₹ in crore) | Amount paid under Protest (₹ in crore) | Period to which the amount relates | Forum where dispute is pending | Remarks, if any |
|---|---|---|---|---|---|---|
| The Central Excise Act, 1944 | Excise duty | 47 | 2 | 2001 - 2015 | Appellate Authority up to Commissioner's level | |
| | Excise duty | 90 | 6 | 1994 - 2018 | Customs, Excise and Service Tax Appellate Tribunals of various states | |
| | Excise duty | 164 | 12 | 2008 - 2017 | Hon'ble High Courts of various states | |
| The Customs Act, 1962 | Customs Duty | 6 | 0* | 2007 - 2011 | Appellate Authority up to Commissioner's level | |
| | Customs Duty | 5 | 0* | 2012 - 2017 | Customs, Excise and Service Tax Appellate Tribunals of various states | |

| Name of the statute | Nature of dues | Gross Amount (₹ in crore) | Amount paid under Protest (₹ in crore) | Period to which the amount relates | Forum where dispute is pending | Remarks, if any |
|---|---|---|---|---|---|---|
| The Central Sales Tax Act, 1956 and Local Sales Tax Act | Sales tax | 67 | 32 | 1984 - 2018 | Appellate Authority up to Commissioner's level | |
| | Sales tax | 23 | 4 | 1994 - 2018 | Sales Tax Appellate Tribunals of various states | |
| | Sales tax | 172 | 110 | 1986 - 2025 | Hon'ble High Courts of various states | |
| | Sales tax | 11 | 9 | 1997 – 2007 | Hon'ble Supreme Court of India | |
| Service tax (Finance Act, 1994) | Service tax | 11 | 1 | 2005 – 2018 | Appellate Authority up to Commissioner's level | |
| | Service tax | 2 | 0* | 2005 – 2015 | Customs, Excise and Service Tax Appellate Tribunals of various states | |
| Integrated Goods and Service tax act, 2017 Central Goods and Service tax act, 2017 State Goods and Service tax act, 2017 of various states | Goods and Services tax | 306 | 18 | 2017 - 2025 | Appellate Authority up to Commissioner's level | |
| | Goods and Services tax | 543 | 6 | 2017 - 2023 | Hon'ble High Courts of various states | |
| | Goods and Services tax | 366 | 90 | 2017 - 2018 | Hon'ble High Court of Delhi | |
| The Income Tax Act, 1961 | Income Tax | 1,063 | 193 | 1979 - 80, 1990 - 91, 2005 - 06 to 2018 - 19, 2020 – 21, 2023 – 24 | Appellate Authority up to Commissioner's Level | |
| | Income Tax | 2,189 | 99 | 2007 – 08 to 2011 – 12, 2013-14 to 2017 - 18, 2019 - 20 | Income Tax Appellate Tribunal | |
| The Employees' Provident Funds and Miscellaneous Provisions Act, 1952 | Provident Fund | 0* | 0* | 2013 - 2016 | Appellate Tribunals of various states | |
| | Provident Fund | 0* | 0* | 1995 - 2004 | Hon'ble High Court of Allahabad | |
| The Employees State Insurance Act, 1948 | Employee State Insurance Contribution | 1 | 0* | 1996 – 2009 | Appellate Authority up to Commissioner's level | |
| | Employee State Insurance Contribution | 4 | 2 | 2010 | Hon'ble High Court | |

*Represents amount less than ₹1 crore.

(viii) According to the information and explanations given to us, we report that no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which have not been previously recorded in the books of account.

(ix) According to the information and explanations given to us, we report that the Company does not have any loans or other borrowings from any lender. Accordingly, reporting under clause 3(ix) of the Order is not applicable to the Company.

(x) (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments), during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable to the Company.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or (fully, partially or optionally) convertible debentures during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable to the Company.

(All amounts in ₹ crores, unless otherwise stated)

(xi) (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company has been noticed or reported during the period covered by our audit.

(b) According to the information and explanations given to us including the representation made to us by the management of the Company, a report under sub-section 12 of Section 143 of the Act has been filed by the erstwhile auditors of the company in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014, with the Central Government during the period covered by our audit.

(c) According to the information and explanations given to us, the Company has received whistle blower complaints during the year, which have been considered by us while determining the nature, timing and extent of audit procedures.

(xii) The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.

(xiii) In our opinion and according to the information and explanations given to us, all transactions entered into by the Company with the related parties are in compliance with Sections 177 and 188 of the Act, where applicable. Further, the details of such related party transactions have been disclosed in the standalone financial statements, as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified in Companies (Indian Accounting Standards) Rules 2015 as prescribed under Section 133 of the Act.

(xiv) (a) In our opinion and according to the information and explanations given to us, the Company has an internal audit system which is commensurate with the size and nature of its business as required under the provisions of Section 138 of the Act.

(b) We have considered the reports issued by the Internal Auditors of the Company till date for the period under audit.

(xv) According to the information and explanation given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and accordingly, reporting under clause 3(xv) of the Order with respect to compliance with the provisions of Section 192 of the Act are not applicable to the Company.

(xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under clauses 3(xvi)(a), (b) and (c) of the Order are not applicable to the Company.

Further, based on the information and explanations given to us and as represented by the management of the Company, the Group (as defined in Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CIC.

(xvii) The Company has not incurred any cash losses in the current financial year as well as the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information in the standalone financial statements, our knowledge of the plans of the Board of Directors and management and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.

(xx) According to the information and explanations given to us, the Company does not have any unspent amounts towards Corporate Social Responsibility in respect of any ongoing or other than ongoing project as at the end of the financial year. Accordingly, reporting under clause 3(xx) of the Order is not applicable to the Company.

(xxi) The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

**Aasheesh Arjun Singh**
Partner
Membership No.: 210122
UDIN: 25210122BMONAY1763

Place: Mumbai
Date: 24th April, 2025

# Annexure II

to the Independent Auditor's Report of even date to the members of Hindustan Unilever Limited on the standalone financial statements for the year ended 31st March, 2025

**Independent Auditor's Report on the internal financial controls with reference to the standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')**

1. In conjunction with our audit of the standalone financial statements of Hindustan Unilever Limited ('the Company') as at and for the year ended 31st March, 2025, we have audited the internal financial controls with reference to financial statements of the Company as at that date.

## Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

2. The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ('the Guidance Note') issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

## Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Financial Statements

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the ICAI prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements includes obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

## Meaning of Internal Financial Controls with Reference to Financial Statements

6. A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

## Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

7. Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

## Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at 31st March, 2025, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

**Aasheesh Arjun Singh**
Partner
Membership No.: 210122
UDIN: 25210122BMONAY1763

Place: Mumbai
Date: 24th April, 2025

# Standalone Balance Sheet

as at 31st March, 2025

(All amounts in ₹ crores, unless otherwise stated)

| Particulars | Note | As at 31st March, 2025 | As at 31st March, 2024 |
|---|---|---|---|
| **ASSETS** | | | |
| **Non-current assets** | | | |
| Property, plant and equipment | 3 | 7,710 | 7,178 |
| Capital work-in-progress | 3 | 956 | 915 |
| Goodwill | 4 | 17,316 | 17,316 |
| Other intangible assets | 4 | 27,881 | 27,885 |
| Financial assets | | | |
| Investments in subsidiaries and joint venture | 5 | 986 | 981 |
| Investments | 6 | 2 | 2 |
| Loans | 7 | 332 | 392 |
| Other financial assets | 8 | 744 | 714 |
| Non-current tax assets (net) | 9D | 1,144 | 1,118 |
| Other non-current assets | 10 | 343 | 279 |
| **Total - Non-current assets (A)** | | **57,414** | **56,780** |
| **Current assets** | | | |
| Inventories | 11 | 4,161 | 3,812 |
| Financial assets | | | |
| Investments | 6 | 3,614 | 4,510 |
| Trade receivables | 12 | 3,450 | 2,690 |
| Cash and cash equivalents | 13 | 5,947 | 609 |
| Bank balances other than cash and cash equivalents mentioned above | 14 | 1,346 | 6,607 |
| Loans | 7 | 45 | 37 |
| Other financial assets | 8 | 1,469 | 1,416 |
| Other current assets | 15 | 844 | 603 |
| | | **20,876** | **20,284** |
| Assets held for sale | 16 | 23 | 12 |
| **Total - Current assets (B)** | | **20,899** | **20,296** |
| **TOTAL ASSETS [(A)+(B)]** | | **78,313** | **77,076** |

(All amounts in ₹ crores, unless otherwise stated)

| Particulars | Note | As at 31st March, 2025 | As at 31st March, 2024 |
|---|---|---|---|
| **EQUITY AND LIABILITIES** | | | |
| **Equity** | | | |
| Equity share capital | 17 | 235 | 235 |
| Other equity | 18 | 48,918 | 50,738 |
| **Total - Equity (A)** | | **49,153** | **50,973** |
| **Liabilities** | | | |
| **Non-current liabilities** | | | |
| Financial liabilities | | | |
| Lease liabilities | 19 | 1,157 | 1,034 |
| Other financial liabilities | 20 | 647 | 430 |
| Provisions | 21 | 1,509 | 1,551 |
| Deferred tax liabilities (net) | 9C | 6,583 | 6,454 |
| Non-current tax liabilities (net) | 9D | 3,592 | 4,231 |
| **Total - Non-current liabilities (B)** | | **13,488** | **13,700** |
| **Current liabilities** | | | |
| Financial liabilities | | | |
| Lease liabilities | 19 | 380 | 340 |
| Trade payables | | | |
| Total outstanding dues of micro enterprises and small enterprises | 22 | 231 | 222 |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | 22 | 10,767 | 9,926 |
| Other financial liabilities | 20 | 825 | 797 |
| Other current liabilities | 23 | 921 | 789 |
| Provisions | 21 | 661 | 329 |
| Current tax liabilities | 9D | 1,887 | - |
| **Total - Current liabilities (C)** | | **15,672** | **12,403** |
| **TOTAL EQUITY AND LIABILITIES [(A)+(B)+(C)]** | | **78,313** | **77,076** |
| Basis of preparation, measurement and material accounting policy information | 2 | | |
| Contingent liabilities and commitments | 24 | | |

**The accompanying notes 1 to 54 are an integral part of these standalone financial statements**

As per our report of even date attached

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No. 001076N/N500013

**Aasheesh Arjun Singh**
Partner
Membership No. 210122

Mumbai: 24th April, 2025

For and on behalf of Board of Directors

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

**Ritesh Tiwari**
Executive Director, Finance & IT and
Chief Financial Officer
[DIN: 05349994]

**Ashu Suyash**
Chairperson - Audit Committee
[DIN: 00494515]

**Radhika Shah**
Company Secretary and
Compliance Officer
Membership No: A19308

**Shilpa Kedia**
Group Controller

Mumbai: 24th April, 2025

# Standalone Statement of Profit and Loss
for the year ended 31st March, 2025

(All amounts in ₹ crores, unless otherwise stated)

| Particulars | Note | Year ended 31st March, 2025 | Year ended 31st March, 2024 |
|---|---|---|---|
| **INCOME** | | | |
| Revenue from operations | 25 | 61,469 | 60,469 |
| Other income | 26 | 1,177 | 973 |
| **TOTAL INCOME** | | **62,646** | **61,442** |
| **EXPENSES** | | | |
| Cost of materials consumed | 27 | 17,698 | 17,791 |
| Purchases of stock-in-trade | 28 | 12,584 | 11,544 |
| Changes in inventories of finished goods, work-in-progress and stock-in-trade | 29 | (106) | (8) |
| Employee benefits expense | 30 | 2,840 | 2,782 |
| Finance costs | 31 | 364 | 302 |
| Depreciation and amortisation expense | 32 | 1,224 | 1,097 |
| Other expenses | 33 | 14,164 | 14,170 |
| **TOTAL EXPENSES** | | **48,768** | **47,678** |
| **Profit before exceptional items and tax** | | **13,878** | **13,764** |
| Exceptional items: net credit/(charge) | 34 | 422 | (89) |
| **Profit before tax** | | **14,300** | **13,675** |
| **Tax expenses** | | | |
| Current tax | 9A | (3,525) | (3,446) |
| Deferred tax | 9A | (131) | (115) |
| **PROFIT FOR THE YEAR (A)** | | **10,644** | **10,114** |

(All amounts in ₹ crores, unless otherwise stated)

| Particulars | Note | Year ended 31st March, 2025 | Year ended 31st March, 2024 |
|---|---|---|---|
| **OTHER COMPREHENSIVE INCOME** | | | |
| **Items that will not be reclassified to profit or loss** | | | |
| Remeasurements of the net defined benefit plans | 39C | (22) | 36 |
| Tax on above | 9A | 5 | (9) |
| | | | |
| **Items that will be reclassified to profit or loss** | | | |
| Fair value of debt instruments through other comprehensive income | 18C | (0) | 2 |
| Tax on above | 9A | 0 | (0) |
| Fair value of cash flow hedges through other comprehensive income | 18C | (2) | (1) |
| Tax on above | 9A | 0 | (3) |
| **OTHER COMPREHENSIVE INCOME FOR THE YEAR (B)** | | **(19)** | **25** |
| **TOTAL COMPREHENSIVE INCOME FOR THE YEAR (A+B)** | | **10,625** | **10,139** |
| **Earnings per equity share** | | | |
| Basic (Face value of ₹1 each) | 35 | ₹45.30 | ₹43.05 |
| Diluted (Face value of ₹1 each) | 35 | ₹45.30 | ₹43.05 |
| Basis of preparation, measurement and material accounting policy information | 2 | | |

**The accompanying notes 1 to 54 are an integral part of these standalone financial statements**

As per our report of even date attached

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No. 001076N/N500013

**Aasheesh Arjun Singh**
Partner
Membership No. 210122

Mumbai: 24th April, 2025

For and on behalf of Board of Directors

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

**Ritesh Tiwari**
Executive Director, Finance & IT and
Chief Financial Officer
[DIN: 05349994]

**Ashu Suyash**
Chairperson - Audit Committee
[DIN: 00494515]

**Radhika Shah**
Company Secretary and
Compliance Officer
Membership No: A19308

**Shilpa Kedia**
Group Controller

Mumbai: 24th April, 2025

# Standalone Statement of Changes in Equity
for the year ended 31st March, 2025

(All amounts in ₹ crores, unless otherwise stated)

## A. Equity Share Capital

| | Note | As at 31st March, 2025 | As at 31st March, 2024 |
|---|---|---|---|
| **Balance as at the beginning of the year** | 17 | **235** | **235** |
| Changes in equity share capital during the year | 17 | - | - |
| **Balance as at the end of the year** | 17 | **235** | **235** |

## B. Other Equity

| | Reserves and Surplus | | | | | | Items of Other Comprehensive Income | | |
|---|---|---|---|---|---|---|---|---|---|
| | Capital Reserve | Capital Redemption Reserve | Securities Premium | Employee Stock Options Reserve | Retained Earnings | Other Reserves* | Debt instruments through OCI | Cash flow Hedges through OCI | Total |
| **As at 1st April, 2023** | **4** | **6** | **40,350** | **-** | **9,625** | **9** | **(2)** | **(6)** | **49,986** |
| Profit for the year | - | - | - | - | 10,114 | - | - | - | 10,114 |
| Other comprehensive income for the year | - | - | - | - | 27 | - | 2 | (4) | 25 |
| **Total comprehensive income for the year** | **-** | **-** | **-** | **-** | **10,141** | **-** | **2** | **(4)** | **10,139** |
| Hedging loss/(gain) transferred to non-financial assets (net) | - | - | - | | - | - | - | 13 | 13 |
| Dividend on equity shares for the year (Refer note 36) | - | - | - | - | (9,398) | - | - | - | (9,398) |
| Deferred Tax on Stamp duty (Refer note 9A) | - | - | (2) | - | - | - | - | - | (2) |
| **As at 31st March, 2024** | **4** | **6** | **40,348** | **-** | **10,368** | **9** | **0** | **3** | **50,738** |

(All amounts in ₹ crores, unless otherwise stated)

| | Reserves and Surplus | | | | | | Items of Other Comprehensive Income | | |
|---|---|---|---|---|---|---|---|---|---|
| | Capital Reserve | Capital Redemption Reserve | Securities Premium | Employee Stock Options Reserve | Retained Earnings | Other Reserves* | Debt instruments through OCI | Cash flow Hedges through OCI | Total |
| **As at 1st April, 2024** | **4** | **6** | **40,348** | **-** | **10,368** | **9** | **0** | **3** | **50,738** |
| Profit for the year | - | - | - | - | 10,644 | - | - | - | 10,644 |
| Other comprehensive income for the year | - | - | - | - | (17) | - | (0) | (2) | (19) |
| **Total comprehensive income for the year** | **-** | **-** | **-** | **-** | **10,627** | **-** | **(0)** | **(2)** | **10,625** |
| Hedging loss/(gain) transferred to non-financial assets (net) | - | - | - | - | - | - | - | (1) | (1) |
| Dividend on equity shares for the year (Refer note 36) | - | - | - | - | (12,453) | - | - | - | (12,453) |
| Deferred Tax on Stamp duty (Refer note 9A) | - | - | (2) | - | - | - | - | - | (2) |
| Share based payment expense | - | - | - | 11 | - | - | - | - | 11 |
| **As at 31st March, 2025** | **4** | **6** | **40,346** | **11** | **8,542** | **9** | **-** | **0** | **48,918** |

* Includes reserves made on amalgamation of Brooke Bond Lipton India Limited and capital subsidy

Refer note 18B for nature and purpose of reserves

**The accompanying notes 1 to 54 are an integral part of these standalone financial statements**

As per our report of even date attached

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No. 001076N/N500013

**Aasheesh Arjun Singh**
Partner
Membership No. 210122

Mumbai: 24th April, 2025

For and on behalf of Board of Directors

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

**Ritesh Tiwari**
Executive Director, Finance & IT and
Chief Financial Officer
[DIN: 05349994]

**Ashu Suyash**
Chairperson - Audit Committee
[DIN: 00494515]

**Radhika Shah**
Company Secretary and
Compliance Officer
Membership No: A19308

**Shilpa Kedia**
Group Controller

Mumbai: 24th April, 2025

# Standalone Statement of Cash Flows

for the year ended 31st March, 2025

(All amounts in ₹ crores, unless otherwise stated)

| | | Year ended 31st March, 2025 | Year ended 31st March, 2024 |
|---|---|---|---|
| A | **CASH FLOWS FROM OPERATING ACTIVITIES:** | | |
| | **Profit before tax** | 14,300 | 13,675 |
| | ***Adjustments for:*** | | |
| | Depreciation and amortisation expense | 1,232 | 1,097 |
| | Loss on sale of property, plant and equipment | 15 | 17 |
| | Fair value loss/ (gain) on financial liability on acquisition | 5 | (37) |
| | Interest income | (763) | (551) |
| | Dividend income | (169) | (176) |
| | Other non operating income - Fair value gain on investments | (245) | (246) |
| | Interest expense | 341 | 285 |
| | Profit on sale of water purification business | (595) | - |
| | Movement of provision towards litigation | - | (159) |
| | Inventory written off (net) | 189 | 155 |
| | Bad debts/assets written off net of Provision/(write back) | 18 | (9) |
| | Equity settled share based payment | 11 | - |
| | Mark-to-market (gain)/ loss on derivative financial instruments | 4 | (8) |
| | **Cash Generated from operations before working capital changes** | **14,343** | **14,043** |
| | ***Adjustments for:*** | | |
| | (Increase)/decrease in Non-Current Assets | (117) | (28) |
| | (Increase)/decrease in Current Assets | (1,057) | 170 |
| | (Increase)/decrease in Inventories | (540) | 77 |
| | Increase/(decrease) in Non-Current Liabilities | 22 | 144 |
| | Increase/(decrease) in Current Liabilities | 1,138 | 773 |
| | **Cash flows generated from operations** | **13,789** | **15,179** |
| | Net taxes (paid)/refunds | (2,183) | (295) |
| | **Net cash flows generated from operating activities - [A]** | **11,606** | **14,884** |
| B | **CASH FLOWS FROM INVESTING ACTIVITIES:** | | |
| | Purchase of property, plant and equipment | (1,128) | (1,309) |
| | Sale proceeds of property, plant and equipment | 13 | 20 |
| | Purchase of intangible assets | (21) | (9) |
| | Sale proceeds of water purification business | 595 | - |
| | Investment in subsidiary | (5) | - |
| | Contingent consideration paid on business combination | - | (4) |
| | Purchase of current investments | (20,943) | (21,198) |
| | Sale proceeds of current investments | 21,984 | 19,752 |
| | Loans given to subsidiaries | (362) | (431) |
| | Loans repaid by subsidiaries | 408 | 381 |
| | Loans repaid by/(given) to others | - | 1 |
| | Investment in term deposits (having original maturity of more than 3 months) | (2,486) | (9,080) |
| | Redemption/maturity of term deposits (having original maturity of more than 3 months) | 7,771 | 6,313 |
| | Interest received | 768 | 417 |
| | Dividend received from subsidiaries | 169 | 173 |
| | Dividend received from others | - | 3 |
| | **Net cash flows generated/(used in) investing activities - [B]** | **6,763** | **(4,971)** |

(All amounts in ₹ crores, unless otherwise stated)

| | | Year ended 31st March, 2025 | Year ended 31st March, 2024 |
|---|---|---|---|
| **C** | **CASH FLOWS FROM FINANCING ACTIVITIES:** | | |
| | Dividends paid | (12,453) | (9,398) |
| | Principal payment of lease liabilities | (460) | (394) |
| | Interest paid on lease liabilities | (118) | (98) |
| | **Net cash flows used in financing activities - [C]** | **(13,031)** | **(9,890)** |
| | **Net increase in cash and cash equivalents - [A+B+C]** | **5,338** | **23** |
| | Add: Cash and cash equivalents at the beginning of the year | 609 | 586 |
| | **Cash and cash equivalents at the end of the year (refer note 13)** | **5,947** | **609** |

## Movement in Lease Liabilities

| Reconciliation between opening and closing balance | Opening balance 1st April, 2024 | Payments | Non- cash movement | Closing balance 31st March, 2025 |
|---|---|---|---|---|
| Lease Liabilities (Refer Note 19) | 1,374 | (578) | 741 | 1,537 |

| Reconciliation between opening and closing balance | Opening balance 1st April, 2023 | Payments | Non- cash movement | Closing balance 31st March, 2024 |
|---|---|---|---|---|
| Lease Liabilities (Refer Note 19) | 1,039 | (492) | 827 | 1,374 |

**Note:** The above Standalone Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in Ind AS 7, 'Statement of Cash Flows'.

**The accompanying notes 1 to 54 are an integral part of these standalone financial statements**

As per our report of even date attached

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No. 001076N/N500013

**Aasheesh Arjun Singh**
Partner
Membership No. 210122

Mumbai: 24th April, 2025

For and on behalf of Board of Directors

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

**Ritesh Tiwari**
Executive Director, Finance & IT and
Chief Financial Officer
[DIN: 05349994]

**Ashu Suyash**
Chairperson - Audit Committee
[DIN: 00494515]

**Radhika Shah**
Company Secretary and
Compliance Officer
Membership No: A19308

**Shilpa Kedia**
Group Controller

Mumbai: 24th April, 2025

(All amounts in ₹ crores, unless otherwise stated)

## NOTE 1 COMPANY INFORMATION

Hindustan Unilever Limited (the 'Company') is a public limited company domiciled in India with its registered office located at Unilever House, B.D. Sawant Marg, Chakala, Andheri (East), Mumbai 400 099. The Company is listed on the BSE Limited and the National Stock Exchange of India Limited (NSE). The Company is in the Fast moving consumer goods (FMCG) business comprising primarily of Home Care, Beauty & Wellbeing, Personal Care and Foods segments. The Company has manufacturing facilities across the country and sells primarily in India.

## NOTE 2 BASIS OF PREPARATION, MEASUREMENT AND MATERIAL ACCOUNTING POLICIES

### 2.1 Basis of Preparation and Measurement

#### (a) Basis of preparation

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time.

The standalone financial statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in the standalone financial statements.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle, paragraph 66 and 69 of Ind AS 1 and other criteria as set out in the Division II of Schedule III to the Companies Act, 2013.

An asset is treated as current when it is

a. Expected to be realised or intended to be sold or consumed in normal operating cycle;

b. Held primarily for the purpose of trading;

c. Expected to be realised within twelve months after the reporting period; or

d. Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is treated as current when

a. It is expected to be settled in normal operating cycle;

b. It is held primarily for the purpose of trading;

c. It is due to be settled within twelve months after the reporting period; or

d. There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The standalone financial statements are presented in Indian Rupee (INR), the functional currency of the Company. Items included in the standalone financial statements of the Company are recorded using the currency of the primary economic environment in which the Company operates (the 'functional currency'). Foreign currency transactions are translated into the functional currency using exchange rates at the date of the transaction. Foreign exchange gains and losses from settlement of these transactions are recognised in the standalone statement of profit and loss. Foreign currency denominated monetary assets and liabilities are translated into functional currency at exchange rates in effect at the balance sheet date, the gain or loss arising from such translations are recognised in the standalone statement of profit and loss.

The expenses in standalone statement of profit and loss are net of reimbursements (individually not material) received from Group Companies.

The Company has decided to round off the figures to the nearest crores. Transactions and balances with values below the rounding off norm adopted by the Company have been reflected as "0" in the relevant notes to these financial statements.

The standalone financial statements of the Company for the year ended 31st March, 2025 were approved for issue in accordance with the resolution of the Board of Directors on 24th April, 2025.

#### (b) Basis of measurement

These financial statements are prepared under the historical cost convention except for certain class of financial assets/ liabilities, share based payments and net liability for defined benefit plans that are measured at fair value.

The accounting policies adopted are the same as those which were applied for the previous financial year.

### 2.2 Key Accounting Estimates and Judgements

The preparation of standalone financial statements requires management to make judgments, estimates and assumptions in the application of accounting policies that affect the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Continuous evaluation is done on the estimation and judgments based on historical experience and other factors, including expectations of future events that are believed to be reasonable. Revisions to accounting estimates are recognised prospectively.

Information about critical judgments in applying accounting policies, as well as estimates and assumptions that have the most significant effect to the carrying amounts of assets and liabilities within the next financial year, are included in the following notes:

a. Measurement of defined benefit obligations – Note 39

b. Measurement and likelihood of occurrence of provisions and contingencies - Notes 21 and 24

c. Recognition of deferred tax assets – Note 9

d. Key assumptions used in discounted cash flow projections - Note 37

e. Impairment of Goodwill and Intangible assets - Note 4

f. Indefinite useful life of certain intangible assets – Note 4

g. Measurement of Right-of-use Asset and Lease liabilities – Note 3 and Note 19

h. Measurement of current financial liability on acquisition – Note 20 and Note 37

i. Measurement of discounts and rebates – Note 25

j. Measurement of inventory obsolescence – Note 11

## 2.3 New Standards, Interpratations and Amendments Adopted by the Company

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended 31st March, 2025, MCA has notified amendments to Ind AS 116 – Leases, relating to sale and leaseback transactions, which is applicable to the Company w.e.f. 1st April, 2024. The Company has reviewed the new pronouncements and based on its evaluation has determined that it is not likely to have any significant impact in its financial statements.

## 2.4 Material Accounting Policies

The material accounting policies used in preparation of the standalone financial statements have been included in the relevant notes to the standalone financial statements.

(All amounts in ₹ crores, unless otherwise stated)

## NOTE 3 PROPERTY, PLANT AND EQUIPMENT AND CAPITAL WORK-IN-PROGRESS

| | As at 31st March, 2025 | As at 31st March, 2024 |
|---|---|---|
| Owned Assets | 6,127 | 5,751 |
| Leased Assets (Right-of-use Assets) | 1,583 | 1,427 |
| **Total Property, plant and equipment** | **7,710** | **7,178** |
| **Capital work-in-progress** | **956** | **915** |

### A Owned Assets

Property, plant and equipment, other than freehold land, is stated at acquisition cost net of accumulated depreciation and accumulated impairment losses, if any. Cost of acquisition or construction of property, plant and equipment comprises its purchase price including import duties and non-refundable purchase taxes net of trade discounts, rebates and any directly attributable cost of bringing the item to its working condition for its intended use. Freehold land is carried at historical cost less any accumulated impairment losses and is not depreciated.

Property, plant and equipment acquired in a business combination, other than common control combination, are recognised at fair value at the acquisition date. Property, plant and equipment acquired under common control combination are recognised at carrying value at the acquisition date.

When parts of an item of property, plant and equipment having significant cost have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance cost are charged to the standalone statement of profit and loss during the period in which they are incurred.

An item of property, plant and equipment is de-recognised upon disposal or where no future economic benefits are expected from its use or disposal. Gains or losses arising on de-recognition of property, plant and equipment are recognised in the standalone statement of profit and loss.

Property, plant and equipment which are not ready for intended use as on the date of Balance Sheet are disclosed as "Capital work-in-progress".

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under "Other Non-Current Assets".

Depreciation is calculated on pro rata basis on straight-line method based on estimated useful life prescribed under Schedule II of the Companies Act, 2013.

The useful life of major components of Property, Plant and Equipment is as follows:

| Asset | Useful life* |
|---|---|
| Factory Buildings | 30 Years |
| Buildings (other than factory buildings) | 60 Years |
| Plant and equipment | 3-21 Years |
| Furniture and fixtures | 10 Years |
| Office equipment (including Computers) | 3-5 Years |

* In case of certain class of assets, the Company uses different useful life than those prescribed in Schedule II of the Companies Act, 2013. The useful life has been assessed based on technical evaluation, taking into account the nature of the asset and the estimated usage basis management's best judgement of economic benefits from those classes of assets. The exceptions are as under:

a) Plant and equipment is depreciated over 3 to 21 years.

b) Accelerated depreciation is charged in case of assets forming part of a restructuring project basis planned remaining useful life of assets. Such accelerated depreciation forms part of exceptional items.

The residual values, useful lives and method of depreciation of property, plant and equipment is reviewed at each financial year end and adjusted prospectively, if appropriate.

(All amounts in ₹ crores, unless otherwise stated)

| | Freehold land | Buildings | Plant and equipment | Furniture and fixtures | Office equipment | Total |
|---|---|---|---|---|---|---|
| **Gross Block** | | | | | | |
| **Opening balance as at 1st April, 2023** | **476** | **2,189** | **5,730** | **140** | **174** | **8,709** |
| Additions | 1 | 288 | 1,018 | 18 | 31 | 1,356 |
| Reclassified to Asset held for sale | - | (2) | - | - | - | (2) |
| Disposals/ Adjustments | (1) | (10) | (127) | (14) | (12) | (164) |
| **Balance as at 31st March, 2024** | **476** | **2,465** | **6,621** | **144** | **193** | **9,899** |
| Additions | - | 166 | 915 | 12 | 38 | 1,131 |
| Reclassified to Asset held for sale | (10) | (58) | - | - | - | (68) |
| Disposals/ Adjustments | (1) | (9) | (137) | (5) | (5) | (157) |
| **Balance as at 31st March, 2025** | **465** | **2,564** | **7,399** | **151** | **226** | **10,805** |
| **Accumulated Depreciation** | | | | | | |
| **Opening balance as at 1st April, 2023** | **-** | **497** | **2,898** | **93** | **141** | **3,629** |
| Additions* | - | 85 | 532 | 10 | 20 | 647 |
| Reclassified to Asset held for sale | - | (1) | - | - | - | (1) |
| Disposals/ Adjustments | - | (7) | (95) | (10) | (15) | (127) |
| **Balance as at 31st March, 2024** | **-** | **574** | **3,335** | **93** | **146** | **4,148** |
| Additions* | - | 92 | 591 | 10 | 23 | 716 |
| Reclassified to Asset held for sale | - | (56) | - | - | - | (56) |
| Disposals/ Adjustments | - | (3) | (118) | (4) | (5) | (130) |
| **Balance as at 31st March, 2025** | **-** | **607** | **3,808** | **99** | **164** | **4,678** |
| **Net Block** | | | | | | |
| **Balance as at 31st March, 2024** | **476** | **1,891** | **3,286** | **51** | **47** | **5,751** |
| **Balance as at 31st March, 2025** | **465** | **1,957** | **3,591** | **52** | **62** | **6,127** |

*Includes ₹8 crores (31st March, 2024: ₹0 crore) of accelerated depreciation which has been charged to exceptional items under a restructuring project.

## Notes:

(a) Buildings include ₹0 crore (31st March, 2024: ₹0 crore) being the value of shares in co-operative housing societies.

(b) The title deeds of certain freehold land and buildings are in the process of perfection of title. Details of such freehold land and buildings are as follows:

### Details as on 31st March, 2025 and on 31st March, 2024

| Description of item of property | Gross carrying value | Title deeds held in the name of | Whether title deed holder is a promoter, director or relative/ employee of promoter/ director | Property held since which date | Reason for not being held in the name of the Company |
|---|---|---|---|---|---|
| Building | 182 | GlaxoSmithKline Consumer Healthcare Limited (GSK CH) | No | 2020-21 | Owned by erstwhile GSKCH which has merged into HUL, as per a court approved scheme of merger. Ownership of these properties vests in HUL. |
| Freehold land | 176 | | No | | |
| Freehold land | 135 | Hindustan Milk Food Manufacturers Limited | No | | |
| Freehold land | 110 | | No | | |
| Building | 34 | Hindustan Milk Food Manufacturers Limited | No | 2020-21 | Pending litigation |
| Freehold land & Building | 3 | Multiple companies | No | Multiple years | Multiple properties owned by entities that have merged/amalgamated into HUL as per court approved schemes. Ownership of these properties vests in HUL. |
| Freehold land & Building | 2 | Multiple companies | No | Multiple years | Pending litigations |
| | **642** | | | | |

(All amounts in ₹ crores, unless otherwise stated)

(c) The Property, Plant and Equipment in 3A includes assets given on lease as follows:

| | Building | Plant and equipment | Furniture and fixtures | Office equipment | Total |
|---|---|---|---|---|---|
| Gross Block as at 31st March, 2024 | 2 | 208 | 0 | 0 | 210 |
| Accumulated Depreciation as at 31st March, 2024 | (0) | (103) | (0) | (0) | (103) |
| **Net Block as at 31st March, 2024** | **2** | **105** | **0** | **0** | **107** |
| Gross Block as at 31st March, 2025 | 2 | 296 | 0 | 1 | 299 |
| Accumulated Depreciation as at 31st March, 2025 | (0) | (153) | (0) | (1) | (154) |
| **Net Block as at 31st March, 2025** | **2** | **143** | **0** | **0** | **145** |

(d) The Company has not revalued any of its property, plant and equipment.

## B Leased Assets (Right-of-use Assets)

The Company's lease asset classes primarily consist of leases for Land, Buildings, Plant and Equipment and Vehicles. The Company assesses whether a contract is or contains a lease, at the inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

(i) the contract involves the use of an identified asset

(ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and

(iii) the Company has the right to direct the use of the asset.

The right-of-use asset is a lessee's right to use an asset over the life of a lease. At the date of commencement of the lease, the Company recognises a right-of-use asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases of low value assets. For these leases of low value assets, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

| | Land | Building | Plant & equipment | Vehicles | Total |
|---|---|---|---|---|---|
| **Gross Block** | | | | | |
| **Opening balance as at 1st April, 2023** | **125** | **584** | **1,281** | **24** | **2,014** |
| Additions | 9 | 388 | 385 | 23 | 805 |
| Deletions | (0) | (265) | (184) | (19) | (468) |
| **Balance as at 31st March, 2024** | **134** | **707** | **1,482** | **28** | **2,351** |
| Additions | 7 | 309 | 297 | 83 | 696 |
| Deletions | (1) | (207) | (196) | (21) | (425) |
| **Balance as at 31st March, 2025** | **140** | **809** | **1,583** | **90** | **2,622** |
| **Accumulated Depreciation** | | | | | |
| **Opening balance as at 1st April, 2023** | **26** | **297** | **569** | **13** | **905** |
| Additions | 2 | 214 | 194 | 16 | 426 |
| Deletions | (0) | (247) | (144) | (16) | (407) |
| **Balance as at 31st March, 2024** | **27** | **264** | **619** | **13** | **924** |
| Additions | 2 | 232 | 229 | 28 | 491 |
| Deletions | (1) | (186) | (170) | (19) | (376) |
| **Balance as at 31st March, 2025** | **28** | **310** | **678** | **22** | **1,039** |
| **Net Block** | | | | | |
| **Balance as at 31st March, 2024** | **106** | **443** | **863** | **15** | **1,427** |
| **Balance as at 31st March, 2025** | **111** | **499** | **905** | **69** | **1,583** |

(All amounts in ₹ crores, unless otherwise stated)

(a) The Company incurred ₹54 crores for the year ended 31st March, 2025 (31st March, 2024: ₹49 crores) towards expenses relating to short-term leases and leases of low-value assets. The total cash outflow for leases is ₹632 crores for the year ended 31st March, 2025 (31st March, 2024: ₹541 crores), including cash outflow of short-term leases and leases of low-value assets. Interest on lease liabilities is ₹118 crores for the year ended 31st March, 2025 (31st March, 2024: ₹98 crores).

(b) The title deeds of certain Leasehold land and building are in the process of perfection of title. Details of such leasehold land and building are as follows:

### Details as on 31st March, 2025

| Description of item of property | Gross carrying value | Title deeds held in the name of | Whether title deed holder is a promoter, director or relative/ employee of promoter/ director | Property held since which date | Reason for not being held in the name of the Company |
|---|---|---|---|---|---|
| Leasehold Land | 13 | Trent Limited | No | 1st December, 1998 | Pending application |
| Leasehold land | 0 | TATA Oil Mills Company Limited | No | 28th December, 1994 | Pending litigation |
| | **13** | | | | |

### Details as on 31st March, 2024

| Description of item of property | Gross carrying value | Title deeds held in the name of | Whether title deed holder is a promoter, director or relative/ employee of promoter/ director | Property held since which date | Reason for not being held in the name of the Company |
|---|---|---|---|---|---|
| Leasehold land | 13 | Trent Limited | No | 1st December, 1998 | Pending application |
| Leasehold land | 0 | TATA Oil Mills Company Limited | No | 28th December, 1994 | Pending litigation |
| | **13** | | | | |

(c) Lease liability and lease commitments: Refer Note 19 and Note 24B respectively.

(d) The Company has not revalued any of its right-of-use assets.

## C Capital work-in-progress

Capital work-in-progress comprises of property, plant and equipment that are not ready for their intended use at the end of reporting period and are carried at cost comprising direct costs, related incidental expenses, other directly attributable costs and borrowing costs.

| | |
|---|---|
| **Opening balance as at 1st April, 2023** | **1,020** |
| Additions | 1,260 |
| Capitalisations | (1,365) |
| **Balance as at 31st March, 2024** | **915** |
| Additions | 1,193 |
| Capitalisations | (1,152) |
| **Balance as at 31st March, 2025** | **956** |

### Ageing of CWIP as on 31st March, 2025

| | Amount in CWIP for a period of | | | | |
|---|---|---|---|---|---|
| | Less than 1 year | 1 - 2 years | 2 - 3 years | More than 3 years | Total |
| Projects in Progress | 721 | 158 | 13 | 2 | 894 |
| Projects temporarily suspended | 1 | 13 | 36 | 12 | 62 |
| **Total** | **722** | **171** | **49** | **14** | **956** |

| | Amount |
|---|---|
| Projects whose completion is overdue versus original plan | 390 |
| Projects which have exceeded their original budget | 10 |

Temporarily suspended projects do not include those projects where temporary suspension is a necessary part of the process of getting an asset ready for its intended use.

(All amounts in ₹ crores, unless otherwise stated)

### Details of capital-work-in progress whose completion is overdue as compared to its original plan as at 31st March, 2025

| | To be completed in | | | | |
|---|---|---|---|---|---|
| | Less than 1 year | 1 - 2 years | 2 - 3 years | More than 3 years | Total |
| **Under Progress (A)** | **306** | **23** | **-** | **-** | **329** |
| Project Nakshatra (Home care and Personal Care) | 72 | - | - | - | 72 |
| Stratos Technology | 39 | 21 | - | - | 60 |
| Automated Warehouse | 39 | - | - | - | 39 |
| Data Lake - Technology | 22 | - | - | - | 22 |
| Others* | 134 | 2 | - | - | 136 |
| **Temporarily Suspended (B)** | **61** | **-** | **-** | **-** | **61** |
| Foods technology advancement project | 57 | - | - | - | 57 |
| Others* | 4 | - | - | - | 4 |
| **Total (A+B)** | **367** | **23** | **-** | **-** | **390** |

### Details of capital-work-in progress which has exceeded its cost compared to its original plan as at 31st March, 2025

| | To be completed in | | | | |
|---|---|---|---|---|---|
| | Less than 1 year | 1 - 2 years | 2 - 3 years | More than 3 years | Total |
| **Under Progress (A)** | **3** | **-** | **-** | **-** | **3** |
| Others* | 3 | - | - | - | 3 |
| **Temporarily Suspended (B)** | **7** | **-** | **-** | **-** | **7** |
| Foods technology advancement project | 7 | - | - | - | 7 |
| **Total (A+B)** | **10** | **-** | **-** | **-** | **10** |

### Ageing of CWIP as on 31st March, 2024

| | Amount in CWIP for a period of | | | | |
|---|---|---|---|---|---|
| | Less than 1 year | 1 - 2 years | 2 - 3 years | More than 3 years | Total |
| Projects in Progress | 765 | 107 | 31 | 10 | 913 |
| Projects temporarily suspended | 0 | 1 | 0 | 1 | 2 |
| **Total** | **765** | **108** | **31** | **11** | **915** |

| | Amount |
|---|---|
| Projects whose completion is overdue versus original plan | 263 |
| Projects which have exceeded their original budget | 25 |

### Details of capital-work-in-progress whose completion is overdue as compared to its original plan as at 31st March, 2024

| | To be completed in | | | | |
|---|---|---|---|---|---|
| | Less than 1 year | 1 - 2 years | 2 - 3 years | More than 3 years | Total |
| **Under Progress (A)** | **248** | **13** | **-** | **-** | **261** |
| Foods technology advancement project | 50 | - | - | - | 50 |
| Project Nakshatra (Foods) | 27 | - | - | - | 27 |
| Project at Rajahmundry Factory | 23 | - | - | - | 23 |
| Project at Orai Factory | 17 | - | - | - | 17 |
| Others* | 131 | 13 | - | - | 144 |
| **Temporarily Suspended (B)** | **2** | **-** | **-** | **-** | **2** |
| Others* | 2 | - | - | - | 2 |
| **Total (A+B)** | **249** | **13** | **-** | **-** | **263** |

(All amounts in ₹ crores, unless otherwise stated)

**Details of capital-work-in progress which has exceeded its cost compared to its original plan as at 31st March, 2024**

| | To be completed in | | | | |
|---|---|---|---|---|---|
| | Less than 1 year | 1 - 2 years | 2 - 3 years | More than 3 years | Total |
| **Under Progress (A)** | **25** | **-** | **-** | **-** | **25** |
| Project at Rajamundry Factory | 23 | - | - | - | 23 |
| Others* | 2 | - | - | - | 2 |
| **Temporarily Suspended (B)** | **-** | **-** | **-** | **-** | **-** |
| **Total (A+B)** | **25** | **-** | **-** | **-** | **25** |

*Others comprise of various projects with individually immaterial values.

For contractual commitment with respect to property, plant and equipment refer Note 24B(ii).

## NOTE 4 GOODWILL AND OTHER INTANGIBLE ASSETS

Intangible assets purchased are initially measured at cost.

The cost of a separately purchased intangible asset comprises its purchase price including duties and taxes and any costs directly attributable to making the asset ready for their intended use.

Intangible assets acquired in a business combination are recognised at fair value at the acquisition date.

Subsequently, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognised in standalone statement of profit and loss as incurred.

The useful lives of intangible assets are assessed as either finite or indefinite. Finite-life intangible assets are amortised on a straight-line basis over the period of their estimated useful lives. Estimated useful lives by major class of finite-life intangible assets are as follows:

| Asset | Useful life |
|---|---|
| Trademarks | 5 years |
| Design and Know-how | 10 years |
| Computer software | 5 years |
| Distribution network | 10-15 years |

The amortisation period and the amortisation method for finite-life intangible assets is reviewed at each financial year end and adjusted prospectively, if appropriate. Indefinite-life intangible assets comprises of trademarks and brands, for which there is no foreseeable limit to the period over which they are expected to generate net cash inflows. These are considered to have an indefinite life, given the strength and durability of the brands and the level of marketing support. For indefinite-life intangible assets, the assessment of indefinite life is reviewed annually to determine whether it continues, if not, it is impaired or changed prospectively basis revised estimates.

Goodwill is initially recognised based on the accounting policy for business combinations and is tested for impairment annually.

(All amounts in ₹ crores, unless otherwise stated)

| | | Other intangible assets | | | | | |
|---|---|---|---|---|---|---|---|
| | | Indefinite life intangible assets | Finite Life Intangible assets | | | | |
| | Goodwill | Brands/ Trademarks | Brands/ Trademarks | Design and Know-how | Computer Software | Others* | Total |
| **Gross Block** | | | | | | | |
| **Opening balance as at 1st April, 2023** | **17,316** | **27,782** | **18** | **65** | **56** | **107** | **28,028** |
| Additions: Internally developed | - | - | - | - | 5 | - | 5 |
| Additions: Acquired separately | - | - | - | - | 4 | - | 4 |
| Disposals | - | - | - | - | (0) | - | (0) |
| **Balance as at 31st March, 2024** | **17,316** | **27,782** | **18** | **65** | **65** | **107** | **28,037** |
| Additions: Internally developed | - | - | - | - | - | - | - |
| Additions: Acquired separately | - | - | - | - | 21 | - | 21 |
| Disposals | - | - | - | - | (11) | - | (11) |
| **Balance as at 31st March, 2025** | **17,316** | **27,782** | **18** | **65** | **75** | **107** | **28,047** |
| **Accumulated Amortisation and Impairment** | | | | | | | |
| **Opening balance as at 1st April, 2023** | **-** | **-** | **18** | **47** | **30** | **33** | **128** |
| Additions | - | - | 0 | 7 | 8 | 9 | 24 |
| Disposals | - | - | - | - | (0) | - | (0) |
| **Balance as at 31st March, 2024** | **-** | **-** | **18** | **54** | **38** | **42** | **152** |
| Additions | - | - | - | 7 | 10 | 8 | 25 |
| Disposals | - | - | - | - | (11) | - | (11) |
| **Balance as at 31st March, 2025** | **-** | **-** | **18** | **61** | **37** | **50** | **166** |
| **Net Block** | | | | | | | |
| **Balance as at 31st March, 2024** | **17,316** | **27,782** | **0** | **11** | **27** | **65** | **27,885** |
| **Balance as at 31st March, 2025** | **17,316** | **27,782** | **0** | **4** | **38** | **57** | **27,881** |

*Others include Customer relationship, Distribution network, etc.

The Company has not revalued any of its intangible assets.

## Impairment

Assessment for impairment is done annually as to whether there is any indication that a non-financial asset, other than inventory and deferred tax, may be impaired. Indefinite life intangible assets and goodwill are subject to review for impairment annually or more frequently if events or circumstances indicate that it is necessary. For the purpose of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets is considered as a cash generating unit. Goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Company's cash generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

If any indication of impairment exists, an estimate of the recoverable amount of the individual asset/cash generating unit is made. Recoverable amount is higher of an asset's or cash generating unit's value in use and its fair value less cost of disposal. Value in use is estimated future cash flows expected to arise from the continuing use of an asset or cash generating unit and from its disposal at the end of its useful life discounted to their present value using a post-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

Asset/cash generating unit whose carrying value exceeds their recoverable amount are written down to the recoverable amount by recognising the impairment loss as an expense in the standalone statement of profit and loss. The impairment loss is allocated first to reduce the carrying amount of goodwill (if any) allocated to the cash generating unit and then to the other assets of the unit, pro rata based on the carrying amount of each asset in the unit.

Assessment is also done at each Balance Sheet date as to whether there is any indication that an impairment loss recognised for an asset in prior accounting periods may no longer exist or may have decreased. Basis the assessment, a reversal of an impairment loss for an asset other than goodwill is recognised in the standalone Statement of Profit and Loss.

No impairment was identified in FY 2024-25 and FY 2023-24.

(All amounts in ₹ crores, unless otherwise stated)

## Significant Cash Generating Units (CGUs)

The Company has identified its reportable segments, i.e. Home Care, Beauty & Wellbeing, Personal Care, Foods, and Others as the CGUs. The goodwill and indefinite-life intangible assets acquired through business combinations have been allocated to CGU 'Beauty & Wellbeing', 'Personal Care' and 'Foods'. The carrying amount of goodwill and indefinite-life intangible assets is as under:

| | As at 31st March, 2025 | | | As at 31st March, 2024 | |
|---|---|---|---|---|---|
| | Beauty & Wellbeing | Personal Care | Foods | Beauty & Personal Care | Foods |
| Goodwill | 0 | 15 | 17,301 | 15 | 17,301 |
| Indefinite life intangible assets | 311 | 261 | 27,210 | 572 | 27,210 |
| **Total** | **311** | **276** | **44,511** | **587** | **44,511** |

The recoverable amount of each cash generating unit is the higher of the cash-generating unit's fair value less cost of disposal ('Fair Value') and its value-in-use.

The Fair Value is determined based on the Comparable Companies' Multiple method, using the earnings multiples derived from observable market data. The fair value measurement is categorised as a level 2 fair value based on the inputs in the valuation techniques used.

The projections cover a period of five years, as the Company believes this to be the most appropriate timescale over which to review and consider annual performances before applying a terminal value* multiple to the final year cash flows. The growth rates and segmental margins used to estimate cash flows for the first five years are based on past performance, and on the Company's five-year strategic plan.

Following key assumptions were considered while performing Impairment testing:

| | As at 31st March, 2025 | | | As at 31st March, 2024 | |
|---|---|---|---|---|---|
| | Beauty & Wellbeing | Personal Care | Foods | Beauty & Personal Care | Foods |
| Average Annual Growth rate for 5 years | 10.0% | 7.0% | 8.0% | 8.0% | 9.5% |
| Terminal Growth rate* | 5.0% | 5.0% | 5.0% | 5.0% | 5.0% |
| Weighted Average Cost of Capital (WACC) post tax (Discount rate) | 11.3% | 11.3% | 11.3% | 10.7% | 10.7% |
| Segmental margins | 31.9% | 17.4% | 18.5% | 26.2% | 18.6% |

* Terminal growth rate linearly declining for ten years from year 6 and at 5% thereafter

Weighted Average Cost of Capital % (WACC) for the Company = Risk free return + (Market risk premium x Beta).

The Company has performed sensitivity analysis and has concluded that there are no reasonably possible changes to key assumptions that would cause the carrying amount of a CGU to exceed its recoverable amount.

(All amounts in ₹ crores, unless otherwise stated)

## NOTE 5 INVESTMENT IN SUBSIDIARIES AND JOINT VENTURE

Investments in Subsidiaries and Joint Venture are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries and joint venture, the difference between net disposal proceeds and the carrying amounts are recognised in the standalone statement of profit and loss.

| | | As at 31st March, 2025 | | As at 31st March, 2024 |
|---|---|---|---|---|
| **Investment in Equity Instruments - Subsidiaries** | | | | |
| **Quoted** | | | | |
| 7,36,560 equity shares [31st March, 2024: 7,36,560 ] of Nepalese ₹100 each held in Unilever Nepal Limited | | 5 | | 5 |
| **Unquoted** | | | | |
| 29,75,001 equity shares [31st March, 2024: 29,75,001 ] of ₹10 each held in Unilever India Exports Limited (Refer note (i)) | | 73 | | 73 |
| 3,59,07,547 equity shares [31st March, 2024: 3,59,07,547] of ₹10 each held in Lakme Lever Private Limited | | 172 | | 172 |
| 3,60,00,00,000 equity shares [31st March, 2024: 3,60,00,00,000] of ₹1 each held in Unilever India Limited | | 360 | | 360 |
| Investment in Zywie Ventures Private Limited: | | | | |
| i) 1,33,300 equity shares [31st March, 2024: 1,33,300] of ₹10 each (Refer note (ii) below) | 264 | | 264 | |
| ii) Deemed cost pertaining to financial liability on acquisition | 37 | 301 | 37 | 301 |
| 5,00,00,000 equity shares [31st March, 2024: Nil] of ₹1 each held in Kwality Wall's (India) Limited | | 5 | | - |
| 2,21,700 equity shares [31st March, 2024: 2,21,700 ] of ₹10 each held in Daverashola Estates Private Limited [net of impairment in value of ₹4 crores (31st March, 2024: ₹4 crores)] | | - | | - |
| 50,000 equity shares [31st March, 2024: 50,000] of ₹10 each held in Levindra Trust Limited | | 0 | | 0 |
| 50,000 equity shares [31st March, 2024: 50,000] of ₹10 each held in Hindlever Trust Limited | | 0 | | 0 |
| 50,000 equity shares [31st March, 2024: 50,000] of ₹10 each held in Levers Associated Trust Limited | | 0 | | 0 |
| 7,600 equity shares [31st March, 2024: 7,600] of ₹10 each held in Hindustan Unilever Foundation | | 0 | | 0 |
| **Total** | | **916** | | **911** |
| **Investment in Joint Venture** | | | | |
| Investment in Nutritionalab Private Limited: | | | | |
| i) 7,256 equity shares [31st March, 2024: 7,256] of ₹10 each | 12 | | 12 | |
| ii) 36,480 compulsorily convertible preference shares [31st March, 2024: 36,480] of ₹100 each | 58 | 70 | 58 | 70 |
| **Total** | | **70** | | **70** |
| **Grand Total** | | **986** | | **981** |
| Aggregate amount of quoted investments | | 5 | | 5 |
| Aggregate Market value of quoted investments | | 2,134 | | 1,846 |
| Aggregate amount of unquoted investments | | 981 | | 976 |
| Aggregate amount of impairment in value of investments | | 4 | | 4 |

**Notes:**

(i) Pursuant to a scheme of arrangement, below entities were merged with Unilever India Exports Limited ('UIEL'), a wholly owned subsidiary of HUL w.e.f. 13th February, 2024:

i. Pond's Export Limited ('PEL'), a subsidiary of HUL, where HUL held 90% and UIEL held 10% of share capital;

ii. Jamnagar Properties Private Limited, a wholly owned subsidiary of HUL.

PEL and JPPL had no business activity.

As part of consideration for the merger, two equity shares of UIEL of ₹10 each were allotted to the Company as fully paid-up.

(All amounts in ₹ crores, unless otherwise stated)

(ii) Compulsorily convertible preference shares in Zywie Ventures Private Limited were converted to equity shares in the ratio 1:1 on 23rd February, 2024.

(iii) Bhavishya Alliance Child Nutrition Initiatives, a Section 8 company and a wholly-owned subsidiary of HUL was voluntarily liquidated w.e.f. 27th December, 2023 vide order passed by the National Company Law Tribunal.

## Investment in Associate

The Company holds 24% of equity holdings in Comfund Consulting Limited, 26% equity & preference capital holding in Aquagel Chemicals (Bhavnagar) Private Limited and 22% equity holdings in Transition Sustainable Energy Services One Private Limited. The Company does not exercise significant influence or control on decisions of the investees. Hence, they are not being construed as associate companies. These investments are included in 'Note 6 - Investments'.

## Information about Subsidiaries and Joint Venture

| Name of the company | Country of incorporation | Principal activities | Proportion (%) of equity interest | |
|---|---|---|---|---|
| | | | As at 31st March, 2025 | As at 31st March, 2024 |
| **Subsidiaries** | | | | |
| Unilever India Exports Limited | India | FMCG export business | 100 | 100 |
| Lakme Lever Private Limited | India | (i) Beauty salons<br>(ii) Job work business | 100 | 100 |
| Unilever India Limited | India | FMCG business | 100 | 100 |
| Zywie Ventures Private Limited | India | Health and Wellbeing business | 53.34# | 53.34# |
| Unilever Nepal Limited | Nepal | FMCG business | 80 | 80 |
| Kwality Wall's (India) Limited (incorporated on 10th January, 2025) | India | FMCG business | 100 | - |
| Daverashola Estates Private Limited | India | Real estate company | 100 | 100 |
| Levindra Trust Limited | India | Discharge trust business as a trustee | 100 | 100 |
| Hindlever Trust Limited | India | Discharge trust business as a trustee | 100 | 100 |
| Levers Associated Trust Limited | India | Discharge trust business as a trustee | 100 | 100 |
| Hindustan Unilever Foundation | India | Not-for-profit company in the field of community development initiatives | 76* | 76* |

# On a fully diluted basis 51%.

*Hindustan Unilever Limited (the Company) indirectly holds remaining percentage of the Equity Share Capital through one of its 100% subsidiary (Unilever India Exports Limited).

The Company has complied with the requirements of the number of layers prescribed under clause (87) of section 2 of the Companies Act, 2013 read with Companies (Restriction on number of Layers) Rules, 2017.

| Name of the company | Country of incorporation | Principal activities | Proportion (%) of equity interest | |
|---|---|---|---|---|
| | | | As at 31st March, 2025 | As at 31st March, 2024 |
| **Joint Venture** | | | | |
| Nutritionalab Private Limited | India | FMCG business | 21.51# | 21.51# |

The Company has acquired substantive rights to jointly decide on relevant activities of the business and hence the arrangement has been treated as a 'Joint Venture'.

# On a fully diluted basis 19.8%

(All amounts in ₹ crores, unless otherwise stated)

## NOTE 6 INVESTMENTS

Refer note 37 for accounting policy on financial instruments

| | As at 31st March, 2025 | As at 31st March, 2024 |
|---|---|---|
| **NON-CURRENT INVESTMENTS** | | |
| **A. Equity instruments** | | |
| **Fair value through profit and loss** | | |
| Quoted | 0 | 0 |
| Unquoted | 1 | 1 |
| **Fair value through other comprehensive income** | | |
| Unquoted | | |
| 22,330 equity shares [31st March, 2024: 22,330 equity shares] of ₹10 each held in Transition Sustainable Energy Services One Private Limited* | 0 | 0 |
| **Total (A)** | **1** | **1** |
| **B. Other instruments** | | |
| **Amortised cost** | | |
| **Unquoted** | | |
| Investment in debentures and bonds | 0 | 0 |
| Investment in National Savings Certificates | 0 | 0 |
| **Fair value through profit and loss** | | |
| **Unquoted** | | |
| Investment in preference shares | 1 | 1 |
| **Total (B)** | **1** | **1** |
| **Total Non-Current Investments (A+B)** | **2** | **2** |
| Refer Note 43 for details on non-current investments. | | |
| **CURRENT INVESTMENTS** | | |
| **C. Other instruments** | | |
| **Fair value through other comprehensive income** | | |
| **Quoted** | | |
| Investments in treasury bills | - | 1,253 |
| **Fair value through profit and loss** | | |
| **Quoted** | | |
| Investments in mutual funds | 2,849 | 3,257 |
| **Amortised Cost** | | |
| **Quoted** | | |
| Investment in Certificate of Deposits | 765 | - |
| **Total Current Investments (C)** | **3,614** | **4,510** |
| **Total (A+B+C)** | **3,616** | **4,512** |
| Aggregate amount of quoted investments | 3,614 | 4,510 |
| Aggregate Market value of quoted investments | 3,614 | 4,510 |
| Aggregate amount of unquoted investments | 2 | 2 |
| Aggregate amount of impairment in value of investments | 0 | 0 |

Refer Note 37 for information about fair value measurement and Note 38 for credit risk and market risk of investments.

*During FY 2023-24, the Company invested in equity shares of Transition Sustainable Energy Services One Private Limited. It is a Special Purpose Vehicle formed under the Government's Group Captive Open Access Renewable Energy Scheme. It aims to generate renewable energy by setting up a solar energy park in Rajasthan. This investment is a strategic partnership with the Brookfield Group and will contribute towards achieving Net zero goals by increasing green energy consumption in our units. As per the Shareholders' Agreement, the Company does not have power to participate in the financial and operating policy decisions of the Company and hence does not exercise significant influence.

The Company has irrevocably elected to measure fair value changes in the aforesaid equity instruments through other comprehensive income (FVTOCI).

(All amounts in ₹ crores, unless otherwise stated)

# NOTE 7 LOANS

Refer note 37 for accounting policy on financial instruments.

| | As at 31st March, 2025 | As at 31st March, 2024 |
|---|---|---|
| **Non-Current** | | |
| Loans to related parties (Refer Note 44) | 251 | 297 |
| Others (including employee loans) | 81 | 95 |
| **Total (A)** | **332** | **392** |
| **Current** | | |
| Others (including employee loans) | 45 | 37 |
| **Total (B)** | **45** | **37** |
| **Total (A+B)** | **377** | **429** |
| **Sub-classification of Loans:** | | |
| Loans Receivables considered good- Secured | - | - |
| Loans Receivables considered good- Unsecured | 377 | 429 |
| Loans Receivables which have significant increase in Credit Risk | - | - |
| Loans Receivables - credit impaired | - | - |

Refer Note 38 for information about credit risk and market risk for loans.

i) In line with Circular No 04/2015 issued by Ministry of Corporate Affairs dated 10/03/2015, loans given to employees as per the Company's policy are not considered for the purposes of disclosure under Section 186(4) of the Companies Act, 2013.

ii) There are no loans or advances in the nature of loans granted to promoters, Directors, KMPs and their related parties (as defined under Companies Act, 2013), either severally or jointly with any other person, that are:

   (a) repayable on demand; or

   (b) without specifying any terms or period of repayment

# NOTE 8 OTHER FINANCIAL ASSETS

## Indemnification Asset

### Initial recognition

Indemnification asset is recognised at fair value at the time when the counter-party contractually agrees to indemnify, in whole or in part, for a particular uncertainty. It is initially measured on the same basis as defined in the agreement, subject to collectability.

### Subsequent measurement

As at each reporting period, the Company re-assesses the indemnification asset that was recognised initially on the same basis as defined in the contract subject to collectability of such asset. The Company derecognises the indemnification asset only when it collects the asset, sells it or otherwise loses the right to it.

Refer note 37 for accounting policy on financial instruments.

(All amounts in ₹ crores, unless otherwise stated)

| | As at 31st March, 2025 | As at 31st March, 2024 |
|---|---|---|
| **Non-Current** | | |
| **Considered good** | | |
| Security deposits | 131 | 101 |
| Investments in term deposits (with remaining maturity of more than twelve months) | 1 | 1 |
| Indemnification Asset | 608 | 608 |
| Other assets (includes other receivables etc.) | 4 | 4 |
| **Total (A)** | **744** | **714** |
| **Current** | | |
| **Considered good** | | |
| Security deposits | 44 | 68 |
| Receivables from group companies | 253 | 170 |
| Fair Value of Derivatives | 48 | 23 |
| Consignment Receivables | 57 | 73 |
| Government grants receivable | 171 | 119 |
| Other assets (include other receivables, etc.) | 896 | 963 |
| **Total (B)** | **1,469** | **1,416** |
| **Total (A+B)** | **2,213** | **2,130** |

Refer Note 44 for information about receivables from related party.

Refer Note 38 for information about credit risk and market risk for other financial assets.

## NOTE 9 INCOME TAXES

Income tax expense for the year comprises of current tax and deferred tax. It is recognised in the standalone statement of profit and loss except to the extent it relates to a business combination or to an item which is recognised directly in equity or in other comprehensive income.

Current tax is the expected tax payable on the taxable income for the year using applicable tax rates for the relevant period, and any adjustment to taxes in respect of previous years. Interest expenses and penalties, if any, related to income tax are included in finance cost and other expenses respectively. Interest Income, if any, related to income tax is included in other income.

Deferred tax is recognised in respect of temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes.

A deferred tax liability is recognised based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted, or substantively enacted, by the end of the reporting period. Deferred tax assets are recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities; and the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority.

### Uncertain tax position:

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate. The provision is estimated based on one of two methods, the expected value method (the sum of the probability weighted amounts in a range of possible outcomes) or the single most likely amount method, depending on which is expected to better predict the resolution of the uncertainty.

(All amounts in ₹ crores, unless otherwise stated)

## A. Components of Income Tax Expense

### I. Tax expense recognised in Profit and Loss

| | Year ended 31st March, 2025 | Year ended 31st March, 2024 |
|---|---|---|
| **Current tax** | | |
| Current year | 3,584 | 3,501 |
| Adjustments/(credits) related to previous years - (net) | (59) | (55) |
| **Total (A)** | **3,525** | **3,446** |
| **Deferred tax charge** | | |
| Origination and reversal of temporary differences | 121 | 135 |
| Adjustments/(credits) related to previous years - (net) | 10 | (20) |
| **Total (B)** | **131** | **115** |
| **Total (A+B)** | **3,656** | **3,561** |

### II. Tax expense recognised in Other Comprehensive Income

| | Year ended 31st March, 2025 | Year ended 31st March, 2024 |
|---|---|---|
| **Deferred tax** | | |
| (Gain)/loss on remeasurement of net defined benefit plans | (5) | 9 |
| (Gain)/loss on debt instruments through other comprehensive income | (0) | 0 |
| (Gain)/loss on cash flow hedges through other comprehensive income | (0) | 3 |
| **Total** | **(5)** | **12** |

### III. Tax expense recognised in Equity

| | Year ended 31st March, 2025 | Year ended 31st March, 2024 |
|---|---|---|
| **Deferred tax** | | |
| Stamp Duty on issue of equity shares on account of business combination | 2 | 2 |
| **Total** | **2** | **2** |

## B. Reconciliation of Effective Tax Rate

The reconciliation between the statutory income tax rate applicable to the Company and the effective income tax rate of the Company is as follows:

| | Year ended 31st March, 2025 | | Year ended 31st March, 2024 | |
|---|---|---|---|---|
| | % | Amount | % | Amount |
| **Statutory income tax rate applicable for the year** | 25.2% | 3,599 | 25.2% | 3,441 |
| Differences due to: | | | | |
| Expenses not deductible for tax purposes | 1.5% | 216 | 1.7% | 248 |
| Income exempt from income tax | (0.3%) | (43) | (0.4%) | (53) |
| Others* | (0.8%) | (116) | (0.5%) | (75) |
| **Effective tax rate** | **25.6%** | **3,656** | **26.0%** | **3,561** |

*Others include prior period tax refunds, tax on exceptional items etc.

(All amounts in ₹ crores, unless otherwise stated)

## C. Movement in Deferred Tax Assets and Liabilities

| Movements during the year ended 31st March, 2025 | As at 1st April, 2024 | Credit/ (charge) in the Statement of Profit and Loss | Credit/(charge) in Other Comprehensive Income | Credit/(charge) in Equity | As at 31st March, 2025 |
|---|---|---|---|---|---|
| **Deferred tax assets/(liabilities)** | | | | | |
| Provision for post retirement benefits and other employee benefits | 95 | (39) | - | - | 56 |
| Provision for doubtful debts and advances | 16 | (0) | - | - | 16 |
| Expenses allowable for tax purposes when paid | 103 | 2 | 5 | - | 110 |
| Property, plant and equipment and Intangible assets | (7,000) | (60) | - | - | (7,060) |
| Fair value gain/(loss) | (30) | 21 | (0) | - | (9) |
| Impact of Right of Use Asset and Lease Liabilities | (7) | 2 | - | - | (5) |
| Other temporary differences | 369 | (57) | - | (3) | 309 |
| **Total** | **(6,454)** | **(131)** | **5** | **(3)** | **(6,583)** |

| Movements during the year ended 31st March, 2024 | As at 1st April, 2023 | Credit/ (charge) in the Statement of Profit and Loss | Credit/(charge) in Other Comprehensive Income | Credit/(charge) in Equity | As at 31st March, 2024 |
|---|---|---|---|---|---|
| **Deferred tax assets/(liabilities)** | | | | | |
| Provision for post retirement benefits and other employee benefits | 59 | 36 | (0) | - | 95 |
| Provision for doubtful debts and advances | 18 | (2) | - | - | 16 |
| Expenses allowable for tax purposes when paid | 132 | (20) | (9) | - | 103 |
| Property, plant and equipment and Intangible assets | (6,905) | (95) | - | - | (7,000) |
| Fair value gain/(loss) | (12) | (15) | (3) | - | (30) |
| Impact of Right-of-use Asset and Lease Liabilities | (11) | 4 | - | - | (7) |
| Other temporary differences | 394 | (23) | - | (2) | 369 |
| **Total** | **(6,325)** | **(115)** | **(12)** | **(2)** | **(6,454)** |

## D. Tax Assets and Liabilities

| | As at 31st March, 2025 | As at 31st March, 2024 |
|---|---|---|
| Non-current tax assets (net of tax provision) | 1,144 | 1,118 |
| Non-current tax liabilities (net of tax assets) | 3,592 | 4,231 |
| Current tax liabilities | 1,887 | - |

During FY 2024-25, the Company has received tax refunds including interest amounting to ₹1,100 crores for FY 2022-23 (FY 2023-24: ₹3,148 crores for FY 2020-21 and FY 2021-22) pursuant to automated processing of income tax returns. The assessments for the aforesaid years are underway and pending disposal by Income Tax Department.

## E. Uncertain Tax Position

During FY 2020-21, an Uncertain Tax Position ('UTP') was established in respect of the tax amortisation of intangible assets created pursuant to merger of HUL with GlaxoSmithKline Consumer Healthcare Limited (HUL -GSK CH merger). A provision was created in compliance with Ind AS 12 - Income Taxes, with respect to this.

## F. Disclosure in Relation to Undisclosed Income

During the year, the Company has not surrendered or disclosed any income in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961). Accordingly, there are no transaction which are not recorded in the books of accounts.

(All amounts in ₹ crores, unless otherwise stated)

## NOTE 10 OTHER NON-CURRENT ASSETS

| | As at 31st March, 2025 | As at 31st March, 2024 |
|---|---|---|
| Capital advances | 44 | 81 |
| Advances other than Capital advances | | |
| Deposit with Government Authorities (Income tax, Customs, GST, etc.) | 294 | 195 |
| Other advances (includes advances for materials) | 12 | 12 |
| Less: Allowance for bad and doubtful advances | (7) | (9) |
| **Total** | **343** | **279** |
| **The movement in allowance for bad and doubtful advances is as follows:** | | |
| **Balance as at beginning of the year** | 9 | 9 |
| Written back during the year | (2) | - |
| **Balance as at the end of the year** | **7** | **9** |

The Company has not given any advances to directors or other officers of the Company or any of them either severally or jointly with any other persons or advances to firms or private companies respectively in which any director is a partner or a director or a member.

## NOTE 11 INVENTORIES

Inventories are valued at the lower of cost and net realisable value. Cost is computed on a weighted average basis. The comparison of cost and net realisable value is made on an item-by-item basis.

Cost of raw materials and stores and spares includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. The aforesaid items are valued at net realisable value if the finished products in which they are to be incorporated are expected to be sold at a loss.

Cost of finished goods and work-in-progress include all costs of purchases, conversion costs, appropriate share of fixed production overheads and other costs incurred in bringing the inventories to their present location and condition. The net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and estimated costs necessary to make the sale.

| | As at 31st March, 2025 | As at 31st March, 2024 |
|---|---|---|
| Raw materials [includes in transit: ₹47 crores (31st March, 2024: ₹124 crores)] | 1,754 | 1,536 |
| Packing materials | 123 | 109 |
| Work-in-progress | 488 | 552 |
| Finished goods [includes in transit: ₹50 crores (31st March, 2024: ₹34 crores)] (Refer note (a) below) | 1,668 | 1,498 |
| Stores and spares | 128 | 117 |
| **Total** | **4,161** | **3,812** |

(a) Finished goods includes goods purchased for re-sale of ₹578 crores (FY 2023-24: ₹518 crores).

(b) During FY 2024-25, an amount of ₹189 crores (31st March, 2024: ₹155 crores) was charged to the statement of profit and loss on account of damaged and slow moving inventory, which is included as part of cost of materials consumed.

(All amounts in ₹ crores, unless otherwise stated)

## NOTE 12 TRADE RECEIVABLES

Trade receivables are initially recognised at transaction price as they do not contain a significant financing component. This implies that the effective interest rate for these receivables is zero. Subsequently, the company applies lifetime expected credit loss model for measurement of trade receivables.

| | As at 31st March, 2025 | As at 31st March, 2024 |
|---|---|---|
| Trade Receivables considered good- Secured | - | - |
| Trade Receivables considered good- Unsecured | 3,461 | 2,702 |
| Less: Allowance for expected credit loss | (11) | (12) |
| Trade Receivables which have significant increase in credit risk | - | - |
| Trade Receivables - credit impaired | 43 | 43 |
| Less: Allowance for credit impairment | (43) | (43) |
| **Total** | **3,450** | **2,690** |
| **The movement in change in allowance for expected credit loss and credit impairment** | | |
| **Balance as at beginning of the year** | 55 | 63 |
| Change in allowance for expected credit loss and credit impairment during the year | (1) | (8) |
| **Balance as at the end of the year** | **54** | **55** |

Refer note 37 for accounting policy on financial instruments.

Refer note 38 for information about credit risk and market risk of trade receivables.

Refer note 44 for information about receivables from related party.

### Ageing for trade receivables from the due date of payment for each of the category as at 31st March, 2025 is as follows:

| | Not due* | Outstanding for following periods from due date of payment | | | | | Total |
|---|---|---|---|---|---|---|---|
| | | Less than 6 months | 6 months - 1 year | 1-2 years | 2-3 years | More than 3 years | |
| Undisputed trade receivables considered good | 2,933 | 236 | 71 | 180 | 15 | 26 | 3,461 |
| Undisputed trade receivables which have significant increase in credit risk | - | - | - | - | - | - | - |
| Undisputed trade receivables - credit impaired | - | 4 | 0 | 1 | 0 | 7 | 12 |
| Disputed trade receivables considered good | - | - | - | - | - | - | - |
| Disputed trade receivables which have significant increase in credit risk | - | - | - | - | - | - | - |
| Disputed trade receivables - credit impaired | - | - | - | 1 | 1 | 29 | 31 |
| **TOTAL (A)** | **2,933** | **240** | **71** | **182** | **16** | **62** | **3,504** |
| Allowance for expected credit loss (ECL) | | | | | | | 11 |
| Allowance for credit impairment | | | | | | | 43 |
| **TOTAL (B)** | | | | | | | **54** |
| **TOTAL [(A)-(B)]** | | | | | | | **3,450** |

*Includes unbilled receivables of ₹16 crores.

(All amounts in ₹ crores, unless otherwise stated)

### Ageing for trade receivables from the due date of payment for each of the category as at 31st March, 2024 is as follows:

| | Not due | Outstanding for following periods from due date of payment | | | | | Total |
|---|---|---|---|---|---|---|---|
| | | Less than 6 months | 6 months - 1 year | 1-2 years | 2-3 years | More than 3 years | |
| Undisputed trade receivables considered good | 2,267 | 288 | 70 | 37 | 17 | 23 | 2,702 |
| Undisputed trade receivables which have significant increase in credit risk | - | - | - | - | - | - | - |
| Undisputed trade receivables - credit impaired | 0 | 1 | 0 | 1 | 3 | 7 | 12 |
| Disputed trade receivables considered good | - | - | - | - | - | - | - |
| Disputed trade receivables which have significant increase in credit risk | - | - | - | - | - | - | - |
| Disputed trade receivables - credit impaired | - | - | 1 | 1 | 1 | 28 | 31 |
| **TOTAL (A)** | **2,267** | **289** | **71** | **39** | **21** | **58** | **2,745** |
| Allowance for expected credit loss (ECL) | | | | | | | 12 |
| Allowance for credit impairment | | | | | | | 43 |
| **TOTAL (B)** | | | | | | | **55** |
| **TOTAL [(A)-(B)]** | | | | | | | **2,690** |

There are no unbilled receivables as at 31st March, 2024.

There are no debts due by directors or other officers of the Company or any of them either severally or jointly with any other person or debts due by firms or private companies respectively in which any director is a partner or a director or a member.

## NOTE 13 CASH AND CASH EQUIVALENTS

Cash and cash equivalents are cash, balances with bank and short-term (typically three months or less from the date of placement), highly liquid investments that are readily convertible into known amount of cash and which are subject to an insignificant risk of change in value.

| | As at 31st March, 2025 | As at 31st March, 2024 |
|---|---|---|
| **Balances with banks** | | |
| In current accounts | 56 | 46 |
| Term deposits with original maturity of less than three months | 2,016 | 563 |
| **Other cash equivalents** | | |
| Investments in Commercial Papers | 2,114 | - |
| Investments in Certificate of Deposits | 1,761 | - |
| **Total** | **5,947** | **609** |

## NOTE 14 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

| | As at 31st March, 2025 | As at 31st March, 2024 |
|---|---|---|
| Earmarked balances with banks | | |
| Unpaid dividend | 250 | 226 |
| Investments in term deposits (with original maturity of more than three months but less than twelve months) | 1,096 | 6,381 |
| **Total** | **1,346** | **6,607** |

## NOTE 15 OTHER CURRENT ASSETS

| | As at 31st March, 2025 | As at 31st March, 2024 |
|---|---|---|
| Input taxes (GST, etc.) | 295 | 224 |
| Other advances (includes prepaid expenses etc.) | 549 | 379 |
| **Total** | **844** | **603** |

There are no advances to directors or other officers of the Company or any of them either severally or jointly with any other persons or advances to firms or private companies respectively in which any director is a partner or a director or a member.

(All amounts in ₹ crores, unless otherwise stated)

## NOTE 16 ASSETS HELD FOR SALE

Non-current assets or disposal groups comprising of assets and liabilities are classified as 'held for sale' when all the following criteria are met: (i) decision has been made to sell, (ii) the assets are available for immediate sale in its present condition, (iii) the assets are being actively marketed and (iv) sale has been agreed or is expected to be concluded within 12 months of the Balance Sheet date.

Subsequently, such non-current assets and disposal groups classified as 'held for sale' are measured at the lower of its carrying value and fair value less costs to sell. Non-current assets held for sale are not depreciated or amortised.

| | As at 31st March, 2025 | As at 31st March, 2024 |
|---|---|---|
| **Groups of assets held for sale** | | |
| Land | 11 | 2 |
| Buildings | 12 | 10 |
| | **23** | **12** |

## NOTE 17 EQUITY SHARE CAPITAL

| | As at 31st March, 2025 | As at 31st March, 2024 |
|---|---|---|
| **Authorised** | | |
| 2,85,00,00,000 (31st March, 2024: 2,85,00,00,000) equity shares of ₹1 each | 285 | 285 |
| **Issued, subscribed and fully paid up** | | |
| 2,34,95,91,262 (31st March, 2024: 2,34,95,91,262) equity shares of ₹1 each | 235 | 235 |
| | **235** | **235** |

### a) Reconciliation of the number of shares

There is no change in the number of equity shares during the year ended 31st March, 2025 and 31st March, 2024.

### b) Rights, preferences and restrictions attached to shares

The Company has one class of equity shares having a par value of ₹1 per share. Each shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend.

### c) Shares held by Holding Company and Subsidiaries of Holding Company in aggregate

| | As at 31st March, 2025 | As at 31st March, 2024 |
|---|---|---|
| **Equity Shares of ₹1 each** | | |
| 1,11,43,70,148 shares (31st March, 2024: 1,11,43,70,148) held by Unilever PLC, UK, the Holding Company | 111 | 111 |
| 34,00,42,710 shares (31st March, 2024: 34,00,42,710) held by subsidiaries of the Holding Company | 34 | 34 |

### d) Details of equity shares held by shareholders holding more than 5% of the aggregate shares in the Company

| | As at 31st March, 2025 | As at 31st March, 2024 |
|---|---|---|
| **Unilever PLC, UK, the Holding Company** | | |
| Number of shares | 1,11,43,70,148 | 1,11,43,70,148 |
| % of holding | 47.4% | 47.4% |

(All amounts in ₹ crores, unless otherwise stated)

## e) Details of shareholdings by the Promoters of the Company

| S. no | Promoter Name | As at 31st March, 2025 | | As at 31st March, 2024 | | % Change in the year |
|---|---|---|---|---|---|---|
| | | Number of shares | % of total shares | Number of shares | % of total shares | |
| 1 | UNILEVER PLC | 1,11,43,70,148 | 47.4% | 1,11,43,70,148 | 47.4% | - |
| 2 | UNILEVER GROUP LIMITED | 10,67,39,460 | 4.5% | 10,67,39,460 | 4.5% | - |
| 3 | UNILEVER OVERSEAS HOLDINGS AG | 6,87,84,320 | 2.9% | 6,87,84,320 | 2.9% | - |
| 4 | UNILEVER UK&CN HOLDINGS LIMITED | 6,00,86,250 | 2.6% | 6,00,86,250 | 2.6% | - |
| 5 | UNILEVER SOUTH INDIA ESTATES LIMITED | 5,27,47,200 | 2.2% | 5,27,47,200 | 2.2% | - |
| 6 | UNILEVER ASSAM ESTATES LIMITED | 3,28,20,480 | 1.4% | 3,28,20,480 | 1.4% | - |
| 7 | UNILEVER OVERSEAS HOLDINGS B V | 1,88,65,000 | 0.8% | 1,88,65,000 | 0.8% | - |
| | **Total Promoters shares outstanding** | **1,45,44,12,858** | **61.9%** | **1,45,44,12,858** | **61.9%** | **-** |
| | **Total HUL shares outstanding** | **2,34,95,91,262** | | **2,34,95,91,262** | | |

| S. no | Promoter Name | As at 31st March, 2024 | | As at 31st March, 2023 | | % Change in the year |
|---|---|---|---|---|---|---|
| | | Number of shares | % of total shares | Number of shares | % of total shares | |
| 1 | UNILEVER PLC | 1,11,43,70,148 | 47.4% | 1,11,43,70,148 | 47.4% | - |
| 2 | UNILEVER GROUP LIMITED | 10,67,39,460 | 4.5% | 10,67,39,460 | 4.5% | - |
| 3 | UNILEVER OVERSEAS HOLDINGS AG | 6,87,84,320 | 2.9% | 6,87,84,320 | 2.9% | - |
| 4 | UNILEVER UK&CN HOLDINGS LIMITED | 6,00,86,250 | 2.6% | 6,00,86,250 | 2.6% | - |
| 5 | UNILEVER SOUTH INDIA ESTATES LIMITED | 5,27,47,200 | 2.2% | 5,27,47,200 | 2.2% | - |
| 6 | UNILEVER ASSAM ESTATES LIMITED | 3,28,20,480 | 1.4% | 3,28,20,480 | 1.4% | - |
| 7 | UNILEVER OVERSEAS HOLDINGS B V | 1,88,65,000 | 0.8% | 1,88,65,000 | 0.8% | - |
| | **Total Promoters shares outstanding** | **1,45,44,12,858** | **61.9%** | **1,45,44,12,858** | **61.9%** | **-** |
| | **Total HUL shares outstanding** | **2,34,95,91,262** | | **2,34,95,91,262** | | |

## f) Aggregate value of Issued, Subscribed and Paid-up Share Capital as on the Balance Sheet date for the period of preceding five years includes:

i. 18,46,23,812 (31st March, 2024: 18,46,23,812) Equity shares of ₹1 each allotted as fully paid-up pursuant to HUL-GSKCH merger without payment being received in cash (Refer Note 41).

ii. 2,63,045 (31st March, 2024: 2,63,045) Equity shares allotted under the Employee stock option plan/ performance share schemes as consideration for services rendered by employees for which only exercise price has been received in cash.

# NOTE 18 OTHER EQUITY

Refer Standalone Statement of Changes in Equity for detailed movement in Other Equity balance

## A. Summary of Other Equity balance

| | As at 31st March, 2025 | As at 31st March, 2024 |
|---|---|---|
| Capital Reserve | 4 | 4 |
| Capital Redemption Reserve | 6 | 6 |
| Securities Premium | 40,346 | 40,348 |
| Employee Stock Options Reserve | 11 | - |
| Retained Earnings | 8,542 | 10,368 |
| Other Reserves | 9 | 9 |
| Items of Other Comprehensive Income | | |
| - Fair value of Cash flow hedges through OCI | 0 | 3 |
| - Fair value of Debt instruments through OCI | - | 0 |
| **Total Other Equity** | **48,918** | **50,738** |

(All amounts in ₹ crores, unless otherwise stated)

## B. Nature and purpose of reserves

**(a) Capital Reserve:** During amalgamation, the excess of net assets acquired, over the cost of consideration paid is treated as capital reserve.

| | Year ended 31st March, 2025 | Year ended 31st March, 2024 |
|---|---|---|
| Balance at the beginning of the year | 4 | 4 |
| Add: Additions during the year | - | - |
| Less: Utilisation during the year | - | - |
| **Balance at the end of the year** | **4** | **4** |

**(b) Capital Redemption Reserve:** The Company has recognised Capital Redemption Reserve on buyback of equity shares from its retained earnings. The amount in Capital Redemption Reserve is equal to nominal amount of the equity shares bought back.

| | Year ended 31st March, 2025 | Year ended 31st March, 2024 |
|---|---|---|
| Balance at the beginning of the year | 6 | 6 |
| Add: Additions during the year | - | - |
| Less: Utilisation during the year | - | - |
| **Balance at the end of the year** | **6** | **6** |

**(c) Securities Premium:** The amount received in excess of face value of the equity shares is recognised in Securities Premium. In case of equity-settled share based payment transactions, the difference between fair value on grant date and nominal value of share is accounted as securities premium. In case of business combinations, the difference between fair value and nominal value of shares issued on the acquisition date is accounted as securities premium.

| | Year ended 31st March, 2025 | Year ended 31st March, 2024 |
|---|---|---|
| Balance at the beginning of the year | 40,348 | 40,350 |
| Add: Deferred Tax on Stamp duty | (2) | (2) |
| **Balance at the end of the year** | **40,346** | **40,348** |

**(d) Employee Stock Options Reserve:** The fair value of the equity-settled share based payment transactions is recognised in statement of profit and loss with corresponding credit to Employee Stock Options Outstanding Account.

| | Year ended 31st March, 2025 | Year ended 31st March, 2024 |
|---|---|---|
| Balance at the beginning of the year | - | - |
| Add: Share based payment expense | 11 | - |
| **Balance at the end of the year** | **11** | **-** |

**(e) Retained Earnings:** Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.

**Remeasurements of Net Defined Benefit Plans:** Differences between the interest income on plan assets and the return actually achieved, and any changes in the liabilities over the year due to changes in actuarial assumptions or experience adjustments within the plans, are recognised in other comprehensive income and are adjusted to retained earnings.

| | Year ended 31st March, 2025 | Year ended 31st March, 2024 |
|---|---|---|
| Balance at the beginning of the year | 10,368 | 9,625 |
| Add: Profit for the year | 10,644 | 10,114 |
| Add: Other comprehensive income for the year (Remeasurement of Net Defined Benefit Plans)* | (17) | 27 |
| Less: Dividend on equity shares during the year | (12,453) | (9,398) |
| **Balance at the end of the year** | **8,542** | **10,368** |

(All amounts in ₹ crores, unless otherwise stated)

| *Movement in Remeasurement of Net Defined Benefit Plans | Year ended 31st March, 2025 | Year ended 31st March, 2024 |
|---|---|---|
| Balance at the beginning of the year | - | - |
| Add: Gain/ (loss) on remeasurment of net defined benefit plans, net of tax | (17) | 27 |
| Less: Transfer to retained earnings | 17 | (27) |
| **Balance at the end of the year** | **-** | **-** |

(f) **Other Reserves:** This includes reserves made on amalgamation of Brooke Bond Lipton India Limited and capital subsidy. This reserve is not available for capitalisation/ declaration of dividend/ share buy-back.

| | Year ended 31st March, 2025 | Year ended 31st March, 2024 |
|---|---|---|
| Balance at the beginning of the year | 9 | 9 |
| Add: Additions during the year | - | - |
| Less: Utilisation during the year | - | - |
| **Balance at the end of the year** | **9** | **9** |

(g) **Items of Other Comprehensive Income**

i) **Fair value of cash flow hedges through Other Comprehensive Income:** The effective portion of the fair value change of the cash flow hedges measured at fair value through other comprehensive income is recognised in cash flow hedges through Other Comprehensive Income. Upon derecognition, if the hedged cash flow relates to a non-financial asset, the amount accumulated in equity is subsequently included within the carrying value of that asset. For other cash flow hedges, amounts accumulated in other comprehensive income are taken to the standalone statement of profit and loss at the same time as the related cash flow.

ii) **Debt Instruments through Other Comprehensive Income:** The fair value change of the debt instruments measured at fair value through other comprehensive income is recognised in debt instruments through Other Comprehensive Income. Upon derecognition, the cumulative fair value changes on the said instruments are reclassified to the standalone statement of profit and loss.

## C. Other Comprehensive Income accumulated in Other Equity, net of tax

The disaggregation of changes in other comprehensive income by each type of reserve in equity is shown below:

| | Cash flow hedges through Other Comprehensive Income | Debt instruments through Other Comprehensive Income | Total |
|---|---|---|---|
| **As at 1st April, 2023** | **(6)** | **(2)** | **(8)** |
| Fair value of debt instruments through other comprehensive income | - | 2 | 2 |
| Fair Value of cash flow hedges through other comprehensive income | (1) | - | (1) |
| Hedging loss/(gain) transferred to non-financial asset (net) | 13 | - | 13 |
| Tax on above | (3) | (0) | (3) |
| **As at 1st April, 2024** | **3** | **(0)** | **3** |
| Fair value of debt instruments through other comprehensive income | - | (0) | (0) |
| Fair Value of cash flow hedges through other comprehensive income | (2) | - | (2) |
| Hedging loss/(gain) transferred to non-financial asset (net) | (1) | - | (1) |
| Tax on above | 0 | 0 | 0 |
| **As at 31st March, 2025** | **(0)** | **-** | **0** |

## D. Capital Management

Equity share capital and other equity are considered for the purpose of Company's capital management.

The Company manages its capital so as to safeguard its ability to continue as a going concern and to optimise returns to shareholders. The capital structure of the Company is based on management's judgement of its strategic and day-to-day needs with a focus on total equity so as to maintain investor, creditors and market confidence.

The management and the Board of Directors monitors the return on capital as well as the level of dividends to shareholders. The Company may take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

Refer note 45 for information on ratios.

(All amounts in ₹ crores, unless otherwise stated)

## NOTE 19 LEASE LIABILITIES

Lease liability is initially measured at the present value of future lease payments. Lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rate. Lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability and reducing the carrying amount to reflect the lease payments made.

A lease liability is remeasured upon the occurrence of certain events such as a change in the lease term or a change in an index or rate used to determine lease payments. The remeasurement normally also adjusts the leased assets.

| | As at 31st March, 2025 | As at 31st March, 2024 |
|---|---|---|
| **NON - CURRENT** | | |
| Lease liabilities payable beyond 12 months | 1,157 | 1,034 |
| **CURRENT** | | |
| Lease liabilities payable within 12 months | 380 | 340 |
| **Total** | **1,537** | **1,374** |
| **The movement in Lease liabilities (Non-current and Current) is as follows:** | | |
| **Balance as at beginning of the year** | **1,374** | **1,039** |
| Add: Addition | 679 | 816 |
| Add: Accretion of interest | 118 | 98 |
| Less: Payments | (578) | (492) |
| Less: Others (including foreclosure) | (56) | (87) |
| **Closing balance as at 31st March** | **1,537** | **1,374** |

The incremental borrowing rate applied to lease liabilites is in the range of 7.24% per annum to 7.74% per annum (2024: 7.63% per annum to 7.85% per annum) based on the lease term.

### Maturity analysis of lease liabilities

| | As at 31st March, 2025 | As at 31st March, 2024 |
|---|---|---|
| Less than one year | 478 | 427 |
| One to two years | 323 | 296 |
| Two to five years | 775 | 776 |
| More than five years | 322 | 209 |
| **Undiscounted lease liability (A)** | **1,898** | **1,708** |
| Less: Financing component (B) | (361) | (334) |
| **Closing balance of lease liability (A+B)** | **1,537** | **1,374** |

## NOTE 20 OTHER FINANCIAL LIABILITIES

Refer note 37 for accounting policy on financial instruments

| | As at 31st March, 2025 | As at 31st March, 2024 |
|---|---|---|
| **NON-CURRENT** | | |
| Security deposits | 97 | 25 |
| Employee and ex-employee related liabilities | 352 | 381 |
| Financial liability on acquisition | - | 2 |
| Receipt against indemnification right | 193 | - |
| Other payables and advances | 5 | 22 |
| **Total (A)** | **647** | **430** |
| **CURRENT** | | |
| Unpaid dividends [Refer (a) below] | 250 | 226 |
| Salaries, wages, bonus and other employee payable | 373 | 391 |
| Fair Value of Derivatives | 38 | 2 |
| Consignment Payables | 63 | 77 |
| Financial liability on acquisition | 8 | - |
| Other payables (including trade deposits, retention money for purchase of property, plant & equipment, etc.) [Refer (b) below] | 93 | 101 |
| **Total (B)** | **825** | **797** |
| **Total [(A)+(B)]** | **1,472** | **1,227** |

(All amounts in ₹ crores, unless otherwise stated)

Refer note 38 for information about liquidity risk of other financial liability.

a) There are no amounts due for payment to the Investor Education and Protection Fund under Section 125 of the Companies Act, 2013 as 31st March, 2025 (31st March, 2024: Nil).

b) There is no Corporate Social Responsibility (CSR) expense related to ongoing projects as at 31st March, 2025 (31st March, 2024: ₹18 crores). The same was transferred to a special account designated as "Unspent Corporate Social Responsibility Account for the Financial Year 23-24 ('UCSRA – FY 2023-24') of the Company within 30 days from end of financial year. Refer note 33(a) for more information about Corporate Social Responsibility expense.

## NOTE 21 PROVISIONS

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date.

If the effect of the time value of money is material, provisions are discounted to reflect its present value using a current pre-tax rate that reflects the current market assessment of the time value of money and the risks specific to the obligation. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

| | As at 31st March, 2025 | As at 31st March, 2024 |
|---|---|---|
| **NON-CURRENT** | | |
| Provision for employee benefits (gratuity, pension, post retirement medical benefits, etc.) [Refer Note 39] | 416 | 371 |
| Other provisions (including for statutory levies) - net [Refer (a) below] | 1,093 | 1,180 |
| **Total (A)** | **1,509** | **1,551** |
| **CURRENT** | | |
| Provision for employee benefits (compensated absences) [Refer Note 39] | 53 | 46 |
| Other provisions (including restructuring) [Refer (a) below] | 608 | 283 |
| **Total (B)** | **661** | **329** |
| **Total (A+B)** | **2,170** | **1,880** |

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that the outflow of resources would be required to settle the obligation, the provision is reversed.

The provisions for indirect taxes and legal matters comprises of numerous separate cases that arise in the ordinary course of business. These provisions have not been discounted as it is not practicable for the Company to estimate the timing of the provision utilisation and cash outflows, if any, pending resolution.

Other matters include refund liabilities, restructuring provisions, etc.

The Company does not expect any reimbursements in respect of the above provisions.

### a) Movement in Other provisions (Non-current and Current)

| | Indirect Tax related | Legal and Other Matters | Total |
|---|---|---|---|
| **Opening balance as at 1st April, 2023** | **548** | **777** | **1,325** |
| Add: Provision/reclassified during the year | 90 | 451 | 541 |
| Less: Amount utilised/reversed/reclassified during the year | (263) | (140) | (403) |
| **Balance as at 31st March, 2024** | **375** | **1,088** | **1,463** |
| Add: Provision/reclassified during the year | 310 | 382 | 692 |
| Less: Amount utilised/reversed/reclassified during the year | (52) | (402) | (454) |
| **Balance as at 31st March, 2025** | **633** | **1,068** | **1,701** |

(All amounts in ₹ crores, unless otherwise stated)

## NOTE 22 TRADE PAYABLES

Refer note 37 for accounting policy on financial instruments.

| | As at 31st March, 2025 | As at 31st March, 2024 |
|---|---|---|
| Total outstanding dues of micro enterprises and small enterprises [Refer (a) below] | 231 | 222 |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | | |
| Acceptances | 154 | 126 |
| Trade payables | 10,613 | 9,800 |
| **Total** | **10,998** | **10,148** |

Refer note 38 for information about liquidity risk and market risk related to trade payables.

### a) Disclosure as required by Micro, Small and Medium Enterprises Development Act, 2006

| | As at 31st March, 2025 | As at 31st March, 2024 |
|---|---|---|
| A (i). Principal amount remaining unpaid | 231 | 222 |
| A (ii). Interest amount remaining unpaid | - | - |
| B. Interest paid by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day | 0 | 0 |
| C. Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding interest specified under the Micro, Small and Medium Enterprises Act, 2006 | - | - |
| D. Interest accrued and remaining unpaid | 0 | 0 |
| E. Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises | - | - |

Note: Identification of micro and small enterprises is basis intimation received from vendors

### Ageing for trade payables from the due date of payment for each of the category as at 31st March, 2025 is as follows:

| | Not due* | Outstanding for following periods from due date of payment | | | | Total |
|---|---|---|---|---|---|---|
| | | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| Undisputed dues - Micro and small enterprises | 230 | 1 | - | - | - | 231 |
| Undisputed dues - Others | 10,733 | 34 | 0 | - | - | 10,767 |
| Disputed dues - Micro and small enterprises | - | - | - | - | - | - |
| Disputed dues - Others | - | - | - | - | - | - |
| **Total** | **10,963** | **35** | **0** | **-** | **-** | **10,998** |

*includes unbilled payables of ₹6,754 crores of which identified towards Micro and small enterprises is ₹96 crores

### Ageing for trade payables from the due date of payment for each of the category as at 31st March, 2024 is as follows:

| | Not due* | Outstanding for following periods from due date of payment | | | | Total |
|---|---|---|---|---|---|---|
| | | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| Undisputed dues - Micro and small enterprises | 220 | 2 | - | - | - | 222 |
| Undisputed dues - Others | 9,842 | 75 | 9 | - | - | 9,926 |
| Disputed dues - Micro and small enterprises | - | - | - | - | - | - |
| Disputed dues - Others | - | - | - | - | - | - |
| **Total** | **10,062** | **77** | **9** | **-** | **-** | **10,148** |

*includes unbilled payables of ₹6,017 crores of which identified towards Micro and small enterprises is ₹65 crores

(All amounts in ₹ crores, unless otherwise stated)

## NOTE 23 OTHER CURRENT LIABILITIES

| | As at 31st March, 2025 | As at 31st March, 2024 |
|---|---|---|
| Statutory dues (including provident fund, tax deducted at source and others) | 823 | 700 |
| Others (including advance from customers etc.) | 98 | 89 |
| **Total** | **921** | **789** |

## NOTE 24 CONTINGENT LIABILITIES AND COMMITMENTS

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

Contingent assets are not recognised in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.

### A. CONTINGENT LIABILITIES

| | As at 31st March, 2025 | As at 31st March, 2024 |
|---|---|---|
| Income tax matters | 1,804 | 1,601 |
| Indirect Tax matters | 489 | 668 |
| Legal and Other Matters | 153 | 153 |

(i) It is not practicable for the Company to estimate the timings of cash outflows, if any, in respect of the above pending resolution of the respective proceedings as it is determinable only on receipt of judgements/ decisions pending with various forums/ authorities.

(ii) The Company does not expect any reimbursements in respect of the above contingent liabilities.

(iii) The Company's pending litigations comprise of claims against the Company by employees and pertaining to proceedings pending with various direct tax, indirect tax and other authorities. The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required or disclosed as contingent liabilities where applicable, in its standalone financial statements. The Company does not expect the outcome of these proceedings to have a materially adverse effect on its standalone financial statements.

### B. COMMITMENTS

#### i) Lease commitments

Lease commitments are the future cash out flows from the lease contracts which are not recorded in the measurement of lease liabilities. These include potential future payments related to leases of low value assets.

| | As at 31st March, 2025 | As at 31st March, 2024 |
|---|---|---|
| Not later than one year | 47 | 55 |
| Later than one year and not later than five years | 47 | 47 |
| Later than five years | - | - |

#### ii) Capital commitments

| | As at 31st March, 2025 | As at 31st March, 2024 |
|---|---|---|
| Estimated value of contracts in capital account remaining to be executed and not provided for (net of capital advances) | 310 | 312 |

(All amounts in ₹ crores, unless otherwise stated)

## NOTE 25 REVENUE FROM OPERATIONS

### Sale of products:

As per Ind AS 115 'Revenue from contracts with customers', Revenue from sale of goods is recognised when control of the products being sold is transferred to the customer and when there are no longer any unfulfilled obligations. The Performance Obligations in our contracts are fulfilled at the time of dispatch, delivery or upon formal customer acceptance depending on terms with customers.

Revenue is measured on the basis of transaction price, which is the consideration, adjusted for volume discounts, rebates, schemes allowances, price concessions, incentives, amounts collected on behalf of government and returns, if any, as specified in the contracts with the customers. Accumulated experience is used to estimate the provision for such discounts and rebates. Revenue is only recognised to the extent that it is highly probable a significant reversal will not occur.

Sales return - Our customers have the contractual right to return goods only when authorised by the Company. An estimate is made of goods that will be returned and a liability is recognised for this amount using a best estimate based on accumulated experience. The Company deals in various products and operates in various distribution channels. Accordingly, the estimate of sales returns is determined primarily by the Company's historical experience in the markets in which the Company operates by considering actual sales returns, estimated shelf life and other factors.

The entire revenue from sale of products is recognised at a point in time.

### Income from services rendered:

Income from services rendered is recognised based on agreements/arrangements as the service is performed and there are no unfulfilled obligations.

### Commission income on consignment sales:

Commission income on consignment sales (Consignment selling agency fees) is charged for rendering of services and for the use of the Company's sales and distribution network. Such revenue is recognised in the accounting period in which the services are rendered in accordance with agreement with the parties.

### Government grants:

The Company is entitled to 'Scheme of Budgetary Support' under Goods and Service Tax Regime in respect of eligible manufacturing units located in specified regions. Such grants are measured as amount receivable from the Government and are recognised as other operating revenue when there is a reasonable assurance that the Company will comply with all necessary conditions attached to grant.

The Company has received approval under the Production Linked Incentive Scheme of the Government of India for specific product categories. Incentive under the scheme is subject to meeting certain committed investments and defined incremental sales threshold. Such grants are recognised as other operating revenue when there is a reasonable assurance that the Company will comply with all necessary conditions attached to the grant.

Income from such grants is recognised on a systematic basis over the periods to which they relate.

| | Year ended 31st March, 2025 | Year ended 31st March, 2024 |
|---|---|---|
| Sale of products | 60,680 | 59,579 |
| Other operating revenue* | | |
| Income from services rendered | 430 | 322 |
| Commission income on consignment sales | - | 202 |
| Government grants (GST budgetary support and Production Linked Incentives) | 222 | 164 |
| Others (including scrap sales, rentals, etc.) | 137 | 202 |
| **Total** | **61,469** | **60,469** |

### Reconciliation of Revenue from sale of products with the contracted price

| | Year ended 31st March, 2025 | Year ended 31st March, 2024 |
|---|---|---|
| Contracted Price | 70,605 | 68,088 |
| Less: Trade discounts and promotions, volume rebates, returns etc. | (9,925) | (8,509) |
| **Sale of products** | **60,680** | **59,579** |

* There is no material adjustment made to contract price for revenue recognised as other operating revenue

i) The Company has contract assets of ₹16 crores as on 31st March, 2025 (31st March, 2024: Nil)

ii) The Company does not have any contract liability as on 31st March, 2025 (31st March, 2024: Nil)

iii) The Company does not receive 10% or more of its revenues from transactions with any single external customer.

(All amounts in ₹ crores, unless otherwise stated)

## Segment-wise Revenue from operations

The Company has following major segments:

(a) Home Care includes Fabric Solutions, Home and Hygiene, etc.
(b) Beauty & Wellbeing includes Skin Care, Hair Care, etc.
(c) Personal Care includes Skin Cleansing, Oral Care and Deodorants.
(d) Foods includes Tea, Lifestyle Nutrition, Coffee, etc.
(e) Others includes Exports, Consignment income, etc.

| | Year ended 31st March, 2025 | Year ended 31st March, 2024 |
|---|---|---|
| Home Care | 22,972 | 21,900 |
| Beauty & Wellbeing | 13,073 | 12,753 |
| Personal Care | 9,168 | 9,412 |
| Foods | 15,294 | 15,292 |
| Others (includes Exports, Consignment, etc.) | 962 | 1,112 |
| **Total** | **61,469** | **60,469** |

With effect from 1st April, 2024, 'Beauty and Personal Care' segment has been split into 'Beauty & Wellbeing' and 'Personal Care'. Comparative information has been presented accordingly.

## Additional Information by Geographies

| | Year ended 31st March, 2025 | Year ended 31st March, 2024 |
|---|---|---|
| **Revenue by geographical market** | | |
| India | 60,712 | 59,913 |
| Outside India | 757 | 556 |
| | **61,469** | **60,469** |

## NOTE 26 OTHER INCOME

Interest income from a financial asset is recognised on a time proportion basis taking into account the amounts invested and the rate of interest. Dividend income on investments is recognised when the right to receive dividend is established. Refer Note 37 on financial instruments for policy on measurement at fair value through profit or loss.

| | Year ended 31st March, 2025 | Year ended 31st March, 2024 |
|---|---|---|
| **Interest income on** | | |
| Bank deposits | 374 | 438 |
| Current investments | 247 | 88 |
| Others (including interest on Income tax refunds) | 142 | 25 |
| **Dividend income from** | | |
| Subsidiaries | 169 | 173 |
| Non-current investments | - | 3 |
| **Other non-operating income** | | |
| Fair value gain on investments measured at fair value through profit or loss* | 245 | 246 |
| **Total** | **1,177** | **973** |

*Includes realised gain on sale of investment of ₹313 crores (31st March, 2024: ₹168 crores).

## NOTE 27 COST OF MATERIALS CONSUMED

Refer note 11 for accounting policy on Inventories

| | Year ended 31st March, 2025 | Year ended 31st March, 2024 |
|---|---|---|
| Raw materials consumed | 14,603 | 15,054 |
| Packing materials consumed | 3,095 | 2,737 |
| **Total** | **17,698** | **17,791** |

(All amounts in ₹ crores, unless otherwise stated)

## NOTE 28 PURCHASES OF STOCK-IN-TRADE

Refer note 11 for accounting policy on Inventories

| | Year ended 31st March, 2025 | Year ended 31st March, 2024 |
|---|---|---|
| Purchases of stock-in-trade | 12,584 | 11,544 |
| **Total** | **12,584** | **11,544** |

## NOTE 29 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

Refer note 11 for accounting policy on Inventories

| | Year ended 31st March, 2025 | Year ended 31st March, 2024 |
|---|---|---|
| **Opening inventories** | | |
| Finished goods | 1,498 | 1,651 |
| Work-in-progress | 552 | 391 |
| **Closing inventories** | | |
| Finished goods | (1,668) | (1,498) |
| Work-in-progress | (488) | (552) |
| **Total** | **(106)** | **(8)** |

## NOTE 30 EMPLOYEE BENEFITS EXPENSE

### Short Term Employee Benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits. Benefits such as salaries and performance incentives, are charged to standalone statement of profit and loss on an undiscounted, accrual basis during the period of service rendered by the employees in the financial year.

### Defined contribution plans

Contributions to defined contribution schemes such as employees' state insurance, labour welfare fund, superannuation scheme, employee pension scheme etc. are charged as an expense based on the amount of contribution required to be made as and when services are rendered by the employees. Company's provident fund contribution, in respect of certain employees, is made to a Government administered fund and charged as an expense to the standalone statement of profit and loss. The above benefits are classified as Defined Contribution Schemes as the Company has no further defined obligations beyond the monthly contributions.

### Defined benefit plans

In respect of certain employees, provident fund contributions are made to trusts administered by the Company. The interest rate payable to the members of the trust is not lower than the statutory rate of interest declared by the Central Government under the Employees Provident Funds and Miscellaneous Provisions Act, 1952 and shortfall, if any, is made good by the Company.

The liability in respect of the shortfall of interest earnings of the Fund is determined on the basis of an actuarial valuation. The Company also provides for retirement/post-retirement benefits in the form of gratuity, pensions (in respect of certain employees), compensated absences (in respect of certain employees) and medical benefits (in respect of certain employees) including to the employees of Group Companies.

For defined benefit plans, the amount recognised as categories of 'Employee benefit expense' in the standalone statement of profit and loss is the cost of defined benefit obligation resulting from employee service in the current period ('current service cost') and the costs of individual events such as changes in past service benefits and settlements (such events are recognised immediately in the standalone statement of profit and loss). The amount of net interest expense calculated by applying the liability discount rate to the net defined benefit liability or asset is charged or credited to 'Finance costs' in the standalone statement of profit and loss. Any differences between the expected interest income on plan assets and the return actually achieved, and any changes in the liabilities over the year due to changes in actuarial assumptions or experience adjustments within the plans, are recognised immediately in 'Other comprehensive income' and subsequently not reclassified to the standalone statement of profit and loss.

The defined benefit plan surplus or deficit on the Balance Sheet date comprises fair value of plan assets less the present value of the defined benefit liabilities using a discount rate by reference to market yields on Government bonds at the end of the reporting period.

All defined benefit plans obligations are determined based on valuations, as at the Balance Sheet date, made by independent actuary using the projected unit credit method. The classification of the Company's net obligation into current and non-current is as per the actuarial valuation report. Refer Note 39 for Employee benefit Plan calculations.

(All amounts in ₹ crores, unless otherwise stated)

## Other Short term benefits

Accumulated leave which is expected to be utilised within next twelve months, is treated as short-term employee benefit. Leave entitlement, other than short term compensated absences, are provided based on a actuarial valuation, similar to that of gratuity benefit. However, as the Company does not have an unconditional right to defer settlement for these obligations, the above liabilities are presented as current. Re-measurement, comprising of actuarial gains and losses, in respect of leave entitlement are recognised in the standalone statement of profit and loss in the period in which they occur.

## Termination benefits

Termination benefits, in the nature of voluntary retirement benefits or termination benefits arising from restructuring, are recognised in the standalone statement of profit and loss. The Company recognises termination benefits at the earlier of the following dates:

(a) when the Company can no longer withdraw the offer of those benefits; or

(b) when the Company recognises costs for a restructuring that is within the scope of Ind AS 37: Provisions, Contingent Liabilities and Contingent Assets and involves the payment of termination benefits.

Benefits falling due more than 12 months after the end of the reporting period are discounted to their present value.

## Share-Based Payments

Employees of the Company receive remuneration in the form of share-based payments in consideration of the services rendered.

For cash-settled share-based payments, the fair value of the amount payable is recognised as 'employee benefit expense' with a corresponding increase in liabilities, over the period of non-market vesting conditions getting fulfilled. The liability is remeasured at each reporting period up to, and including the settlement date, with changes in fair value recognised in employee benefits expense. Refer Note 40 for details.

Under the equity settled share based payment, the fair value on the grant date of the awards given to employees is recognised as 'employee benefit expense' with a corresponding increase in equity over the vesting period. When the options are exercised, the Company issues fresh equity shares.

| | Year ended 31st March, 2025 | Year ended 31st March, 2024 |
|---|---:|---:|
| Salaries and wages | 2,341 | 2,268 |
| Contribution to provident and other funds | 189 | 164 |
| Defined benefit plan expense (Refer note 39) | 44 | 39 |
| Share based payments expense (Refer note 40) | 101 | 169 |
| Staff welfare expenses | 165 | 142 |
| **Total** | **2,840** | **2,782** |

## NOTE 31 FINANCE COSTS

Finance costs includes costs in relation to pensions and similar obligations, interest on lease liabilities which represents unwinding of the discount rate applied to lease liabilities, interest on taxes and also include interest costs in relation to financial liabilities.

| | Year ended 31st March, 2025 | Year ended 31st March, 2024 |
|---|---:|---:|
| Interest expense on bank overdraft, security deposit and others | 0 | 0 |
| Net interest on the net defined benefit liability (Refer Note 39) | 23 | 24 |
| Unwinding of discount on provisions and liabilities | 0 | 2 |
| Unwinding of discount on employee and ex-employee related liabilities | 10 | 8 |
| Interest on lease liabilities | 118 | 98 |
| Interest on taxes and others | 213 | 170 |
| **Total** | **364** | **302** |

(All amounts in ₹ crores, unless otherwise stated)

## NOTE 32 DEPRECIATION AND AMORTISATION EXPENSE

Refer note 3 and 4 for accounting policy on depreciation and amortisation expense

| | Year ended 31st March, 2025 | Year ended 31st March, 2024 |
|---|---|---|
| Depreciation on property, plant and equipment (owned assets)* | 708 | 647 |
| Depreciation on property, plant and equipment (leased assets) | 491 | 426 |
| Amortisation of intangible assets | 25 | 24 |
| **Total** | **1,224** | **1,097** |

*In addition to the above, ₹8 crores (31st March, 2024: ₹0 crore) of accelerated depreciation has been charged to exceptional items under restructuring projects.

## NOTE 33 OTHER EXPENSES

| | Year ended 31st March, 2025 | | Year ended 31st March, 2024 | |
|---|---|---|---|---|
| Advertising and promotion | | 6,028 | | 6,380 |
| Carriage and freight | | 1,958 | | 1,917 |
| Royalty | | | | |
| - Technology | 804 | | 782 | |
| - Trademark | 435 | 1,239 | 347 | 1,129 |
| Fees for central services | | 856 | | 780 |
| Processing charges | | 344 | | 354 |
| Power, fuel, light and water | | 365 | | 384 |
| Rent | | 54 | | 81 |
| Travelling and motor car expenses | | 225 | | 269 |
| Repairs | | 216 | | 202 |
| Corporate Social Responsibility expense [Refer note (a) below] | | 254 | | 234 |
| Expenses for services received | | 640 | | 578 |
| Miscellaneous expenses* | | 1,985 | | 1,862 |
| **Total** | | **14,164** | | **14,170** |

*Expenses below 1% of revenue from operation are aggregated in accordance with Schedule III to the Companies Act, 2013.

| | Year ended 31st March, 2025 | Year ended 31st March, 2024 |
|---|---|---|
| **Miscellaneous expenses include:** | | |
| Payments to the auditors for: | | |
| Statutory audit fees | 2 | 3 |
| Tax audit fees | 1 | 1 |
| Others | | |
| Fees for other audit related services | - | 2 |
| Fees for certification | 1 | 0 |
| Reimbursement of out-of-pocket expenses | 0 | 0 |
| Payments to the predecessor auditors for certifications | 0 | - |
| **Total** | **4** | **6** |

(All amounts in ₹ crores, unless otherwise stated)

(a) The details of Corporate Social Responsibility ('CSR') as prescribed under section 135 of the Companies Act, 2013 is as follows:

| | Year ended 31st March, 2025 | Year ended 31st March, 2024 |
|---|---|---|
| I. Amount required to be spent by the Company during the year | 250 | 231 |
| II. Amount approved by the Board | 257 | 235 |
| III. Amount spent during the year on: | | |
| i) Construction/ acquisition of any asset | - | - |
| ii) For purposes other than (i) above | 254 | 234 |
| IV. Shortfall at the end of the year | - | - |
| V. Total of previous years shortfall | - | - |
| VI. Reason for shortfall | Not Applicable | Not Applicable |

VII. Nature of CSR activities include promoting education, including special education and employment enhancing vocation skills, ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water, rural development projects and disaster management, including relief, rehabilitation and reconstruction activities.

VIII. Above includes a contribution of ₹36 crores (2023-24: ₹30 crores) to subsidiary Hindustan Unilever Foundation which is a Section 8 registered Company under Companies Act, 2013 (refer note 44). The objectives of Hindustan Unilever Foundation includes working in areas of social, economic and environmental issues such as water harvesting, health and hygiene awareness, women empowerment and enhancing capabilities of the underprivileged segments of society to meet emerging opportunities thus improving their livelihood.

IX. There is no Corporate Social Responsibility expense related to ongoing projects as at 31st March, 2025 (31st March, 2024: ₹18 crores). The same was transferred to a special account designated as UCSRA – FY 2023-24 of the Company within 30 days from end of financial year. Unspent CSR amount for FY 2023-24 of ₹18 crores has been fully utilised during FY 2024-25.

X. The Company does not wish to carry forward any excess amount spent during the year.

## NOTE 34 EXCEPTIONAL ITEMS (NET)

An item of income or expense which by its size, type or incidence requires disclosure in order to improve an understanding of the performance of the Company is treated as an exceptional item and the same is disclosed in standalone statement of profit and loss and in the notes forming part of the standalone financial statements.

| | Year ended 31st March, 2025 | Year ended 31st March, 2024 |
|---|---|---|
| i) Restructuring and other costs | (133) | (187) |
| ii) Acquisition and disposal related (costs)/income | (40) | 63 |
| iii) Fair valuation of financial liability on acquisition | (5) | 37 |
| iv) Profit/(Loss) on disposal of surplus properties | 5 | (2) |
| v) Profit on sale of water purification business (Pureit) | 595 | - |
| **Exceptional items: net credit/(charge)** | **422** | **(89)** |

## NOTE 35 EARNINGS PER EQUITY SHARE

Basic earnings per share is computed by dividing the net profit for the period attributable to the equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

(All amounts in ₹ crores, unless otherwise stated)

| | Year ended 31st March, 2025 | Year ended 31st March, 2024 |
|---|---|---|
| **Earnings Per Share has been computed as under:** | | |
| Profit for the year (A) | 10,644 | 10,114 |
| Weighted average number of equity shares outstanding during the year (B) | 2,34,95,91,262 | 2,34,95,91,262 |
| Add: Weighted average number of potential equity shares on account of employee stock options/performance share schemes | 1,69,454 | - |
| Weighted average number of Equity shares (including dilutive shares) outstanding during the year (C) | 2,34,97,60,716 | 2,34,95,91,262 |
| Earnings Per Share (₹) - Basic (Face value of ₹1 per share) [(A)/(B)] | ₹45.30 | ₹43.05 |
| Earnings Per Share (₹) - Diluted (Face value of ₹1 per share) [(A)/(C)] | ₹45.30 | ₹43.05 |

## NOTE 36 DIVIDEND ON EQUITY SHARE

| | Year ended 31st March, 2025 | Year ended 31st March, 2024 |
|---|---|---|
| **Dividend on equity shares declared and paid during the year** | | |
| Final dividend of ₹24 per share for FY 2023-24 (2022-23: ₹22.00 per share) | 5,639 | 5,169 |
| Interim dividend of ₹19 per share for FY 2024-25 (2023-24: ₹18.00 per share) | 4,464 | 4,229 |
| Special dividend of ₹10 per share for FY 2024-25 (2023-24: Nil) | 2,350 | - |
| | **12,453** | **9,398** |
| **Proposed dividend on equity shares not recognised as liability** | | |
| Final dividend of ₹24 per share for FY 2024-25 (2023-24: ₹24 per share) | 5,639 | 5,639 |
| | **5,639** | **5,639** |
| **Payout ratio#** | **95%** | **98%** |

# Excludes special dividend of ₹10 per share declared during FY 2024-25.

Proposed dividend on equity shares is subject to the approval of the shareholders of the Company at the ensuing Annual General Meeting and not recognised as liability as at the Balance Sheet date.

## NOTE 37 FINANCIAL INSTRUMENTS

### I Financial Assets:

#### (a) Initial recognition and measurement

Financial assets, except for trade receivables, are recognised when the Company becomes a party to the contractual provisions of the instrument. On initial recognition, a financial asset is recognised at fair value.

Trade receivables are initially recognised at transaction price as they do not contain a significant financing component. This implies that the effective interest rate for these receivables is zero.

#### (b) Subsequent measurement and classification

The subsequent measurement of a financial asset depends on the classification of the asset on the basis of business model for managing such assets and the contractual cash flow characteristics of such asset. These classifications are:

- amortised cost
- fair value through profit and loss (FVTPL)
- fair value through other comprehensive income (FVOCI).

Financial assets are not reclassified subsequent to their recognition, except during the period the Company changes its business model for managing financial assets.

In case of financial assets which are recognised at fair value through profit and loss (FVTPL), its transaction cost is recognised in the standalone statement of profit and loss. In other cases, the transaction cost is attributed to the acquisition value of the financial asset.

##### (1) Debt Instruments:

**(i) Measured at amortised cost:**

Financial assets that give rise to cash flows on specified dates that are solely the payments of principal and interest; and the financial asset is held within a business model whose objective is solely to collect those cash flows, then the financial asset is classified and measured at amortised cost.

(All amounts in ₹ crores, unless otherwise stated)

These are measured by applying the effective interest rate method. The effective interest rate method allocates interest income over the relevant period by applying the effective interest rate (that is the interest rate that exactly discounts expected future cash flows to the gross carrying amount of the asset).

(ii) **Measured at fair value through other comprehensive income (FVOCI):**

Financial assets that are held within a business model whose objective is achieved by both, selling financial assets and collecting contractual cash flows that are solely payments of principal and interest, are subsequently measured at fair value through other comprehensive income. Fair value movements are recognised in the other comprehensive income (OCI). Interest income is measured using the EIR method and impairment losses, if any are recognised in the standalone statement of profit and loss. On derecognition, cumulative gain or loss previously recognised in OCI is reclassified from the equity to 'other income' in the standalone statement of profit and loss.

(iii) **Measured at fair value through profit or loss (FVTPL):**

A financial asset not classified as either amortised cost or FVOCI, is classified as FVTPL. Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, recognised in 'other income' in the standalone statement of profit and loss.

### (2) Equity Instruments:

All investments in equity instruments classified under financial assets are initially measured at fair value, the Company may, on initial recognition, irrevocably elect to measure the same either at FVOCI or FVTPL.

The Company makes such election on an instrument-by-instrument basis. Fair value changes on an equity instrument is recognised in 'other income' in the standalone statement of profit and loss unless the Company has elected to measure such instrument at FVOCI. Fair value changes excluding dividends, on an equity instrument measured at FVOCI are recognised in OCI. Amounts recognised in OCI are not subsequently reclassified to the standalone statement of profit and loss. Dividend income on the investments in equity instruments are recognised as 'other income' in the standalone statement of profit and loss.

## (c) Derecognition

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the contractual rights to receive the cash flows from the asset or has assumed an obligation to pay the received cash flows to one or more recipient.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised. Where the entity has neither transferred a financial asset nor retained substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

## (d) Impairment of Financial Asset

The Company applies expected credit loss ('ECL') model for measurement and recognition of loss allowance on the following:

i. Trade receivables

ii. Financial assets measured at amortised cost (other than trade receivables)

In case of trade receivables, the Company follows a simplified approach wherein an amount equal to lifetime ECL is measured and recognised as loss allowance. The company computes ECL based on a provision matrix. The provision matrix is prepared based on historically observed default rates over the expected life of trade receivables and is adjusted for forward-looking estimates. The default in collection as a percentage to total receivable is low and overall expected credit loss is not material to these financial statements.

Financial assets classified as amortised cost (listed as ii above), subsequent to initial recognition, are assessed for evidence of impairment at end of each reporting period basis monitoring of whether there has been a significant increase in credit risk. To assess whether there is a significant increase in credit risk, the Company compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forwarding-looking information.

(All amounts in ₹ crores, unless otherwise stated)

If the credit risk of such assets has not increased significantly, an amount equal to 12-month ECL is measured and recognised as loss allowance. However, if credit risk has increased significantly, an amount equal to lifetime ECL is measured and recognised as loss allowance.

Subsequently, if the credit quality of the financial asset improves such that there is no longer a significant increase in credit risk since initial recognition, the Company reverts to recognising impairment loss allowance based on 12-month ECL.

ECL allowance recognised (or reversed) during the period is recognised as expense (or income) in the standalone statement of profit and loss under the head 'Other expenses'.

#### Write - off

The gross carrying amount of a financial asset is written off when the Company has no reasonable expectations of recovering the financial asset in its entirety or a portion thereof. A write-off constitutes a derecognition event.

## II Financial Liabilities:

### (a) Initial recognition and measurement

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the amortised cost unless at initial recognition, they are classified as fair value through profit and loss. In case of trade payables, they are initially recognised at fair value and subsequently, these liabilities are held at amortised cost, using the effective interest rate method.

### (b) Subsequent measurement

Financial liabilities are subsequently measured at amortised cost using the EIR method. Financial liabilities carried at fair value through profit and loss are measured at fair value with all changes in fair value recognised in the standalone statement of profit and loss.

### (c) Derecognition

A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying value of the financial liability and the consideration paid is recognised in standalone statement of profit and loss.

### (d) Offsetting financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet, if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle them on a net basis or to realise the assets and settle the liabilities simultaneously.

## III Derivative Financial Instruments:

The Company uses derivative financial instruments to hedge its foreign currency and commodity risks. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on their use as explained below:

### (i) Cash flow hedges:

Derivatives are held to hedge the uncertainty in timing or amount of future forecast cash flows. Such derivatives are classified as being part of cash flow hedge relationships. For an effective hedge, gains and losses from changes in the fair value of derivatives are recognised in other comprehensive income. Any ineffective elements of the hedge are recognised in the standalone statement of profit and loss.

If the hedged cash flow relates to a non-financial asset, the amount accumulated in other comprehensive income is subsequently included within the carrying value of that asset. For other cash flow hedges, amounts accumulated in other comprehensive income are taken to the standalone statement of profit and loss at the same time as the related cash flow.

When a derivative no longer qualifies for hedge accounting, any cumulative gain or loss remains in equity until the related cash flow occurs. When the cash flow takes place, the cumulative gain or loss is taken to the standalone statement of profit and loss. If the hedged cash flow is no longer expected to occur, the cumulative gain or loss is taken to the standalone statement of profit and loss immediately.

(All amounts in ₹ crores, unless otherwise stated)

### (ii) Derivatives for which hedge accounting is not applied

Derivatives not classified as hedges are held in order to hedge certain balance sheet items and commodity exposures. No hedge accounting is applied to these derivatives, which are carried at fair value with changes being recognised in the statement of profit and loss.

## A Accounting Classifications and Carrying Values

The carrying amounts of financial instruments by class are as follows:

| | Note | Carrying value | |
|---|---|---|---|
| | | As at 31st March, 2025 | As at 31st March, 2024 |
| **Financial Assets** | | | |
| **Financial assets measured at fair value** | | | |
| Investments measured at | | | |
| i. Fair value through other comprehensive income | 6 | 0 | 1,253 |
| ii. Fair value through profit and loss | 6 | 2,851 | 3,259 |
| Fair Value of Derivatives | 8 | 48 | 23 |
| **Financial assets measured at amortised cost** | | | |
| Investments in subsidiaries and joint venture | 5 | 986 | 981 |
| Investments | 6 | 765 | 0 |
| Loans | 7 | 377 | 429 |
| Security deposits | 8 | 175 | 169 |
| Trade receivables | 12 | 3,450 | 2,690 |
| Cash and cash equivalents | 13 | 5,947 | 609 |
| Investments in term deposits | 8, 14 | 1,347 | 6,382 |
| Indemnification asset | 8 | 608 | 608 |
| Other assets | 8 | 1,381 | 1,329 |
| | | **17,935** | **17,732** |
| **Financial Liabilities** | | | |
| **Financial liabilities measured at fair value** | | | |
| Fair Value of Derivatives | 20 | 38 | 2 |
| Financial liability on acquisition | 20 | 8 | 2 |
| **Financial liabilities measured at amortised cost** | | | |
| Lease Liabilities | 19 | 1,537 | 1,374 |
| Trade Payables | 22 | 10,998 | 10,148 |
| Security deposits | 20 | 97 | 25 |
| Employee Liabilities | 20 | 725 | 772 |
| Other payables | 20 | 411 | 426 |
| | | **13,814** | **12,748** |

## B Fair Value Hierarchy

The fair value of financial instruments as referred to in note (A) above have been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to unobservable inputs (Level 3 measurements).

The carrying amount of financial assets and financial liabilities measured at amortised cost in the Financial Statements are a reasonable approximation of their fair values since the Company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

The categories used are as follows:

- Level 1: Quoted prices for identical instruments in an active market;
- Level 2: Directly or indirectly observable market inputs, other than Level 1 inputs; and
- Level 3: Inputs which are not based on observable market data.

(All amounts in ₹ crores, unless otherwise stated)

For assets and liabilities which are measured at fair value as at Balance Sheet date, the classification of fair value calculations by category is summarised below:

| | Level 1 | Level 2 | Level 3 | Total |
|---|---|---|---|---|
| **As at 31st March, 2025** | | | | |
| **Assets at fair value** | | | | |
| Investments measured at: | | | | |
| i. Fair Value through OCI | 0 | - | - | 0 |
| ii. Fair Value through Profit or Loss | 2,849 | - | 2 | 2,851 |
| Fair Value of Derivatives | - | 48 | - | 48 |
| **Liabilities at fair value** | | | | |
| Fair Value of Derivatives | - | 38 | - | 38 |
| Financial liability on acquisition | - | - | 8 | 8 |
| | | | | |
| **As at 31st March, 2024** | | | | |
| **Assets at fair value** | | | | |
| Investments measured at: | | | | |
| i. Fair Value through OCI | 1,253 | - | 0 | 1,253 |
| ii. Fair Value through Profit or Loss | 3,257 | - | 2 | 3,259 |
| Fair Value of Derivatives | - | 23 | - | 23 |
| **Liabilities at fair value** | | | | |
| Fair Value of Derivatives | - | 2 | - | 2 |
| Financial liability on acquisition | - | - | 2 | 2 |

## Calculation of Fair Values

The fair values of the financial assets and liabilities are defined as the price that would be received on sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Methods and assumptions used to estimate the fair values are consistent with those used for the year ended 31st March, 2024.

## Financial assets and liabilities measured at fair value as at Balance Sheet date:

1. The fair value of investment in treasury bills and quoted investment in equity shares is based on the bid price of respective investment as at the Balance Sheet date.
2. The fair value of investments in mutual fund units is based on the net asset value ('NAV') as stated by the issuers of these mutual fund units in the published statements as at Balance Sheet date. NAV represents the price at which the issuer will issue further units of mutual fund and the price at which issuers will redeem such units from the investors.
3. Derivatives are valued using valuation techniques with market observable inputs. The models incorporate various inputs including the credit quality of counter-parties, foreign exchange spot and forward rates, interest rate curves and forward rate curves of the underlying commodities.
4. Financial liability on acquisition is valued using Monte Carlo simulation. The model incorporates forecasted revenue, margin, volatility, weighted average cost of capital and other metrics.

## Other financial assets and liabilities

Cash and cash equivalents, trade receivables, other investments, other financial assets (except derivative financial instruments), consignment receivable, trade payables, consignment payable and other financial liabilities (except derivative financial instruments) have fair values that approximate to their carrying amounts due to their short-term nature.

(All amounts in ₹ crores, unless otherwise stated)

## Significant Unobservable Inputs Used in Level 2 and Level 3 Fair Values

| As at 31st March, 2025 | Valuation techniques | Significant unobservable inputs | Sensitivity of input to fair value measurement |
|---|---|---|---|
| (a) Fair Value of Derivatives | **Forward pricing:** The fair value is determined using quoted forward exchange rates and the commodity derivative prices at the reporting date. | Not applicable | A 10% increase in prices of open trades would have led to approximately ₹31 crores gain in OCI. A 10% decrease in prices would have led to an equal but opposite effect. |
| (b) Financial liability on acquisition | **Monte Carlo simulation:** The fair value is determined using forecasted revenue, margin, volatility and weighted average cost of capital. | Forecast revenue | 5% increase in forecasted revenue would have led to an additional liability of approximately ₹20 crores and 5% decrease would have led to an equal but opposite effect. |

| As at 31st March, 2024 | Valuation techniques | Significant unobservable inputs | Sensitivity of input to fair value measurement |
|---|---|---|---|
| (a) Fair Value of Derivatives | **Forward pricing:** The fair value is determined using quoted forward exchange rates and the commodity derivative prices at the reporting date. | Not applicable | A 10% increase in prices of open trades would have led to approximately ₹5 crores gain in OCI. A 10% decrease in prices would have led to an equal but opposite effect. |
| (b) Financial liability on acquisition | **Monte Carlo simulation:** The fair value is determined using forecasted revenue, margin, volatility and weighted average cost of capital. | Forecast revenue | 5% increase in forecasted revenue would have led to an additional liability of approximately ₹12 crores and 5% decrease would have led to an equal but opposite effect. |

| Reconciliation of movements in Level 3 valuations | Year ended 31st March, 2025 | Year ended 31st March, 2024 |
|---|---|---|
| Opening balance | 4 | 43 |
| Additions during the year | - | 0 |
| Interest unwinding | 1 | 2 |
| Payments during the year | - | (4) |
| Loss/(Gain) recognised in profit and loss on fair value adjustment | 5 | (37) |
| **Closing** | **10** | **4** |

(All amounts in ₹ crores, unless otherwise stated)

### C Income, Expenses, Gains or Losses on Financial Instruments

Interest income and expenses, gains or losses recognised on financial assets and liabilities in the Standalone Statement of Profit and Loss are as follows:

| | Note | Year ended 31st March, 2025 | Year ended 31st March, 2024 |
|---|---|---|---|
| **Financial assets measured at amortised cost** | | | |
| Interest income | 26 | 616 | 463 |
| Allowance for expected credit loss and credit impairment | 12 | (1) | (8) |
| Dividend income on non-current investment | 26 | 169 | 176 |
| **Financial assets measured at fair value through other comprehensive income** | | | |
| **Investment in debt instruments** | | | |
| Interest income | 26 | 30 | 88 |
| Fair value gain/(loss) recognised in other comprehensive income | 18C | (0) | 2 |
| **Financial assets measured at fair value through profit or loss** | | | |
| Fair value gain/(loss) on investment in mutual funds | 26 | 245 | 246 |
| **Financial liabilities measured at amortised cost** | | | |
| Interest expense | 31 | 0 | 0 |
| Interest on lease liabilities | 31 | 118 | 98 |
| Interest expense other than on lease liabilities | 31 | 10 | 10 |
| **Financial liabilities measured at fair value** | | | |
| Fair valuation of financial liability on acquisition | 34 | (5) | 37 |
| **Derivatives - foreign exchange forward contracts and cash flow hedges** | | | |
| Fair value gain/(loss) | 27, 33 | 18 | (30) |

## NOTE 38 FINANCIAL RISK MANAGEMENT

The Company's business activities are exposed to a variety of financial risks, namely liquidity risk, market risk, credit risk and other price risk. The Company's senior management has the overall responsibility for establishing and governing the Company's risk management framework. The Company has constituted a Risk Management Committee, which is responsible for developing and monitoring the Company's risk management policies. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set and monitor appropriate risk limits and controls, periodically review the changes in market conditions and reflect the changes in the policy accordingly. The key risks and mitigating actions are also placed before the Audit Committee of the Company.

### A Management of Liquidity Risk

Liquidity risk is the risk that the Company will face in meeting its obligations associated with its financial liabilities. The Company's approach in managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses. In doing this, management considers both normal and stressed conditions.

The Company maintained a cautious liquidity strategy, with a positive cash balance throughout the year ended 31st March, 2025 and 31st March, 2024. Cash flow from operating activities provides the funds to service the financial liabilities on a day-to-day basis.

The Company regularly monitors the rolling forecasts to ensure it has sufficient cash on an on-going basis to meet operational needs. Any short-term surplus cash generated, over and above the amount required for working capital management and other operational requirements, is retained as cash and cash equivalents (to the extent required) and any excess is invested in interest bearing term deposits and other highly marketable debt investments with appropriate maturities to optimise the cash returns on investments while ensuring sufficient liquidity to meet its liabilities.

(All amounts in ₹ crores, unless otherwise stated)

The following table shows the maturity analysis of the Company's financial assets and financial liabilities based on contractually agreed undiscounted cash flows along with its carrying value as at the Balance Sheet date.

| | Note | Carrying amount | Undiscounted Amount | | | | |
|---|---|---|---|---|---|---|---|
| | | | Within 1 year | 1-2 years | 2-5 years | More than 5 years | Total |
| **As at 31st March, 2025** | | | | | | | |
| **Financial assets** | | | | | | | |
| **Non-derivative assets** | | | | | | | |
| Investments | 6 | 3,616 | 3,614 | - | - | 2 | 3,616 |
| Loans | 7 | 377 | 45 | 16 | 277 | 39 | 377 |
| Trade Receivables | 12 | 3,450 | 3,450 | - | - | - | 3,450 |
| Cash and cash equivalents | 13 | 5,947 | 5,947 | - | - | - | 5,947 |
| Bank Balances other than cash and cash equivalents | 14 | 1,346 | 1,346 | - | - | - | 1,346 |
| Indemnification Asset | 8 | 608 | - | - | - | 608 | 608 |
| Security deposits | 8 | 175 | 44 | 22 | 33 | 76 | 175 |
| Consignment receivable | 8 | 57 | 57 | - | - | - | 57 |
| Other financial asset | 8 | 1,325 | 1,320 | - | - | 5 | 1,325 |
| **Derivative assets** | | | | | | | |
| Fair Value of Derivatives | 8 | 48 | 48 | - | - | - | 48 |
| **Financial liabilities** | | | | | | | |
| **Non-derivative liabilities** | | | | | | | |
| Lease Liabilities | 19 | 1,537 | 478 | 323 | 775 | 322 | 1,898 |
| Trade payables (including acceptances) | 22 | 10,998 | 10,998 | - | - | - | 10,998 |
| Security deposits | 20 | 97 | - | - | 65 | 32 | 97 |
| Unpaid dividend | 20 | 250 | 250 | - | - | - | 250 |
| Employee liabilities | 20 | 725 | 373 | 211 | 110 | 69 | 763 |
| Consignment Payable | 20 | 63 | 63 | - | - | - | 63 |
| Financial liability on acquisition | 20 | 8 | 8 | - | - | - | 8 |
| Other Payables | 20 | 291 | 93 | - | 193 | 5 | 291 |
| **Derivative liabilities** | | | | | | | |
| Fair Value of Derivatives | 20 | 38 | 38 | - | - | - | 38 |

(All amounts in ₹ crores, unless otherwise stated)

| | Note | Carrying amount | Undiscounted Amount | | | | |
|---|---|---|---|---|---|---|---|
| | | | Within 1 year | 1-2 years | 2-5 years | More than 5 years | Total |
| **As at 31st March, 2024** | | | | | | | |
| **Financial assets** | | | | | | | |
| **Non-derivative assets** | | | | | | | |
| Investments | 6 | 4,512 | 4,510 | - | - | 2 | 4,512 |
| Loans | 7 | 429 | 37 | 13 | 297 | 81 | 428 |
| Trade Receivables | 12 | 2,690 | 2,690 | - | - | - | 2,690 |
| Cash and cash equivalents | 13 | 609 | 609 | - | - | - | 609 |
| Bank Balances other than cash and cash equivalents | 14 | 6,607 | 6,607 | - | - | - | 6,607 |
| Security deposits | 8 | 169 | 68 | 11 | 25 | 65 | 169 |
| Consignment receivable | 8 | 73 | 73 | - | - | - | 73 |
| Other financial asset | 8 | 1,257 | 1,253 | - | - | 4 | 1,257 |
| **Derivative assets** | | | | | | | |
| Fair Value of Derivatives | 8 | 23 | 23 | - | - | - | 23 |
| **Financial liabilities** | | | | | | | |
| **Non-derivative liabilities** | | | | | | | |
| Lease Liabilities | 19 | 1,374 | 427 | 296 | 776 | 209 | 1,708 |
| Trade payables (including acceptances) | 22 | 10,148 | 10,148 | - | - | - | 10,148 |
| Security deposits | 20 | 25 | - | - | 1 | 24 | 25 |
| Unpaid dividend | 20 | 226 | 226 | - | - | - | 226 |
| Employee liabilities | 20 | 772 | 391 | 155 | 156 | 85 | 786 |
| Consignment Payable | 20 | 77 | 77 | - | - | - | 77 |
| Financial liability on acquisition | 20 | 2 | - | 2 | - | - | 2 |
| Other Payables | 20 | 123 | 101 | - | 17 | 5 | 123 |
| **Derivative liabilities** | | | | | | | |
| Fair Value of Derivatives | 20 | 2 | 2 | - | - | - | 2 |

## B Management of Market Risk

The Company's business activities are exposed to a variety of financial risks, namely:

- currency risk;
- interest rate risk; and
- other price risk (commodity risk)

The above risks may affect the Company's income and expenses, or the value of its financial instruments. The Company's exposure to and management of these risks are explained below.

(All amounts in ₹ crores, unless otherwise stated)

## 1. Currency Risk

| Potential Impact of Risk | Management Policy | Sensitivity to Risk |
|---|---|---|
| The Company is exposed to foreign currency risk from transactions in foreign currency. They are managed within a prudent and systematic hedging policy in accordance with the Company's specific business needs through the use of currency forwards.<br>As at 31st March, 2025, the unhedged transaction exposure to the Company amounted to ₹48 crores payable (net) [31st March, 2024: ₹71 crores payable (net)]. | The Company is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to US Dollar and Euro.<br>The Company manages currency exposures through use of forward exchange contracts monitored on a weekly basis in line with company policy.<br>The aim of the Company's approach to management of currency risk is to leave the Company with no material residual risk. | A 5% strengthening of the INR against key currencies to which the Company is exposed (net of hedge) would have led to approximately an additional ₹2 crores gain in the standalone statement of profit and loss/equity (2023-24: ₹4 crores gain).<br>A 5% weakening of the INR against these currencies would have led to an equal but opposite effect.<br>Amongst the key currencies, SGD and CNY are significant currency contributing to the currency risk exposure. A 5% strengthening (weakening) of the INR against SGD would have led to approximately an additional ₹1 crore gain (loss) (2023-24: ₹1 crore gain (loss)) each in the standalone statement of profit and loss/ equity. |

| Payable/ (Receivable) | As at 31st March, 2025 | As at 31st March, 2024 |
|---|---|---|
| SGD | 16 | 22 |
| CNY | 14 | 5 |
| SEK | 9 | 8 |
| GBP | 5 | 8 |
| USD | 1 | 27 |
| EUR | 1 | 0 |
| NZD | 0 | 0 |
| Others | 2 | 1 |
| **Total** | **48** | **71** |

## 2. Interest Rate Risk

| Potential Impact of Risk | Management Policy | Sensitivity to Risk |
|---|---|---|
| The Company is mainly exposed to the interest rate risk due to its investment in treasury bills and debt mutual funds. The interest rate risk arises due to uncertainties about the future market interest rate on these investments.<br>In addition to debt mutual funds and treasury bills, the Company invests in term deposits, Commercial Papers and Certificate of Deposits. Considering that these instruments are fixed rate financial instruments, interest rate exposure is not applicable to them.<br>As at 31st March, 2025, the investments in debt mutual funds amounts to ₹2,849 crores (31st March, 2024: ₹3,257 crores) and there are no investments in treasury bills (31st March, 2024: ₹1,253 crores). | The Company has laid policies and guidelines including tenure of investment made to minimise impact of interest rate risk. | A 0.25% decrease in interest rates would have led to approximately ₹4 crores gain in the Standalone Statement of Profit and Loss/equity (2023-24: ₹4 crores). A 0.25% increase in interest rates would have led to an equal but opposite effect. |

(All amounts in ₹ crores, unless otherwise stated)

### 3. Other Price Risk (Commodity Risk)

| Potential Impact of Risk | Management Policy | Sensitivity to Risk |
|---|---|---|
| The Company is exposed to the risk of changes in commodity prices in relation to its purchase of certain raw materials.<br>At 31st March, 2025, the Company had hedged its exposure to future commodity purchases with commodity derivatives valued at ₹265 crores (31st March, 2024: ₹48 crores).<br>Hedges of future commodity purchases resulted in cumulative gain of ₹5 crores (31st March, 2024: ₹13 crores cumulative loss) being reclassified to the standalone statement of profit and loss as an adjustment to inventory purchase. | Commodities form a major part of the raw materials required for Company's products portfolio and hence commodity price risk is one of the important market risk for the Company. The commodities 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 Company uses commodity swaps and option contracts to hedge against components of commodities where it is not possible to hedge the commodity in full. | A 10% increase in prices of open trades would have led to approximately ₹31 crores gain in OCI (2023-24 ₹5 crores gain). A 10% decrease in prices would have led to an equal but opposite effect. |

## C Management of Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counter-party fails to meet its contractual obligations.

### Trade receivables

Credit risk arising from trade receivables is managed in accordance with the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on a detailed study of creditworthiness and accordingly individual credit limits are defined. Concentration of credit risk with respect to trade receivables are limited, due to the Company's customer base being large and diverse. All trade receivables are reviewed and assessed for default on a quarterly basis.

The average credit period generally ranges from 0 - 21 days on sale of products. The company computes expected credit loss allowance based on a provision matrix. The provision matrix is prepared based on historically observed default rates over the expected life of trade receivables and is adjusted for forward-looking estimates. Our historical experience of collecting receivables indicate a low credit risk. Hence, trade receivables are considered to be a single class of financial assets.

Refer note 12 for accounting policy on Trade receivables.

### Other financial assets

Credit risk related to the use of treasury instruments arises from transactions with financial institutions involving cash and cash equivalents, term deposits with banks, other investments, Government securities, money market liquid mutual funds, overnight mutual funds and derivative instrument. The Company does not anticipate any significant risk of default on these assets.

The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets as at 31st March, 2025 and 31st March, 2024. To reduce this risk, HUL has concentrated its main activities with a limited number of counter-parties which have secure credit ratings. Individual risk limits are set for each counter-party based on financial position, credit rating and past experience. Credit limits and concentration of exposures are actively monitored by the Company's Treasury department. The Company has given inter-corporate deposits (ICD) to its subsidiaries amounting ₹251 crores (31st March, 2024: ₹297 crores).

(All amounts in ₹ crores, unless otherwise stated)

# NOTE 39 EMPLOYEE BENEFIT PLANS

## I Defined Contribution Plans

Refer note 30 for accounting policy on Employee Benefits.

Refer Note 30 for the Company's contribution to the defined contribution plans with respect to employee benefit funds.

## II Defined Benefit Plans

Refer note 30 for accounting policy on Employee Benefits.

### Description of Plans

Retirement Benefit Plans of the Company include Gratuity, Management Pension, Officer's Pension and Provident Fund. Other post-employment benefit plans includes post retirement medical benefits.

Gratuity is funded through investments with an insurance service provider. Pension (Management Pension and Officer's Pension) is managed through a Company administered trust and in some instances invested with an insurance service provider. Provident Funds for certain employees are managed through the Company administered trust. Post-retirement medical benefits are managed through the Company administered trust and through insurance policy.

### Governance

The trustees of Gratuity, Pension, Post Retirement Medical Benefit and Provident Funds are responsible for the overall governance of the plan and to act in accordance with the provisions of the trust deed and rules in the best interests of the plan participants. They are tasked with periodic reviews of the solvency of the fund and play a role in the long-term investment, risk management and funding strategy.

### Investment Strategy

The Company's investment strategy in respect of its funded plans is implemented within the framework of the applicable statutory requirements. The plans expose the Company to a number of actuarial risks such as investment risk, interest rate risk, longevity risk and inflation risk. The Company has developed policy guidelines for the allocation of assets to different classes with the objective of controlling risk and maintaining the right balance between risk and long-term returns. To achieve this, investments are well diversified, such that the failure of any single investment would not have a material impact on the overall level of assets.

### A. Balance Sheet

The assets, liabilities and (surplus)/deficit position of the defined benefit plans at the Balance Sheet date were:

| | Retirement Benefit Plans | | | | | | Other Post-Employment Benefit Plans |
|---|---|---|---|---|---|---|---|
| | Gratuity | Management Pension | Officers' Pension | Provident Fund Plan I | Provident Fund Plan II | Total | |
| **As at 31st March, 2025** | | | | | | | |
| Present Value of Obligation | 656 | 260 | 5 | 3,144 | 320 | 4,385 | 288 |
| Fair Value of Plan Assets | (578) | (217) | (4) | (3,144) | (320) | (4,263) | (14) |
| **(Asset)/Liability recognised in the Balance Sheet** | **78** | **43** | **1** | **-** | **0** | **122** | **274** |
| *Plan I refers to existing employee benefit plans of the Company.* | | | | | | | |
| *Plan II refers to employee benefit plans added pursuant to HUL-GSKCH merger.* | | | | | | | |
| **Of which in respect of:** | | | | | | | |
| **Funded plans in surplus:** | | | | | | | |
| Present Value of Obligation | - | - | - | 3,144 | - | 3,144 | - |
| Fair Value of Plan Assets | - | - | - | (3,168) | - | (3,168) | - |
| **(Asset)/Liability recognised in the Balance Sheet*** | **-** | **-** | **-** | **-*** | **-** | **-*** | **-** |
| *(*The excess of assets over liabilities in respect of Provident Fund Plan I has not been recognised.)* | | | | | | | |

(All amounts in ₹ crores, unless otherwise stated)

| | Retirement Benefit Plans | | | | | | Other Post-Employment Benefit Plans |
|---|---|---|---|---|---|---|---|
| | Gratuity | Management Pension | Officers' Pension | Provident Fund Plan I | Provident Fund Plan II | Total | |
| **Funded plans in deficit:** | | | | | | | |
| Present Value of Obligation | 656 | 260 | 5 | - | 320 | 1,241 | 234 |
| Fair Value of Plan Assets | (578) | (217) | (4) | - | (320) | (1,119) | (14) |
| **(Asset)/Liability recognised in the Balance Sheet** | **78** | **43** | **1** | **-** | **0** | **122** | **220** |
| *(During the year Provident Fund Plan II and Officers' Pension have moved from funded plans in surplus to funded plans in deficit.)* | | | | | | | |
| **Unfunded plans in deficit:** | | | | | | | |
| Present Value of Obligation | - | - | - | - | - | - | 54 |
| Fair Value of Plan Assets | - | - | - | - | - | - | - |
| **(Asset)/Liability recognised in the Balance Sheet** | **-** | **-** | **-** | **-** | **-** | **-** | **54** |

| | Retirement Benefit Plans | | | | | | Other Post-Employment Benefit Plans |
|---|---|---|---|---|---|---|---|
| | Gratuity | Management Pension | Officers' Pension | Provident Fund Plan I | Provident Fund Plan II | Total | |
| **As at 31st March, 2024** | | | | | | | |
| Present Value of Obligation | 596 | 270 | 6 | 3,148 | 325 | 4,345 | 286 |
| Fair Value of Plan Assets | (558) | (215) | (7) | (3,148) | (325) | (4,253) | (26) |
| **(Asset)/Liability recognised in the Balance Sheet** | **38** | **55** | **(1)** | **-** | **-** | **92** | **260** |
| *Plan I refers to existing employee benefit plans of the Company.* | | | | | | | |
| *Plan II refers to employee benefit plans added pursuant to HUL-GSKCH merger.* | | | | | | | |
| **Of which in respect of:** | | | | | | | |
| **Funded plans in surplus:** | | | | | | | |
| Present Value of Obligation | - | - | 6 | 3,148 | 325 | 3,479 | - |
| Fair Value of Plan Assets | - | - | (7) | (3,183) | (338) | (3,528) | - |
| **(Asset)/Liability recognised in the Balance Sheet*** | **-** | **-** | **(1)** | **-*** | **-*** | **(1)** | **-** |
| *(*The excess of assets over liabilities in respect of Provident Fund Plan I & II have not been recognised.)* | | | | | | | |
| **Funded plans in deficit:** | | | | | | | |
| Present Value of Obligation | 596 | 270 | - | - | - | 866 | 233 |
| Fair Value of Plan Assets | (558) | (215) | - | - | - | (773) | (26) |
| **(Asset)/Liability recognised in the Balance Sheet** | **38** | **55** | **-** | **-** | **-** | **93** | **207** |
| *(During the year Gratuity has moved from funded plan in surplus to funded plan in deficit, while Provident Fund Plan I and Officers' Pension have moved from funded plans in deficit to funded plans in surplus.)* | | | | | | | |
| **Unfunded plans in deficit:** | | | | | | | |
| Present Value of Obligation | - | - | - | - | - | - | 53 |
| Fair Value of Plan Assets | - | - | - | - | - | - | - |
| **(Asset)/Liability recognised in the Balance Sheet** | **-** | **-** | **-** | **-** | **-** | **-** | **53** |

Employee provisions include other provisions not in the nature of retirement and post employment benefit plans amounting to ₹20 crores as at 31st March, 2025 (₹19 crores as at 31st March, 2024).

(All amounts in ₹ crores, unless otherwise stated)

## B. Movements in Present Value of Obligation and Fair Value of Plan Assets

| Gratuity | For the year ended 31st March, 2025 | | | For the year ended 31st March, 2024 | | |
|---|---|---|---|---|---|---|
| | Plan Assets | Plan Obligation | Total | Plan Assets | Plan Obligation | Total |
| **Opening Balance** | 558 | 596 | (38) | 547 | 547 | - |
| Current service cost | - | 43 | (43) | - | 38 | (38) |
| Past service cost | - | (4) | 4 | - | - | - |
| Change in asset ceiling | - | - | - | 21 | - | 21 |
| Interest cost | - | 42 | (42) | - | 39 | (39) |
| Interest income | 39 | - | 39 | 40 | - | 40 |
| Actuarial (gain)/loss arising from changes in demographic assumptions | - | - | - | - | 10 | (10) |
| Actuarial (gain)/loss arising from changes in financial assumptions | - | 17 | (17) | - | 12 | (12) |
| Actuarial (gain)/loss arising from actual less expected return on plan assets | (7) | - | (7) | 6 | - | 6 |
| Actuarial (gain)/loss arising from experience adjustments | - | 12 | (12) | - | 6 | (6) |
| Employer contributions | 38 | - | 38 | - | - | - |
| Benefit payments | (50) | (50) | - | (56) | (56) | - |
| **Closing Balance** | **578** | **656** | **(78)** | **558** | **596** | **(38)** |

| Management Pension | For the year ended 31st March, 2025 | | | For the year ended 31st March, 2024 | | |
|---|---|---|---|---|---|---|
| | Plan Assets | Plan Obligation | Total | Plan Assets | Plan Obligation | Total |
| **Opening Balance** | 215 | 270 | (55) | 215 | 275 | (60) |
| Current service cost | - | 0 | (0) | - | 0 | (0) |
| Interest cost | - | 18 | (18) | - | 20 | (20) |
| Interest income | 14 | - | 14 | 15 | - | 15 |
| Actuarial (gain)/loss arising from changes in financial assumptions | - | 0 | (0) | - | 0 | (0) |
| Actuarial (gain)/loss arising from actual less expected return on plan assets | 9 | - | 9 | 5 | - | 5 |
| Actuarial (gain)/loss arising from experience adjustments | - | (7) | 7 | - | (5) | 5 |
| Employer contributions | 0 | - | 0 | 0 | - | 0 |
| Benefit payments | (21) | (21) | - | (20) | (20) | - |
| **Closing Balance** | **217** | **260** | **(43)** | **215** | **270** | **(55)** |

| Officers' Pension | For the year ended 31st March, 2025 | | | For the year ended 31st March, 2024 | | |
|---|---|---|---|---|---|---|
| | Plan Assets | Plan Obligation | Total | Plan Assets | Plan Obligation | Total |
| **Opening Balance** | 7 | 6 | 1 | 7 | 8 | (1) |
| Current service cost | - | 0 | (0) | - | 0 | (0) |
| Past service cost | - | 0 | (0) | - | 0 | (0) |
| Interest cost | - | 0 | (0) | - | 1 | (1) |
| Interest income | 0 | - | 0 | 0 | - | 0 |
| Actuarial (gain)/loss arising from changes in financial assumptions | - | 0 | (0) | - | 0 | (0) |
| Actuarial (gain)/loss arising from actual less expected return on plan assets | (1) | - | (1) | 3 | - | 3 |
| Actuarial (gain)/loss arising from experience adjustments | - | 1 | (1) | - | 0 | (0) |
| Employer contributions | - | - | - | 0 | - | 0 |
| Assets acquired/ (settled) | (0) | (0) | - | (2) | (2) | - |
| Benefit payments | (2) | (2) | - | (1) | (1) | - |
| **Closing Balance** | **4** | **5** | **(1)** | **7** | **6** | **1** |

(All amounts in ₹ crores, unless otherwise stated)

| Provident Fund Plan I | For the year ended 31st March, 2025 | | | For the year ended 31st March, 2024 | | |
|---|---|---|---|---|---|---|
| | Plan Assets | Plan Obligation | Total | Plan Assets | Plan Obligation | Total |
| **Opening Balance** | 3,148 | 3,148 | - | 2,743 | 2,795 | (52) |
| Current service cost | - | 111 | (111) | - | 113 | (113) |
| Change in asset ceiling | 11 | - | 11 | (35) | - | (35) |
| Interest cost | - | 217 | (217) | - | 213 | (213) |
| Interest income | 220 | - | 220 | 209 | - | 209 |
| Actuarial (gain)/loss arising from changes in financial assumptions | - | 3 | (3) | - | 36 | (36) |
| Actuarial (gain)/loss arising from actual less expected return on plan assets | 8 | - | 8 | 133 | - | 133 |
| Actuarial (gain)/loss arising from experience adjustments | - | 19 | (19) | - | 6 | (6) |
| Employer contributions | 111 | - | 111 | 113 | - | 113 |
| Employees contributions | 196 | 196 | - | 210 | 210 | - |
| Assets acquired/ (settled) | (166) | (166) | - | 45 | 45 | - |
| Benefit payments | (384) | (384) | - | (270) | (270) | - |
| **Closing Balance** | **3,144** | **3,144** | **-** | **3,148** | **3,148** | **-** |

| Provident Fund Plan II | For the year ended 31st March, 2025 | | | For the year ended 31st March, 2024 | | |
|---|---|---|---|---|---|---|
| | Plan Assets | Plan Obligation | Total | Plan Assets | Plan Obligation | Total |
| **Opening Balance** | 325 | 325 | - | 507 | 507 | - |
| Current service cost | - | 10 | (10) | - | 11 | (11) |
| Change in asset celing | 13 | - | 13 | (2) | - | (2) |
| Interest cost | - | 22 | (22) | - | 30 | (30) |
| Interest income | 23 | - | 23 | 30 | - | 30 |
| Actuarial (gain)/loss arising from changes in financial assumptions | - | 2 | (2) | - | (2) | 2 |
| Actuarial (gain)/loss arising from actual less expected return on plan assets | (11) | - | (11) | 2 | - | 2 |
| Actuarial (gain)/loss arising from experience adjustments | - | 1 | (1) | - | 2 | (2) |
| Employer contributions | 10 | - | 10 | 11 | - | 11 |
| Employees contributions | 34 | 34 | - | 35 | 35 | - |
| Assets acquired/ (settled) | (38) | (38) | - | (156) | (156) | - |
| Benefit payments | (36) | (36) | - | (102) | (102) | - |
| **Closing Balance** | **320** | **320** | **(0)** | **325** | **325** | **-** |

| Other Post-Employment Benefit Plans | For the year ended 31st March, 2025 | | | For the year ended 31st March, 2024 | | |
|---|---|---|---|---|---|---|
| | Plan Assets | Plan Obligation | Total | Plan Assets | Plan Obligation | Total |
| **Opening Balance** | 26 | 286 | (260) | 40 | 253 | (213) |
| Current service cost | - | 0 | (0) | - | 0 | (0) |
| Interest cost | - | 20 | (20) | - | 19 | (19) |
| Interest income | 1 | - | 1 | 2 | - | 2 |
| Actuarial (gain)/loss arising from changes in demographic assumptions | - | - | - | - | (0) | 0 |
| Actuarial (gain)/loss arising from changes in financial assumptions | - | 11 | (11) | - | 33 | (33) |
| Actuarial (gain)/loss arising from actual less expected return on plan assets | 1 | - | 1 | 1 | - | 1 |
| Actuarial (gain)/loss arising from experience adjustments | - | (13) | 13 | - | 0 | (0) |
| Employer contributions | 2 | - | 2 | 2 | - | 2 |
| Benefit payments | (16) | (16) | - | (19) | (19) | - |
| **Closing Balance** | **14** | **288** | **(274)** | **26** | **286** | **(260)** |

(All amounts in ₹ crores, unless otherwise stated)

## C. Statement of Profit and Loss

The charge to the Statement of Profit and Loss comprises:

| Year ended 31st March, 2025 | Retirement Benefit Plans | | | | | | Other Post-Employment Benefit Plans |
|---|---|---|---|---|---|---|---|
| | Gratuity | Management Pension | Officers' Pension | Provident Fund Plan I | Provident Fund Plan II | Total | |
| **Employee Benefit Expenses:** | | | | | | | |
| Current service cost | 43 | 0 | 0 | 111 | 10 | 164 | 0 |
| Past service cost | (4) | - | 0 | - | - | (4) | - |
| **Finance costs:** | | | | | | | |
| Interest cost | 42 | 18 | 0 | 217 | 22 | 299 | 20 |
| Interest income | (39) | (14) | (0) | (220) | (23) | (296) | (1) |
| **Net impact on profit (before tax)** | **42** | **4** | **0** | **108** | **9** | **163** | **19** |
| **Remeasurement of the net defined benefit plans:** | | | | | | | |
| Actuarial (gains)/losses arising from changes in financial assumptions | 17 | 0 | 0 | 3 | 2 | 22 | 11 |
| Actuarial (gain)/loss arising from actual less expected return on plan assets | 7 | (9) | 1 | (8) | 11 | 2 | (1) |
| Actuarial (gains)/losses arising from experience adjustments | 12 | (7) | 1 | 19 | 1 | 26 | (13) |
| Change in asset ceiling (gains)/ losses | - | - | - | (11) | (13) | (24) | - |
| **Net impact on other comprehensive income (before tax)** | **36** | **(16)** | **2** | **3** | **1** | **26** | **(3)** |

| Year ended 31st March, 2024 | Retirement Benefit Plans | | | | | | Other Post-Employment Benefit Plans |
|---|---|---|---|---|---|---|---|
| | Gratuity | Management Pension | Officers' Pension | Provident Fund Plan I | Provident Fund Plan II | Total | |
| **Employee Benefit Expenses:** | | | | | | | |
| Current service cost | 38 | 0 | 0 | 113 | 11 | 162 | 0 |
| Past service cost | - | - | 0 | - | - | 0 | - |
| **Finance costs:** | | | | | | | |
| Interest cost | 39 | 20 | 1 | 213 | 30 | 303 | 18 |
| Interest income | (40) | (15) | (0) | (209) | (31) | (295) | (2) |
| **Net impact on profit (before tax)** | **37** | **5** | **1** | **117** | **10** | **170** | **16** |
| **Remeasurement of the net defined benefit plans:** | | | | | | | |
| Actuarial (gains)/losses arising from changes in demographic assumptions | 10 | - | - | - | - | 10 | (0) |
| Actuarial (gains)/losses arising from changes in financial assumptions | 12 | 0 | 0 | 36 | (2) | 46 | 33 |
| Actuarial (gain)/loss arising from actual less expected return on plan assets | (6) | (5) | (3) | (133) | (2) | (149) | (1) |
| Actuarial (gains)/losses arising from experience adjustments | 6 | (5) | 0 | 6 | 2 | 9 | 0 |
| Change in asset ceiling (gains)/losses | (21) | - | - | 35 | 2 | 16 | - |
| **Net impact on other comprehensive income (before tax)** | **1** | **(10)** | **(3)** | **(56)** | **(0)** | **(68)** | **32** |

(All amounts in ₹ crores, unless otherwise stated)

## D. Assets

The fair value of plan assets at the Balance Sheet date for our defined benefit plans for each category are as follows:

| | Retirement Benefit Plans | | Other Post-Employment Benefit Plans | | Total fair value of plan assets | |
|---|---|---|---|---|---|---|
| | As at 31st March, 2025 | As at 31st March, 2024 | As at 31st March, 2025 | As at 31st March, 2024 | As at 31st March, 2025 | As at 31st March, 2024 |
| **Quoted** | | | | | | |
| Government Debt Instruments | 1,820 | 1,771 | - | - | 1,820 | 1,771 |
| Other Debt Instruments | 1,160 | 1,173 | 14 | 26 | 1,174 | 1,199 |
| Equity | 447 | 461 | - | - | 447 | 461 |
| **Total (A)** | **3,427** | **3,405** | **14** | **26** | **3,441** | **3,431** |
| **Unquoted** | | | | | | |
| Other Debt Instruments | 202 | 228 | - | - | 202 | 228 |
| Others | 658 | 669 | - | - | 658 | 669 |
| **Total (B)** | **860** | **897** | **-** | **-** | **860** | **897** |
| **Total (A+B)** | **4,287** | **4,302** | **14** | **26** | **4,301** | **4,328** |

Assets to the extent of ₹24 crores for Provident Fund (FY 2023-24: ₹48 crores) not recognised on account of asset ceiling.

None of the plans invest directly in any property occupied by the Company or any financial securities issued by the Company.

## E. Assumptions

With the objective of presenting the plan assets and plan obligations of the defined benefits plans at their fair value on the Standalone Balance Sheet, assumptions under Ind AS 19 are set by reference to market conditions at the valuation date.

| | Retirement Benefit Plans | | Other Post-Employment Benefit Plans | |
|---|---|---|---|---|
| **Financial Assumptions** | As at 31st March, 2025 | As at 31st March, 2024 | As at 31st March, 2025 | As at 31st March, 2024 |
| Discount rate (per annum) | 6.8% | 7.2% | 6.8% | 7.2% |
| Salary Escalation Rate (per annum) | | | | |
| Management employees- for first 5 years | 8.0% | 8.0% | - | - |
| Management employees- after 5 years | 8.0% | 8.0% | - | - |
| Non-management Employees | 8.0% | 8.0% | - | - |
| Pension Increase Rate (per annum)* | 2.0% | 2.0% | - | - |
| Annual increase in healthcare costs (per annum) | - | - | 10.0% | 10.0% |

*For management pension only

The estimates of future salary increases, considered in actuarial valuation, takes into account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

### Demographic Assumptions

**Mortality in Service:** Indian Assured Lives Mortality (2012-14) Ultimate table

**Mortality in Retirement:** LIC Buy-out Annuity Rates & Published rates under S1PA Mortality table adjusted for Indian Lives.

(All amounts in ₹ crores, unless otherwise stated)

## F. Sensitivity Analysis

The sensitivity of the overall plan obligations to changes in the weighted key assumptions are:

### As at 31st March, 2025:

| | | Retirement Benefit Plans | | Other Post-Employment Benefit Plans | |
|---|---|---|---|---|---|
| | | Change in assumption (%) | Change in plan obligation (%) | Change in assumption (%) | Change in plan obligation (%) |
| Discount rate (per annum) | Increase | 0.50% | -1.9% | 0.50% | -5.0% |
| | Decrease | 0.50% | 2.3% | 0.50% | 5.4% |
| Salary escalation rate (per annum) | Increase | 0.25% | 1.3% | - | - |
| | Decrease | 0.25% | -1.3% | - | - |
| Pension rate | Increase | 0.25% | 6.9% | - | - |
| | Decrease | 0.25% | -6.7% | - | - |
| Life expectancy | Increase | 1 year | 3.7% | 1 year | 6.2% |
| | Decrease | 1 year | -3.7% | 1 year | -5.9% |
| Annual increase in healthcare costs (per annum) | Increase | - | - | 1.00% | 10.9% |
| | Decrease | - | - | 1.00% | -9.3% |

### As at 31st March, 2024:

| | | Retirement Benefit Plans | | Other Post-Employment Benefit Plans | |
|---|---|---|---|---|---|
| | | Change in assumption (%) | Change in plan obligation (%) | Change in assumption (%) | Change in plan obligation (%) |
| Discount rate (per annum) | Increase | 0.50% | -2.2% | 0.50% | -4.8% |
| | Decrease | 0.50% | 2.4% | 0.50% | 5.3% |
| Salary escalation rate (per annum) | Increase | 0.25% | 1.3% | - | - |
| | Decrease | 0.25% | -1.3% | - | - |
| Pension rate | Increase | 0.25% | 6.2% | - | - |
| | Decrease | 0.25% | -6.0% | - | - |
| Life expectancy | Increase | 1 year | 3.7% | 1 year | 5.4% |
| | Decrease | 1 year | -3.7% | 1 year | -5.3% |
| Annual increase in healthcare costs (per annum) | Increase | - | - | 1.00% | 10.7% |
| | Decrease | - | - | 1.00% | -9.1% |

The sensitivity analysis above have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the year and may not be representative of the actual change. It is based on a change in the key assumption while holding all other assumptions constant. When calculating the sensitivity to the assumption, the same method used to calculate the liability recognised in the Balance Sheet has been applied. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared with the previous year.

## G. Maturity analysis of the benefit payments from the fund

| | Retirement Benefit Plans | | Other Post-Employment Benefit Plans | |
|---|---|---|---|---|
| Projected benefits payable in future years from the date of reporting | As at 31st March, 2025 | As at 31st March, 2024 | As at 31st March, 2025 | As at 31st March, 2024 |
| 1st following year | 150 | 141 | 17 | 18 |
| 2nd following year | 127 | 123 | 18 | 18 |
| 3rd following year | 127 | 119 | 19 | 19 |
| 4th following year | 121 | 119 | 19 | 20 |
| 5th following year | 117 | 113 | 20 | 20 |
| Sum of year 6th to 10th | 423 | 400 | 107 | 109 |

(All amounts in ₹ crores, unless otherwise stated)

### H. Weighted average duration and expected employers contribution for the next year for each of the defined benefit plan

| | Weighted average duration (years) | | Expected Employers contribution for the next year |
|---|---|---|---|
| | Year ended 31st March, 2025 | Year ended 31st March, 2024 | |
| Gratuity Plan | 6.8 | 6.7 | 78 |
| Management Pension | 7.0 | 6.9 | 0 |
| Officer's Pension | 3.0 | 2.3 | 0 |
| Provident Fund Plan I | 7.3 | 7.2 | 120 |
| Provident Fund Plan II | 7.3 | 7.2 | 11 |
| Post-retirement medical benefits Plan I | 9.5 | 9.3 | - |
| Post-retirement medical benefits Plan II | 13.9 | 13.8 | - |

## III OTHER SHORT-TERM BENEFITS

### Compensated absences

Employee Benefit expenses for the year include ₹15 crores (FY 2023-24: ₹13 crores) towards compensated absences. Provision for compensated absences as on 31st March, 2025 is ₹53 crores (31st March, 2024: ₹46 crores).

## NOTE 40 SHARE BASED PAYMENTS

Refer note 32 for accounting policy on Share Based Payments

As at 31st March, 2025, the Company had multiple Share based payment plans to its employees including Executive Directors and Key Management.

## Cash Settled Share Based Payments

As at 31st March, 2025, the Company has multiple Share plans under which employees are granted Unilever PLC's shares. The major share-based plans are explained below:

### Performance Share Plans (PSP)

From 2021, under PSP scheme, eligible employees receive annual awards of Unilever PLC shares. The awards vest between 0% and 200% of grant level (limits for Executive Directors may vary) based on the performance measures which are percentage business winning, cumulative free cash flow, underlying return on invested capital, sustainability progress index for the Group. The awards vest after 3 years. In 2024, the Group modified the PSP scheme to only eligible employees. The performance measures for PSP awards from 2024 are underlying sales growth, underlying return on invested capital, relative total shareholder return and sustainability progress index.

### Annual Share Plans (ASP)

From 2024, under the ASP award, eligible employees receive Unilever PLC shares which will vest after 3 years and are not subject to any performance conditions. The performance measures for ASP are in-year business performance and impact, leadership and future fitness of an individual with a range of 0% – 200%. The awards under ASP vest after 3 years with no business performance conditions being applied at the time of vesting.

### Management Co-Investment Plan (MCIP)

The MCIP allowed eligible employees to invest up to 100% of their annual bonus (a minimum of 33% and maximum of 67% for Executive Directors) in shares of Unilever PLC and to receive a corresponding award of performance-related shares. The awards vest between 0% and 200% of grant level (limits for Executive Directors may vary) based on the performance measures which are underlying sales growth, underlying EPS growth, return on invested capital and sustainability progress index. The awards vest after 4 years. MCIP awards were last granted in 2020 and vested in 2024. No further MCIP awards were made.

## Equity Settled Share Based Payments

In the year 2024, the Company announced "HUL PSP" scheme 2024. Under this scheme, specific eligible employees of HUL and its wholly owned subsidiaries are awarded with HUL share options. HUL PSP vesting to managers at higher work levels is based on underlying sales growth, underlying return on invested capital, relative total shareholder return and sustainability progress index. The scheme partly substitues compensation of eligible employees from fully denominated 100% Unilever PLC Shares, to a new ratio of 62% Unilever PLC Shares under the Unilever ASP or PSP scheme and 38% HUL shares under HUL PSP scheme. There are no modifications to terms and conditions on determination of value of grant for award or the vesting conditions vis a vis the Unilever ASP or PSP Scheme.

The HUL Performance Share Plan 2024 includes employees of Hindustan Unilever Limited and its subsidiaries.

(All amounts in ₹ crores, unless otherwise stated)

| Scheme | Year | Date of Grant | Numbers of options granted | Vesting Conditions | Exercise Period | Exercise Price (₹) per share | Weighted Average Exercise Price (₹) per share | Weighted Average Duration in month |
|---|---|---|---|---|---|---|---|---|
| HUL PSP 2024 | 2024 | 17-Jun-24 | 1,96,994 | After three years from date of grant on meeting performance condition | 3 years from date of vesting | 1.00 | 1.00 | 29.3 |
| | 2025 | 09-Mar-25 | 2,21,395 | | 3 years from date of vesting | 1.00 | 1.00 | |

| Scheme | Scheme Grant Year | Financial Year | Number of Share Options | | | | |
|---|---|---|---|---|---|---|---|
| | | | Outstanding at the beginning of the year | Granted during the year | Forfeited/ Expired during the year | Exercised during the year | Outstanding at the end of the year |
| HUL PSP 2024 | 2024 | 2024-25 | - | 1,96,994 | (21,612) | - | 1,75,382 |
| | 2025 | 2024-25 | - | 2,21,395 | - | - | 2,21,395 |

### Effect of share based payment transactions on the Standalone Balance Sheet:

| | As at 31st March, 2025 | As at 31st March, 2024 |
|---|---|---|
| Other non-current financial liabilities | 208 | 260 |
| Other current financial liabilities | 237 | 189 |
| **Total carrying amount of liabilities** | **445** | **449** |

### Effect of share based payment transactions on the Standalone Statement of Profit and Loss:

| | Year ended 31st March, 2025 | Year ended 31st March, 2024 |
|---|---|---|
| Cash settled share based payments | 90 | 169 |
| Equity settled share based payments | 11 | - |
| **Total expense on share based payments** | **101** | **169** |

## NOTE 41 BUSINESS COMBINATION

As per Ind AS 103, Business combinations are accounted for using the acquisition accounting method as at the date of the acquisition, which is the date at which control is transferred to the Company. The consideration transferred in the acquisition and the identifiable assets acquired and liabilities assumed are recognised at fair values on their acquisition date. Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. The Company recognises any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets. Consideration transferred does not include amounts related to settlement of pre-existing relationships. Such amounts are recognised in the standalone statement of profit and loss.

Transaction costs are expensed in the standalone statement of profit and loss as incurred, other than those incurred in relation to the issue of debt or equity securities which are directly adjusted in other equity. Any contingent consideration payable is measured at fair value at the acquisition date. Subsequent changes in the fair value of contingent consideration are recognised in the standalone statement of profit and loss.

### 1. Amalgamation of GlaxoSmithKline Consumer Healthcare Limited

On 1st April, 2020, the Company completed the merger of GlaxoSmithKline Consumer Healthcare Limited ['GSKCH'] via an all-equity merger under which 4.39 shares of HUL (the Company) were allotted for every share of GSKCH. With this merger the Company acquired the business of GSKCH including the Right to Use asset of brand Horlicks and Intellectual Property Rights of brands like Boost, Maltova and Viva. The Company also acquired the Horlicks intellectual property rights, being the legal rights to the Horlicks brand for India from GlaxoSmithKline Plc.

The scheme of merger ("scheme") submitted by the Company was approved by Hon'ble National Company Law Tribunal by its order dated 24th September, 2019 (Mumbai bench) and 12th March, 2020 (Chandigarh bench). The Board of Directors approved the scheme between the Company and GSKCH, on 1st April, 2020. The scheme was filed with Registrar of Companies on the same date. Accordingly, 1st April, 2020 was considered as the acquisition date, i.e. the date at which control is transferred to the Company.

The merger had been accounted for using the acquisition accounting method under Ind AS 103 – Business Combinations. All identified assets acquired, and liabilities assumed on the date of merger were recorded at their fair value.

(All amounts in ₹ crores, unless otherwise stated)

### (A) Purchase consideration transferred:

The total consideration paid was ₹40,242 crores which comprised of shares of the Company, valued based on the share price of the Company on the completion date. Refer to the details below:

As per the scheme, the Company issued its shares in favour of existing shareholders of GSKCH such that 4.39 of Company's shares were allotted for every share of GSKCH as below.

| | |
|---|---|
| Total number of GSKCH shares outstanding | 4,20,55,538 |
| Total number of company's shares issued to GSKCH shareholders i.e., 4.39 of Company's shares per share of GSKCH | 18,46,23,812 |
| Value of the Company share (closing price of the Company share on NSE as on 1st April, 2020) | 2,179.65 |
| **Total consideration paid to acquire GSKCH (₹ crores)** | **40,242** |

(a) Total costs relating to the issuance of shares amounting to ₹44 crores was recognised against equity.

(b) Transaction cost of ₹146 crores that were not directly attributable to the issue of shares was included under exceptional items in the standalone Statement of Profit and Loss.

### (B) Assets acquired, and liabilities assumed is as under:

| | Amount |
|---|---|
| Total identifiable assets (A) | 31,445 |
| Total identifiable liabilities (B) | 8,468 |
| Goodwill (C) | 17,265 |
| **Total Net Assets [(A)-(B)+(C)]** | **40,242** |

The main assets acquired were Right to use Horlicks and Boost brand which were valued using the income approach model by estimating future cashflows generated by these assets and discounting them to present value using rates in line with a market participant expectation.

In addition, as applicable, Property, plant & equipment have been valued using the market comparison technique and replacement cost method.

### (C) Acquisition of Horlicks Brand:

The Company also acquired the Horlicks Intellectual Property Rights (IPR), being the legal rights to the Horlicks brand for India from GlaxoSmithKline Plc for a consideration of ₹3,045 crores. The transaction has been accounted as an asset acquisition in line with Ind AS 38 (Intangible assets).

The Company incurred transaction cost of ₹91 crores for the above asset acquisition which was capitalised along with Horlicks IPR. Total value of ₹3,136 crores is recognised under Intangible assets in the standalone financial statements.

## 2. Acquistion of Uprising Science Private Limited

Pursuant to the approval of Board of Directors at their meeting held on 22nd January, 2025, the Company signed and executed a Share Purchase and Subscription Agreement for acquisition of 90.5% of shareholding of Uprising Science Private Limited (USPL). USPL is engaged in the business of skin care and hair care under the brand 'Minimalist'. The Company has completed the acquisition of the aforesaid stake on 21st April, 2025 for a consideration of ₹2,706 crores. This has no impact on the results for year and as at 31 March, 2025.

The acquisition will mark another key step in the growth of the Beauty & Wellbeing portfolio in high growth demand spaces.

(All amounts in ₹ crores, unless otherwise stated)

## NOTE 42 STRATEGIC INVESTMENTS

### Investment in Lucro Plastecycle Private Limited

The Board of Directors at its meeting held on 20 March, 2025 has approved the investment for acquiring 14.3% stake, on fully diluted basis, in Lucro Plastecycle Private Limited ('Lucro'), a leading player in recycled flexible plastics, subject to customary closing adjustments and fulfilment of closing conditions. The Company has completed the acquisition of the aforesaid stake on 23rd April, 2025 for a consideration of ₹100 crores. This has no impact on the results for year and as at 31st March, 2025.

## NOTE 43 DISCLOSURES PURSUANT TO REGULATION 34 (3) OF SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND SECTION 186 OF THE COMPANIES ACT, 2013

| | | Year ended 31st March, 2025 | Year ended 31st March, 2024 |
|---|---|---|---|
| **(a)** | **Loans to Subsidiaries** | | |
| **(i)** | **Lakme Lever Private Limited** | | |
| | Balance as at the beginning of the year | 190 | 172 |
| | Loans given | 10 | 18 |
| | Loans repaid | 40 | 0 |
| | Balance as at the end of the year | 160 | 190 |
| | Maximum amount outstanding at any time during the year | 200 | 190 |
| | [Lakme Lever Private Limited has utilised the loan for working capital requirements and capital expenditure. It is repayable over a period of 5 years and carries a range rate of interest at 7.51% to 7.73% during the year (2023-24: 7.27% to 7.51%)] | | |
| **(ii)** | **Unilever India Exports Limited** | | |
| | Balance as at the beginning of the year | 107 | 0 |
| | Loans given | 352 | 385 |
| | Loans repaid | 368 | 278 |
| | Balance as at the end of the year | 91 | 107 |
| | Maximum amount outstanding at any time during the year | 177 | 172 |
| | [Unilever India Exports Limited has utilised the loan for working capital requirements. It is repayable over a period of 5 years and carries a range rate of interest at 7.51% to 7.73% during the year (2023-24: 7.27% to 7.51%)] | | |
| **(iii)** | **Unilever India Limited** | | |
| | Balance as at the beginning of the year | - | 75 |
| | Loans given | - | 28 |
| | Loans repaid | - | 103 |
| | Balance as at the end of the year | - | 0 |
| | Maximum amount outstanding at any time during the year | - | 95 |
| | [Unilever India Limited utilised the loan for working capital requirements. It was repayable over a period of 5 years and carried a range rate of interest at 7.27% to 7.51% during the financial year 2023-24] | | |
| **(b)** | **Loans to Others** | | |
| | Balance as at the beginning of the year | 5 | 6 |
| | Loans given | 11 | - |
| | Loans repaid | 11 | 1 |
| | Balance as at the end of the year | 5 | 5 |
| | Maximum amount outstanding at any time during the year | 5 | 6 |
| **(c)** | **Investment by the loanees in the shares of the Company** | | |
| | The loanees have not made any investments in the shares of the Company | | |

(All amounts in ₹ crores, unless otherwise stated)

### (d) Details of Non-current Investments made by the Company

| | Year ended 31st March, 2025 | Year ended 31st March, 2024 |
|---|---|---|
| **A. Equity Instruments** | | |
| **a) Quoted equity instruments** | | |
| Nil equity shares [31st March, 2024: 10,000] of ₹10 each held in Scooters India Limited | - | 0 |
| **b) Unquoted equity instruments** | | |
| 1,00,000 equity shares [31st March, 2024: 100,000] of ₹10 each held in Biotech Consortium India Limited | 0 | 0 |
| 8,284 equity shares [31st March, 2024: 8,284] of ₹10 each held in Assam Bengal Cereals Limited | 0 | 0 |
| 200 equity shares [31st March, 2024: 200] of ₹100 each held in The Nilgiri Co-operative Enterprises Limited | 0 | 0 |
| 1,000 equity shares [31st March, 2024: 1,000] of ₹10 each held in Saraswat Co-operative Bank Limited | 0 | 0 |
| 96,125 equity shares [31st March, 2024: 96,125] of ₹10 each held in Hindustan Field Services Private Limited | 0 | 0 |
| 1 equity share [31st March, 2024: 1] of ₹10,000 each held in Coffee Futures India Exchange Limited | 0 | 0 |
| 50 equity shares [31st March, 2024: 50] of ₹100 each held in Dugdha Sahakari Kraya-Vikraya Samiti Limited | 0 | 0 |
| 1,150 equity shares [31st March, 2024: 1,150] of ₹100 each held in Annamallais Ropeway company Limited | 0 | 0 |
| 1,000 equity shares [31st March, 2024: 1,000] of ₹10 each held in Super Bazar Co-op. Stores Limited | 0 | 0 |
| 2,40,000 equity shares [31st March, 2024: 2,40,000] of ₹10 each held in Comfund Consulting Limited (formerly known as Comfund Financial Services India Limited)<br>[Net of impairment: ₹0 crore (31st March, 2024: ₹0 crore)] | - | - |
| 52,000 equity shares [31st March, 2024: 52,000] of ₹100 each held in Aquagel Chemicals Bhavanagar Private Limited | 1 | 1 |
| 22,330 equity shares [31st March, 2024: 22,330] of ₹10 each held in Transition Sustainable Energy Services One Private Limited | 0 | 0 |
| **Total (A)** | **1** | **1** |
| **B. Other Instruments** | | |
| **a) Unquoted investment in debentures and bonds** | | |
| 14 6 1/2% Non-redeemable Registered Debentures [31st March, 2024: 14] face value of ₹1,000 each held in The Bengal Chamber of Commerce & Industry | 0 | 0 |
| 44 1/2% Debentures [31st March, 2024: 44] face value of ₹100 each held in Woodlands Hospital and Medical Research Centre Limited | 0 | 0 |
| 1 5% Non-redeemable Registered Debenture stock [31st March, 2024: 1] face value of ₹100 each held in Woodlands Hospital and Medical Research Centre Limited | 0 | 0 |
| 56 5% Debentures [31st March, 2024: 56] face value of ₹100 each held in Shillong Club Limited | 0 | 0 |
| **b) Unquoted investment in National Savings Certificates** | | |
| 7 Year National Savings Certificates - II Issue | 0 | 0 |
| **c) Unquoted investment in preference shares** | | |
| 1,04,000 9% Cumulative Redeemable Preference Shares [31st March, 2024: 1,04,000] of ₹100 each held in Aquagel Chemicals Bhavanagar Private Limited | 1 | 1 |
| **Total (B)** | **1** | **1** |
| **Total (A+B)** | **2** | **2** |

**(e)** Refer note 5 for details of Investments in subsidiaries and joint venture.

**(f)** The Company has not provided any security covered under Section 186 and accordingly, the disclosure requirements to that extent does not apply to the Company.

(All amounts in ₹ crores, unless otherwise stated)

# NOTE 44 RELATED PARTY DISCLOSURES

## A. Enterprises exercising control

| | | |
|---|---|---|
| (i) **Holding Company** | : | Unilever Plc |

## B. Enterprises where control exists

| | | |
|---|---|---|
| (i) **Subsidiaries** (Extent of holding) | | Unilever India Exports Limited (100%) ('UIEL')<br>Lakme Lever Private Limited (100%)<br>Unilever India Limited (100%)<br>Unilever Nepal Limited (80%)<br>Zywie Ventures Private Limited (51%)*<br>Zenherb Labs Private Limited (100% subsidiary of ZVPL)<br>Daverashola Estates Private Limited (100%)<br>Pond's Exports Limited (90%) (merged with UIEL with effect from 13th February, 2024)<br>Jamnagar Properties Private Limited (100%) (merged with UIEL with effect from 13th February, 2024)<br>Bhavishya Alliance Child Nutrition Initiatives (100%) (Section 8 company) (Liquidated with effect from 27th December, 2023)<br>Hindustan Unilever Foundation (76%) (Section 8 company)<br>Hindlever Trust Limited (100%)<br>Levers Associated Trust Limited (100%)<br>Levindra Trust Limited (100%)<br>Kwality Wall's (India) Limited (100%) (with effect from 10th January, 2025) |
| (ii) **Joint Venture** (Extent of holding) | | Nutritionalab Private Limited (19.8%*- Joint Control) |

## C. Subsidiaries of Holding Company with whom the Company had transactions during the year

:

Unilever Oleochemical Indonesia is listed as "PT Unilever Oleochemical Indonesia".

- PT Unilever Oleochemical Indonesia
- Unilever Europe Business Centre
- Unilever Global IP Ltd
- Unilever IP Holdings B.V
- Unilever Europe - IT
- Unilever Industries Private Limited
- Unilever Supply Chain Company
- Unilever Asia Private Limited
- Unilever Thai Trading Limited
- Unilever U.K. Central Resource
- Conopco, Inc.
- Unilever Ventures India Advisory
- Dermalogica, LLC
- Unilever Sri Lanka Limted
- Unilever Bangladesh Limited
- Immobilia Transhome B.V.
- Wall's (China) Co. Ltd
- Lipton Ceylon Ltd
- Unilever UK Limited

## D. Entity in which director or their relative has significant influence

:

- Deloitte Touche Tohmatsu India LLP (upto 30th September, 2024)
- Fractal Analytics Private Limited
- CalvinBall Technologies

(All amounts in ₹ crores, unless otherwise stated)

| | | |
|---|---|---|
| **E. Post Employment Benefit Plans** | : | The Union Provident Fund<br>Hindustan Lever Gratuity Fund<br>The Hindlever Pension Fund<br>Hindlever Limited Superannuation Fund<br>GlaxoSmithKline Consumer Healthcare Limited Provident Fund |
| **F. Trust** | : | Hindustan Unilever Limited Securitisation of Retirement Benefit Trust |
| **G. Key Management Personnel and Senior Management** | | |
| **(a) Key Management Personnel** | : | Rohit Jawa<br>Ritesh Tiwari<br>Radhika Shah (with effect from 1st January, 2025)<br>Sanjiv Mehta (upto 27th June, 2023)<br>Dev Bajpai (upto 31st December, 2024) |
| **(b) Senior Management** | : | Yogesh Mishra<br>Srinandan Sundaram<br>Arun Neelakantan<br>Harman Dhillon (with effect from 1st April, 2024)<br>K Shivaramakrishnan (with effect from 1st April, 2024)<br>Biddappa Bittianda Ponnappa (with effect from 1st June, 2024)<br>Vipul Mathur (with effect from 1st June, 2024)<br>Vivek Mittal (with effect from 26th February, 2025)<br>Madhusudhan Rao (upto 31st March, 2024)<br>Deepak Subramanian (upto 31st March, 2024)<br>Anuradha Razdan (upto 31st May, 2024)<br>Kedar Lele (upto 30th June, 2024) |
| **(c) Non-executive directors** | : | Nitin Paranjpe<br>Leo Puri<br>Ashu Suyash<br>Ranjay Gulati<br>Neelam Dhawan<br>Tarun Bajaj<br>Ashish Gupta (up to 27th June, 2023)<br>Sanjiv Misra (upto 29th June, 2024)<br>O. P. Bhatt (upto 29th June, 2024)<br>Kalpana Morparia (upto 9th October, 2024) |

*On a fully diluted basis

(All amounts in ₹ crores, unless otherwise stated)

## Disclosure of transactions between the Company and Related Parties and the status of outstanding balances as at 31st March, 2025

| | | | Year ended 31st March, 2025 | Year ended 31st March, 2024 |
|---|---|---|---|---|
| **Holding Company** | : | **Transactions during the year:** | | |
| | | Dividend paid | 5,906 | 4,457 |
| | | Expenses for services received | 660 | 600 |
| | | Reimbursements paid | 80 | 52 |
| | | **Outstanding as at the year end:** | | |
| | | - Trade receivables | - | 0 |
| | | - Trade payables | 431 | 403 |
| **Subsidiaries/ Trust** | : | **Transactions during the year:** | | |
| | | Purchase of finished goods, raw materials etc | | |
| | | Billed | 1,438 | 1,122 |
| | | Unbilled Revenue/(Accrued Expenses) | 16 | (7) |
| | | Sale of finished goods, raw materials etc | | |
| | | Billed | 601 | 599 |
| | | Unbilled Revenue/(Accrued Expenses) | 12 | (26) |
| | | Inter corporate loans given during the year | 362 | 430 |
| | | Inter corporate loans repaid during the year | 407 | 381 |
| | | Dividend income | 169 | 173 |
| | | Processing charges | 145 | 151 |
| | | Donation paid | 46 | 30 |
| | | Reimbursements received | 38 | 38 |
| | | Royalty income | 34 | 29 |
| | | Reimbursements paid | 34 | 4 |
| | | Reimbursement received/ receivable towards pension and medical benefits | 32 | 31 |
| | | Expenses shared by subsidiary companies | 28 | 23 |
| | | Interest income | 22 | 20 |
| | | Management fees paid | 10 | 9 |
| | | Purchase of export licences | 4 | 14 |
| | | Rent income | 1 | 0 |
| | | Purchase of property, plant & equipment | 1 | 1 |
| | | Commission paid | 0 | 0 |
| | | Sales of property plant and equipment | - | 2 |
| | | **Outstanding as at the year end:** | | |
| | | - Trade receivables | 155 | 81 |
| | | - Trade payables | 122 | 51 |
| | | - Loans and advances to subsidiaries | 252 | 297 |
| | | - Accrued interest receivable | 10 | 6 |
| **Joint Venture** | : | **Transactions during the year:** | | |
| | | Purchase of finished goods | 0 | 2 |
| | | Reimbursements received | 1 | 0 |
| | | Reimbursements paid | 0 | - |
| | | **Outstanding as at the year end:** | | |
| | | - Trade receivables | 1 | - |

(All amounts in ₹ crores, unless otherwise stated)

| | | Year ended 31st March, 2025 | Year ended 31st March, 2024 |
|---|---|---|---|
| **Subsidiaries of Holding Company** | : **Transactions during the year** | | |
| | Dividend paid | 1,802 | 1,360 |
| | Purchase of finished goods/raw materials etc. | 1,739 | 691 |
| | Royalty expense | 1,240 | 1,129 |
| | Fees for Central Services | 856 | 780 |
| | Income from services rendered | 430 | 330 |
| | Maintenance and support costs for licences and software | 144 | 125 |
| | Reimbursements paid | 114 | 70 |
| | Marketing Development Cost | 95 | 78 |
| | Reimbursements received | 51 | 64 |
| | Gains/ Losses on Commodity Hedge | 50 | 135 |
| | Expenses for services received | 18 | 29 |
| | Rent income | 16 | 12 |
| | Inter corporate loans given during the year | 10 | - |
| | Inter corporate loans repaid during the year | 10 | - |
| | Expenses shared by fellow subsidiary companies | 6 | 6 |
| | Purchase of export Duty Scrips | 5 | 2 |
| | Interest Income | 0 | - |
| | **Outstanding as at the year end** | | |
| | - Trade receivables | 192 | 138 |
| | - Trade payables | 784 | 621 |
| **Entity in which director or their relative has significant influence** | : Professional Fees | 5 | 8 |
| **Key Management Personnel and Senior Management** | | | |
| **(a) Key Management Personnel** | : **Remuneration:** | | |
| | - Short-term employee benefits | 34 | 41 |
| | - Post-employment benefits | 1 | 1 |
| | - Share-based payments | 8 | 9 |
| | Dividend paid | 0 | 0 |
| **(b) Senior Management** | : **Remuneration:** | | |
| | - Short-term employee benefits | 46 | 40 |
| | - Post-employment benefits | 2 | 2 |
| | - Share-based payments | 13 | 13 |
| | Dividend paid | 0 | 0 |
| **(c) Non-Executive Directors** | : **Remuneration:** | | |
| | - Commission paid | 4 | 2 |
| | Dividend paid | 1 | 0 |
| **Post Employment Benefit Plans** | : Contributions during the year (Employer's contribution only) | 91 | 92 |

## Terms and conditions of transactions with related parties

All Related Party Transactions entered during the year were in ordinary course of the business and on arm's length basis. Outstanding balances at the year-end are unsecured and gross amounts are settled in cash. Refer note 43 for terms and conditions of loans given to subsidiaries.

There have been no guarantees provided or received for any related party receivables or payables. For the year ended 31st March, 2025, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (2023-24: ₹ Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

(All amounts in ₹ crores, unless otherwise stated)

# NOTE 45 ACCOUNTING RATIOS

| No | Name of the Ratio | Numerator | Denominator | FY 2024-25 (A) | FY 2023-24 (B) | % Variance |
|---|---|---|---|---|---|---|
| 1 | Current Ratio (in times) | Current assets | Current liabilities | 1.3 | 1.6 | -18.5% |
| 2 | Debt - Equity Ratio (in times) | Total debt | Equity | 0.0 | 0.0 | 16.0% |
| 3 | Debt Service coverage ratio* (in times) | Earnings available for debt service | Total debt service | 20.5 | 23.6 | -13.1% |
| 4 | Return on equity (in %) | Net profit - preferred dividends | Average shareholder equity | 21.3% | 20.0% | 6.4% |
| 5 | Inventory Turnover Ratio (in times) | Sales | Average inventory | 15.2 | 15.2 | 0.2% |
| 6 | Trade receivables turnover ratio (in times) | Sales | Average accounts receivables | 19.8 | 22.0 | -10.0% |
| 7 | Trade payables turnover ratio (in times) | Net purchases | Average trade payables | 4.4 | 4.3 | 4.2% |
| 8 | Net capital turnover ratio (in times) | Sales | Working Capital | 11.6 | 7.6 | 53.7% |
| 9 | Net profit ratio (in %) | Net profit | Sales | 17.5% | 17.0% | 3.3% |
| 10 | Return on capital employed (in %) | Earning before interest and taxes | Capital employed | 108.2% | 96.3% | 12.4% |
| 11 | Return on investment (in %) | refer (k) below | | 7.6% | 7.4% | 2.7% |

* The Company does not have any borrowings. Debt Service coverage ratio and Debt Equity has been computed basis lease liabilities as per Guidance note on Schedule III issued by the Institute of Chartered Accountants of India.

There is a significant change in the following ratios as compared to the FY 2023-24 of more than 25% on account of the below:

**Net capital turnover -** Improvement in ratio due to reclassification of certain longer term liabilities to current since they will be payable within 12 months

## Definitions:

(a) Earning for available for debt service = Net Profit after taxes + Non-cash operating expenses like depreciation and other amortisations + Interest + other adjustments like loss on sale of Fixed assets etc.

(b) Debt service = Interest & Lease Payments + Principal Repayments

(c) Average inventory = (Opening inventory balance + Closing inventory balance)/2

(d) Net credit sales = Net credit sales consist of gross credit sales minus sales return

(e) Average trade receivables = (Opening trade receivables balance + Closing trade receivables balance)/2

(f) Net credit purchases = Net credit purchases consist of gross credit purchases minus purchase return

(g) Average trade payables = (Opening trade payables balance + Closing trade payables balance)/2

(h) Working capital = Current assets - Current liabilities.

(i) Earning before interest and taxes = Profit before exeptional items and tax + Finance costs - Other Income

(j) Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability

(All amounts in ₹ crores, unless otherwise stated)

(k) Return on Investment

$$\frac{\{MV(T1) - MV(T0) - Sum\,[C(t)]\}}{\{MV(T0) + Sum\,[W(t)^{*} C(t)]\}}$$

where,

T1 = End of time period

T0 = Beginning of time period

t = Specific date falling between T1 and T0

MV(T1) = Market Value at T1

MV(T0) = Market Value at T0

C(t) = Cash inflow, cash outflow on specific date

W(t) = Weight of the net cash flow (i.e. either net inflow or net outflow) on day 't', calculated as [T1 – t]/T1

## NOTE 46

The Company has a process whereby periodically all long term contracts (including derivative contracts) are assessed for material foreseeable losses. At the year end, the Company has reviewed and there are no long term contracts for which there are any material foreseeable losses. The Company has ensured that adequate provision as required under any law/ accounting standards for material foreseeable losses on derivative contracts has been made in the books of accounts.

## NOTE 47

The Company has presented segment information in the consolidated financial statements which are presented in the same annual report. Accordingly, in terms of Paragraph 4 of Ind AS 108 'Operating Segments', no disclosures related to segments are presented in these standalone financial statements.

## NOTE 48 COMPLIANCE WITH APPROVED SCHEME(S) OF ARRANGEMENTS

(i) The Board of Directors of the Company at its meeting held on 22 January, 2025 has, subject to necessary approvals, approved a Scheme of Arrangement amongst Hindustan Unilever Limited ('Demerged Company') and Kwality Wall's (India) Limited ('Resulting Company') and their respective shareholders and creditors under Section 230 to 232 read with the other applicable provisions of the Companies Act, 2013 ('Scheme').

The Scheme, inter alia, provides for demerger of the Demerged Undertaking (as defined in the Scheme) comprising the Ice Cream Business of the Demerged Company into the Resulting Company on a going concern basis and the consequent issuance of Equity Shares by the Resulting Company to all the shareholders of the Demerged Company as per the Share Entitlement Ratio defined therein, and in accordance with Section 2(19AA) read with other relevant provisions of the Income-tax Act, 1961.

The Scheme is subject to requisite approvals, including approval of the National Company Law Tribunal, Mumbai Bench. Accordingly, no accounting effect in respect of the Scheme has been given in these financial statements.

(ii) During FY 2020-21, the Company completed the merger of GSK CH via an all equity merger. The merger was accounted for in accordance with the scheme using the acquisition accounting method under Ind AS 103 – Business Combinations. All identified assets acquired and liabilities assumed on the date of merger were recorded at their fair value.

## NOTE 49 DISCLOSURE OF TRANSACTIONS WITH STRUCK OFF COMPANIES

The Company did not have any material transactions with companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956 during the year ended 31st March, 2025 and 31st March, 2024.

## NOTE 50

No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ('Intermediaries') with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company ('Ultimate Beneficiaries'). The Company has not received any fund from any party(s) ('Funding Party') with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(All amounts in ₹ crores, unless otherwise stated)

## NOTE 51

The proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 inserted by the Companies (Accounts) Amendment Rules 2021 requires companies, which uses accounting software for maintaining its books of accounts, to use only such accounting software which has a feature of recording audit trail of each and every transaction, creating an edit log of each change made in the books of accounts along with the date when such changes were made and ensuring that the audit trail cannot be disabled.

The Company has used accounting software for maintaining its books of account, which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the respective software. Further, where the audit trail (edit log) facility was enabled and operated, the audit trail feature has not been tampered with.

The back-up of audit trail (edit log) has been maintained on the servers physically located in India for financial year ended 31st March, 2025. The daily back-up of audit trail (edit log) in respect of its primary accounting software, an accounting software for maintaining purchase orders and an accounting software for journal entries has been maintained on the servers physically located in India from 3rd March, 2025, 19th October, 2024 and 19th December, 2024 onwards, respectively.

## NOTE 52

No transactions to report against the following disclosure requirements as notified by MCA pursuant to amended Schedule III:

(a) Crypto Currency or Virtual Currency

(b) Benami Property held under Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder

(c) Registration of charges or satisfaction with Registrar of Companies

(d) Relating to borrowed funds:

   i. Wilful defaulter

   ii. Utilisation of borrowed funds & share premium

   iii. Borrowings obtained on the basis of security of current assets

   iv. Discrepancy in utilisation of borrowings

   v. Current maturity of long term borrowings

## NOTE 53 SUBSEQUENT EVENTS

There are no other subsequent events that occurred after the reporting date other than those mentioned in Notes 41 and 42.

## NOTE 54

Figures for the previous year have been regrouped/rearranged, wherever considered necessary, to conform to current period's classification. The impact of such reclassification/ regrouping is not material to the financial statements

As per our report of even date attached

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No. 001076N/N500013

**Aasheesh Arjun Singh**
Partner
Membership No. 210122

Mumbai: 24th April, 2025

For and on behalf of Board of Directors

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

**Ritesh Tiwari**
Executive Director, Finance & IT and
Chief Financial Officer
[DIN: 05349994]

**Ashu Suyash**
Chairperson - Audit Committee
[DIN: 00494515]

**Radhika Shah**
Company Secretary and
Compliance Officer
Membership No: A19308

**Shilpa Kedia**
Group Controller

Mumbai: 24th April, 2025

# Independent Auditor's Report

To the Members of Hindustan Unilever Limited

## REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

### Opinion

1. We have audited the accompanying consolidated financial statements of Hindustan Unilever Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group') and its joint venture, as listed in Annexure I, which comprise the Consolidated Balance Sheet as at 31st March, 2025, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including a material accounting policy information and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements and on the other financial information of the subsidiary and joint venture, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India of the consolidated state of affairs of the Group and its joint venture, as at 31st March, 2025, and their consolidated profit (including other comprehensive income), consolidated cash flows and the consolidated changes in equity for the year ended on that date.

### Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group and its joint venture in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained together with the audit evidence obtained by the other auditors in terms of their reports referred to in paragraphs 14 and 15 of the Other Matters section below, is sufficient and appropriate to provide a basis for our opinion.

### Key Audit Matters

4. Key audit matters are those matters that, in our professional judgment and based on the consideration of the reports of the other auditors on separate financial statements of the subsidiaries and joint venture, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

5. We have determined the matters described below to be the key audit matters to be communicated in our report

| Key audit matters | How our audit addressed the key audit matters |
|---|---|
| **Revenue Recognition – Discounts and Rebates**<br><br>(Refer note 2 and 27 to the consolidated financial Statements)<br><br>The revenue of the Group consists primarily of sale of products through various distribution channels. Revenue is recognised net of trade and volume discounts and other rebates as described in the aforesaid notes (hereinafter referred to as 'discounts and rebates').<br><br>Accrual towards discounts and rebates at the reporting date with respect to ongoing discount and incentive schemes is complex due to varying terms and conditions, multiplicity of products, channel partners and markets. Significant judgments are required to be made by management in order to determine variable consideration in accordance with Ind AS 115, 'Revenue from Contracts with Customers' ("Ind AS 115"), particularly in estimating accruals relating to incentive schemes that are based on secondary sales made by the customers of the Group.<br><br>The above complexity leads to a risk of revenue being misstated due to inaccurate estimation of such discounts and rebates, and hence, it requires significant auditor attention.<br><br>Considering the materiality of amounts involved and significant management judgements required in estimating the accrual of discounts and rebates, this matter has been considered as a key audit matter for the current year audit. | **Our audit procedures included, but were not limited to, the following:**<br><br>• Assessed the appropriateness of the Group's revenue recognition accounting policies, including those relating to discounts and rebates in accordance with Ind AS 115;<br><br>• Evaluated the design and tested the operating effectiveness of the Group's key internal controls, including general and specific information technology controls, exercised implemented by the management for measurement and recording of such discounts and rebates;<br><br>• On a sample basis, inspected key customer contracts and incentive schemes to understand the terms and conditions pertaining to discounts and rebates and evaluated the process followed by the management to determine the amount of accruals as at year end;<br><br>• Performed substantive testing on selected samples of discounts and rebates recorded during the year as well as those recorded through year-end provisions recognised by the Group, by testing relevant approvals and underlying supporting documents in respect of such schemes and customer contracts;<br><br>• Performed analytical procedures on discounts and rebates during the year to identify unusual variances; |

| Key audit matters | How our audit addressed the key audit matters |
|---|---|
| | • Tested accuracy of management judgements in estimating discounts and rebates accruals;<br>• Tested, on a sample basis, the manual journal entries posted to revenue relating to the discounts and rebates to identify unusual items, if any; and<br>• Evaluated the appropriateness and adequacy of related disclosures in the consolidated financial statements in accordance with applicable accounting standards. |

| Key audit matters | How our audit addressed the key audit matters |
|---|---|
| **Impairment assessment of Foods Cash Generating Unit (Foods CGU)**<br>As disclosed in Notes 2 and 4 to the consolidated financial statements, the Foods CGU includes goodwill and intangible assets (having an indefinite useful life) aggregating ₹17,301 crores and ₹27,210 crores, respectively, which cumulatively represents 56% of total assets of the Group as at 31st March, 2025.<br>The Foods CGU is tested for impairment annually, whereby the carrying amount of the CGU (including aforementioned goodwill and intangible assets) is compared with its recoverable amount, in accordance with the requirements of Ind AS 36, Impairment of Assets' ('Ind AS 36'). The Group determines recoverable amount as higher of the:<br>(a) value-in-use (determined using discounted cash flow ('DCF') model; and<br>(b) fair value less cost to sell (determined using comparable companies multiple ('CCM') method)<br>The annual impairment testing involves significant estimates and judgment by the management in relation to forecasting future cash flow projections basis expected growth rates, determining appropriate discount rate for DCF model and identification of appropriate comparable companies for the CCM method of valuation.<br>Considering the materiality of the amounts involved and significant judgments and estimates involved in the impairment testing, this matter has been considered as a key audit matter for the current year audit. | **Our audit procedures included, but were not limited to, the following:**<br>• Obtained an understanding of the management process for annual impairment assessment, and assessed the appropriateness of the Group's accounting policy for impairment of non-financial assets in accordance with Ind AS 36;<br>• Evaluated the design and tested the operating effectiveness of key internal controls implemented by the management over the impairment assessment of Foods CGU;<br>• Assessed the professional competence and objectivity of the management's and auditor's valuation experts;<br>• Involved auditor's valuation experts to assist in evaluating the appropriateness of the valuation methodology and the reasonableness of the assumptions used by the management's expert to calculate the recoverable amount of Foods CGU;<br>• Evaluated and challenged management's assumptions used in the impairment assessment, particularly those related to forecast revenue growth, earnings, weighted average cost of capital, terminal growth rates and comparable company multiples based on our understanding of the business, past results, approved business plans and external factors;<br>• Tested the mathematical accuracy of the valuation model;<br>• Assessed the robustness of the financial projections prepared by the management by comparing projections of previous financial years with the actual results achieved to and carried out an analysis of significant variances, if any;<br>• Performed an independent sensitivity analysis for reasonably possible changes in the key assumptions used in estimating the recoverable amount to assesses the estimation uncertainties involved and evaluate the sufficiency of available headroom between recoverable amount and carrying amount in the consolidated financial statements; and<br>• Evaluated the appropriateness and adequacy of the related disclosures in the consolidated financial statements in accordance with applicable accounting standards. |

| Key audit matters | How our audit addressed the key audit matters |
|---|---|
| **Provision and contingent liabilities relating to taxation, litigation and claims**<br><br>(Refer Notes 2, 9E, 22 and 26 to the consolidated financial statements)<br><br>The Group is involved in various direct tax, indirect tax, transfer pricing arrangements, claims, general legal proceedings ('litigations') arising in the normal course of business which includes complexities arising from uncertain tax positions.<br><br>Provisions are recognised when the Group has a present obligation (legal/ constructive) as a result of a past event for which it is probable that a cash outflow will be required, and a reliable estimate can be made of the amount of the obligation.<br><br>A disclosure for contingent liabilities is made where there is a possible obligation or a present obligation that may probably not require an outflow of resources. When there is a possible or a present obligation where the likelihood of outflow of resources is remote, no provision or disclosure is made.<br><br>The level of management judgement associated with determining the need for, and the quantum of, provisions for any liabilities and disclosures of any contingent liabilities arising from these litigations is considered to be high.<br><br>This judgement is dependent on a number of significant assumptions and assessments which involves interpreting the various applicable rules, regulations, practices and considering precedents in the various jurisdictions, for which the management uses various subject matter experts.<br><br>In view of the uncertainty relating to the outcome of these litigations, the significance of the amounts involved, and the subjectivity involved in management's judgement, this matter has been considered as a key audit matter for the current year audit. | **Our audit procedures included, but were not limited to, the following:**<br><br>• Assessed the appropriateness of the Group's accounting policies relating to provisions and contingent liabilities, in accordance with the applicable accounting standards;<br><br>• Obtained an understanding of the process, and evaluated the design and tested the operating effectiveness of the key internal controls around the recording and assessment of provisions and contingent liabilities.<br><br>• Engaged subject matter specialists, in case of material litigations, to gain an understanding of the current status of litigations and monitored changes in the disputes, if any, through discussions with the management and by reading external advice received by the Group from their legal counsel, where relevant, to validate management's conclusions. Also, assessed the professional competence and objectivity of such management experts;<br><br>• On a sample basis, obtained and assessed the Group's assumptions and estimates in respect of litigations, including the liabilities or provisions recognised or contingent liabilities disclosed in the standalone financial statements, by reviewing the appropriateness of the probability assessment of unfavourable outcomes of various litigations, with the help of auditor's subject matter specialists, wherever required;<br><br>• On a sample basis, performed substantive procedures on the underlying calculations supporting the amount involved recorded as provisions or disclosed as contingent liability; and<br><br>• Evaluated the appropriateness and adequacy of related disclosures in the standalone financial statements in accordance with applicable accounting standards. |

## Information other than the Consolidated Financial Statements and Auditor's Report thereon

6. The Holding Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the consolidated financial statements and our auditor's report thereon.

   Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

   In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

7. The accompanying consolidated financial statements have been approved by the Holding Company's Board of Directors. The Holding Company's Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation and presentation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group including its joint ventures in accordance with the Ind AS specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India. The Holding Company's Board of Directors are also responsible for ensuring accuracy of records including financial information considered necessary for the preparation of consolidated Ind AS financial statements. Further, in terms of the provisions of the Act the respective Board of Directors of the companies included in

the Group, and its joint venture companies covered under the Act are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error. These financial statements have been used for the purpose of preparation of the consolidated financial statements by the Board of Directors of the Holding Company, as aforesaid.

8. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and its joint ventures are responsible for assessing the ability of the Group and joint ventures to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

9. Those respective Board of Directors are also responsible for overseeing the financial reporting process of the companies included in the Group and its joint ventures.

## Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

10. Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

11. As part of an audit in accordance with Standards on Auditing specified under Section 143(10) of the Act we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

    - Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
    - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.;
    - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
    - Conclude on the appropriateness of Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and joint ventures to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and joint ventures to cease to continue as a going concern;
    - Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation; and
    - Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group, and its joint venture, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial statements of such entities included in the consolidated financial statements, of which we are the independent auditors.

12. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

13. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

## Other Matters

14. We did not audit the financial statements of two (2) subsidiaries, whose financial statements reflects total assets of ₹433 crores as at 31st March, 2025, total revenues of ₹517 crores and net cash outflows amounting to ₹19 crores for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-section (3) of Section 143 of the Act in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.

    Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matters with respect to our reliance on the work done by and the reports of the other auditor.

15. The consolidated financial statements include the Group's share of net loss (including other comprehensive income) of ₹8 crores for the year ended 31st March, 2025, as considered in the consolidated financial statements, in respect of one (1) joint venture, whose financial information has not been audited by us. This financial information is unaudited and have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the aforesaid joint venture, is based solely on such unaudited financial information. In our opinion and according to the information and explanations given to us by the management, this financial information is not material to the Group.

    Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matter with respect to our reliance on the financial information certified by the management.

16. The consolidated financial statements of the Group for the year ended 31st March, 2024 were audited by the predecessor auditor, B S R & Co. LLP, who have expressed an unmodified opinion on those consolidated financial statements vide their audit report dated 24 April, 2024.

## Report on Other Legal and Regulatory Requirements

17. As required by Section 197(16) of the Act, based on our audit and on the consideration of the reports of the other auditors, referred to in paragraph 14, on separate financial statements of the subsidiaries, we report that the Holding Company and one (1) subsidiaries incorporated in India whose financial statements have been audited under the Act have paid remuneration to their respective directors during the year in accordance with the provisions of and limits laid down under Section 197 read with Schedule V to the Act. Further, we report that nine (9) subsidiaries incorporated in India whose financial statements have been audited under the Act have not paid or provided for any managerial remuneration during the year. Accordingly, reporting under section 197(16) of the Act is not applicable in respect of such subsidiaries.

18. As required by clause (xxi) of paragraph 3 of Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of Section 143(11) of the Act based on the consideration of the Order reports issued by us and by the respective other auditors as mentioned in paragraph 14 above, of companies included in the consolidated financial statements and covered under the Act we report that:

    A) Following are the qualifications/ adverse remarks reported by us and the other auditors in the Order reports of the companies included in the consolidated financial statements for the year ended 31st March, 2025 for which such Order reports have been issued till date and made available to us:

| Sr. No | Name | CIN | Holding Company / Subsidiary | Clause number of the CARO report which is qualified or adverse |
|---|---|---|---|---|
| 1 | Hindustan Unilever Limited | L15140MH1933PLC002030 | Holding Company | Clause (i)(c) and (xi)(b) |
| 2 | Unilever India Exports Limited | U51900MH1963PLC012667 | Subsidiary | Clause (i)(c) and (vii)(a) |
| 3 | Zywie Ventures Private Limited | U74900CH2013PTC034657 | Subsidiary | Clause (vii)(a) |
| 4 | Lakme Lever Private Limited | U24247MH2008PTC188539 | Subsidiary | Clause (i)(c) and (vii)(a) |
| 5 | Unilever India Limited | U36999MH2020PLC340390 | Subsidiary | Clause (vii)(a) |

    B) Following are the companies included in the consolidated financial statements for the year ended 31st March, 2025 audited by us and other auditor, for which the reports under Section 143(11) of such company has not yet been issued, as per information and explanation given to us by the management in this respect:

| Sr. No | Name | CIN | Holding Company / Subsidiary |
|---|---|---|---|
| 1 | Kwality Wall's (India) Limited | U10505MH2025PLC437886 | Subsidiary |
| 2 | Nutritionalab Private Limited | U15100MH2016PTC285610 | Joint Venture |

19. As required by Section 143(3) of the Act, based on our audit, and on the consideration of the report of the auditor on the separate financial statements and other financial information of the subsidiary and joint venture incorporated in India whose financial statements have been audited under the Act, we report, to the extent applicable, that:

    a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements;

    b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors, except for the matters stated in paragraph 19(h)(vi) below in relation to audit trail as required under under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended);

    c) The consolidated financial statements dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;

    d) In our opinion, the aforesaid consolidated financial statements comply with Ind AS specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015;

    e) On the basis of the written representations received from the directors of the Holding Company, its subsidiaries and joint venture and taken on record by the Board of Directors of the Holding Company, its subsidiaries and joint venture, respectively, and the reports of the statutory auditors of its subsidiary and joint venture, covered under the Act, none of the directors of the Holding company, it's subsidiaries and its joint venture, are disqualified as on 31st March, 2025 from being appointed as a director in terms of Section 164(2) of the Act.

    f) The modification relating to the maintenance of accounts and other matters connected therewith in relation to audit trail are as stated in paragraph 19(b) above on reporting under Section 143(3)(b) of the Act and paragraph 19(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended);

    g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company, its subsidiaries and joint ventures covered under the Act, and the operating effectiveness of such controls, refer to our separate report in 'Annexure II' wherein we have expressed an unmodified opinion; and

    h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditor on separate financial statements and other financial information of the subsidiary incorporated in India whose financial statements have been audited under the Act:

        i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group and its joint ventures as detailed in Notes 9, 22 and 26 to the consolidated financial statements;

        ii. The Holding Company, its subsidiaries and joint venture did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31st March, 2025;

        iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, and its subsidiaries and joint venture during the year ended 31st March, 2025;

        iv. a. The respective managements of the Holding Company and its subsidiaries and joint ventures incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditor of such subsidiary that, to the best of their knowledge and belief, as disclosed in Note 50 to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Holding Company or its subsidiaries to or in any person(s) or entity(ies), including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company, or any such subsidiaries and joint ventures ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;

            b. The respective managements of the Holding Company and its subsidiaries incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiary that, to the best of their knowledge and belief, as disclosed in Note 50 to the consolidated financial statements, no funds have been received by the Holding Company or its subsidiaries from any person(s) or entity(ies), including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any such subsidiaries shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c. Based on such audit procedures performed by us and that performed by the auditors of the subsidiary, as considered reasonable and appropriate in the circumstances, nothing has come to our or other auditors' notice that has caused us or the other auditors to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.

v. The final dividend paid by the Holding Company and its subsidaries during the year ended 31st March, 2025 in respect of such dividend declared for the previous year is in accordance with Section 123 of the Act to the extent it applies to payment of dividend.

The interim dividend declared and paid by the Holding Company and its subsidaries during the year ended 31st March, 2025 and until the date of this audit report is in compliance with Section 123 of the Act.

As stated in Note 38 to the accompanying consolidated financial statements, the Board of Directors of the Holding Company have proposed final dividend for the year ended 31st March, 2025 which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with Section 123 of the Act to the extent it applies to declaration of dividend.

vi. Based on our examination which included test checks, except for instances mentioned below, the Group, in respect of financial year commencing on 1st April, 2024, has used accounting software for maintaining its books of account, which have a feature of recording audit trail (edit log) facility and the same have been operated throughout the year for all relevant transactions recorded in the respective software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with for the period where audit trail is enabled and operated. Furthermore, the audit trail has been preserved by the Group as per the statutory requirements for record retention where the audit trail feature was enabled:

(i) In respect of an accounting software used for maintenance of all accounting records, the audit trail for changes to the application layer by a super user has been enabled and preserved w.e.f. 1st May, 2024.

(ii) The accounting software used for maintaining purchase orders is operated by a third-party software service provider. In absence of an independent auditor's report in relation to controls at the third-party service provider, we are unable to comment if the audit trail feature of the said software was enabled and operated for all relevant transactions recorded in the software at the database level.

The daily back-up of audit trail (edit log) in respect of its accounting software for maintenance of all accounting records, an accounting software for maintaining purchase orders and the accounting software for journal entries has been maintained on the servers physically located in India as mentioned in Note 51 to the financial statements.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

**Aasheesh Arjun Singh**
Partner
Membership No.: 210122
UDIN: 25210122BMONAZ4423

Place: Mumbai
Date: 24th April, 2025

# Annexure I

## LIST OF ENTITIES INCLUDED IN THE STATEMENT

### Holding Company

1) Hindustan Unilever Limited

### Subsidiary Companies

1) Unilever India Exports Limited*
2) Unilever India Limited
3) Lakme Lever Private Limited
4) Daverashola Estates Private Limited
5) Levers Associated Trust Limited
6) Hindlever Trust Limited
7) Hindustan Unilever Foundation
8) Zywie Ventures Private Limited
9) Unilever Nepal Limited
10) Zenherb Labs Private Limited
11) Levindra Trust Limited
12) Kwality Wall's (India) Limited (w.e.f. 10th January, 2025)

### Joint Venture

1) Nutritionalab Private Limited

*Pond's Export Limited and Jamnagar Properties Private Limited have merged with Unilever India Export Limited w.e.f. 13th February, 2024.

# Annexure II

to the Independent Auditor's Report of even date to the members of Hindustan Unilever Limited on the consolidated financial statements for the year ended 31st March, 2025

**Independent Auditor's Report on the internal financial controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')**

1. In conjunction with our audit of the consolidated financial statements of Hindustan Unilever Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), and its joint venture as at and for the year ended 31st March, 2025, we have audited the internal financial controls with reference to financial statements of the Holding Company, its subsidiary companies, and joint venture company, which are companies covered under the Act, as at that date.

## Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

2. The respective Board of Directors of the Holding Company, its subsidiary companies and joint venture company, which are companies covered under the Act, are responsible for establishing and maintaining internal financial controls based on internal financial controls with reference to financial statements criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ('the Guidance Note') issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

## Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Financial Statements

3. Our responsibility is to express an opinion on the internal financial controls with reference to financial statements of the Holding Company, its subsidiary companies, and joint venture company, as aforesaid, based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the ICAI prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements includes obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

5. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to financial statements of the Holding Company, its subsidiary companies and joint venture company as aforesaid.

## Meaning of Internal Financial Controls with Reference to Financial Statements

6. A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

## Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

7. Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and

not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

## Opinion

8. In our opinion and based on the consideration of the report of the other auditor on internal financial controls with reference to financial statements of the subsidiary company, the Holding Company, its subsidiary companies and joint venture company, which are companies covered under the Act, have in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at 31st March, 2025, based on internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

## Other Matters

9. We did not audit the internal financial controls with reference to financial statements in so far as it relates to one (1) subsidiary company, which is a company covered under the Act, whose financial statements reflect total assets of ₹0 crores and net assets of ₹(1 crore) as at 31st March, 2025, total revenues of ₹0 crores and net cash inflow amounting to ₹1 crores for the year ended on that date, as considered in the consolidated financial statements. The internal financial controls with reference to financial statements in so far as it relates to such subsidiary company have been audited by other auditor whose report has been furnished to us by the management and our report on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements for the Holding Company, its subsidiary companies and joint venture company, as aforesaid, under Section 143(3)(i) of the Act in so far as it relates to such subsidiary companies and joint venture company is based solely on the reports of the auditor of such company. Our opinion is not modified in respect of this matter with respect to our reliance on the work done by and on the reports of the other auditor.

10. We did not audit the internal financial controls with reference to financial statements in so far as it relates to one (1) joint venture company, which is a company covered under the Act, in respect of which, the Group's share of net loss (including other comprehensive income) of ₹8 crores for the year ended 31st March, 2025 has been considered in the consolidated financial statements. The internal financial controls with reference to financial statements of the joint venture company which is a company covered under the Act, are unaudited and our opinion under Section 143(3)(i) of the Act on adequacy and operating effectiveness of the internal financial controls with reference to financial statements insofar as it relates to the aforesaid joint venture company, which is a company covered under the Act, is solely based on the corresponding internal financial controls with reference to financial statements report certified by the management of such company. In our opinion and according to the information and explanations given to us by the management, these financial statements are not material to the Group. Our opinion is not modified in respect of the above matter with respect to our reliance on the internal financial controls with reference to financial statements report certified by the management.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

**Aasheesh Arjun Singh**
Partner
Membership No.: 210122
UDIN: 25210122BMONAZ4423

Place: Mumbai
Date: 24th April, 2025

# Consolidated Balance Sheet
as at 31st March, 2025

(All amounts in ₹ crores, unless otherwise stated)

| Particulars | Note | As at 31st March, 2025 | As at 31st March, 2024 |
|---|---|---|---|
| **ASSETS** | | | |
| **Non-current assets** | | | |
| Property, plant and equipment | 3 | 8,625 | 8,031 |
| Capital work-in-progress | 3 | 1,009 | 1,025 |
| Goodwill | 4 | 17,466 | 17,466 |
| Other intangible assets | 4 | 28,244 | 28,247 |
| Investments accounted for using the equity method | 5 | 57 | 65 |
| Financial assets | | | |
| Investments | 6 | 2 | 2 |
| Loans | 7 | 87 | 102 |
| Other financial assets | 8 | 763 | 760 |
| Deferred tax assets | 9C | 17 | 10 |
| Non-current tax assets (net) | 9E | 1,199 | 1,175 |
| Other non-current assets | 10 | 360 | 292 |
| **Total - Non-current assets (A)** | | **57,829** | **57,175** |
| **Current assets** | | | |
| Inventories | 11 | 4,415 | 4,022 |
| Financial assets | | | |
| Investments | 6 | 3,751 | 4,558 |
| Trade receivables | 12 | 3,819 | 2,997 |
| Cash and cash equivalents | 13 | 6,071 | 825 |
| Bank balances other than cash and cash equivalents mentioned above | 14 | 1,483 | 6,734 |
| Loans | 7 | 46 | 38 |
| Other financial assets | 8 | 1,488 | 1,425 |
| Other current assets | 15 | 955 | 713 |
| | | **22,028** | **21,312** |
| Assets held for sale | 16 | 23 | 12 |
| **Total - Current assets (B)** | | **22,051** | **21,324** |
| **TOTAL ASSETS (A+B)** | | **79,880** | **78,499** |

(All amounts in ₹ crores, unless otherwise stated)

| Particulars | Note | As at 31st March, 2025 | As at 31st March, 2024 |
|---|---|---|---|
| **EQUITY AND LIABILITIES** | | | |
| **Equity** | | | |
| Equity share capital | 17 | 235 | 235 |
| Other equity | 18A | 49,167 | 50,983 |
| Non-controlling interests | 19 | 207 | 205 |
| **Total - Equity (A)** | | **49,609** | **51,423** |
| **Liabilities** | | | |
| **Non-current liabilities** | | | |
| Financial liabilities | | | |
| Lease Liabilities | 20 | 1,243 | 1,106 |
| Other financial liabilities | 21 | 680 | 715 |
| Provisions | 22 | 1,528 | 1,576 |
| Deferred tax liabilities | 9C | 6,685 | 6,557 |
| Non-current tax liabilities (net) | 9E | 3,598 | 4,243 |
| **Total - Non-current liabilities (B)** | | **13,734** | **14,197** |
| **Current liabilities** | | | |
| Financial liabilities | | | |
| Borrowings | 23 | 1 | 13 |
| Lease Liabilities | 20 | 404 | 365 |
| Trade payables | | | |
| Total outstanding dues of micro enterprises and small enterprises | 24 | 263 | 250 |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | 24 | 11,052 | 10,236 |
| Other financial liabilities | 21 | 1,280 | 868 |
| Other current liabilities | 25 | 959 | 807 |
| Provisions | 22 | 675 | 340 |
| Current tax liabilities | 9E | 1,903 | - |
| **Total - Current liabilities (C)** | | **16,537** | **12,879** |
| **TOTAL EQUITY AND LIABILITIES (A+B+C)** | | **79,880** | **78,499** |
| Basis of preparation, measurement and material accounting policies | 2 | | |
| Contingent liabilities and commitments | 26 | | |

**The accompanying notes 1 to 54 are an integral part of these consolidated financial statements**

As per our report of even date attached

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No. 001076N/N500013

**Aasheesh Arjun Singh**
Partner
Membership No. 210122

Mumbai: 24th April, 2025

For and on behalf of Board of Directors

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

**Ritesh Tiwari**
Executive Director, Finance & IT and
Chief Financial Officer
[DIN: 05349994]

**Ashu Suyash**
Chairperson - Audit Committee
[DIN: 00494515]

**Radhika Shah**
Company Secretary and
Compliance Officer
Membership No: A19308

**Shilpa Kedia**
Group Controller

Mumbai: 24th April, 2025

# Consolidated Statement of Profit and Loss
for the year ended 31st March, 2025

(All amounts in ₹ crores, unless otherwise stated)

| Particulars | Note | Year ended 31st March, 2025 | Year ended 31st March, 2024 |
|---|---|---|---|
| **INCOME** | | | |
| Revenue from operations | 27 | 63,121 | 61,896 |
| Other income | 28 | 1,017 | 811 |
| **TOTAL INCOME** | | **64,138** | **62,707** |
| **EXPENSES** | | | |
| Cost of materials consumed | 29 | 19,458 | 19,257 |
| Purchases of stock-in-trade | 30 | 11,273 | 10,514 |
| Changes in inventories of finished goods, work-in-progress and stock-in-trade | 31 | (153) | (11) |
| Employee benefits expense | 32 | 3,077 | 3,009 |
| Finance costs | 33 | 395 | 334 |
| Depreciation and amortisation expense | 34 | 1,355 | 1,216 |
| Other expenses | 35 | 14,615 | 14,464 |
| **TOTAL EXPENSES** | | **50,020** | **48,783** |
| **Profit before exceptional items, share of equity accounted investee and tax** | | 14,118 | 13,924 |
| Share of loss of equity accounted investee (net of tax) | 5 | (8) | (4) |
| **Profit before exceptional items and tax** | | **14,110** | **13,920** |
| Exceptional items (net) | 36 | 305 | 6 |
| **Profit before tax** | | **14,415** | **13,926** |
| **Tax expenses** | | | |
| Current tax | 9A | (3,620) | (3,521) |
| Deferred tax | 9A | (124) | (123) |
| **PROFIT FOR THE YEAR (A)** | | **10,671** | **10,282** |
| **OTHER COMPREHENSIVE INCOME** | | | |
| **Items that will not be reclassified to profit or loss** | | | |
| Remeasurements of the net defined benefit plans | 41C | (22) | 36 |
| Tax on above | 9A | 5 | (9) |
| | | | |
| **Items that will be reclassified to profit or loss** | | | |
| Fair value of debt instruments through other comprehensive income | 18C | (0) | 2 |
| Tax on above | 9A | 0 | (0) |
| Fair value of cash flow hedges through other comprehensive income | 18C | (2) | (1) |
| Tax on above | 9A | 0 | (3) |
| **OTHER COMPREHENSIVE INCOME FOR THE YEAR (B)** | | **(19)** | **25** |
| **TOTAL COMPREHENSIVE INCOME FOR THE YEAR (A+B)** | | **10,652** | **10,307** |

(All amounts in ₹ crores, unless otherwise stated)

| Particulars | Note | Year ended 31st March, 2025 | Year ended 31st March, 2024 |
|---|---|---|---|
| **Profit attributable to:** | | | |
| Owners of the Company | | 10,649 | 10,277 |
| Non-controlling interests | 19 | 22 | 5 |
| **Other Comprehensive income/(loss) attributable to:** | | | |
| Owners of the company | | (19) | 25 |
| Non-controlling interests | 19 | (0) | 0 |
| **Total Comprehensive income attributable to:** | | | |
| Owners of the company | | 10,630 | 10,302 |
| Non-controlling interests | 19 | 22 | 5 |
| **Earnings per equity share** | | | |
| Basic (Face value of ₹1 each) | 37 | ₹45.32 | ₹43.74 |
| Diluted (Face value of ₹1 each) | 37 | ₹45.32 | ₹43.74 |
| Basis of preparation, measurement and material accounting policies | 2 | | |

**The accompanying notes 1 to 54 are an integral part of these consolidated financial statements**

As per our report of even date attached

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No. 001076N/N500013

**Aasheesh Arjun Singh**
Partner
Membership No. 210122

Mumbai: 24th April, 2025

For and on behalf of Board of Directors

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

**Ritesh Tiwari**
Executive Director, Finance & IT and
Chief Financial Officer
[DIN: 05349994]

**Ashu Suyash**
Chairperson - Audit Committee
[DIN: 00494515]

**Radhika Shah**
Company Secretary and
Compliance Officer
Membership No: A19308

**Shilpa Kedia**
Group Controller

Mumbai: 24th April, 2025

# Consolidated Statement of Changes in Equity

for the year ended 31st March, 2025

(All amounts in ₹ crores, unless otherwise stated)

## A. Equity Share Capital

| | Note | As at 31st March, 2025 | As at 31st March, 2024 |
|---|---|---|---|
| **Balance at the beginning of the year** | 17 | **235** | **235** |
| Changes in equity share capital during the year | 17 | - | - |
| **Balance at the end of the year** | **17** | **235** | **235** |

## B. Other Equity

| | Reserves and Surplus | | | | | | | | | Items of Other Comprehensive Income | | Grand Total | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Capital Reserve | Capital Redemption Reserve | Securities Premium | General Reserve | Retained Earnings | Other Reserves* | Employee Stock Options Reserve | Retirement Benefit Scheme Reserve | Export profit reserves | Debt instruments through Other Comprehensive Income | Cash flow Hedges through Other Comprehensive Income | Total Attributable to owners of the company | Attributable to Non-controlling Interest | Total |
| **As at 1st April, 2023** | **4** | **6** | **40,350** | **114** | **9,544** | **9** | **-** | **49** | **0** | **(1)** | **(6)** | **50,069** | **218** | **50,287** |
| Profit for the year | - | - | - | - | 10,277 | - | - | - | - | - | - | 10,277 | 5 | 10,282 |
| Other comprehensive income for the year | - | - | - | - | 27 | - | - | - | - | 2 | (4) | 25 | - | 25 |
| **Total comprehensive income for the year** | **-** | **-** | **-** | **-** | **10,304** | **-** | **-** | **-** | **-** | **2** | **(4)** | **10,302** | **5** | **10,307** |
| Transfer on account of business combination (Refer note 43) | 7 | - | - | - | (7) | - | - | - | - | - | - | - | - | - |
| Hedging gain transferred to non-financial assets (net) | - | - | - | - | - | - | - | - | - | - | 13 | 13 | - | 13 |
| Dividend on equity shares for the year (Refer note 38 and 19) | - | - | - | - | (9,398) | - | - | - | - | - | - | (9,398) | (18) | (9,416) |
| Payment from Retirement Benefit Scheme Reserve | - | - | - | - | - | - | - | (1) | - | - | - | (1) | - | (1) |
| Deferred Tax on Stamp duty (Refer note 9A) | - | - | (2) | - | - | - | - | - | - | - | - | (2) | - | (2) |
| **As at 31st March, 2024** | **11** | **6** | **40,348** | **114** | **10,443** | **9** | **-** | **48** | **0** | **1** | **3** | **50,983** | **205** | **51,188** |

(All amounts in ₹ crores, unless otherwise stated)

| | Reserves and Surplus | | | | | | | | | Items of Other Comprehensive Income | | Grand Total | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Capital Reserve | Capital Redemption Reserve | Securities Premium | General Reserve | Retained Earnings | Other Reserves* | Employee Stock Options Reserve | Retirement Benefit Scheme Reserve | Export profit reserves | Debt instruments through Other Comprehensive Income | Cash flow Hedges through Other Comprehensive Income | Total Attributable to owners of the company | Attributable to Non-controlling Interest | Total |
| **As at 1st April, 2024** | **11** | **6** | **40,348** | **114** | **10,443** | **9** | **-** | **48** | **0** | **1** | **3** | **50,983** | **205** | **51,188** |
| Profit for the year | - | - | - | - | 10,649 | - | - | - | - | - | - | 10,649 | 22 | 10,671 |
| Other comprehensive income for the year | - | - | - | - | (17) | - | - | - | - | (0) | (2) | (19) | - | (19) |
| **Total comprehensive income for the year** | **-** | **-** | **-** | **-** | **10,632** | **-** | **-** | **-** | **-** | **(0)** | **(2)** | **10,630** | **22** | **10,652** |
| Hedging loss transferred to non-financial assets (net) | - | - | - | - | - | - | - | - | - | - | (2) | (2) | - | (2) |
| Dividend on equity shares for the year (Refer note 38 and 19) | - | - | - | - | (12,453) | - | - | - | - | - | - | (12,453) | (20) | (12,473) |
| Payment from Retirement Benefit Scheme Reserve | - | - | - | - | - | - | - | (0) | - | - | - | (0) | - | (0) |
| Deferred Tax on Stamp duty (Refer note 9A) | - | - | (2) | - | - | - | - | - | - | - | - | (2) | - | (2) |
| Share based payment expense | - | - | - | - | - | - | 11 | - | - | - | - | 11 | - | 11 |
| **As at 31st March, 2025** | **11** | **6** | **40,346** | **114** | **8,622** | **9** | **11** | **48** | **0** | **1** | **(1)** | **49,167** | **207** | **49,374** |

*Includes reserves made on amalgamation of Brooke Bond Lipton India Limited and capital subsidy.

Refer note 18B for nature and purpose of reserves.

**The accompanying notes 1 to 54 are an integral part of these consolidated financial statements**

As per our report of even date attached

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No. 001076N/N500013

**Aasheesh Arjun Singh**
Partner
Membership No. 210122

Mumbai: 24th April, 2025

For and on behalf of Board of Directors

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

**Ashu Suyash**
Chairperson - Audit Committee
[DIN: 00494515]

**Shilpa Kedia**
Group Controller

Mumbai: 24th April, 2025

**Ritesh Tiwari**
Executive Director, Finance & IT and Chief Financial Officer
[DIN: 05349994]

**Radhika Shah**
Company Secretary and
Compliance Officer
Membership No: A19308

# Consolidated Statement of Cash Flows

for the year ended 31st March, 2025

(All amounts in ₹ crores, unless otherwise stated)

| | | Year ended 31st March, 2025 | Year ended 31st March, 2024 |
|---|---|---|---|
| **A** | **CASH FLOWS FROM OPERATING ACTIVITIES:** | | |
| | **Profit before tax** | 14,415 | 13,926 |
| | ***Adjustments for:*** | | |
| | Depreciation and amortisation expense | 1,363 | 1,216 |
| | Loss on sale of property, plant and equipment | 43 | 18 |
| | Fair value loss/ (gain) on financial liability on acquisition | 120 | (132) |
| | Interest income | (755) | (546) |
| | Dividend income | - | (3) |
| | Other non operating income - Fair value gain on investments | (256) | (249) |
| | Interest expense | 372 | 317 |
| | Profit on sale of water purification business | (595) | - |
| | Movement in provision towards litigation | - | (159) |
| | Payment from Retirement Benefit Scheme Reserve | (1) | (1) |
| | Share of loss of joint venture | 8 | 4 |
| | Inventory written off (net) | 189 | 167 |
| | Bad debts/assets written off net of Provision/(write back) | 24 | (11) |
| | Share based payment expense | 11 | - |
| | Mark-to-market (gain)/loss on derivative financial instruments | 4 | (10) |
| | **Cash generated from operations before working capital changes** | **14,942** | **14,537** |
| | ***Adjustments for:*** | | |
| | (Increase)/decrease in Non-Current Assets | (87) | (30) |
| | (Increase)/decrease in Current Assets | (1,275) | 220 |
| | (Increase)/decrease in Inventories | (584) | 74 |
| | Increase/(decrease) in Non-Current Liabilities | (284) | 128 |
| | Increase/(decrease) in Current Liabilities | 1,442 | 921 |
| | **Cash flows generated from operations** | **14,154** | **15,850** |
| | Taxes paid, net of refunds | (2,268) | (381) |
| | **Net cash flows generated from operating activities - [A]** | **11,886** | **15,469** |
| **B** | **CASH FLOWS FROM INVESTING ACTIVITIES:** | | |
| | Purchase of property, plant and equipment | (1,254) | (1,468) |
| | Sale proceeds of property, plant and equipment | 13 | 20 |
| | Purchase of intangible assets | (21) | (9) |
| | Sale proceeds of water purification business | 595 | - |
| | Contingent consideration paid on business combination | - | (4) |
| | Purchase of current investments | (22,957) | (21,337) |
| | Sale proceeds of current investments | 23,987 | 19,846 |
| | Loans repaid by others | - | 1 |
| | Investment in term deposits (having original maturity of more than 3 months) | (2,499) | (9,170) |
| | Redemption/maturity of term deposits (having original maturity of more than 3 months) | 7,774 | 6,369 |
| | Interest received | 835 | 425 |
| | Dividend received from others | - | 3 |
| | **Net cash flows generated from/ (used in) investing activities - [B]** | **6,473** | **(5,324)** |

(All amounts in ₹ crores, unless otherwise stated)

| | | Year ended 31st March, 2025 | Year ended 31st March, 2024 |
|---|---|---|---|
| **C** | **CASH FLOWS FROM FINANCING ACTIVITIES:** | | |
| | Dividends paid | (12,473) | (9,416) |
| | Repayment of amount taken for short term purpose | - | (85) |
| | Principal payment of lease liabilities | (498) | (423) |
| | Interest paid on lease liabilities | (127) | (106) |
| | Interest paid other than on lease liabilities | (3) | (4) |
| | **Net cash flows used in financing activities - [C]** | **(13,101)** | **(10,034)** |
| | **Net increase in cash and cash equivalents - [A+B+C]** | **5,258** | **111** |
| | Add: Cash and cash equivalents at the beginning of the year | 812 | 701 |
| | **Cash and cash equivalents at the end of the year** | **6,070** | **812** |
| | **Components of cash and cash equivalents:** | | |
| | Cash and cash equivalents as per consolidated balance sheet (refer note 13) | 6,071 | 825 |
| | Less: Bank overdraft (refer note 23) | (1) | (13) |
| | **Cash and cash equivalents for consolidated statement of cash flow** | **6,070** | **812** |

## Movement in short term borrowings and lease liabilities:

| Reconciliation between opening and closing balance | Opening balance 1st April, 2024 | Taken/ (Payments) | Non- cash movement | Closing balance 31st March, 2025 |
|---|---|---|---|---|
| Lease Liabilities (refer Note 20) | 1,471 | (625) | 801 | 1,647 |

| Reconciliation between opening and closing balance | Opening balance 1st April, 2023 | Taken/ (Payments) | Non- cash movement | Closing balance 31st March, 2024 |
|---|---|---|---|---|
| Short term borrowings (refer Note 23) | 85 | (85) | - | - |
| Lease Liabilities (refer Note 20) | 1,121 | (529) | 879 | 1,471 |

**Note:** The above consolidated Statement of cash flow has been prepared under the 'Indirect Method' as set out in Ind AS 7, 'Statement of Cash Flows'.

**The accompanying notes 1 to 54 are an integral part of these consolidated financial statements**

As per our report of even date attached

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No. 001076N/N500013

**Aasheesh Arjun Singh**
Partner
Membership No. 210122

Mumbai: 24th April, 2025

For and on behalf of Board of Directors

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

**Ritesh Tiwari**
Executive Director, Finance & IT and
Chief Financial Officer
[DIN: 05349994]

**Ashu Suyash**
Chairperson - Audit Committee
[DIN: 00494515]

**Radhika Shah**
Company Secretary and
Compliance Officer
Membership No: A19308

**Shilpa Kedia**
Group Controller

Mumbai: 24th April, 2025

(All amounts in ₹ crores, unless otherwise stated)

## NOTE 1 GROUP INFORMATION

Hindustan Unilever Limited (the 'Holding Company', 'HUL') is a public limited company domiciled in India with its registered office located at Unilever House, B.D. Sawant Marg, Chakala, Andheri (East), Mumbai 400 099. The Holding Company is listed on the Bombay Stock Exchange Limited ('BSE') and the National Stock Exchange of India Limited ('NSE'). The Holding Company is in the Fast Moving Consumer Goods (FMCG) business comprising primarily of Home Care, Beauty & Wellbeing, Personal Care and Foods segments. The Holding Company has manufacturing facilities across the country and sells primarily in India.

The Holding Company, its subsidiaries (jointly referred to as the 'Group' hereinafter) and a joint venture considered in these consolidated financial statements are:

### a) Subsidiaries

| Name of the company | Country of incorporation | Principal activities | Proportion (%) of equity interest | |
|---|---|---|---|---|
| | | | As at 31st March, 2025 | As at 31st March, 2024 |
| Unilever India Exports Limited* | India | FMCG export business | 100 | 100 |
| Lakme Lever Private Limited | India | (i) Beauty salons<br>(ii) Job work business | 100 | 100 |
| Unilever India Limited | India | FMCG business | 100 | 100 |
| Zywie Ventures Private Limited*** | India | Health and Wellbeing business | 53.34# | 53.34# |
| Unilever Nepal Limited | Nepal | FMCG business | 80 | 80 |
| Kwality Wall's (India) Limited (incorporated on 10th January, 2025) | India | FMCG business | 100 | - |
| Daverashola Estates Private Limited | India | Real estate company | 100 | 100 |
| Levindra Trust Limited | India | Discharge trust business as a trustee | 100 | 100 |
| Hindlever Trust Limited | India | Discharge trust business as a trustee | 100 | 100 |
| Levers Associated Trust Limited | India | Discharge trust business as a trustee | 100 | 100 |
| Hindustan Unilever Foundation** | India | Not-for-profit company in the field of community development initiatives. | 100 | 100 |

*Pursuant to a scheme of arrangement, the entities below were merged with Unilever India Exports Limited ('UIEL'), a wholly owned subsidiary of HUL w.e.f. 13th February, 2024:

i. Pond's Export Limited ('PEL'), a subsidiary of HUL, where HUL held 90% and UIEL held 10% of equity share capital;

ii. Jamnagar Properties Private Limited ('JPPL'), a wholly owned subsidiary of HUL.

PEL and JPPL had no business activity.

**This Company is a private Company limited by shares formed under Section 25 of the Companies Act, 1956, now section 8 of the Companies Act, 2013. No dividend can be proposed and paid to the shareholders by this company. In the event of winding up or dissolution of this company, after the satisfaction of all its debts and liabilities, any property whatsoever shall be given or transferred to some other institution(s) having object similar to the objects of this company, to be determined by the members of the company at or before the time of dissolution or in default thereof by the National Company Law Tribunal. The carrying amount of the assets and liabilities included within the consolidated financial statements to which these restrictions apply is ₹2 crores (31st March, 2024: ₹2 crore) and ₹1 crore (31st March, 2024: ₹0 crore) respectively.

***The Group has considered consolidated financial statements of ZVPL which includes financial statements of Zenherb Labs Private Limited, a wholly owned subsidiary of ZVPL.

The Group has complied with the requirements of the number of layers prescribed under clause (87) of Section 2 of the Companies Act, 2013 read with Companies (Restriction on number of Layers) Rules, 2017.

# on a fully diluted basis 51%.

### b) Joint ventures

| Name of the company | Country of incorporation | Principal activities | Proportion (%) of equity interest | |
|---|---|---|---|---|
| | | | As at 31st March, 2025 | As at 31st March, 2024 |
| Nutritionalab Private Limited | India | FMCG business | 21.51# | 21.51# |

The Group has acquired substantive rights to jointly decide on relevant activities of the business and hence the arrangement has been treated as a 'Joint Venture'.

# on a fully diluted basis 19.8%

(All amounts in ₹ crores, unless otherwise stated)

## c) Associates

Section 129(3) of the Companies Act, 2013, requires preparation of consolidated financial statement of the Holding Company and of all the subsidiaries including associate company and joint venture businesses in the same form and manner as that of its own. Indian Accounting Standard (Ind AS) 28 on Investments in Associates and Joint Ventures defines Associate as an entity over which the investor has significant influence. It mentions that if an entity holds, directly or indirectly through intermediaries, 20 per cent or more of the voting power of the enterprise, it is presumed that the entity has significant influence, unless it can be clearly demonstrated that this is not the case.

The Group holds investments in the below entities which by share ownership are deemed to be an associate company:

i) Comfund Consulting Limited where the Group has 24% equity holding. This company is currently dormant.

ii) Aquagel Chemicals (Bhavnagar) Private Limited where the Group has 26% in equity and preference capital holding. This is a company engaged in Silica business.

iii) Transition Sustainable Energy Services One Private Limited where the Group has 26% equity holding. It aims to generate renewable energy by setting up a solar energy park in Rajasthan.

However, since the Group does not exercise significant influence or control on decisions of the investees, these are not being construed as associate companies and therefore these have not been consolidated in the financial statements of the Group and its joint venture.

## d) Share of Entities in Group

| Name of the Entity | As at 31st March, 2025 | | For the year ended 31st March, 2025 | | | | | |
|---|---|---|---|---|---|---|---|---|
| | Net Assets (Total Assets - Total Liabilities) | | Share in Profit and Loss | | Share in Other Comprehensive Income | | Share in Total Comprehensive Income | |
| | As % of consolidated net assets | Amount | As % of consolidated profit and loss | Amount | As % of consolidated other comprehensive income | Amount | As % of consolidated total comprehensive income | Amount |
| **Parent** | | | | | | | | |
| Hindustan Unilever Limited | 99.1% | 49,153 | 99.7% | 10,644 | 99.4% | (19) | 99.6% | 10,625 |
| **Subsidiaries** | | | | | | | | |
| **Indian Subsidiaries** | | | | | | | | |
| Unilever India Exports Limited | 0.7% | 344 | 0.9% | 91 | 0.0% | - | 0.9% | 91 |
| Lakme Lever Private Limited | 0.6% | 281 | 0.2% | 18 | 0.0% | - | 0.2% | 18 |
| Unilever India Limited | 1.0% | 517 | 0.9% | 108 | 0.0% | - | 1.0% | 108 |
| Zywie Ventures Private Limited | 0.3% | 168 | 0.0% | (2) | 0.5% | (0) | 0.0% | (2) |
| Kwality Wall's (India) Limited# | 0.0% | 5 | 0.0% | 0 | 0.0% | - | 0.0% | 0 |
| Daverashola Estates Private Limited | -0.0% | (0) | - | - | 0.0% | - | - | - |
| Levers Associated Trust Limited | 0.0% | 0 | -0.0% | (0) | 0.0% | - | -0.0% | (0) |
| Levindra Trust Limited | 0.0% | 0 | -0.0% | (0) | 0.0% | - | -0.0% | (0) |
| Hindlever Trust Limited | 0.0% | 0 | -0.0% | (0) | 0.0% | - | -0.0% | (0) |
| Hindustan Unilever Foundation | 0.0% | 1 | 0.0% | 0 | 0.0% | - | 0.0% | 0 |
| **Foreign subsidiary** | | | | | | | | |
| Unilever Nepal Limited | 0.5% | 244 | 0.9% | 98 | -0.1% | 0 | 0.9% | 98 |
| **Non-controlling interests** | 0.4% | 207 | 0.2% | 22 | 0.2% | (0) | 0.2% | 22 |
| **Joint venture** | | | | | | | | |
| Nutritionalab Private Limited# | - | - | -0.1% | (8) | 0.0% | - | -0.1% | (8) |
| **Inter-company eliminations** | -2.6% | (1,311) | -2.7% | (300) | 0.0% | - | -2.7% | (300) |
| **TOTAL** | **100%** | **49,609** | **100%** | **10,671** | **100%** | **(19)** | **100%** | **10,652** |

# The financial statements are unaudited and based on management accounts prepared as on 31st March, 2025.

(All amounts in ₹ crores, unless otherwise stated)

| Name of the Entity | As at 31st March, 2024 | | For the year ended 31st March, 2024 | | | | | |
|---|---|---|---|---|---|---|---|---|
| | Net Assets (Total Assets - Total Liabilities) | | Share in Profit and Loss | | Share in Other Comprehensive Income | | Share in Total Comprehensive Income | |
| | As % of consolidated net assets | Amount | As % of consolidated profit and loss | Amount | As % of consolidated other comprehensive income | Amount | As % of consolidated total comprehensive income | Amount |
| **Parent** | | | | | | | | |
| Hindustan Unilever Limited | 99.1% | 50,973 | 98.3% | 10,114 | 99.3% | 25 | 98.3% | 10,139 |
| **Subsidiaries** | | | | | | | | |
| **Indian Subsidiaries** | | | | | | | | |
| Unilever India Exports Limited* | 0.6% | 294 | 0.8% | 80 | 0.0% | - | 0.8% | 80 |
| Lakme Lever Private Limited | 0.5% | 263 | 0.3% | 28 | 0.0% | - | 0.3% | 28 |
| Unilever India Limited | 0.9% | 459 | 0.7% | 77 | 0.0% | - | 0.7% | 77 |
| Zywie Ventures Private Limited | 0.3% | 168 | -0.2% | (23) | 0.2% | 0 | -0.2% | (23) |
| Daverashola Estates Private Limited | -0.0% | (0) | 0.0% | - | 0.0% | - | 0.0% | - |
| Levers Associated Trust Limited | 0.0% | 0 | 0.0% | (0) | 0.0% | - | 0.0% | (0) |
| Levindra Trust Limited | 0.0% | 0 | 0.0% | (0) | - | - | 0.0% | (0) |
| Hindlever Trust Limited | 0.0% | 0 | 0.0% | (0) | - | - | 0.0% | (0) |
| Hindustan Unilever Foundation | 0.0% | 1 | 0.0% | (0) | - | - | 0.0% | (0) |
| **Foreign subsidiary** | | | | | | | | |
| Unilever Nepal Limited | 0.4% | 226 | 1.0% | 101 | 0.3% | 0 | 1.0% | 101 |
| **Non-controlling interests** | 0.4% | 205 | 0.0% | 5 | 0.2% | 0 | 0.0% | 5 |
| **Joint venture** | | | | | | | | |
| Nutritionalab Private Limited # | - | - | 0.0% | (4) | - | - | 0.0% | (4) |
| **Inter-company eliminations** | -2.2% | (1,166) | -0.9% | (96) | - | - | -0.9% | (96) |
| **TOTAL** | **100%** | **51,423** | **100%** | **10,282** | **100%** | **25** | **100%** | **10,307** |

*Pursuant to a scheme of arrangement, the entities below were merged with Unilever India Exports Limited ('UIEL'), a wholly owned subsidiary of HUL w.e.f. 13th February, 2024:

i. Pond's Export Limited ('PEL'), a subsidiary of HUL, where HUL held 90% and UIEL held 10% of share capital;

ii. Jamnagar Properties Private Limited ('JPPL'), a wholly owned subsidiary of HUL.

PEL and JPPL had no business activity.

Bhavishya Alliance Child Nutrition Initiatives, a Section 8 company and a wholly-owned subsidiary of HUL was voluntarily liquidated w.e.f. 27th December, 2023 vide order passed by the National Company Law Tribunal.

# The financial statements are unaudited and based on management accounts prepared as on 31st March, 2024.

(All amounts in ₹ crores, unless otherwise stated)

# NOTE 2 BASIS OF PREPARATION, MEASUREMENT AND MATERIAL ACCOUNTING POLICIES

## 2.1 Basis of preparation and measurement

### (a) Basis of preparation and consolidation

These consolidated financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time.

The consolidated financial statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in the consolidated financial statements.

All assets and liabilities have been classified as current or non current as per the Group's normal operating cycle, paragraphs 66 and 69 of Ind AS 1 and other criteria as set out in the Division II of Schedule III to the Companies Act, 2013.

An asset is treated as current when it is:

a. Expected to be realised or intended to be sold or consumed in normal operating cycle;

b. Held primarily for the purpose of trading;

c. Expected to be realised within twelve months after the reporting period; or

d. Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is treated as current when:

a. It is expected to be settled in normal operating cycle;

b. It is held primarily for the purpose of trading;

c. It is due to be settled within twelve months after the reporting period; or

d. There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Based on the nature of the products and the time between acquisition of the assets for processing and their realisation in cash and cash equivalents, the Group has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The consolidated financial statements relate to the Holding Company, its subsidiaries and its joint venture. The financial statements of subsidiaries and joint venture used for the purpose of consolidation are drawn up to the same reporting date as that of the Group. The consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner, as Company's separate financial statements. The consolidated financial statements have been prepared on the following basis:

The consolidated financial statements are presented in Indian Rupee (INR), the functional currency of the Holding Company. Items included in the consolidated financial statements of the Group are recorded using the currency of the primary economic environment in which the Holding Company operates (the 'functional currency'). Foreign currency transactions are translated into the functional currency using exchange rates at the date of the transaction. Foreign exchange gains and losses from settlement of these transactions are recognised in the consolidated statement of profit and loss. Foreign currency denominated monetary assets and liabilities are translated into functional currency at exchange rates in effect at the balance sheet date, the gain or loss arising from such translations are recognised in the consolidated statement of profit and loss.

The expenses in consolidated statement of profit and loss are net of reimbursements (individually not material) received from Group Companies.

The Group has decided to round off the figures to the nearest crores. Transactions and balances with values below the rounding off norm adopted by the Group have been reflected as "0" in the relevant notes to these financial statements.

The consolidated financial statements of the Group for the year ended 31st March, 2025 were approved for issue in accordance with the resolution of the Board of Directors on 24th April, 2025.

#### Investment in subsidiaries:

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The net assets and results of acquired businesses are included in the consolidated financial statements from their respective dates of acquisition, being the date on which the Group obtains control. The results of disposed businesses are included in the consolidated financial statements up to their date of disposal, being the date control ceases.

The consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances. The accounting policies adopted in the preparation of consolidated financial statements are consistent with those of previous year. The consolidated financial statements of the Company and its subsidiaries have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after eliminating intra-group balances, intra-group transactions and the unrealised profits/losses, unless cost/revenue cannot be recovered.

The excess of cost to the Group of its investment in subsidiaries, on the acquisition dates over and above the Group's share of equity in the subsidiaries, is recognised as 'Goodwill on Consolidation' in the consolidated financial statements. The said Goodwill is not amortised, however, it is tested for impairment at each Balance Sheet date and the impairment loss, if any, is provided for. On the other hand, where the share of equity in subsidiaries as on the date of investment is in excess of cost of investments of the Group, it is recognised as 'Capital Reserve' and shown under the head 'Other Equity' in the consolidated financial statements.

Non-controlling interests in the net assets of consolidated subsidiaries is identified and presented in the consolidated Balance Sheet separately within equity.

Non-controlling interests are valued based on the proportion of net assets of the acquired company at the date of acquisition.

Non-controlling interests in the net assets of consolidated subsidiaries consists of:

(a) The amount of equity attributable to non-controlling interests at the date on which investment in a subsidiary is made; and

(b) The non-controlling interests share of movements in equity since the date parent subsidiary relationship came into existence.

The profit/loss and other comprehensive income attributable to non-controlling interests of subsidiaries are shown separately in the consolidated statement of profit and loss and consolidated statement of changes in equity.

When the Group writes a put or enters into a forward purchase agreement with the non-controlling interests or their equity interest in that subsidiary and provides for settlement in cash or in another financial asset, then the Group recognises a liability for the present value of amount payable on exercise of option or execution of agreement with a corresponding impact to 'Retained Earnings within Other equity'. Subsequent to initial recognition of the financial liability, the changes in the carrying amount of the financial liability are recognised in the profit or loss attributable to Group. There is no impact on non-controlling interest's share of profit or loss of the subsidiary due to the same. If the forward agreement for non-controlling interest is exercised, the Group accounts for an increase in its ownership interest as an equity transaction. If the forward agreement expires unexercised, then the financial liability is derecognised, and non-controlling interests are recognised and treated consistently with a decrease in ownership interests in a subsidiary while retaining control. Consequently, the financial liability, as remeasured immediately before the transaction, is extinguished by payment of the exercise price and the non-controlling interests purchased is derecognised against equity attributable to owners of the Group. In such a case, the financial liability is reclassified to the same component of equity that was previously reduced (on initial recognition).

### Investment in joint venture:

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The Group's investments in its joint venture are accounted for using the Equity Method. Under the Equity Method, the investment in joint venture is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the joint venture from the acquisition date. Goodwill relating to joint venture is included in the carrying amount of the investment and is not tested for impairment individually.

The statement of profit and loss reflects the Group's share of the results of operations of the joint venture. Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the joint venture, the Group recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the joint venture are eliminated to the extent of the interest in the joint venture.

Upon loss of joint control over the joint venture, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the joint venture upon loss of joint control and the fair value of the retained investment net of proceeds from disposal is recognised in profit or loss.

## (b) Basis of measurement

These consolidated financial statements are prepared under the historical cost convention except for certain class of financial assets/ liabilities, share based payments and net liability for defined benefit plans that are measured at fair value.

The accounting policies adopted are the same as those which were applied for the previous financial year.

(All amounts in ₹ crores, unless otherwise stated)

## 2.2 Key Accounting Estimates and Judgements

The preparation of consolidated financial statements requires management to make judgements, estimates and assumptions in the application of accounting policies that affect the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Continuous evaluation is done on the estimation and judgments based on historical experience and other factors, including expectations of future events that are believed to be reasonable. Revisions to accounting estimates are recognised prospectively.

Information about critical judgments in applying accounting policies, as well as estimates and assumptions that have the most significant effect to the carrying amounts of assets and liabilities within the next financial year, are included in the following notes:

(a) Measurement of defined benefit obligations - Note 41

(b) Measurement and likelihood of occurrence of provisions and contingencies - Note 22 and 26

(c) Recognition of deferred tax assets - Note 9

(d) Key assumptions used in discounted cash flow projections - Note 43

(e) Impairment of Goodwill and other intangible assets - Note 4

(f) Indefinite useful life of certain intangible assets - Note 4

(g) Measurement of Right-of-Use Assets and Lease liabilities - Note 3 and 20

(h) Measurement of non-current financial liability on acquisition - Note 21

(i) Fair valuation of assets acquired and liabilities assumed as part of business combination - Note 43

(j) Measurement of discounts and rebates - Note 27

(k) Measurement of inventory obsolescence - Note 11

## 2.3 New Standards, Interpretations and Amendments Adopted by the Group

Ministry of Corporate Affairs ('MCA') notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended 31st March, 2025, MCA has notified amendments to Ind AS 116 – Leases, relating to sale and leaseback transactions, which is applicable to the Company w.e.f. 1st April, 2024. The Company has reviewed the new pronouncements and based on its evaluation has determined that it is not likely to have any significant impact in its financial statements.

## 2.4 Material Accounting Policies

The material accounting policies used in preparation of the consolidated financial statements have been included in the relevant notes to the consolidated financial statements.

(All amounts in ₹ crores, unless otherwise stated)

## NOTE 3 PROPERTY, PLANT AND EQUIPMENT AND CAPITAL WORK-IN-PROGRESS

| | As at 31st March, 2025 | As at 31st March, 2024 |
|---|---|---|
| Owned Assets | 6,941 | 6,517 |
| Leased Assets (Right-of-Use Assets) | 1,684 | 1,514 |
| **Total Property, plant and equipment** | **8,625** | **8,031** |
| **Total Capital work-in-progress** | **1,009** | **1,025** |

### A. Owned Assets

Property, plant and equipment, other than freehold land, is stated at acquisition cost net of accumulated depreciation and accumulated impairment losses, if any. Cost of acquisition or construction of property, plant and equipment comprises its purchase price including import duties and non-refundable purchase taxes net of trade discounts, rebates and any directly attributable cost of bringing the item to its working condition for its intended use. Freehold land is carried at historical cost less any accumulated impairment losses and is not depreciated.

Property, plant and equipment acquired in a business combination, other than common control combination, are recognised at fair value at the acquisition date. When parts of an item of property, plant and equipment having significant cost have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment. Property, plant and equipment acquired under common control combination are recognised at carrying value at the acquisition date.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance cost are charged to the consolidated statement of profit and loss during the period in which they are incurred.

An item of property, plant and equipment is de-recognised upon disposal or where no future economic benefits are expected from its use or disposal.

Gains or losses arising on de-recognition of property, plant and equipment are recognised in the consolidated statement of profit and loss.

Property, plant and equipment which are not ready for intended use as on the date of Balance Sheet are disclosed as "Capital work-in-progress".

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under "Other Non-Current Assets".

Depreciation is calculated on a pro-rata basis on the straight-line method based on estimated useful life prescribed under Schedule II of the Companies Act, 2013. Freehold land is not depreciated. The useful life of major components of Property, Plant and Equipment is as follows:

| Asset | Useful life* |
|---|---|
| Factory Buildings | 30 Years |
| Buildings (other than factory buildings) | 60 Years |
| Plant and equipment | 3-21 Years |
| General furniture and fixtures | 10 Years |
| Office equipment (including Computers) | 3-5 Years |

* In case of certain class of assets, the Group uses different useful life than those prescribed in Schedule II of the Companies Act, 2013. The useful life has been assessed based on technical evaluation, taking into account the nature of the asset and the estimated usage basis management's best judgement of economic benefits from those classes of assets. The exceptions are as under:

a) Plant and equipment is depreciated over 3 to 21 years.

b) Accelerated Depreciation is charged in case of assets forming part of a restructuring project basis planned remaining useful life of assets. Such accelerated depreciation forms part of exceptional items.

The residual values, useful lives and method of depreciation of property, plant and equipment is reviewed at each financial year end and adjusted prospectively, if appropriate.

(All amounts in ₹ crores, unless otherwise stated)

| | Freehold land | Buildings | Plant and equipment | Furniture and fixtures | Office equipment | Total |
|---|---|---|---|---|---|---|
| **Gross Block** | | | | | | |
| **Opening balance as at 1st April, 2023** | **476** | **2,480** | **6,361** | **161** | **185** | **9,663** |
| Additions | 1 | 306 | 1,158 | 19 | 35 | 1,519 |
| Reclassified to Assets held for sale | - | (2) | - | - | - | (2) |
| Disposals/ Adjustments | (1) | (12) | (139) | (15) | (14) | (181) |
| **Balance as at 31st March, 2024** | **476** | **2,772** | **7,380** | **165** | **206** | **10,999** |
| Additions | - | 206 | 1,035 | 14 | 45 | 1,300 |
| Reclassified to Assets held for sale | (10) | (58) | - | - | - | (68) |
| Disposals/ Adjustments | (1) | (34) | (181) | (5) | (6) | (227) |
| **Balance as at 31st March, 2025** | **465** | **2,886** | **8,234** | **174** | **245** | **12,004** |
| **Accumulated Depreciation** | | | | | | |
| **Opening balance as at 1st April, 2023** | **(0)** | **532** | **3,119** | **97** | **148** | **3,896** |
| Additions* | - | 95 | 601 | 11 | 22 | 729 |
| Reclassified to Assets held for sale | - | (1) | - | - | - | (1) |
| Disposals/ Adjustments | - | (9) | (105) | (11) | (17) | (142) |
| **Balance as at 31st March, 2024** | **(0)** | **617** | **3,615** | **97** | **153** | **4,482** |
| Additions* | - | 104 | 667 | 11 | 26 | 808 |
| Reclassified to Assets held for sale | - | (56) | - | - | - | (56) |
| Disposals/ Adjustments | - | (13) | (147) | (4) | (7) | (171) |
| **Balance as at 31st March, 2025** | **(0)** | **652** | **4,135** | **104** | **172** | **5,063** |
| **Net Block** | | | | | | |
| **Balance as at 31st March, 2024** | **476** | **2,155** | **3,765** | **68** | **53** | **6,517** |
| **Balance as at 31st March, 2025** | **465** | **2,234** | **4,099** | **70** | **73** | **6,941** |

*Includes ₹8 crores (31st March, 2024: ₹0 crores) of accelerated depreciation which has been charged to exceptional items under a restructuring project.

**NOTES:**

(a) Buildings include ₹0 crore (31st March, 2024: ₹0 crore) being the value of shares in co-operative housing societies.

(b) The Property, Plant and Equipment in 3A includes assets given on lease as follows:

| | Building | Plant and equipment | Furniture and fixtures | Office equipment | Total |
|---|---|---|---|---|---|
| Gross Block as at 31st March, 2024 | 2 | 214 | 0 | 0 | 216 |
| Accumulated Depreciation as at 31st March, 2024 | (0) | (106) | (0) | (0) | (106) |
| **Net Block as at 31st March, 2024** | **2** | **108** | **0** | **0** | **110** |
| Gross Block as at 31st March, 2025 | 2 | 302 | 0 | 1 | 305 |
| Accumulated Depreciation as at 31st March, 2025 | (0) | (156) | (0) | (1) | (157) |
| **Net Block as at 31st March, 2025** | **2** | **146** | **0** | **-** | **148** |

(c) The Group has not revalued any of its property, plant and equipment.

## B. Leased Assets (Right-of-Use Assets)

The Group's lease asset classes primarily consist of leases for Land and Buildings, Plant and Equipment and Vehicles. The Group assesses whether a contract is or contains a lease, at the inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether:

(i) the contract involves the use of an identified asset

(ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and

(iii) the Group has the right to direct the use of the asset.

The right-of-use asset is a lessee's right to use an asset over the life of a lease. At the date of commencement of the lease, the Group recognises a right-of-use asset ('ROU') and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases of low value assets. For these leases of low value assets, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

(All amounts in ₹ crores, unless otherwise stated)

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

| | Land | Building | Plant & equipment | Vehicles | Total |
|---|---|---|---|---|---|
| **Gross Block** | | | | | |
| **Opening balance as at 1st April, 2023** | **148** | **693** | **1,365** | **35** | **2,241** |
| Additions | 9 | 425 | 401 | 26 | 861 |
| Deletions | (0) | (300) | (200) | (22) | (522) |
| **Balance as at 31st March, 2024** | **157** | **818** | **1,566** | **39** | **2,580** |
| Additions | 7 | 356 | 303 | 86 | 752 |
| Deletions | (1) | (227) | (203) | (23) | (454) |
| **Balance as at 31st March, 2025** | **163** | **947** | **1,666** | **102** | **2,878** |
| **Accumulated Depreciation** | | | | | |
| **Opening balance as at 1st April, 2023** | **33** | **359** | **647** | **20** | **1,059** |
| Additions | 3 | 237 | 202 | 20 | 462 |
| Deletions | (0) | (278) | (159) | (18) | (455) |
| **Balance as at 31st March, 2024** | **36** | **318** | **690** | **22** | **1,066** |
| Additions | 3 | 256 | 239 | 32 | 530 |
| Deletions | (1) | (203) | (177) | (21) | (402) |
| **Balance as at 31st March, 2025** | **38** | **371** | **752** | **33** | **1,194** |
| **Net Block** | | | | | |
| **Balance as at 31st March, 2024** | **121** | **500** | **876** | **17** | **1,514** |
| **Balance as at 31st March, 2025** | **125** | **576** | **914** | **69** | **1,684** |

**NOTES:**

(a) The Group incurred ₹56 crores for the year ended 31st March, 2025 (31st March, 2024: ₹51 crores) towards expenses relating to leases of low-value assets. The total cash outflow for leases is ₹681 crores for the year ended 31st March, 2025 (31st March, 2024: ₹583 crores), including cash outflow of leases of low-value assets. Interest on lease liabilities is ₹127 crores for the year ended 31st March, 2025 (31st March, 2024: ₹106 crores).

(b) Lease liability and Lease commitments : Refer Note 20 and Note 26B respectively.

(c) The Group has not revalued any of its right-of-use assets.

## C. Capital Work-In-Progress

Capital work-in-progress comprises of property, plant and equipment that are not ready for their intended use at the end of reporting period and are carried at cost comprising direct costs, related incidental expenses, other directly attributable costs and borrowing costs.

| | |
|---|---|
| **Opening Balance as at 1st April, 2023** | **1,132** |
| Additions | 1,421 |
| Capitalisations | (1,528) |
| **Balance as at 31st March, 2024** | **1,025** |
| Additions | 1,306 |
| Capitalisations | (1,322) |
| **Balance as at 31st March, 2025** | **1,009** |

Temporarily suspended projects do not include those projects where temporary suspension is a necessary part of the process of getting an asset ready for its intended use.

(All amounts in ₹ crores, unless otherwise stated)

## Ageing of CWIP as on 31st March, 2025

| | Amount in CWIP for a period of | | | | |
|---|---|---|---|---|---|
| | Less than 1 year | 1 - 2 years | 2 - 3 years | More than 3 years | Total |
| Projects in Progress | 763 | 168 | 13 | 2 | 946 |
| Projects temporarily suspended | 1 | 13 | 36 | 13 | 63 |
| **Total** | **764** | **181** | **49** | **15** | **1,009** |

| | Amount |
|---|---|
| Projects whose completion is overdue | 401 |
| Projects which have exceeded their original budget | 10 |

## Details of capital-work-in progress whose completion is overdue as compared to its original plan as at 31st March, 2025

| | To be completed in | | | | |
|---|---|---|---|---|---|
| | Less than 1 year | 1 - 2 years | 2 - 3 years | More than 3 years | Total |
| **Under Progress (A)** | **317** | **23** | **-** | **-** | **340** |
| Project Nakshatra (Home care and Personal care) | 72 | - | - | - | 72 |
| Stratos Technology | 44 | 21 | - | - | 65 |
| Automated Warehouse | 39 | - | - | - | 39 |
| Data Lake - Technology | 22 | - | - | - | 22 |
| Others* | 140 | 2 | - | 0 | 142 |
| **Temporarily Suspended (B)** | **61** | **-** | **-** | **-** | **61** |
| Foods technology advancement project | 57 | - | - | - | 57 |
| Others* | 4 | - | - | - | 4 |
| **Total (A+B)** | **378** | **23** | **-** | **-** | **401** |

## Details of capital-work-in progress which has exceeded its cost compared to its original plan as at 31st March, 2025

| | To be completed in | | | | |
|---|---|---|---|---|---|
| | Less than 1 year | 1 - 2 years | 2 - 3 years | More than 3 years | Total |
| **Under Progress (A)** | **3** | **-** | **-** | **-** | **3** |
| Others | 3 | - | - | - | 3 |
| **Temporarily Suspended (B)** | **7** | **-** | **-** | **-** | **7** |
| Foods technology advancement project | 7 | - | - | - | 7 |
| **Total (A+B)** | **10** | **-** | **-** | **-** | **10** |

## Ageing of CWIP as on 31st March, 2024

| | Amount in CWIP for a period of | | | | |
|---|---|---|---|---|---|
| | Less than 1 year | 1 - 2 years | 2 - 3 years | More than 3 years | Total |
| Projects in Progress | 866 | 114 | 31 | 10 | 1,021 |
| Projects temporarily suspended | 0 | 1 | 0 | 3 | 4 |
| **Total** | **866** | **115** | **31** | **13** | **1,025** |

| | Amount |
|---|---|
| Projects whose completion is overdue | 273 |
| Projects which have exceeded their original budget | 25 |

(All amounts in ₹ crores, unless otherwise stated)

### Details of capital-work-in progress whose completion is overdue as compared to its original plan as at 31st March, 2024

| | To be completed in | | | | |
|---|---|---|---|---|---|
| | Less than 1 year | 1 - 2 years | 2 - 3 years | More than 3 years | Total |
| **Under Progress (A)** | **257** | **13** | **-** | **-** | **270** |
| Foods technology advancement project | 50 | - | - | - | 50 |
| Project Nakshatra (Nutrition) | 27 | - | - | - | 27 |
| Project at Rajahmundry Factory | 23 | - | - | - | 23 |
| Project at Orai Factory | 17 | - | - | - | 17 |
| Others* | 140 | 13 | - | - | 153 |
| **Temporarily Suspended (B)** | **3** | **-** | **-** | **-** | **3** |
| Project at Gandhidham Factory | 1 | - | - | - | 1 |
| Others* | 2 | - | - | - | 2 |
| **Total (A+B)** | **260** | **13** | **-** | **-** | **273** |

### Details of capital-work-in progress which has exceeded its cost compared to its original plan as at 31st March, 2024

| | To be completed in | | | | |
|---|---|---|---|---|---|
| | Less than 1 year | 1 - 2 years | 2 - 3 years | More than 3 years | Total |
| **Under Progress (A)** | **25** | **-** | **-** | **-** | **25** |
| Project at Rajahmundry Factory | 23 | - | - | - | 23 |
| Others | 2 | - | - | - | 2 |
| **Temporarily Suspended (B)** | **-** | **-** | **-** | **-** | **-** |
| **Total (A+B)** | **25** | **-** | **-** | **-** | **25** |

*Others comprise of various projects with individually immaterial values.

For contractual commitment with respect to property, plant and equipment, refer Note 26B(ii)

## NOTE 4 GOODWILL AND OTHER INTANGIBLE ASSETS

### Intangible Assets

Intangible assets purchased are initially measured at cost.

The cost of a separately purchased intangible asset comprises its purchase price including duties and taxes and any costs directly attributable to making the asset ready for their intended use.

Intangible assets acquired in a business combination are recognised at fair value at the acquisition date.

Subsequently, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognised in consolidated statement of profit or loss as incurred.

The useful lives of intangible assets are assessed as either finite or indefinite. Finite-life intangible assets are amortised on a straight-line basis over the period of their estimated useful lives. Estimated useful lives by major class of finite-life intangible assets are as follows:

| Asset | Useful life |
|---|---|
| Design and Know-how | 10 years |
| Computer software | 5 years |
| Trademarks | 5 years |
| Distribution network | 10-15 years |

The amortisation period and the amortisation method for finite-life intangible assets is reviewed at each financial year end and adjusted prospectively, if appropriate. Indefinite-life intangible assets comprises of trademarks and brands, for which there is no foreseeable limit to the period over which they are expected to generate net cash inflows. These are considered to have an indefinite life, given the strength and durability of the brands and the level of marketing support. For indefinite life intangible assets, the assessment of indefinite life is reviewed annually to determine whether it continues, if not, it is impaired or changed prospectively basis revised estimates.

(All amounts in ₹ crores, unless otherwise stated)

## Goodwill

Goodwill is initially recognised based on the accounting policy for business combinations and is tested for impairment annually.

| | | Other intangible assets | | | | | |
|---|---|---|---|---|---|---|---|
| | | Indefinite life intangible assets | Finite Life Intangible assets | | | | |
| | Goodwill# | Brands/ Trademarks | Brands/ Trademarks | Design and Know-how | Computer Software | Others* | Total |
| **Gross Block** | | | | | | | |
| **Opening balance as at 1st April, 2023** | **17,466** | **28,143** | **18** | **65** | **64** | **107** | **28,397** |
| Additions: Internally developed | - | - | - | - | 5 | - | 5 |
| Additions: Acquired separately | - | - | 0 | - | 4 | - | 4 |
| Disposals | - | - | (0) | - | - | - | (0) |
| **Balance as at 31st March, 2024** | **17,466** | **28,143** | **18** | **65** | **73** | **107** | **28,406** |
| Additions: Acquired separately | - | - | 0 | - | 21 | - | 21 |
| Disposals | - | - | - | - | (11) | - | (11) |
| **Balance as at 31st March, 2025** | **17,466** | **28,143** | **18** | **65** | **83** | **107** | **28,416** |
| **Accumulated Amortisation and Impairment** | | | | | | | |
| **Opening balance as at 1st April, 2023** | **-** | **-** | **18** | **47** | **37** | **32** | **134** |
| Additions | - | - | 0 | 7 | 9 | 9 | 25 |
| Disposals | - | - | (0) | - | (0) | - | (0) |
| **Balance as at 31st March, 2024** | **-** | **-** | **18** | **54** | **46** | **41** | **159** |
| Additions | - | - | 0 | 7 | 10 | 8 | 25 |
| Disposals | - | - | - | - | (11) | - | (11) |
| **Balance as at 31st March, 2025** | **-** | **-** | **18** | **61** | **45** | **49** | **173** |
| **Net Block** | | | | | | | |
| **Balance as at 31st March, 2024** | **17,466** | **28,143** | **0** | **11** | **27** | **66** | **28,247** |
| **Balance as at 31st March, 2025** | **17,466** | **28,143** | **0** | **4** | **39** | **58** | **28,244** |

*Others include Customer Relationship, Distribution network, etc.

The Group has not revalued any of its intangible assets.

#Goodwill includes Goodwill on consolidation as follows:

(a) Pursuant to the merger of Aquagel Chemicals Private Limited ('ACPL') with Lakme Lever Private Limited in the FY 2014-15, the excess of cost to the Group of its investment in ACPL over the Group's portion of equity in ACPL, amounting to ₹81 crores has been treated as 'Goodwill on consolidation' and forms part of Personal Care cash generating unit.

(b) Pursuant to acquisition of stake in Zywie Ventures Private Limited on 10th January, 2023, the excess of cost of investment over the Group's portion of equity, amounting to ₹69 crores has been treated as 'Goodwill on consolidation' and forms part of Beauty & Wellbeing cash generating unit.

## Impairment

Assessment for impairment is done annually as to whether there is any indication that a non-financial asset, other than inventory and deferred tax, may be impaired. Indefinite life intangible assets and goodwill are subject to review for impairment annually or more frequently if events or circumstances indicate that it is necessary. For the purpose of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets is considered as a cash generating unit. Goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

If any indication of impairment exists, an estimate of the recoverable amount of the individual asset/cash generating unit is made. Recoverable amount is higher of an asset's or cash generating unit's value in use and its fair value less cost of disposal. Value in use is estimated future cash flows expected to arise from the continuing use of an asset or cash generating unit and from its disposal at the end of its useful life discounted to their present value using a post-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

(All amounts in ₹ crores, unless otherwise stated)

Asset/cash generating unit whose carrying value exceeds their recoverable amount are written down to the recoverable amount by recognising the impairment loss as an expense in the consolidated statement of profit and loss. The impairment loss is allocated first to reduce the carrying amount of goodwill (if any) allocated to the cash generating unit and then to the other assets of the unit, pro rata based on the carrying amount of each asset in the unit.

Assessment is also done at each Balance Sheet date as to whether there is any indication that an impairment loss recognised for an asset in prior accounting periods may no longer exist or may have decreased. Basis the assessment a reversal of an impairment loss for an asset other than goodwill is recognised in the consolidated statement of profit and loss.

No impairment was identified in FY 2024-25 (FY 2023-24: Nil).

## Significant Cash Generating Units (CGUs)

The Group has identified its reportable segments, i.e. Home Care, Beauty & Wellbeing, Personal Care, Foods, and Others as the CGUs. The goodwill and indefinite-life intangible assets acquired through business combinations have been allocated to CGU 'Beauty & Wellbeing', 'Personal Care' and 'Foods'. The carrying amount of goodwill and indefinite-life intangible assets is as under:

| | As at 31st March, 2025 | | | As at 31st March, 2024 | |
|---|---|---|---|---|---|
| | Beauty & Wellbeing | Personal Care | Foods | Beauty & Personal Care | Foods |
| Goodwill | 69 | 96 | 17,301 | 165 | 17,301 |
| Indefinite life intangible assets | 672 | 261 | 27,210 | 933 | 27,210 |
| **Total** | **741** | **357** | **44,511** | **1,098** | **44,511** |

The recoverable amount of each cash generating unit is the higher of the cash-generating unit's fair value less cost of disposal ('Fair Value') and its value-in-use.

The Fair Value is determined based on the Comparable Companies' Multiple method, using the earnings multiples derived from observable market data. The fair value measurement is categorised as a level 2 fair value based on the inputs in the valuation techniques used.

The projections cover a period of five years, as the Group believes this to be the most appropriate timescale over which to review and consider annual performances before applying a terminal value* multiple to the final year cash flows. The growth rates and segmental margins used to estimate cash flows for the first five years are based on past performance, and on the Group's five-year strategic plan.

Following key assumptions were considered while performing Impairment testing:

| | As at 31st March, 2025 | | | As at 31st March, 2024 | |
|---|---|---|---|---|---|
| | Beauty & Well-being | Personal Care | Foods | Beauty & Personal Care | Foods |
| Average Annual Growth rate for 5 years | 10.0% | 7.0% | 8.0% | 8.0% | 9.5% |
| Terminal Growth Rate * | 5.0% | 5.0% | 5.0% | 5.0% | 5.0% |
| Weighted Average Cost of Capital (WACC) post tax (Discount rate) | 11.3% | 11.3% | 11.3% | 10.7% | 10.7% |
| Segmental margins | 31.0% | 17.8% | 18.4% | 26.2% | 18.6% |

* Terminal growth rate linearly declining for ten years from year 6 and at 5% thereafter

Weighted Average Cost of Capital (WACC) for the Group = Risk free return + (Market risk premium x Beta).

The Group has performed sensitivity analysis around the base assumptions and has concluded that there are no reasonably possible changes to key assumptions that would cause the carrying amount of a CGU to exceed its recoverable amount.

## NOTE 5 INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

The investment in joint ventures is accounted for using the equity method. Under the equity method, the investment in joint venture is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Holding Company's share of net assets of the joint venture since the acquisition date. Goodwill relating to joint venture is included in the carrying amount of the investment and is not tested for impairment individually.

(All amounts in ₹ crores, unless otherwise stated)

| | As at 31st March, 2025 | As at 31st March, 2024 |
|---|---|---|
| **Investments Accounted for using the Equity Method** | | |
| 7,256 equity shares of ₹10 each (31st March, 2024: 7,256) and 36,480 compulsorily convertible preference shares of ₹100 (31st March, 2024: 36,480) each held in Investment in Nutritionalab Private Limited ("NLPL") | 57 | 65 |
| **Total non current investments accounted for using the Equity Method** | **57** | **65** |
| **Aggregate amount of unquoted investments** | **57** | **65** |
| **The movement in investments accounted for using Equity Method is as follows:** | | |
| **Balance as at beginning of the year** | 65 | 69 |
| Share of loss of equity accounted investee net of tax | (8) | (4) |
| **Balance as at 31st March, 2025** | **57** | **65** |

There are no contingent liabilities & commitments as on 31st March, 2025 (31st March, 2024: Nil) pertaining to NLPL.

## NOTE 6 INVESTMENTS

Refer Note 39 for accounting policy on financial instruments

| | As at 31st March, 2025 | As at 31st March, 2024 |
|---|---|---|
| **NON-CURRENT INVESTMENTS** | | |
| **A. Equity instruments** | | |
| **Fair value through profit and loss** | | |
| Quoted | 0 | 0 |
| Unquoted | 1 | 1 |
| **Fair value through other comprehensive income** | | |
| **Unquoted** | | |
| 26,000 equity shares (31st March, 2024: 26,000) of ₹10 each held in Transition Sustainable Energy Services One Private Limited* | 0 | 0 |
| **Total (A)** | **1** | **1** |
| **B. Other instruments** | | |
| **Amortised cost** | | |
| **Unquoted** | | |
| Investments in debentures and bonds | 0 | 0 |
| Investments in National Savings Certificates | 0 | 0 |
| **Fair value through profit and loss** | | |
| **Unquoted** | | |
| Investments in preference shares | 1 | 1 |
| **Total (B)** | **1** | **1** |
| **Total Non-current investments (A+B)** | **2** | **2** |
| Refer Note 44 for details on non-current investments. | | |
| **CURRENT INVESTMENTS** | | |
| **C. Other instruments** | | |
| **Fair value through other comprehensive income** | | |
| **Quoted** | | |
| Investments in treasury bills | - | 1,253 |
| **Fair value through profit and loss** | | |
| **Quoted** | | |
| Investments in mutual funds | 2,986 | 3,305 |
| **Amortised Cost** | | |
| **Quoted** | | |
| Investment in Certificate of Deposits | 765 | - |
| **Total Current Investments (C)** | **3,751** | **4,558** |
| **Total (A+B+C)** | **3,753** | **4,560** |

(All amounts in ₹ crores, unless otherwise stated)

| | As at 31st March, 2025 | As at 31st March, 2024 |
|---|---|---|
| Aggregate amount of quoted investments | 3,751 | 4,558 |
| Aggregate market value of quoted investments | 3,751 | 4,558 |
| Aggregate amount of unquoted investments | 2 | 2 |
| Aggregate amount of impairment in value of investments | - | - |

Refer Note 39 for information about fair value measurement and Note 40 for credit risk and market risk of investments.

*During FY 2023-24, the Group invested in equity shares of Transition Sustainable Energy Services One Private Limited. It is a Special Purpose Vehicle formed under the Government's Group Captive Open Access Renewable Energy Scheme. It aims to generate renewable energy by setting up a solar energy park in Rajasthan. This investment is a strategic partnership with the Brookfield Group and will contribute towards achieving Net zero goals by increasing green energy consumption in our units. As per the Shareholders' Agreement, the Group does not have power to participate in the financial and operating policy decisions of the company and hence does not exercise significant influence.

The Group has irrecovably elected to measure fair value changes in the aforesaid equity instruments through other comprehensive income (FVTOCI).

## NOTE 7 LOANS

Refer note 39 for accounting policy on financial instruments

| | As at 31st March, 2025 | As at 31st March, 2024 |
|---|---|---|
| **Non-Current** | | |
| Others (including employee loans) | 87 | 102 |
| **Total (A)** | **87** | **102** |
| **Current** | | |
| Others (including employee loans) | 46 | 38 |
| **Total (B)** | **46** | **38** |
| **Total (A+B)** | **133** | **140** |
| **Sub-classification of Loans:** | | |
| Loans Receivables considered good- Secured | - | - |
| Loans Receivables considered good- Unsecured | 133 | 140 |
| Loans Receivables which have significant increase in Credit Risk | - | - |
| Loans Receivables - credit impaired | - | - |

Refer Note 40 for information about credit risk and market risk for loans.

1) In line with Circular No 04/2015 issued by Ministry of Corporate Affairs dated 10/03/2015, loans given to employees as per the Group's policy are not considered for the purposes of disclosure under Section 186(4) of the Companies Act, 2013.

2) There are no loans or advances in the nature of loans granted to promoters, Directors, KMPs and their related parties (as defined under Companies Act, 2013), either severally or jointly with any other person, that are:

   (a) repayable on demand; or

   (b) without specifying any terms or period of repayment

(All amounts in ₹ crores, unless otherwise stated)

# NOTE 8 OTHER FINANCIAL ASSETS

## Indemnification Asset

### Initial recognition:

Indemnification asset is recognised at fair value at the time when the counterparty contractually agrees to indemnify, in whole or in part, for a particular uncertainty. It is initially measured on the same basis as defined in the agreement, subject to collectability.

### Subsequent measurement :

As at each reporting period, the Group re-assesses the indemnification asset that was recognised initially on the same basis as defined in the contract subject to collectability of such asset. The Group derecognises the indemnification asset only when it collects the asset, sells it or otherwise loses the right to it.

Refer note 39 for accounting policy on financial instruments

| | As at 31st March, 2025 | As at 31st March, 2024 |
|---|---|---|
| **Non-Current** | | |
| **Considered good** | | |
| Security deposits | 141 | 108 |
| Investments in term deposits (with remaining maturity of more than twelve months)* | 6 | 36 |
| Indemnification Asset | 608 | 608 |
| Other assets (includes other receivables etc.) | 8 | 8 |
| **Total (A)** | **763** | **760** |
| **Current** | | |
| **Considered good** | | |
| Security deposits | 45 | 70 |
| Receivable from group companies | 196 | 134 |
| Fair Value of Derivatives | 57 | 29 |
| Duty drawback receivable | 1 | 4 |
| Consignment Receivables | 57 | 73 |
| Government grants receivable | 179 | 119 |
| Other assets (includes other receivables etc.)* | 953 | 996 |
| **Total (B)** | **1,488** | **1,425** |
| **Total (A+B)** | **2,251** | **2,185** |

The Group has not given any advances to directors or other officers of the Holding or Subsidiary Companies or any of them either severally or jointly with any other persons or advances to firms or private companies respectively in which any director is a partner or a director or a member except the security deposit given under the terms and conditions of Rent Agreement entered into with the relative of director of ZVPL.

The Group is entitled to receive incentive as per the "Post-COVID-19 Accelerated Investment Promotion Policy for Economically Backward Regions of the State-2020". Pursuant to filing the application, a Letter of Comfort ('LOC') has been issued to the Group by the UP government assuring availability of incentives (subject to meeting prescribed conditions) under the 2020 Policy.

Refer Note 45 for information about receivables from related party.

Refer Note 40 for information about credit risk and market risk for other financial assets.

*Term deposits held as lien by bank against overdraft facility amounting to ₹5 crores (31st March, 2024: ₹7 crores) in non-current financial assets and ₹11 crores(31st March, 2024: ₹8 crores) in current financial assets.

(All amounts in ₹ crores, unless otherwise stated)

## NOTE 9 INCOME TAXES

Income tax expense for the year comprises of current tax and deferred tax. It is recognised in the consolidated statement of profit and loss except to the extent it relates to a business combination or to an item which is recognised directly in equity or in other comprehensive income.

Current tax is the expected tax payable/receivable on the taxable income/loss for the year using applicable tax rates for the relevant period, and any adjustment to taxes in respect of previous years. Interest expenses and penalties, if any, related to income tax are included in finance cost and other expenses respectively. Interest Income, if any, related to income tax is included in other income.

Deferred tax is recognised in respect of temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes.

A deferred tax liability is recognised based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted, or substantively enacted, by the end of the reporting period. Deferred tax assets are recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities; and the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority.

Minimum Alternate Tax (MAT) paid as per Indian Income Tax Act, 1961 is in the nature of unused tax credit which can be carried forward and utilised when the Company will pay normal income tax during the specified period. Deferred tax assets on such tax credit is recognised to the extent that it is probable that the unused tax credit can be utilised in the specified future period. The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

## Uncertain tax position:

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate. The provision is estimated based on one of two methods, the expected value method (the sum of the probability weighted amounts in a range of possible outcomes) or the single most likely amount method, depending on which is expected to better predict the resolution of the uncertainty.

### A. Components of Income Tax Expense

### I. Tax expense recognised in Profit and Loss

| | Year ended 31st March, 2025 | Year ended 31st March, 2024 |
|---|---|---|
| **Current tax** | | |
| Current year | 3,679 | 3,574 |
| Adjustments/(credits) related to previous years - (net) | (59) | (53) |
| **Total (A)** | **3,620** | **3,521** |
| **Deferred tax** | | |
| Origination and reversal of temporary differences | 124 | 144 |
| Adjustments/(credits) related to previous years - (net) | - | (21) |
| **Total (B)** | **124** | **123** |
| **Total (A+B)** | **3,744** | **3,644** |

### II. Tax expense recognised in Other Comprehensive Income

| | Year ended 31st March, 2025 | Year ended 31st March, 2024 |
|---|---|---|
| **Deferred tax** | | |
| (Gain)/loss on remeasurement of net defined benefit plans | (5) | 9 |
| (Gain)/loss on debt instruments through other comprehensive income | (0) | 0 |
| (Gain)/loss on cash flow hedges through other comprehensive income | (0) | 3 |
| **Total** | **(5)** | **12** |

(All amounts in ₹ crores, unless otherwise stated)

### III. Tax expense recognised in Equity

| | Year ended 31st March, 2025 | Year ended 31st March, 2024 |
|---|---|---|
| **Deferred tax** | | |
| Stamp Duty on issue of equity shares on account of business combination | 2 | 2 |
| | **2** | **2** |

## B. Reconciliation of Effective Tax Rate

The reconciliation between the statutory income tax rate applicable to the Group and the effective income tax rate of the Group is as follows :

| | Year ended 31st March, 2025 | | Year ended 31st March, 2024 | |
|---|---|---|---|---|
| | % | Amount | % | Amount |
| **Statutory income tax rate** | 25.2% | 3,628 | 25.2% | 3,505 |
| Differences due to: | | | | |
| Expenses not deductible for tax purposes | 1.5% | 219 | 1.6% | 220 |
| Income tax incentives | -0.3% | (43) | 0.0% | (5) |
| Others* | -0.4% | (60) | -0.6% | (76) |
| **Effective tax rate** | **26.0%** | **3,744** | **26.2%** | **3,644** |

* Others include prior period tax refunds and tax on exceptional items.

## C. Deferred Tax Assets and Liabilities

| | As at 31st March, 2025 | As at 31st March, 2024 |
|---|---|---|
| Deferred tax assets | 17 | 10 |
| Deferred tax liabilities | 6,685 | 6,557 |
| **Net deferred tax liability** | **6,668** | **6,547** |

## D. Movement in Deferred Tax Assets and Liabilities

| Movements during the year ended 31st March, 2025 | As at 1st April, 2024 | Credit/ (charge) on account of business combination | Credit/ (charge) in Profit and Loss | Other Adjustments | Credit/(charge) in Other Comprehensive Income | Credit/ (charge) in Equity | As at 31st March, 2025 |
|---|---|---|---|---|---|---|---|
| **Deferred tax assets/ (liabilities)** | | | | | | | |
| Provision for post retirement benefits and other employee benefits | 96 | - | (38) | - | 0 | - | 58 |
| Provision for doubtful debts and advances | 23 | - | 1 | - | - | - | 24 |
| Expenses allowable for tax purposes when paid | 105 | - | 3 | - | 5 | - | 113 |
| Property, plant and equipment and Intangible assets | (7,112) | - | (59) | - | - | - | (7,171) |
| Fair value gain/(loss) | (31) | - | 22 | - | (0) | - | (9) |
| Impact of Right of Use Asset and Lease Liabilities | (4) | - | 3 | - | - | - | (1) |
| MAT credit | 1 | - | - | - | - | - | 1 |
| Other temporary differences | 375 | - | (56) | - | - | (2) | 317 |
| **Total** | **(6,547)** | **-** | **(124)** | **-** | **5** | **(2)** | **(6,668)** |

(All amounts in ₹ crores, unless otherwise stated)

| Movements during the year ended 31st March, 2024 | As at 1st April, 2023 | Credit/ (charge) on account of business combination | Credit/ (charge) in Profit and Loss | Other Adjustments | Credit/(charge) in Other Comprehensive Income | Credit/ (charge) in Equity | As at 31st March, 2024 |
|---|---|---|---|---|---|---|---|
| **Deferred tax assets/ (liabilities)** | | | | | | | |
| Provision for post retirement benefits and other employee benefits | 60 | - | 36 | - | (0) | - | 96 |
| Provision for doubtful debts and advances | 27 | - | (4) | - | - | - | 23 |
| Expenses allowable for tax purposes when paid | 134 | - | (20) | - | (9) | - | 105 |
| Property, plant and equipment and Intangible assets | (7,013) | - | (99) | - | - | - | (7,112) |
| Fair value gain/(loss) | (13) | - | (15) | - | (3) | - | (31) |
| Impact of Right of Use Asset and Lease Liabilities | (8) | - | 4 | - | - | - | (4) |
| MAT credit | 4 | - | (3) | - | - | - | 1 |
| Other temporary differences | 399 | - | (22) | - | - | (2) | 375 |
| **Total** | **(6,410)** | **-** | **(123)** | **-** | **(12)** | **(2)** | **(6,547)** |

## E. Tax Assets and Liabilities

| | As at 31st March, 2025 | As at 31st March, 2024 |
|---|---|---|
| Non-current tax assets (net of tax provision) | 1,199 | 1,175 |
| Non-current tax liabilities (net of tax assets) | 3,598 | 4,243 |
| Current tax liabilities | 1,903 | - |

During FY 2024-25, the Group has received tax refunds including interest amounting to ₹1,100 crores for FY 2022-23 (FY 2023-24: ₹3,148 crores for FY 2020-21 and FY 2021-22) pursuant to automated processing of income tax returns. The assessments for the aforesaid years are underway and pending disposal by Income Tax Department.

## F. Uncertain Tax Position

During FY 2020-21, an 'Uncertain Tax Position' (UTP) was established in respect of the tax amortisation of intangible assets created pursuant to merger of HUL with GlaxoSmithKline Consumer Healthcare Limited (HUL -GSK CH merger). A provision was created in compliance with Ind AS 12 - Income Taxes, with respect to this.

## G. Disclosure in Relation to Undisclosed Income

During the year, the Group has not surrendered or disclosed any income in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961). Accordingly, there are no transactions which are not recorded in the books of accounts.

## H. Unrecognised Deferred Tax Assets

In the absence of convincing evidence of future taxable profits, a subsidiary has not recognised deferred tax assets in respect of brought forward losses, unabsorbed depreciation and unused tax credits.

| | Expiry date (Assessment year) | As at 31st March, 2025 | | As at 31st March, 2024 | |
|---|---|---|---|---|---|
| | | Gross Amount | Unrecognised tax effect | Gross Amount | Unrecognised tax effect |
| **Deductible temporary differences** | | | | | |
| Tax losses | | | | | |
| | 2031-32 | 35 | 9 | 35 | 9 |
| | 2032-33 | 41 | 10 | 41 | 10 |
| | 2033-34 | 2 | 1 | - | - |
| Unabsorbed depreciation | Indefinite | 3 | 1 | 2 | 1 |
| | | **81** | **21** | **78** | **20** |

(All amounts in ₹ crores, unless otherwise stated)

## NOTE 10 OTHER NON-CURRENT ASSETS

| | As at 31st March, 2025 | As at 31st March, 2024 |
|---|---|---|
| Capital advances | 56 | 87 |
| Advances other than Capital advances | | |
| Deposit with Government Authorities (Income tax, Customs, GST, etc.) | 298 | 201 |
| Other advances (includes advances for materials) | 12 | 12 |
| Less: Allowance for bad and doubtful advances | (7) | (9) |
| Deferred lease rent | 1 | 1 |
| **Total** | **360** | **292** |
| **The movement in allowance for bad and doubtful advances is as follows:** | | |
| **Balance as at beginning of the year** | 9 | 9 |
| Written back during the year | (2) | - |
| **Balance as at the end of the year** | **7** | **9** |

The Group has not given any advances to Directors or other Officers of the Group or any of them either severally or jointly with any other persons or advances to firms or private companies respectively in which any Director is a Partner or a Director or a Member.

## NOTE 11 INVENTORIES

Inventories are valued at the lower of cost and net realisable value. Cost is computed on a weighted average basis. The comparison of cost and net realisable value is made on an item-by item basis.

Cost of raw materials and stores and spares includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. The aforesaid items are valued at net realisable value if the finished products in which they are to be incorporated are expected to be sold at a loss.

Cost of finished goods and work-in-progress include all costs of purchases, conversion costs, appropriate share of fixed production overheads and costs incurred in bringing the inventories to their present location and condition. The net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and estimated costs necessary to make the sale.

| | As at 31st March, 2025 | As at 31st March, 2024 |
|---|---|---|
| Raw materials [includes in transit: ₹49 crores (31st March, 2024: ₹126 crores)] | 1,808 | 1,589 |
| Packing materials [includes in transit: ₹0 crores (31st March, 2024: ₹1 crore)] | 148 | 137 |
| Work-in-progress | 530 | 569 |
| Finished goods [includes in transit: ₹50 crores (31st March, 2024: ₹34 crores)] (Refer note (a) below) | 1,780 | 1,588 |
| Stores and spares | 149 | 139 |
| **Total** | **4,415** | **4,022** |

(a) Finished goods include goods purchased for re-sale of ₹578 crores (FY 2023-24: ₹530 crores).

(b) During FY 2024-25, net amount of ₹187 crores (31st March, 2024: ₹167 crores) was charged to the consolidated statement of profit and loss on account of damaged and slow moving inventory, which is included as part of cost of materials consumed.

(All amounts in ₹ crores, unless otherwise stated)

## NOTE 12 TRADE RECEIVABLES

Trade receivables are initially recognised at transaction price as they do not contain a significant financing component. This implies that the effective interest rate for these receivables is zero. Subsequently, the Group applies lifetime expected credit loss model for measurement of trade receivables.

| | As at 31st March, 2025 | As at 31st March, 2024 |
|---|---|---|
| Trade Receivables considered good- Secured | - | - |
| Trade Receivables considered good- Unsecured | 3,843 | 3,014 |
| Less: Allowance for expected credit loss | (24) | (17) |
| Trade Receivables which have significant increase in credit risk | - | - |
| Trade Receivables - credit impaired | 44 | 48 |
| Less: Allowance for credit impairment | (44) | (48) |
| **Total** | **3,819** | **2,997** |
| **The movement in change in allowance for expected credit loss and credit impairment:** | | |
| **Balance as at beginning of the year** | 65 | 76 |
| Change in allowance for expected credit loss and credit impairment during the year | 3 | (11) |
| **Balance as at the end of the year** | **68** | **65** |

Refer note 40 for information about credit risk and market risk of trade receivables.

Refer Note 45 for information about receivables from related party.

### Ageing for trade receivables from the due date of payment for each of the category as at 31st March, 2025 is as follows:

| | Not due* | Outstanding for following periods from due date of payment | | | | | Total |
|---|---|---|---|---|---|---|---|
| | | Less than 6 months | 6 months - 1 year | 1-2 years | 2-3 years | More than 3 years | |
| Undisputed Trade Receivables - Considered good | 3,149 | 421 | 48 | 184 | 14 | 27 | 3,843 |
| Undisputed Trade Receivables - Which have significant increase in credit risk | - | - | 0 | - | - | - | 0 |
| Undisputed Trade Receivables - Credit impaired | - | 4 | 0 | 1 | 0 | 6 | 11 |
| Disputed Trade Receivables - Considered good | - | - | - | - | - | - | - |
| Disputed Trade Receivables - Which have significant increase in credit risk | - | - | - | - | - | - | - |
| Disputed Trade Receivables - Credit impaired | 0 | 0 | 0 | 4 | 1 | 28 | 33 |
| **Total (A)** | **3,149** | **425** | **48** | **189** | **15** | **61** | **3,887** |
| Allowance for expected credit loss (ECL) | | | | | | | 24 |
| Allowance for credit impairment | | | | | | | 44 |
| **Total (B)** | | | | | | | **68** |
| **Total [(A)- (B)]** | | | | | | | **3,819** |

*includes unbilled receivables of ₹29 crores.

(All amounts in ₹ crores, unless otherwise stated)

## Ageing for trade receivables from the due date of payment for each of the category as at 31st March, 2024 is as follows:

| | Not due* | Outstanding for following periods from due date of payment | | | | | Total |
|---|---|---|---|---|---|---|---|
| | | Less than 6 months | 6 months - 1 year | 1-2 years | 2-3 years | More than 3 years | |
| Undisputed Trade Receivables - Considered good | 2,552 | 308 | 75 | 39 | 17 | 25 | 3,016 |
| Undisputed Trade Receivables - Which have significant increase in credit risk | - | - | - | - | - | - | - |
| Undisputed Trade Receivables - Credit impaired | 0 | 1 | 0 | 1 | 3 | 7 | 12 |
| Disputed Trade Receivables - Considered good | - | - | - | - | - | - | - |
| Disputed Trade Receivables - Which have significant increase in credit risk | - | - | - | - | - | - | - |
| Disputed Trade Receivables - Credit impaired | 0 | 1 | 3 | 1 | 1 | 28 | 34 |
| **Total (A)** | **2,552** | **310** | **78** | **41** | **21** | **60** | **3,062** |
| Allowance for expected credit loss (ECL) | | | | | | | 17 |
| Allowance for credit impairment | | | | | | | 48 |
| **Total (B)** | | | | | | | **65** |
| **Total [(A)- (B)]** | | | | | | | **2,997** |

There are no unbilled receivables as at 31st March, 2024.

There are no debts due by Directors or other Officers of the Group or any of them either severally or jointly with any other person or debts due by firms or private companies respectively in which any Director is a Partner or a Director or a Member.

## NOTE 13 CASH AND CASH EQUIVALENTS

Cash and cash equivalents are cash on hand, balances with bank and short-term (typically three months or less from the date of placement), highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

| | As at 31st March, 2025 | As at 31st March, 2024 |
|---|---|---|
| **Balances with banks** | | |
| In current accounts | 123 | 192 |
| Term deposits with original maturity of less than three months | 2,053 | 593 |
| **Other Cash equivalents** | | |
| Investments in Commercial Papers | 2,114 | - |
| Investments in Certificate of Deposits | 1,761 | - |
| Overnight Mutual funds | 20 | 40 |
| **Total** | **6,071** | **825** |

## NOTE 14 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

| | As at 31st March, 2025 | As at 31st March, 2024 |
|---|---|---|
| Earmarked balances with banks | | |
| Unpaid dividend | 252 | 228 |
| Investments in term deposits (with original maturity of more than three months but less than twelve months) | 1,231 | 6,506 |
| **Total** | **1,483** | **6,734** |

(All amounts in ₹ crores, unless otherwise stated)

## NOTE 15 OTHER CURRENT ASSETS

| | As at 31st March, 2025 | As at 31st March, 2024 |
|---|---|---|
| Input Taxes (GST, etc) | 377 | 314 |
| Other advances (includes prepaid expenses etc.) | 578 | 399 |
| **Total** | **955** | **713** |

There are no advances to Directors or other officers of the Group or any of them either severally or jointly with any other persons or advances to firms or private companies respectively in which any Director is a Partner or a Director or a Member.

## NOTE 16 ASSETS HELD FOR SALE

Non-current assets or disposal groups comprising of assets and liabilities are classified as 'held for sale' when all the following criteria are met: (i) decision has been made to sell, (ii) the assets are available for immediate sale in its present condition, (iii) the assets are being actively marketed and (iv) sale has been agreed or is expected to be concluded within 12 months of the Balance Sheet date.

Subsequently, such non-current assets and disposal groups classified as 'held for sale' are measured at the lower of its carrying value and fair value less costs to sell. Non-current assets held for sale are not depreciated or amortised.

| | As at 31st March, 2025 | As at 31st March, 2024 |
|---|---|---|
| **Group of assets held for sale** | | |
| Land | 11 | 2 |
| Buildings | 12 | 10 |
| **Total** | **23** | **12** |

## NOTE 17 EQUITY SHARE CAPITAL

| | As at 31st March, 2025 | As at 31st March, 2024 |
|---|---|---|
| **Authorised** | | |
| 2,85,00,00,000 (31st March, 2024: 2,85,00,00,000) equity shares of ₹1 each | 285 | 285 |
| **Issued, subscribed and fully paid up** | | |
| 2,34,95,91,262 (31st March, 2024: 2,34,95,91,262) equity shares of ₹1 each | 235 | 235 |
| | **235** | **235** |

### a) Reconciliation of the number of shares

There is no change in the number of equity shares during the year ended 31st March, 2025 and 31st March, 2024.

### b) Rights, preferences and restrictions attached to shares

**Equity shares**: The Holding Company has one class of equity shares having a par value of ₹1 per share. Each shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Holding Company after distribution of all preferential amounts, in the proportion to their shareholding. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend.

### c) Shares held by Parent Company and Subsidiaries of Parent Company in aggregate

| | As at 31st March, 2025 | As at 31st March, 2024 |
|---|---|---|
| **Equity Shares of ₹1 each** | | |
| 1,11,43,70,148 shares (31st March, 2024: 1,11,43,70,148) held by Unilever PLC, UK, the Parent Company | 111 | 111 |
| 34,00,42,710 shares (31st March, 2024: 34,00,42,710) held by subsidiaries of the Parent Company | 34 | 34 |

(All amounts in ₹ crores, unless otherwise stated)

## d) Details of equity shares held by shareholders holding more than 5% of the aggregate shares in the Holding Company

| Unilever PLC, UK, the Parent Company | As at 31st March, 2025 | As at 31st March, 2024 |
|---|---|---|
| Number of shares | 1,11,43,70,148 | 1,11,43,70,148 |
| % of holding | 47.4% | 47.4% |

## e) Details of shareholdings by the Promoters of the Holding Company

| S. no | Promoter Name | As at 31st March, 2025 | | As at 31st March, 2024 | | % Change in the year |
|---|---|---|---|---|---|---|
| | | Number of shares | % of total shares | Number of shares | % of total shares | |
| 1 | UNILEVER PLC | 1,11,43,70,148 | 47.4% | 1,11,43,70,148 | 47.4% | - |
| 2 | UNILEVER GROUP LIMITED | 10,67,39,460 | 4.5% | 10,67,39,460 | 4.5% | - |
| 3 | UNILEVER OVERSEAS HOLDINGS AG | 6,87,84,320 | 2.9% | 6,87,84,320 | 2.9% | - |
| 4 | UNILEVER UK&CN HOLDINGS LIMITED | 6,00,86,250 | 2.6% | 6,00,86,250 | 2.6% | - |
| 5 | UNILEVER SOUTH INDIA ESTATES LIMITED | 5,27,47,200 | 2.2% | 5,27,47,200 | 2.2% | - |
| 6 | UNILEVER ASSAM ESTATES LIMITED | 3,28,20,480 | 1.4% | 3,28,20,480 | 1.4% | - |
| 7 | UNILEVER OVERSEAS HOLDINGS B V | 1,88,65,000 | 0.8% | 1,88,65,000 | 0.8% | - |
| | **Total Promoters shares outstanding** | **1,45,44,12,858** | **61.9%** | **1,45,44,12,858** | **61.9%** | **-** |
| | **Total HUL shares outstanding** | **2,34,95,91,262** | | **2,34,95,91,262** | | |

| S. no | Promoter Name | As at 31st March, 2024 | | As at 31st March, 2023 | | % Change in the year |
|---|---|---|---|---|---|---|
| | | Number of shares | % of total shares | Number of shares | % of total shares | |
| 1 | UNILEVER PLC | 1,11,43,70,148 | 47.4% | 1,11,43,70,148 | 47.4% | - |
| 2 | UNILEVER GROUP LIMITED | 10,67,39,460 | 4.5% | 10,67,39,460 | 4.5% | - |
| 3 | UNILEVER OVERSEAS HOLDINGS AG | 6,87,84,320 | 2.9% | 6,87,84,320 | 2.9% | - |
| 4 | UNILEVER UK&CN HOLDINGS LIMITED | 6,00,86,250 | 2.6% | 6,00,86,250 | 2.6% | - |
| 5 | UNILEVER SOUTH INDIA ESTATES LIMITED | 5,27,47,200 | 2.2% | 5,27,47,200 | 2.2% | - |
| 6 | UNILEVER ASSAM ESTATES LIMITED | 3,28,20,480 | 1.4% | 3,28,20,480 | 1.4% | - |
| 7 | UNILEVER OVERSEAS HOLDINGS B V | 1,88,65,000 | 0.8% | 1,88,65,000 | 0.8% | - |
| | **Total Promoters shares outstanding** | **1,45,44,12,858** | **61.9%** | **1,45,44,12,858** | **61.9%** | **-** |
| | **Total HUL shares outstanding** | **2,34,95,91,262** | | **2,34,95,91,262** | | |

## f) Aggregate value of Issued, Subscribed and Paid-up Share Capital as on the Balance Sheet date for the period of preceding five years includes:

i. 18,46,23,812 (31st March, 2024:18,46,23,812) Equity shares of ₹1 each allotted as fully paid-up pursuant to HUL-GSKCH merger without payment being received in cash (Refer Note 43).

ii. 2,63,045 (31st March, 2024: 2,63,045) Equity shares allotted under the Employee stock option plan/ performance share schemes as consideration for services rendered by employees for which only exercise price has been received in cash.

(All amounts in ₹ crores, unless otherwise stated)

## NOTE 18 OTHER EQUITY

Refer Consolidated Statement of Changes in Equity for detailed movement in Other Equity balance.

### A. Summary of Other Equity balance

| | As at 31st March, 2025 | As at 31st March, 2024 |
|---|---|---|
| Capital Reserve | 11 | 11 |
| Capital Redemption Reserve | 6 | 6 |
| Securities Premium | 40,346 | 40,348 |
| General Reserve | 114 | 114 |
| Employee Stock Options Reserve | 11 | - |
| Retained Earnings | 8,622 | 10,443 |
| Other Reserves | 9 | 9 |
| Retirement benefit scheme reserve | 48 | 48 |
| Export profit reserves | 0 | 0 |
| Items of Other Comprehensive Income | | |
| - Fair Value of Cash flow hedges through OCI | (1) | 3 |
| - Fair value of Debt instruments through OCI | 1 | 1 |
| **Total Attributable to owners of the Company** | **49,167** | **50,983** |
| Attributable to Non-controlling Interest (Refer Note 19) | 207 | 205 |
| **Total equity** | **49,374** | **51,188** |

### B. Nature and purpose of reserves

**(a)** **Capital Reserve**: During amalgamation, the excess of net assets acquired, over the cost of consideration paid is treated as capital reserve.

| | Year ended 31st March, 2025 | Year ended 31st March, 2024 |
|---|---|---|
| Balance at the beginning of the year | 11 | 4 |
| Add: Transfer on account of business combination* | - | 7 |
| Less: Utilisation during the year | - | - |
| **Balance at the end of the year** | **11** | **11** |

*Refer Note 43 for details on business combination.

**(b)** **Capital Redemption Reserve:** The Group has recognised Capital Redemption Reserve on the buyback of equity shares from its retained earnings. The amount in the Capital Redemption Reserve is equal to the nominal amount of the equity shares bought back.

| | Year ended 31st March, 2025 | Year ended 31st March, 2024 |
|---|---|---|
| Balance at the beginning of the year | 6 | 6 |
| Add: Additions during the year | - | - |
| Less: Utilisation during the year | - | - |
| **Balance at the end of the year** | **6** | **6** |

**(c)** **Securities Premium:** The amount received in excess of face value of the equity shares is recognised in Securities Premium. In case of equity-settled share based payment transactions, the difference between fair value on grant date and nominal value of share is accounted as securities premium. In case of business combinations, the difference between fair value and nominal value of shares issued on the acquisition date is accounted as securities premium.

| | Year ended 31st March, 2025 | Year ended 31st March, 2024 |
|---|---|---|
| Balance at the beginning of the year | 40,348 | 40,350 |
| Add: Deferred Tax on Stamp duty | (2) | (2) |
| **Balance at the end of the year** | **40,346** | **40,348** |

(All amounts in ₹ crores, unless otherwise stated)

**(d) General Reserve:** The Group had transferred a portion of the net profit of the Group before declaring dividend to general reserve pursuant to the earlier provisions of Companies Act, 1956. Mandatory transfer to general reserve is not required under the Companies Act, 2013.

| | Year ended 31st March, 2025 | Year ended 31st March, 2024 |
|---|---|---|
| Balance at the beginning of the year | 114 | 114 |
| Add: Additions during the year | - | - |
| Less: Utilisation during the year | - | - |
| **Balance at the end of the year** | **114** | **114** |

**(e) Employee Stock Options Reserve:** The fair value of the equity-settled share based payment transactions is recognised in Statement of Profit and Loss with corresponding credit to Employee Stock Options Outstanding Account.

| | Year ended 31st March, 2025 | Year ended 31st March, 2024 |
|---|---|---|
| Balance at the beginning of the year | - | - |
| Add: Share based payment expense | 11 | - |
| **Balance at the end of the year** | **11** | **-** |

**(f) Retained Earnings**: Retained earnings are the profits that the Group has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.

**Remeasurements of Net Defined Benefit Plans:** Differences between the interest income on plan assets and the return actually achieved, and any changes in the liabilities over the year due to changes in actuarial assumptions or experience adjustments within the plans, are recognised in other comprehensive income and are adjusted to retained earnings.

| | Year ended 31st March, 2025 | Year ended 31st March, 2024 |
|---|---|---|
| Balance at the beginning of the year | 10,443 | 9,544 |
| Less: Transfer on account of business combination* | - | (7) |
| Add: Profit for the year | 10,649 | 10,277 |
| Add: Other comprehensive income for the year (Remeasurements of Net Defined Benefit Plans)** | (17) | 27 |
| Less: Dividend on equity shares during the year | (12,453) | (9,398) |
| **Balance at the end of the year** | **8,622** | **10,443** |

*Refer Note 43 for details on business combination.

****Movement in Remeasurement of Net Defined Benefit Plans:**

| | Year ended 31st March, 2025 | Year ended 31st March, 2024 |
|---|---|---|
| Balance at the beginning of the year | - | - |
| Add: Gain/ (loss) on remeasurment of net defined benefit plans, net of tax | (17) | 27 |
| Less: Transfer to retained earnings | 17 | (27) |
| **Balance at the end of the year** | **-** | **-** |

**(g) Other Reserves:** This includes reserves made on amalgamation of Brooke Bond Lipton India Limited and capital subsidy. This reserve is not available for capitalisation/ declaration of dividend/ share buy-back.

| Other Reserves | Year ended 31st March, 2025 | Year ended 31st March, 2024 |
|---|---|---|
| Balance at the beginning of the year | 9 | 9 |
| Add: Additions during the year | - | - |
| Less: Utilisation during the year | - | - |
| **Balance at the end of the year** | **9** | **9** |

(All amounts in ₹ crores, unless otherwise stated)

**(h) Retirement Benefit Scheme Reserve:** As per legal clarifications to the Labour Rules 2075 received from the Government of Nepal, the reserve may be used for general and post retirement benefits.

| Retirement Benefit Scheme Reserve | Year ended 31st March, 2025 | Year ended 31st March, 2024 |
|---|---|---|
| Balance at the beginning of the year | 48 | 49 |
| Add: Transferred from Employee's Housing Reserve | - | - |
| Less: Payment from Retirement Benefit Scheme Reserve | (1) | (1) |
| **Balance at the end of the year** | **47** | **48** |

**(i) Export profit reserves:** Export Profit Reserve was created to protect, from any losses due to volatility in business.

| Export profit reserves | Year ended 31st March, 2025 | Year ended 31st March, 2024 |
|---|---|---|
| Balance at the beginning of the year | 0 | 0 |
| Add: Additions during the year | - | - |
| Less: Utilisation during the year | - | - |
| **Balance at the end of the year** | **0** | **0** |

**(j) Items of Other Comprehensive Income**

i) **Fair value of cash flow hedges through Other Comprehensive Income**: The effective portion of the fair value change of the cash flow hedges measured at fair value through other comprehensive income is recognised in Cash flow hedges through Other Comprehensive Income. Upon derecognition, if the hedged cash flow relates to a non-financial asset, the amount accumulated in equity is subsequently included within the carrying value of that asset. For other cash flow hedges, amounts accumulated in other comprehensive income are taken to the consolidated statement of profit and loss at the same time as the related cash flow.

ii) **Debt Instruments through Other Comprehensive Income:** The fair value change of the debt instruments measured at fair value through other comprehensive income is recognised in Debt instruments through Other Comprehensive Income. Upon derecognition, the cumulative fair value changes on the said instruments are reclassified to the consolidated statement of profit and loss.

## C. Other Comprehensive Income accumulated in Other Equity, net of tax

The disaggregation of changes in other comprehensive income by each type of reserve in equity is shown below:

| | Cash flow hedges through Other Comprehensive Income | Debt instruments through Other Comprehensive Income | Total |
|---|---|---|---|
| **As at 1st April, 2023** | (6) | (1) | (7) |
| Fair value of debt instruments through other comprehensive income | - | 2 | 2 |
| Fair Value of cash flow hedges in other comprehensive income | (1) | - | (1) |
| Hedging loss/(gain) transferred to non-financial asset (net) | 13 | - | 13 |
| Tax on above | (3) | (0) | (3) |
| **As at 1st April, 2024** | **3** | **1** | **4** |
| Fair value of debt instruments through other comprehensive income | - | (0) | (0) |
| Fair Value of cash flow hedges in other comprehensive income | (2) | - | (2) |
| Hedging loss/(gain) transferred to non-financial asset (net) | (2) | - | (2) |
| Tax on above | 0 | 0 | 0 |
| **As at 31st March, 2025** | **(1)** | **1** | **-** |

## D. Capital Management

Equity share capital and other equity are considered for the purpose of Group's capital management.

The Group manages its capital so as to safeguard its ability to continue as a going concern and to optimise returns to shareholders. The capital structure of the Group is based on management's judgement of its strategic and day-to-day needs with a focus on total equity so as to maintain investor, creditors and market confidence.

The management and the Board of Directors of the Holding Company monitor the return on capital as well as the level of dividends to shareholders. The Group may take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

(All amounts in ₹ crores, unless otherwise stated)

## NOTE 19 NON-CONTROLLING INTERESTS

### Carrying amount of non-controlling interests is as follows:

| | As at 31st March, 2025 | As at 31st March, 2024 |
|---|---|---|
| Unilever Nepal Limited | 49 | 45 |
| Zywie Ventures Private Limited | 158 | 160 |
| **Total non-controlling interest** | **207** | **205** |

### A. The following table summarises the financial information relating to Unilever Nepal Limited that has non-controlling interests (20%).

| | As at 31st March, 2025 | As at 31st March, 2024 |
|---|---|---|
| Non-current assets | 121 | 126 |
| Current assets | 311 | 297 |
| Non-current liabilities | (17) | (18) |
| Current liabilities | (121) | (134) |
| **Net assets** | **294** | **271** |
| **Carrying amount of non-controlling interests** | **49** | **45** |

| | For the year ended 31st March, 2025 | For the year ended 31st March, 2024 |
|---|---|---|
| Revenue from operations | 517 | 513 |
| Profit for the year | 122 | 126 |
| Other comprehensive income for the year | 0 | 0 |
| **Total comprehensive income for the year** | **122** | **126** |
| **Attributable to non-controlling interests (20%):** | | |
| Profit for the year | 24 | 25 |
| Other comprehensive income for the year | 0 | 0 |
| **Cash flows from:** | | |
| Operating activities | 109 | 167 |
| Investing activities | (17) | (79) |
| Financing activities | (110) | (88) |
| **Net increase/(decrease) in cash and cash equivalents** | **(18)** | **0** |
| **Dividend paid to non-controlling interests** | **20** | **18** |

### B. The following table summarises the financial information relating to Zywie Ventures Private Limited that has non-controlling interests (46.66%).

| | As at 31st March, 2025 | As at 31st March, 2024 |
|---|---|---|
| Non-current assets | 380 | 405 |
| Current assets | 106 | 65 |
| Non-current liabilities | (101) | (94) |
| Current liabilities | (59) | (48) |
| **Net assets** | **326** | **328** |
| **Carrying amount of non-controlling interests** | **158** | **160** |

| | For the year ended 31st March, 2025 | For the year ended 31st March, 2024 |
|---|---|---|
| Revenue from operations | 258 | 104 |
| Profit/ (Loss) for the year | (5) | (44) |
| Other comprehensive income for the year | (0) | 0 |
| **Total comprehensive income for the year** | **(5)** | **(44)** |

(All amounts in ₹ crores, unless otherwise stated)

| | For the year ended 31st March, 2025 | For the year ended 31st March, 2024 |
|---|---|---|
| **Attributable to non-controlling interests (46.66%):** | | |
| Profit/ (Loss) for the year | (2) | (20) |
| Other comprehensive income for the year | (0) | 0 |
| **Cash flows from:** | | |
| Operating activities | 31 | (27) |
| Investing activities | (14) | 30 |
| Financing activities | (2) | (2) |
| **Net increase/(decrease) in cash and cash equivalents** | **15** | **1** |
| Dividend paid to non-controlling interests | - | - |

## NOTE 20 LEASE LIABILITIES

Lease liability is initially measured at the present value of future lease payments. Lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. Lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability and reducing the carrying amount to reflect the lease payments made.

A lease liability is remeasured upon the occurrence of certain events such as a change in the lease term or a change in an index or rate used to determine lease payments. The remeasurement normally also adjusts the leased assets.

| | As at 31st March, 2025 | As at 31st March, 2024 |
|---|---|---|
| **NON-CURRENT** | | |
| Lease liabilities payable beyond 12 months | 1,243 | 1,106 |
| **CURRENT** | | |
| Lease liabilities payable within 12 months | 404 | 365 |
| **Total** | **1,647** | **1,471** |
| **The movement in Lease liabilities (Non-current and Current) is as follows:** | | |
| **Balance as at beginning of the year** | **1,471** | **1,121** |
| Add: Addition | 735 | 868 |
| Add: Accretion of interest | 127 | 106 |
| Less: Payments | (625) | (529) |
| Less: Others (including foreclosure) | (61) | (95) |
| **Closing balance as at 31st March** | **1,647** | **1,471** |

The incremental borrowing rate applied to lease liabilites is in the range of 7.24% per annum to 7.74% per annum (2024: 7.63% per annum to 7.85% per annum) based on the lease term.

### Maturity analysis of lease liabilities

| | As at 31st March, 2025 | As at 31st March, 2024 |
|---|---|---|
| Less than one year | 510 | 460 |
| One to two years | 350 | 318 |
| Two to five years | 826 | 823 |
| More than five years | 358 | 238 |
| **Undiscounted lease liability (A)** | **2,044** | **1,839** |
| Less: Financing component (B) | (397) | (368) |
| **Closing balance of lease liability (A-B)** | **1,647** | **1,471** |

(All amounts in ₹ crores, unless otherwise stated)

## NOTE 21 OTHER FINANCIAL LIABILITIES

Refer note 39 for accounting policy on financial instruments

| | As at 31st March, 2025 | As at 31st March, 2024 |
|---|---|---|
| **NON-CURRENT** | | |
| Security deposits | 107 | 33 |
| Employee and ex-employee related liabilities | 372 | 395 |
| Financial liability on acquisition (Refer note 43) | - | 265 |
| Receipt against indemnification right | 193 | - |
| Other payables and advances | 8 | 22 |
| **Total (A)** | **680** | **715** |
| **CURRENT** | | |
| Security deposits | 1 | 3 |
| Unpaid dividends [Refer (a) below] | 252 | 228 |
| Salaries, wages, bonus and other employee payables | 417 | 437 |
| Fair Value of Derivatives | 41 | 4 |
| Consignment payables | 63 | 77 |
| Financial liability on acquisition (Refer note 43) | 400 | - |
| Other payables (including trade deposits, retention money for purchase of property, plant & equipment, etc.) [Refer (b) below] | 106 | 119 |
| **Total (B)** | **1,280** | **868** |
| **Total (A+B)** | **1,960** | **1,583** |

Refer note 40 for information about liquidity risk of other financial liability.

a) There are no amounts due for payment to the Investor Education and Protection Fund under Section 125 of the Companies Act, 2013 as 31st March, 2025 (31st March, 2024: Nil).

b) There is no Corporate Social Responsibility (CSR) expense related to ongoing projects as at 31st March, 2025 (31st March, 2024: ₹18 crores). The same was transferred to a special account designated as "Unspent Corporate Social Responsibility Account for the Financial Year 23-24 ('UCSRA – FY 2023-24') of the Group within 30 days from end of financial year. Refer note 35(a) for more information about Corporate Social Responsibility expense.

## NOTE 22 PROVISIONS

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date.

If the effect of the time value of money is material, provisions are discounted to reflect its present value using a current pre-tax rate that reflects the current market assessment of the time value of money and the risks specific to the obligation. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

| | As at 31st March, 2025 | As at 31st March, 2024 |
|---|---|---|
| **NON-CURRENT** | | |
| Provision for employee benefits (gratuity, pension, post retirement medical benefits, etc.) [Refer Note 41] | 419 | 374 |
| Other provisions (including for statutory levies) - net [Refer (a) below] | 1,109 | 1,202 |
| **Total (A)** | **1,528** | **1,576** |
| **CURRENT** | | |
| Provision for employee benefits (compensated absences, etc.) [Refer Note 41] | 54 | 47 |
| Other provisions (including restructuring) [Refer (a) below] | 621 | 293 |
| **Total (B)** | **675** | **340** |
| **Total (A+B)** | **2,203** | **1,916** |

(All amounts in ₹ crores, unless otherwise stated)

## a) Movement in Other provisions (Non-current and Current)

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that the outflow of resources would be required to settle the obligation, the provision is reversed.

The provisions for indirect taxes and legal matters comprises of numerous separate cases that arise in the ordinary course of business. These provisions have not been discounted as it is not practicable for the Group to estimate the timing of the provision utilisation and cash outflows, if any, pending resolution.

Other matters include refund liabilities, restructuring provisions, etc

The Group does not expect any reimbursements in respect of the above provisions.

| | Indirect Tax Matters | Legal and Other Matters | Total |
|---|---|---|---|
| **Opening balance as at 1st April, 2023** | **562** | **799** | **1,361** |
| Add: Provision/reclassified during the year | 90 | 457 | 547 |
| Less: Amount utilised/ reversed/ reclassified during the year | (267) | (146) | (413) |
| **Balance as at 31st March, 2024** | **385** | **1,110** | **1,495** |
| Add: Provision/reclassified during the year | 314 | 386 | 700 |
| Less: Amount utilised/ reversed/ reclassified during the year | (55) | (410) | (465) |
| **Balance as at 31st March, 2025** | **644** | **1,086** | **1,730** |

## NOTE 23 BORROWINGS

Refer note 39 for accounting policy on financial instruments

| | As at 31st March, 2025 | As at 31st March, 2024 |
|---|---|---|
| Bank overdrafts (Secured) | 1 | 13 |
| **Total** | **1** | **13** |

Refer note 40 for information about liquidity risk and market risk of borrowings.

Secured bank overdrafts are obtained at interest ranging between 6.35 % to 9.95% (31st March, 2024 - 5.15 % to 7.30%) and is repayable on demand. The bank overdrafts are secured against the term deposits.

## NOTE 24 TRADE PAYABLES

Refer note 39 for accounting policy on financial instruments

| | As at 31st March, 2025 | As at 31st March, 2024 |
|---|---|---|
| Total outstanding dues of micro enterprises and small enterprises [Refer (a) below] | 263 | 250 |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | | |
| Acceptances | 154 | 128 |
| Trade payables | 10,898 | 10,108 |
| **Total** | **11,315** | **10,486** |

Refer Note 40 for information about liquidity risk and market risk of trade payables.

## a) Disclosure as required by Micro, Small and Medium Enterprises Development Act, 2006

| | | As at 31st March, 2025 | As at 31st March, 2024 |
|---|---|---|---|
| A | (i). Principal amount remaining unpaid | 263 | 250 |
| A | (ii). Interest amount remaining unpaid | 0 | 0 |
| B. | Interest paid by the Group in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day | 0 | 0 |
| C. | Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding interest specified under the Micro, Small and Medium Enterprises Act, 2006 | 0 | - |
| D. | Interest accrued and remaining unpaid | 0 | 0 |
| E. | Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises | - | - |

Note: Identification of micro and small enterprises is basis intimation received from vendors

(All amounts in ₹ crores, unless otherwise stated)

### Ageing for trade payables from the due date of payment for each of the category as at 31st March, 2025 is as follows:

| | Not due* | Outstanding for following periods from due date of payment | | | | Total |
|---|---|---|---|---|---|---|
| | | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| Undisputed dues - Micro and small enterprises | 259 | 4 | 0 | - | - | 263 |
| Undisputed dues - Others | 11,015 | 12 | 6 | 13 | 6 | 11,052 |
| Disputed dues - Micro and small enterprises | - | - | - | - | - | - |
| Disputed dues - Others | - | - | - | - | - | - |
| **Total** | **11,274** | **16** | **6** | **13** | **6** | **11,315** |

*Includes unbilled payables of ₹7,035 crores of which identified towards Micro and small enterprises is ₹104 crores.

### Ageing for trade payables from the due date of payment for each of the category as at 31st March, 2024 is as follows:

| | Not due* | Outstanding for following periods from due date of payment | | | | Total |
|---|---|---|---|---|---|---|
| | | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| Undisputed dues - Mirco and small enterprises | 247 | 3 | 0 | - | - | 250 |
| Undisputed dues - Others | 10,119 | 101 | 12 | 3 | 1 | 10,236 |
| Disputed dues - Mirco and small enterprises | - | - | - | - | - | - |
| Disputed - Others | - | - | - | - | - | - |
| **Total** | **10,366** | **104** | **12** | **3** | **1** | **10,486** |

*Includes unbilled payables of ₹6,181 crores of which identified towards Micro and small enterprises is ₹140 crores.

## NOTE 25 OTHER CURRENT LIABILITIES

| | As at 31st March, 2025 | As at 31st March, 2024 |
|---|---|---|
| Statutory dues (including provident fund, tax deducted at source and others) | 854 | 716 |
| Others (including advance from customers, etc) | 105 | 91 |
| **Total** | **959** | **807** |

## NOTE 26 CONTINGENT LIABILITIES AND COMMITMENTS

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

Contingent assets are not recognised in the consolidated financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.

### A. Contingent Liabilities

| | As at 31st March, 2025 | As at 31st March, 2024 |
|---|---|---|
| Income tax matters | 2,419 | 2,081 |
| Indirect tax matters | 525 | 706 |
| Legal and Other matters | 154 | 154 |

(i) It is not practicable for the Group to estimate the timings of cash outflows, if any, in respect of the above pending resolution of the respective proceedings as it is determinable only on receipt of judgments/decisions pending with various forums/authorities.

(ii) The Group does not expect any reimbursements in respect of the above contingent liabilities.

(All amounts in ₹ crores, unless otherwise stated)

(iii) The Group's pending litigations comprise of claims against the Group by employees and pertaining to proceedings pending with various direct tax, indirect tax and other authorities. The Group has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required or disclosed as contingent liabilities where applicable, in its consolidated financial statements. The Group does not expect the outcome of these proceedings to have a materially adverse effect on its consolidated financial statements.

## B. Commitments

### i) Lease commitments

Lease commitments are the future cash out flows from the lease contracts which are not recorded in the measurement of lease liabilities. These include potential future payments related to leases of low value assets.

| | As at 31st March, 2025 | As at 31st March, 2024 |
|---|---|---|
| Not later than one year | 50 | 57 |
| Later than one year and not later than five years | 53 | 61 |
| Later than five years | 1 | 8 |

### ii) Capital commitments

| | As at 31st March, 2025 | As at 31st March, 2024 |
|---|---|---|
| Estimated value of contracts in capital account remaining to be executed and not provided for (net of capital advances) | 338 | 351 |

### iii) Other commitments

| | As at 31st March, 2025 | As at 31st March, 2024 |
|---|---|---|
| Unexpired Letter of credit and acceptances | 11 | 22 |

## NOTE 27 REVENUE FROM OPERATIONS

### Sale of products:

As per Ind AS 115 'Revenue from contracts with customers', Revenue from sale of goods is recognised when control of the products being sold is transferred to the customer and when there are no longer any unfulfilled obligations. The performance obligations in our contracts are fulfilled at the time of dispatch, delivery or upon formal customer acceptance depending on terms with customers.

Revenue is measured on the basis of transaction price, which is the consideration, adjusted for volume discounts, rebates, schemes allowances, price concessions, incentives, amounts collected on behalf of government and returns, if any, as specified in the contracts with the customers. Accumulated experience is used to estimate the provision for such discounts and rebates. Revenue is only recognised to the extent that it is highly probable a significant reversal will not occur.

Sales return- Our customers have the contractual right to return goods only when authorised by the Group. An estimate is made of goods that will be returned and a liability is recognised for this amount using a best estimate based on accumulated experience. The Group deals in various products and operates in various distribution channels. Accordingly, the estimate of sales returns is determinded primarily by the Group's historical experience in the markets in which the Group operates by considering actual sales returns, estimated shelf life and other factors.

The entire revenue from sale of products is recognised at a point in time.

### Sale of services:

Income from Group owned salon is recognised as and when services are rendered and there are no unfulfilled obligations. Display income is recorded as per the term of the contract entered with the respective franchisee/parties.

Revenue from services are measured at transaction price received or receivable, after deduction of any sort of discounts and any taxes or duties collected on behalf of the government such as goods and services tax.

### Income from services rendered:

Income from services rendered is recognised based on agreements/arrangements as the service is performed and there are no unfulfilled obligations.

(All amounts in ₹ crores, unless otherwise stated)

## Commission income on consignment sales:

Commission income on consignment sales (Consignment selling agency fees) is charged for rendering of services and for the use of the Group's sales and distribution network. Such revenue is recognised in the accounting period in which the services are rendered in accordance with the agreement with the parties.

## Government grants:

The Group is entitled to 'Scheme of budgetary support' under Goods and Service Tax Regime in respect of eligible manufacturing units located in specified regions. Such grants are measured as amount receivable from the Government and are recognised as other operating revenue when there is a reasonable assurance that the Group will comply with all necessary conditions attached to that.

The Group has received approval under the Production Linked Incentive Scheme of the Government of India for specific product categories. Incentive under the scheme is subject to meeting certain committed investments and defined incremental sales threshold. Such grants are recognised as other operating revenue when there is a reasonable assurance that the Group will comply with all necessary conditions attached to the grant. Income from such grants is recognised on a systematic basis over the periods to which they relate. Income from export incentives such as duty drawback and premium on sale of import licenses are recognised on accrual basis.

| | Year ended 31st March, 2025 | Year ended 31st March, 2024 |
|---|---|---|
| Sale of products | 62,175 | 60,852 |
| Sale of services | 113 | 114 |
| Other operating revenue* | | |
| Income from services rendered | 463 | 350 |
| Commission income on consignment sales | - | 202 |
| Government grants (GST budgetary support, Production linked incentives and Export incentives) | 240 | 171 |
| Others (including scrap sales, rentals, etc) | 130 | 207 |
| **Total** | **63,121** | **61,896** |

## Reconciliation of Revenue from sale of products and services with the contracted price

| | Year ended 31st March, 2025 | Year ended 31st March, 2024 |
|---|---|---|
| Contracted Price | 72,306 | 69,562 |
| Less: Trade discounts and promotions, volume rebates, returns etc. | (10,018) | (8,596) |
| **Sale of products and Services** | **62,288** | **60,966** |

* There is no material adjustment made to contract price for revenue recognised as other operating revenue.

i) The Group has contract assets of ₹29 crores as on 31st March, 2025 (31st March, 2024: Nil)

ii) The Group does not have any contract liability as on 31st March, 2025 (31st March, 2024: Nil)

iii) The Group does not receive 10% or more of its revenues from transactions with any single external customer.

## Segment-wise Revenue from operations

The Group has following major segments:

(a) Home Care includes Fabric Solutions, Home and Hygiene, etc.

(b) Beauty & Wellbeing includes Skin Care, Hair Care, etc.

(c) Personal Care includes Skin Cleansing, Oral Care and Deodorants etc.

(d) Foods includes Tea, Lifestyle Nutrition, Coffee, etc.

(e) Others includes Exports, Consignment income, etc.

(All amounts in ₹ crores, unless otherwise stated)

| | Year ended 31st March, 2025 | Year ended 31st March, 2024 |
|---|---|---|
| Home Care | 22,958 | 21,882 |
| Beauty & Wellbeing | 13,523 | 13,037 |
| Personal Care | 9,166 | 9,411 |
| Foods | 15,294 | 15,291 |
| Others (includes Exports, Consignment, etc.) | 2,180 | 2,275 |
| **Total** | **63,121** | **61,896** |

With effect from 1st April, 2024, 'Beauty and Personal Care' segment has been split into 'Beauty & Wellbeing' and 'Personal Care'. Comparative information has been presented accordingly.

## NOTE 28 OTHER INCOME

Interest income from a financial asset is recognised on a time proportion basis taking into account the amounts invested and the rate of interest. Dividend income on investments is recognised when the right to receive dividend is established. Refer Note 39 on financial instruments for policy on measurement at fair value through profit or loss.

| | Year ended 31st March, 2025 | Year ended 31st March, 2024 |
|---|---|---|
| **Interest income on** | | |
| Bank deposits | 384 | 451 |
| Current investments | 247 | 88 |
| Others (including interest on Income tax refunds) | 124 | 7 |
| **Dividend income from** | | |
| Non-current investments | - | 3 |
| **Other non-operating income** | | |
| Fair value gain on investments measured at fair value through profit or loss* | 256 | 249 |
| Liabilities written back to the extent no longer required | 6 | 12 |
| Other miscellaneous income | - | 1 |
| **Total** | **1,017** | **811** |

*Includes realised gain on sale of investment of ₹324 crores (31st March, 2024 : ₹170 crores).

## NOTE 29 COST OF MATERIALS CONSUMED

Refer note 11 for accounting policy on Inventories

| | Year ended 31st March, 2025 | Year ended 31st March, 2024 |
|---|---|---|
| Raw materials consumed | 16,071 | 16,308 |
| Packing materials consumed | 3,387 | 2,949 |
| **Total** | **19,458** | **19,257** |

## NOTE 30 PURCHASES OF STOCK-IN-TRADE

Refer note 11 for accounting policy on Inventories

| | Year ended 31st March, 2025 | Year ended 31st March, 2024 |
|---|---|---|
| Purchases of stock-in-trade | 11,273 | 10,514 |
| **Total** | **11,273** | **10,514** |

(All amounts in ₹ crores, unless otherwise stated)

## NOTE 31 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

Refer note 11 for accounting policy on Inventories

| | Year ended 31st March, 2025 | Year ended 31st March, 2024 |
|---|---|---|
| **Opening inventories** | | |
| Finished goods | 1,588 | 1,747 |
| Work-in-progress | 569 | 399 |
| **Closing inventories** | | |
| Finished goods | (1,780) | (1,588) |
| Work-in-progress | (530) | (569) |
| **Total** | **(153)** | **(11)** |

## NOTE 32 EMPLOYEE BENEFITS EXPENSE

### Short Term Employee Benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefit expense. Benefits such as salaries and performance incentives, are charged to consolidated statement of profit and loss on an undiscounted, accrual basis during the period of service rendered by the employees in the financial year.

### Defined contribution plans

Contributions to defined contribution schemes such as employees' state insurance, labour welfare fund, superannuation scheme, employee pension scheme etc. are charged as an expense based on the amount of contribution required to be made as and when services are rendered by the employees. Group's provident fund contribution, in respect of certain employees, is made to a Government administered fund and charged as an expense to the consolidated statement of profit and loss. The above benefits are classified as Defined Contribution Schemes as the Group has no further defined obligations beyond the monthly contributions.

### Defined benefit plans

In respect of certain employees, provident fund contributions are made to trusts administered by the Holding Company. The interest rate payable to the members of the trust shall not be lower than the statutory rate of interest declared by the Central Government under the Employees Provident Funds and Miscellaneous Provisions Act, 1952 and shortfall, if any, shall be made good by the Group. The liability in respect of the shortfall of interest earnings of the Fund is determined on the basis of an actuarial valuation. The Holding Company also provides for retirement/post-retirement benefits in the form of gratuity, pensions (in respect of certain employees), compensated absences (in respect of certain employees) and medical benefits (in respect of certain employees) including to the employees of group companies.

For defined benefit plans, the amount recognised as 'Employee benefit expense' in the consolidated statement of profit and loss is the cost of defined benefit obligation resulting from employee service in the current period ('current service cost') and the costs of individual events such as changes in past service benefits and settlements (such events are recognised immediately in the consolidated statement of profit and loss). The amount of net interest expense calculated by applying the liability discount rate to the net defined benefit liability or asset is charged or credited to 'Finance costs' in the consolidated statement of profit and loss. Any differences between the expected interest income on plan assets and the return actually achieved, and any changes in the liabilities over the year due to changes in actuarial assumptions or experience adjustments within the plans, are recognised immediately in 'Other comprehensive income' and not reclassified to the consolidated statement of profit and loss.

The defined benefit plan surplus or deficit on the Balance Sheet date comprises fair value of plan assets less the present value of the defined benefit liabilities using a discount rate by reference to market yields on Government bonds at the end of the reporting period.

All defined benefit plans obligations are determined based on valuations, as at the Balance Sheet date, made by independent actuary using the projected unit credit method. The classification of the Group's net obligation into current and non-current is as per the actuarial valuation report. Refer Note 41 for Employee benefit Plan calculations.

### Other Short term benefits

Accumulated leave which is expected to be utilised within next twelve months, is treated as short-term employee benefit. Leave entitlement, other than short term compensated absences, are provided based on an actuarial valuation, similar to that of gratuity benefit. However, as the Group does not have an unconditional right to defer settlement for these obligations, the above liabilities are presented as current. Re-measurement, comprising of actuarial gains and losses, in respect of leave entitlement are recognised in the consolidated statement of profit and loss in the period in which they occur.

(All amounts in ₹ crores, unless otherwise stated)

## Termination benefits

Termination benefits, in the nature of voluntary retirement benefits or termination benefits arising from restructuring, are recognised in the consolidated statement of profit and loss. The Group recognises termination benefits at the earlier of the following dates:

(a) when the Group can no longer withdraw the offer of those benefits; or

(b) when the Group recognises costs for a restructuring that is within the scope of Ind AS 37: Provisions, Contingent Liabilities and Contingent Assets and involves the payment of termination benefits.

Benefits falling due more than 12 months after the end of the reporting period are discounted to their present value.

## Share-Based Payments

Employees of the Group receive remuneration in the form of share-based payments in consideration of the services rendered.

For cash-settled share-based payments, the fair value of the amount payable to employees is recognised as 'Employee benefit expense' with a corresponding increase in liabilities, over the period of non-market vesting conditions getting fulfilled. The liability is remeasured at each reporting period up to, and including the settlement date, with changes in fair value recognised in employee benefits expenses. Refer Note 42 for details.

Under the equity settled share based payment, the fair value on the grant date of the awards given to employees is recognised as 'employee benefit expenses' with a corresponding increase in equity over the vesting period. When the options are exercised, the Group issues fresh equity shares.

| | Year ended 31st March, 2025 | Year ended 31st March, 2024 |
|---|---|---|
| Salaries and wages | 2,550 | 2,474 |
| Contribution to provident and other funds | 199 | 174 |
| Defined benefit plan expense (Refer Note 41) | 44 | 39 |
| Share based payments to employees (Refer Note 42) | 108 | 169 |
| Staff welfare expenses | 176 | 153 |
| **Total** | **3,077** | **3,009** |

## NOTE 33 FINANCE COSTS

Finance costs includes costs in relation to pensions and similar obligations, interest on lease liabilities which represents unwinding of the discount rate applied to lease liabilities, interest on taxes and also include interest costs in relation to financial liabilities.

| | Year ended 31st March, 2025 | Year ended 31st March, 2024 |
|---|---|---|
| Interest expense on Loan on bank overdraft, security deposit and others | 3 | 4 |
| Net interest on the net defined benefit liability (Refer Note 41) | 23 | 24 |
| Unwinding of discount on provisions and liabilities | 16 | 20 |
| Unwinding of discount on employee and ex-employee related liabilities | 11 | 9 |
| Interest on lease liabilities | 127 | 106 |
| Interest on taxes and others | 215 | 171 |
| **Total** | **395** | **334** |

## NOTE 34 DEPRECIATION AND AMORTISATION EXPENSE

Refer note 3 and 4 for accounting policy on depreciation and amortisation cost

| | Year ended 31st March, 2025 | Year ended 31st March, 2024 |
|---|---|---|
| Depreciation on property, plant and equipment (owned assets)* | 800 | 729 |
| Depreciation on property, plant and equipment (leased assets) | 530 | 462 |
| Amortisation on intangible assets | 25 | 25 |
| **Total** | **1,355** | **1,216** |

*In addition to the above, ₹8 crores (31st March, 2024 : ₹0 crore) of accelerated depreciation has been charged to exceptional items under a restructuring project.

(All amounts in ₹ crores, unless otherwise stated)

## NOTE 35 OTHER EXPENSES

| | Year ended 31st March, 2025 | | Year ended 31st March, 2024 | |
|---|---|---|---|---|
| Advertising and promotion | | 6,199 | | 6,489 |
| Carriage and freight | | 2,068 | | 2,005 |
| Royalty | | | | |
| - Technology | 826 | | 783 | |
| - Trademark | 455 | 1,281 | 349 | 1,132 |
| Fees for central services | | 849 | | 784 |
| Processing charges | | 203 | | 209 |
| Power, fuel, light and water | | 427 | | 446 |
| Rent | | 53 | | 81 |
| Travelling and motor car expenses | | 238 | | 282 |
| Repairs | | 244 | | 227 |
| Corporate social responsibility expense [Refer note (a) below] | | 258 | | 239 |
| Expenses for services received | | 640 | | 578 |
| Miscellaneous expenses* | | 2,155 | | 1,992 |
| **Total** | | **14,615** | | **14,464** |

*Expenses below 1% of revenue from operation are aggregated in accordance with Schedule III to the Companies Act, 2013

| | Year ended 31st March, 2025 | Year ended 31st March, 2024 |
|---|---|---|
| **Miscellaneous expenses include:** | | |
| Payments to the auditors for: | | |
| Statutory audit fees | 3 | 3 |
| Tax audit fees | 1 | 1 |
| Others | | |
| Fees for other audit related services | - | 3 |
| Fees for certification | 1 | 0 |
| Reimbursement of out-of-pocket expenses | 0 | 0 |
| Payments to the predecessor auditors for certifications | 0 | - |
| **Total** | **5** | **7** |

(a) The details of Corporate Social Responsibility ('CSR') as prescribed under section 135 of the Companies Act, 2013 is as follows:

| | Year ended 31st March, 2025 | Year ended 31st March, 2024 |
|---|---|---|
| I. Amount required to be spent by the Group during the year | 254 | 235 |
| II. Amount approved by Board | 261 | 239 |
| III. Amount spent during the year on: | - | - |
| i) Construction/ acquisition of any asset | - | - |
| ii) For purposes other than (i) above | 258 | 238 |
| IV. Shortfall at the end of the year | - | - |
| V. Total of previous years shortfall | - | - |
| VI. Reason for shortfall | Not Applicable | Not Applicable |

VII. Nature of CSR activities include promoting education, including special education and employment enhancing vocation skills, ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water, rural development projects and disaster management, including relief, rehabilitation and reconstruction activities.

VIII. There is no Corporate Social Responsibility expense related to ongoing projects as at 31st March, 2025 (31st March, 2024: ₹18 crores). The same was transferred to a special account designated as UCSRA – FY 2023-24 of the Company within 30 days from end of financial year. Unspent CSR amount for FY 2023-24 of ₹18 crores has been fully utilised during FY 2024-25.

IX. The Group does not wish to carry forward any excess amount spent during the year.

(All amounts in ₹ crores, unless otherwise stated)

## NOTE 36 EXCEPTIONAL ITEMS (NET)

An item of income or expense which by its size, type or incidence requires disclosure in order to improve an understanding of the performance of the Group is treated as an exceptional item and the same is disclosed in consolidated statement of profit and loss and in the notes forming part of the consolidated financial statements.

| | Year ended 31st March, 2025 | Year ended 31st March, 2024 |
|---|---|---|
| i) Restructuring and other costs | (135) | (187) |
| ii) Acquisition and disposal related income/ (costs) | (40) | 63 |
| iii) Fair valuation of financial liability on acquisition | (120) | 132 |
| iv) Profit / (Loss) on disposal of surplus properties | 5 | (2) |
| v) Profit on sale of water purification business (Pureit) | 595 | - |
| **Exceptional items (net)** | **305** | **6** |

## NOTE 37 EARNINGS PER EQUITY SHARE

Basic earnings per share is computed by dividing the net profit for the period attributable to the equity shareholders of the Holding Company by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

| | Year ended 31st March, 2025 | Year ended 31st March, 2024 |
|---|---|---|
| **Earnings Per Share has been computed as under:** | | |
| Profit for the year attributable to the owners of the Holding Company (A) | 10,649 | 10,277 |
| Weighted average number of equity shares outstanding during the year (B) | 2,34,95,91,262 | 2,34,95,91,262 |
| Add: Weighted average number of potential equity shares on account of employee stock options/performance share schemes | 1,69,454 | - |
| Weighted average number of Equity shares (including dilutive shares) outstanding during the year (C) | 2,34,97,60,716 | 2,34,95,91,262 |
| Earnings Per Share (₹) - Basic (Face value of ₹1 per share) [(A)/(B)] | ₹45.32 | ₹43.74 |
| Earnings Per Share (₹) - Diluted (Face value of ₹1 per share) [(A)/(C)] | ₹45.32 | ₹43.74 |

## NOTE 38 DIVIDEND ON EQUITY SHARE

| | Year ended 31st March, 2025 | Year ended 31st March, 2024 |
|---|---|---|
| **Dividend on equity shares declared and paid during the year** | | |
| Final dividend of ₹24 per share for FY 2023-24 (2022-23: ₹22.00 per share) | 5,639 | 5,169 |
| Interim dividend of ₹19 per share for FY 2024-25 (2023-24: ₹18.00 per share) | 4,464 | 4,229 |
| Special dividend of ₹10 per share for FY 2024-25 (2023-24: Nil) | 2,350 | - |
| | **12,453** | **9,398** |
| **Proposed dividend on equity shares not recognised as liability** | | |
| Final dividend of ₹24 per share for FY 2024-25 (2023-24: ₹24.00 per share) | 5,639 | 5,639 |
| | **5,639** | **5,639** |
| **Payout ratio#** | **95%** | **96%** |

#Excludes special dividend of ₹10 per share declared during FY 2024-25

Proposed dividend on equity shares is subject to the approval of the shareholders of the Holding Company at the ensuing Annual General Meeting and not recognised as liability as at the Balance Sheet date.

(All amounts in ₹ crores, unless otherwise stated)

# NOTE 39 FINANCIAL INSTRUMENTS

## I Financial Assets:

### (a) Initial recognition and measurement

Financial assets, except for trade receivables, are recognised when the Group becomes a party to the contractual provisions of the instrument.

On initial recognition, a financial asset is recognised at fair value.

Trade receivables are initially recognised at transaction price as they do not contain a significant financing component. This implies that the effective interest rate for these receivables is zero.

### (b) Subsequent measurement and classification

The subsequent measurement of a financial asset depends on the classification of the asset on the basis of business model for managing such assets and the contractual cash flow characteristics of such asset. These classifications are:

- amortised cost
- fair value through profit and loss (FVTPL)
- fair value through other comprehensive income (FVOCI).

Financial assets are not reclassified subsequent to their recognition, except during the period the Group changes its business model for managing financial assets.

In case of financial assets which are recognised at fair value through profit and loss (FVTPL), its transaction cost is recognised in the consolidated statement of profit and loss. In other cases, the transaction cost is attributed to the acquisition value of the financial asset.

#### (1) Debt Instruments:

##### (i) Measured at amortised cost:

Financial assets that give rise to cash flows on specified dates that are solely the payments of principal and interest; and the financial asset is held within a business model whose objective is solely to collect those cash flows, then the financial asset is classified and measured at amortised cost.

These are measured by applying the effective interest rate method. The effective interest rate method allocates interest income over the relevant period by applying the effective interest rate ('EIR') (that is the interest rate that exactly discounts expected future cash flows to the gross carrying amount of the asset).

##### (ii) Measured at fair value through other comprehensive income (FVOCI):

Financial assets that are held within a business model whose objective is achieved by both, selling financial assets and collecting contractual cash flows that are solely payments of principal and interest, are subsequently measured at fair value through other comprehensive income. Fair value movements are recognised in the other comprehensive income (OCI). Interest income is measured using the EIR method and impairment losses, if any are recognised in the consolidated statement of profit and loss. On derecognition, cumulative gain or loss previously recognised in OCI is reclassified from the equity to 'other income' in the consolidated statement of profit and loss.

##### (iii) Measured at fair value through profit or loss (FVTPL):

A financial asset not classified as either amortised cost or FVOCI, is classified as FVTPL. Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, recognised in 'other income' in the consolidated statement of profit and loss.

#### (2) Equity Instruments:

All investments in equity instruments classified under financial assets are initially measured at fair value, the Group may, on initial recognition, irrevocably elect to measure the same either at FVOCI or FVTPL.

The Group makes such election on an instrument-by-instrument basis. Fair value changes on an equity instrument is recognised in 'other income' in the consolidated statement of profit and loss unless the Group has elected to measure such instrument at FVOCI. Fair value changes excluding dividends, on an equity instrument measured at FVOCI are recognised in OCI. Amounts recognised in OCI are not subsequently reclassified to the consolidated statement of profit and loss. Dividend income on the investments in equity instruments are recognised as 'other income' in the consolidated statement of profit and loss.

(All amounts in ₹ crores, unless otherwise stated)

### (c) Derecognition

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the contractual rights to receive the cash flows from the asset or has assumed an obligation to pay the received cash flows to one or more recipient.

Where the entity has transferred an asset, the Group evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised. Where the entity has neither transferred a financial asset nor retained substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Group has not retained control of the financial asset. Where the Group retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

### (d) Impairment of Financial Asset

The Group applies expected credit loss (ECL) model for measurement and recognition of loss allowance on the following:

i. Trade receivables

ii. Financial assets measured at amortised cost (other than trade receivables)

In case of trade receivables, the Group follows a simplified approach wherein an amount equal to lifetime ECL is measured and recognised as loss allowance. The Group computes ECL based on a provision matrix. The provision matrix is prepared based on historically observed default rates over the expected life of trade receivables and is adjusted for forward-looking estimates. The default in collection as a percentage to total receivable is low and overall expected credit loss is not material to these consolidated financial statements

Financial assets classified as amortised cost (listed as ii above), subsequent to initial recognition, are assessed for evidence of impairment at end of each reporting period basis monitoring of whether there has been a significant increase in credit risk. To assess whether there is a significant increase in credit risk, the Group compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forwarding-looking information.

If the credit risk of such assets has not increased significantly, an amount equal to 12-month ECL is measured and recognised as loss allowance. However, if credit risk has increased significantly, an amount equal to lifetime ECL is measured and recognised as loss allowance.

Subsequently, if the credit quality of the financial asset improves such that there is no longer a significant increase in credit risk since initial recognition, the Group reverts to recognising impairment loss allowance based on 12-month ECL.

ECL allowance recognised (or reversed) during the period is recognised as expense (or income) in the consolidated statement of profit and loss under the head 'Other expenses'.

#### Write - off

The gross carrying amount of a financial asset is written off when the Group has no reasonable expectations of recovering the financial asset in its entirety or a portion thereof. A write-off constitutes a derecognition event.

## II Financial Liabilities:

### (a) Initial recognition and measurement

Financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the amortised cost unless at initial recognition, they are classified as fair value through profit and loss. In case of trade payables, they are initially recognised at fair value and subsequently, these liabilities are held at amortised cost, using the EIR method.

### (b) Subsequent measurement

Financial liabilities are subsequently measured at amortised cost using the EIR method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the consolidated statement of profit and loss.

### (c) Derecognition

A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expires. The difference between the carrying value of the financial liability and the consideration paid is recognised in the consolidated statement of profit and loss.

(All amounts in ₹ crores, unless otherwise stated)

### (d) Offsetting financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated balance sheet, if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle them on a net basis or to realise the assets and settle the liabilities simultaneously.

## III Derivative Financial Instruments:

The Group uses derivative financial instruments to hedge its foreign currency and commodity risks. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on their use as explained below:

### (i) Cash flow hedges:

Derivatives are held to hedge the uncertainty in timing or amount of future forecast cash flows. Such derivatives are classified as being part of cash flow hedge relationships. For an effective hedge, gains and losses from changes in the fair value of derivatives are recognised in other comprehensive income. Any ineffective elements of the hedge are recognised in the consolidated statement of profit and loss.

If the hedged cash flow relates to a non-financial asset, the amount accumulated in equity is subsequently included within the carrying value of that asset. For other cash flow hedges, amounts accumulated in other comprehensive income are taken to the consolidated statement of profit and loss at the same time as the related cash flow.

When a derivative no longer qualifies for hedge accounting, any cumulative gain or loss remains in equity until the related cash flow occurs. When the cash flow takes place, the cumulative gain or loss is taken to the consolidated statement of profit and loss. If the hedged cash flow is no longer expected to occur, the cumulative gain or loss is taken to the consolidated statement of profit and loss immediately.

### (ii) Derivatives for which hedge accounting is not applied

Derivatives not classified as hedges are held in order to hedge certain balance sheet items and commodity exposures. No hedge accounting is applied to these derivatives, which are carried at fair value with changes being recognised in the consolidated statement of profit and loss.

## A Accounting Classifications and Fair Values

The carrying amounts of financial instruments by class are as follows:

| | Note | Carrying value | |
|---|---|---|---|
| | | As at 31st March, 2025 | As at 31st March, 2024 |
| **Financial Assets** | | | |
| **Financial assets measured at fair value** | | | |
| Investments measured at | | | |
| i. Fair value through other comprehensive income | 6 | 0 | 1,253 |
| ii. Fair value through profit or loss | 6 | 2,988 | 3,307 |
| Fair value of Derivatives | 8 | 57 | 29 |
| **Financial assets measured at amortised cost** | | | |
| Investments | 6 | 765 | 0 |
| Loans | 7 | 133 | 140 |
| Security deposits | 8 | 186 | 178 |
| Trade receivables | 12 | 3,819 | 2,997 |
| Cash and cash equivalents | 13 | 6,071 | 825 |
| Investments in term deposits | 8,14 | 1,489 | 6,770 |
| Indemnification asset | 8 | 608 | 608 |
| Other assets | 8 | 1,394 | 1,334 |
| | | **17,510** | **17,441** |

(All amounts in ₹ crores, unless otherwise stated)

| | Note | Carrying value | |
|---|---|---|---|
| | | As at 31st March, 2025 | As at 31st March, 2024 |
| **Financial Liabilities** | | | |
| **Financial liabilities measured at fair value** | | | |
| Fair value of Derivatives | 21 | 41 | 4 |
| Financial liability on acquisition | 21 | 400 | 265 |
| **Financial liabilities measured at amortised cost** | | | |
| Lease Liabilities | 20 | 1,647 | 1,471 |
| Trade Payables | 24 | 11,315 | 10,486 |
| Security deposits | 21 | 108 | 36 |
| Employee Liabilities | 21 | 789 | 832 |
| Borrowings | 23 | 1 | 13 |
| Other payables | 21 | 622 | 446 |
| | | **14,923** | **13,553** |

## B Fair Value Hierarchy

The fair value of financial instruments as referred to in note (A) above have been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to unobservable inputs (Level 3 measurements).

The carrying amount of financial assets and financial liabilities measured at amortised cost in the Financial Statements are a reasonable approximation of their fair values since the Group does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

The categories used are as follows:

- Level 1: Quoted prices for identical instruments in an active market;
- Level 2: Directly or indirectly observable market inputs, other than Level 1 inputs; and
- Level 3: Inputs which are not based on observable market data.

For assets and liabilities which are measured at fair value as at Balance Sheet date, the classification of fair value calculations by category is summarised below:

| | Level 1 | Level 2 | Level 3 | Total |
|---|---|---|---|---|
| **As at 31st March, 2025** | | | | |
| **Assets at fair value** | | | | |
| Investments measured at: | | | | |
| i. Fair Value through OCI | - | - | 0 | 0 |
| ii. Fair Value through Profit or Loss | 2,986 | - | 2 | 2,988 |
| Fair value of Derivatives | - | 57 | - | 57 |
| **Liabilities at fair value** | | | | |
| Fair value of Derivatives | - | 41 | - | 41 |
| Financial liability on acquisition | - | - | 400 | 400 |
| | | | | |
| **As at 31st March, 2024** | | | | |
| **Assets at fair value** | | | | |
| Investments measured at: | | | | |
| i. Fair Value through OCI | 1,253 | - | 0 | 1,253 |
| ii. Fair Value through Profit or Loss | 3,305 | - | 2 | 3,307 |
| Fair value of Derivatives | - | 29 | - | 29 |
| **Liabilities at fair value** | | | | |
| Fair value of Derivatives | - | 4 | - | 4 |
| Financial liability on acquisition | - | - | 265 | 265 |

(All amounts in ₹ crores, unless otherwise stated)

### Calculation of Fair Values

The fair values of the financial assets and liabilities are defined as the price that would be received on sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Methods and assumptions used to estimate the fair values are consistent with those used for the year ended 31st March, 2024.

### Financial assets and liabilities measured at fair value as at Balance Sheet date:

1. The fair values of investment in treasury bills and quoted investment in equity shares is based on the bid price of respective investment as at the Balance Sheet date.
2. The fair values of investments in mutual fund units is based on the net asset value ('NAV') as stated by the issuers of these mutual fund units in the published statements as at Balance Sheet date. NAV represents the price at which the issuer will issue further units of mutual fund and the price at which issuers will redeem such units from the investors.
3. Derivatives are valued using valuation techniques with market observable inputs. The models incorporate various inputs including the credit quality of counter-parties, foreign exchange spot and forward rates, interest rate curves and forward rate curves of the underlying commodities.
4. Financial liability on acquisition is valued using the Monte Carlo simulation. The model incorporates forecasted revenue, margin, volatility, weighted average cost of capital and other metrics.

### Other financial assets and liabilities

Cash and cash equivalents, trade receivables, investments in term deposits, other financial assets (except derivative financial instruments), consignment receivable, trade payables, consignment payable and other financial liabilities (except derivative financial instruments) have fair values that approximate to their carrying amounts due to their short-term nature.

### Significant Unobservable Inputs Used in Level 2 and Level 3 Fair Values

| As at 31st March, 2025 | Valuation techniques | Significant unobservable inputs | Sensitivity of input to fair value measurement |
|---|---|---|---|
| (a) Fair Value of Derivatives | **Forward pricing:** The fair value is determined using quoted forward exchange rates and the commodity derivative prices at the reporting date. | Not applicable | A 10% increase in prices of open trades would have led to approximately ₹33 crores gain in OCI. A 10% decrease in prices would have led to an equal but opposite effect. |
| (b) Financial liability on acquisition | **Monte Carlo simulation:** The fair value is determined using forecasted revenue, margin, volatility, weighted average cost of capital and other metrics. | Forecast revenue | 5% increase in forecasted revenue would have led to an additional liability of ₹20 crores and 5% decrease would have led to an equal but opposite effect. |

| As at 31st March, 2024 | Valuation techniques | Significant unobservable inputs | Sensitivity of input to fair value measurement |
|---|---|---|---|
| (a) Fair Value of Derivatives | **Forward pricing:** The fair value is determined using quoted forward exchange rates and the commodity derivative prices at the reporting date. | Not applicable | A 10% increase in prices of open trades would have led to approximately ₹5 crores gain in OCI. A 10% decrease in prices would have led to an equal but opposite effect. |
| (b) Financial liability on acquisition | **Monte Carlo simulation:** The fair value is determined using forecasted revenue, margin, volatility, weighted average cost of capital and other metrics. | Forecast revenue | 5% increase in forecasted revenue would have led to an additional liability of ₹13 crores and 5% decrease would have led to an equal but opposite effect. |

(All amounts in ₹ crores, unless otherwise stated)

**Reconciliation of Level 3 fair value measurements of financial assets and financial liabilities is given below**

| Reconciliation of movements in Level 3 valuations | Year ended 31st March, 2025 | Year ended 31st March, 2024 |
|---|---|---|
| Opening balance | 267 | 381 |
| Interest unwinding | 15 | 22 |
| Payments during the year | - | (4) |
| Loss/(Gain) recognised in profit and loss on fair value adjustment | 120 | (132) |
| **Closing balance** | **402** | **267** |

## C Income, Expenses, Gains or Losses on Financial Instruments

Interest income and expenses, gains or losses recognised on financial assets and liabilities in the consolidated statement of profit and loss are as follows:

| | Note | Year ended 31st March, 2025 | Year ended 31st March, 2024 |
|---|---|---|---|
| **Financial assets measured at amortised cost** | | | |
| Interest income | 28 | 606 | 458 |
| Allowance for expected credit loss and credit impairment | 12 | 3 | (11) |
| **Financial assets measured at fair value through other comprehensive income** | | | |
| **Investment in debt instruments** | | | |
| Interest income | 28 | 30 | 88 |
| Fair value gain/(loss) recognised in other comprehensive income | 18C | (0) | 2 |
| **Financial assets measured at fair value through profit or loss** | | | |
| Fair value gain/(loss) on investment in debt instruments | 28 | 256 | 249 |
| Dividend income on non current investments | 28 | - | 3 |
| **Financial liabilities measured at amortised cost** | | | |
| Interest expense | 33 | 3 | 4 |
| Interest on lease liabilities | 33 | 127 | 106 |
| Interest expense other than on lease liabilities | 33 | 27 | 29 |
| **Financial liabilities measured at fair value** | | | |
| Fair valuation of financial liability on acquisition | 36 | (120) | 132 |
| **Derivatives - foreign exchange forward contracts and cash flow hedges** | | | |
| Fair value gain/(loss) | 29, 35 | 20 | (24) |

## NOTE 40 FINANCIAL RISK MANAGEMENT

The Group's business activities are exposed to a variety of financial risks, namely liquidity risk, market risk, credit risk and other price risk. The Group's senior management has the overall responsibility for establishing and governing the Group risk management framework. The Group has constituted a Risk Management Committee, which is responsible for developing and monitoring the Group's risk management policies. The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set and monitor appropriate risk limits and controls, periodically review the changes in market conditions and reflect the changes in the policy accordingly. The key risks and mitigating actions are also placed before the Audit Committee of the Group.

(All amounts in ₹ crores, unless otherwise stated)

## A Management of Liquidity Risk

Liquidity risk is the risk that the Group will face in meeting its obligations associated with its financial liabilities. The Group's approach in managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses. In doing this, management considers both normal and stressed conditions.

The Group maintained a cautious liquidity strategy, with a positive cash balance throughout the year ended 31st March, 2025 and 31st March, 2024. Cash flow from operating activities provides the funds to service the financial liabilities on a day-to-day basis.

The Group regularly monitors the rolling forecasts to ensure it has sufficient cash on an on-going basis to meet operational needs. Any short-term surplus cash generated, over and above the amount required for working capital management and other operational requirements, is retained as cash and cash equivalents (to the extent required) and any excess is invested in interest bearing term deposits and other highly marketable debt investments with appropriate maturities to optimise the cash returns on investments while ensuring sufficient liquidity to meet its liabilities.

The following table shows the maturity analysis of the Group's financial assets and financial liabilities based on contractually agreed undiscounted cash flows along with its carrying value as at the Balance Sheet date.

| | | | Undiscounted Amount | | | | |
|---|---|---|---|---|---|---|---|
| | Note | Carrying amount | Within 1 year | 1-2 years | 2-5 years | More than 5 years | Total |
| **As at 31st March, 2025** | | | | | | | |
| **Financial Assets** | | | | | | | |
| **Non-derivative assets** | | | | | | | |
| Investments | 6 | 3,753 | 3,751 | - | - | 2 | 3,753 |
| Loans | 7 | 133 | 46 | 16 | 27 | 44 | 133 |
| Trade Receivables | 12 | 3,819 | 3,819 | - | - | - | 3,819 |
| Cash and cash equivalents | 13 | 6,071 | 6,071 | - | - | - | 6,071 |
| Bank Balances other than cash and cash equivalents | 14 | 1,483 | 1,483 | - | - | - | 1,483 |
| Indemnification Asset | 8 | 608 | - | - | - | 608 | 608 |
| Security deposits | 8 | 186 | 45 | 22 | 41 | 78 | 186 |
| Consignment Receivable | 8 | 57 | 57 | - | - | - | 57 |
| Other financial asset | 8 | 1,345 | 1,331 | 5 | - | 9 | 1,345 |
| **Derivative assets** | | | | | | | |
| Fair Value of Derivatives | 8 | 57 | 57 | - | - | - | 57 |
| **Financial liabilities** | | | | | | | |
| **Non-derivative liabilities** | | | | | | | |
| Borrowings | 23 | 1 | 1 | - | - | - | 1 |
| Lease Liabilities | 20 | 1,647 | 510 | 350 | 826 | 358 | 2,044 |
| Trade payables (including acceptances) | 24 | 11,315 | 11,314 | 1 | - | - | 11,315 |
| Security deposits | 21 | 108 | 1 | - | 75 | 32 | 108 |
| Unpaid dividend | 21 | 252 | 252 | - | - | - | 252 |
| Employee liabilities | 21 | 789 | 417 | 215 | 115 | 73 | 820 |
| Consignment Payable | 21 | 63 | 63 | - | - | - | 63 |
| Financial liability on acquisition | 21 | 400 | 400 | - | - | - | 400 |
| Other Payables | 21 | 325 | 127 | - | 193 | 5 | 325 |
| **Derivative liabilities** | | | | | | | |
| Fair Value of Derivatives | 21 | 41 | 41 | - | - | - | 41 |

(All amounts in ₹ crores, unless otherwise stated)

| | Note | Carrying amount | Undiscounted Amount | | | | |
|---|---|---|---|---|---|---|---|
| | | | Within 1 year | 1-2 years | 2-5 years | More than 5 years | Total |
| **As at 31st March, 2024** | | | | | | | |
| **Financial Assets** | | | | | | | |
| **Non-derivative assets** | | | | | | | |
| Investments | 6 | 4,560 | 4,558 | - | - | 2 | 4,560 |
| Loans | 7 | 140 | 38 | 13 | 1 | 88 | 140 |
| Trade Receivables | 12 | 2,997 | 2,997 | - | - | - | 2,997 |
| Cash and cash equivalents | 13 | 825 | 825 | - | - | - | 825 |
| Bank Balances other than cash and cash equivalents | 14 | 6,734 | 6,734 | - | - | - | 6,734 |
| Security deposits | 8 | 178 | 70 | 12 | 31 | 65 | 178 |
| Consignment Receivable | 8 | 73 | 73 | - | - | - | 73 |
| Other financial asset | 8 | 1,297 | 1,253 | 33 | 3 | 8 | 1,297 |
| **Derivative assets** | | | | | | | |
| Fair Value of Derivatives | 8 | 29 | 29 | - | - | - | 29 |
| **Financial liabilities** | | | | | | | |
| **Non-derivative liabilities** | | | | | | | |
| Borrowings | 23 | 13 | 13 | - | - | - | 13 |
| Lease Liabilities | 20 | 1,471 | 460 | 318 | 823 | 238 | 1,839 |
| Trade payables (including acceptances) | 24 | 10,486 | 10,486 | - | - | - | 10,486 |
| Security deposits | 21 | 36 | - | 1 | 11 | 24 | 36 |
| Unpaid dividend | 21 | 228 | 228 | - | - | - | 228 |
| Employee liabilities | 21 | 832 | 437 | 155 | 157 | 98 | 847 |
| Consignment Payable | 21 | 77 | 77 | - | - | - | 77 |
| Financial liability on acquisition | 21 | 265 | - | - | - | 302 | 302 |
| Other Payables | 21 | 141 | 119 | - | 17 | 5 | 141 |
| **Derivative liabilities** | | | | | | | |
| Fair Value of Derivatives | 21 | 4 | 4 | - | - | - | 4 |

## B Management of Market Risk

The Group's business activities are exposed to a variety of financial risks, namely:

- currency risk;
- interest rate risk; and
- other price risk (commodity risk)

The above risks may affect the Group's income and expenses, or the value of its financial instruments. The Group's exposure to and management of these risks are explained below.

(All amounts in ₹ crores, unless otherwise stated)

## 1. Currency Risk

| Potential Impact Of Risk | Management Policy | Sensitivity To Risk |
|---|---|---|
| The Group is exposed to foreign currency risk from transactions in foreign currency. They are managed within a prudent and systematic hedging policy in accordance with the Group's specific business needs through the use of currency forwards.<br>As at 31st March, 2025, the unhedged transaction exposure to the Group amounted to ₹2 crores payable (net) [31st March, 2024: ₹76 crores payable (net)]. | The Group is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to US Dollar and Singapore Dollar.<br>The Group manages currency exposures through use of forward exchange contracts monitored on a weekly basis in line with group policy.<br>The aim of the Group's approach to management of currency risk is to leave the Group with no material residual risk. | A 5% strengthening of the INR against key currencies to which the Group is exposed (net of hedge) would have led to approximately an additional ₹6 crores gain in the consolidated statement of profit and loss/equity (2023-24: ₹4 crores gain).<br>A 5% weakening of the INR against these currencies would have led to an equal but opposite effect.<br>Amongst the key currencies, USD and SGD are significant currency contributing to the currency risk exposure. A 5% strengthening (weakening) of the INR against USD and SGD would have led to approximately an additional ₹3 crores gain (loss) (net) (2023-24: ₹1 crore gain (loss)) each in the consolidated statement of profit and loss/equity. |

| Payable/ (Receivable) | As at 31st March, 2025 | As at 31st March, 2024 |
|---|---|---|
| NPR | 25 | 3 |
| SGD | 16 | 22 |
| CNY | 14 | 5 |
| GBP | 12 | 25 |
| USD | (87) | 8 |
| SEK | 9 | 8 |
| EUR | 9 | 4 |
| Others | 3 | 87 |
| **Total** | **1** | **162** |

## 2. Interest Rate Risk

| Potential Impact Of Risk | Management Policy | Sensitivity To Risk |
|---|---|---|
| The Group is mainly exposed to the interest rate risk due to its investment in treasury bills and debt mutual funds. The interest rate risk arises due to uncertainties about the future market interest rate on these investments.<br>In addition to debt mutual funds and treasury bills, the Group invests in term deposits, Commercial Papers and Certificate of Deposits. Considering that these instruments are fixed rate financial instruments, interest rate exposure is not applicable to them.<br>As at 31st March, 2025, the investments in debt mutual funds amounts to ₹2,986 crores (31st March, 2024: ₹3,257 crores) and there are no investments in treasury bills (31st March, 2024: ₹1,253 crores). | The Group has laid policies and guidelines including tenure of investment made to minimise impact of interest rate risk. | A 0.25% decrease in interest rates would have led to approximately ₹4 crores gain in the Consolidated Statement of Profit and Loss/ equity (2023-24: ₹4 crores).<br>A 0.25% increase in interest rates would have led to an equal but opposite effect. |

(All amounts in ₹ crores, unless otherwise stated)

### 3. Other Price Risk (Commodity Risk)

| Potential Impact Of Risk | Management Policy | Sensitivity To Risk |
|---|---|---|
| The Group is exposed to the risk of changes in commodity prices in relation to its purchase of certain raw materials.<br>At 31st March, 2025, the Group had hedged its exposure to future commodity purchases with commodity derivatives valued at ₹265 crores (31st March, 2024: ₹48 crores).<br>Hedges of future commodity purchases resulted in cumulative gain of ₹5 crores (31st March, 2024: ₹13 crores cumulative loss) being reclassified to the consolidated statement of profit and loss as an adjustment to inventory purchase. | Commodities form a major part of the raw materials required for Group's products portfolio and hence commodity price risk is one of the important market risk for the Group. The commodities are priced using pricing benchmarks and commodity derivatives are priced using exchange-traded pricing benchmarks. The Group 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 Group uses commodity swaps and option contracts to hedge against components of commodities where it is not possible to hedge the commodity in full. | A 10% increase in prices of open trades would have led to approximately ₹31 crores gain in OCI (2023-24 ₹5 crores gain). A 10% decrease in prices would have led to an equal but opposite effect. |

## C Management of Credit Risk

Credit risk is the risk of financial loss to the Group if a customer or counter-party fails to meet its contractual obligations.

### Trade receivables

Credit risk arising from trade receivables is managed in accordance with the Group's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on a detailed study of creditworthiness and accordingly individual credit limits are defined. Concentration of credit risk with respect to trade receivables are limited, due to the Group's customer base being large and diverse. All trade receivables are reviewed and assessed for default on a quarterly basis.

The average credit period generally ranges from 0-21 days on sale of products. The Group computes expected credit loss allowance based on a provision matrix. The provision matrix is prepared based on historically observed default rates over the expected life of trade receivables and is adjusted for forward-looking estimates. Our historical experience of collecting receivables indicate a low credit risk. Hence, trade receivables are considered to be a single class of financial assets.

Refer note 12 for accounting policy on Financial Instruments - trade receivables.

### Other financial assets

Credit risk related to the use of treasury instruments arises from transactions with financial institutions involving cash and cash equivalents, term deposits with banks, investments in treasury bills, Government securities, money market liquid mutual funds, overnight mutual funds and derivative instrument. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets as at 31st March, 2025 and 31st March, 2024. To reduce this risk, the Group has concentrated its main activities with a limited number of counter-parties which have secure credit ratings. Individual risk limits are set for each counter-party based on financial position, credit rating and past experience. Credit limits and concentration of exposures are actively monitored by the Group's Treasury department.

## NOTE 41 EMPLOYEE BENEFIT PLANS

## I Defined Contribution Plans

Refer note 32 for accounting policy on Employee Benefits.

Refer Note 32 for the Group's contribution to the defined contribution plans with respect to employee benefit funds.

## II Defined Benefit Plans

Refer note 32 for accounting policy on Employee Benefits.

#### Description of Plans

Retirement Benefit Plans of the Group include Gratuity, Management Pension, Officer's Pension and Provident Fund. Other post-employment benefit plans includes post retirement medical benefits.

Gratuity is funded through investments with an insurance service provider & the Holding Company administered

(All amounts in ₹ crores, unless otherwise stated)

trust. Pension (Management Pension and Officer's Pension) is managed through a Holding Company administered trust and in some instances invested with an insurance service provider. Provident Funds for certain employees are managed through the Holding Company administered trust. Post-retirement medical benefits are managed through the Holding Company administered trust and through insurance policy.

### Governance

The trustees of Gratuity, Pension, Post Retirement Medical Benefit and Provident Funds are responsible for the overall governance of the plan and to act in accordance with the provisions of the trust deed and rules in the best interests of the plan participants. They are tasked with periodic reviews of the solvency of the fund and play a role in the long-term investment, risk management and funding strategy.

### Investment Strategy

The Group's investment strategy in respect of its funded plans is implemented within the framework of the applicable statutory requirements. The plans expose the Group to a number of actuarial risks such as investment risk, interest rate risk, longevity risk and inflation risk. The Group has developed policy guidelines for the allocation of assets to different classes with the objective of controlling risk and maintaining the right balance between risk and long-term returns. To achieve this, investments are well diversified, such that the failure of any single investment would not have a material impact on the overall level of assets.

## A. Balance Sheet

The assets, liabilities and (surplus)/deficit position of the defined benefit plans at the Consoldated Balance Sheet date were:

| | Retirement Benefit Plans | | | | | | Other Post-Employment Benefit Plans |
|---|---|---|---|---|---|---|---|
| | Gratuity | Management Pension | Officers' Pension | Provident Fund Plan I | Provident Fund Plan II | Total | |
| **As at 31st March, 2025** | | | | | | | |
| Present Value of Obligation | 656 | 260 | 5 | 3,144 | 320 | 4,385 | 288 |
| Fair Value of Plan Assets | (578) | (217) | (4) | (3,144) | (320) | (4,263) | (14) |
| **(Asset)/Liability recognised in the Consolidated Balance Sheet** | **78** | **43** | **1** | **-** | **0** | **122** | **274** |
| *Plan I refers to existing employee benefit plans of the Group.* | | | | | | | |
| *Plan II refers to employee benefit plans added pursuant to HUL-GSKCH merger.* | | | | | | | |
| **Of which in respect of:** | | | | | | | |
| **Funded plans in surplus:** | | | | | | | |
| Present Value of Obligation | - | - | - | 3,144 | - | 3,144 | - |
| Fair Value of Plan Assets | - | - | - | (3,168) | - | (3,168) | - |
| **(Asset)/Liability recognised in the Consoldated Balance Sheet*** | **-** | **-** | **-** | **-*** | **-** | **-*** | **-** |
| *(*The excess of assets over liabilities in respect of Provident Fund Plan I has not been recognised.)* | | | | | | | |
| **Funded plans in deficit:** | | | | | | | |
| Present Value of Obligation | 656 | 260 | 5 | - | 320 | 1,241 | 234 |
| Fair Value of Plan Assets | (578) | (217) | (4) | - | (320) | (1,119) | (14) |
| **(Asset)/Liability recognised in the Consolidated Balance Sheet** | **78** | **43** | **1** | **-** | **0** | **122** | **220** |
| *(During the year Provident Fund Plan II and Officers' Pension have moved from funded plans in surplus to funded plans in deficit.)* | | | | | | | |
| **Unfunded plans in deficit:** | | | | | | | |
| Present Value of Obligation | - | - | - | - | - | - | 54 |
| Fair Value of Plan Assets | - | - | - | - | - | - | - |
| **(Asset)/Liability recognised in the Consolidated Balance Sheet** | **-** | **-** | **-** | **-** | **-** | **-** | **54** |

(All amounts in ₹ crores, unless otherwise stated)

| | Retirement Benefit Plans | | | | | | Other Post-Employment Benefit Plans |
|---|---|---|---|---|---|---|---|
| | Gratuity | Management Pension | Officers' Pension | Provident Fund Plan I | Provident Fund Plan II | Total | |
| **As at 31st March, 2024** | | | | | | | |
| Present Value of Obligation | 596 | 270 | 6 | 3,148 | 325 | 4,345 | 286 |
| Fair Value of Plan Assets | (558) | (215) | (7) | (3,148) | (325) | (4,253) | (26) |
| **(Asset)/Liability recognised in the Consolidated Balance Sheet** | **38** | **55** | **(1)** | **-** | **-** | **92** | **260** |
| *Plan I refers to existing employee benefit plans of the Group.* | | | | | | | |
| *Plan II refers to employee benefit plans added pursuant to HUL-GSKCH merger.* | | | | | | | |
| **Of which in respect of:** | | | | | | | |
| **Funded plans in surplus:** | | | | | | | |
| Present Value of Obligation | - | - | 6 | 3,148 | 325 | 3,479 | - |
| Fair Value of Plan Assets | - | - | (7) | (3,183) | (338) | (3,528) | - |
| **(Asset)/Liability recognised in the Consolidated Balance Sheet*** | **-** | **-** | **(1)** | **-*** | **-*** | **(1)** | **-** |
| *(*The excess of assets over liabilities in respect of Provident Fund Plan I & II have not been recognised.)* | | | | | | | |
| **Funded plans in deficit:** | | | | | | | |
| Present Value of Obligation | 596 | 270 | - | - | - | 866 | 233 |
| Fair Value of Plan Assets | (558) | (215) | - | - | - | (773) | (26) |
| **(Asset)/Liability recognised in the Consolidated Balance Sheet** | **38** | **55** | **-** | **-** | **-** | **93** | **207** |
| *(During the year Gratuity has moved from funded plan in surplus to funded plan in deficit, while Provident Fund Plan I and Officers' Pension have moved from funded plans in deficit to funded plans in surplus.)* | | | | | | | |
| **Unfunded plans in deficit:** | | | | | | | |
| Present Value of Obligation | - | - | - | - | - | - | 53 |
| Fair Value of Plan Assets | - | - | - | - | - | - | - |
| **(Asset)/Liability recognised in the Consolidated Balance Sheet** | **-** | **-** | **-** | **-** | **-** | **-** | **53** |

Employee provisions include other provisions not in the nature of retirement and post employment benefit plans amounting to ₹20 crores as at 31st March, 2025 (₹19 crores as at 31st March, 2024).

(All amounts in ₹ crores, unless otherwise stated)

## B. Movements in Present Value of Obligation and Fair Value of Plan Assets

| Gratuity | For the year ended 31st March, 2025 | | | For the year ended 31st March, 2024 | | |
|---|---|---|---|---|---|---|
| | Plan Assets | Plan Obligation | Total | Plan Assets | Plan Obligation | Total |
| **Opening Balance** | 558 | 596 | (38) | 547 | 547 | - |
| Current service cost | - | 43 | (43) | - | 38 | (38) |
| Past service cost | - | (4) | 4 | - | - | - |
| Change in asset celing | - | - | - | 21 | - | 21 |
| Interest cost | - | 42 | (42) | - | 39 | (39) |
| Interest income | 39 | - | 39 | 40 | - | 40 |
| Actuarial (gain)/loss arising from changes in demographic assumptions | - | - | - | - | 10 | (10) |
| Actuarial (gain)/loss arising from changes in financial assumptions | - | 17 | (17) | - | 12 | (12) |
| Actuarial (gain)/loss arising from actual less expected return on plan assets | (7) | - | (7) | 6 | - | 6 |
| Actuarial (gain)/loss arising from experience adjustments | - | 12 | (12) | - | 6 | (6) |
| Employer contributions | 38 | - | 38 | - | - | - |
| Benefit payments | (50) | (50) | - | (56) | (56) | - |
| **Closing Balance** | **578** | **656** | **(78)** | **558** | **596** | **(38)** |

| Management Pension | For the year ended 31st March, 2025 | | | For the year ended 31st March, 2024 | | |
|---|---|---|---|---|---|---|
| | Plan Assets | Plan Obligation | Total | Plan Assets | Plan Obligation | Total |
| **Opening Balance** | 215 | 270 | (55) | 215 | 275 | (60) |
| Current service cost | - | 0 | (0) | - | 0 | (0) |
| Interest cost | - | 18 | (18) | - | 20 | (20) |
| Interest income | 14 | - | 14 | 15 | - | 15 |
| Actuarial (gain)/loss arising from changes in financial assumptions | - | 0 | (0) | - | 0 | (0) |
| Actuarial (gain)/loss arising from actual less expected return on plan assets | 9 | - | 9 | 5 | - | 5 |
| Actuarial (gain)/loss arising from experience adjustments | - | (7) | 7 | - | (5) | 5 |
| Employer contributions | 0 | - | 0 | 0 | - | 0 |
| Benefit payments | (21) | (21) | - | (20) | (20) | - |
| **Closing Balance** | **217** | **260** | **(43)** | **215** | **270** | **(55)** |

| Officers' Pension | For the year ended 31st March, 2025 | | | For the year ended 31st March, 2024 | | |
|---|---|---|---|---|---|---|
| | Plan Assets | Plan Obligation | Total | Plan Assets | Plan Obligation | Total |
| **Opening Balance** | 7 | 6 | 1 | 7 | 8 | (1) |
| Current service cost | - | 0 | (0) | - | 0 | (0) |
| Past service cost | - | 0 | (0) | - | 0 | (0) |
| Interest cost | - | 0 | (0) | - | 1 | (1) |
| Interest income | 0 | - | 0 | 0 | - | 0 |
| Actuarial (gain)/loss arising from changes in financial assumptions | - | 0 | (0) | - | 0 | (0) |
| Actuarial (gain)/loss arising from actual less expected return on plan assets | (1) | - | (1) | 3 | - | 3 |
| Actuarial (gain)/loss arising from experience adjustments | - | 1 | (1) | - | 0 | (0) |
| Employer contributions | - | - | - | 0 | - | 0 |
| Assets acquired/ (settled) | (0) | (0) | - | (2) | (2) | - |
| Benefit payments | (2) | (2) | - | (1) | (1) | - |
| **Closing Balance** | **4** | **5** | **(1)** | **7** | **6** | **1** |

(All amounts in ₹ crores, unless otherwise stated)

| Provident Fund Plan I | For the year ended 31st March, 2025 Plan Assets | Plan Obligation | Total | For the year ended 31st March, 2024 Plan Assets | Plan Obligation | Total |
|---|---|---|---|---|---|---|
| **Opening Balance** | 3,148 | 3,148 | - | 2,743 | 2,795 | (52) |
| Current service cost | - | 111 | (111) | - | 113 | (113) |
| Change in asset celing | 11 | - | 11 | (35) | - | (35) |
| Interest cost | - | 217 | (217) | - | 213 | (213) |
| Interest income | 220 | - | 220 | 209 | - | 209 |
| Actuarial (gain)/loss arising from changes in financial assumptions | - | 3 | (3) | - | 36 | (36) |
| Actuarial (gain)/loss arising from actual less expected return on plan assets | 8 | - | 8 | 133 | - | 133 |
| Actuarial (gain)/loss arising from experience adjustments | - | 19 | (19) | - | 6 | (6) |
| Employer contributions | 111 | - | 111 | 113 | - | 113 |
| Employees contributions | 196 | 196 | - | 210 | 210 | - |
| Assets acquired/ (settled) | (166) | (166) | - | 45 | 45 | - |
| Benefit payments | (384) | (384) | - | (270) | (270) | - |
| **Closing Balance** | **3,144** | **3,144** | **-** | **3,148** | **3,148** | **-** |

| Provident Fund Plan II | For the year ended 31st March, 2025 Plan Assets | Plan Obligation | Total | For the year ended 31st March, 2024 Plan Assets | Plan Obligation | Total |
|---|---|---|---|---|---|---|
| **Opening Balance** | 325 | 325 | - | 507 | 507 | - |
| Current service cost | - | 10 | (10) | - | 11 | (11) |
| Change in asset celing | 13 | - | 13 | (2) | - | (2) |
| Interest cost | - | 22 | (22) | - | 30 | (30) |
| Interest income | 23 | - | 23 | 30 | - | 30 |
| Actuarial (gain)/loss arising from changes in financial assumptions | - | 2 | (2) | - | (2) | 2 |
| Actuarial (gain)/loss arising from actual less expected return on plan assets | (11) | - | (11) | 2 | - | 2 |
| Actuarial (gain)/loss arising from experience adjustments | - | 1 | (1) | - | 2 | (2) |
| Employer contributions | 10 | - | 10 | 11 | - | 11 |
| Employees contributions | 34 | 34 | - | 35 | 35 | - |
| Assets acquired/ (settled) | (38) | (38) | - | (156) | (156) | - |
| Benefit payments | (36) | (36) | - | (102) | (102) | - |
| **Closing Balance** | **320** | **320** | **(0)** | **325** | **325** | **-** |

| Other Post-Employment Benefit Plans | For the year ended 31st March, 2025 Plan Assets | Plan Obligation | Total | For the year ended 31st March, 2024 Plan Assets | Plan Obligation | Total |
|---|---|---|---|---|---|---|
| **Opening Balance** | 26 | 286 | (260) | 40 | 253 | (213) |
| Current service cost | - | 0 | (0) | - | 0 | (0) |
| Interest cost | - | 20 | (20) | - | 19 | (19) |
| Interest income | 1 | - | 1 | 2 | - | 2 |
| Actuarial (gain)/loss arising from changes in demographic assumptions | - | - | - | - | (0) | 0 |
| Actuarial (gain)/loss arising from changes in financial assumptions | - | 11 | (11) | - | 33 | (33) |
| Actuarial (gain)/loss arising from actual less expected return on plan assets | 1 | - | 1 | 1 | - | 1 |
| Actuarial (gain)/loss arising from experience adjustments | - | (13) | 13 | - | 0 | (0) |
| Employer contributions | 2 | - | 2 | 2 | - | 2 |
| Benefit payments | (16) | (16) | - | (19) | (19) | - |
| **Closing Balance** | **14** | **288** | **(274)** | **26** | **286** | **(260)** |

(All amounts in ₹ crores, unless otherwise stated)

## C. Consolidated Statement of Profit and Loss

The charge to the Consolidated Statement of Profit and Loss comprises:

| | Retirement Benefit Plans | | | | | | Other Post-Employment Benefit Plans |
|---|---|---|---|---|---|---|---|
| | Gratuity | Management Pension | Officers' Pension | Provident Fund Plan I | Provident Fund Plan II | Total | |
| **Year ended 31st March, 2025** | | | | | | | |
| **Employee Benefit Expenses :** | | | | | | | |
| Current service cost | 43 | 0 | 0 | 111 | 10 | 164 | 0 |
| Past service cost | (4) | - | 0 | - | - | (4) | - |
| **Finance costs :** | | | | | | | |
| Interest cost | 42 | 18 | 0 | 217 | 22 | 299 | 20 |
| Interest income | (39) | (14) | (0) | (220) | (23) | (296) | (1) |
| **Net impact on profit (before tax)** | **42** | **4** | **0** | **108** | **9** | **163** | **19** |
| **Remeasurement of the net defined benefit plans:** | | | | | | | |
| Actuarial (gains)/losses arising from changes in financial assumptions | 17 | 0 | 0 | 3 | 2 | 22 | 11 |
| Actuarial (gain)/loss arising from actual less expected return on plan assets | 7 | (9) | 1 | (8) | 11 | 2 | (1) |
| Actuarial (gains)/losses arising from experience adjustments | 12 | (7) | 1 | 19 | 1 | 26 | (13) |
| Change in asset ceiling (gains)/ losses | - | - | - | (11) | (13) | (24) | - |
| **Net impact on other comprehensive income (before tax)** | **36** | **(16)** | **2** | **3** | **1** | **26** | **(3)** |

| | Retirement Benefit Plans | | | | | | Other Post-Employment Benefit Plans |
|---|---|---|---|---|---|---|---|
| | Gratuity | Management Pension | Officers' Pension | Provident Fund Plan I | Provident Fund Plan II | Total | |
| **Year ended 31st March, 2024** | | | | | | | |
| **Employee Benefit Expenses :** | | | | | | | |
| Current service cost | 38 | 0 | 0 | 113 | 11 | 162 | 0 |
| Past service cost | - | - | 0 | - | - | 0 | - |
| **Finance costs :** | | | | | | | |
| Interest cost | 39 | 20 | 1 | 213 | 30 | 303 | 18 |
| Interest income | (40) | (15) | (0) | (209) | (31) | (295) | (2) |
| **Net impact on profit (before tax)** | **37** | **5** | **1** | **117** | **10** | **170** | **16** |
| **Remeasurement of the net defined benefit plans:** | | | | | | | |
| Actuarial (gains)/losses arising from changes in demographic assumptions | 10 | - | - | - | - | 10 | (0) |
| Actuarial (gains)/losses arising from changes in financial assumptions | 12 | 0 | 0 | 36 | (2) | 46 | 33 |
| Actuarial (gain)/loss arising from actual less expected return on plan assets | (6) | (5) | (3) | (133) | (2) | (149) | (1) |
| Actuarial (gains)/losses arising from experience adjustments | 6 | (5) | 0 | 6 | 2 | 9 | 0 |
| Change in asset ceiling (gains)/ losses | (21) | - | - | 35 | 2 | 16 | - |
| **Net impact on other comprehensive income (before tax)** | **1** | **(10)** | **(3)** | **(56)** | **(0)** | **(68)** | **32** |

(All amounts in ₹ crores, unless otherwise stated)

## D. Assets

The fair value of plan assets at the Balance Sheet date for our defined benefit plans for each category are as follows:

| | Retirement Benefit Plans | | Other Post-Employment Benefit Plans | | Total fair value of plan assets | |
|---|---|---|---|---|---|---|
| | As at 31st March, 2025 | As at 31st March, 2024 | As at 31st March, 2025 | As at 31st March, 2024 | As at 31st March, 2025 | As at 31st March, 2024 |
| **Quoted** | | | | | | |
| Government Debt Instruments | 1,820 | 1,771 | - | - | 1,820 | 1,771 |
| Other Debt Instruments | 1,160 | 1,173 | 14 | 26 | 1,174 | 1,199 |
| Equity | 447 | 461 | - | - | 447 | 461 |
| **Total (A)** | **3,427** | **3,405** | **14** | **26** | **3,441** | **3,431** |
| **Unquoted** | | | | | | |
| Other Debt Instruments | 202 | 228 | - | - | 202 | 228 |
| Others | 658 | 669 | - | - | 658 | 669 |
| **Total (B)** | **860** | **897** | **-** | **-** | **860** | **897** |
| **Total (A+B)** | **4,287** | **4,302** | **14** | **26** | **4,301** | **4,328** |

Assets to the extent of ₹24 crores for Provident Fund (FY 2023-24: ₹48 crores) not recognised on account of asset ceiling.

None of the plans invest directly in any property occupied by the Company or any financial securities issued by the Company.

## E. Assumptions

With the objective of presenting the plan assets and plan obligations of the defined benefits plans at their fair value on the consolidated balance sheet, assumptions under Ind AS 19 are set by reference to market conditions at the valuation date.

| | Retirement Benefit Plans | | Other Post-Employment Benefit Plans | |
|---|---|---|---|---|
| **Financial Assumptions** | As at 31st March, 2025 | As at 31st March, 2024 | As at 31st March, 2025 | As at 31st March, 2024 |
| Discount rate (per annum) | 6.8% | 7.2% | 6.8% | 7.2% |
| Salary Escalation Rate (per annum) | | | | |
| Management employees- for first 5 years | 8.0% | 8.0% | - | - |
| Management employees- after 5 years | 8.0% | 8.0% | - | - |
| Non-management Employees | 8.0% | 8.0% | - | - |
| Pension Increase Rate (per annum)* | 2.0% | 2.0% | - | - |
| Annual increase in healthcare costs (per annum) | - | - | 10.0% | 10.0% |

*For management pension only

The estimates of future salary increases, considered in actuarial valuation, takes into account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

### Demographic Assumptions

Mortality in Service: Indian Assured Lives Mortality (2012-14) Ultimate table

Mortality in Retirement : LIC Buy-out Annuity Rates & Published rates under S1PA Mortality table adjusted for Indian Lives.

(All amounts in ₹ crores, unless otherwise stated)

## F. Sensitivity Analysis

The sensitivity of the overall plan obligations to changes in the weighted key assumptions are:

| As at 31st March, 2025: | | Retirement Benefit Plans | | Other Post-Employment Benefit Plans | |
|---|---|---|---|---|---|
| | | Change in assumption (%) | Change in plan obligation (%) | Change in assumption (%) | Change in plan obligation (%) |
| Discount rate (per annum) | Increase | 0.50% | -1.9% | 0.50% | -5.0% |
| | Decrease | 0.50% | 2.3% | 0.50% | 5.4% |
| Salary escalation rate (per annum) | Increase | 0.25% | 1.3% | - | - |
| | Decrease | 0.25% | -1.3% | - | - |
| Pension rate | Increase | 0.25% | 6.9% | - | - |
| | Decrease | 0.25% | -6.7% | - | - |
| Life expectancy | Increase | 1 year | 3.7% | 1 year | 6.2% |
| | Decrease | 1 year | -3.7% | 1 year | -5.9% |
| Annual increase in healthcare costs (per annum) | Increase | - | - | 1.00% | 10.9% |
| | Decrease | - | - | 1.00% | -9.3% |

| As at 31st March, 2024: | | Retirement Benefit Plans | | Other Post-Employment Benefit Plans | |
|---|---|---|---|---|---|
| | | Change in assumption (%) | Change in plan obligation (%) | Change in assumption (%) | Change in plan obligation (%) |
| Discount rate (per annum) | Increase | 0.50% | -2.2% | 0.50% | -4.8% |
| | Decrease | 0.50% | 2.4% | 0.50% | 5.3% |
| Salary escalation rate (per annum) | Increase | 0.25% | 1.3% | - | - |
| | Decrease | 0.25% | -1.3% | - | - |
| Pension rate | Increase | 0.25% | 6.2% | - | - |
| | Decrease | 0.25% | -6.0% | - | - |
| Life expectancy | Increase | 1 year | 3.7% | 1 year | 5.4% |
| | Decrease | 1 year | -3.7% | 1 year | -5.3% |
| Annual increase in healthcare costs (per annum) | Increase | - | - | 1.00% | 10.7% |
| | Decrease | - | - | 1.00% | -9.1% |

The sensitivity analysis above have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the year and may not be representative of the actual change. It is based on a change in the key assumption while holding all other assumptions constant. When calculating the sensitivity to the assumption, the same method used to calculate the liability recognised in the Balance Sheet has been applied. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared with the previous year.

## G. Maturity analysis of the benefit payments from the fund

| Projected benefits payable in future years from the date of reporting | Retirement Benefit Plans | | Other Post-Employment Benefit Plans | |
|---|---|---|---|---|
| | As at 31st March, 2025 | As at 31st March, 2024 | As at 31st March, 2025 | As at 31st March, 2024 |
| 1st following year | 150 | 141 | 17 | 18 |
| 2nd following year | 127 | 123 | 18 | 18 |
| 3rd following year | 127 | 119 | 19 | 19 |
| 4th following year | 121 | 119 | 19 | 20 |
| 5th following year | 117 | 113 | 20 | 20 |
| Sum of year 6th to 10th | 423 | 400 | 107 | 109 |

(All amounts in ₹ crores, unless otherwise stated)

## H. Weighted average duration and expected employers contribution for the next year for each of the defined benefit plan

| | Weighted average duration (years) | | Expected Employers contribution for the next year |
|---|---|---|---|
| | Year ended 31st March, 2025 | Year ended 31st March, 2024 | |
| Gratuity Plan | 6.8 | 6.7 | 78 |
| Management Pension | 7.0 | 6.9 | 0 |
| Officer's Pension | 3.0 | 2.3 | 0 |
| Provident Fund Plan I | 7.3 | 7.2 | 120 |
| Provident Fund Plan II | 7.3 | 7.2 | 11 |
| Post-retirement medical benefits Plan I | 9.5 | 9.3 | - |
| Post-retirement medical benefits Plan II | 13.9 | 13.8 | - |

## III OTHER SHORT-TERM BENEFITS

### Compensated absences

Employee Benefit expenses for the year include ₹15 crores (FY 2023-24 : ₹13 crores) towards compensated absences.

Provision for compensated absences as on 31st March, 2025 is ₹53 crores (31st March, 2024 : ₹46 crores).

## NOTE 42 SHARE BASED PAYMENTS

Refer note 32 for accounting policy on Share Based Payments

## A. Holding Company

As at 31st March, 2025, the Group had multiple Share based payment plans to its employees including Executive Directors and Key Management.

### Cash Settled Share Based Payments

As at 31st March, 2025, the Group has multiple Share plans under which employees are granted Unilever PLC's shares. The major share-based plans are explained below:

#### (a) Performance Share Plans (PSP)

From 2021, under PSP scheme, eligible employees receive annual awards of Unilever PLC shares. The awards vest between 0% and 200% of grant level (limits for Executive Directors may vary) based on the performance measures which are percentage business winning, cumulative free cash flow, underlying return on invested capital, sustainability progress index for the Group. The awards vest after 3 years. In 2024, the Group modified the PSP scheme to only eligible employees. The performance measures for PSP awards from 2024 are underlying sales growth, underlying return on invested capital, relative total shareholder return and sustainability progress index.

#### (b) Annual Share Plans (ASP)

From 2024, under the ASP award, eligible employees receive Unilever PLC shares which will vest after 3 years and are not subject to any performance conditions. The performance measures for ASP are in-year business performance and impact, leadership and future fitness of an individual with a range of 0% – 200%. The awards under ASP vest after 3 years with no business performance conditions being applied at the time of vesting.

#### (c) Management Co-Investment Plan (MCIP)

The MCIP allowed eligible employees to invest up to 100% of their annual bonus (a minimum of 33% and maximum of 67% for Executive Directors) in shares of Unilever PLC and to receive a corresponding award of performance-related shares. The awards vest between 0% and 200% of grant level (limits for Executive Directors may vary) based on the performance measures which are underlying sales growth, underlying EPS growth, return on invested capital and sustainability progress index. The awards vest after 4 years. MCIP awards were last granted in 2020 and vested in 2024. No further MCIP awards were made.

(All amounts in ₹ crores, unless otherwise stated)

### Equity Settled Share Based Payments

In the year 2024, the Holding Company announced "HUL PSP" scheme 2024. Under this scheme, specific eligible employees of HUL and its wholly owned subsidiaries are awarded with HUL share options. HUL PSP vesting to managers at higher work levels is based on underlying sales growth, underlying return on invested capital, relative total shareholder return and sustainability progress index. The scheme partly substitues compensation of eligible employees from fully denominated 100% Unilever PLC Shares, to a new ratio of 62% Unilever PLC Shares under the Unilever ASP or PSP scheme and 38% HUL shares under HUL PSP scheme. There are no modifications to terms and conditions on determination of value of grant for award or the vesting conditions vis a vis the Unilever ASP or PSP Scheme.

The HUL Performance Share Plan 2024 includes employees of Hindustan Unilever Limited and its subsidiaries.

| Scheme | Year | Date of Grant | Numbers of options granted | Vesting Conditions | Exercise Period | Exercise Price (₹) per share | Weighted Average Exercise Price (₹) per share | Weighted Average Duration in month |
|---|---|---|---|---|---|---|---|---|
| HUL PSP 2024 | 2024 | 17-Jun-24 | 1,96,994 | After three years from date of grant on meeting performance condition | 3 years from date of vesting | 1.00 | 1.00 | 29.3 |
| | 2025 | 09-Mar-25 | 2,21,395 | | 3 years from date of vesting | 1.00 | 1.00 | |

| Scheme | Scheme Grant Year | Financial Year | Number of Share Options | | | | |
|---|---|---|---|---|---|---|---|
| | | | Outstanding at the beginning of the year | Granted during the year | Forfeited/ Expired during the year | Exercised during the year | Outstanding at the end of the year |
| HUL PSP 2024 | 2024 | 2024-25 | - | 1,96,994 | (21,612) | - | 1,75,382 |
| | 2025 | 2024-25 | - | 2,21,395 | - | - | 2,21,395 |

## B. Subsidiary

### Cash Settled Share Based Payments

Zywie Ventures Private Limited has implemented a graded vesting cash-settled Employee Stock Option plan for eligible employees. Under this scheme, awards linked to the value of company shares may be granted at preferential terms, as determined by the Board of Directors from time to time. These awards vest over a four-year period, subject to conditions including continued service with the company. The Board reserves the right to accelerate vesting at its sole discretion under specific circumstances.

### Effect of share based payment transactions on the consolidated balance sheet:

| | As at 31st March, 2025 | As at 31st March, 2024 |
|---|---|---|
| Other non-current financial liabilities | 222 | 260 |
| Other current financial liabilities | 237 | 189 |
| **Total carrying amount of liabilities** | **459** | **449** |

### Effect of share based payment transactions on the consolidated statement of profit and loss:

| | Year ended 31st March, 2025 | Year ended 31st March, 2024 |
|---|---|---|
| Cash settled share based payments | 97 | 169 |
| Equity settled share based payments | 11 | - |
| **Total expense on share based payments** | **108** | **169** |

(All amounts in ₹ crores, unless otherwise stated)

## NOTE 43 BUSINESS COMBINATION

As per Ind AS 103, Business combinations are accounted for using the acquisition accounting method as at the date of the acquisition, which is the date at which control is transferred to the Group. The consideration transferred in the acquisition and the identifiable assets acquired and liabilities assumed are recognised at fair values on their acquisition date. Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. The Group recognises any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets. Consideration transferred does not include amounts related to settlement of pre-existing relationships. Such amounts are recognised in the consolidated statement of profit and loss.

Transaction costs are expensed in the consolidated statement of profit and loss as incurred, other than those incurred in relation to the issue of debt or equity securities which are directly adjusted in other equity. Any contingent consideration payable is measured at fair value at the acquisition date. Subsequent changes in the fair value of contingent consideration are recognised in the consolidated statement of profit and loss.

### Business combination under common control entities

Business combination involving companies in which all the combining companies are ultimately controlled by the same holding party, both prior and after the business combination are treated as per the pooling of interest method.

The pooling of interest method involves the following:

(i) The assets and liabilities of the combining entities are reflected at their carrying amounts.

(ii) No adjustments are made to reflect fair values, or recognise any new assets or liabilities.

(iii) The financial information in the consolidated financial statements in respect of prior periods are restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination.

The identity of the reserves is preserved, and they appear in the financial statements of the transferee company in the same form in which they appeared in the financial statements of the transferor company. The difference, if any, between the consideration and the amount of share capital of the transferor company is transferred to capital reserve.

### I Investment in Uprising Science Private Limited

Pursuant to the approval of Board of Directors at their meeting held on 22nd January, 2025, the Holding Company signed and executed a Share Purchase and Subscription Agreement for acquisition of 90.5% of shareholding of Uprising Science Private Limited (USPL). USPL is engaged in the business of skin care and hair care under the brand 'Minimalist. The Holding Company has completed the acquisition of the aforesaid stake on 21st April, 2025 for a consideration of ₹2,706 crores This has no impact on the consolidated financial statements for the year ended as at 31st March, 2025.

The acquisition will mark another key step to grow the Group's Beauty & Wellbeing portfolio in high growth demand spaces.

The Holding Company is in the process of finalising the accounting for acquisition of USPL as of 24th April, 2025. The fair value measurement of identifiable assets (including trade receivables) and liabilities and the provisional purchase price allocation pursuant to Ind AS 103 is in progress as at date of approval of these financial statements.

### II Merger of Ponds Exports Limited ("PEL") and Jamnagar Properties Private Limited (''JPPL'') with Unilever India Exports Limited (''UIEL'')

Pursuant to a scheme of arrangement, below entities were merged with Unilever India Exports Limited ('UIEL'), a wholly owned subsidiary of HUL w.e.f. 13th February, 2024:

i. Pond's Export Limited ('PEL'), a subsidiary of HUL, where HUL held 90% and UIEL held 10% of share capital;

ii. Jamnagar Properties Private Limited, a wholly owned subsidiary of HUL.

PEL and JPPL had no business activity.

(All amounts in ₹ crores, unless otherwise stated)

As part of the 'Merger Order' from NCLT vide order dated 16th January, 2024, the consideration to each equity shareholder of PEL and JPPL is:

a. 1 equity share of the merged entity of ₹10 each, against 1,99,00,147 paid up equity shares of ₹1 each of PEL

b. 1 equity share of the merged entity of ₹10 each, against 50,00,000 paid up equity shares of ₹10 each of JPPL

Since the merger is of entities under common control, it is accounted for using the pooling of interest method as per Ind AS 103.

In the previous financial year, ₹7 crores have been transferred from retained earnings to capital reserves, on account of merger of PEL and JPPL with UIEL under common control as per IND AS 103.

## III Amalgamation of GlaxoSmithKline Consumer Healthcare Limited

On 1st April, 2020, the Holding Company completed the merger of GlaxoSmithKline Consumer Healthcare Limited ['GSKCH'] via an all-equity merger under which 4.39 shares of HUL (the Holding Company) were allotted for every share of GSKCH. With this merger the Holding Company acquired the business of GSKCH including the Right to Use asset of brand Horlicks and Intellectual Property Rights of brands like Boost, Maltova and Viva. The Holding Company also acquired the Horlicks intellectual property rights, being the legal rights to the Horlicks brand for India from GlaxoSmithKline Plc.

The scheme of merger ("scheme") submitted by the Holding Company was approved by Hon'ble National Company Law Tribunal by its order dated 24th September, 2019 (Mumbai bench) and 12th March, 2020 (Chandigarh bench). The Board of Directors approved the scheme between the Holding Company and GSKCH, on 1st April, 2020. The scheme was filed with Registrar of Companies on the same date. Accordingly, 1st April, 2020 was considered as the acquisition date, i.e. the date at which control is transferred to the Holding Company.

The merger had been accounted for using the acquisition accounting method under Ind AS 103 – Business Combinations. All identified assets acquired, and liabilities assumed on the date of merger were recorded at their fair value.

### (A) Purchase consideration transferred:

The total consideration paid was ₹40,242 crores which comprised of shares of the Holding Company, valued based on the share price of the Holding Company on the completion date. Refer to the details below:

As per the scheme, the Holding Company issued its shares in favour of existing shareholders of GSKCH such that 4.39 of Holding Company's shares were allotted for every share of GSKCH as below.

| | Amount |
|---|---|
| Total number of GSKCH shares outstanding | 4,20,55,538 |
| Total number of Holding Company's shares issued to GSKCH shareholders i.e.,4.39 of Company's shares per share of GSK CH | 18,46,23,812 |
| Value of the Holding Company share (closing price of the Company share on NSE as on 1st April, 2020) | 2,179.65 |
| **Total consideration paid to acquire GSKCH (₹ crores)** | **40,242** |

(a) Total costs relating to the issuance of shares amounting to ₹44 crores was recognised against equity.

(b) Transaction cost of ₹146 crores that were not directly attributable to the issue of shares was included under exceptional items in the consolidated statement of profit and loss.

### (B) Assets acquired, and liabilities assumed is as under:

| | Amount |
|---|---|
| Total identifiable assets (A) | 31,445 |
| Total identifiable liabilities (B) | 8,468 |
| Goodwill (C) | 17,265 |
| **Total Net Assets [ (A)-(B)+(C) ]** | **40,242** |

The main assets acquired were Right to use Horlicks and Boost brand which were valued using the income approach model by estimating future cashflows generated by these assets and discounting them to present value using rates in line with a market participant expectation.

In addition, as applicable, Property, plant & equipment have been valued using the market comparison technique and replacement cost method.

(All amounts in ₹ crores, unless otherwise stated)

### (C) Acquisition of Horlicks Brand:

The Holding Company also acquired the Horlicks Intellectual Property Rights (IPR), being the legal rights to the Horlicks brand for India from GlaxoSmithKline Plc for a consideration of ₹3,045 crores. The transaction has been accounted as an asset acquisition in line with Ind AS 38 (Intangible assets).

The Holding Company incurred transaction cost of ₹91 crores for the above asset acquisition which was capitalised along with Horlicks IPR. Total value of ₹3,136 crores is recognised under Intangible assets in the consolidated financial statements.

## NOTE 43A STRATEGIC INVESTMENTS

### Investment in Lucro Plastecycle Private Limited

The Board of Directors at its meeting held on 20 March, 2025 has approved the investment for acquiring 14.3% stake, on fully diluted basis, in Lucro Plastecycle Private Limited ('Lucro'), a leading player in recycled flexible plastics, subject to customary closing adjustments and fulfilment of closing conditions. The Holding Company has completed the acquisition of the aforesaid stake on 23rd April, 2025 for a consideration of ₹100 crores. This has no impact on the consolidated financial statements as at and for the year ended 31st March, 2025.

## NOTE 44 DISCLOSURES PURSUANT TO REGULATION 34 (3) OF SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND SECTION 186 OF THE COMPANIES ACT, 2013

| | As at 31st March, 2025 | As at 31st March, 2024 |
|---|---|---|
| **(A) Loans to others** | | |
| Balance as at the beginning of the year | 5 | 6 |
| Loans given | 11 | - |
| Loans repaid | 11 | 1 |
| Balance as at the end of the year | 5 | 5 |
| Maximum amount oustanding at any time during the year | 5 | 6 |
| **(B) Details of Non-current Investments made by the Group** | | |
| **(a) Equity Instruments** | | |
| **(i) Quoted equity instruments** | | |
| Nil equity shares [31st March, 2024: 10,000] of ₹10 each held in Scooters India Limited | - | - |
| **(ii) Unquoted equity instruments** | | |
| 1,00,000 equity shares [31st March, 2024: 1,00,000] of ₹10 each held in Biotech Consortium India Limited | 0 | 0 |
| 8,284 equity shares [31st March, 2024: 8,284] of ₹10 each held in Assam Bengal Cereals Limited | 0 | 0 |
| 200 equity shares [31st March, 2024: 200] of ₹100 each held in The Nilgiri Co-operative Enterprises Limited | 0 | 0 |
| 1,000 equity shares [31st March, 2024: 1,000] of ₹10 each held in Saraswat Co-operative Bank Limited | 0 | 0 |
| 96,125 equity shares [31st March, 2024: 96,125] of ₹10 each held in Hindustan Field Services Private Limited | 0 | 0 |
| 1 equity share [31st March, 2024: 1] of ₹10,000 each held in Coffee Futures India Exchange Limited | 0 | 0 |
| 50 equity shares [31st March, 2024: 50] of ₹100 each held in Dugdha Sahakari Kraya-Vikraya Samiti Limited | 0 | 0 |
| 1,150 equity shares [31st March, 2024: 1,150] of ₹100 each held in Annamallais Ropeway Company Limited | 0 | 0 |

(All amounts in ₹ crores, unless otherwise stated)

| | As at 31st March, 2025 | As at 31st March, 2024 |
|---|---|---|
| 1,000 equity shares [31st March, 2024: 1,000] of ₹10 each held in Super Bazar Co-op. Stores Limited | 0 | 0 |
| 2,40,000 equity shares [31st March, 2024: 2,40,000] of ₹10 each held in Comfund Consulting Limited (formerly known as Comfund Financial Services India Limited) [Net of impairment: ₹0 crore (31st March, 2024: ₹0 crore)] | - | - |
| 52,000 equity shares [31st March, 2024: 52,000] of ₹100 each held in Aquagel Chemicals Bhavanagar Private Limited | 1 | 1 |
| 26,000 equity shares [31st March, 2024: 26,000] of ₹10 each held in Transition Sustainable Energy Services One Private Limited* | 0 | 0 |
| **Total (a)** | **1** | **1** |
| **(b) Other Instruments** | | |
| **(i) Unquoted investment in debentures and bonds** | | |
| 14 6 1/2% Non-redeemable Registered Debentures [31st March, 2024: 14] face value of ₹1,000 each held in The Bengal Chamber of Commerce & Industry | 0 | 0 |
| 44 1/2% Debentures [31st March, 2024: 44] face value of ₹100 each held in Woodlands Hospital and Medical Research Centre Limited | 0 | 0 |
| 1 5% Non-redeemable Registered Debenture stock [31st March, 2024: 1] face value of ₹100 each held in Woodlands Hospital and Medical Research Centre Limited | 0 | 0 |
| 56 5% Debentures [31st March, 2024: 56] face value of ₹100 each held in Shillong Club Limited | 0 | 0 |
| **(ii) Unquoted investment in National Savings Certificates** | | |
| 7 Year National Savings Certificates - II Issue | 0 | 0 |
| **(iii) Unquoted investment in preference shares** | | |
| 1,04,000 9% Cumulative Redeemable Preference Shares [31st March, 2024: 1,04,000] of ₹100 each held in Aquagel Chemicals Bhavanagar Private Limited | 1 | 1 |
| **Total (b)** | **1** | **1** |
| **Total (a)+(b)** | **2** | **2** |

*The Group invested in equity instruments of Transition Sustainable Energy Services One Private Limited. It is a Special Purpose Vehicle formed under the Government's Group Captive Open Access Renewable Energy Scheme. It aims to generate renewable energy by setting up solar energy park in Rajasthan. This investment is a strategic partnership with the Brookfield Group and will contribute towards achieving Net zero goals by increasing green energy consumption in our units.

As per the Shareholders Agreement, the Group does not have power to participate in the financial and operating policy decisions of the company and hence does not exercise significant influence.

**(c)** Refer note 5 for details of Investments in joint venture.

**(d)** The Group has not provided any security covered under Section 186 and accordingly, the disclosure requirements to that extent does not apply to the Group.

(All amounts in ₹ crores, unless otherwise stated)

## NOTE 45 RELATED PARTY DISCLOSURES

| | | | |
|---|---|---|---|
| **A.** | **Enterprises exercising control** | | |
| | Ultimate Holding Company | : | Unilever PLC |
| **B.** | **Subsidiaries of Holding Company** | : | Unilever Asia Private Limited<br>Unilever Lipton Ceylon Limited<br>GlaxoSmithKline Bangladesh Limited<br>Lipton Soft Drinks Ireland<br>Unilever Bangladesh Limited<br>Unilever Korea Chusik Hoesa<br>Unilever IP Holdings B.V<br>Unilever Japan K.K.<br>Unilever Global IP Limited<br>Unilever Gulf Fze<br>Unilever (Malaysia) Holdings S<br>Unilever Europe Business Centre<br>Unilever Supply Chain Company<br>Unilever Hongkong Limited<br>Unilever Industries Private Limited<br>Unilever Southafrica(Pty)Limited<br>PT Unilever Oleochemical Indonesia<br>Unilever Cote D'Ivoire<br>Unilever Kenya Limited<br>Unilever Singapore Pte Limited<br>Conopco, Inc.<br>Unilever Europe - IT<br>Unilever U.K. Central Resource<br>Immobilia Transhome B.V.<br>Wall's (China) Co. Limited<br>Unilever Thai Trading Limited<br>Dermalogica, LLC<br>Unilever Ventures India Advisory<br>Unilever UK Limited<br>Unilever Sri Lanka Limted |
| **C.** | **Entity in which director or their relative has significant influence** | : | Deloitte Touche Tohmatsu India LLP (upto 30th September,2024)<br>Fractal Analytics Private Limited<br>CalvinBall Technologies |
| **D.** | **Post employment benefit plans** | : | The Union Provident Fund<br>Hindustan Lever Gratuity Fund<br>The Hindlever Pension Fund<br>Hindlever Limited Superannuation Fund<br>GlaxoSmithKline Consumer Healthcare Limited Provident Fund |
| **E.** | **Trust** | : | Hindustan Unilever Limited Securitisation of Retirement Benefit Trust |

(All amounts in ₹ crores, unless otherwise stated)

**F. Key Management Personnel and Senior Management**

| | | |
|---|---|---|
| **(a) Key Management Personnel (HUL)** | : | Rohit Jawa<br>Ritesh Tiwari<br>Radhika Shah (with effect from 1st January, 2025)<br>Sanjiv Mehta (upto 27th June, 2023)<br>Dev Bajpai (upto 31st December, 2024) |
| **(b) Key Management Personnel (Group Entities)** | : | Shraman Jha<br>Vipul Chaturvedi (with effect from 20th April, 2024)<br>Priya Maheshwari (with effect from 22nd January, 2025)<br>Abhishek Aggarwal (upto 29th November, 2024) |
| **(c) Senior Management** | : | Yogesh Mishra<br>Srinandan Sundaram<br>Arun Neelakantan<br>Harman Dhillon (with effect from 1st April, 2024)<br>K Shivaramakrishnan (with effect from 1st April, 2024)<br>Biddappa Bittianda Ponnappa (with effect from 1st June, 2024)<br>Vipul Mathur (with effect from 1st June, 2024)<br>Vivek Mittal (with effect from 26th February, 2025)<br>Madhusudhan Rao (upto 31st March, 2024)<br>Deepak Subramanian (upto 31st March, 2024)<br>Anuradha Razdan (upto 31st May, 2024)<br>Kedar Lele (upto 30th June, 2024) |
| **(d) Non-Executive Directors** | : | Nitin Paranjpe<br>Leo Puri<br>Ashu Suyash<br>Ranjay Gulati<br>Neelam Dhawan<br>Tarun Bajaj<br>Ashish Gupta (up to 27th June, 2023)<br>Sanjiv Misra (upto 29th June, 2024)<br>O. P. Bhatt (upto 29th June, 2024)<br>Kalpana Morparia (upto 9th October, 2024) |

(All amounts in ₹ crores, unless otherwise stated)

## Disclosure of transactions between the Group and Related Parties and the status of outstanding balances as at 31st March, 2025

| | | | Year ended 31st March, 2025 | Year ended 31st March, 2024 |
|---|---|---|---|---|
| **Parent Company** | : | **Transactions during the year :** | | |
| | | Dividend paid | 5,906 | 4,457 |
| | | Royalty expense | - | 2 |
| | | Expenses for other services received | 660 | 600 |
| | | Reimbursements paid | 81 | 54 |
| | | **Outstanding as at the year end :** | | |
| | | - Trade payables | 432 | 411 |
| | | - Trade receivables | - | 0 |
| **Fellow Subsidiaries / Trust** | : | **Transactions during the year :** | | |
| | | Dividend paid | 1,802 | 1,360 |
| | | Purchase of finished goods/raw materials etc | 1,772 | 691 |
| | | Royalty expense | 1,269 | 1,131 |
| | | Sale of finished goods/raw materials etc | 932 | 941 |
| | | Fees for central services | 860 | 784 |
| | | Income from services rendered | 464 | 354 |
| | | Maintenance and support costs for licences and software | 144 | 125 |
| | | Reimbursements paid | 116 | 70 |
| | | Marketing Development Cost | 95 | 78 |
| | | Reimbursements received | 64 | 75 |
| | | Gains/Losses on Commodity Hedge | 50 | 135 |
| | | Reimbursement received/ receivable towards pension and medical benefits | 32 | 31 |
| | | Rent income | 16 | 12 |
| | | Expenses for services received | 18 | 29 |
| | | Expenses shared by fellow subsidiaries | 6 | 6 |
| | | Purchase of Export Duty Scrips | 5 | 2 |
| | | Contribution to foundation | 2 | 3 |
| | | **Outstanding as at the year end :** | | |
| | | - Trade receivables | 458 | 347 |
| | | - Trade payables | 789 | 627 |
| **Entity in which director or their relative has significant influence** | : | Professional fees | 5 | 8 |
| **Key Management Personnel and Senior Management** | | | | |
| **(a) Key Management Personnel** | : | Remuneration : | 42 | 41 |
| | | - Short-term employee benefits | 1 | 1 |
| | | - Post-employment benefits | 8 | 9 |
| | | - Share-based payments | 0 | 0 |
| | | Dividend paid | | |
| **(b) Senior Management** | : | Remuneration : | | |
| | | - Short-term employee benefits | 46 | 40 |
| | | - Post-employment benefits | 2 | 2 |
| | | - Share-based payments | 13 | 13 |
| | | Dividend paid | 0 | 0 |
| **(c) Non-executive Directors** | : | Remuneration : | | |
| | | -Commission paid | 4 | 2 |
| | | Dividend paid | 1 | 0 |
| **Post employment benefit plans** | : | Contributions during the year (Employer's contribution only) | 93 | 94 |

(All amounts in ₹ crores, unless otherwise stated)

### Terms and conditions of transactions with related parties

All Related Party Transactions entered during the year were in ordinary course of the business and on arm's length basis. Outstanding balances at the year-end are unsecured and gross amounts are settled in cash.

There have been no guarantees provided or received for any related party receivables or payables. For the year ended 31st March, 2025, the Group has not recorded any impairment of receivables relating to amounts owed by related parties (FY 2023-24: ₹ Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

## NOTE 46

The Group has a process whereby periodically all long term contracts (including derivative contracts) are assessed for material foreseeable losses. At the year end, the Group has reviewed and there are no long term contracts for which there are any material foreseeable losses. The Group has ensured that adequate provision as required under any law/ accounting standards for material foreseeable losses on derivative contracts has been made in the books of accounts.

## NOTE 47 SEGMENT INFORMATION

The Operating Segment is the level at which discrete financial information is available. Business segments are identified considering :

a) the nature of products and services

b) the differing risks and returns

c) the internal organisation and management structure, and

d) the internal financial reporting systems.

Revenue and expenses directly attributable to segments are reported under each reportable segment. Exceptional items and other expenses which are not attributable or allocable to segments are disclosed separately. Assets and liabilities that are directly attributable or allocable to segments are disclosed under each reportable segment. All other assets and liabilities are disclosed as unallocable assets and liabilities.

### Business Segments

The Group has determined following reporting segments based on the information reviewed by the Group's Chief Operating Decision Maker ('CODM').

a) Home Care includes detergent bars, detergent powders, detergent liquids, scourers, etc.

b) Beauty & Wellbeing includes Skin Care, Hair Care, etc.

c) Personal Care includes Skin Cleansing, Oral Care, etc.

c) Foods includes culinary products (tomato based products, fruit based products, soups, etc.), tea, coffee, Lifestyle Nutrition, ice-cream and frozen desserts.

d) Others includes exports, consignment etc.

The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Management Committee.

(All amounts in ₹ crores, unless otherwise stated)

Segment revenue relating to each of the above domestic business segments includes Income from Services provided to group companies, where applicable. Segment results relate to profit before other income, finance costs, exceptional items and tax.

| | Year ended 31st March, 2025 Total* | Year ended 31st March, 2024 Total* |
|---|---|---|
| **REVENUE** | | |
| Home Care | 22,958 | 21,882 |
| Beauty & Wellbeing | 13,523 | 13,037 |
| Personal Care | 9,166 | 9,411 |
| Foods | 15,294 | 15,291 |
| Others (includes Exports, Consignment, etc.) | 2,180 | 2,275 |
| **Total Revenue** | **63,121** | **61,896** |
| **RESULT** | | |
| Home Care | 4,429 | 4,127 |
| Beauty & Wellbeing | 4,188 | 4,149 |
| Personal Care | 1,631 | 1,661 |
| Foods | 2,808 | 2,851 |
| Others (includes Exports, Consignment, etc.) | 440 | 659 |
| **Total Segment Results** | **13,496** | **13,447** |
| Finance costs | (395) | (334) |
| Other Income | 1,017 | 811 |
| **Profit before exceptional items and tax** | **14,118** | **13,924** |
| Share of net profit/ (loss) of investments accounted for using equity method (net of income tax) | (8) | (4) |
| Exceptional items - income/(expenditure) | 305 | 6 |
| **Profit before tax** | **14,415** | **13,926** |
| **Tax expense** | | |
| Current tax | (3,620) | (3,521) |
| Deferred tax charge/(credit) | (124) | (123) |
| **Profit for the year** | **10,671** | **10,282** |
| Less: Non-Controlling Interest | (22) | (5) |
| **Profit for the year** | **10,649** | **10,277** |

*There are no intersegment transactions.

| | Segment Assets | | Segment Liabilities | |
|---|---|---|---|---|
| | As at 31st March, 2025 | As at 31st March, 2024 | As at 31st March, 2025 | As at 31st March, 2024 |
| Home care | 5,573 | 5,016 | 5,257 | 5,203 |
| Beauty & Wellbeing* | 4,391 | 4,085 | 4,252 | 3,374 |
| Personal Care | 3,692 | 3,429 | 2,691 | 2,459 |
| Foods | 51,571 | 50,666 | 3,730 | 3,734 |
| Others (includes Exports, Consignment, etc.) | 1,122 | 1,126 | 473 | 440 |
| **Total** | **66,349** | **64,322** | **16,403** | **15,210** |
| Unallocated Corporate Assets / (Liabilities) | 13,531 | 14,177 | 13,868 | 11,866 |
| **Total Assets / (Liabilities)** | **79,880** | **78,499** | **30,271** | **27,076** |

*7,256 equity shares of ₹10 each and 36,480 compulsorily convertible preference shares of ₹100 each held in Investment in Nutritionalab Private Limited amounting to ₹57 crores (2023-24: ₹65 crores).

(All amounts in ₹ crores, unless otherwise stated)

| | Year ended 31st March, 2025 | | | Year ended 31st March, 2024 | | |
|---|---|---|---|---|---|---|
| | Capital expenditure | Depreciation/ Amortisation* | Non-cash expenses other than depreciation | Capital expenditure | Depreciation/ Amortisation * | Non-cash expenses other than depreciation |
| Home care | 477 | 279 | 82 | 622 | 258 | 49 |
| Beauty & Wellbeing | 293 | 293 | 50 | 374 | 290 | 33 |
| Personal Care | 688 | 346 | 33 | 542 | 286 | 21 |
| Foods | 537 | 363 | 55 | 763 | 334 | 34 |
| Others (includes Exports, Consignment, etc.) | 55 | 49 | 7 | 78 | 48 | 4 |

*In addition to the above, ₹8 crores (31st March, 2024 : ₹0 crore) of accelerated depreciation has been charged to exceptional items under a restructuring project.

## Other Information

### Additional Information by Geographies

Although the Group's operations are managed by product area, we provide additional information based on geographies.

| | Year ended 31st March, 2025 | Year ended 31st March, 2024 |
|---|---|---|
| **Revenue by Geographical Market** | | |
| India | 60,556 | 59,629 |
| Outside India | 2,565 | 2,267 |
| | **63,121** | **61,896** |
| **Carrying Amount of Segment Assets** | | |
| India | 65,742 | 63,821 |
| Outside India | 607 | 501 |
| | **66,349** | **64,322** |

## Revenue from major customers

The Group is not reliant on revenues from transactions with any single external customer and does not receive 10% or more of its revenues from transactions with any single external customer.

**Notes**

**(a) Revenue comprises :**

| | Year ended 31st March, 2025 | Year ended 31st March, 2024 |
|---|---|---|
| Sale of products | 62,175 | 60,852 |
| Sale of services | 113 | 114 |
| Income from services rendered | 463 | 350 |
| Commission income on consignment sales | - | 202 |
| Government grants (GST budgetary support, Production linked incentives and Export incentives) | 240 | 171 |
| Others (including scrap sales, rentals, etc) | 130 | 207 |
| **Total** | **63,121** | **61,896** |

(All amounts in ₹ crores, unless otherwise stated)

## NOTE 48 COMPLIANCE WITH APPROVED SCHEME(S) OF ARRANGEMENTS

(i) The Board of Directors of the Group at its meeting held on 22nd January, 2025 has, subject to necessary approvals, approved a Scheme of Arrangement amongst Hindustan Unilever Limited ('Demerged Group Company') and Kwality Wall's (India) Limited ('Resulting Company') and their respective shareholders and creditors under Section 230 to 232 read with the other applicable provisions of the Companies Act, 2013 ('Scheme').

The Scheme, inter alia, provides for demerger of the Demerged Undertaking (as defined in the Scheme) comprising the Ice Cream Business of the Demerged Group Company into the Resulting Company on a going concern basis and the consequent issuance of Equity Shares by the Resulting Company to all the shareholders of the Demerged Group Company as per the Share Entitlement Ratio defined therein, and in accordance with Section 2(19AA) read with other relevant provisions of the Income-tax Act, 1961.

The Scheme is subject to requisite approvals, including approval of the National Company Law Tribunal, Mumbai Bench. Accordingly, no accounting effect in respect of the Scheme has been given in these Financial Statements.

(ii) During the FY 2020-2021, the Group completed the merger of GSK CH via an all equity merger. The merger was accounted for in accordance with the scheme using the acquisition accounting method under Ind AS 103 – Business Combinations. All identified assets acquired, and liabilities assumed on the date of merger were recorded at their fair value.

(iii) Pursuant to a scheme of arrangement, below entities were merged with Unilever India Exports Limited ('UIEL'), a wholly owned subsidiary of HUL w.e.f. 13th February, 2024:

i. Pond's Export Limited ('PEL'), a subsidiary of HUL, where HUL held 90% and UIEL held 10% of share capital;

ii. Jamnagar Properties Private Limited ('JPPL'), a wholly owned subsidiary of HUL.

PEL and JPPL had no business activity.

## NOTE 49 DISCLOSURE OF TRANSACTIONS WITH STRUCK OFF COMPANIES

The Group did not have any material transactions with companies struck off under Section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956 during FY 2024-25 and FY 2023-24.

## NOTE 50

No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Group to or in any other person(s) or entity(ies), including foreign entities ('Intermediaries') with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Group ('Ultimate Beneficiaries'). The Group has not received any fund from any party(s) ('Funding Party') with the understanding that the Group shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Group or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

## NOTE 51

The proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 inserted by the Companies (Accounts) Amendment Rules 2021 requires companies, which uses accounting software for maintaining its books of accounts, to use only such accounting software which has a feature of recording audit trail of each and every transaction, creating an edit log of each change made in the books of accounts along with the date when such changes were made and ensuring that the audit trail cannot be disabled.

The Group has used accounting software for maintaining its books of account, which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the respective software. Further, where the audit trail (edit log) facility was enabled and operated, the audit trail feature has not been tampered with.

The back-up of audit trail (edit log) has been maintained on the servers physically located in India for financial year ended 31st March, 2025. The daily back-up of audit trail (edit log) in respect of its primary accounting software, an accounting software for maintaining purchase orders and an accounting software for journal entries has been maintained on the servers physically located in India from 3rd March, 2025, 19th October, 2024 and 19th December, 2024 onwards, respectively.

(All amounts in ₹ crores, unless otherwise stated)

## NOTE 52

### A. No transactions to report against the following disclosure requirements as notified by MCA pursuant to amended Schedule III:

(a) Crypto Currency or Virtual Currency

(b) Benami Property held under Benami Transactions (Prohibition) Act, 1988 (45 of 1988)

(c) Registration of charges or satisfaction with Registrar of Companies

(d) Relating to borrowed funds:

i. Wilful defaulter

ii. Utilisation of borrowed funds & share premium

iii. Borrowings obtained on the basis of security of current assets

iv. Discrepancy in utilisation of borrowings

v. Current maturity of long term borrowings

### B. Following disclosures are not applicable for consolidated financial statements as per Schedule III:

(a) Title deeds of immovable properties

(b) Accounting ratios

## NOTE 53

There are no other subsequent events that occurred after the reporting date other than those mentioned in Notes 43 and 43A.

## NOTE 54

Figures for the previous year have been regrouped/rearranged, wherever considered necessary, to conform to current period's classification. The impact of such reclassification/ regrouping is not material to the financial statements.

As per our report of even date attached

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No. 001076N/N500013

**Aasheesh Arjun Singh**
Partner
Membership No. 210122

Mumbai: 24th April, 2025

For and on behalf of Board of Directors

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

**Ritesh Tiwari**
Executive Director, Finance & IT and
Chief Financial Officer
[DIN: 05349994]

**Ashu Suyash**
Chairperson - Audit Committee
[DIN: 00494515]

**Radhika Shah**
Company Secretary and
Compliance Officer
Membership No: A19308

**Shilpa Kedia**
Group Controller

Mumbai: 24th April, 2025

# Form AOC-1

Statement containing salient features of the consolidated financial statements of subsidiaries/joint ventures

(All amounts in ₹ crores, unless otherwise stated)

## Part A: Subsidiaries

| Sr no | Name of the subsidiary | Unilever India Exports Limited | Unilever Nepal Limited | Unilever Nepal Limited | Lakme Lever Private Limited | Unilever India Limited | Zywie Ventures Private Limited | Daverashola Estates Private Limited | Hindustan Unilever Foundation | Hindlever Trust Limited | Levindra Trust Limited | Kwality Wall's (India) Limited | Levers Associated Trust Limited |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | (note i) | (note ii, iii and iv) | | | | (note v) | | | | | | |
| | | Indian ₹ | Indian ₹ | Nepalese ₹ | Indian ₹ | Indian ₹ | Indian ₹ | Indian ₹ | Indian ₹ | Indian ₹ | Indian ₹ | Indian ₹ | Indian ₹ |
| 1 | The date since when subsidiary was acquired | 26-06-1963 | 22-06-1992 | | 19-12-2008 | 07-06-2020 | 10-01-2023 | 16-03-2005 | 19-12-2012 | 01-04-1958 | 11-12-1946 | 10-01-2025 | 11-12-1946 |
| 2 | Reporting period | 31-03-2025 | As at 31 Ashad 2081 (16 July 2024) | | 31-03-2025 | 31-03-2025 | 31-03-2025 | 31-03-2025 | 31-03-2025 | 31-03-2025 | 31-03-2025 | 31-03-2025 | 31-03-2025 |
| 3 | Share capital | 3 | 6 | 9 | 36 | 360 | 0 | 0 | 0 | 0 | 0 | 5 | 0 |
| 4 | Reserves & surplus | 341 | 289 | 462 | 245 | 157 | 46 | (1) | 1 | (0) | (0) | (0) | (0) |
| 5 | Total assets | 744 | 432 | 691 | 622 | 726 | 122 | - | 2 | 0 | 0 | 5 | 0 |
| 6 | Total Liabilities | 399 | 138 | 221 | 342 | 209 | 75 | 0 | 1 | - | - | (0) | - |
| 7 | Investments | 0 | - | - | - | - | - | - | - | - | - | - | - |
| 8 | Turnover | 1,258 | 513 | 821 | 349 | 1,453 | 257 | - | - | - | - | - | - |
| 9 | Profit / (loss) before taxation | 122 | 150 | 239 | 25 | 132 | (6) | - | 0 | (0) | (0) | - | (0) |
| 10 | Provision for taxation | (32) | (27) | (44) | (7) | (24) | 2 | - | - | - | - | - | - |
| 11 | Profit /(loss) after taxation | 91 | 122 | 196 | 18 | 108 | (5) | - | 0 | (0) | (0) | - | (0) |
| 12 | Proposed Dividend | - | - | - | - | - | - | - | - | - | - | - | - |
| 13 | % of shareholding | 100% | 80% | | 100% | 100% | 53.34% | 100% | 76% | 100% | 100% | 100% | 100% |

**Notes:**

i) Pursuant to a scheme of arrangement, below entities were merged with Unilever India Exports Limited ('UIEL'), a wholly owned subsidiary of HUL w.e.f. 13th February, 2024:

  i. Pond's Export Limited ('PEL'), a subsidiary of HUL, where HUL held 90% and UIEL held 10% of share capital;

  ii. Jamnagar Properties Private Limited ('JPPL'), a wholly owned subsidiary of HUL.

  PEL and JPPL had no business activity.

ii) Converted into Indian Rupees at the Exchange rate INR 1 = 1.6 Nepalese Rupees

iii) The financial statements have been audited by a firm of Chartered Accountants other than Walker Chandiok & Co. LLP.

iv) The financial statements are as on 31st March, 2025.

v) HUL has acquired 53.34% stake (51% on a fully diluted basis).

vi) Bhavishya Alliance Child Nutrition Initiatives, a Section 8 company and a wholly-owned subsidiary of HUL was voluntarily liquidated w.e.f. 27th December, 2023 vide order passed by the National Company Law Tribunal.

(All amounts in ₹ crores, unless otherwise stated)

## Part B: Joint Venture

| Sr no | Name of the Joint Venture | Nutritionalab Private Limited (Note i, ii and iii) |
|---|---|---|
| 1 | Latest audited Balance Sheet Date | 3/31/2024 |
| 2 | Shares of Joint Ventures held by the company on the year end | |
| | No. of equity shares | 7,256 |
| | No. of compulsorily convertible preference shares | 36,480 |
| | Amount of Investment in Joint Venture | 70 |
| | Extent of Holding % | 21.51% |
| 3 | Description of how there is significant influence | Shareholders' agreement |
| 4 | Reason why the joint venture is not consolidated | Not applicable |
| 5 | Networth attributable to Shareholding as per latest audited Balance Sheet | 3.70 |
| 6 | Profit / Loss for the year | |
| | i. Considered in Consolidation | (8) |
| | ii. Not Considered in Consolidation | (30) |

Notes:

i) The financial statements are unaudited and based on management accounts drawn up as on 31st March, 2025.

ii) HUL has acquired 21.51% stake (19.8% on a fully diluted basis).

iii) The financial statements reflect standalone balances for Nutritionalab Private Limited for year ended 31st March,2025.

iv) The Compay holds following investments in:

| | Holding |
|---|---|
| a. Comfund Consulting Limited | 24% in equity |
| b. Aquagel Chemicals (Bhavnagar) Private Limited | 26% in equity and preference capital cumulatively |
| c. Transition Sustainable Energy Services One Private Limited | 26% in equity |

However, since the Group does not exercise significant influence or control on decisions of the investees, these entities are not being construed as associate companies and therefore these have not been consolidated in the financial statements of the Group and its joint venture.

For and on behalf of Board of Directors

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

**Ritesh Tiwari**
Executive Director, Finance & IT and
Chief Financial Officer
[DIN: 05349994]

**Ashu Suyash**
Chairperson - Audit Committee
[DIN: 00494515]

**Radhika Shah**
Company Secretary and
Compliance Officer
Membership No: A19308

**Shilpa Kedia**
Group Controller

Mumbai: 24th April, 2025

# Notice of Annual General Meeting

Hindustan Unilever Limited

**Registered Office:** Unilever House, B.D. Sawant Marg, Chakala, Andheri (East), Mumbai – 400 099.

**CIN:** L15140MH1933PLC002030, **Website:** www.hul.co.in,

**E-mail:** levercare.shareholder@unilever.com, **Tel:** +91 22 5043 2791/ 5043 2792

NOTICE is hereby given that the 92nd Annual General Meeting of Hindustan Unilever Limited (the Company) will be held on Monday, 30th June, 2025 at 02:00 P.M. (IST) through Video Conferencing / Other Audio-Visual Means (VC / OAVM), to transact the following business. The venue of the meeting shall be deemed to be the Registered Office of the Company at Unilever House, B.D. Sawant Marg, Chakala, Andheri (East), Mumbai – 400 099.

## ORDINARY BUSINESS

1. To receive, consider and adopt the audited financial statements (including audited consolidated financial statements) for the financial year ended 31st March, 2025 and the Reports of the Board of Directors and Auditors thereon.

2. To confirm the payment of Interim Dividend of ₹29 per equity share of ₹1/- each (which includes a regular interim dividend of ₹19 and special dividend of ₹10 per equity share) and to declare Final Dividend of ₹24 per equity share of ₹1/- each for the financial year ended 31st March, 2025.

3. To appoint a Director in place of Mr. Nitin Paranjpe (DIN: 00045204), who retires by rotation and being eligible, offers his candidature for re-appointment.

4. To appoint a Director in place of Mr. Ritesh Tiwari (DIN: 05349994), who retires by rotation and being eligible, offers his candidature for re-appointment.

5. To appoint a Director in place of Mr. Biddappa Ponnappa Bittianda (DIN: 06586886), who retires by rotation and being eligible, offers his candidature for re-appointment.

## SPECIAL BUSINESS

### 6. Appointment of M/s. Parikh & Associates, Company Secretaries (ICSI Unique Code: P1988MH009800) as Secretarial Auditors of the Company:

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution:**

"**RESOLVED THAT** pursuant to provisions of Sections 204 and 179(3) of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 framed thereunder, Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s), re-enactment thereof for time being in force) and circulars issued thereunder from time to time, and based on the recommendation of the Audit Committee and the Board of Directors, M/s. Parikh & Associates, Company Secretaries (ICSI Unique Code: P1988MH009800), be and are hereby appointed as the Secretarial Auditors for the Company, to hold office for a term of five consecutive years i.e. from financial year 2025-26 to financial year 2029-30, on such remuneration as may be mutually agreed between the Board of Directors and the Secretarial Auditors.

**RESOLVED FURTHER THAT** the Board or any duly constituted Committee of the Board, be and is hereby authorised to do all acts, deeds, matters and things as may be deemed necessary and/or expedient in connection therewith or incidental thereto, to give effect to the foregoing resolution."

### 7. Ratification of remuneration to Cost Auditors for financial year ending 31st March, 2026:

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution:**

"**RESOLVED THAT** pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment thereof for the time being in force), the remuneration payable to M/s. R Nanabhoy & Co., Cost Accountants (Firm Registration No. 000010), appointed by the Board of Directors on the recommendation of the Audit Committee, as Cost Auditors of the Company to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2026, amounting to ₹16.2 lakhs (Rupees Sixteen lakhs and twenty thousand) plus applicable taxes and reimbursement of out-of-pocket expenses incurred in connection with the aforesaid audit, be and is hereby ratified."

## Notes for Members' Attention:

### Virtual Meeting

1. The Ministry of Corporate Affairs (MCA), vide its General Circular No. 20/2020 dated 5th May, 2020 read with the subsequent circulars issued from time to time, the latest one being General Circular No. 09/2024 dated 19th September, 2024 (MCA Circulars), has allowed the Companies to conduct the Annual General Meeting (AGM) through Video Conferencing (VC) or Other Audio-Visual Means (OAVM) till 30th September, 2025. In compliance with the provisions of the Companies Act,

2013 (the Act), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, (Listing Regulations) and MCA Circulars, the 92nd AGM of the Company shall be conducted through VC/OAVM. National Securities Depository Limited (NSDL) will be providing facilities in respect of:

(a) voting through remote e-voting;

(b) participation in the AGM through VC/ OAVM facility;

(c) e-voting during the AGM.

The procedure for participating in the meeting through VC/OAVM is explained at Note No. 19 below and is also available on the website of the Company at www.hul.co.in.

2. As per SEBI (Listing Obligations and Disclosure Requirements) (Third Amendment) Regulations, 2024 which came into effect from 13th December, 2024, the requirement to send proxy forms is not applicable to general meetings held only through electronic mode. As this AGM would be conducted through VC / OAVM, the requirement to provide facility for appointment of Proxy by the Members is not applicable. Hence, the Proxy Form and Attendance Slip including Route Map are not annexed to this Notice.

## Authorised Representative

3. Institutional / Corporate Members are entitled to appoint authorised representatives to attend, participate at the AGM through VC / OAVM and cast their votes through e-voting. Institutional / Corporate Members are requested to send a scanned copy (PDF / JPEG format) of the Board Resolution authorising its representatives to attend and vote at the AGM, pursuant to Section 113 of the Act, to the Scrutinizer at scrutinizer@snaco.net and to evoting@nsdl.com.

## Dispatch of Annual Report

4. In accordance with the circulars issued by MCA and SEBI, the Notice of the 92nd AGM along with the Integrated Annual Report for the financial year 2024-25 is being sent by electronic mode to Members whose e-mail ids are registered with the Company / Registrar & Share Transfer Agent (RTA) or the Depository Participants (DPs). Additionally, in accordance with Regulation 36(1)(b) of the Listing Regulations, the Company is also sending a letter to Members whose e-mail ids are not registered with Company/RTA/DP providing the weblink of Company's website from where the Integrated Annual Report for financial year 2024-25 can be accessed.

5. Those Members who are holding shares in physical form and have not updated their e-mail ids with the Company, are requested to update the same by submitting a duly filled and signed Form ISR-1 along with self-attested copy of the PAN Card, and self-attested copy of any document as address proof (e.g. Driving License, Voter Identity Card, Passport, Masked Aadhaar, etc.), to the Company's RTA at the below mentioned address or by e-mail to einward.ris@kfintech.com:

KFin Technologies Limited,
Unit – Hindustan Unilever Limited
Selenium Building, Tower-B, Plot No. 31 & 32,
Gachibowli Financial District, Nanakramguda,
Hyderabad, Telangana – 500 032.

## Process for registration of e-mail id to obtain electronic copy of Annual Report

6. Members holding shares in dematerialised (demat) mode are requested to register / update their e-mail ids with their relevant DPs. In case of any queries / difficulties in registering the e-mail ids with their DPs, Members may write to the Company's RTA at einward.ris@kfintech.com.

## Process for obtaining physical copy of Annual Report

7. As per Listing Regulations, physical copy of the Annual Report is required to be sent only to those Members who specifically request for the same. Accordingly, Members who wish to obtain a physical copy of the Integrated Annual Report for the financial year 2024-25, may write to the Company at levercare.shareholder@unilever.com, requesting for the same by providing their holding details.

8. The Notice of the 92nd AGM along with Integrated Annual Report for the financial year 2024-25, is available on the website of the Company at https://www.hul.co.in/investors/annual-reports-and-performance-highlights/annual-reports/, on the website of Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited and on the website of NSDL at www.evoting.nsdl.com.

## Details of Directors seeking appointment/ re-appointment

9. Details as required in Regulation 36(3) of the Listing Regulations and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of the Directors seeking re-appointment at the AGM are provided at pages 458 to 460 of this Integrated Annual Report. Requisite declarations have been received from the Directors seeking appointment/re-appointment. The Managing Director and Independent Directors of the Company are not liable to retire by rotation.

## Explanatory Statement

10. An Explanatory Statement relating to certain items of Ordinary Business i.e. Item Nos. 3 to 5, and items of Special Business i.e. Item Nos. 6 and 7, to be transacted at the AGM is annexed hereto.

## Procedure for inspection of documents

11. Documents referred to in the accompanying Notice of the 92nd AGM and the Explanatory Statement shall be available at the Registered Office of the Company for inspection without any fee on all working days except Saturday, during normal business hours 09:00 A.M. to 05:00 P.M. (IST) from Friday, 20th June, 2025 to Friday, 27th June, 2025.

12. During the AGM, the following documents shall be available for inspection upon login at NSDL e-Voting page at https://www.evoting.nsdl.com/ :

- Register of Directors and Key Managerial Personnel and their Shareholding maintained under Section 170 of the Act;
- Register of Contracts or Arrangements in which Directors are interested under Section 189 of the Act;
- Certificate from Secretarial Auditors of the Company certifying that ESOP Schemes of the Company are being implemented in accordance with the Securities Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.

## Procedure for remote e-voting and e-voting during the AGM

13. Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended), Regulation 44 of the Listing Regulations and applicable Circulars, the Company is pleased to provide to its Members, the facility to exercise their right to vote on the resolutions proposed to be passed at AGM by electronic means. For this purpose, the Company has entered into an agreement with NSDL, as the authorised agency for facilitating voting through electronic means. The facility of casting votes by Members using remote e-voting system as well as e-voting on the date of the AGM will be provided by NSDL.

14. The Company has appointed Mr. S. N. Ananthasubramanian (FCS 4206 and CP No. 1774), or failing him Mr. S.N. Viswanathan (ACS 61955 and CP No. 24335), Practicing Company Secretaries, to act as the Scrutinizer, to scrutinize the entire e-voting process in a fair and transparent manner.

15. Remote e-voting - Key Dates:

| | |
|---|---|
| **Cut-off date**<br>The date, one day prior to the commencement of book closure, for determining the Members who are entitled to vote on the resolutions set forth in this Notice | Monday, 23rd June, 2025 |
| **Book closure dates**<br>Period during which the Register of Members and Share Transfer Books of the Company shall remain closed | Tuesday, 24th June, 2025<br>to<br>Monday, 30th June, 2025<br>(both days inclusive) |
| **Remote e-voting period**<br>Period during which Members, as on the cut-off date, may cast their votes on electronic voting system from any location | |
| **Start Date and Time** | Wednesday, 25th June, 2025<br>09:00 A.M. (IST) |
| **End Date and Time** | Sunday, 29th June, 2025<br>05:00 P.M. (IST) |

16. The voting rights of Members shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date. A person who is not a Member as on the cut-off date should treat this Notice of AGM for information purpose only.

17. The facility for voting through e-voting system shall also be made available during the AGM. Members attending the AGM who have not cast their vote by remote e-voting shall be eligible to cast their vote through e-voting during the AGM. Members who have voted through remote e-voting shall be eligible to attend the AGM, however, they shall not be eligible to vote at the AGM. Members holding shares in physical form are requested to access the remote e-voting facility provided by the Company through NSDL e-voting system at https://www.evoting.nsdl.com.

## Procedure for remote e-voting

### 18. For Individual Members holding shares in demat mode:

| Steps | | For Members holding shares with DP registered with NSDL: |
|---|---|---|
| A | | **For Members registered on NSDL IDeAS facility** |
| | 1 | The NSDL IDeAS facility can be accessed either on Laptop or Mobile by typing the URL https://eservices.nsdl.com/ . |
| | 2 | Once the e-Services home page appears, click on 'Beneficial Owner' under the IDeAS Section. |
| | 3 | User ID and Password are required to be entered. The system will authenticate the Member by sending OTP on registered Mobile Number & e-mail id. |
| | 4 | After successful authentication, click on 'Access to e-voting' under e-voting services. |
| | 5 | Click on link placed under 'Actions' against the Company for which the Member wishes to exercise e-voting for casting the vote during the remote e-voting period or for voting during the AGM. |
| | | **Members who are not already registered and wish to register for NSDL IDeAS facility**<br>Option of Direct Registration for IDeAS facility is available at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp |
| B | | **For Members not registered on NSDL IDeAS facility** |
| | 1 | The NSDL e-voting website can be accessed either on Laptop or Mobile by typing the URL https://www.evoting.nsdl.com/ |
| | 2 | Once the e-voting page appears, click on 'Login' under the 'Shareholder/Member' Section. |
| | 3 | For logging in, User ID (i.e. 16-digit NSDL demat account number) and Password / OTP and a Verification Code, are required to be entered. The system will authenticate the Member by sending OTP on registered Mobile Number & e-mail id. |
| | 4 | After successful authentication, the Member will be redirected to the IDeAS e-voting page. |
| | 5 | Click on link placed under 'Actions' against the Company for which the Member wishes to exercise e-voting for casting the vote during the remote e-voting period or for voting during the AGM. |
| | | **'NSDL Speede' Mobile App for e-voting**<br>For a seamless e-voting experience, Members can also download the 'NSDL Speede' App by scanning the below QR code. |

| Steps | | For Members holding shares with DP registered with CDSL |
|---|---|---|
| A | | **For Members registered on CDSL Easi / Easiest** |
| | 1 | The CDSL e-voting facility, viz. Easi / Easiest, can be accessed either on Laptop or Mobile by typing the URL https://web.cdslindia.com/myeasitoken/Home/Login. |
| | 2 | User ID and Password are required to be entered. The system will authenticate the Member by sending OTP on registered Mobile Number & e-mail id. |
| | 3 | After successful authentication, Members are required to click on NSDL, being the e-voting service provider, and choose the Company for which they wish to cast their vote. |
| | | **Members who are not already registered and wish to register for CDSL Easi / Easiet facility**<br>Option of Direct Registration for Easi/Easiest facility is available at https://web.cdslindia.com/myeasitoken/ Registration/EasiRegistration |
| | | **For Members not registered on CDSL Easi / Easiest facility** |
| | 1 | Members can directly access the e-voting page by typing the URL https://www.evotingindia.com/ either on Laptop or Mobile. |
| | 2 | Members are required to provide their demat account number and PAN.<br>The system will authenticate the Member by sending OTP on registered Mobile Number & e-mail id. |
| | 3 | After successful authentication, click on link for e-voting against the Company for which the Member wishes to cast their vote. |
| | | QR Codes for CDSL e-Voting App required |

### Securities held in demat mode - login through depository participants

A. Members can also login using the login credentials of their demat account through their DP registered with NSDL / CDSL for e-voting facility. After logging in, the e-voting option will appear.

B. Once Members click on the e-voting option, they will be redirected to the website of NSDL/CDSL. After successful authentication, they can click on options available against the Company for which the Member wishes to exercise e-voting for casting the vote during the remote e-voting period or for voting during the AGM.

**Important Note:** Members who are unable to retrieve User ID / Password are advised to use the 'Forgot User ID / Password' option.

### Advisory for Members

In order to access e-voting facility, Members are requested to update their Mobile Number and e-mail id in their demat accounts through their DPs.

### For Technical Assistance

Members facing any technical issues related to e-voting may reach out to helpdesk of the respective depositories at the contacts given hereinafter:

| NSDL | CDSL |
|---|---|
| e-mail id: evoting@nsdl.com | e-mail id: helpdesk.evoting@cdslindia.com |
| Phone no.: 022 - 4886 7000 | Phone No.: 1800 21 09911 |

Individual demat account holders would be able to cast their vote without having to register again with the e-voting service provider (ESP).

## For other than Individual Members holding shares in demat mode and for Members holding shares in physical mode:

| Steps | |
|---|---|
| **For Members registered on NSDL IDeAS facility** | |
| 1 | Members who have registered for NSDL e-services i.e. IDeAS, can log-in using the URL https://eservices.nsdl.com/ with their existing IDeAS login. |
| 2 | Once Members log-in to NSDL e-services with their log-in credentials, they can click on e-voting and select the Company for which they wish to cast their vote during the remote e-voting period or for voting during the AGM. |
| **For Members not registered on NSDL IDeAS facility** | |
| 1 | The NSDL e-voting website can be accessed either on Laptop or Mobile by typing the URL https://eservices.nsdl.com/ |
| 2 | Once the e-voting page appears, click on 'Login' under the 'Shareholder/ Member' Section. |
| 3 | For logging in, User ID (i.e. 16-digit NSDL demat account number) and Password / OTP and a Verification Code, are required to be entered. The system will authenticate the Member by sending OTP on registered Mobile Number & e-mail id. |

### User ID details:

| Manner of holding shares | User ID |
|---|---|
| a) For Members holding shares in demat account with NSDL. | 8 Character DP ID followed by 8 Digit Client ID |
| b) For Members holding shares in demat account with CDSL. | 16 Digit Beneficiary ID |
| c) For Members holding shares in Physical Form. | EVEN (E-Voting Event Number) followed by HUL Folio Number |

| | |
|---|---|
| **Members already registered for e-voting** | Existing password can be used for logging-in and casting vote. |
| **Members using NSDL e-voting system for the first time** | Initial password' communicated to Members is required to be entered. Once entered, the system will prompt to change the password. |

### How to retrieve the Initial Password?

Members holding shares in demat mode would have received an e-mail from NSDL with the Initial Password in a pdf attachment, on their registered e-mail ids.

The password to open the pdf:

- for shares held in NSDL account: 8 digit client ID,
- for shares held in CDSL account: last 8 digits of client ID
- for shares held in physical mode: folio number.

Members can also use the OTP (One Time Password) based login for casting the votes on the e-voting system of NSDL.

Members who are not able to retrieve the password, can send a request at evoting@nsdl.com mentioning their demat account number / folio number, PAN, name and registered address.

**Note:** It is strongly recommended that Members take utmost care to keep their password confidential and not to share their password with any other person. Login to the e-voting system shall be disabled upon five unsuccessful attempts to key in the correct password. In such an event, Members are advised to use the 'Forgot User Details/Password' or Physical User Reset Password' option available on https://www.evoting.nsdl.com/ to reset the password.

### How can Members verify that their votes have been cast successfully?

A. After selecting appropriate options i.e. assent or dissent and after verifying / modifying the number of shares for which the votes are to be cast, click on 'Submit' and also 'Confirm' when prompted.

B. Upon confirmation, the message 'Vote cast successfully' will be displayed.

C. Once Members confirm their votes on the resolution(s), they will not be allowed to modify their votes.

## Procedure to join the AGM on NSDL e-voting system

19. After successful authentication, Members need to click on 'VC/OAVM' link placed under 'Join Meeting' for joining virtual meeting.

20. Members are encouraged to join the Meeting through Laptops for better experience.

21. Please note that Members connecting from mobile devices, tablets or laptops via mobile hotspot may experience Audio/Video loss due to fluctuation in their respective networks. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.

22. For convenience of the Members and proper conduct of AGM, Members can login and join at least 30 minutes before the time scheduled for the AGM. The joining link shall be kept open throughout the proceedings of AGM.

23. Members, who need assistance before or during the AGM, may send a request at evoting@nsdl.com or use Contact no.: 022 - 4886 7000.

## Procedure for e-voting during the AGM

24. The procedure for e-voting during the AGM is same as the instructions mentioned above for remote e-voting.

25. Only those Members, who will be present in the AGM through VC/OAVM facility and have not cast their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system in the AGM.

26. Members who have voted through remote e-voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

27. In case of any queries, Members may refer the 'Frequently Asked Questions (FAQs) for Shareholders' and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on 022 - 4886 7000.

## Procedure for Members whose e-mail ids are not registered with the DPs for procuring User ID and Password and registration of e-mail id for e-voting

28. Members whose shares are held in physical mode are requested to send the following details/documents at evoting@nsdl.com or levercare.shareholder@unilever.com.
    - Name of the Shareholder
    - Folio No.
    - Self-attested copy of PAN and address proof
    - Copy of Share Certificate (front and back)

29. Members whose shares are held in demat mode are requested to send the following details/documents at evoting@nsdl.com or levercare.shareholder@unilever.com.
    - Name of the Shareholder
    - 16-digit DP ID Client ID or beneficiary ID
    - Self-attested copy of PAN and address proof
    - Copy of Client Master List or Consolidated Account Statement

## General Information

30. It is reiterated that Members take utmost care to keep their password confidential and not to share their password with any other person.

## E-voting results

31. The results of the e-voting shall be declared to the Stock Exchanges after the conclusion of AGM. The results along with the Scrutinizer's Report, shall also be available on the website of the Company at https://www.hul.co.in/investors/shareholder-information-and-contacts/recent-news/.

## Speaker Registration - Procedure to raise questions or seek clarifications with respect to Annual Report:

32. Members who would like to express their views or ask questions may register themselves as a speaker by sending the request along with their queries in advance mentioning their name, demat account number / folio number, e-mail id and mobile number at levercare.shareholder@unilever.com. Only those speaker registration requests received till 05:00 P.M. (IST) on Monday, 23rd June, 2025 shall be considered and allowed as speakers during the AGM.

33. The Company reserves the right to restrict the number of questions and speakers, as appropriate for smooth conduct of the AGM.

## SEBI mandate on KYC Compliance

34. SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated 3rd November, 2021 as amended, has mandated registration of PAN, KYC details (viz., i. Contact Details, ii. Mobile Number, iii. Bank Account Details, iv. Signature) and Choice of Nomination, by holders of physical securities. Further, Members who hold shares in physical form and whose folios are not updated with any of the above details, shall be eligible to get dividend only in electronic mode with effect from 1st April, 2024.

35. Accordingly, payment of final dividend, subject to approval by the Members in the AGM, shall be paid to physical holders only after the above details are updated in their folios. Members may refer to FAQs issued by SEBI in this regard available on their website at https://www.sebi.gov.in/sebi_data/faqfiles/sep-2024/1727418250017.pdf (FAQ Nos. 38 & 39).

36. Communication in this regard has been sent to all physical holders whose folios are not KYC compliant at the latest available address/email-id. Members are once again requested to update their KYC details by submitting the Investor Service Request (ISR) Forms, viz. ISR-1, ISR-2, ISR-3/SH-13, as applicable, duly complete and signed by the registered holder(s) to

the Company's RTA, on or before Friday, 13th June, 2025 so that the KYC details can be updated in the folios before the cut-off date of Monday, 23rd June, 2025. ISR Forms can be accessed from our website at https://www.hul.co.in/investors/shareholder-information-and-contacts/investor-service-requests/.

## SEBI mandate on issuance of securities only in demat mode

37. Regulation 40 of Listing Regulations, as amended, mandates that transfer, transmission and transposition of securities of listed companies held in physical form shall be effected only in demat mode. Further, SEBI vide its Circular dated 25th January, 2022, has clarified that listed companies, with immediate effect, shall issue securities only in demat mode while processing any investor service requests including transmission, issuance of duplicate shares, deletion of name, exchange of shares, etc. In view of this as also to eliminate all risks associated with physical shares and for ease of portfolio management, Members holding shares in physical form are requested to consider converting their holdings to demat mode.

## Dividend related Information

38. Dividend - Key Dates:

| | |
|---|---|
| **Cut-off Date** (for determining the Members eligible for dividend) | Monday, 23rd June, 2025 |
| **Date of Payment** | On or after Friday, 4th July, 2025 |

39. Members holding shares in demat form are hereby informed that bank particulars registered with their respective DPs, with whom they maintain their demat accounts, will be used by the Company for the payment of dividend. Members holding shares in demat form are requested to intimate any change in their address and / or bank mandate to their DPs only, as the Company or its RTA cannot act on any request received directly on the same.

**Note: As per SEBI requirements, effective 1st April, 2024, Companies are allowed to make dividend payments only in electronic mode. Members are once again reminded to update their PAN, KYC details, and Choice of Nomination by submitting the relevant ISR Forms before the cut-off date to ensure timely credit of dividends.**

## TDS related information

40. Members may note that as per the Income Tax Act, 1961, dividend income is taxable in the hands of the Members and the Company is required to deduct tax at source (TDS) from the dividend paid to the Members at the rates prescribed in the Income Tax Act, 1961. In order to enable the Company to determine the appropriate TDS rate as applicable, Members are requested to submit the documents in accordance with the provisions of the Income Tax Act, 1961 and Rules thereunder.

a) **For Resident Members:** Tax at source shall be deducted under Section 194 of the Income Tax Act, 1961 at 10% on the amount of dividend declared and paid by the Company during financial year 2025-26, subject to PAN details registered/ updated by the Member. If PAN is not registered/ updated in the demat account/ folio as on the cut-off date, TDS would be deducted @20% as per Section 206AA of the Income Tax Act, 1961.

No tax at source is required to be deducted, if aggregate dividend paid or likely to be paid during the financial year to individual member does not exceed ₹ 10,000 (Rupees Ten Thousand only).

In case of individual shareholders, who are mandatorily required to have their PAN-Aadhaar linked and have not done so, their PAN would be considered as inoperative. Such inoperative PANs would be considered as invalid and a higher TDS rate as per Section 206AA of the Income Tax Act, 1961 would be applied. The Company will rely on the reports downloaded from the reporting portal of the income tax department for checking the validity of PANs / inoperative PANs under Section 206AA of the Income Tax Act, 1961. Further, in cases where the Member provides Form 15G (applicable to any person other than a Company or a Firm) / Form 15H (applicable to an Individual above the age of 60 years), provided that the eligibility conditions are being met, no TDS shall be deducted, subject to the PAN of the Member not having an 'In-operative' status as per provisions of Section 139AA of the Income Tax Act, 1961.

Further, in case PAN of any Member falls under the category of 'In-operative', the Company shall deduct TDS @ 20% as per Section 139AA read with Section 206AA of the Income Tax Act 1961.

Further, in case of resident member having Order under Section 197 of the Income Tax Act, 1961, TDS will be deducted at the rate mentioned in the Order; provided the Member submits copy of the Order obtained from the income-tax authorities.

b) **For Non-resident Members:** Tax at source shall be deducted under Section 195 of the Income Tax Act, 1961 at the applicable rates. As per the relevant provisions of the Income Tax Act, 1961, the withholding tax shall be at the rate of 20% (plus applicable surcharge and cess) on the amount of dividend payable to Non-resident Members.

Further, in case of Foreign Institutional Investors and Foreign Portfolio Investors, tax shall be deducted at source @ 20% (plus applicable surcharge and cess) under Section 196D of the Income Tax Act, 1961.

In case of Non-resident Member having Order under Section 197 of the Income Tax Act, 1961, TDS will be deducted at the rate mentioned in the Order; provided the member submits copy of the order obtained from the income-tax authorities.

As per Section 90 of the Income Tax Act, 1961, Non-resident Members may be entitled to avail lower TDS rate as per Double Taxation Avoidance Agreement (DTAA or Tax Treaty). To avail the Tax Treaty benefits, the Non-resident Member will have to provide the following:

- Self-attested copy of Tax Residency Certificate (TRC) obtained from the tax authorities of the country of which the Non-resident Member is a resident.
- Electronically generated Form 10-F.
- Self-attested copy of the Permanent Account Number (PAN Card) allotted by the Indian income-tax authorities, if any.
- Self-declaration certifying the following points:
  - i. Member is and will continue to remain a tax resident of the country of its residence during the financial year 2025-26;
  - ii. Member is eligible to claim the beneficial DTAA rate for the purposes of tax withholding on dividend declared by the Company;
  - iii. Member has no reason to believe that its claim for the benefits of the DTAA is impaired in any manner;
  - iv. Member is the ultimate beneficial owner of its shareholding in the Company and Dividend receivable from the Company; and
  - v. Member does not have a taxable presence or a permanent establishment in India during financial year 2025-26.

c) **For all Members:** In the event of any income tax demand (including interest, penalty, etc.) arising from any misrepresentation, inaccuracy or omission of information provided / to be provided by the Member(s), such Member(s) will be responsible to indemnify the Company, and also provide the Company with all information / documents and co-operation in any proceedings.

Members holding shares under multiple accounts under different status / category and single PAN, may note that, higher of the tax as applicable to the status in which shares are held under a PAN will be considered on their entire holding in different accounts.

In case of any discrepancy in documents submitted by the Member, the Company will deduct tax at higher rate as applicable, without any further communication in this regard.

In case of joint Members, the member named first in the Register of Member is required to furnish the requisite documents for claiming any applicable beneficial tax rate.

41. The Company is not obligated to apply the beneficial DTAA rates at the time of tax deduction/ withholding on dividend amounts. Application of beneficial DTAA rate shall depend upon the completeness and satisfactory review by the Company, of the documents submitted by the Non-resident Member.

42. In order to enable the Company to determine the appropriate TDS/ withholding tax rate applicable, Members are requested to provide the aforesaid details and documents on or before Tuesday, 10th June, 2025 at https://ris.kfintech.com/form15. No communication on the tax determination/ deduction shall be entertained post Tuesday, 10th June, 2025. Members may note that in case the tax on said dividend is deducted at a higher rate due to non-receipt of the aforementioned details/ documents, there would still be an option available to the Member to file the return of income and claim an appropriate refund, if eligible.

43. In accordance with the provisions of the Income Tax Act 1961, TDS certificates can be made available to the Members at their registered email ID after filing of the quarterly TDS Returns of the Company, post payment of the said Dividend.

44. The Company has sent out a separate email communication informing the Members regarding the relevant procedure to be adopted by the Members to avail the applicable tax rate as per the Income Tax Act, 1961.

## Information relating to unpaid or unclaimed dividends (Investor Education and Protection Fund)

45. As per Sections 124 and 125 of the Act and Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended, dividends which remain unpaid or unclaimed by the shareholder for a period of 7 (seven) years shall be transferred to the Investor Education and Protection Fund (IEPF). Further, the said provisions mandate companies to transfer the shares of shareholders whose dividends remain unpaid or unclaimed for a period of 7 (seven) consecutive years, to the demat account of IEPF Authority.

46. The detailed dividend history with due dates for transfer to IEPF and shareholder wise details of the unpaid or unclaimed amounts lying with the Company as on 31st March, 2025 are available on the website of the Company at https://www.hul.co.in/investors/shareholder-information-and-contacts/information-on-dividends/ and on MCA's website.

47. Members are requested to access the above link to check if any unpaid or unclaimed dividends are lying with the Company against their holdings. Members are then requested to contact the Investor Service Department of the Company / Company's RTA for encashing their unclaimed dividends, if any.

48. Members whose dividends and/or shares are already transferred to the IEPF Authority can claim their dividends and/or shares from the IEPF Authority by following the Refund Procedure as detailed on the IEPF website at https://www.iepf.gov.in/IEPF/refund.html.

## Explanatory Statement in Respect of Items of Ordinary Business:

### Item Nos. 3, 4 and 5: Re-appointment of Directors retiring by rotation

Based on the Articles of Association of the Company and terms of appointment, the Non-Executive and Non-Independent Chairman and all Executive Directors, except the Managing Director & Chief Executive Officer, of the Company are subject to retirement by rotation at every AGM. Accordingly, the following directors are liable to retire by rotation at the 92nd AGM:

- Mr. Nitin Paranjpe (DIN: 00045204);
- Mr. Ritesh Tiwari (DIN: 05349994); and
- Mr. Biddappa Ponnappa Bittianda (DIN: 06586886).

Mr. Nitin Paranjpe was appointed as a Non-Executive Director and designated as Chairman of the Company with effect from 31st March, 2022 and the terms and conditions of his appointment are governed by resolution dated 16th April, 2022 passed through Postal Ballot.

Mr. Ritesh Tiwari and Mr. Biddappa Ponnappa Bittianda were appointed as Whole-time Directors of the Company with effect from 1st May, 2021 and 1st June, 2024 respectively. They have been appointed as Whole-time Directors, as per the provisions of the Act and shall serve in accordance with the terms of contract of employment with the Company. The terms and conditions including the remuneration of Mr. Ritesh Tiwari and Mr. Biddappa Ponnappa Bittianda as Whole-time Directors are being governed within the overall limits of remuneration approved by the Members by resolution passed through Postal Ballot dated 29th April, 2021 and at the AGM held on 21st June, 2024 respectively. The remuneration payable to them for financial year 2025-26 shall be decided by the Nomination and Remuneration Committee of the Company which shall be within the aforesaid limits approved by the Members. The details of remuneration paid to them and number of meetings of the Board and its Committees attended by them during the financial year 2024-25 forms part of Corporate Governance Report.

Mr. Nitin Paranjpe did not receive any sitting fees, commission or stock options from the Company for the financial year 2024-25. The details of remuneration payable to him for financial year 2025-26 forms a part of the Corporate Governance Report at page 240.

The abovementioned Directors, being eligible, have offered their candidature for re-appointment.

None of the Directors or Key Managerial Personnel and their relatives, other than the ones mentioned above, are concerned or interested (financially or otherwise) in the respective resolutions.

The Nomination and Remuneration Committee and the Board recommend their re-appointment based on the outcome of performance evaluation. Details as required in Regulation 36(3) of the Listing Regulations and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of the above mentioned directors are provided at page nos. 458 and 460 of this Integrated Annual Report.

## Explanatory Statement in Respect of Items of Special Business:

### Item No. 6: Appointment of Secretarial Auditors

Pursuant to Regulation 24A of Listing Regulations, as amended vide SEBI (Listing Obligations and Disclosure Requirements) (Third Amendment) Regulations, 2024 (Amendment), the appointment of Secretarial Auditors:

(a) Is required to be approved by the Shareholders of the Company at the Annual General Meeting;

(b) In case of a Secretarial Audit Firm – cannot be for more than two consecutive terms of 5 (five) years each.

In line with the best governance practices codified under the HUL Corporate Governance Code, at HUL, the Secretarial Auditors were required to be rotated every 10 years even prior to the amendment to the Listing Regulations. 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 financial year 2024-25 as M/s. S. N. Ananthasubramanian & Co., (ICSI Unique Code: P1991MH040400) Company Secretaries, the erstwhile Secretarial Auditors of the Company had completed their two consecutive terms of 5(five) years each. The exercise for selection of new secretarial auditor for financial year 2024-25, was led by senior HUL Management through a fair tender process inviting all lead firms followed by shortlisting of firms based on a comprehensive assessment criterion. After evaluating all proposals and considering various factors such as independence, industry experience across large listed entities, technical skills, audit team, audit quality reports, etc., M/s. Parikh & Associates, were appointed as the Secretarial Auditors of the Company.

M/s. Parikh & Associates is a firm of Practising Company Secretaries founded in 1987. The firm provides professional services in the field of Corporate Laws, SEBI Regulations, FEMA Regulations including carrying out Secretarial Audits, Due Diligence Audits and Compliance Audits. The firm is Peer Reviewed and Quality Reviewed by the Institute of Company Secretaries of India.

Since the Secretarial Auditors were already rotated prior to the Amendment, the Board at its meeting held on 24th April, 2025, based on the recommendation of the Audit Committee, has considered, approved and recommended to the Members of the Company, the appointment of M/s. Parikh & Associates, Company Secretaries as Secretarial Auditors of the Company. The proposed appointment is for a term of 5 (five) consecutive years from financial year 2025-26 to financial year 2029-30 on payment of such remuneration as may be mutually agreed upon between the Board of Directors and the Secretarial Auditors, from time to time.

**Further information in respect of M/s. Parikh & Associates is encapsulated in the table below:**

| Sr. No. | Particulars | Details |
|---|---|---|
| 1. | Number of years of experience of the individual / Firm proposed to be appointed as Secretarial Auditor | (a) In carrying out Secretarial Audit of companies or other body corporates: over 15 years<br>(b) In providing other services (compliance, filings etc.) to companies or other body corporates: over 35 years |
| 2. | Details of orders passed against the proposed Secretarial Auditor by ICSI/SEBI/MCA/any other competent authority / Court, both in India or outside India, in past 5 (five) years | No Orders have been passed against M/s. Parikh & Associates by ICSI/SEBI/MCA/any other competent authority / Court, both in India or outside India, in past 5 (five) years. |
| 3. | Whether proposed Secretarial Auditor has rendered any services as prohibited under SEBI Circular dated 31st December, 2024 directly or indirectly to the Company or its holding company or subsidiary or any associate?<br>If yes, then provide details and actions, if any taken against the Firm, and | No. M/s. Parikh & Associates have not rendered any of the prescribed services directly or indirectly to the Company or its holding company or subsidiary or any associate. |
| 4. | Proposed fees payable to the Firm as: | (a) Secretarial Auditor: ₹2,50,000 lakhs (Rupees Two lakhs and Fifty Thousand Only)<br>(b) Other Services: HUL CG Code Audit: ₹25,000 (Rupees Twenty Five Thousand only)<br>(c) Reimbursement of expenses: At actuals |
| 5. | Total Fees paid to previous/~~outgoing~~ auditor | M/s. Parikh & Associates were paid ₹2,50,000 (Rupees Two lakhs and Fifty Thousand Only) for the Secretarial Audit conducted for the financial year 2024-25. |
| 6. | Rationale for material change in the audit fees proposed to be paid the proposed secretarial auditor as compared to the previous / outgoing auditor | Not Applicable |
| 7. | Disclosure of % of non-audit fees, paid/payable to the proposed Secretarial Auditor or/and its associate concerns, over audit fees paid/payable to the said auditor | Not Applicable |
| 8. | Total remuneration/fees, etc. received by the proposed Secretarial Auditor from the Company or group companies (holding, subsidiary, associate, joint ventures) in the last financial year along with details. | In addition to the details provided at Sr. No. 5, M/s. Parikh & Associates were paid a fees of ₹50,000 for the secretarial audit of the following subsidiaries / group companies:<br>i. Lakme Lever Private Limited<br>ii. Unilever India Exports Limited<br>iii. Unilever India Limited |
| 9. | Past association (name and number of years to be disclosed) of the proposed Secretarial Auditor with:<br>(i) Promoter / Promoter Group during the last 3 years<br>(ii) Group companies (holding, subsidiary, associate, joint ventures) of the listed entity during the last 3 years. | Refer Sr. No. 8 |
| 10. | Rationale of the Board of Directors for recommending the individual / Firm with past orders, if applicable, against them for appointment as Secretarial Auditor. | Not Applicable |

Pursuant to Section 204 of the Act and the Rules framed thereunder, read with Regulation 24A of Listing Regulations the Company has received written consent & eligibility letters from M/s. Parikh & Associates, Company Secretaries.

None of the Directors or Key Managerial Personnel and their relatives, are concerned or interested (financially or otherwise) in this Resolution.

The Board recommends the Ordinary Resolution set out at Item No. 6 for the approval of Members.

### Item No. 7: Ratification of remuneration to Cost Auditors for financial year ending 31st March, 2026

The Board of Directors of the Company, on the recommendation of the Audit Committee, at their meeting held on 24th April, 2025, approved the appointment of M/s. R. Nanabhoy & Co., Cost Accountants (Firm Registration No. 000010) as the Cost Auditors of the Company, to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2026 at a remuneration of ₹16.2 lakhs (Rupees Sixteen lakhs and twenty thousand) plus payment of applicable taxes and reimbursement of out-of-pocket expenses incurred by the Cost Auditors in connection with the aforesaid audit.

In terms of the provisions of Section 148(3) of the Act read with Rule 14(a)(ii) of the Companies (Audit and Auditors) Rules, 2014, the Members of the Company are required to ratify the remuneration proposed to be paid to the Cost Auditors.

None of the Directors or Key Managerial Personnel or their relatives, are concerned or interested, financially or otherwise, in this Resolution.

The Board recommends the Ordinary Resolution set out at Item No. 7 for the approval of Members.

**Registered Office:**

Unilever House,
B. D. Sawant Marg, Chakala,
Andheri (East), Mumbai - 400099

Mumbai, 24th April, 2025

**BY ORDER OF THE BOARD**

**Ms. Radhika Shah**
Company Secretary & Compliance Officer
Membership No.: A19308

## Attention Members

**Manner of registering/ updating email address**

Members holding shares in physical form and who have not updated their e-mail addresses with the Company are requested to update their e-mail addresses by sending in duly filled and signed Form ISR-1 (Form for registering PAN, KYC details or changes/ updation thereof), to the Registrar and Share Transfer Agent of the Company – KFin Technologies Limited at Selenium Building, Tower-B, Plot No 31 & 32, Financial District, Nanakramguda, Serilingampally, Hyderabad, Rangareddi, Telangana, India - 500 032 or by email to einward.ris@kfintech.com from their registered email id.

**Manner of joining the AGM**

Facility to attend the AGM through VC/ OAVM is available through the NSDL e-voting system at https://eservices.nsdl.com/

**TDS on Dividend**

Members may note that as per the Income-tax Act, 1961, dividend income is taxable in the hands of the Members and the Company is required to deduct tax at source (TDS) from dividend paid to the Members at rates prescribed in the Income Tax Act, 1961.

Members are requested to submit the documents in accordance with the provisions of the Income Tax Act, 1961 at https://ris.kfintech.com/form15.

## Important dates

| Event | Dates |
|---|---|
| Board Meeting | Thursday, 24th April, 2025 |
| AGM Date | Monday, 30th June, 2025 |
| Inspection Period | Friday, 20th June, 2025 to Friday, 27th June, 2025 |
| Cut-off date / Record Date (AGM voting / Dividend) | Monday, 23rd June, 2025 |
| Book closure dates | Tuesday, 24th June, 2025 to Monday, 30th June, 2025 |
| Remote e-voting period | Wednesday, 25th June, 2025 - 09:00 A.M. (IST) to Sunday, 29th June, 2025 - 05:00 P.M. (IST) |
| Speaker Registration (last date) | Monday, 23rd June, 2025 - 05:00 P.M. (IST) |
| Date of Payment of Dividend | On or after Friday, 4th July, 2025 |

## DIRECTORS' INTEREST

None of the Directors of the Company are inter-se related to each other. The Directors seeking approval for re-appointment may be deemed to be concerned or interested to the extent of shares held by them in the Company as given in the table below:

| Name of the Director | No. of Shares | % Holding |
|---|---:|---:|
| Nitin Paranjpe | 1,24,509 | 0.0053 |
| Rohit Jawa | 10 | 0.0000 |
| Ritesh Tiwari | 2,630 | 0.0001 |
| Biddappa Ponnappa Bittianda | 500 | 0.0000 |
| Neelam Dhawan | 454 | 0.0000 |
| **Total** | **1,28,103** | **0.0054** |

Note: Shareholding as on financial year ended 31st March, 2025.

None of the other Directors except the ones mentioned above hold any shares in the Company as on 31st March, 2025.

# PROFILE OF DIRECTORS

## 1. MR. NITIN PARANJPE

**(DIN: 00045204)**

Mr. Nitin Paranjpe (62) is the Non-Executive Chairman of Hindustan Unilever Limited.

He was a part of the Unilever Leadership Executive for over a decade. He was Unilever's Chief Transformation and Chief People Officer from 2022 to 1st June, 2024. Earlier, he was Unilever's Chief Operating Officer (COO), delivering in-year results (P&L) for Unilever globally, leveraging synergies, building future capabilities, and accelerating the organisation's digitisation.

Before becoming Unilever's COO, he was President of Foods & Refreshment for Unilever. From 2013 to 2017, he was President of Unilever's Home Care Division.

He joined Hindustan Lever Limited in 1987, where he held various marketing and sales roles. In the year 2000, he moved to Unilever London and was involved in reviewing the organisation's structure. In the year 2001, he was Executive Assistant to the Chairman and Unilever Executive Committee.

On his return to India in the year 2002, he held several senior positions in Laundry and Household Care, including Vice President of Home Care (2004) and Executive Director of Home and Personal Care (2006). In April 2008, he was appointed Chief Executive Officer of Hindustan Unilever Limited, India, and Executive Vice President of Unilever, South Asia.

In the year 2019, he won the GG2 Hammer Award for his efforts in blazing a trail for diversity. In the year 2020, the Women of the Future Network gave him a Kindness Award in recognition of his leadership, guidance, and empathy.

He holds a bachelor's degree in Mechanical Engineering and an MBA in Marketing from Jamnalal Bajaj Institute of Management (JBIM) in Mumbai.

**Directorship in other Companies:**

| Name of the Company | Designation |
|---|---|
| **Listed:** | |
| Hindustan Unilever Limited | Non-Executive Chairman |
| Infosys Limited | Independent Director |
| **Unlisted:** | |
| Indian School of Business | Director |

**Membership/Chairmanship of Board Committees in other Companies:**

| Name of the Company | Designation |
|---|---|
| **Listed:** | |
| **Infosys Limited** | |
| Nomination and Remuneration Committee | Member |
| Risk Management Committee | Member |

## 2. MR. ROHIT JAWA

**(DIN: 10063590)**

Mr. Rohit Jawa (58) is the Chief Executive Officer and Managing Director of Hindustan Unilever Limited (HUL). He is the Member of Risk Management Committee, Environmental, Social and Governance Committee and Stakeholders Relationship Committee of the Company. He is also a member of the Unilever Leadership Executive (ULE).

Mr. Jawa started his career with HUL as a management trainee in 1988. He has a proven track record of sustained business results across India, Southeast Asia, and North Asia. As EVP North Asia and Chairman Unilever China, he helped transform the business into Unilever's third largest globally. He developed a distinct strategic agenda for China, championed digitalisation and premiumisation, and steered the business very capably through the Covid crisis.

As the Chairman of Unilever Philippines, he led the business to become one of the top 10 markets for Unilever globally. He is deeply passionate about integrating the strength of traditional markets with digital technologies and future-fit business models.

He has a bachelor's degree from St Stephen's College and an MBA from the Faculty of Management Studies, both at the University of Delhi, India. He is an alumnus of IMD Business School, Lausanne, Switzerland, where he completed the Breakthrough Program for Senior Executives in 2018. He also completed the Advanced Management Program from Harvard Business School in 2022.

He served as the founding Secretary for the Food Industry Asia, Singapore, in 2010 and Co-Chair of the 'Grow Asia Philippines' along with the Secretary of Agriculture, Philippines in 2015-16, a World Economic Forum initiative for inclusive business models in agriculture. In addition, he served on the Consumer Goods Forum (CGF) China board, a global, CEO-led collaboration for positive change. Since July, 2023 he is an Executive Committee Member of Vikaasa, a coalition that collaborates to accelerate India's progress on the UN Sustainable Development Goals. He is also a Trustee of Breach Candy Hospital, on the Advisory Board of Aon DEI Collective, Invitee Member for 2024-25 of CII National Council, Distinguished Invitee for 2024-25 of All India Management Association and Member of Vikaasa Executive Committee.

**Directorship in other Companies:**

| Name of the Company | Designation |
|---|---|
| **Listed:** | |
| Hindustan Unilever Limited | Chief Executive Officer & Managing Director |
| **Unlisted:** | |
| Breach Candy Hospital Trust | Nominee Director |

**Membership/Chairmanship of Board Committees in other Companies:**

| Name of the Company | Designation |
|---|---|
| **Listed:** | |
| **Hindustan Unilever Limited** | |
| Stakeholders Relationship Committee | Member |
| Risk Management Committee | Member |
| Environmental, Social and Governance Committee | Member |

## 3. MR. RITESH TIWARI

**(DIN : 05349994)**

Mr. Ritesh Tiwari (49) is the Executive Director, Finance & IT and Chief Financial Officer of Hindustan Unilever Limited.

Mr. Tiwari is a global finance leader with rich experience in leading diverse teams across the UK, India, and other Asian markets. He is a future-focussed, high-energy, results-oriented business leader driven by his purpose 'Reimagine possibilities and bring value with values.'

He joined Unilever as a management trainee in 1999 and held roles across core finance, demand planning and procurement within India and South Asia early in his career. He then went on to take leadership roles – namely, Global Category Finance Director based out of the UK, Group Financial Controller of HUL and Vice President Finance - Global Supply Chain based in Singapore. Driven by the ethos of 'delivering in the present while building for the future,' Ritesh is credited with bringing digital transformation, simplification, and leading projects with high business impact throughout his career.

Just before his current role as the CFO of HUL, he was Vice President, Finance - Global Performance Management for Unilever and CFO for Unilever International based out of London, where he helped bring together the financial and human capital of Unilever to deliver performance with impact. He also played a pivotal role in Unilever's performance management, leading the strategic scenario planning and response during the COVID-19 pandemic.

He is an active industry leader, firmly believing in mantra of 'Collaborate to Compound.' He is an Independent Director on the board of ONDC (Open Network for Digital Commerce), the Chairman of the CFO Council of FICCI (Federation of Indian Chambers of Commerce and Industry), a member of SEBI's ESG Advisory Committee (EAC) and the Past President of the Bombay Chamber of Commerce & Industry.

He is a Chartered Accountant & Cost and Management Accountant.

**Directorship in other Companies:**

| Name of the Company | Designation |
|---|---|
| **Listed:** | |
| Hindustan Unilever Limited | Executive Director, Finance & IT and Chief Financial Officer |
| **Unlisted:** | |
| Unilever India Limited | Director |
| Hindustan Unilever Foundation | Director |
| Open Network For Digital Commerce | Independent Director |

**Membership/Chairmanship of Board Committees in other Companies:**

| Name of the Company | Designation |
|---|---|
| **Unlisted:** | |
| **Unilever India Limited** | |
| Corporate Social Responsibility Committee | Member |

## 4. MR. BIDDAPPA PONNAPPA BITTIANDA

**(DIN: 06586886)**

Mr. Biddappa Ponnappa Bittianda (58) is the Executive Director and Chief People, Transformation and Sustainability Officer for Hindustan Unilever Limited.

Prior to this, Mr Biddappa was the Chief HR Officer for Unilever's Global Home Care business and the Global Head of Employee Relations. During his five-year tenure in Global Home Care and as part of a wider portfolio, he led two critical expertise functions for Unilever globally: Organisational Development & People Analytics and Employee Relations. During this period, he was also instrumental in helping build Unilever's Health & Wellbeing business.

He previously led the HR function for HUL and Unilever South Asia as the Executive Director of HR from 2013 to 2019. During that time, he established the Winning in Many Indias approach, creating a more agile and focussed business unit framework in South Asia. On the Sustainability front, Prabhat, HUL's community development initiative that touches millions of lives across India, was launched under his leadership.

He started his over three-decade career in Unilever with a factory stint in HUL and then moved on to undertake a variety of roles, from leadership development to business partnering, across several Unilever businesses. He has led HR for Unilever in Maghreb, Bangladesh, India and for Unilever's Supply Chain and Finance teams in Asia, Africa, and Russia while he was based in Singapore.

He joined Unilever in 1992 after a stint as a Consultant at AF Ferguson & Co, New Delhi.

He graduated with an Economics degree from Delhi University and has a post-graduation diploma in Personnel Management & Industrial Relations from XLRI Jamshedpur.

**Directorship in other Companies:**

| Name of the Company | Designation |
|---|---|
| **Listed:** | |
| Hindustan Unilever Limited | Executive Director and Chief People, Transformation and Sustainability Officer |
| **Unlisted:** | |
| Hindustan Unilever Foundation | Additional Director |
| Levers Associated Trust Limited | Director |

Mr. B.P. Biddappa does not hold any Membership/ Chairmanship of the Board Committees in other companies.

## 5. MR. LEO PURI

**(DIN: 01764813)**

Mr. Leo Puri (64) has been appointed as an Independent Director on the Board of the Company w.e.f. 12th October, 2018. He is the Chairperson of Risk Management Committee as well as Environmental, Social and Governance Committee and the member of the Audit Committee of the Company.

Mr. Puri was the Managing Director of UTI Asset Management Company Limited from August, 2013 to August, 2018. He has assumed office of the Chairman of JP Morgan Chase for South & South East Asia in early 2021.

In his career spanning over 30 years, he has previously worked as Director with Mckinsey & Company and Managing Director with Warburg Pincus. He has worked in the UK, USA and Asia, and since 1994, he has been working in India.

At Mckinsey, he has advised leading financial institutions, conglomerates, and investment institutions in strategy and operational issues. He has contributed to the development of knowledge and public policy through advice to regulators and Government officials. At Warburg Pincus, he was responsible for leading and managing investments across industries in India. He also contributed to the financial services investments in the international portfolio as a Member of the global partnership.

Mr. Puri has a Master's Degree in P.P.E. from University of Oxford and a Master's Degree in Law from University of Cambridge.

Mr. Puri has held Non-Executive Board position at Infosys, Bennett Coleman & Co., Max New York Life and Max Bupa Health Insurance.

**Directorship in other Companies:**

| Name of the Company | Designation |
|---|---|
| **Listed:** | |
| Hindustan Unilever Limited | Independent Director |
| Dr. Reddy's Laboratories Ltd | Independent Director |
| Fortis Healthcare Limited | Chairperson & Independent Director |

**Membership/Chairmanship of Board Committees in other Companies:**

| Name of the Company | Designation |
|---|---|
| **Listed:** | |
| **Hindustan Unilever Limited** | |
| Risk Management Committee | Chairperson |
| Environmental, Social and Governance Committee | Chairperson |
| Audit Committee | Member |
| **Dr. Reddy's Laboratories Ltd** | |
| Stakeholders' Relationship Committee | Chairperson |
| Nomination, Governance & Compensation Committee | Member |
| Science, Technology And Operations Committee | Member |

## 6. ASHU SUYASH

**(DIN: 00494515)**

Ms. Ashu Suyash (58) has been appointed as an Independent Director on the Board of the Company w.e.f. 12th November, 2021. She is the Chairperson of the Audit Committee and the Member of Nomination and Remuneration Committee and Risk Management Committee of the Company.

Ms. Suyash comes with over 33 years of experience in the financial services and global information services sector. She was, until recently, the Chief Executive Officer and Managing Director at CRISIL (Credit Rating Information Services of India Limited) and a member of the Operating Committee of S&P Global. She serves on Advisory Boards and Committees of several institutions like the Securities and Exchange Board of India, Insolvency and Bankruptcy Board of India.

She played a pivotal role in enabling CRISIL regain its Ratings Leadership position and transform to become a Global analytics company through widescale adoption of technology. She led CRISIL's growth through acquisitions in a very challenging environment. Prior to her role as CEO and MD at CRISIL, she worked with reputed financial organisations - L&T Financial Services Group, Fidelity International and Citibank.

She is a Chartered Accountant from the Institute of Chartered Accountants of India and completed her Bachelor's Degree in Commerce from the University of Mumbai.

**Directorship in other Companies:**

| Name of the Company | Designation |
|---|---|
| **Listed:** | |
| Hindustan Unilever Limited | Independent Director |
| Kotak Mahindra Bank Limited | Independent Director |
| Tata Elxsi Limited | Independent Director |

**Membership/Chairmanship of Board Committees in other Companies:**

| Name of the Company | Designation |
|---|---|
| **Listed:** | |
| **Hindustan Unilever Limited** | |
| Audit Committee | Chairperson |
| Nomination and Remuneration Committee | Member |
| Risk Management Committee | Member |
| **Kotak Mahindra Bank Limited** | |
| Audit Committee | Chairperson |
| Stakeholders Relationship Committee | Member |
| Risk Management Committee | Member |
| Group Risk Management Committee | Member |
| Subsidiary Oversight and Governance Committee | Member |
| **Tata Elxsi Limited** | |
| Nomination and Remuneration Committee | Chairperson |
| Audit Committee | Member |
| Risk Management Committee | Member |

## 7. MS. NEELAM DHAWAN

**(DIN: 00871445)**

Ms. Neelam Dhawan (65) has been appointed as an Independent Director on the Board of the Company w.e.f. 1st August, 2023. She is the Chairperson of Nomination and Remuneration Committee and a Member of the Company's Audit Committee, Corporate Social Responsibility Committee Environmental, Social and Governance Committee and Risk Management Committee.

Ms. Dhawan has vast experience in the information technology industry and, since 1982, has held various positions, including that of Managing Director, across HCL, IBM, Microsoft, and Hewlett Packard. Her last executive assignment was as Vice President of Asia Pacific and Japan for Hewlett Packard Enterprise until March 2018.

Over the years, she has been a key participant in shaping the IT industry in India. She was on the NASSCOM Executive Council from 2009 to 2017 and significantly contributed to the industry strategy and public policy frameworks.

She is currently a Non-Executive Director at ICICI Bank Limited, Capita PLC, Fractal Analytics Pvt. Ltd., Yatra Online Inc, Chairperson of a startup, Capillary Technologies and Chairperson of the Board at Ather Energy Limited. She is also on the Governing Board of IIIT Delhi and advises and mentors various organisations on business transformation.

She is an Economics Graduate from St Stephen's College, Delhi University. She also has an MBA from the Faculty of Management Studies, University of Delhi, India.

**Directorship in other Companies:**

| Name of the Company | Designation |
|---|---|
| **Listed:** | |
| Hindustan Unilever Limited | Independent Director |
| Tech Mahindra Limited | Independent Director |
| ICICI Bank Limited | Independent Director |
| **Unlisted:** | |
| Ather Energy Limited | Chairperson & Independent Director |
| Nudge Lifeskills Foundation | Director |
| Fractal Analytics Limited | Independent Director |
| Capillary Technologies India Limited | Chairperson & Independent Director |

**Membership/Chairmanship of Board Committees in other Companies:**

| Name of the Company | Designation |
|---|---|
| **Listed:** | |
| **Hindustan Unilever Limited** | |
| Nomination and Remuneration Committee | Chairperson |
| Audit Committee | Member |
| Corporate Social Responsibility Committee | Member |
| Risk Management Committee | Member |
| Environmental, Social and Governance Committee | Member |
| **Tech Mahindra Limited** | |
| Risk Management Committee | Member |
| Securities Allotment Committee | Member |
| **ICICI Bank Limited** | |
| Board Governance, Remuneration & Nomination Committee | Chairperson |
| Fraud Monitoring Committee | Member |
| Information Technology Strategy Committee | Member |
| **Unlisted:** | |
| **Ather Energy Limited** | |
| Stakeholder Relationship Committee | Chairperson |
| Audit Committee | Member |
| Nomination and Remuneration Committee | Member |

| Name of the Company | Designation |
|---|---|
| **Capillary Technologies India Limited** | |
| Stakeholder Relationship Committee | Chairperson |
| Risk Management Committee | Chairperson |
| Audit Committee | Member |
| Nomination and Remuneration Committee | Member |

## 8. MR. RANJAY GULATI

**(DIN: 03627064)**

Mr Ranjay Gulati (62) has been appointed as an Independent Director on the Board of Hindustan Unilever Limited w.e.f. 1st April, 2023. He is the Chairperson of Stakeholders Relationship Committee and is the Member of the Nomination and Remuneration Committee and Corporate Social Responsibility Committee.

Mr. Gulati comes with a rich understanding of Business Strategy and is a Professor at Harvard Business School. He is an expert on leadership, strategy and organisational growth. He has also chaired Advanced Management Program - the school's flagship Senior Leader Executive Program.

He is the past-President of the Business Policy and Strategy Division at the Academy of Management and an elected fellow of the Strategic Management Society. He is ranked as one of the top ten most cited scholars in Economics and Business over a decade by ISI-Incite. The Economist, Financial Times, and the Economist Intelligence Unit have listed him as among the top handful of business school scholars whose work is most relevant to management practice. He has been a Harvard MacArthur Fellow and a Sloan Foundation Fellow.

He holds a Master's Degree in Management from the MIT Sloan School of Management and a Ph.D. in Organisational Behaviour from Harvard University. He graduated in Economics from St. Stephen's College, Delhi University and earned a second Bachelor's Degree in Computer Science from Washington State University in the United States.

**Directorship in other Companies:**

| Name of the Company | Designation |
|---|---|
| **Listed:** | |
| Hindustan Unilever Limited | Independent Director |

**Membership/Chairmanship of Board Committees in other Companies:**

| Name of the Company | Designation |
|---|---|
| **Listed:** | |
| **Hindustan Unilever Limited** | |
| Stakeholders Relationship Committee | Chairperson |
| Nomination and Remuneration Committee | Member |
| Corporate Social Responsibility Committee | Member |

## 9. TARUN BAJAJ

**(DIN: 02026219)**

Mr Tarun Bajaj (62) has been appointed as an Independent Director on the Board of Hindustan Unilever Limited w.e.f. 1st December, 2023. He is the Chairperson of Corporate Social Responsibility Committee and a Member of Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee and Risk Management Committee.

Mr. Bajaj belongs to the Indian Administrative Service, 1988, Haryana Cadre. He was the Revenue Secretary, Government of India before he superannuated in November 2022. As the Revenue Secretary, he was responsible for various important policy matters related to revenue collection and taxation. He played a key role in the stabilisation of the Goods and Services Tax (GST) and also contributed in substantial increase in collections of revenue under GST and Income Tax. He was also responsible for upgrading technology in the administration of both Direct and Indirect Taxes resulting in transparency and efficiency in the working of the two departments.

As the Economic Affairs Secretary, he was responsible for various important policy matters related to the Indian economy, including fiscal policy, investments, and infrastructure financing. He played a key role in formulating the Government's economic response to the COVID-19 pandemic, including the rollout of various relief measures and economic stimulus packages.

He chaired the National Investment and Infrastructure Fund. He has also served as the Director on the Central Board of the Reserve Bank of India and on the Board of SEBI. He has served as Governor of India for International Fund for Agriculture Development and as Alternate Governor of India for the World Bank (for the constituency of

India, Bangladesh, Bhutan and Sri Lanka), Asian Development Bank, Asian Infrastructure Investment Bank and New Development Bank. He has earlier served on the Boards of SIDBI, Bank of Maharashtra, Bank of India, General Insurance Corporation Limited, New India Assurance Company Limited and United India Insurance Company Limited.

He has a Bachelor's Degree in Commerce from Shri Ram College of Commerce, Delhi University, an MBA from IIM Ahmedabad and Postgraduate (M.Sc.) from London School of Economics and Political Science. He is also a CFA from Institute of Chartered Financial Analysts of India, Hyderabad.

**Directorship in other Companies:**

| Name of the Company | Designation |
|---|---|
| **Listed:** | |
| Hindustan Unilever Limited | Independent Director |
| Tech Mahindra Limited | Independent Director |
| Bajaj Finance Limited | Independent Director |
| The Tata Power Company Limited | Independent Director |
| **Unlisted:** | |
| Phonepe Private Limited | Independent Director |

**Membership/Chairmanship of Board Committees in other Companies:**

| Name of the Company | Designation |
|---|---|
| **Listed:** | |
| **Hindustan Unilever Limited** | |
| Corporate Social Responsibility Committee | Chairperson |
| Audit Committee | Member |
| Nomination and Remuneration Committee | Member |
| Stakeholders Relationship Committee | Member |
| Risk Management Committee | Member |
| **Tech Mahindra Limited** | |
| Audit Committee | Chairperson |
| Risk Management Committee | Member |
| **Bajaj Finance Limited** | |
| Audit Committee | Member |
| Special Committee for Monitoring and follow up of cases of Fraud | Member |
| Customer Service Committee | Member |
| **The Tata Power Company Limited** | |
| Audit Committee | Member |
| **Unlisted:** | |
| **Phonepe Private Limited** | |
| Risk Management Committee | Chairperson |

# Corporate Information

| | | |
|---|---|---|
| **REGISTERED OFFICE** | Unilever House, B. D. Sawant Marg, Chakala, Andheri (East), Mumbai – 400 099. | |
| **AUDITORS** | M/s. Walker Chandiok & Co. LLP, Chartered Accountants (Firm Registration No. 001076N/ N500013) | |
| **BANKERS** | | |
| Deutsché Bank | Hongkong & Shanghai Banking Corporation | Standard Chartered Bank |
| Citibank | ICICI Bank | Union Bank of India |
| HDFC Bank | Punjab National Bank | State Bank of India |
| JP Morgan | | Axis Bank |

## PLANT LOCATIONS

| Branch | Address |
|---|---|
| **Central** | **Chhindwara**<br>5/6, KM Stone, Narsinghpur Road, Village Lehgadua, Post Sarna, District Chhindwara–480 002, Madhya Pradesh |
| | **ETAH**<br>Village Asrauli, G. T. Road, Etah–207 001, Uttar Pradesh |
| | **Orai**<br>A-1, UPSIDC Industrial Area, Orai, District Jalaun–285 001, Uttar Pradesh |
| | **Sumerpur**<br>A-1, UPSIDC Industrial Area, Bharua, Sumerpur, Hamirpur–210 502, Uttar Pradesh |
| **East** | **Haldia**<br>P. O. Durgachak, Haldia, District Purba Medinipur–721 602, West Bengal |
| | **Kolkata**<br>1, Transport Depot Road, Kidderpore, Kolkata–700 088, West Bengal |
| | **Kolkata**<br>63, Garden Reach, Kolkata–700 024, West Bengal |
| | **Tinsukia**<br>Dag No. 21 of 122 FS Grants, Mouza – Tingrai, Off NH No. 37, Doom Dooma Industrial Estate, District Tinsukia–786 151, Assam |
| **North** | **Haridwar**<br>Plot No. 1, Sector 1A, Integrated Industrial Estate, Ranipur, Haridwar-249 403, Uttarakhand |
| | **Nabha**<br>Patiala Road Nabha-147 201, District Patiala, Punjab |
| | **Nalagarh**<br>Hudbust No. 143, Khasra No. 182/183/187/1, Village Kirpalpur, Near Nalagarh Fire Station, Tehsil Nalagarh, District Solan-174101 Himachal Pradesh |
| | **Rajpura**<br>A-5, Phase 2-B, Focal Point, Rajpura-140 401, Punjab |
| | **Sonipat**<br>14 KM Stone, Sonipat-Meerut Road, Village Khewra, P. 0. Bahalgarh, District Sonipat, Haryana-131 021 |

| Branch | Address |
|---|---|
| **South** | **Cochin**<br>Ernakulam North PO, Tatapuram, Cochin–682 018, Kerala |
| | **Hosur**<br>Plot No. 50 & 51, SIPCOT Industrial Complex, Hosur–635 126, Tamil Nadu |
| | **Mysore**<br>Plot No. 424, Hebbal Industrial Area, Mysore–570 016, Karnataka |
| | **Pondicherry**<br>Off NH 45A, Vadamangalam, Pondicherry–605 102 |
| | **Rajahmundry**<br>Industrial Estate, Dowlaiswaram, Rajahmundry Rural, Andhra Pradesh–533 124 |
| **West** | **Chiplun**<br>B-7/17,Lote Parshuram MIDC Post Box (Lote khed taluka, Dist-Ratanagiri, Chiplun 415722 |
| | **Khamgaon**<br>C-9, MIDC, Khamgaon 444303, Maharashtra |
| | **Amli**<br>HPC FACTORY- PP AMIL Survey No-907, Kilwani Road Amil village Near Gandhigram bus stop Silvassa 396230 |
| | **Dadra & Nagar Haveli**<br>Silvassa Detergents Factory, Survey No 151/1/1, Dapada Village, Khanvel Road Silvassa – 396 230 |
| | **Nashik**<br>Ice Cream Factory, Plot No-A-8/9, MIDC,Malegaon, Sinnar 422103, Nasik |

## Uplifting Communities – the Prabhat way

Launched in 2013, Prabhat aims to create sustainable, inclusive communities, contributing to a fairer, socially, and environmentally inclusive world using HUL's scale for good.

# 11 years
# 12 states
# 2 union territories
# ~11 million lives

### Livelihoods

**139K**
people skilled to enhance employability

**70%**
trained secured employment

**35,500**
farmers benefited from farm-based interventions

### Health & Nutrition

**3.4M**
beneficiaries received health and nutrition guidance

**>222K**
received primary healthcare through Mobile Medical Van

### Environmental Sustainability

**>15L kg**
of waste collected and managed through focused community initiatives

Concept, content and design at stirrup | whatsup@stirrup.works

**Hindustan Unilever Limited**
Registered Office:
Unilever House,
B. D. Sawant Marg, Chakala, Andheri
(East), Mumbai-400 099
CIN: L15140MH1933PLC002030