



14th July, 2023

Stock Code: BSE-500696
NSE- HINDUNILVR
ISIN: INE030A01027

BSE Limited
Corporate Relationship Department,
2nd Floor, New Trading Wing,
Rotunda Building, P.J. Towers,
Dalal Street,
Mumbai – 400001

National Stock Exchange of India Limited
Exchange Plaza, 5th Floor,
Plot No. C/1, G Block,
Bandra – Kurla Complex,
Bandra (E),
Mumbai – 400051

Dear Sir/Madam,

Sub.: Quarterly Compliance Report on Corporate Governance - Regulation 27(2) of Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Pursuant to the requirements of Regulation 27(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the applicable SEBI Circulars, we are hereby enclosing the Quarterly Compliance Report on Corporate Governance for the quarter ended 30th June, 2023.

You are requested to kindly take the above information on record.

Thanking You,

Yours faithfully,
For **Hindustan Unilever Limited**

DEVOPAM
NARENDRA
BAJPAI

Digitally signed by
DEVOPAM
NARENDRA BAJPAI
Date: 2023.07.14
20:27:27 +05'30'

Dev Bajpai
Executive Director, Legal & Corporate Affairs
and Company Secretary
DIN: 00050516 / FCS: F3354

Encl. as above

Corporate Governance Report

Name of Listed Entity : **Hindustan Unilever Limited**

Quarter ending : 30th June, 2023

I. Composition of Board of Directors

Title (Mr./ Ms./ Dr.)	Name of the Director	PAN & DIN	Category (Chairperson/ Executive/ Non- Executive/ Independent/ Nominee)	Initial Date of Appointment	Whether Special Resolution passed under Regulation 17 (1A) of Listing Regulations	Date of passing Special Resolution	Date of Re-appointment	Date of Cessation	Tenure (In Months)	Date of Birth	No. of Directorship in listed entities including this listed entity [in reference to Regulation 17A(1)]	No. of Independent Directorship in listed entities including this listed entity [in reference to proviso to regulation 17A(1)]	No. of Memberships in Audit/ Stakeholder Committee(s) including this listed entity (Refer Regulation 26(1) of Listing Regulations)	No. of post of Chairperson in Audit/ Stakeholder Committee held in listed entities including this listed entity (Refer Regulation 26(1) of Listing Regulations)
Mr.	Nitin Paranjpe	PAN: AEPPP2626E DIN: 00045204	Non - Executive Chairperson	31-03-2022	NA	-	-	-	-	04-03-1963	1	0	0	0
Mr.	Sanjiv Mehta*	PAN: AANPM7571K DIN: 06699923	Executive	01-10-2013	NA	-	10-10-2018	27-06-2023	-	09-07-1960	1	0	2	0
Mr.	Rohit Jawa#	PAN: AAKPJ4365R DIN: 10063590	Executive	01-04-2023	NA	-	-	-	-	18-09-1966	1	0	0	0
Mr.	Ritesh Tiwari	PAN: ABWPT0938K DIN: 05349994	Executive	01-05-2021	NA	-	-	-	-	04-12-1975	1	0	1	0
Mr.	Devopam Bajpai	PAN: AAAPB0651N DIN: 00050516	Executive	23-01-2017	NA	-	23-01-2022	-	-	14-11-1965	1	0	0	0
Mr.	Om Prakash Bhatt	PAN: AGPPB9727Q DIN: 00548091	Independent	30-06-2014	NA	-	30-06-2019	-	108	07-03-1951	3	3	5	1
Dr.	Sanjiv Misra	PAN: AAAPM1646G DIN: 03075797	Independent	30-06-2014	Yes	29-06-2019	30-06-2019	-	108	16-12-1947	1	1	1	0
Ms.	Kalpana Jaisingh Morparia	PAN: AAGPM5926M DIN: 00046081	Independent	09-10-2014	Yes	29-06-2019	09-10-2019	-	104.23	30-05-1949	2	2	3	2
Mr.	Leo Puri	PAN: AALPP0852A DIN: 01764813	Independent	12-10-2018	NA	-	-	-	56.2	03-01-1961	2	2	1	0
Dr.	Ashish Gupta~	PAN: AHHPG4579R DIN: 00521511	Independent	31-01-2020	NA	-	-	27-06-2023	41	18-12-1966	2	2	1	0
Ms.	Ashu Suyash	PAN: AKWPS0982M DIN: 00494515	Independent	12-11-2021	NA	-	-	-	19.19	02-02-1967	2	2	3	1
Mr.	Ranjay Gulati ^	PAN: ALAPC9837C DIN: 10053369	Independent	01-04-2023	NA	-	-	-	3	10-08-1962	1	1	1	0

Whether Regular Chairperson appointed

Yes

Whether Chairperson is related to Managing Director or CEO

No

* Mr. Sanjiv Mehta ceased to be Managing Director and Chief Executive Officer of the Company effective close of business hours on 26th June, 2023 and the details of Directorships, Committee Memberships/ Chairmanships provided for him are as on 26th June, 2023 (before the close of business hours).

Mr. Rohit Jawa was appointed as Whole-Time Director of the Company effective 1st April, 2023 till 26th June, 2023 and as the Managing Director and Chief Executive Officer of the Company effective 27th June, 2023 till 26th June, 2028. The appointment (s) was approved by the Shareholders at the 90th Annual General Meeting of the Company held on 26th June, 2023.

^ Mr. Ranjay Gulati was appointed as an Independent Director of the Company effective 1st April, 2023. The appointment was approved by the Shareholders at the 90th Annual General Meeting of the Company held on 26th June, 2023.

~ Mr. Ashish Gupta ceased to be an Independent Director of the Company effective close of business hours on 26th June, 2023 and the details of Directorships, Committee Memberships /Chairmanships provided for him are as on 26th June, 2023 (before the close of business hours).

II. Composition of Committees					
Name of Committee	Whether Regular Chairperson appointed	Name of Committee Members	Category (Chairperson/Executive/ Non-Executive/Independent/Nominee)	Date of Appointment	Date of Cessation
1. Audit Committee	Yes	Ms. Kalpana Jaisingh Morparia	Chairperson- Non-Executive - Independent	02-02-2021	–
		Mr. Om Prakash Bhatt	Non-Executive - Independent	30-06-2014	–
		Dr. Sanjiv Misra	Non-Executive - Independent	30-06-2014	–
		Dr. Ashish Gupta *	Non-Executive - Independent	30-04-2020	27-06-2023
		Ms. Ashu Suyash	Non-Executive - Independent	20-01-2022	–
		Mr. Ranjay Gulati #	Non-Executive - Independent	01-04-2023	–
# Mr. Ranjay Gulati was appointed as a Member of the Committee effective 01.04.2023.					
* Dr. Ashish Gupta ceased to be a Member of the Committee effective 27.06.2023.					
2. Nomination & Remuneration Committee	Yes	Dr. Sanjiv Misra	Chairperson - Non-Executive - Independent	30-06-2014	–
		Mr. Om Prakash Bhatt	Non-Executive - Independent	30-06-2014	–
		Ms. Kalpana Jaisingh Morparia	Non-Executive - Independent	02-02-2021	–
		Ms. Ashu Suyash	Non-Executive - Independent	20-01-2022	–
3. Corporate Social Responsibility Committee	Yes	Mr. Om Prakash Bhatt	Chairperson - Non-Executive - Independent	30-06-2014	–
		Dr. Sanjiv Misra	Non-Executive - Independent	30-06-2014	–
		Ms. Kalpana Jaisingh Morparia	Non-Executive - Independent	09-10-2014	–
		Mr. Sanjiv Mehta ^	Executive	01-10-2013	27-06-2023
		Mr. Leo Puri	Non-Executive - Independent	01-05-2021	–
		Mr. Ritesh Tiwari	Executive	01-05-2021	–
^ Mr. Sanjiv Mehta ceased to a Member of the Committee effective 27.06.2023.					
4. Stakeholders Relationship Committee	Yes	Mr. Om Prakash Bhatt	Chairperson - Non-Executive - Independent	30-06-2014	–
		Mr. Sanjiv Mehta ^	Executive	01-10-2013	27-06-2023
		Mr. Leo Puri	Non-Executive - Independent	01-05-2021	–
		Mr. Ritesh Tiwari	Executive	01-05-2021	–
^ Mr. Sanjiv Mehta ceased to a Member of the Committee effective 27.06.2023.					
5. Risk Management Committee	No#	Mr. Sanjiv Mehta	Chairperson - Executive	27-10-2014	27-06-2023
		Mr. Devopam Bajpai	Executive	27-10-2014	–
		Dr. Ashish Gupta *	Non-Executive - Independent	01-05-2021	27-06-2023
		Mr. Ritesh Tiwari	Executive	01-05-2021	–
		Ms. Ashu Suyash	Non-Executive - Independent	20-01-2022	–
		Mr. Ravishankar Ambalaparambil	Senior Executive	01-05-2021	-
# Dr. Ashish Gupta ceased to be a Member of the Committee effective 27.06.2023.					
# Consequent to the stepping down of Mr. Sanjiv Mehta as the Managing Director & Chief Executive Officer of the Company with effect from close of business hours on 26.06.2023, he ceased to be Chairperson of the Risk Management Committee (RMC). As on 30.06.2023, the RMC does not have a Regular Chairperson appointed.					
6. Environmental, Social and Governance Committee	Yes	Ms. Ashu Suyash	Chairperson - Non-Executive - Independent	01-12-2022	–
		Ms. Kalpana Jaisingh Morparia	Non-Executive - Independent	01-12-2022	–
		Dr. Ashish Gupta *	Non-Executive - Independent	01-12-2022	27-06-2023
		Mr. Om Prakash Bhatt	Non-Executive - Independent	01-12-2022	–
		Mr. Sanjiv Mehta ^	Executive	01-12-2022	27-06-2023
* Dr. Ashish Gupta ceased to be a Member of the Committee effective 27.06.2023.					
^ Mr. Sanjiv Mehta ceased to a Member of the Committee effective 27.06.2023.					

III. Meeting of Board of Directors					
Date(s) of Meeting (if any) in the previous quarter	Date(s) of Meeting (if any) in the relevant quarter	Whether requirement of Quorum met	Number of Directors present	Number of Independent Directors present	Maximum gap between any two consecutive (in number of
19-01-2023	-	Yes	9	5	-
17-02-2023	-	Yes	10	6	28
10-03-2023	-	Yes	10	6	20
	10-04-2023 and 11-04-2023*	Yes	12	7	30
-	27-04-2023	Yes	12	7	15
Note:					
* In the Board Meeting held on 10.04.2023 and continued on 11.04.2023, Mr. Ranjay Gulati attended the Meeting on 11.04.2023 and has been considered for quorum accordingly.					
IV. Meetings of Committees					
Date(s) of meeting of the committee in the relevant quarter	Whether requirement of Quorum met (details)	Number of Members present	Number of Independent Directors present	Date(s) of meeting of the committee in the previous quarter	Maximum gap between any two consecutive meetings in number of days
A. Audit Committee ^					
26-04-2023 and 27-04-2023	Yes	5	5	19-01-2023	96
B. Nomination and Remuneration Committee (NRC) #					
-	Yes	4	4	17-02-2023	-
-	Yes	4	4	10-03-2023	20
C. Risk Management Committee (RMC) #					
-	Yes	6	2	17-02-2023	-
D. Stakeholders Relationship Committee (SRC) #					
-	Yes	4	2	19-01-2023	-
E. Corporate Social Responsibility (CSR) Committee *					
-	Yes	6	4	21-10-2022	-
F. Environmental, Social and Governance (ESG) Committee #					
-	Yes	5	4	17-02-2023	-
Note:					
# For RMC, NRC, SRC and ESG Committee, no meetings have been held in the relevant quarter. Hence, only the details of the meeting held in immediately preceeding quarter have been provided.					
* For CSR Committee, no meeting has been held in the relevant quarter or the immediately preceeding quarter. Hence, the details of last meeting held have been provided.					
V. Related Party Transactions					
Subject				Compliance status (Yes/No/NA)	
Whether prior approval of Audit Committee obtained				Yes	
Whether shareholder approval obtained for material RPT				Yes	
Whether details of RPT entered into pursuant to omnibus approval have been reviewed by the Audit Committee				Yes	
VI. Affirmations					
1. The composition of Board of Directors is in terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.					
2. The composition of the following Committees is in terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015					
a. Audit Committee					
b. Nomination & Remuneration Committee					
c. Stakeholders Relationship Committee					
d. Risk management committee (applicable to the top 100 listed entities)					
3. The Committee Members have been made aware of their powers, role and responsibilities as specified in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.					
4. The meetings of the Board of Directors and the above Committees have been conducted in the manner as specified in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.					
5. This report and / or the report submitted in the previous quarter has been placed before Board of Directors. Any comments/observations/ advice of the Board of Directors may be mentioned here.					
Name & Designation: Devopam Bajpai Executive Director, Legal & Corporate Affairs and Company Secretary DIN : 00050516 / FCS : F3354			DEVOPAM NARENDRA BAJPAI		
Place: Mumbai Date: 14-07-2023			Digitally signed by DEVOPAM NARENDRA BAJPAI Date: 2023.07.14 20:28:23 +05'30'		

DETAILS OF MATERIAL RELATED PARTY TRANSACTIONS

Sr. No.	Particulars	Details
1.	Name of the Related Party	Unilever Europe Business Centre BV
2.	Nature of Relationship with the Company	Fellow Subsidiary
3.	Type, material terms and particulars of the transaction	<p>For FY'24, the gross value of service-related transactions is estimated to be ₹1,200 crores while the net value is c. ₹600 crores. The split of these transactions is as shared below:</p> <ul style="list-style-type: none"> • Outflow for Service charges for costs centrally incurred by Unilever (cost to HUL) – c. ₹900 crores • Inflow for recovery of costs incurred in India benefitting other Unilever geographies as well (Income for HUL) c. ₹300 crores <p>Basis turnover growth and cost inflation assumptions, we have factored an enabling upper limit of ₹2,000 crores per financial year for approval for a 5 year period.</p>
4.	Tenure of the transaction	Recurring Transactions for a duration of five financial years commencing from financial year 2023-24 to financial year 2027-28.
5.	Value of the transaction	Not exceeding ₹2,000 Crores in each financial year. The upper limit mentioned is an enabling limit to help the business operate smoothly without interruption.
6.	Percentage of the Company's annual consolidated turnover for the immediately preceding financial year that is represented by the value of the transaction	<p>c.3.4% (basis the upper limit of ₹2,000 crores and using annual consolidated turnover of FY'23).</p> <p>c.2% (basis the estimate of ₹1,200 crores for FY'24 and using annual consolidated turnover of FY'23).</p>
7.	<p>a. Details of the source of funds in connection with the transaction</p> <p>b. where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments</p> <ul style="list-style-type: none"> • nature of indebtedness; • cost of funds; and • tenure; <p>c. Applicable terms, including covenants, tenure, interest rate, repayment schedule, whether secured (nature of security) or unsecured</p> <p>d. Purpose for which funds will be utilised</p>	Not Applicable, as the transactions are not related to any loans, inter-corporate deposits, advances or investment made or given by the Company or its subsidiary.

Sr. No.	Particulars	Details
8.	Justification as to why the RPT is in the interest of the Company	The transactions relating to Central services are a necessary investment for our business to continue winning in the marketplace. Leveraging Unilever's global services gives us significant scale advantages and a competitive edge. Our guiding principle was that the transactions must be on an arms' length basis and commensurate to the benefits received.
9.	Details about valuation, arm's length and ordinary course of business	An independent external benchmarking was conducted covering every element of the proposed transactions individually. We ensured that we remain competitive i.e., at or lower than the median of the range on fees for central services. The new contract rates comply with the arms' length standard.
10.	Valuation or other external report, if any, relied upon by the listed entity in relation to the proposed transaction	External report by M/s Deloitte Haskins and Sells LLP was considered besides detailed evaluation and due diligence led by senior HUL management and guided by HUL's Audit Committee and Board.
11.	Date of Approval by the Shareholders	26th June, 2023.
12.	Any other information relevant or important for the shareholders to take an informed decision	All relevant information forms a part of this Explanatory statement setting out material facts.
