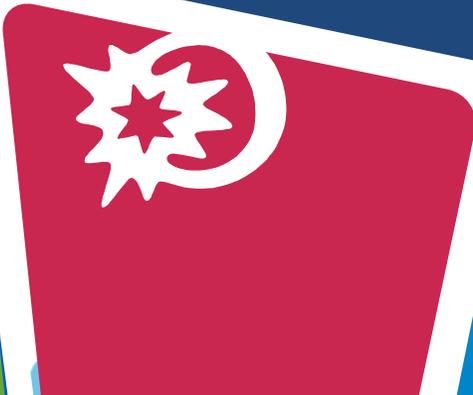


RE-IMAGINING HUL

CLSA 2018 INDIA FORUM | 16 NOV 2018

Srinivas Phatak, Chief Financial Officer



Hindustan Unilever Limited

SAFE HARBOUR STATEMENT



Hindustan Unilever Limited

This Release / Communication, except for the historical information, may contain statements, including the words or phrases such as 'expects, anticipates, intends, will, would, undertakes, aims, estimates, contemplates, seeks to, objective, goal, projects, should' and similar expressions or variations of these expressions or negatives of these terms indicating future performance or results, financial or otherwise, which are forward looking statements. These forward looking statements are based on certain expectations, assumptions, anticipated developments and other factors which are not limited to, risk and uncertainties regarding fluctuations in earnings, market growth, intense competition and the pricing environment in the market, consumption level, ability to maintain and manage key customer relationship and supply chain sources and those factors which may affect our ability to implement business strategies successfully, namely changes in regulatory environments, political instability, change in international oil prices and input costs and new or changed priorities of the trade. The Company, therefore, cannot guarantee that the forward looking statements made herein shall be realized. The Company, based on changes as stated above, may alter, amend, modify or make necessary corrective changes in any manner to any such forward looking statement contained herein or make written or oral forward looking statements as may be required from time to time on the basis of subsequent developments and events. The Company does not undertake any obligation to update forward looking statements that may be made from time to time by or on behalf of the Company to reflect the events or circumstances after the date hereof.

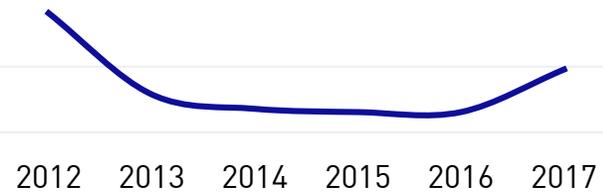
RAPID PACE OF CHANGE : LAST 5 YEARS



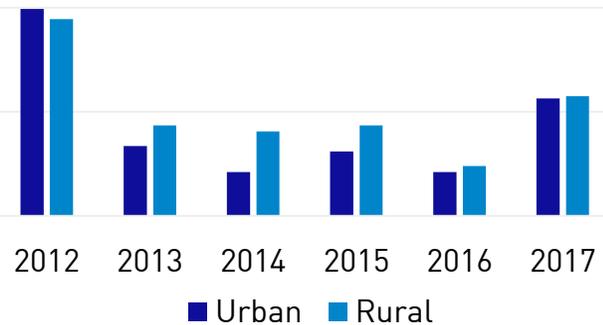
Hindustan Unilever Limited

Market Context

Market Growth



Urban - Rural Growth



Rural Growth subdued till 2017

Disruptions & Climate Extremities



GST: Biggest Tax reform in India

Foods safety



Demonetization of 86% currency in circulation



Floods and Droughts

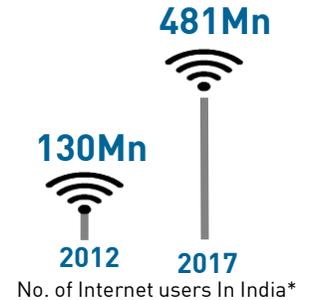


Consumers & Competition



Growing affluence and aspirations

Rapid increase in Internet and mobile usage



Increased competitive intensity

PERFORMANCE IN THE LAST 6 YEARS



Hindustan Unilever Limited

Net Sales

~\$1.9bn
added[^]



EBITDA

~\$573 Mn
added



Market Capitalization

~\$38bn*
added



All nos compared with FY'11-12 which is reinstated to reflect key IND AS accounting impact

[^]Not adjusted for GST accounting impact & hence the net sales number looks deflated

* Difference in market capitalization converted to USD based on rate as of 13th Nov 2018

A FEW EXAMPLES OF CONSISTENT HIGH PERFORMANCE



Hindustan Unilever Limited

Laundry



**Consistent Growth in
Topline & Bottom line**

Hair Care



**Consistent delivery on all
fronts powered by strong
portfolio**

Tea



No. 1 Tea Company in India

BEING RECOGNISED



Hindustan Unilever Limited



**Best Performing
Unilever Business
2014**

**Aon Hewitt
Top Companies
for Leaders 2014**

**# 3 Company globally
for building leaders
2014**



**Economic Times –
Company of the year
2015**



**#8 Globally and
#1 in India
2018**



**Corporate Citizen of
the year
2018**



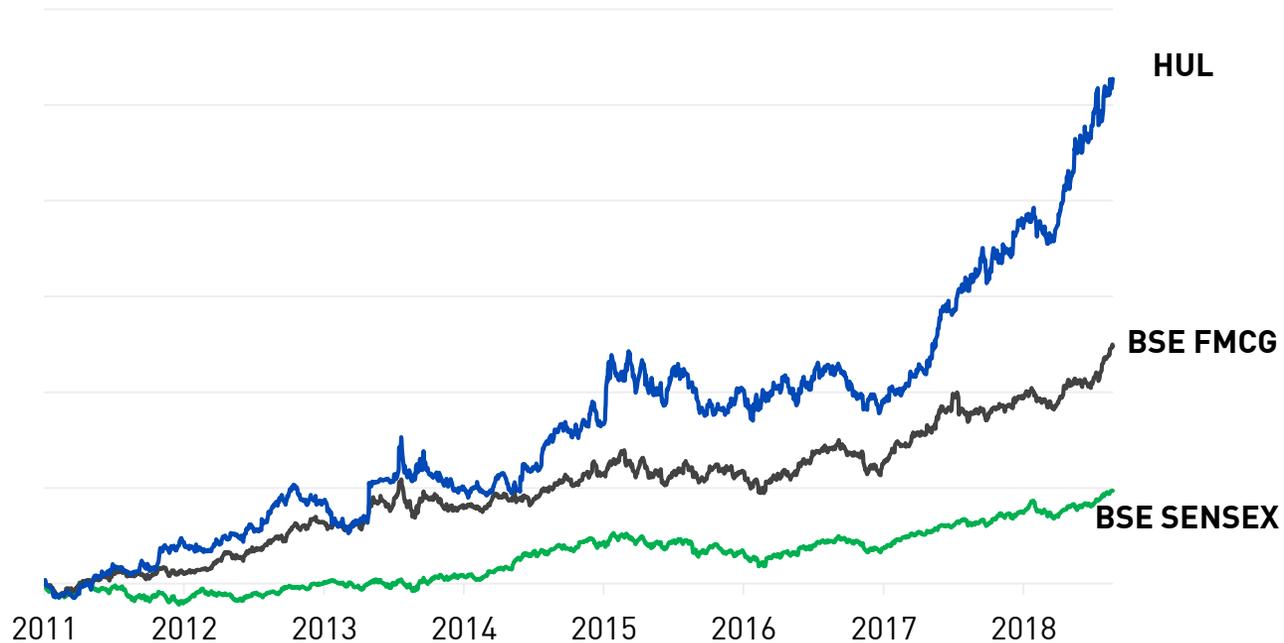
'Dream Employer' for 9 years in a row among top Indian universities

HUL SHARE PERFORMANCE



Hindustan Unilever Limited

Performance vs Indices



Market Capitalization

\$ 12 billion
2012

4.1 X

\$ 50 billion
Current*

HUL among the top 5 most valuable companies in India*

Markets rewarding our Consistent, Competitive, Profitable and Responsible Growth

USD to INR conversion rate used as of 13th Nov 2018

*Based on market capitalization as of 13^h Nov 2018

IT'S AN AGE OF CHANGE AND DISRUPTION



Hindustan Unilever Limited



Millennials / Gen Z



There is a thrill of purpose



Changing family dynamics



Uncertainties and Volatility are the new normal



Globally connected but there is a search for authenticity



Digital disruptions reshaping business models

AND HENCE THERE IS A NEED FOR...



Hindustan Unilever Limited

Consumer Centricity



Speed & Agility



Digital Connectivity



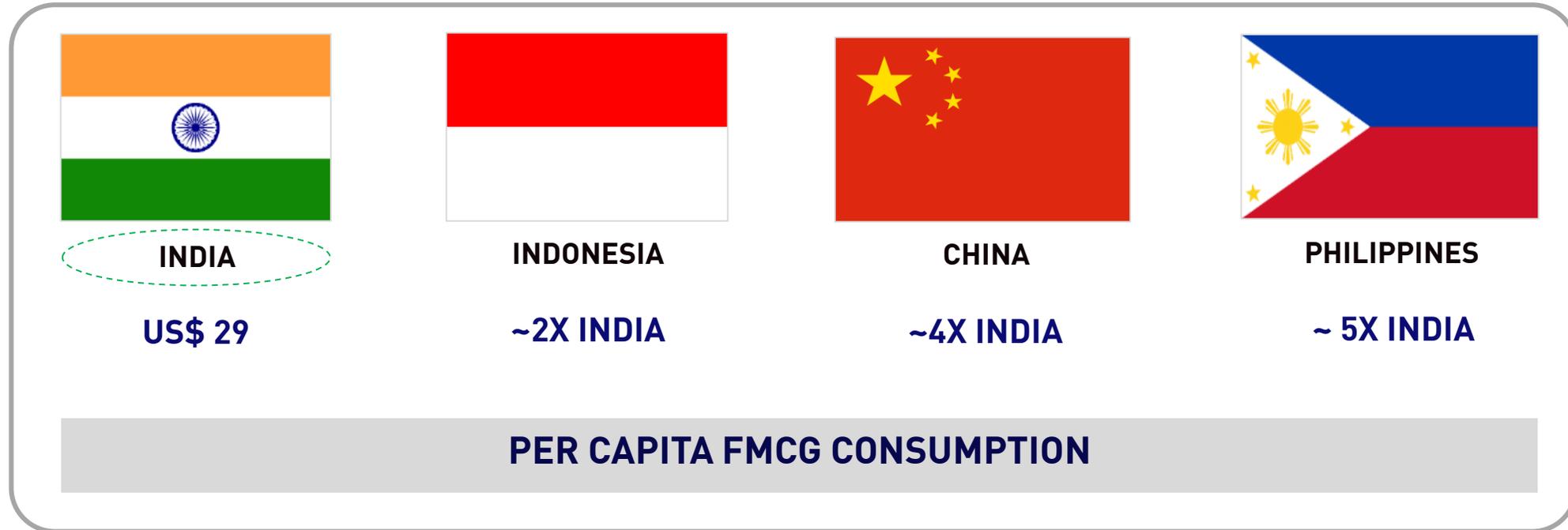
Being Glocal



FMCG CONTINUES TO BE A BIG OPPORTUNITY IN INDIA



Hindustan Unilever Limited



To tap this big opportunity, we need more money in the hands of more people i.e. Inclusive Growth

MARKETS SHOWING EARLY SIGNS OF REVIVAL

Tailwinds



Good monsoon

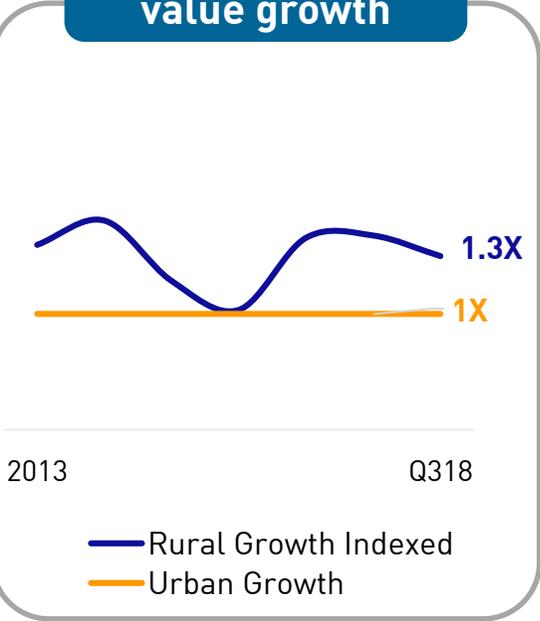
Increasing MSP*





Upcoming elections

Rural vs Urban value growth



Year	Rural Growth Indexed	Urban Growth
2013	1.0X	1.0X
Q318	1.3X	1.0X

Currency & Crude



Rural growth on an upward trajectory; Gradual improvement in demand

**WINNING IN THE FUTURE NEEDS A
DIFFERENT APPROACH**





RE-IMAGINING HUL FOR THE FUTURE

RE-IMAGINING HUL



Hindustan Unilever Limited

Re-imagining our structure



Re-imagining our portfolio



Re-imagining magic in marketing



Re-imagining our trade channels



Re-imagining the value chain



Re-imagining fuel for growth



Re-imagining culture of the organisation



RE-IMAGINING HUL



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WINNING IN MANY INDIAS (WiMI)



Hindustan Unilever Limited



WiMI in action

Distinctive strategy at a cluster level

Customized product propositions & media deployment for every cluster

Empowered Cluster Heads enabling faster decision making closest to the point of action

CCBTs: 15 MINI-BOARDS IN ACTION



Hindustan Unilever Limited



Building a stronger sense of empowerment & ownership

Multi functional representations in CCBTs



Merger of Brand Development & Brand Building



Responsible for delivering in-year P&L

RE-IMAGINING HUL



Hindustan Unilever Limited

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STRENGTHENING THE CORE



Hindustan Unilever Limited



Focus on driving penetration & weighted distribution



Constantly innovating and renovating the core



Focused SKUs at cluster level to address demands of all Indias



Making the core more aspirational



Offering multiple value additions across the core portfolio

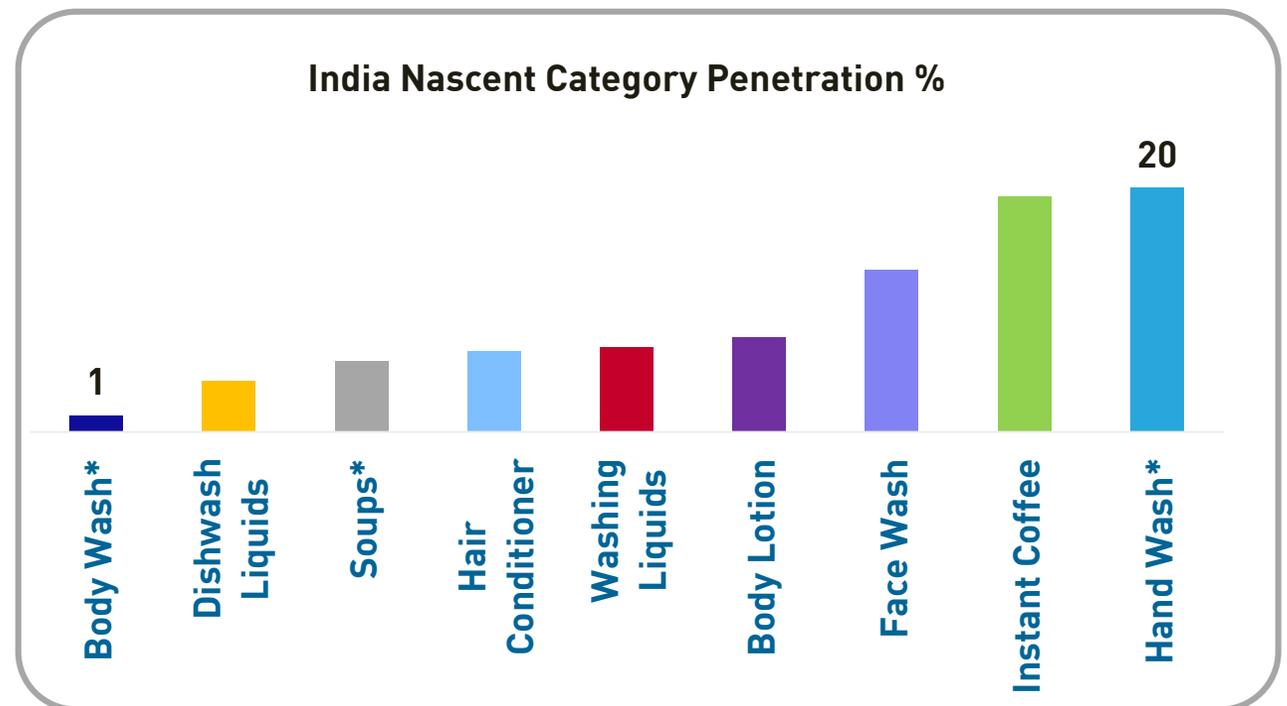


CREATING CATEGORIES OF THE FUTURE



Hindustan Unilever Limited

Opportunities to premiumize and up trade; huge headroom to grow



MARKET DEVELOPMENT & PREMIUMIZATION

Powered by education demos and sampling

Business Results



Growing at ~2X HUL Average

Science of Sampling



2014

Consumer contacts



2017

BUILDING NATURALS



Hindustan Unilever Limited

indulekha®
Bringha Oil
 AYURVEDIC MEDICINE FOR HAIRFALL.
 HELPS GROW HAIR.*

*contains natural ingredients known to reduce hairfall and helps hair growth upto its natural potential

LEVER ayush
 MASALA MILLET UPMA

LEVER ayush
 MASALA MILLET KHICHI

LEVER ayush
 AVAL MILLET PONGAL

LAKMĒ 9to5
 NATURALE RANGE

NEW

INDULEKHA BRINGHA HAIRFALL* SHAMPOO
 9 FULL BRINGHAJ PLANT EXTRACTS IN EVERY BOTTLE.
 NO ADDED COLOUR. NO ADDED FRAGRANCE.

*Hairfall due to breakage.

indulekha®
 Bringha Hair Cleanser

CHOOSE
 365 DAYS OF
 SAHI AYURVEDA

LEVER ayush

Red Label Natural Care
 HYDRATING SKINCARE

CLINIC PLUS+
 ayurveda care
 TRIPHALA SHAMPOO

Lotus flower extract

Fair & Lovely

Milk

Chandan

Til Oil

Kesar

Manjistha

ayush

Solve your modern day lifestyle problems with
 Sahi Ayurveda

NEW LUX
 Saffron Glow

For Brightest Skin
 Soften Tones & White Up

Lifebuoy
 100% Better Skin Protection

Neem
 with Aloe Vera
 ANTIBACTERIAL PROTECT

Lifebuoy
 100% Better Skin Protection

Turmeric
 with Honey
 ANTIBACTERIAL PROTECT

closeup
 FRESH
 ATTRACTION
 NATURE BOOST

closeup
 FRESH
 ATTRACTION
 NATURE BOOST

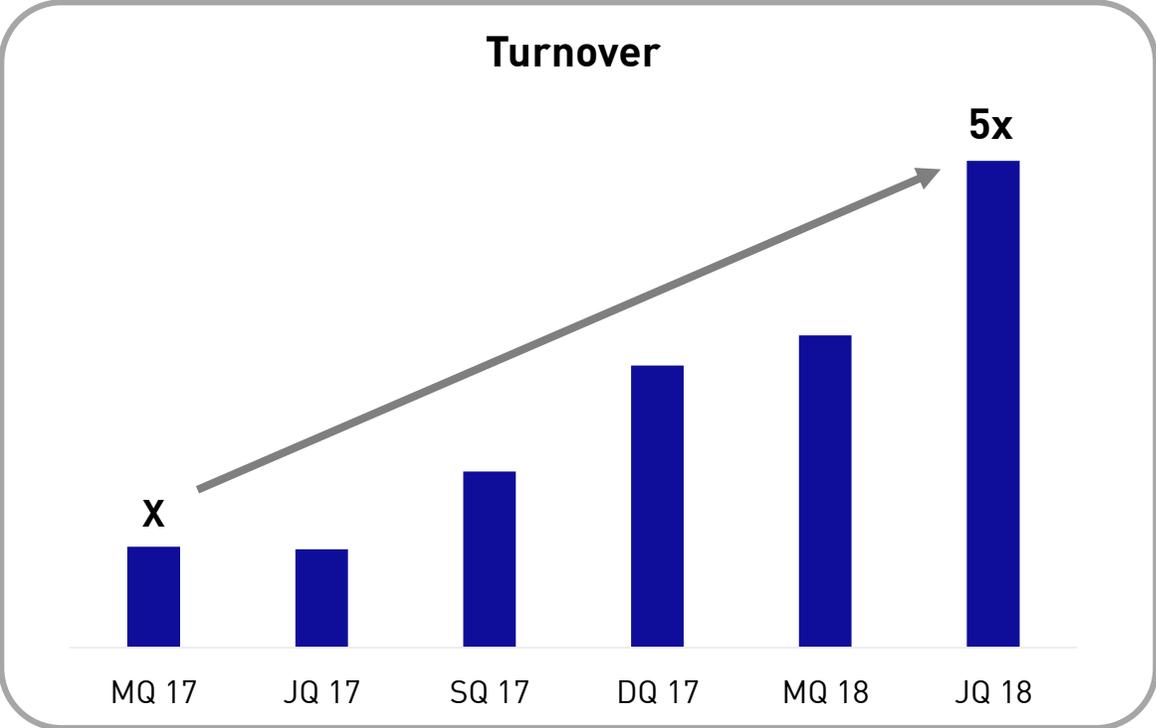
Vim **ANTI SMELL**
 WITH PUDINA

REMOVES
5 TOUGHEST SMELLS

Vim **EXTRA**
 ANTI SMELL

Naturals portfolio growing ~2.5X of overall HUL average

BUILDING SPECIALIST BRANDS - INDULEKHA



Growth exceeding our acquisition business case

RE-IMAGINING HUL



Hindustan Unilever Limited

Re-imagining our structure



Re-imagining our portfolio



Re-imagining magic in marketing



Re-imagining our trade channels



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Re-imagining fuel for growth



Re-imagining culture of the organisation



BUILDING BRANDS WITH PURPOSE



Hindustan Unilever Limited

Let's break the rules of beauty

Dove

Join us at Dove.com
#RealBeauty

Fair & Lovely Foundation

**Create a Login ID,
Create an Identity**

create log-in ID at : www.fairandlovelyfoundation.in

- SCHOLARSHIP
- JOB COURSES
- CAREER GUIDANCE

Knorr supports WFP

Food lovers.
Stop posting.
Start sharing.

#ShareTheMeal #Knorr

DOMEX TOILET ACADEMY

- More than **500** micro entrepreneurs trained to build and maintain toilets
- Over **1 lakh** toilets built
- Over **6 lakh** people benefitted

Lifebuoy

HELP A CHILD REACH 5

Pledge now on www.facebook.com/lifebuoy

ज़बरदस्त चमक का वादा
पानी लगे आधा

RIN ₹10 ONLY

चमकते रहना

TRANSFORM YOUR LOOK AND HER FUTURE

Let your new makeover contribute to a little girl's education with Happy New You.

VISIT YOUR NEAREST LAKME SALON TO KNOW MORE.

LAKME SALON **HAPPY NEW YOU MAKEOVER PACKAGES**

Brooke Bond

Red Label

Bringing the world closer,
one song at a time

A CHILDREN'S DAY SPECIAL

kissan PRESENTS

#RealTogetherness

A heart-warming story of friendship between a child and his grandfather

Watch the film on: [/kissanindia](http://kissanindia)

Share your moments of #RealTogetherness on: [/kissanindia](http://kissanindia)

CONSISTENTLY EVOLVING BRAND COMMUNICATION



Hindustan Unilever Limited



2005



Pride

2011



Loyalty & Forgiveness

2013



Empathy and Love

2017



Learning from Failure

2005



A cup of motherly love

2008



A cup with little sips of life

2010



Health & Taste

2014



Taste & Togetherness

2017



Taste & Togetherness



Surf AV

BUILDING ICONIC ENGAGEMENT PLATFORMS



Hindustan Unilever Limited

Lux Golden Rose Awards



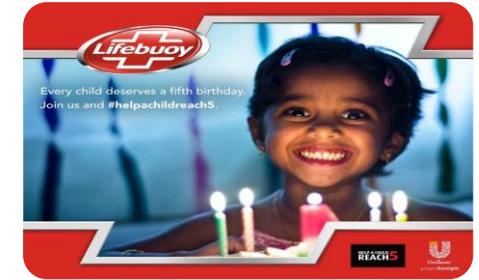
Lakmé Fashion Week



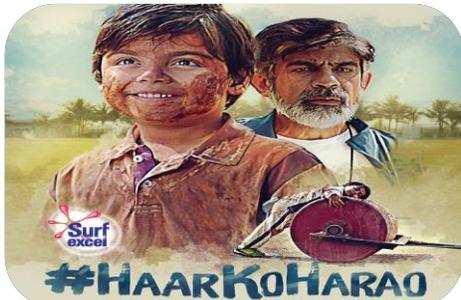
FAL Foundation



Lifebuoy help a child reach 5



Surf Excel Haar Ko Harao



Rin Career Academy



Red Label Taste and Togetherness



Kissan Tiffin Timetable



RE-IMAGINING HUL



Hindustan Unilever Limited

Re-imagining our structure



Re-imagining our portfolio



Re-imagining magic in marketing



Re-imagining our trade channels



Re-imagining the value chain



Re-imagining fuel for growth



Re-imagining culture of the organisation



GENERAL TRADE WILL CONTINUE TO REMAIN BIG



Hindustan Unilever Limited

More throughput from more stores

All GT channels will remain relevant

Wholesale



Aids ↑ Width of distribution

Retail



Accessibility at arm's reach of desire

Shakti



Deep Rural distribution

Driving effective coverage & assortment

EFFECTIVE COVERAGE



ASSORTMENT



In a country of ~600k villages & 10Mn outlets, GT even after 10 years, will remain an important channel

BUILDING CHANNELS OF THE FUTURE



Hindustan Unilever Limited

Modern Trade



Driving visibility across Modern Trade

ECommerce



Exclusive male grooming range co-created with partner

Our Growth & Profitability in ECommerce > Modern Trade > Traditional Trade

RE-IMAGINING HUL



Hindustan Unilever Limited

Re-imagining our structure



Re-imagining our portfolio



Re-imagining magic in marketing



Re-imagining our trade channels



Re-imagining the value chain



Re-imagining fuel for growth



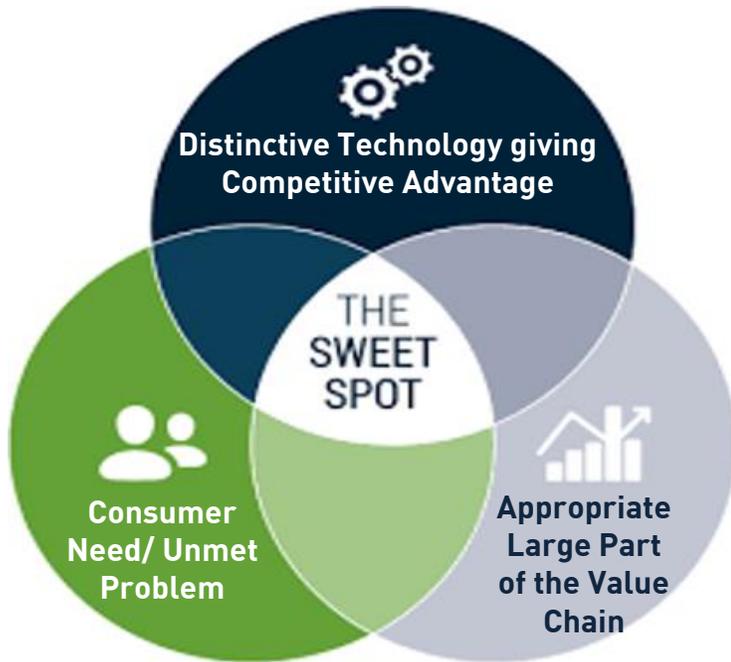
Re-imagining culture of the organisation



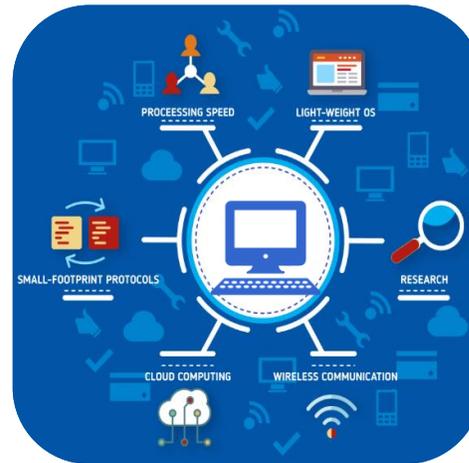
TECHNOLOGY AVAILABLE TODAY, OPENS UP A LOT OF OPPORTUNITIES



Hindustan Unilever Limited



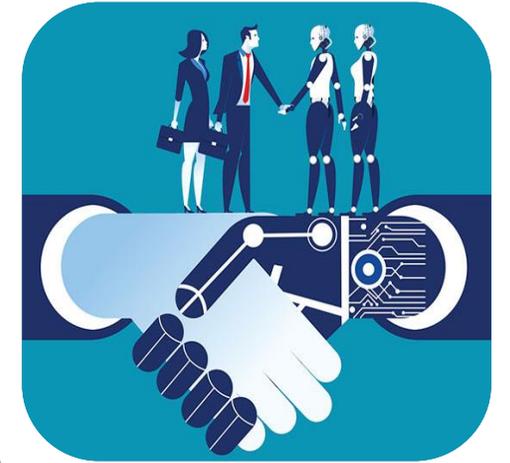
Internet of Things



Cloud Technology



Artificial intelligence



WE CHOSE TO DISRUPT THAN BE DISRUPTED



Hindustan Unilever Limited

Insights



R&D



Manufacturing



Distribution



Communication



Consumer Journey



RE-IMAGINING HUL: OUR VISION



Hindustan Unilever Limited

*“Re-imagine HUL of the future by choreographing a holistic approach **across the value chain** to completely transform the way we do business in a connected world”*



RE-IMAGINING SUPPLY CHAIN



Hindustan Unilever Limited



Plan



- 1 Day Planning Cycle (real-time)
- Integrated S&OP
- Segmentation 2.0

Source



- Integrated e-tendering
- Realtime Forecast
- Smart Inventory modelling

Make



- Digital Factory
- Smart Robotics
- Network redesign

Deliver



- New Logistic models
- Efficient Fulfilment Centres

RE-IMAGINING MARKETING

Granular data analysis and tracking



Advanced Analytics & Decision Support System



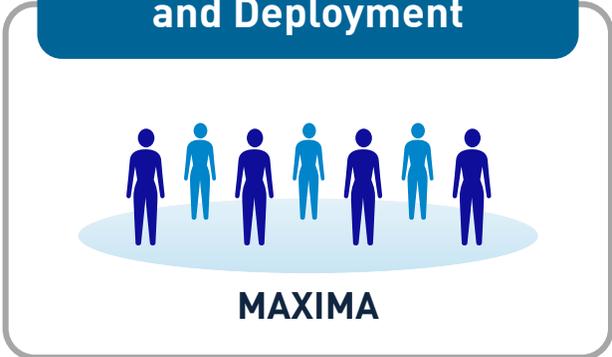
Social Listening: Always on Conversation



Precision Marketing: Consumer Journey



Precision Targeting and Deployment



RE-IMAGINING CUSTOMER DEVELOPMENT



Hindustan Unilever Limited



Demand Capture



Demand Fulfilment



Demand Generation

Providing superior customer service through vertical task specialization across the three pillars interlinked through modular IT capabilities

DEMAND CAPTURE



Hindustan Unilever Limited

Salesman Chatbots

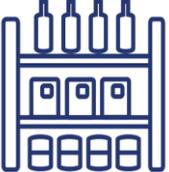
Enhance salesman productivity with chatbots



- Product Discovery
- Answer Outlet Queries
- Learn @ your speed
- Know your Current QOC
- Unlock Potential
- Easy Policies

Advanced Analytics / AI

Driving better and sharper assortment



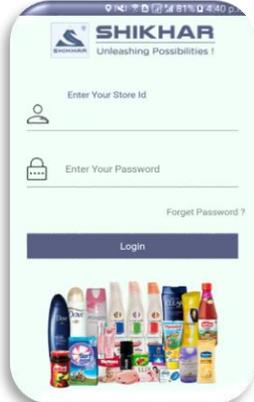
Algorithmic Segmentation of Outlets

Smarter recommendation

Understanding behaviors

Shikhar app

All inclusive retailer engagement tool



User friendly Interface

Retailer Self-service

Information Transparency

Customer Engagement

Product Information

Convenient Tracking

DEMAND FULFILMENT

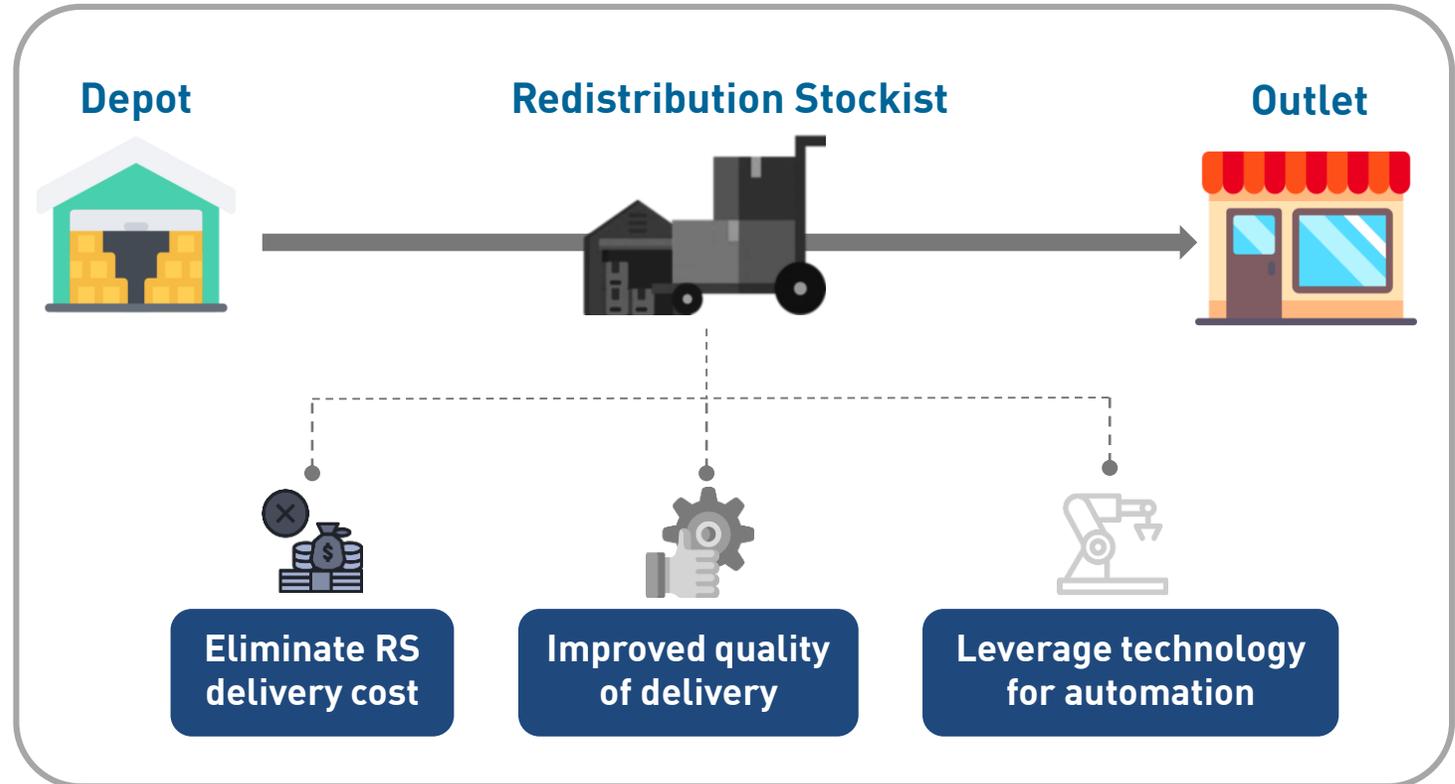


Hindustan Unilever Limited

Demand Fulfilment



- **Project Shogun: Deliver with speed to trade and ensure efficient fulfilment**
- **Impact App : A delivery interface to unlock benefits for retail stockist**



DEMAND GENERATION



Hindustan Unilever Limited

Demand Generation



- Scaling up B2C (HumaraShop)
- Leverage technology to improve shelf presence

The screenshot displays the HumaraShop website interface with three promotional banners:

- Lakme Beauty Store:** Features images of Lakme beauty products (eyeliner, cream, face wash) and a circular badge offering "UPTO 15% OFF*". A "SHOP NOW" button is present.
- Tea Coffee:** Features images of Bru Tea Coffee packets and cups. A large "10% OFF*" badge is shown, along with a "SHOP NOW" button. A small note at the bottom right says "*Offer valid till stocks last. T & C apply".
- Kissan Jam:** Features images of Kissan Jam jars (strawberry, berry, orange) and fresh fruit. A large "₹ 99/-" price tag is shown, with "only" written below it. A "SHOP NOW" button is present. A small note at the bottom right says "*Offer valid till stocks last. T & C apply".

RE-IMAGINING HUL



Hindustan Unilever Limited

Re-imagining our structure



Re-imagining our portfolio



Re-imagining magic in marketing



Re-imagining our trade channels



Re-imagining the value chain



Re-imagining fuel for growth



Re-imagining culture of the organisation

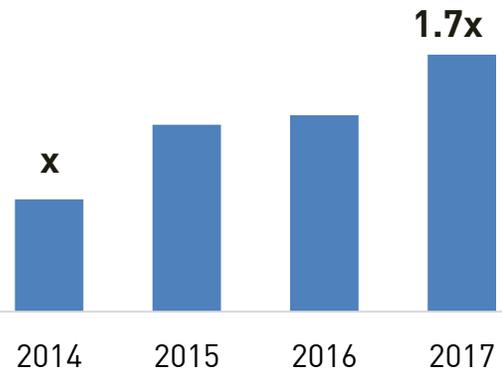


GENERATING FUEL FOR GROWTH BY CONSTANT REINVENTION



Hindustan Unilever Limited

Savings as a % of Turnover



End-to-end cost focus



Leveraging Technology



Investing back into virtuous cycle of growth



Powered by



RE-IMAGINING HUL

Re-imagining our structure



Re-imagining our portfolio



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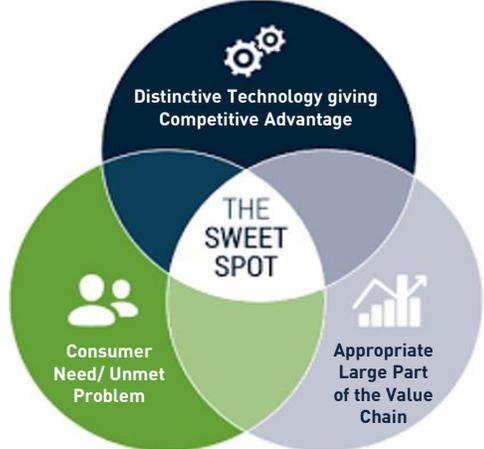


BRINGING AN ORGANIZATION WIDE CHANGE

Building an Owner's mindset



Nurturing an experimentation culture



Holistic Wellbeing



Diversity and Inclusion





**WHILE WE RE-IMAGINE HUL, WHAT WE
WILL NOT CHANGE IS
OUR PURPOSE & VALUES**

UNILEVER SUSTAINABLE LIVING PLAN



Hindustan Unilever Limited

Health & Wellbeing



>67 million people reached -
Lifebuoy Handwashing Programme

83 billion litres of safe drinking water provided by **Pureit**

~1.1 million people impacted through **Domex Toilet Academy**

Sustainable Sourcing

100% **TOMATOES** are sourced from sustainable sources



52% **TEA** is sourced from estates certified as sustainable

Water Conservation



450 billion litres of water potential created



Hindustan Unilever Limited
Hindustan Unilever Foundation

Enhancing Livelihoods



80,000+ **Shakti entrepreneurs** network

1.7 million people benefitted



Over 420,000 people trained

200,000 women enrolled



IN SUMMARY



Hindustan Unilever Limited



The external context is fast evolving and FMCG in India continues to be an immense opportunity



The new structure (WIMI, CCBTs) has made HUL more agile and resilient



Focused on delivering consistent, competitive, profitable and responsible growth



Leveraging technology to re-imagine our ways of working across the value chain



Building capabilities and re-imagining our culture to be future ready

Our purpose and values remain unchanged

THANK YOU

For More Information



Hindustan Unilever Limited

VISIT OUR WEBSITE

<http://www.hul.co.in/investorrelations/>