

WINNING DECISIVELY

CITI INDIA INVESTOR CONFERENCE | 1 JUNE 2017

Sanjiv Mehta, CEO & MD



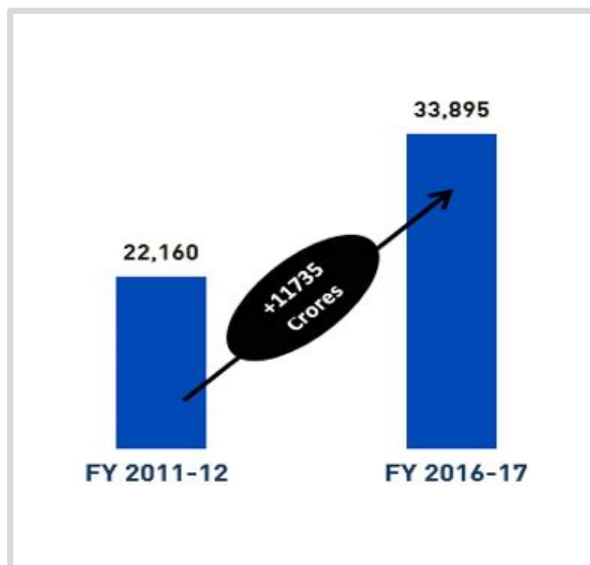
Hindustan Unilever Limited

SAFE HARBOUR STATEMENT

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.

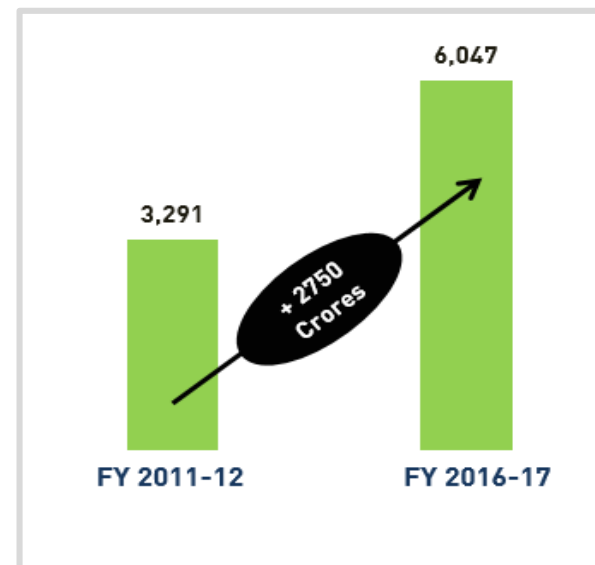
HUL – PERFORMANCE - LAST 5 YEARS AT A GLANCE

Net Sales



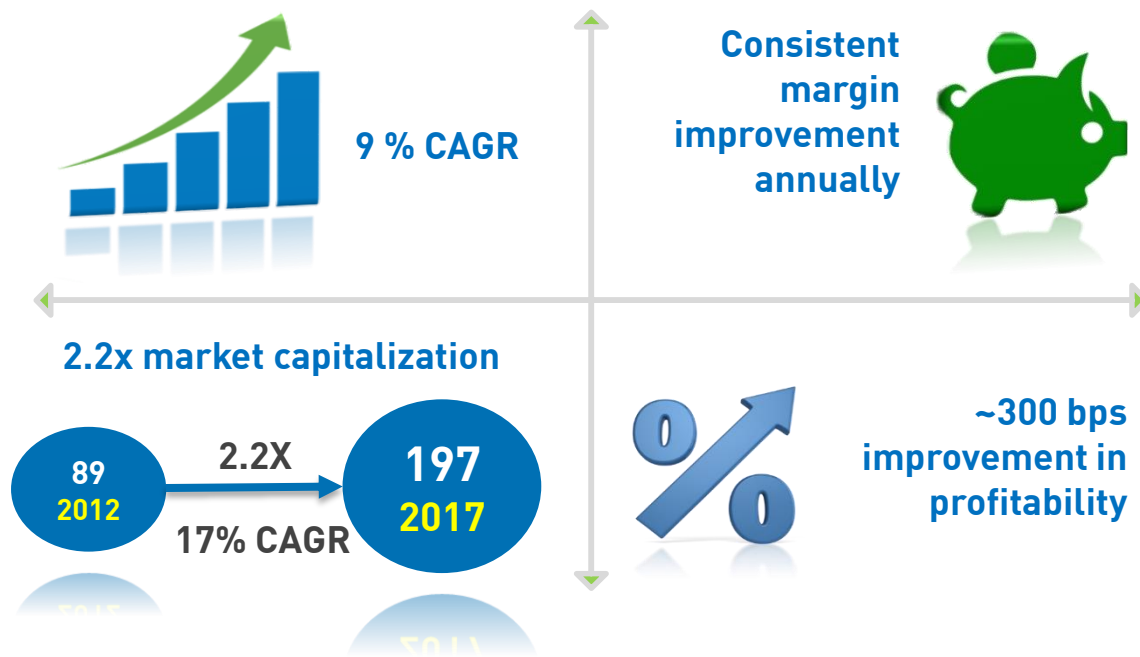
~12,000 Crores added

EBITDA



EBITDA 1.8x

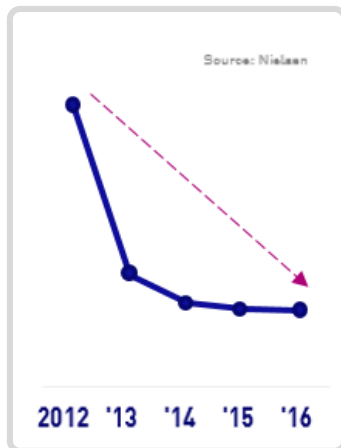
STRATEGY ON TRACK AND DELIVERING IN LAST 5 YEARS



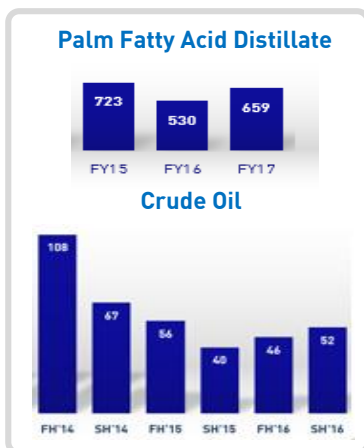
Consistent, Competitive, Responsible, Profitable Growth delivered

FY 2016-17: CHALLENGING ENVIRONMENT

Subdued Consumer markets



Volatile Commodity costs



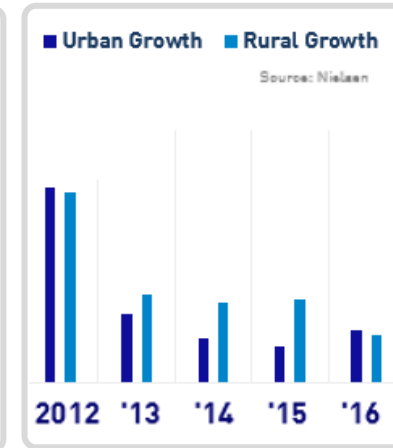
Climate Extremities



Demonetization



Rural growth yet to recover



Yet Resilient Performance Delivered: 4% USG; 1% UVG; +38 bps EBITDA margin

CONTINUING TO BUILD BIGGER BRANDS & WINNING WITH CONSUMERS

19 BRANDS > 500 crores

6 Rs. 2000 CR + BRANDS



5 Rs. 1000 CR + BRANDS



8 Rs. 500 CR + BRANDS



7 BRANDS feature in 'Top 20 Most Trusted Brands' 2016 edition



RETAINING TOP EMPLOYER POSITION

Employer of Choice



6th YEAR in a row

#1 Employer



Mid Career recruits &
Women

Dream Employer



8th YEAR in a row

HUL: WINNING DECISIVELY



Hindustan Unilever Limited

WE REMAIN OPTIMISTIC ON THE INDIA GROWTH STORY

India stands to become one of the largest growth engines in the world, according to research in a new **McKinsey Global Institute(MGI)** report

-September 2016

India's fastest growing economy tag faces no risk from China anytime soon, confirms the **IMF**

-April 2017

The Indian economy will see an over three-fold expansion at USD 7.25 trillion by 2030 and clock an average growth rate of 8 per cent over the next 15 years: **Niti Aayog**

-April 2017

India will be fastest-growing economy for coming decade: **Harvard** researchers

-January 2016

India to surpass Germany as 4th largest economy by 2022, but hard work ahead: **IMF**

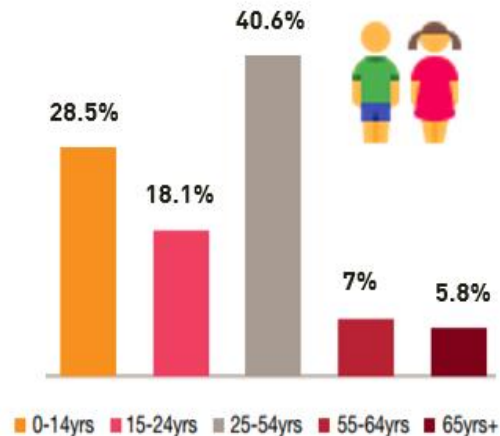
-April 2017



AND POSITIVE ON MID-LONG TERM OUTLOOK FOR FMCG

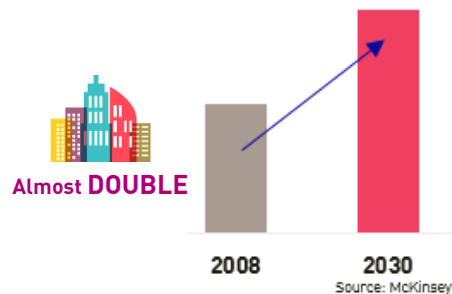
Millennials

Age profile of Indian Population



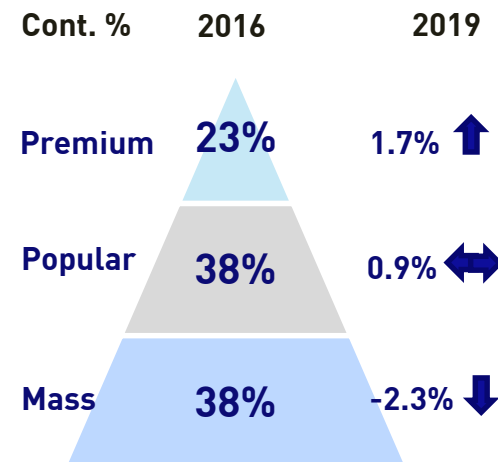
Increasing Urbanization

Population in cities



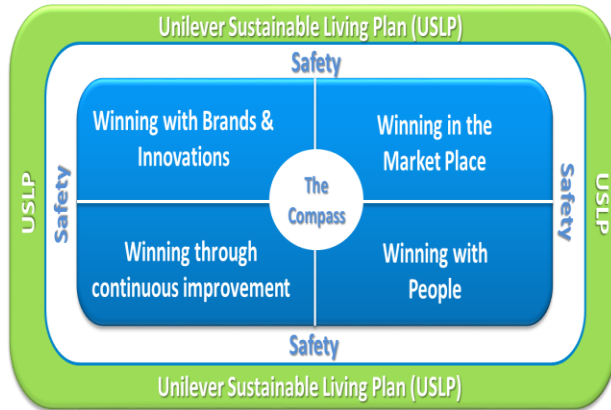
438 Emerging Cities
6 Metropolises
Emerging Rurban

Premiumisation

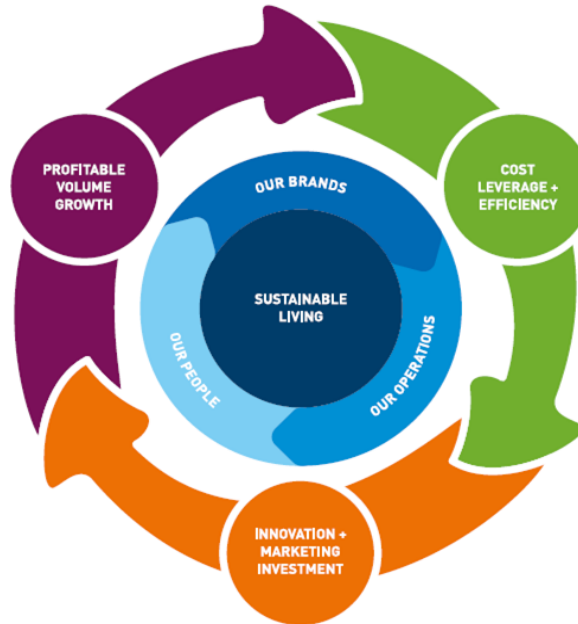


OUR STRATEGY REMAINS UNCHANGED

A Compelling Framework



A Model Which Works



A Clear Set of Goals

- Consistent **Growth**
- Competitive **Growth**
- Profitable **Growth**
- Responsible **Growth**

WINNING DECISIVELY



1

Winning with brands and innovation

2

Winning in the marketplace

3

Winning through continuous improvement

4

Winning with people

5

Unilever Sustainable Living Plan

WINNING WITH BRANDS & INNOVATION

KEY THRUSTS

Strengthening the core



Building brands with purpose



Innovating across the portfolio



Market Development



Addressing needs of all consumers



Strengthening Naturals



Magic and craftsmanship



STRENGTHENING THE CORE



Surf Excel



Lux



Red Label



Kissan



Vim



Dove



BUILDING BRANDS WITH PURPOSE



INNOVATING ACROSS THE PORTFOLIO



MARKET DEVELOPMENT

BUILDING CATEGORIES OF THE FUTURE

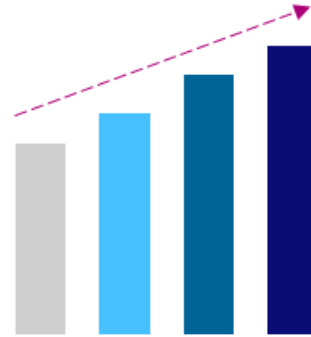
How these categories have evolved over the years



Male grooming



Hair Conditioners



Strong double digit growth,
every year



Hand Wash



Face Wash



Liquids



Fabric conditioners



Green Tea



Body Wash

ADDRESSING NEEDS OF ALL CONSUMERS

Only 1 in 10 washes uses a HUL
Premium laundry powder



Huge scope for premiumization



Democratizing trends across core, while driving premiumization

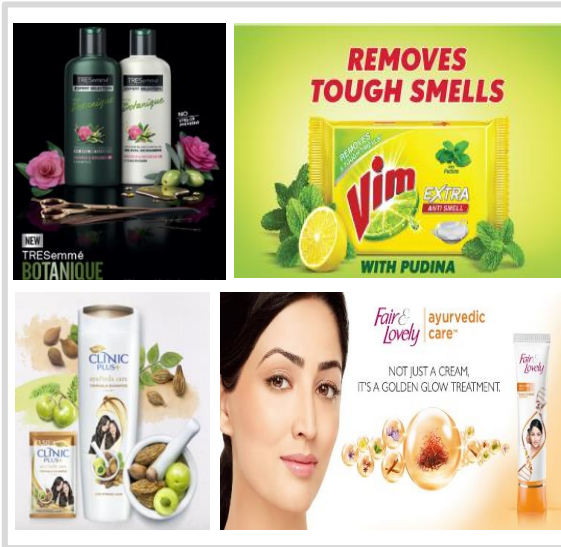
ADDRESSING NEEDS OF ALL CONSUMERS



Democratizing trends across core, while driving premiumization

STRENGTHENING NATURALS

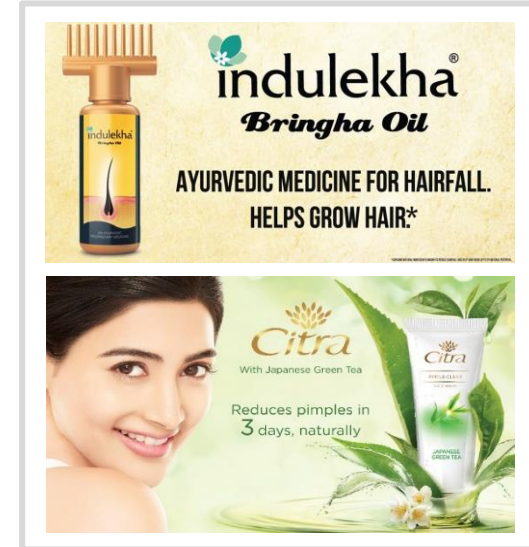
Within Existing Brands



Building Master Brands



Building Specialist Brands

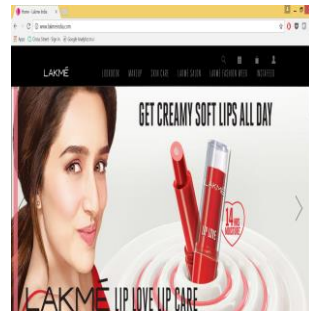


MAGIC & CRAFTSMANSHIP WITH DIFFERENTIATED CONTENT

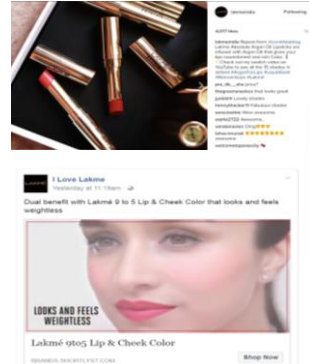
Television



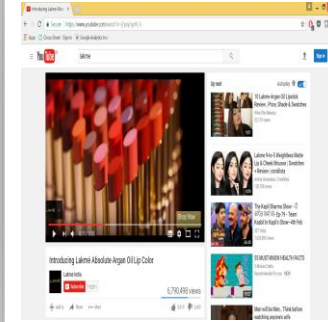
Website



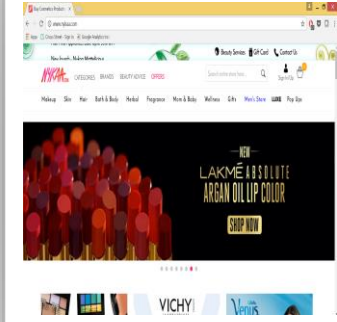
Social Media



Digital video



E-Commerce



MAGIC & CRAFTSMANSHIP

WITH DIFFERENTIATED CONTENT



PRM +
Online Behaviour +
FB Look Alikes



250K
Makeup Junkie Personae
Targeted
2x
Click Throughs achieved

Create → Curate → Channelize



100+ partners, 900+ ideas, 100 shortlisted



Hindustan Unilever Limited

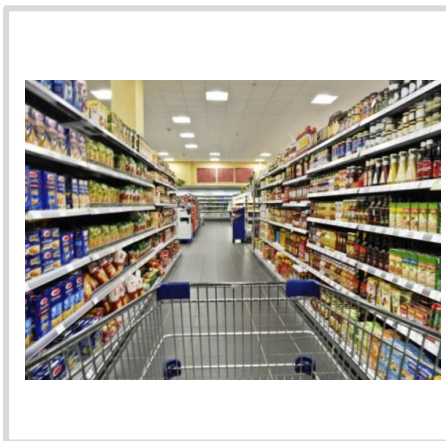
WINNING IN THE MARKET PLACE

KEY THRUSTS

Winning in Many Indias (WiMI)



Effective coverage and assortment

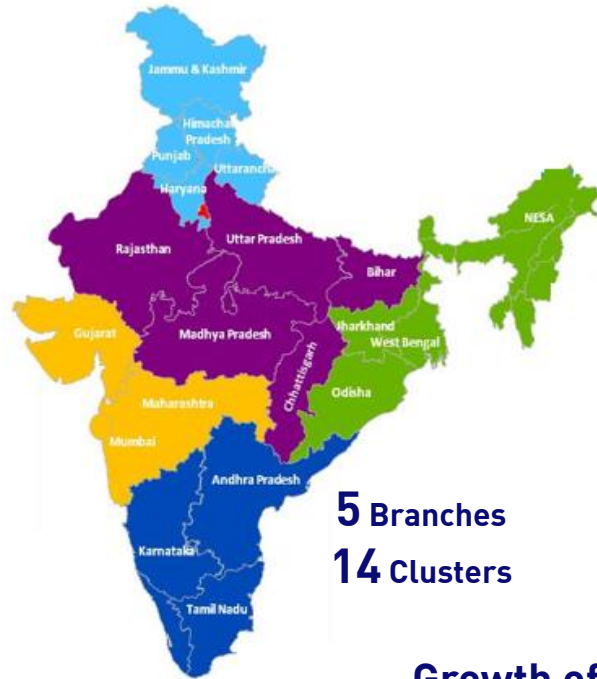


Partner of choice across all channels



WINNING IN MANY INDIAS (WIMI)

HELPING TURBO CHARGE GROWTH WITH AGILITY



5 Branches
14 Clusters

**Cluster Specific Mixes – Content,
Communication, Schemes**



**Active
wheel**



Growth of last 2 years of Central Branch > All India Average

EFFECTIVE COVERAGE & ASSORTMENT

MORE THROUGHPUT FROM MORE STORES

More Stores



More Assortment



Every Day Perfection



More Assortment in More Stores at More Frequency

EFFECTIVE COVERAGE & ASSORTMENT

MORE THROUGHPUT FROM MORE STORES

Technology

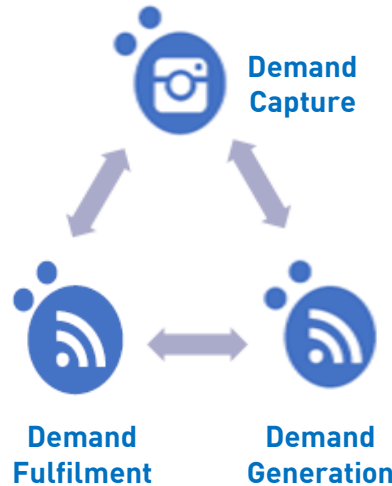


What to sell to the store



Tailor made Assortment for
'every' store

Differentiated approach



Upskilling the talent



Training

Development



Increase
retention

PARTNER OF CHOICE ACROSS CHANNELS

Strengthening the existing channels



Wholesale

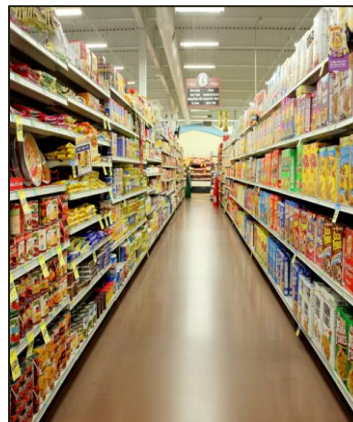


General Trade

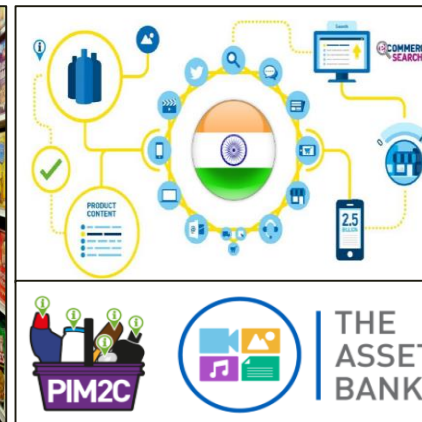


Drug-pharmacy & beauty

Building channels of the future



Modern Trade



E-Commerce

PARTNER OF CHOICE ACROSS CHANNELS

BUILDING STRONG CAPABILITIES IN E-COMMERCE



Our market share in E commerce > Modern Trade > General Trade

WINNING THROUGH CONTINUOUS IMPROVEMENT

KEY THRUSTS

Profitable Growth



4G
ZERO
BASED
BUDGETING

Everyday customer service & quality at the moment of truth

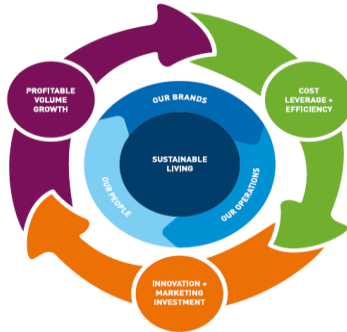


Building back-end capabilities



PROFITABLE GROWTH

A Business Model That Works



Max the Mix



End-to-end cost focus



Symphony



ZBB

Supply Chain



A&P



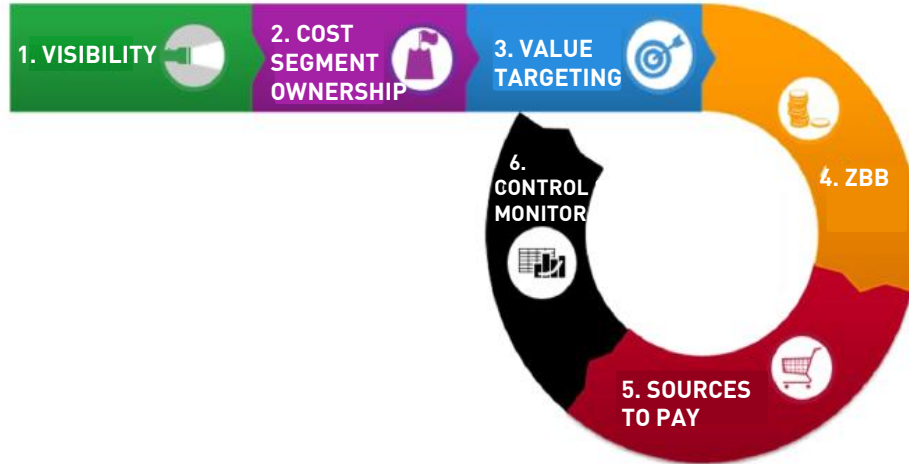
Indirects



PROFITABLE GROWTH

ZERO BASED BUDGETING (ZBB)

6 stage 'closed loop' approach to driving sustainable cost reduction



Unlocking savings by

Building a smart spending & ownership mindset



New & disruptive thinking



Cutting complexity and driving agility



Robust tracking & timely actions



EVERYDAY CUSTOMER SERVICE & QUALITY AT THE MOMENT OF TRUTH



Consumer focus



Q in Design Phase

Q @ Point of Sale

Q in End to End SC

Brilliant Quality Fundamentals



Zero Defects

Leverage IT

Drive supplier Quality

Culture and People



Q mindset in the Last mile

Distributor → Retail

Grass root Initiatives

Deliver on mix



More stores – better served

Focus packs get disproportionate attention

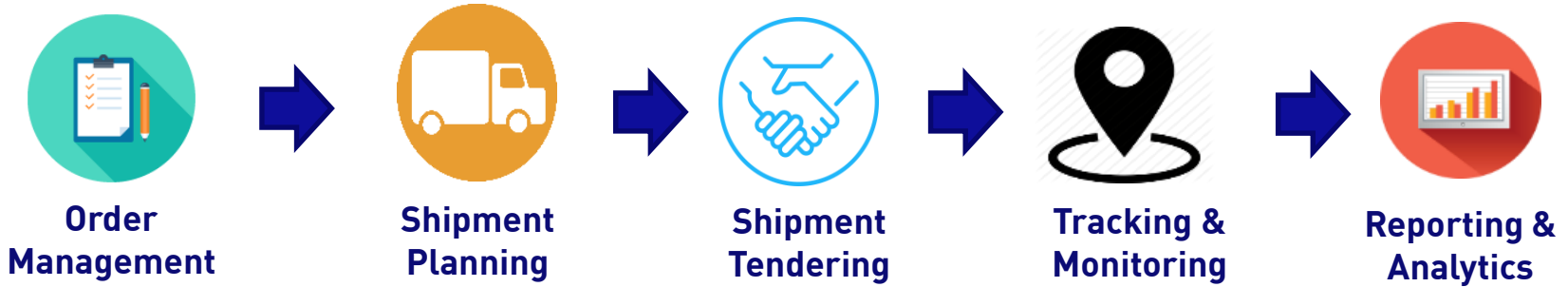
Outlet level focus



Loss Analysis at Customer level

Focus on customer-outlet delivery gaps

BUILD BACK END CAPABILITIES





Hindustan Unilever Limited

WINNING WITH PEOPLE

WINNING WITH OUR PEOPLE

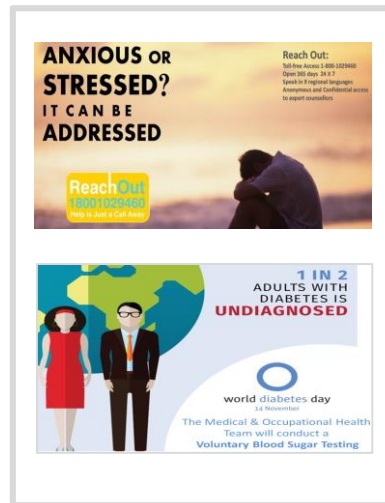
Flexible and Agile



Diversity & Inclusion



Employee Wellbeing



Founders mentality



PURPOSE



PERFORMANCE,
POTENTIAL, PLAN



WELLBEING



LEARNING &
DEVELOPMENT

CCBT

FASTER, MORE CONSUMER & CUSTOMER CENTRIC, FUTURE PROOFED HUL

Brand Development



Brand Building

CROSS FUNCTIONAL CCBTs : GLOBAL – LOCAL BRAND COMMUNITIES

Consumer & Customer Centric



Bigger innovations



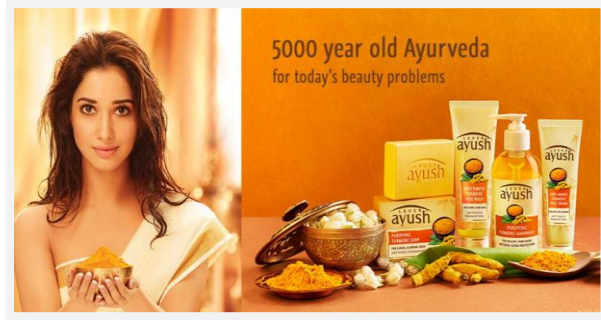
Faster innovations



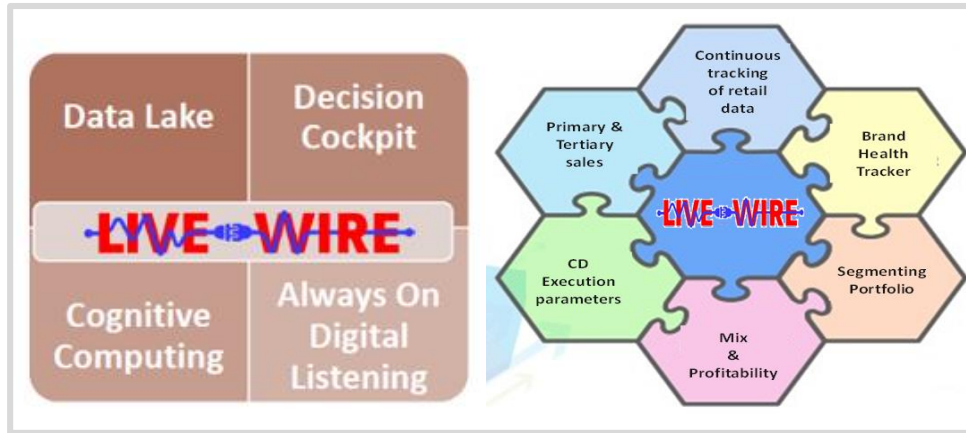
All about experimentation, empowerment and collaboration

CCBT

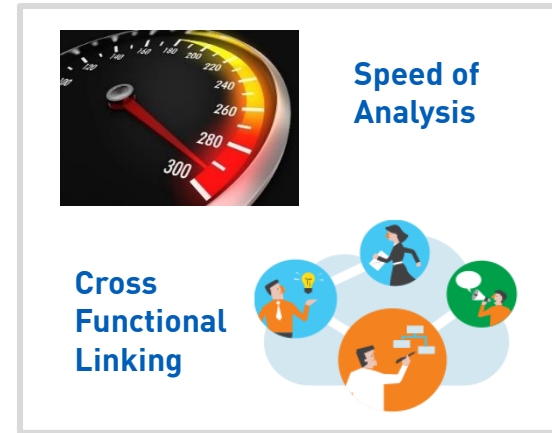
INNOVATIONS LANDING FASTER



Advanced Analytics



More Power to Users



Analytics driven insights

UNILEVER SUSTAINABLE LIVING PLAN

DOING WELL BY DOING GOOD

Enhancing livelihoods



Swachh Aadat Swachh Bharat



Water conservation



Sustainable sourcing



Weaving the Sustainability Agenda across the business

ENHANCING LIVELIHOOD

Shakti



72,000 Shakti Ammas
48,000 Shaktimaans
empowered through Project
Shakti

Brands with purpose



>390,000
Youth benefited till date

Fair & Lovely Foundation



Prabhat



680,000*
People benefitted directly

SWACHH AADAT, SWACHH BHARAT

Mass Media



Haath Muh Bum
Most Viewed Campaign on YouTube
with 20 million views
75 million people reached

Swachh Basti



Touched 200,000 lives through the pilot

Swachhata Doot



Touched 200,000 lives through our 'Swachhata Doots'

HINDUSTAN UNILEVER FOUNDATION

Water Conservation



300 billion litres*
Cumulative and Collective Potential

Crop Yield



>6 lakh tonnes*
**Cumulative Annual Agriculture
Production**

Person Days Generated



>37 lakh*
Cumulative Person Days Generated

SUSTAINABLE SOURCING

Tomatoes



100% tomatoes used
in Ketchup sourced from
sustainable sources

Tea



46% Tea (16% in 2011) is
sourced from estates
certified as sustainable

SUVIDHA CENTRE LAUNCHED

URBAN WATER HYGIENE & SANITATION COMMUNITY CENTRE



Circular economy principle used to reduce water usage

Fresh water used
for brushing,
washing, bathing
etc.



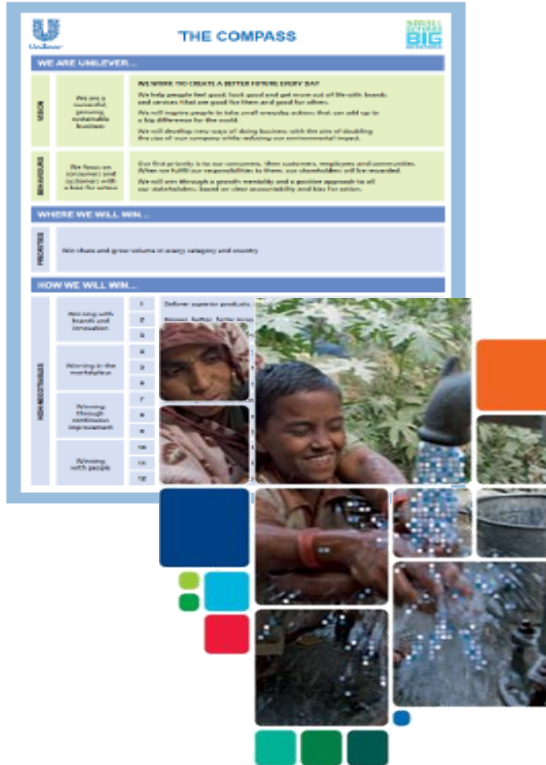
Waste water from
these activities
becomes input for
flushing toilets

~10 mn litres
of water savings per annum



ADDRESSING THE HYGIENE NEEDS OF LOW INCOME URBAN HOUSEHOLDS

WINNING DECISIVELY



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Unilever Sustainable Living Plan

THANK YOU

For More Information

VISIT OUR WEBSITE

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

HUL Annual Investor Meet 2017

HUL's Annual Investor Meet 2017 will be held on 2nd June 2017, Friday, at the HUL Head Office in Mumbai

[View more](#)



HUL INVESTOR APP

