

Re-imagining HUL

Sanjiv Mehta, Chairman & Managing Director

Annual Investor Meet | 7th June 2019



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.

OUR JOURNEY OVER THE LAST 10 YEARS



Hindustan Unilever Limited

Net Sales

Rs. 37,660 Cr.*



2.3X

~Rs. 21,000 Cr. added^

EBITDA

EBITDA margin 23%*



+ 740 bps delta

~Rs. 6,000 Cr. added

Market Capitalization

~ Rs. 370,000 Cr. *



7.1X

~Rs. 318,000 Cr. added

**Numbers pertain to FY 2018-19. Net Sales excludes other operating income. Market Capitalization as on 31st March 2019. All nos compared with FY'2008-09 which is reinstated to reflect key IND AS accounting impact; Net Sales excludes other operating income*

^Not adjusted for GST accounting impact

SOME OF THE OUTSTANDING PERFORMERS: LAST 6 YEARS

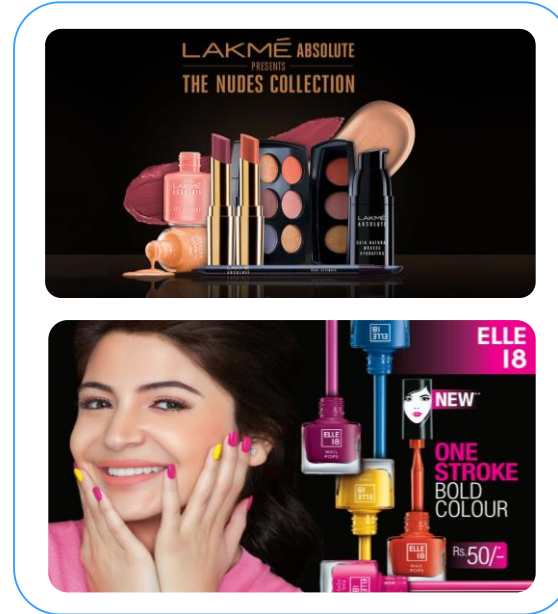


Hindustan Unilever Limited

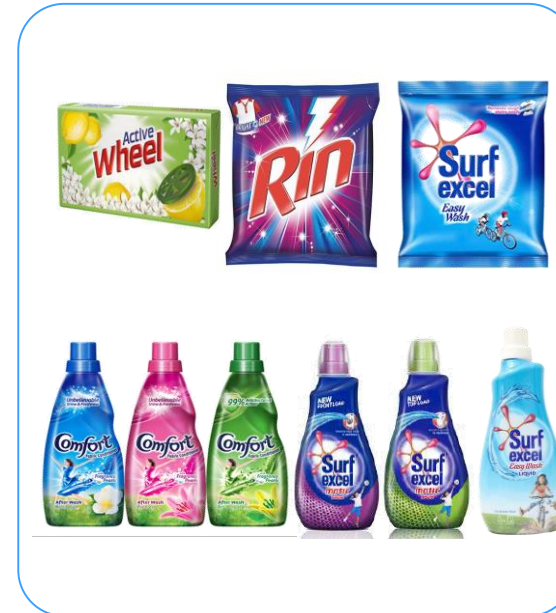
Hair Care



Color Cosmetics



Laundry



Tea

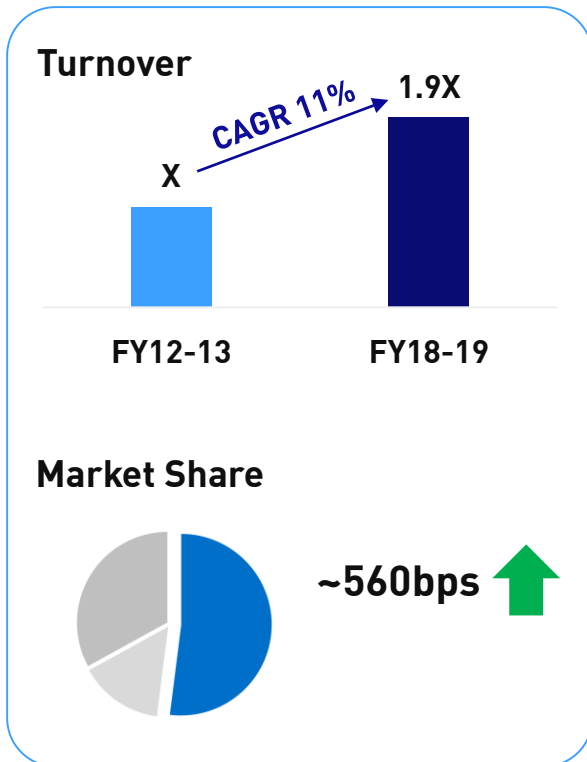


HAIR CARE

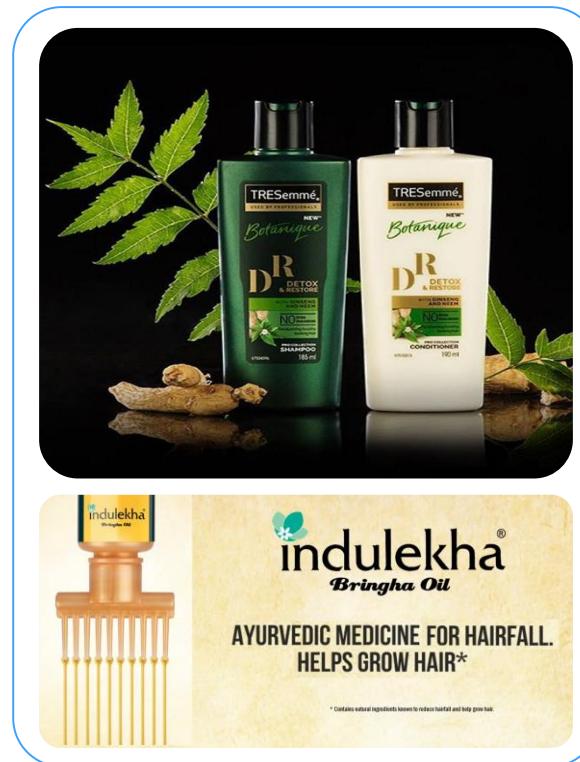


Hindustan Unilever Limited

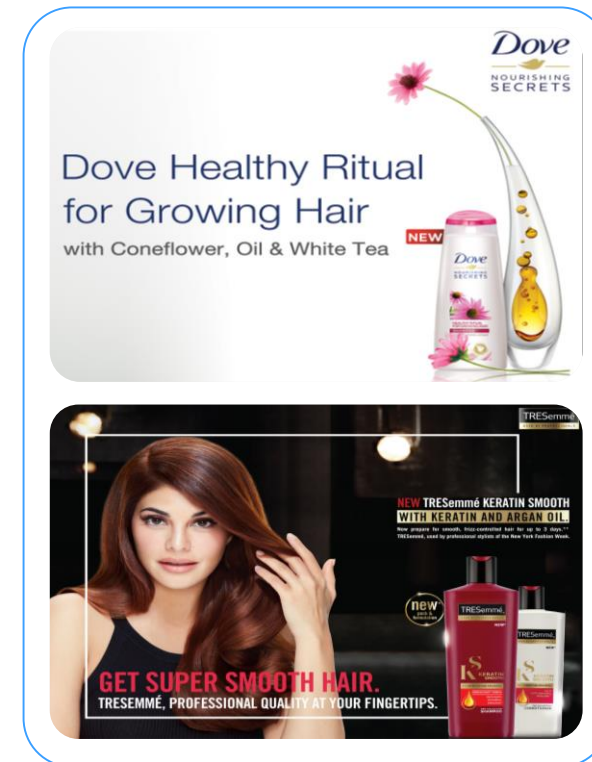
Consistent growth



Strong play in naturals



Focus on innovations and premiumization



DOVE LAUNCHED IN 2007, IS NOW THE BIGGEST HAIR CARE BRAND IN INDIA

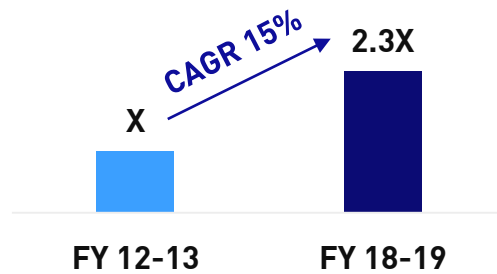
COLOR COSMETICS



Hindustan Unilever Limited

Innovation led growth

Turnover



Launches



~150 SKUs
launched
every year on
an average

Agile and innovation driven



Trend setting



Which nude are you?

BRUNCH
NUDE

SOFT
NUDE

BLUSHING
NUDE



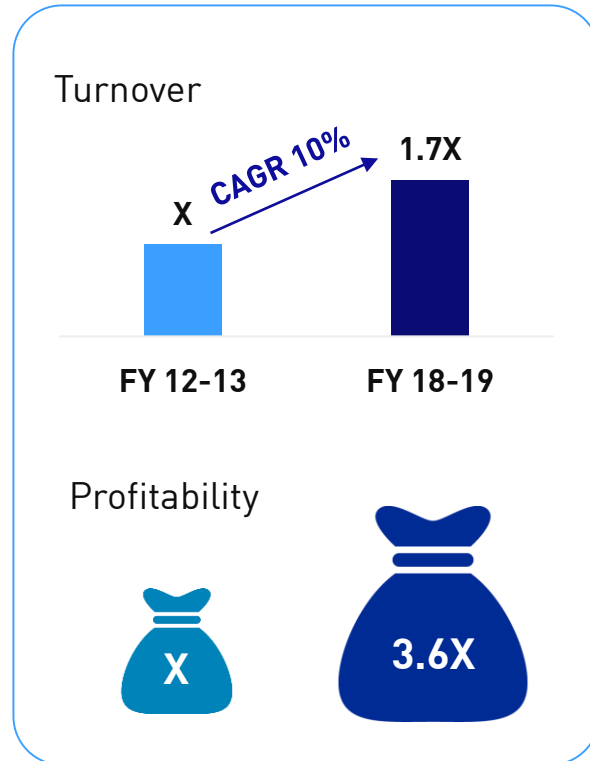
LAKME IS THE BIGGEST COSMETIC BRAND IN INDIA

LAUNDRY



Hindustan Unilever Limited

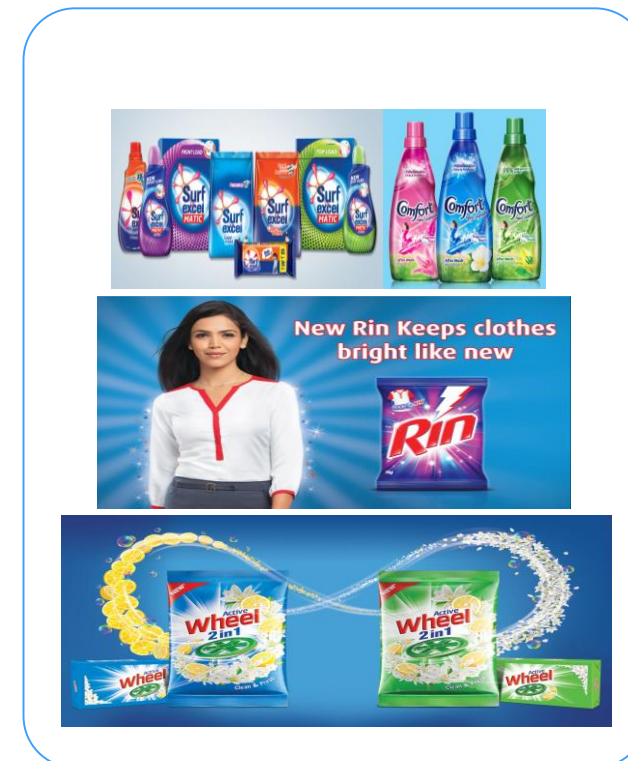
Profitable growth



Brands with purpose



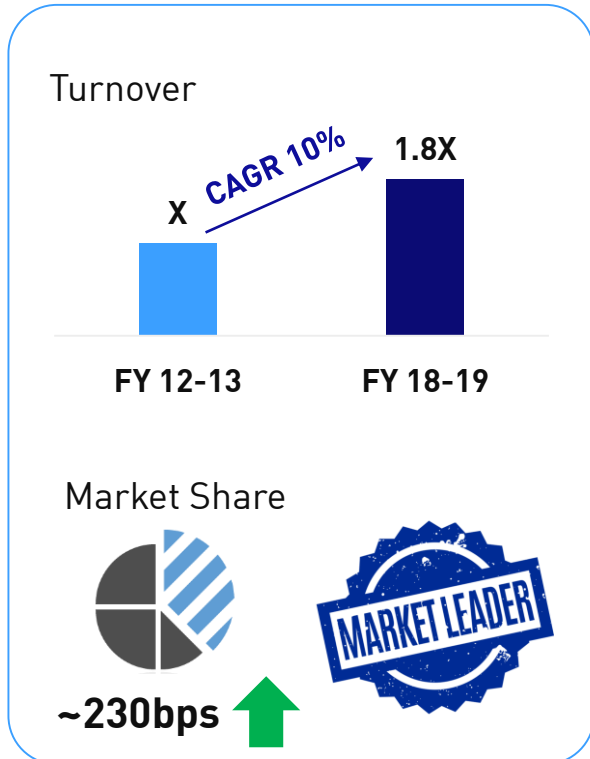
Market development & premiumization



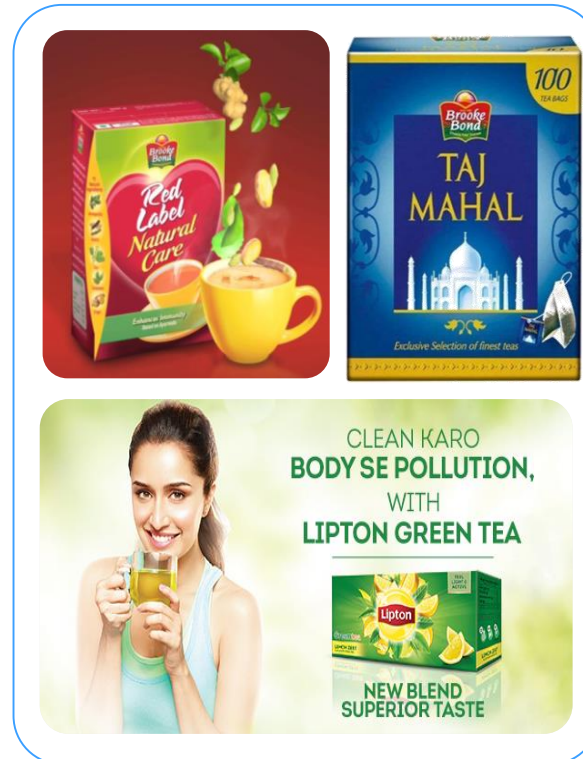
HUL IS THE NO.1 LAUNDRY COMPANY IN INDIA



WiMI led growth



Market development



Strong WiMI play

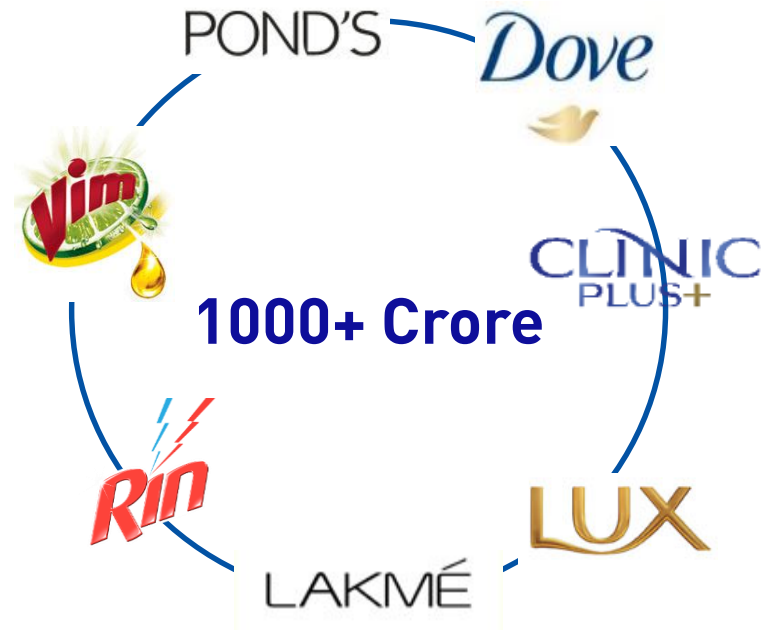
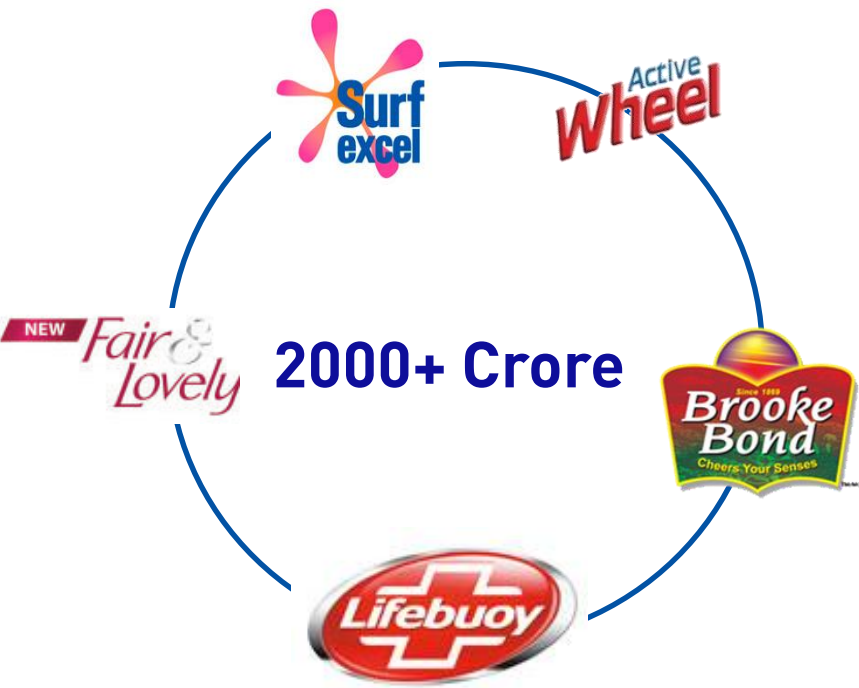


HUL IS THE NO.1 TEA COMPANY IN INDIA

OUR PORTFOLIO OF ICONIC BRANDS



Hindustan Unilever Limited



BEING RECOGNIZED



Hindustan Unilever Limited

2015



ET – Company of the year

2017 & 2018



Most Innovative #8 Globally & #1 in India

2009 - 2018



Employer of Choice in the Industry - 10 years in a row

2018



ET – Corporate Citizen of the year

2018



Business Standard – Company of the year

2018



Open Republic Achievers Awards

2018



AIMA - Business Leader of the year

INDIA – A LAND OF OPPORTUNITIES



INDIA IS BECOMING A LARGE AND BURGEONING ECONOMY



Hindustan Unilever Limited

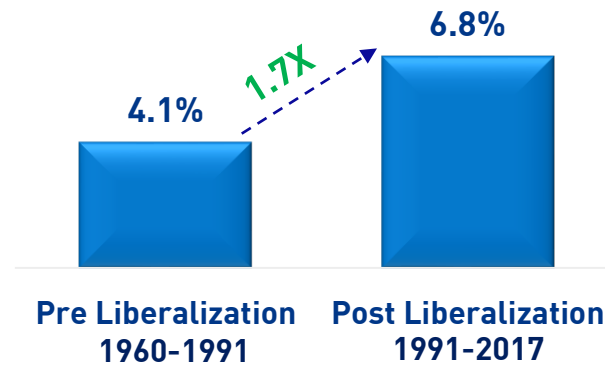
Sixth largest economy

The world's top 10 economies



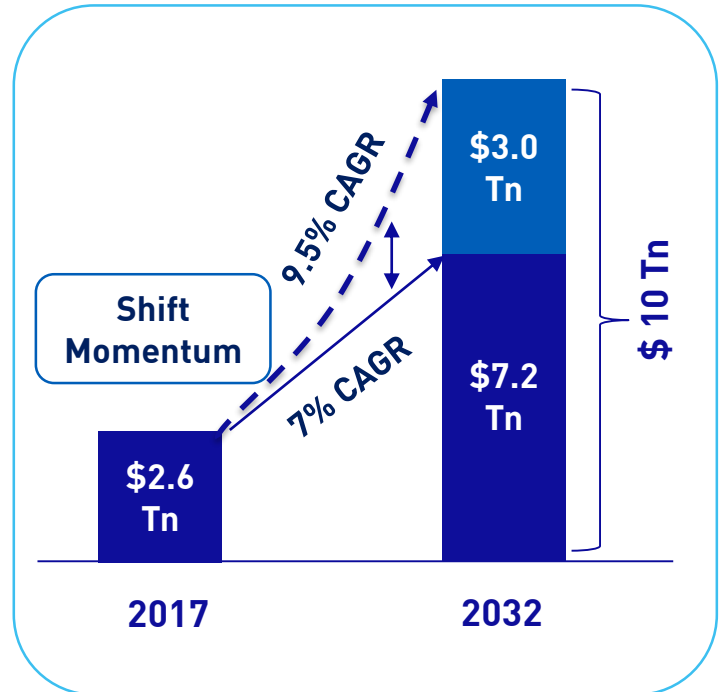
Fastest growing large economy

~ 7% sustained GDP growth rates



Consumption component of GDP @ 60%

Opportunity to be a \$10Tn economy in next 15 years

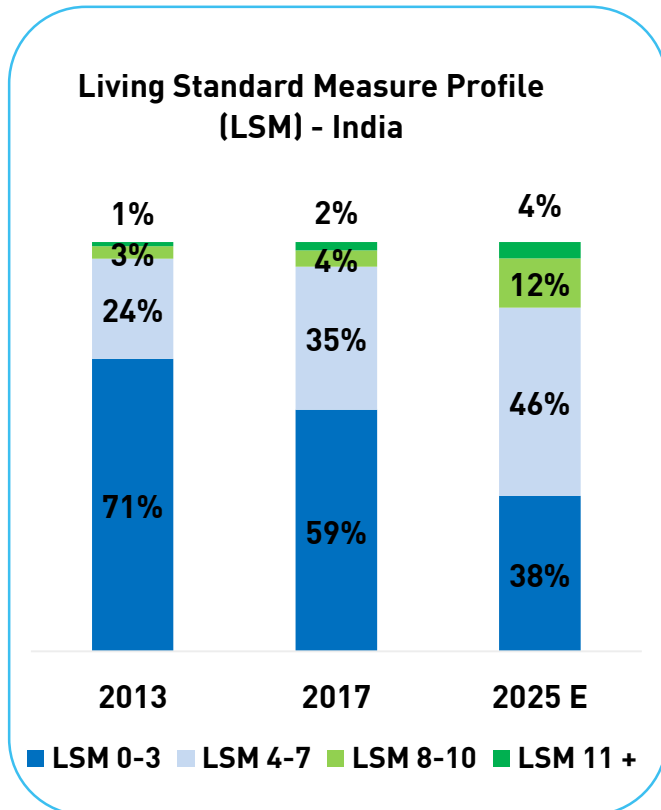


FACE OF MARKETS IS CHANGING RAPIDLY

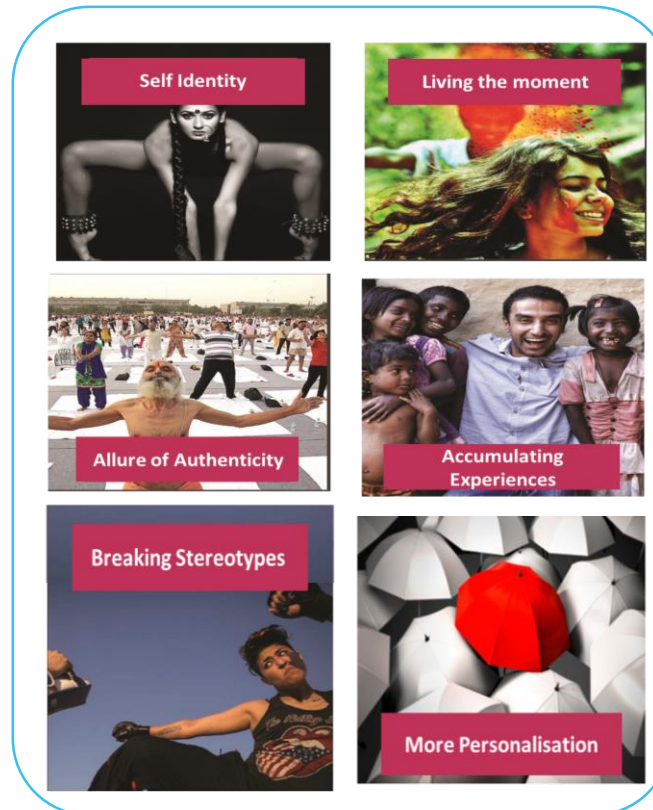


Hindustan Unilever Limited

Rising affluence



Evolving consumer trends



Technology and innovations



WITH HUGE POTENTIAL IN FMCG

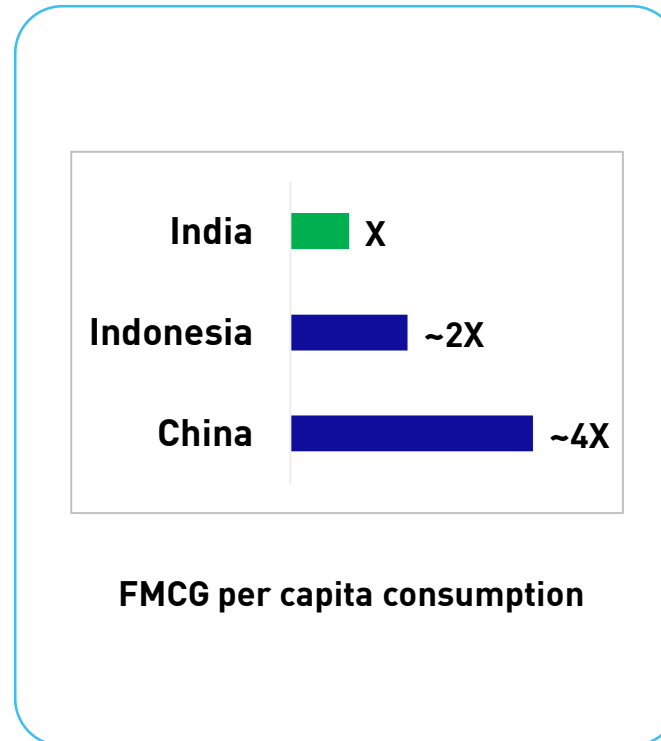


Hindustan Unilever Limited

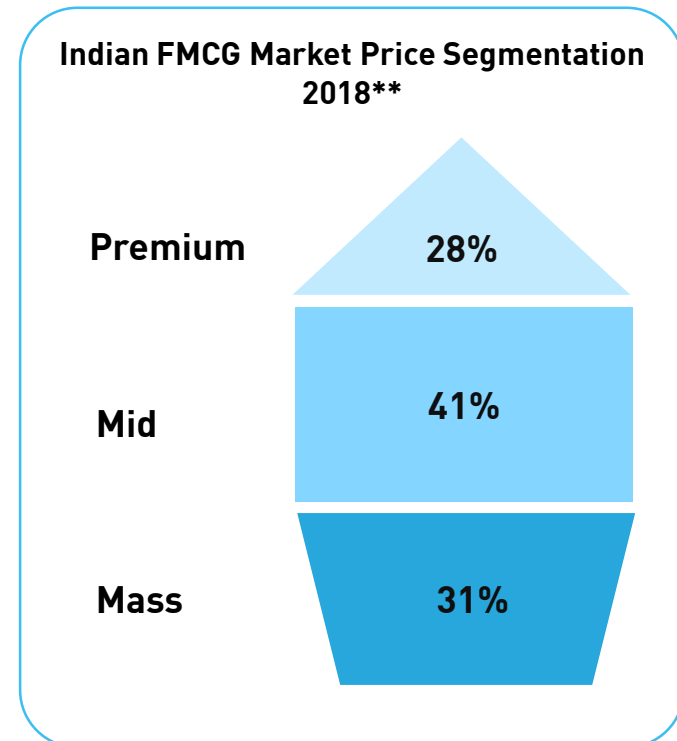
Low penetration



Low consumption



Low premiumization



* Urban Only

** FMCG Market where HUL has a presence

Penetration Data - Household Panel data from IMRB
FMCG Consumption and Market Price Segmentation - Nielsen



Hindustan Unilever Limited

WE ARE WELL POISED FOR GROWTH



OUR STRATEGY



Hindustan Unilever Limited

Building Blocks

Portfolio

1. Strengthen the Core



2. Create categories of future



3. Drive premiumization



Rigour and Discipline

4. Generate fuel for growth



5. Execute brilliantly



Enabled by

6. Create new structures



7. Transform culture



8. Build capabilities (Re-imagining HUL)



Purpose-Led, Future-Fit

OUR STRATEGY

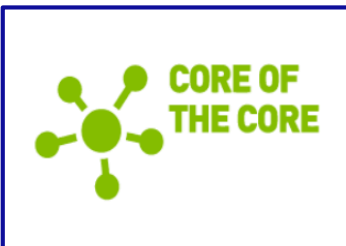


Hindustan Unilever Limited

Building Blocks

Portfolio

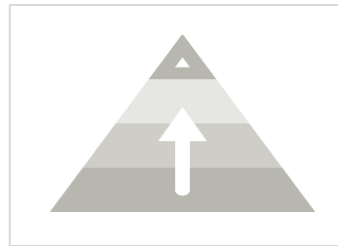
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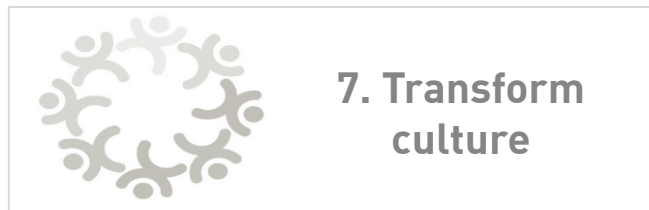


Enabled by

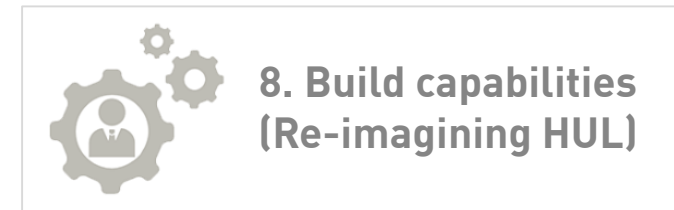
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Purpose-Led, Future-Fit

STRENGTHEN THE CORE



Hindustan Unilever Limited



**Continuous
innovation/renovation**



**Act on local
trends**



Bru adapting to consumer palette in different clusters



**Strengthen
the reach**



Kissan driving penetration

UNDERPINNED BY PURPOSE-LED COMMUNICATIONS AND ENGAGEMENT PLATFORMS

PURPOSE-LED COMMUNICATIONS & ENGAGEMENT PLATFORMS



Hindustan Unilever Limited



OUR STRATEGY



Hindustan Unilever Limited

Building Blocks

Portfolio

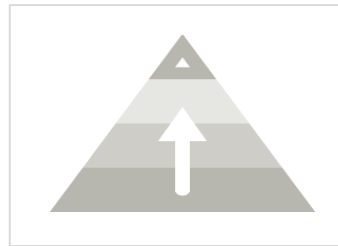
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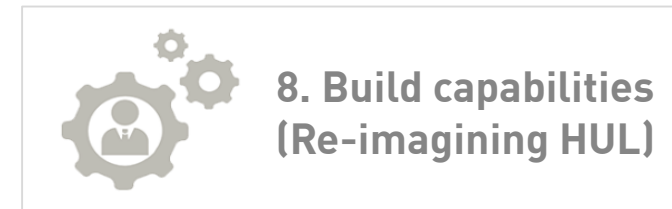
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Purpose-Led, Future-Fit

CREATE CATEGORIES OF FUTURE



Hindustan Unilever Limited

Drive category penetration

EXPLODE



ACCELERATE

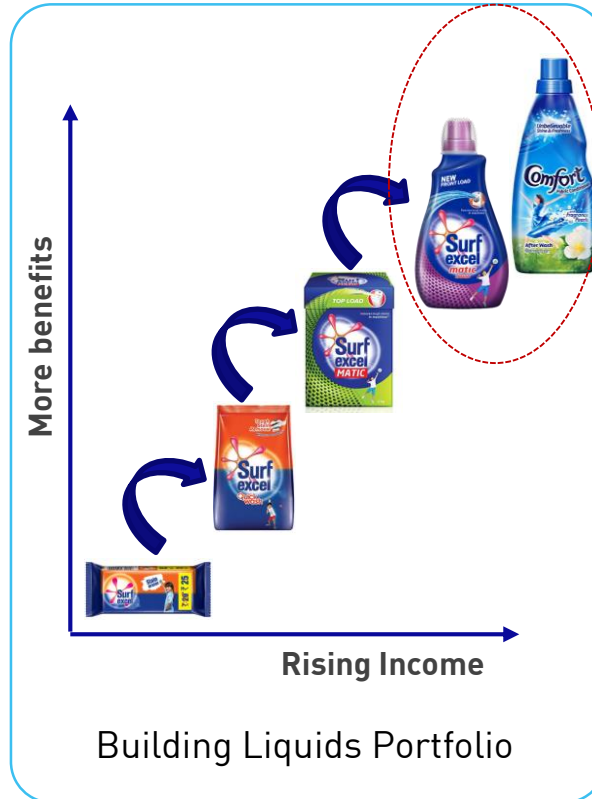


SEED



Increasing penetration in Nascent Categories

More benefits



Expansion across sub-categories



Powered by consumer connects – online & offline



5X scale up in consumer contacts*



cleanipedia.com underlining importance of hygiene

20% OF HUL'S BUSINESS GROWING AT 2X OF HUL AVERAGE

* From 2014 to 2018

BUILD NATURALS

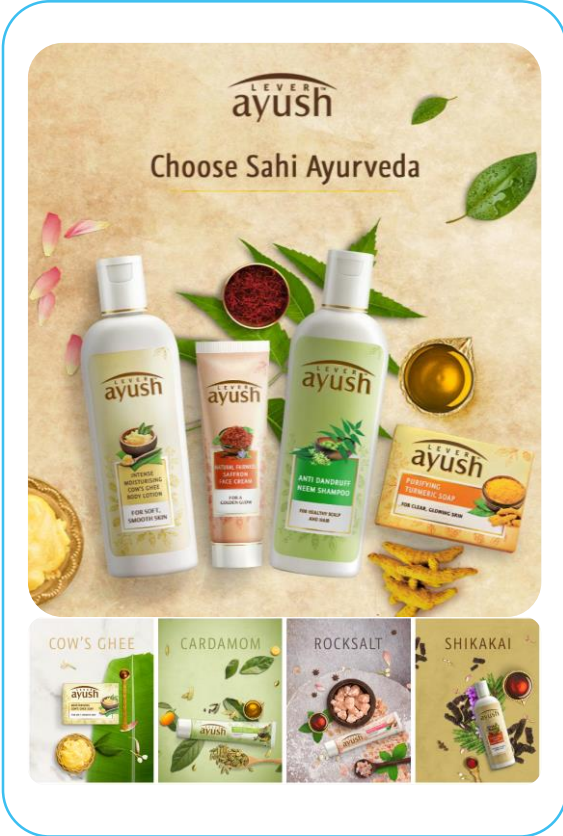


Hindustan Unilever Limited

Specialist brands

Master brand: Lever Ayush

Brand extensions



NATURALS PORTFOLIO GROWING AT 2X OF OVERALL HUL AVERAGE

LEVERAGE M&A TO EXPAND PORTFOLIO



Hindustan Unilever Limited

Naturals play in Hair Care



Strengthen Ice Cream portfolio



Leverage Health & Wellness trend



** Subject to regulatory approvals coming through; proposal pending with NCLT*

OUR STRATEGY



Hindustan Unilever Limited

Building Blocks

Portfolio

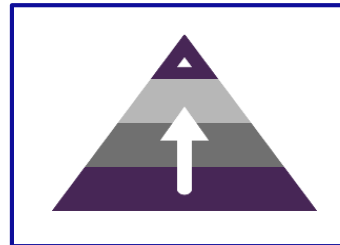
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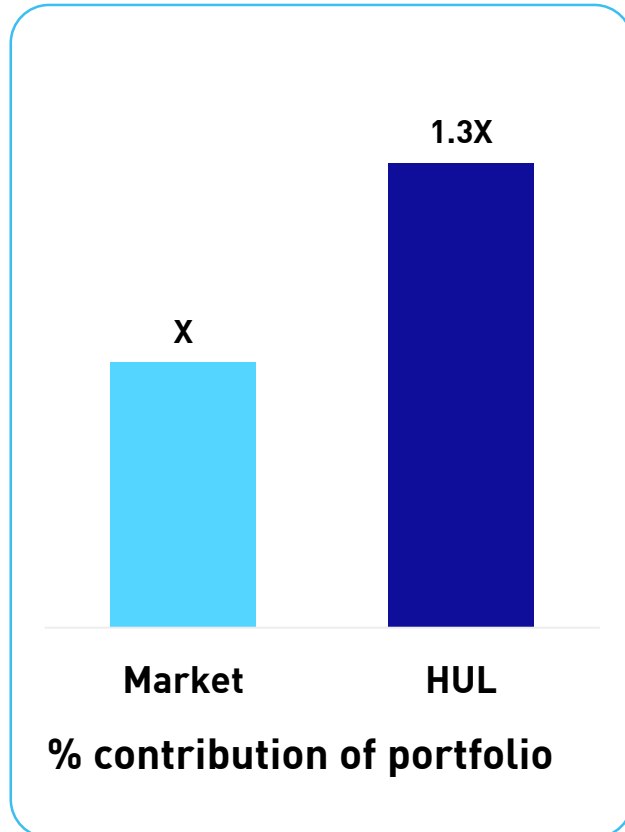
Purpose-Led, Future-Fit

DRIVE PREMIUMIZATION

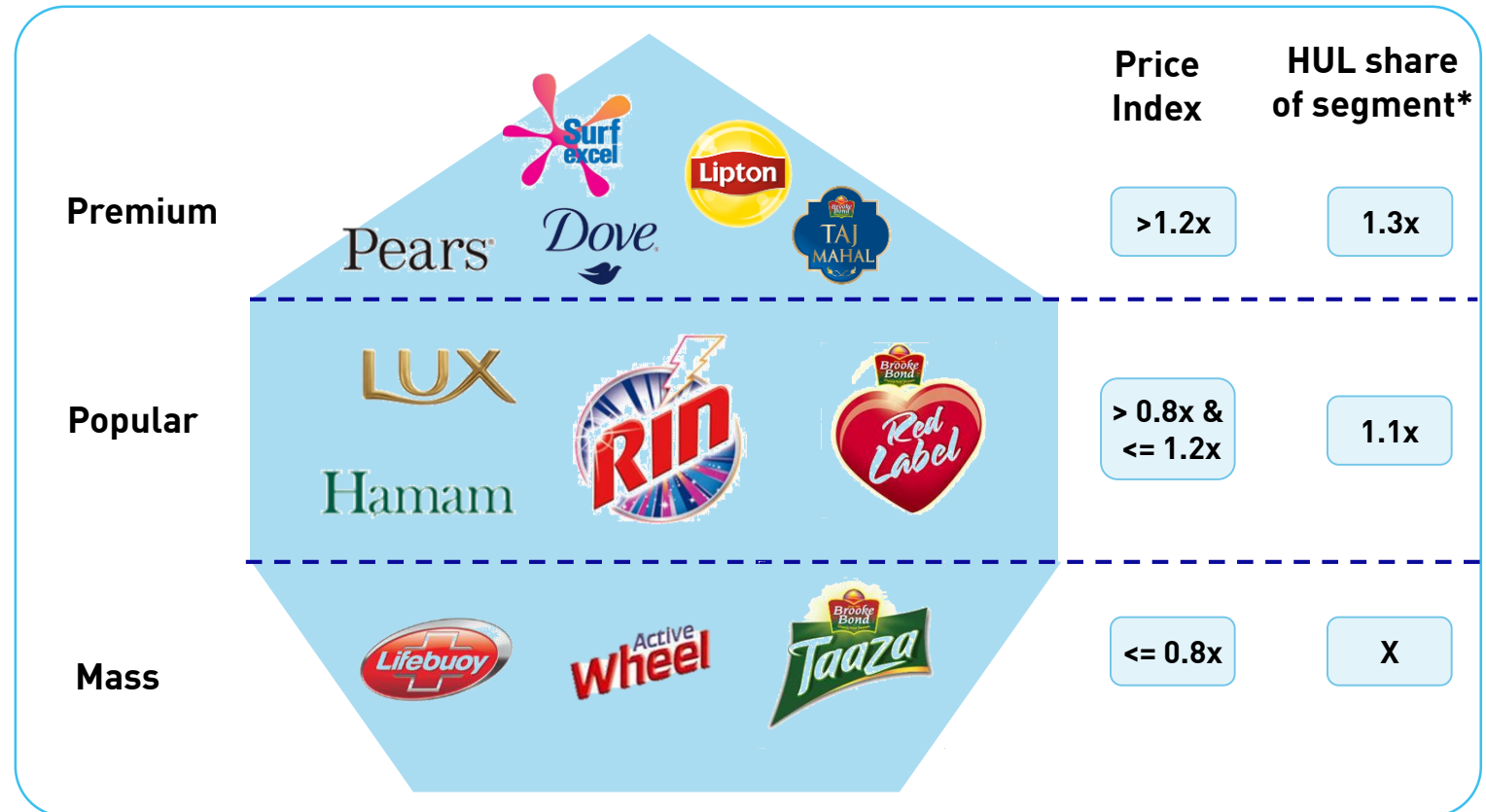


Hindustan Unilever Limited

Our premium portfolio is over-indexed to market



Portfolio straddling the pyramid



*Source: Nielsen (Urban + Rural)

OUR STRATEGY



Hindustan Unilever Limited

Building Blocks

Portfolio

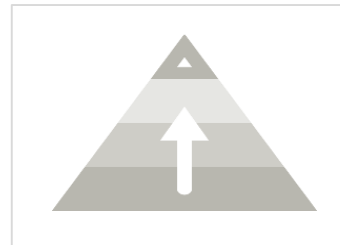
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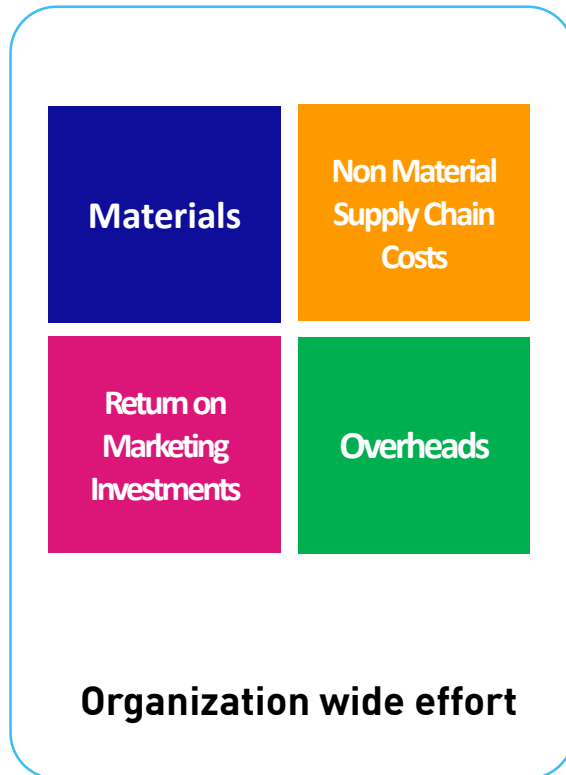
Purpose-Led, Future-Fit

GENERATE FUEL FOR GROWTH



Hindustan Unilever Limited

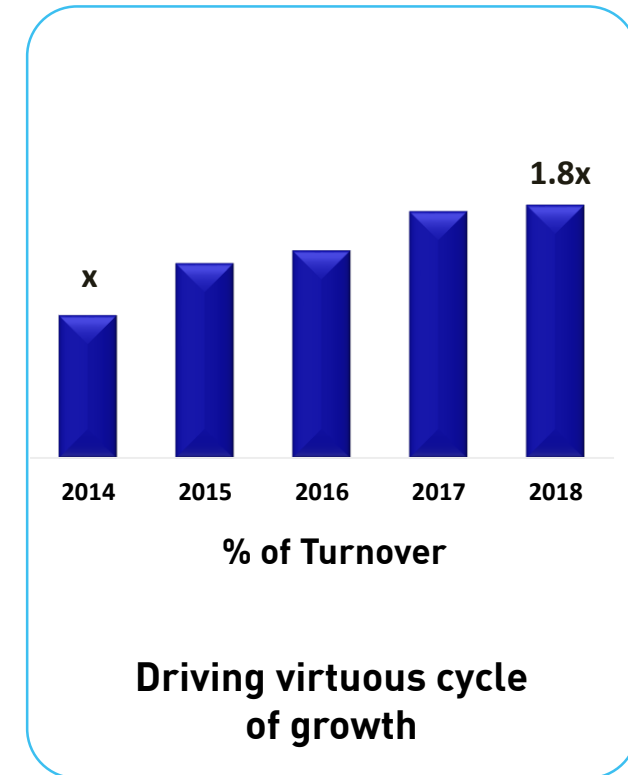
End-to-end cost focus



Powered by



Savings



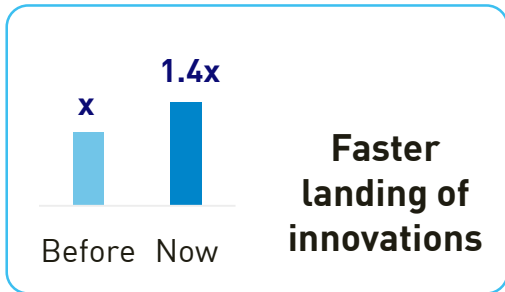
TOTAL SAVINGS > 7% OF TURNOVER

EXECUTE BRILLIANTLY



Hindustan Unilever Limited

Speed to market



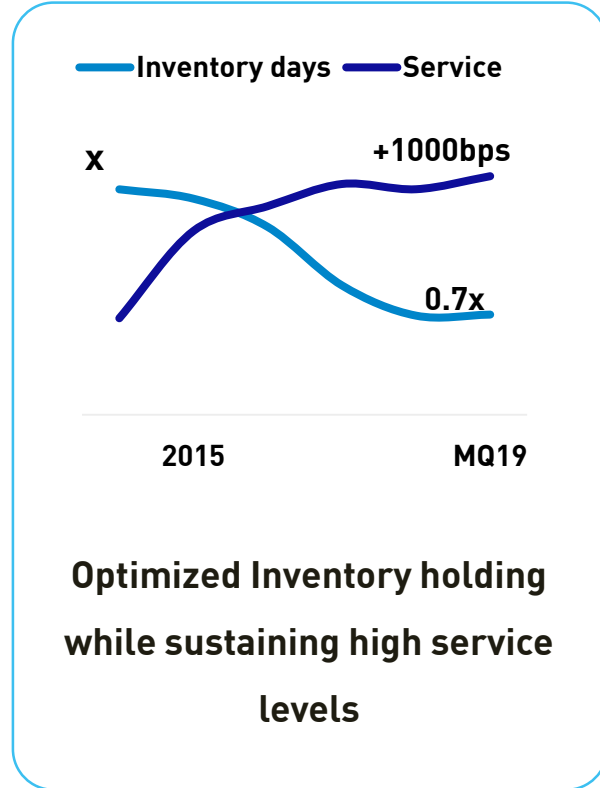
Art of Pricing

Right Pack

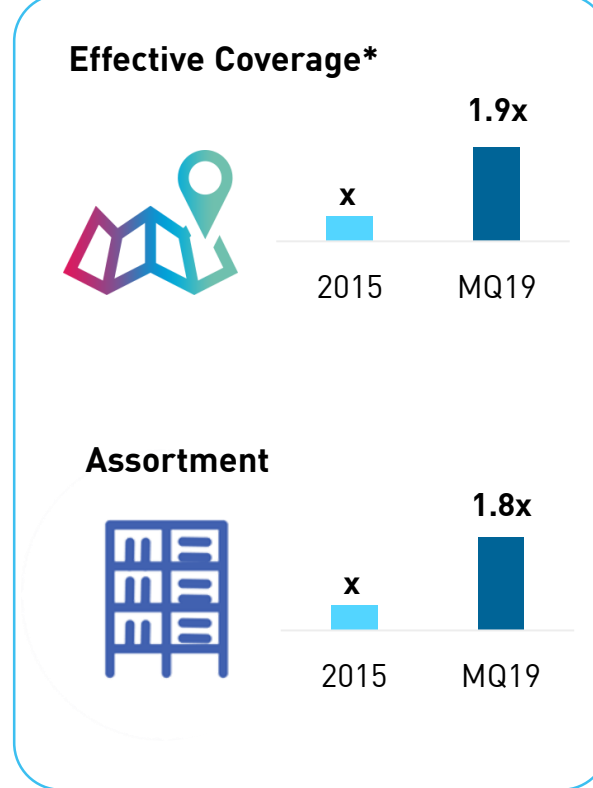
Right Place

Right Price

Agile supply chain



Systematic expansion in coverage and assortment



Effective channel strategy

Accelerate Channels of Future

MT driving visibility **Ecom exploding**

Traditional channels remain ever-relevant

*No. of outlets with monthly average billing >INR 500

OUR STRATEGY



Hindustan Unilever Limited

Building Blocks

Portfolio

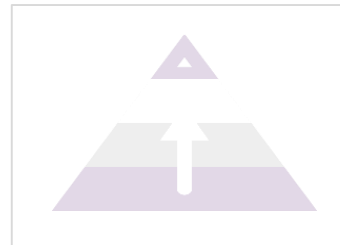
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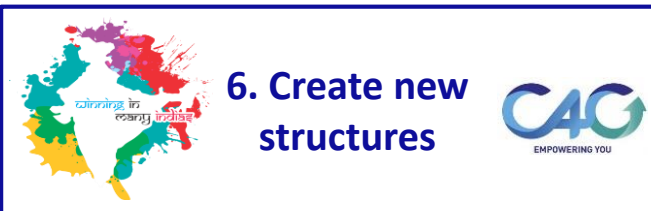


5. Execute brilliantly



Enabled by

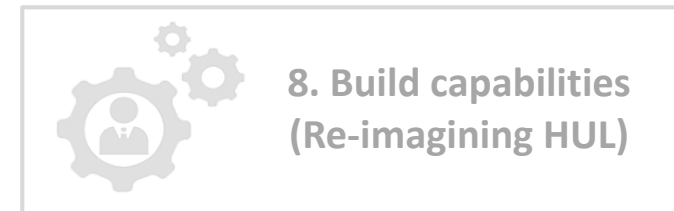
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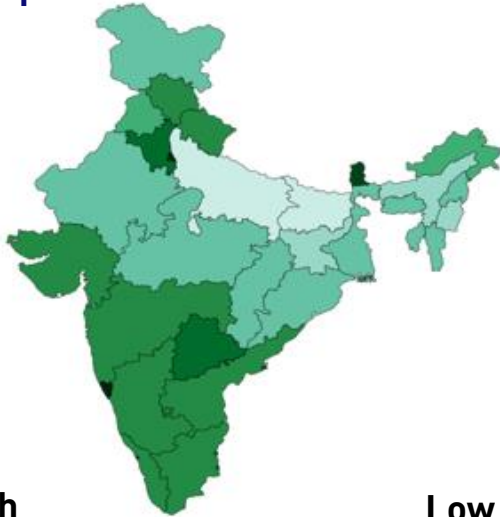
Purpose-Led, Future-Fit

CREATE NEW STRUCTURES



India
A heterogeneous country

Example:



Nominal Gross Regional Domestic Product Per Capita (US\$)



WiMI-led distinctive strategy at cluster level

Low Penetration Markets



Grow by removing barriers of proxy usage

Other Markets



Leverage by increasing usage occasions



CCBTs empowerment bringing in agility



15 mini-boards with cross-functional participation



More consumer & customer centric

Land bigger, faster innovations



Free Leadership to focus on longer term goals, manage disruption and explore inorganic growth opportunities

TRANSFORM CULTURE



Hindustan Unilever Limited

Build diverse and inclusive workplace



+2000 bps
improvement in
gender balance in
last 8 years

Embracing inclusion beyond gender
and breaking stereotypes



#NoOneleftBehind
Unstereotype the workplace



**#unstereotype the workplace
FOR EVERYONE.**

Focus on holistic wellbeing



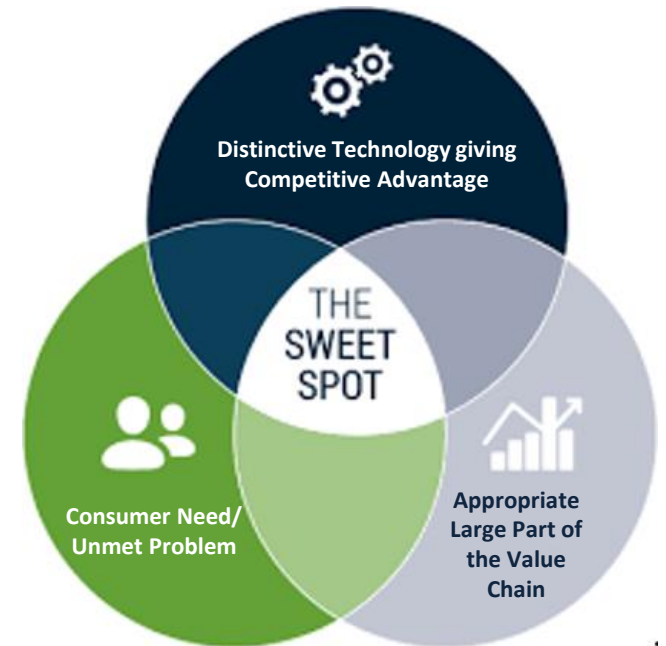
People with
purpose



Physical and
mental wellbeing

HUL Awarded
**'Unilever Health and
Wellbeing'** Gold
Category Award

Nurture experimentation culture



OUR STRATEGY

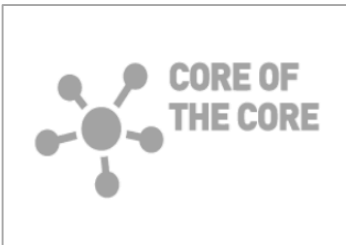


Hindustan Unilever Limited

Building Blocks

Portfolio

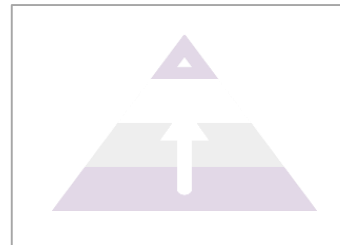
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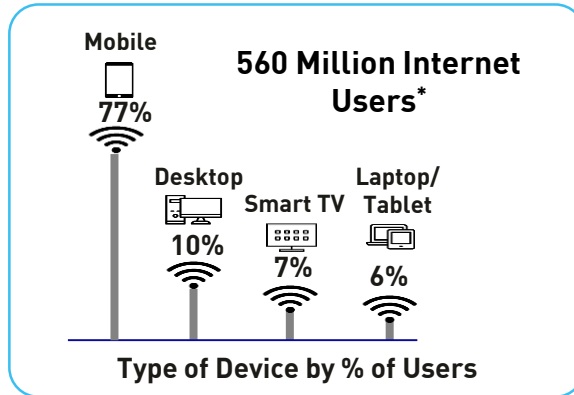
Purpose-Led, Future-Fit

DIGITAL TRENDS SHAPING INDIA

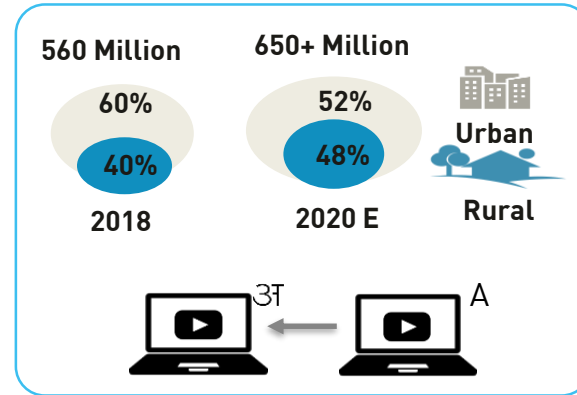


Hindustan Unilever Limited

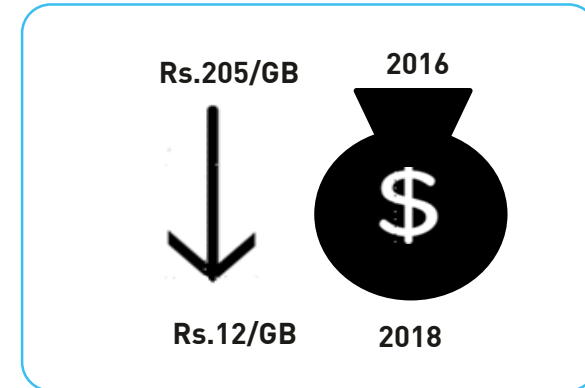
Shift to mobile viewing



Rise of rural & vernacular content



Plummeting data costs Increased usage



Exponential data growth

24.3 Billion Annual Digital Payment Transactions*

+ India stack



3rd largest start-up Ecosystem in the world#

7,200+ TECH STARTUPS

Data Sources: * India's Trillion Dollar Opportunity Feb 2019, MEITY. Decoding Digital Impact; 2017 Report by BCG & Google; YT data extracted in April 2018 Kantar IMRB Internet Report 2017,2018; 2017 KPMG Google Report on Indian Languages – Defining India's Internet,

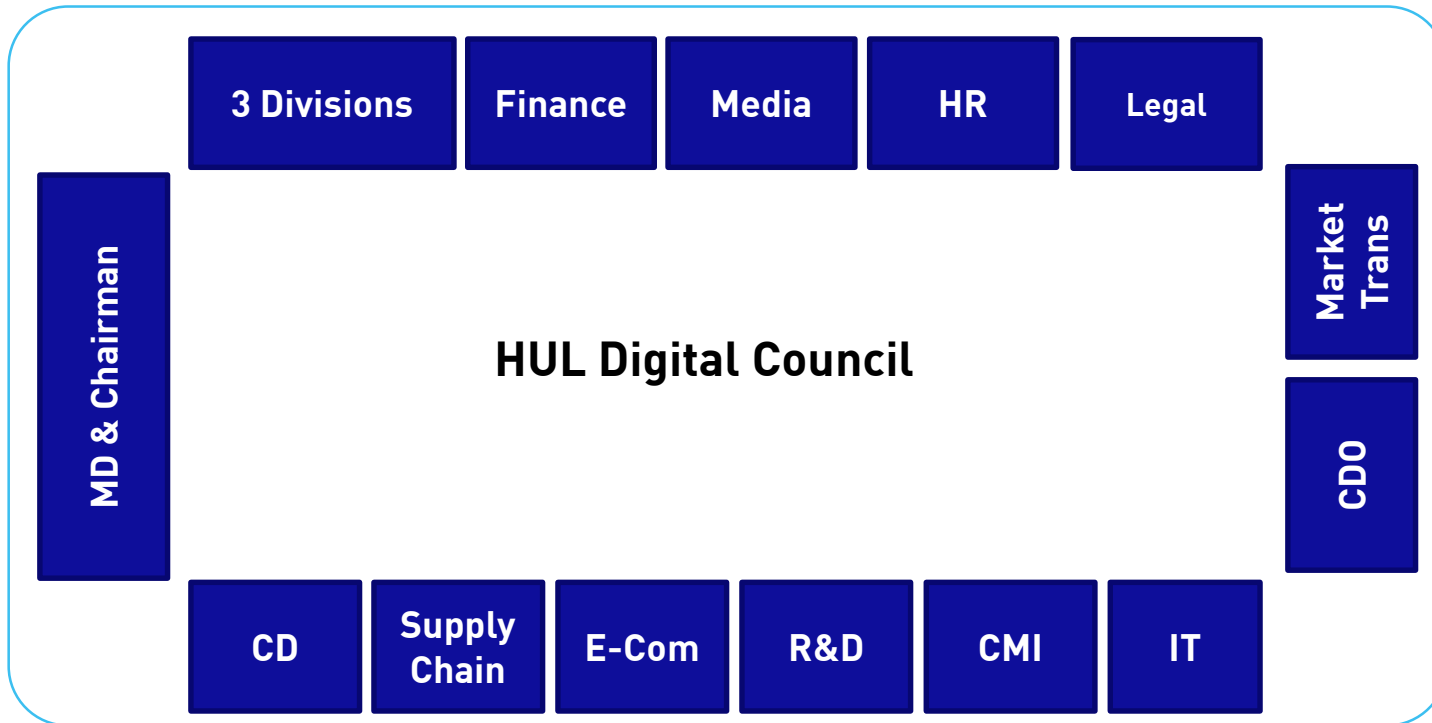
Nasscom Indian Startup Ecosystem Report 2018

A FULL PROGRAM ACROSS BUSINESS

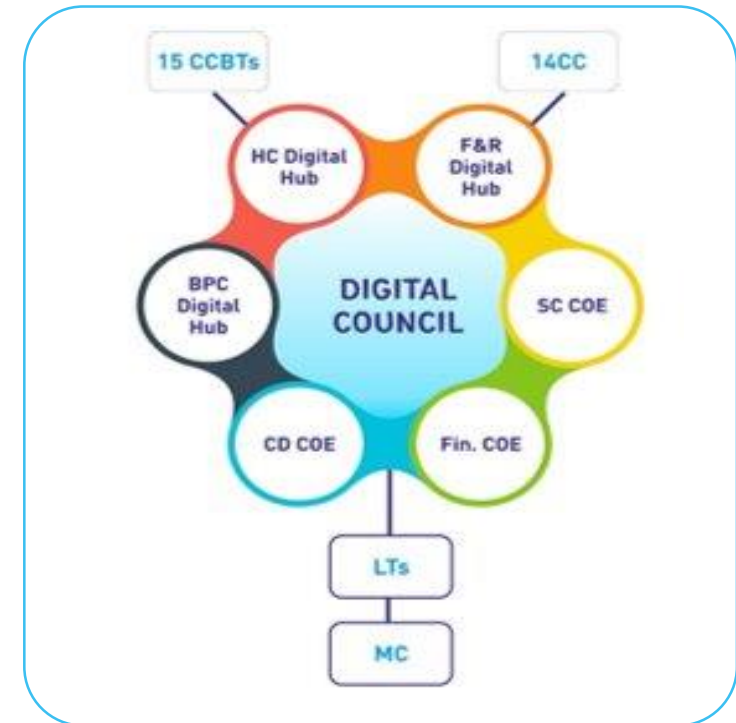


Hindustan Unilever Limited

HUL Digital Council: Representation across functions



Organization designed to enable digital transformation



PARTNERSHIPS WITH START-UP ECO SYSTEM

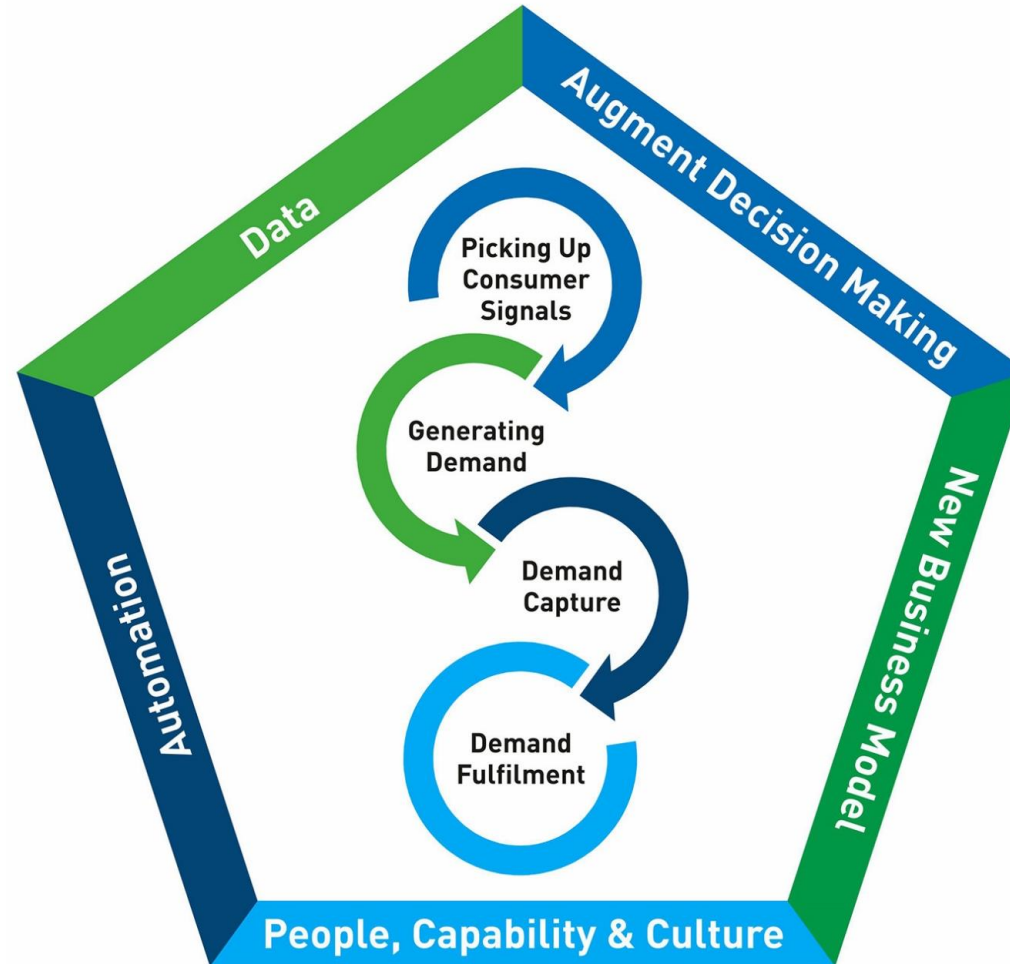
CD: Customer Development | CMI: Customer Marketing Insights | CDO: Chief Data Officer | Market Trans: Market Transformation
COE: Centre Of Excellence | LT: Leadership Team | CC: Consumer Cluster | MC: Management Committee

OUR DIGITAL TRANSFORMATION PROGRAM

RE-IMAGINING HUL



Hindustan Unilever Limited

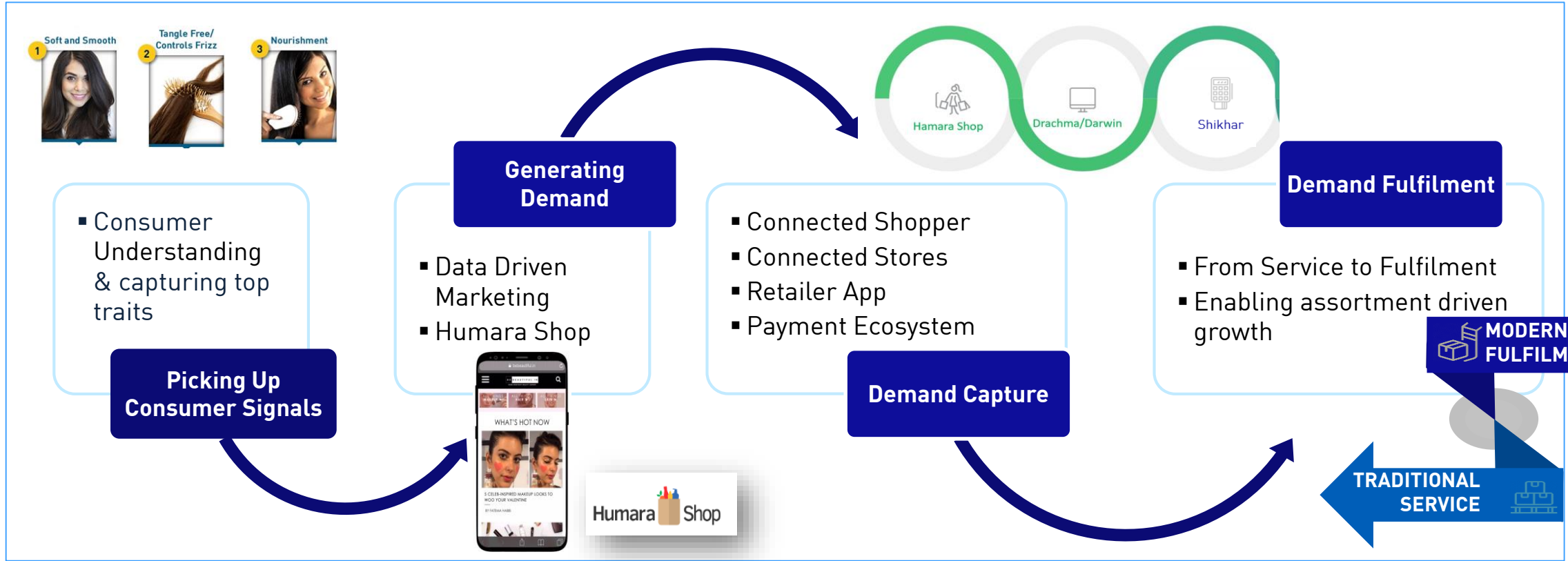


AN INTEGRATED E2E ORGANIZATION CHANGE PROGRAM LEVERAGING TECHNOLOGY

RE-IMAGINING HUL



Hindustan Unilever Limited



Enabled by

Data

Automation

Augmented Decision Making

OUR STRATEGY

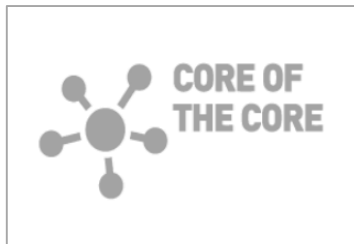


Hindustan Unilever Limited

Building Blocks

Portfolio

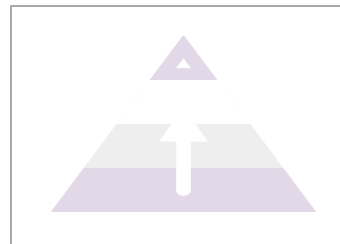
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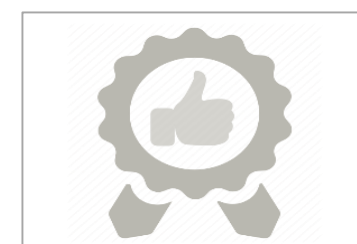


Rigour and Discipline

4. Generate fuel for growth



5. Execute brilliantly



Enabled by

6. Create new structures



7. Transform culture



8. Build capabilities (Re-imagining HUL)



Purpose-Led, Future-Fit

MAKE SUSTAINABLE LIVING COMMONPLACE



DRIVEN BY PURPOSE : OUR SUSTAINABILITY PLAN



Hindustan Unilever Limited

Water



**Hindustan Unilever
Foundation**

> 700 BILLION LITRES
of water saved

Health and well-being



> 150 MILLION
people impacted till date

Enhancing livelihoods



100,000+
Shakti entrepreneurs

> 5,20,000
Youth benefited with Rin
Career Academy

> 2.9 million
people benefited under
Prabhat

Sustainable sourcing



100% TOMATOES
65% TEA
sourced sustainably

Becoming plastic neutral



REDUCE
REUSE
RECYCLE
RECOVER

DRIVEN BY PURPOSE : OUR SUSTAINABILITY PLAN



Hindustan Unilever Limited

Water



**Hindustan Unilever
Foundation**

> 700 BILLION LITRES
of water saved

Health and well-being



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Enhancing livelihoods



100,000+
Shakti entrepreneurs

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Youth benefited with Rin
Career Academy

> 2.9 million
people benefited under
Prabhat

Sustainable sourcing



100% TOMATOES
65% TEA
sourced sustainably

Becoming plastic neutral



REDUCE
REUSE
RECYCLE
RECOVER



Hindustan Unilever Limited



AV 1: START A LITTLE GOOD – WATER



Hindustan Unilever Limited



AV 2: HINDUSTAN UNILEVER FOUNDATION (HUF)

DRIVEN BY PURPOSE : OUR SUSTAINABILITY PLAN



Hindustan Unilever Limited

Water



**Hindustan Unilever
Foundation**

> 700 BILLION LITRES
of water saved

Health and well-being



> 150 MILLION
people impacted till date

Enhancing livelihoods



100,000+
Shakti entrepreneurs

> 5,20,000
Youth benefited with Rin
Career Academy

> 2.9 million
people benefited under
Prabhat

Sustainable sourcing



100% TOMATOES
65% TEA
sourced sustainably

Becoming plastic neutral



REDUCE
REUSE
RECYCLE
RECOVER

DRIVEN BY PURPOSE : OUR SUSTAINABILITY PLAN



Hindustan Unilever Limited

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REDUCE
REUSE
RECYCLE
RECOVER



Hindustan Unilever Limited



AV 3: SHAKTI

DRIVEN BY PURPOSE : OUR SUSTAINABILITY PLAN



Hindustan Unilever Limited

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DRIVEN BY PURPOSE : OUR SUSTAINABILITY PLAN



Hindustan Unilever Limited

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REDUCE
REUSE
RECYCLE
RECOVER



Hindustan Unilever Limited



AV 4: START A LITTLE GOOD – PLASTIC

CLEAR AND COMPELLING GOAL



Hindustan Unilever Limited

4G Growth



**Consistent, Competitive, Profitable,
Responsible Growth**

HUL IS RE-INVENTING ITSELF TO BE PURPOSE-LED, FUTURE-FIT



Hindustan Unilever Limited



THANK YOU

For More Information



Hindustan Unilever Limited

VISIT OUR WEBSITE

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

Investor Relations

Annual Investor Meet 2019

> HUL's Annual Investor Meet 2019 will be held on 7th June 2019, Friday, at the HUL Head Office in Mumbai

