

WINNING TODAY WINNING TOMORROW

R SRIDHAR • CLSA INVESTORS' FORUM 2013



Hindustan Unilever Limited

SAFE HARBOR 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.

INTRODUCING HINDUSTAN UNILEVER LIMITED (HUL)



FY 2012 - 13

NET REVENUE

Rs. 25,810 crores

USD 4.7 billion

PROFIT FOR THE YEAR

Rs. 3,797 crores

USD 700 million

EPS (BASIC)

Rs. 17.56

USD 32 cents

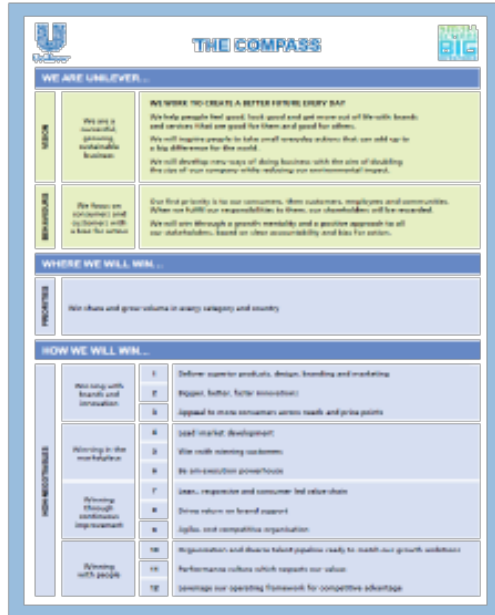
INR / USD = 54.45 (average for FY 2012-13)

Segments	% Revenue	% Results
Soaps & Detergents	49.3	40.0
Personal Products	29.0	48.3
Beverages	11.6	11.8
Packaged Foods	5.9	0.9
Others	4.2	-1.0

- Leading market position across categories
- 18 HUL brands featured in the 100 Most Trusted Brands list by Brand Equity in 2012
- Direct distribution reach of > 2 million stores
- 15,000 employees, 70 Manufacturing locations, 40+Depots, 2700+ Distributors

DRIVEN BY A COMPELLING STRATEGY & GOALS

Strategic framework



Sustainable Living Plan



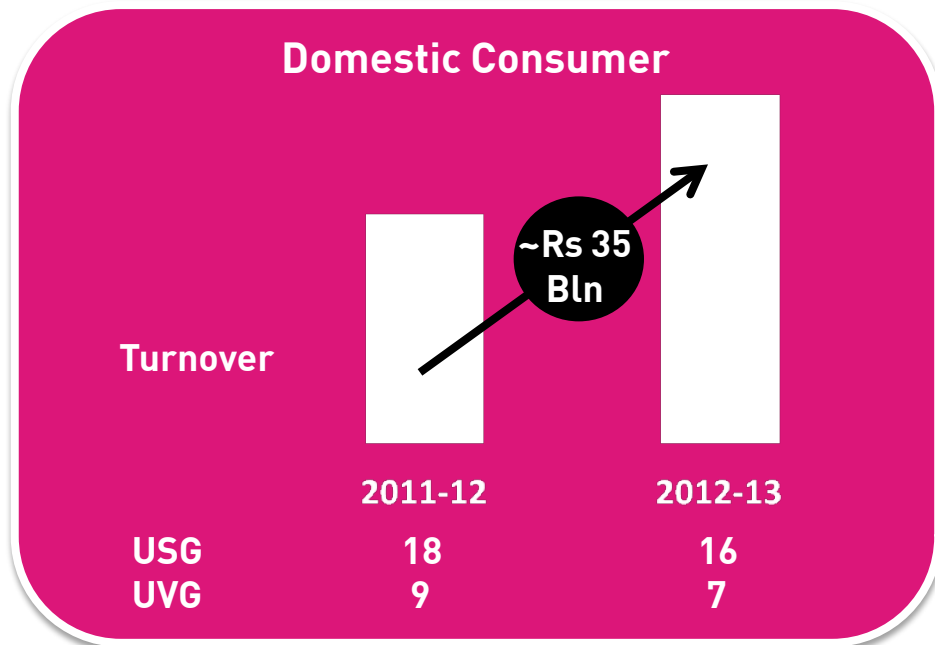
Our Goals

Winning Today, Winning Tomorrow

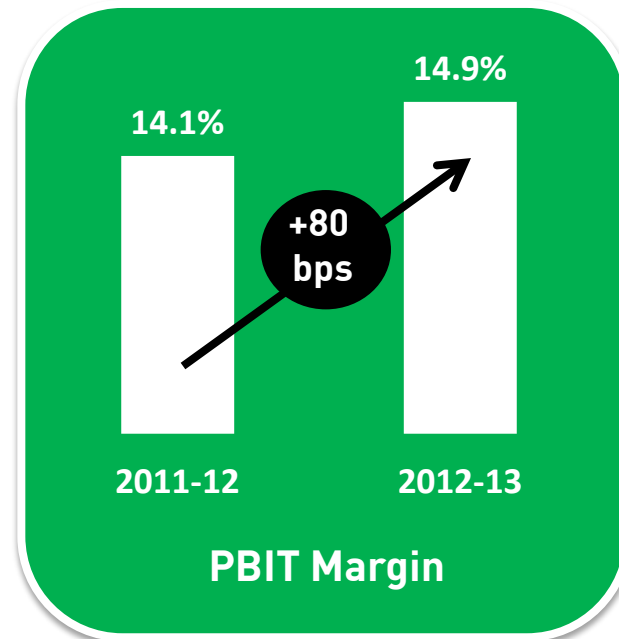
- Consistent **Growth**
- Competitive **Growth**
- Profitable **Growth**
- Responsible **Growth**

WE HAVE DELIVERED ON OUR GOALS

Consistent & Competitive Growth



Profitable Growth



MADE PROGRESS ON OUR SUSTAINABILITY PRIORITIES

HELP
1 BILLION
PEOPLE IMPROVE
THEIR HEALTH
& WELL-BEING



45 million people gained access to safe drinking water through **Pureit**



47 million people touched by **Lifebuoy** handwashing programs since 2010

HALVE
ENVIRONMENTAL
FOOTPRINT OF
OUR PRODUCTS



Reduced CO₂ emissions by 22%, water use by 29%, waste by 77%*



Out of 38, **30 HUL factories** have become **zero discharge sites**



30,000 climate friendly freezers with Hydrocarbon technology

SOURCE
100%
OF AGRICULTURAL
RAW MATERIALS
SUSTAINABLY

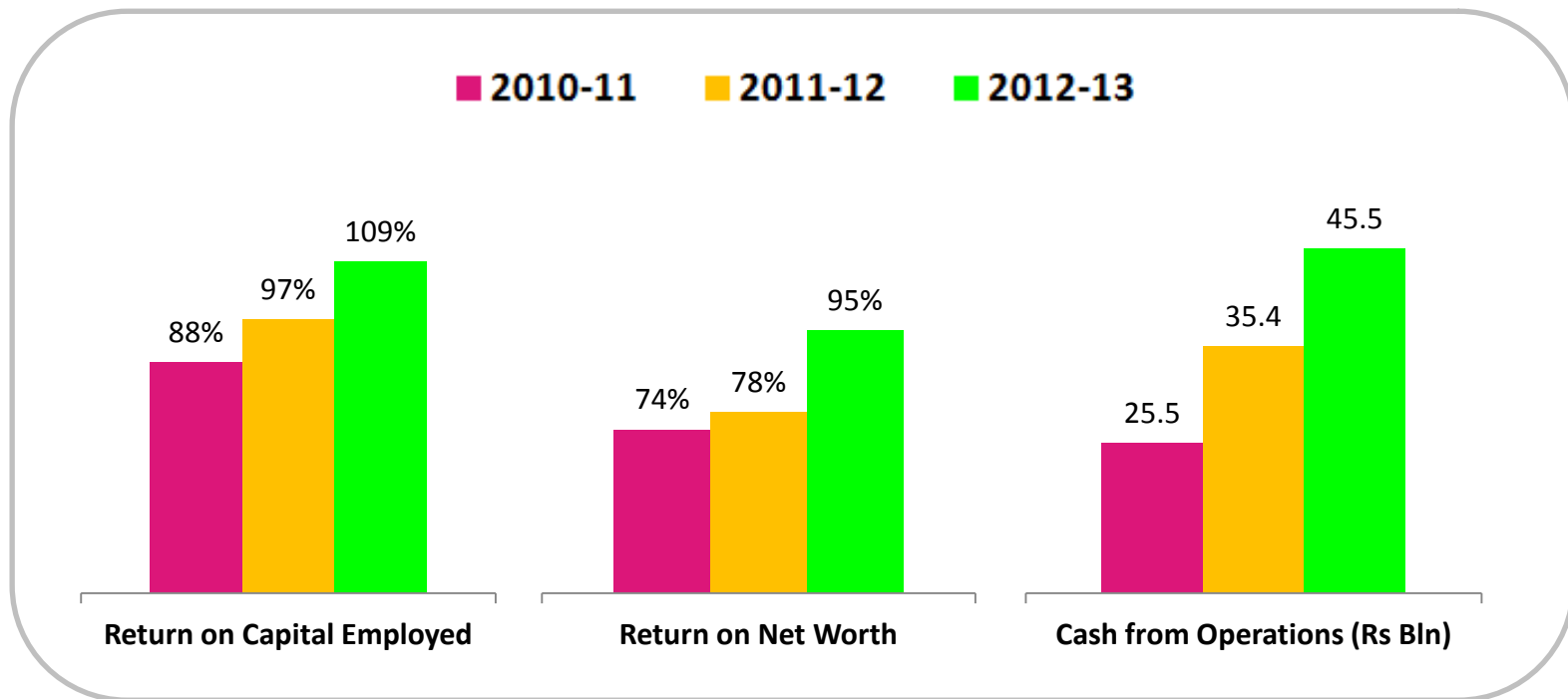


69% of our agri raw materials sourced from sustainable sources



100% of palm oil products sourced in 2012 backed by sustainability certificates

SUSTAINED OUR STRONG TRACK RECORD



CONTINUED TO BUILD BIGGER BRANDS



NOW RS 1000 CR+

Soap | Facewash | Bodywash | Body Lotions | Deodorant | Shampoo | Conditioner | Hair Oils



2010-11

7

2012-13

10

CONTINUED TO WIN WITH CONSUMERS & CUSTOMERS

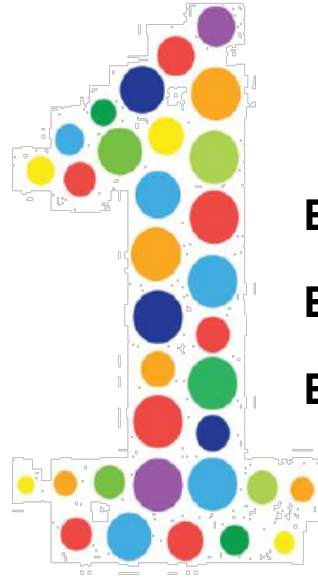
18 HUL brands feature in 'Most Trusted Brands' 2012 List



'Supplier of the Year' Award from Walmart, Tesco, Metro, Hypercity



RETAINED OUR TOP EMPLOYER POSITION



Employer Brand

Best Employer

Best Employer Brand Asia

Dream Employer : 4 Years in a row

CONTINUED TO BE RECOGNIZED

Forbes

HUL in Super 50 list of
'The World's Most
Innovative Companies'

FORTUNE

HUL No. 2 in Fortune
India's list of Most
Admired Companies

AIMA

ALL INDIA MANAGEMENT ASSOCIATION

HUL is Multinational of the
Year at AIMA Managing
Awards 2013

Aon

HUL recognized for Best
in Class Reward Practices
by Aon Hewitt



Golden Peacock Awards®

HUL wins Golden Peacock
Occupational Health &
Safety Award 2012



HUL wins
FICCI Water
Awards 2012

IR GLOBAL RANKINGS

HUL recognized at the
Investor Relations Global
Rankings 2012



Silver Award for DuPont
Global Packaging Award 2012



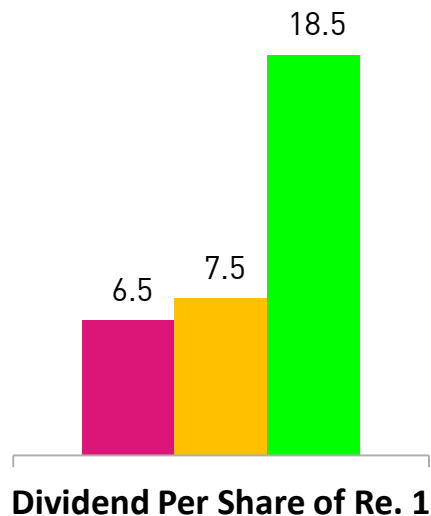
Asian Centre for
Corporate Governance & Sustainability

HUL wins Best Audit Committee
at the Asian Centre for Corporate
Governance, Sustainability &
Leadership Awards 2013



Super Platinum
Award at Frost &
Sullivan's India
Manufacturing
Excellence Awards

CONTINUED TO REWARD OUR SHAREHOLDERS

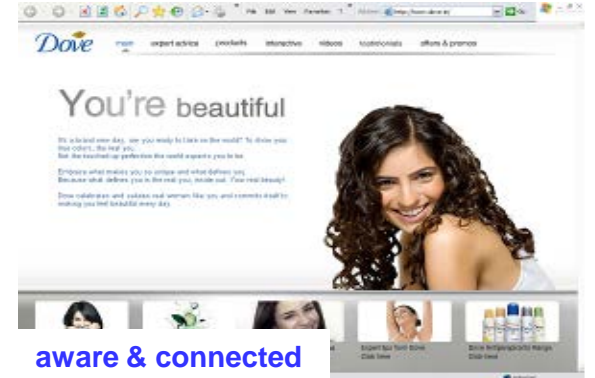


Particulars	FY 2011-12	FY 2012-13
Dividend Per Share	7.5	18.5
<i>Interim</i>	3.5	4.5
<i>Special</i>	-	8.0
<i>Final</i>	4.0	6.0
Total Dividend (Rs billion)	16.2	40.0
Dividend Distribution Tax (Rs billion)	2.6	6.6
Total Dividend Outflow (Rs billion)	18.8	46.6

WINNING TODAY WINNING TOMORROW

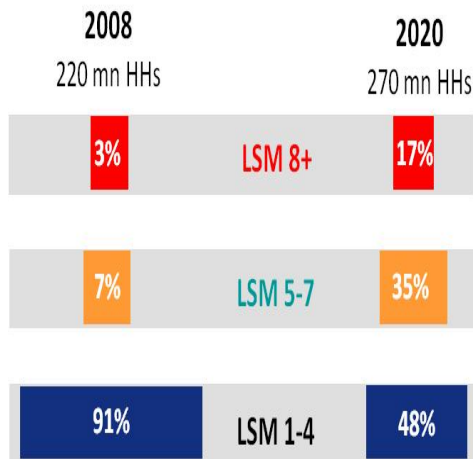


LOOKING AHEAD, AS INDIA EVOLVES



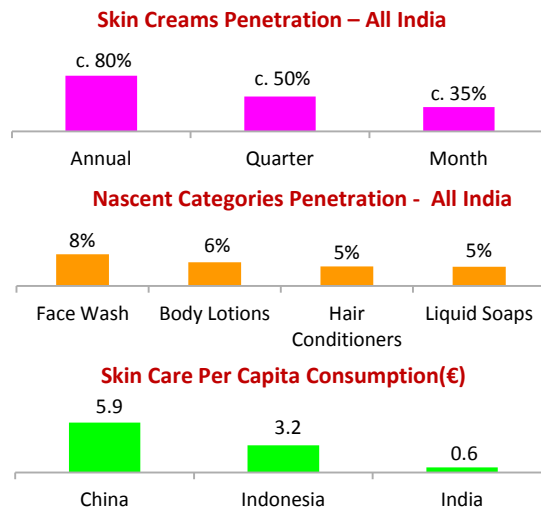
THE OUTLOOK FOR FMCG IN THE MEDIUM – LONG TERM REMAINS ATTRACTIVE

Emerging Trends



- Growing Incomes & Rising Aspirations
- Premiumization (More Benefits)

Head room for growth

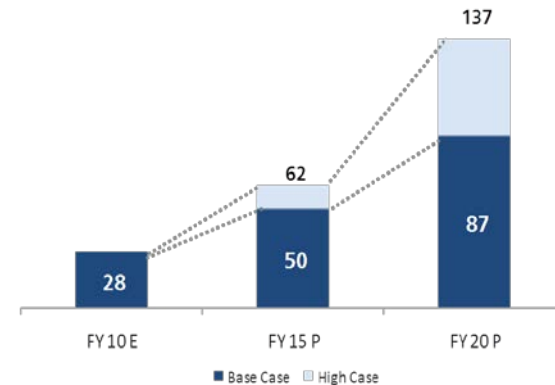


- Lower penetration (More Users)
- Lower consumption (More Usage)

Large Opportunity

CII FMCG Roadmap 2020

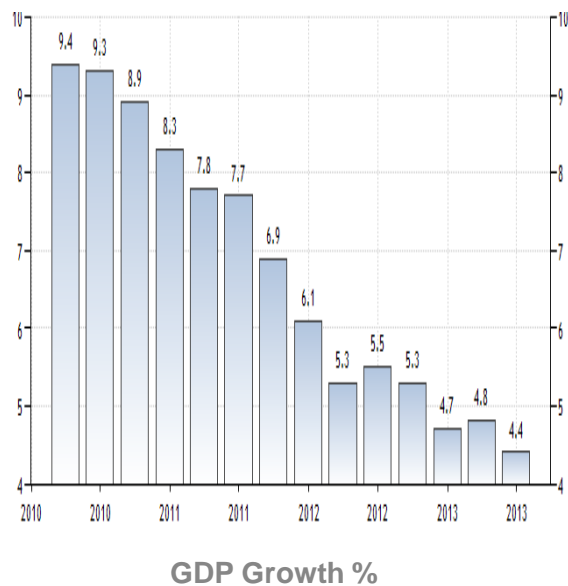
FMCG - \$ bln



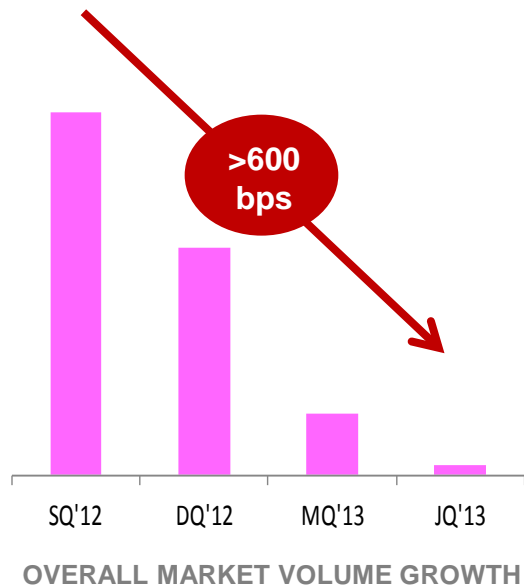
- 12% in base case
- 17% with high estimates

HOWEVER, IN THE NEAR TERM..

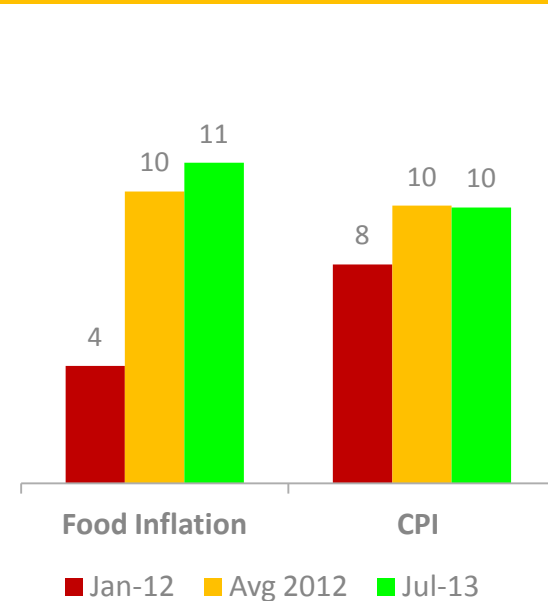
Slowing Economic Growth



Moderating FMCG market growth

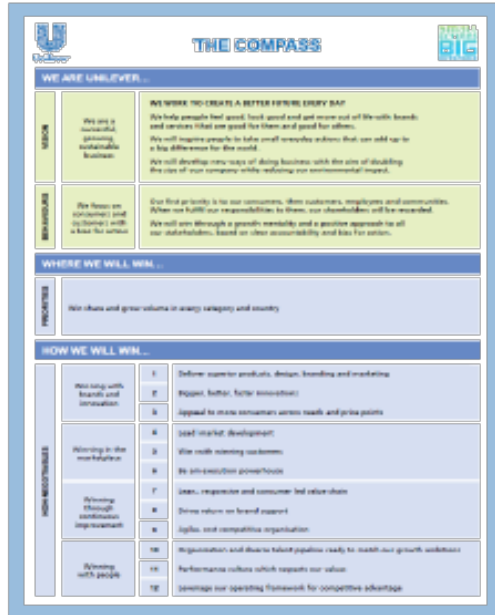


High Consumer Inflation



WE REMAIN COMMITTED TO OUR STRATEGY

Strategic Framework



Sustainable Living Plan



Our Goals

Winning Today, Winning Tomorrow

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

WINNING TODAY WINNING TOMORROW



1

DRIVING PREFERENCE WITH CONSUMERS

**WINNING TODAY
WINNING TOMORROW**

REACHING UP, DOWN AND WIDE

Straddling the pyramid



Accessible packs/formats

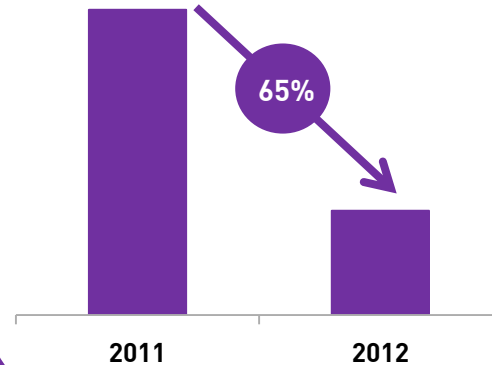


SUPERIOR PRODUCTS & SERVICE

Blind Product Wins



Quality (Red) Incidents %



Redefining Standards



35,000 consumers
reach out to us every month asking questions about our launches.

EXCITING INNOVATION ACROSS THE PORTFOLIO

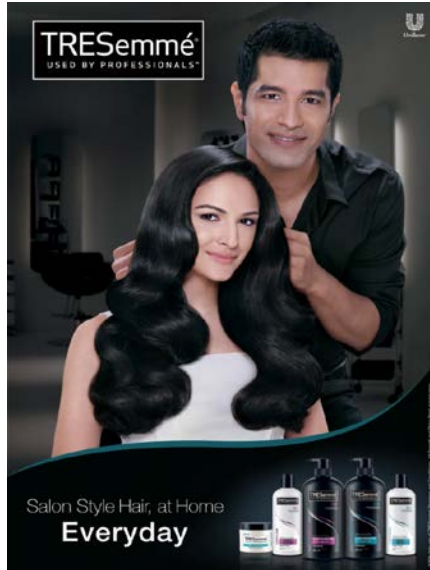


Innovation touched >50% of portfolio in 2012; we continue to invest and build for the future

ANTICIPATING EVOLVING NEEDS TO RESHAPE PORTFOLIO

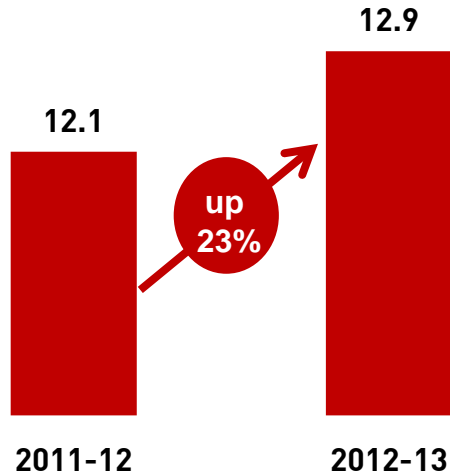


LEVERAGING GLOBAL TO WIN LOCAL

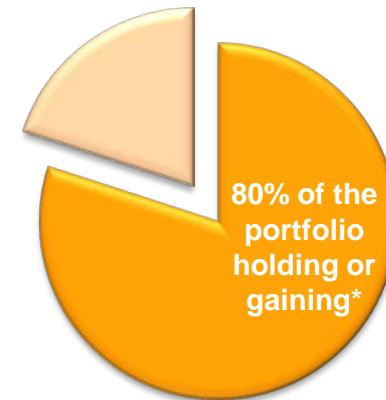


COMPETITIVE BRAND INVESTMENTS

Higher Brand Support



Brand Equity Scores



**Measured for the top 25 brands; Q42012 Vs. Q42011*

2

'BE DIGITAL' : EMBRACING THE CHANGE

**WINNING TODAY
WINNING TOMORROW**

LEARN

Hindustan Unilever Ltd forays into digital advertising space in a big way

By Kala Vijayaraghavan, ET Bureau | 28 Mar, 2013, 05:55AM IST

7 comments | Post a Comment

Structured Interventions



>10,000 man hours

500+ people

Reverse Mentoring

Digital Hub



Launched March 2013

3rd largest globally

Mobile Day



Employee Immersions

Voice / Video
Social / Search
Apps / Games

Media Lab



Launched April 2013

CREATE



Social



Video



Search



Mobile

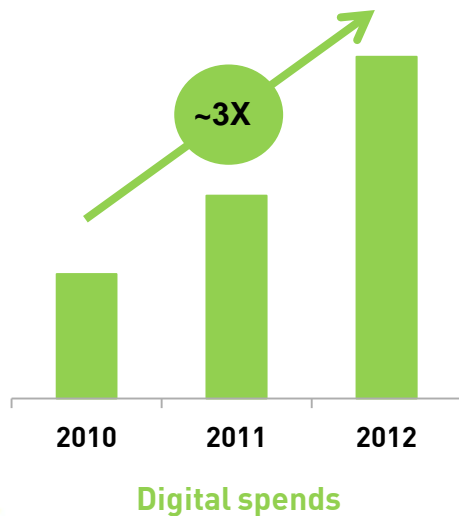


MEASURE

&

OPTIMIZE

Stepping up investments



Working with CMI to measure



Optimizing Planning



3

BUILDING THE EXECUTION EDGE IN THE MARKETPLACE

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WINNING TOMORROW**

TECHNOLOGY ENABLING FEET ON THE STREET

Front Line of Execution

Enabled by a Smart Device

Strong IT backbone



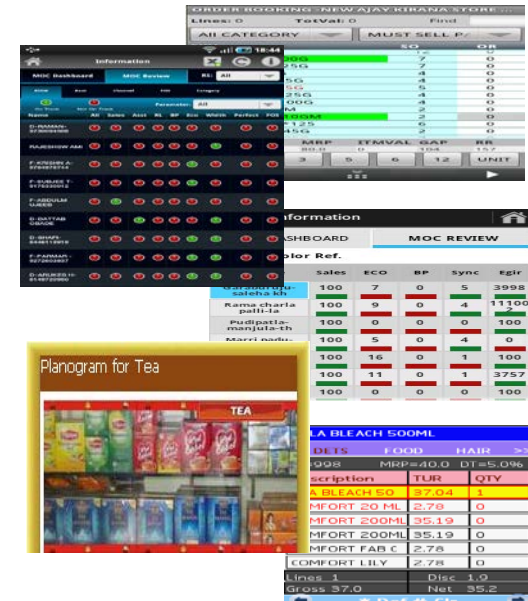
Samsung Android Tablet

Smartphone Android & Windows

Smartphone Android & Windows

Entry level Android Smartphone

Entry Level Mobile phone on Java



Every Day Great Execution

DRIVING QUALITY OF REACH: PERFECT STORES



- **Right** Availability
- **Right** Assortment
- **Right** Merchandising

Bill Data + Sophisticated Analysis
= Simple Outlet level Jobs To Be Done

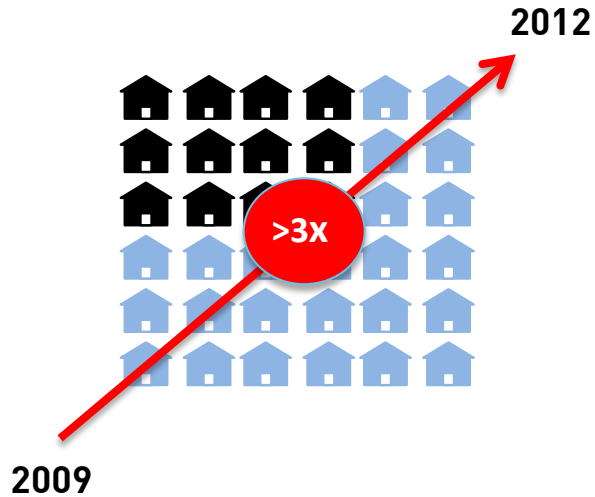


Deploying technology and analytics to win in the marketplace

Perfect Stores growth & share > Other Stores growth & share

SCALING UP IN RURAL

Dramatic expansion in reach
Reach = Competitive Advantage



Shakti



48,000 Shaktiammas

>30,000 Shaktimaans

135,000 Villages

HUL – Tata Teleservices Alliance



Active in 13 Circles

LEADING MARKET DEVELOPMENT IN RURAL

Driving adoption of new categories



Retail
Contact



Consumer
Awareness

WINNING IN MODERN TRADE

Customer Collaboration



Category Advisorship with
Bharti Walmart for Personal
Wash, Hair and Skin

In-Store Execution



Dominant POS visibility across
key stores with modular, cut
through assets

Shopper Activation



- Joint Shopper Activation Partnerships with Key Customers
- Shopper Soulmate and Food Ambassador Models

BUILDING CAPABILITY FOR SHOPPER INSIGHT

Be wise, Brandwise.



Customer Insight and Innovation Centre

Is your brand in these stores yet?
It should be.



Food Point



Welcome Kirana Store



Janata General Store



Modern Trade Health & Beauty

Every kind of store out there in the market place
is right here at Unilever.

But, is your brand in those stores?

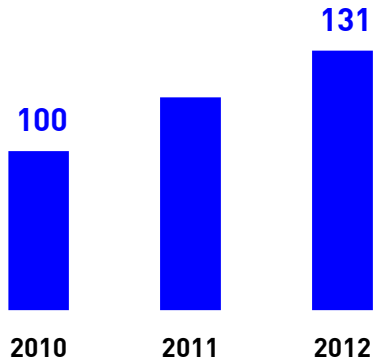
4

LEAN, AGILE & EFFICIENT

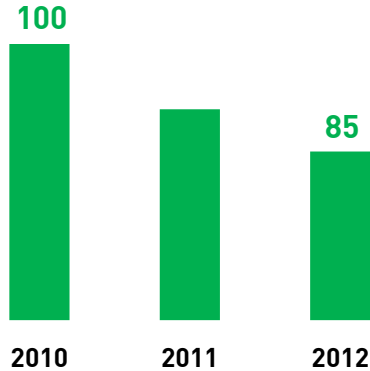
**WINNING TODAY
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END TO END COST FOCUS

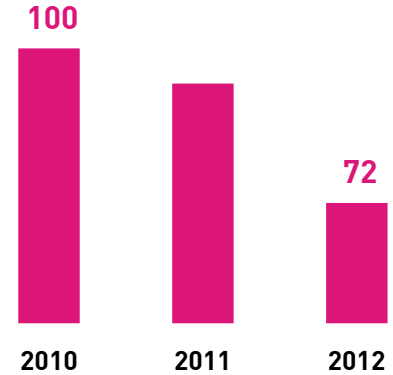
Cost Savings*



Non Material Supply Chain Costs*



Overheads*

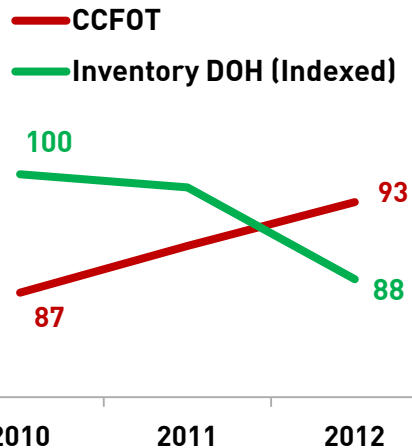


Savings Up, Costs Down

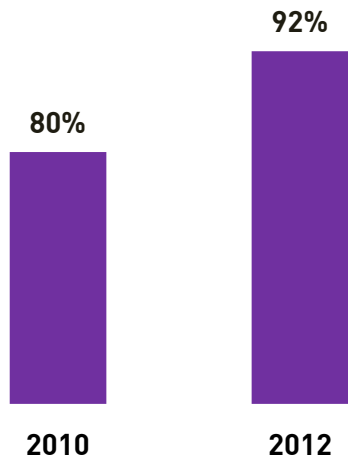
**All charts indexed to 2010 (Base = 100)*

EFFICIENT SUPPLY CHAIN

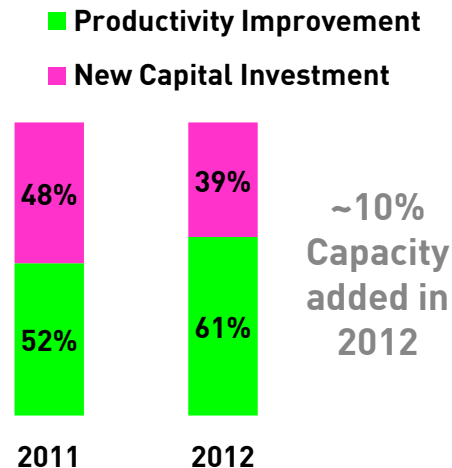
Service up, Inventory down



Innovation OTIF



Capex Productivity



5

AN ORGANIZATION WITH A WINNING CULTURE

**WINNING TODAY
WINNING TOMORROW**

WINNING WITH & THROUGH OUR PEOPLE

Strong
Values

INTEGRITY
RESPECT
RESPONSIBILITY
PIONEERING

Organizational
Diversity



Consumer &
Customer Centricity



Bias for
Action



PERFORMANCE CULTURE

HUL WELL POSITIONED

Strong Brands



Leading Category Positions

**HUL at No.1 or strong
No. 2 position across
categories**

Portfolio – Up, Wide & Down



Capabilities, Competitive Edges



Global Leverage



Talent Powerhouse



**Employer Brand
Best Employer
Best Employer Brand Asia**

Dream Employer : 4 Years in a row

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