

WINNING THE NEW DECADE

Sanjiv Mehta, Chairman & Managing Director
Hindustan Unilever Limited

23rd February, 2021



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.

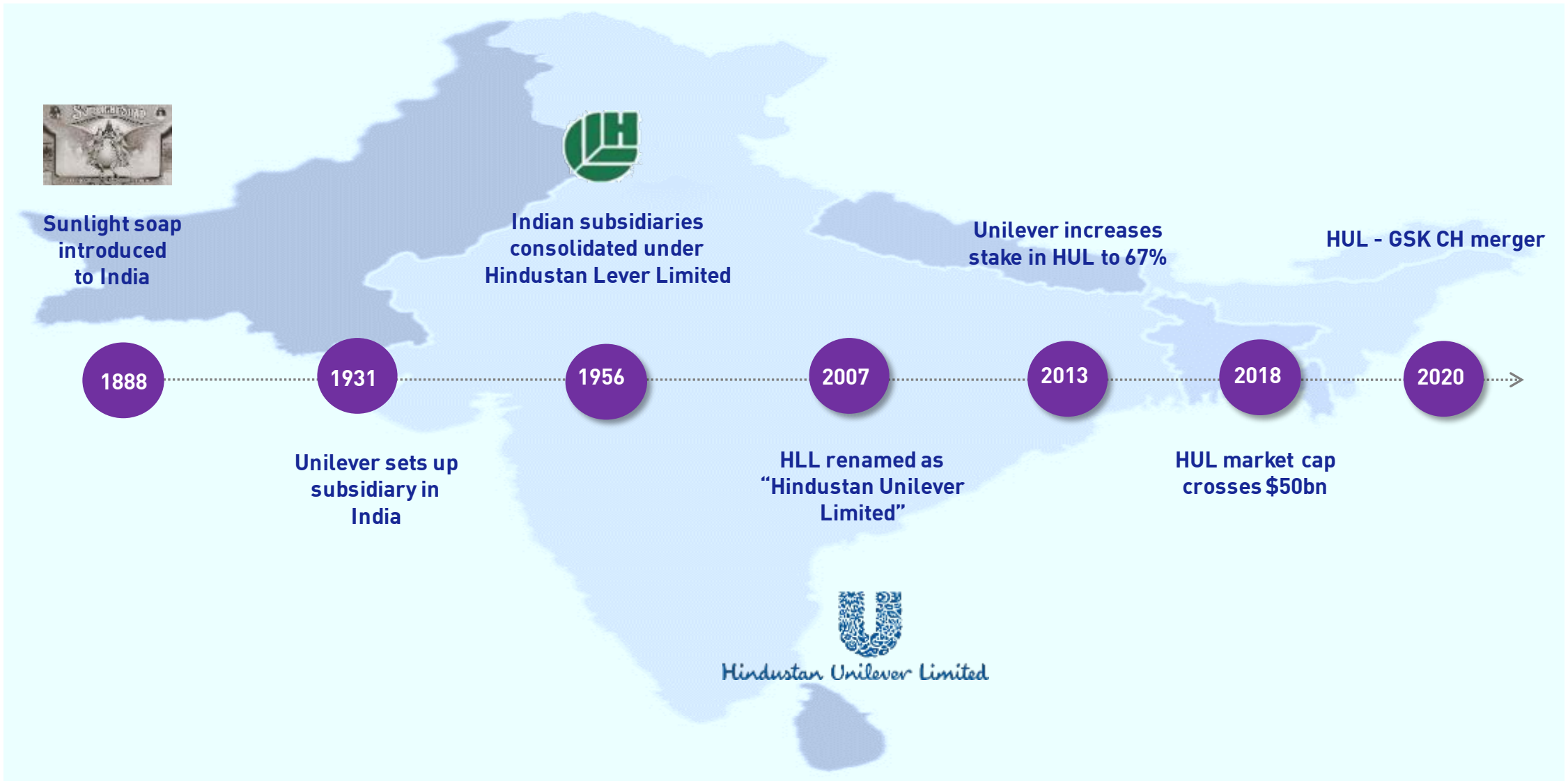


Hindustan Unilever Limited

INDIA'S LARGEST FMCG COMPANY



130+ YEARS OF PROUD HISTORY IN INDIA



A \$6BN POWERHOUSE

OUR FOOTPRINT



**9 OUT OF 10
HOUSEHOLDS**
use one or more of our
brands

Our brands are available in
8 MN+ STORES



21,000
Employees working across 31
owned factories & 15 offices

RECOGNITION



'EMPLOYER OF CHOICE'
in the industry
for 12 years in a row

**MOST INNOVATIVE
COMPANIES**
#8 Globally
#1 in India



BRAND EQUITY
**MOST
TRUSTED
BRANDS**

14 HUL BRANDS
in India's Top 100 Most
Trusted Brands 2020

CATEGORY LEADERSHIP IN >90% OF OUR BUSINESS



#1

Skin
Cleansing



#1

Skin
Care



#1

Hair
Care



#1

Fabric
Wash



#1

Household
Care



#1

Tea



#1

Health Food
Drinks



#1

Ketchup

MARKET MAKER OVER DECADES



PERFORMANCE OVER THE LAST DECADE

CONSISTENT GROWTH

> ₹ 20K CRORE TURNOVER ADDED



9% CAGR
Sales growth*

PROFITABLE GROWTH



890 bps
EBITDA improvement^

HIGH CAPITAL EFFICIENCY



FY
2009-10

FY
2019-20

Best in CLASS
ROCE sustained

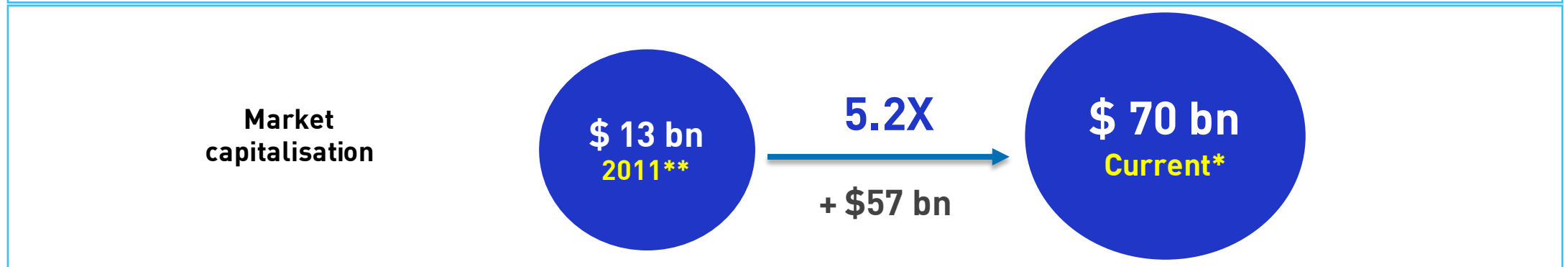
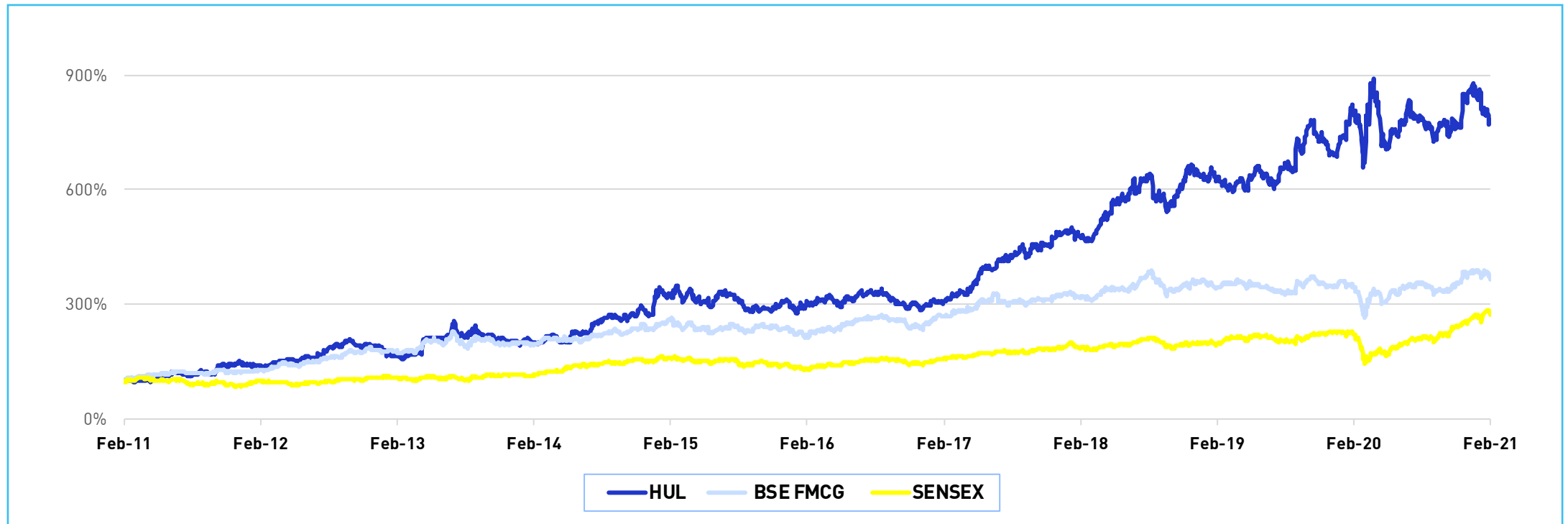
CONSISTENT TRACK RECORD OF HIGH PERFORMANCE



*On comparable basis. On reported basis, 10-year sales CAGR stands at 8%.

^On comparable basis. On reported basis, EBITDA up by ~1000 bps over last 10 years.

LEADING VALUE CREATION



*Market capitalization as on 22nd February 2021 and converted to USD based on reference rate on 18th February 2021

**Market capitalization as on 22nd February 2011 and converted to USD based on reference rate on 22nd February 2011

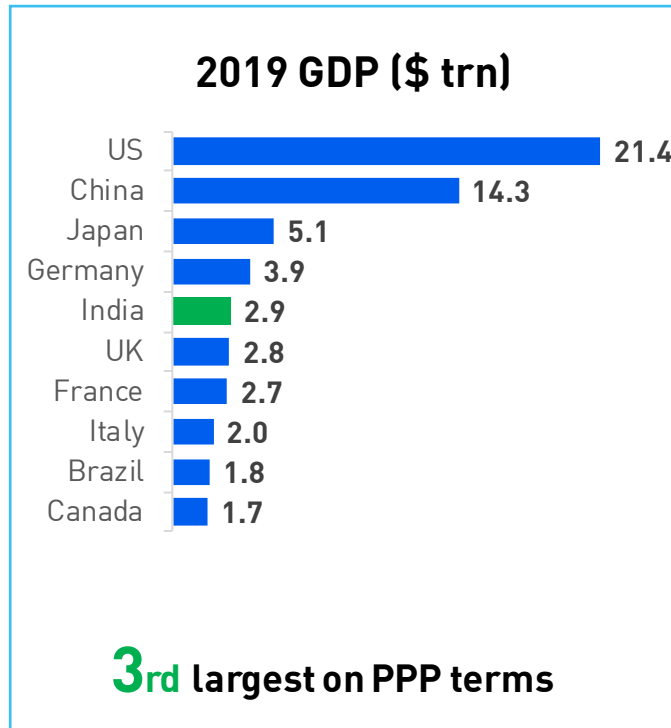


INDIA'S POTENTIAL

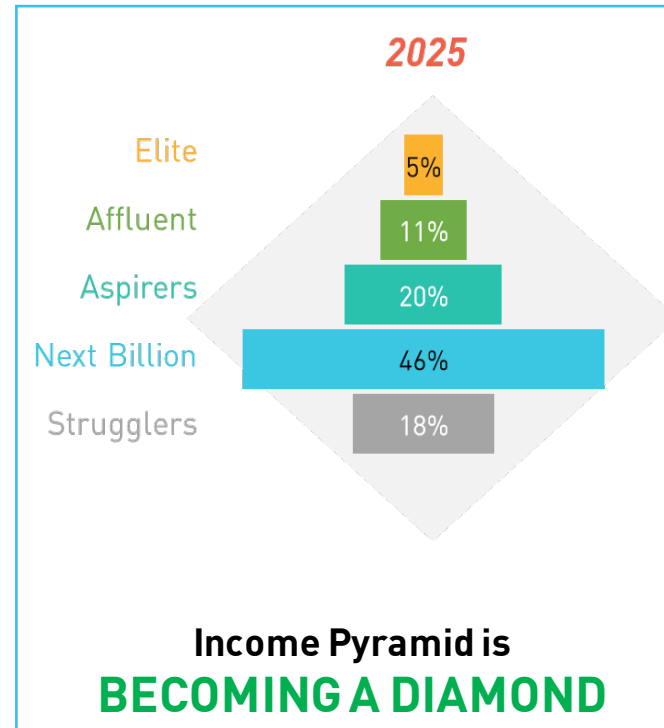


INDIA IS A LAND OF OPPORTUNITIES

5TH LARGEST ECONOMY



RISING AFFLUENCE



YOUNG AND VIBRANT



1.4 bn people
2/3rd are millennials/gen Z
 Median age **28 yrs**

Source:
 GDP: IMF World Economic Outlook report dated Oct 2020
 Rising Affluence: KWP & KIE assessment of NSO data
 Population: UN, Dept. of Economic and Social Affairs, World Population Prospects 2019

INDIA IS OPEN FOR BUSINESS

LANDMARK REFORMS



GST
Goods & Services Tax

Insolvency and Bankruptcy Code

BusinessLine
Bad bank is actually a good idea


ATTRACTING CAPITAL



MAKE IN INDIA

- Ease of doing business rank improved **+79**
- Corporate tax rates reduced to **25%**
- Production linked incentive **₹1.97 trn**

BUILDING INFRASTRUCTURE



Highway construction **~30 km/day**

Power deficit **0.7%**
(down from 4.5% in 2014)

FINANCIAL EXPRESS
Road to Lead

Union Budget 2021: Infrastructure clearly the focus area in the Budget

Business Standard
Budget 2021: Govt to set up Rs 20,000 cr DFI to promote infra financing

Source:

Ease of doing business: World Bank's Ranking in 2019 vs 2014

Union Budget 2021

Power deficit: Central Electricity Authority of India, 2019-20 vs 2013-14

Highway construction : (<https://www.financialexpress.com/infrastructure/roadways/nhai-creates-record-in-a-first-road-construction-touches-30-km-per-day-details-here/2188631/>)



INDIA'S EVOLVING DIGITAL ECOSYSTEM

SMART PHONE
PENETRATION

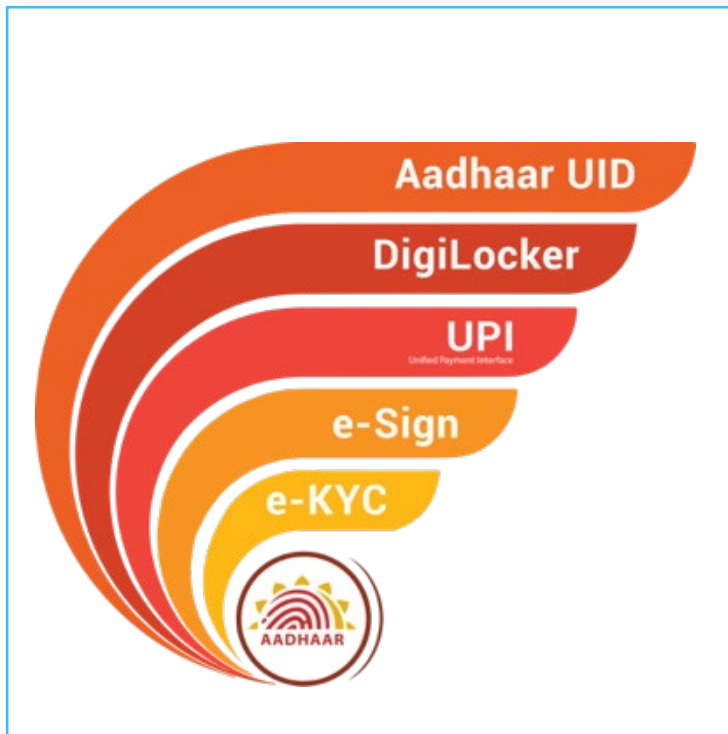
36%

INTERNET USERS
700mln

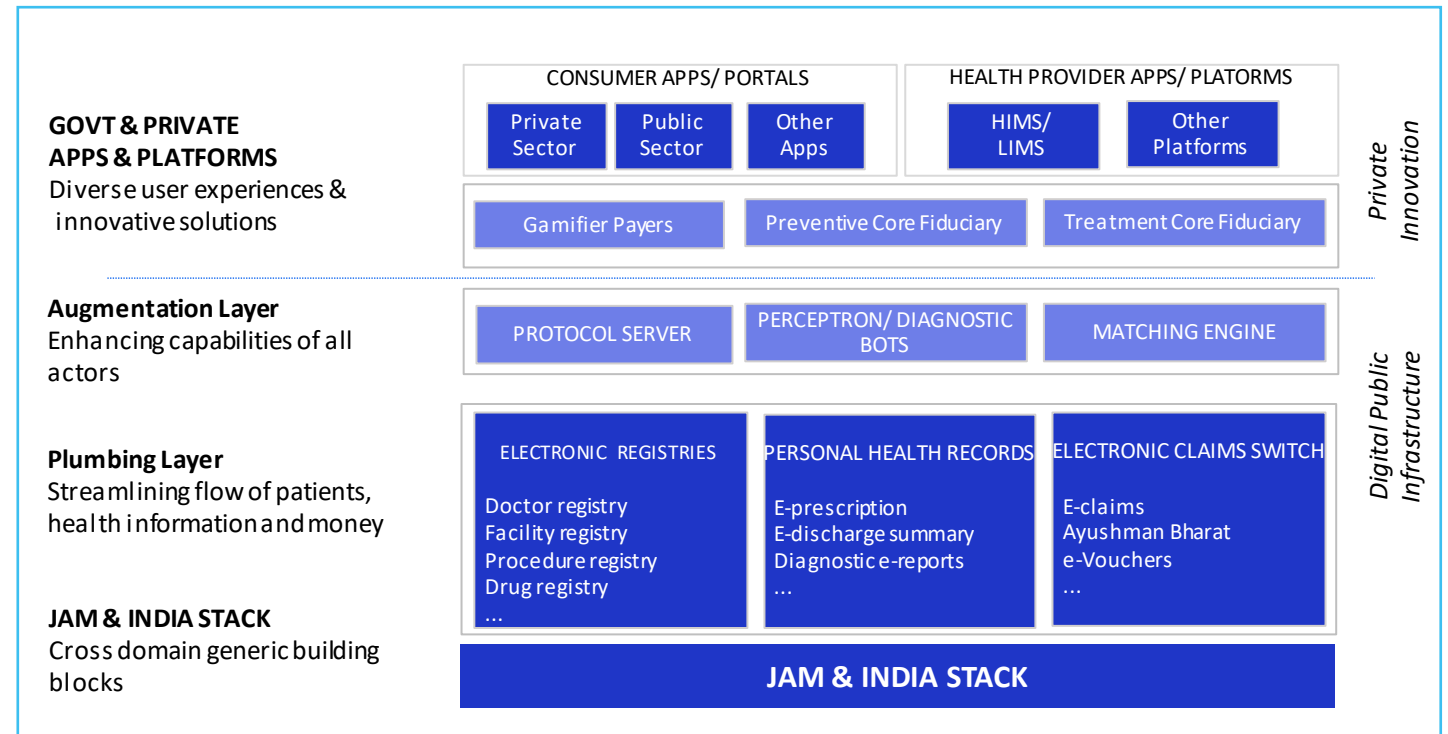
MONTHLY DATA USAGE
12GB

MOBILE BANKING
TRANSACTIONS
₹ 8000 mln pm

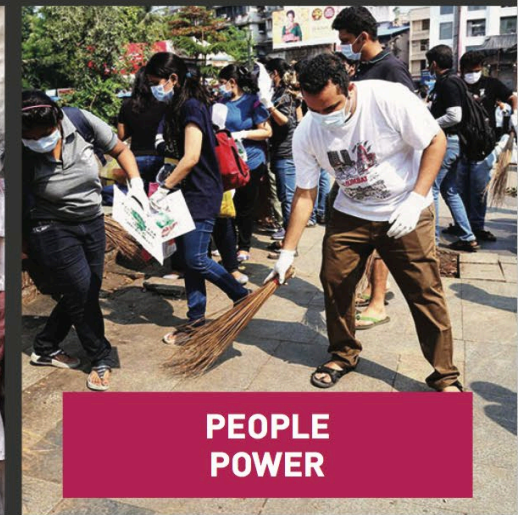
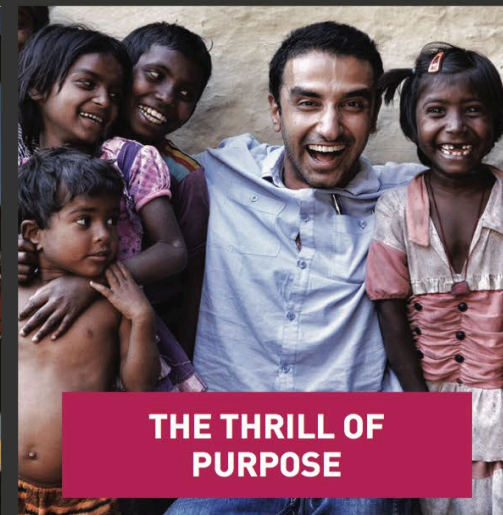
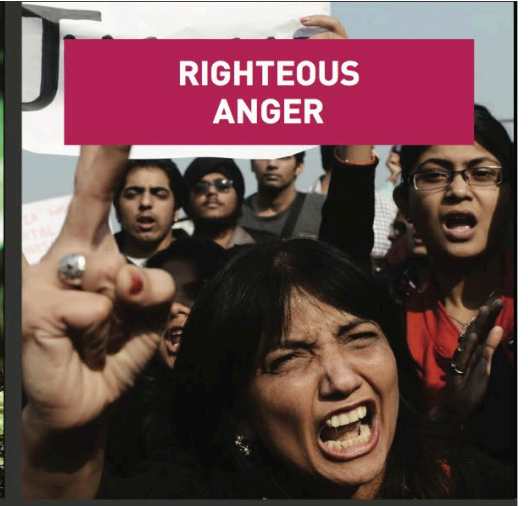
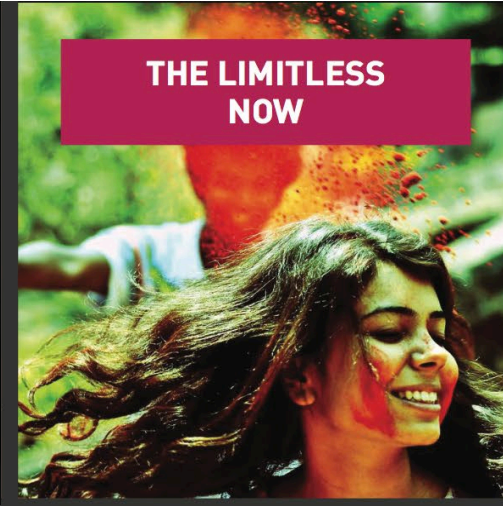
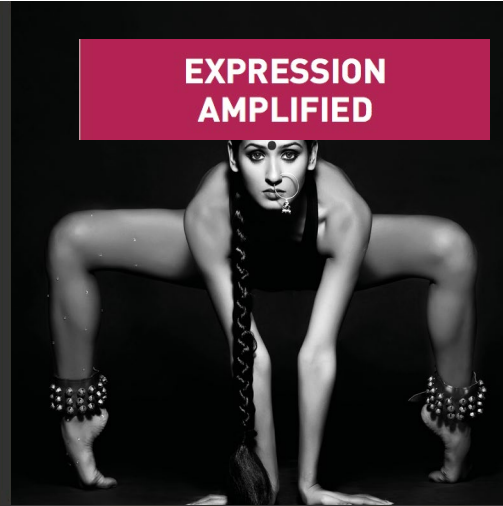
INDIA STACK



INDIA HEALTH STACK



CHANGING FACE OF INDIAN CONSUMERS

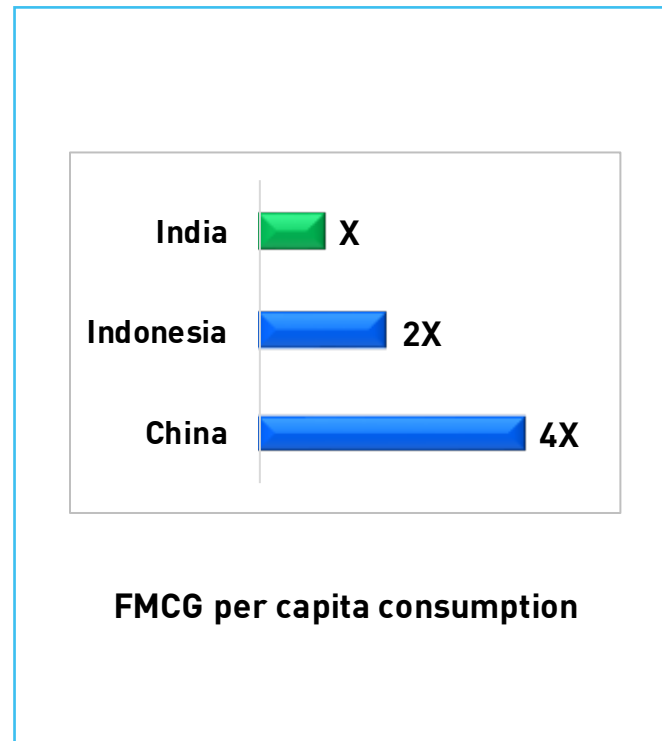


FMCG HAS HUGE HEADROOM FOR GROWTH

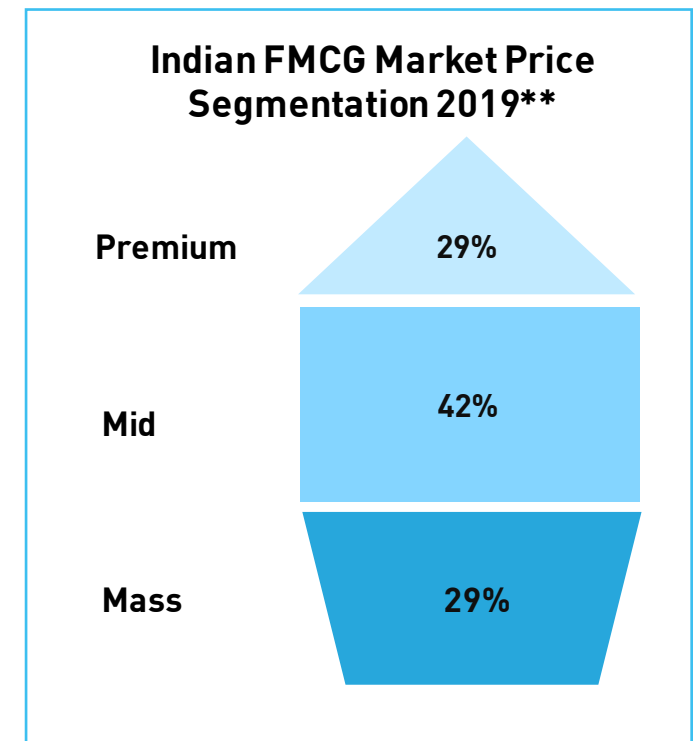
LOW PENETRATION



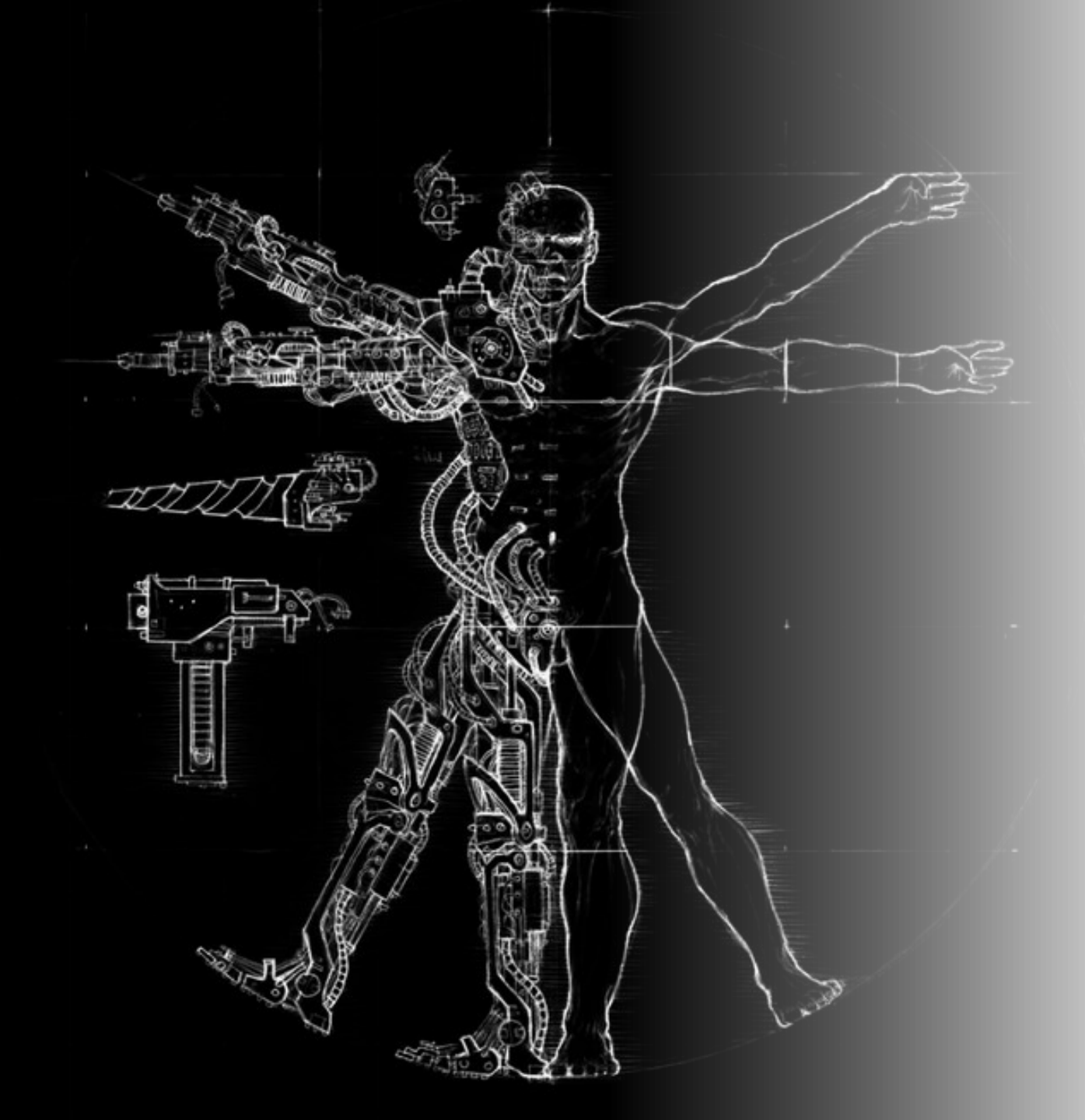
LOW CONSUMPTION



LOW PREMIUMIZATION



** FMCG Market where HUL has a presence
 FMCG Consumption and Market Price Segmentation - Nielsen
 Penetration Data - Household Panel data from IMRB MAT Dec '20 (U+R)



**BUILDING A
FUTURE-FIT HUL
WITH PURPOSE
AT CORE**

PURPOSEFUL BRANDS STRENGTHENING OUR MARKET LEADERSHIP

HAIR CARE



FABRIC WASH




TEA



BEING HUMAN


HOLISTIC WELLBEING



People with purpose

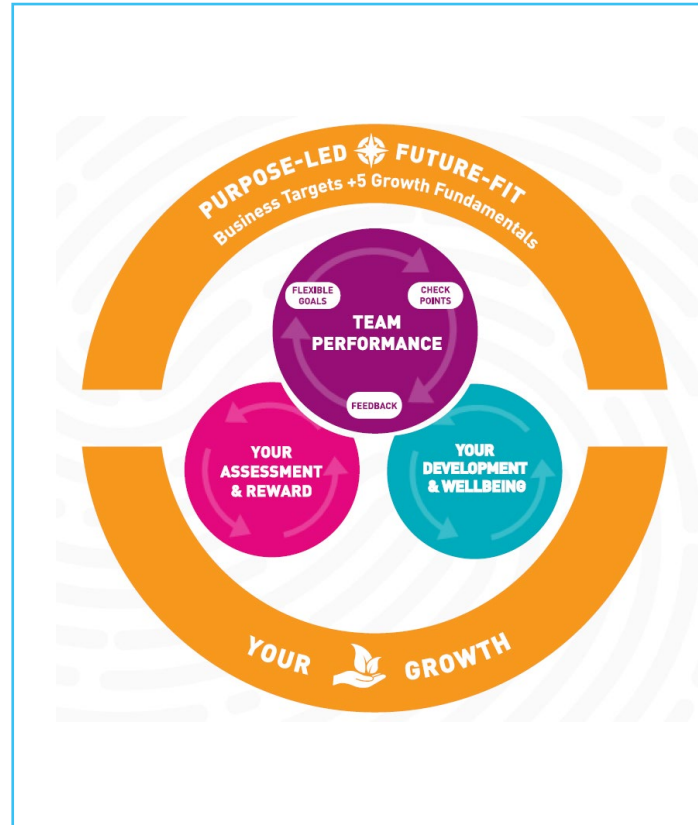
Physical and mental wellbeing

Policy to protect employees from domestic abuse

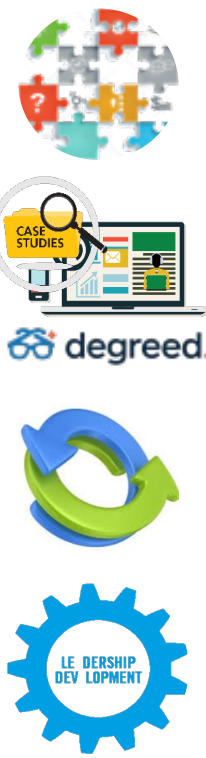


In a first for India Inc, HUL to help staff facing domestic abuse - Times of India
timesofindia.indiatimes.com • 2 min read

PIONEERING GROWTH CULTURE



LEADERS BUILDING LEADERS



Nurturing future leaders

Curated personalized learning

Talent immersions

Cross-laning

WE LOOK AFTER OUR PEOPLE AND THEY LOOK AFTER OUR BUSINESS

DIVERSE AND INCLUSIVE

GENDER BALANCE

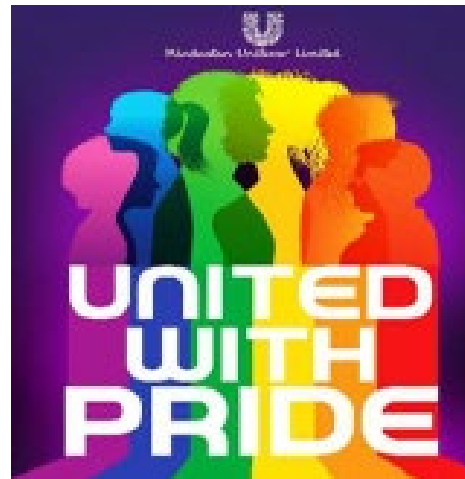


42% managers are women

+2200 bps

improvement in gender balance
in last 10 years

LGBTQ+ INCLUSION



HUL has been recognized as a **GOLD employer** within the 2020 India Workplace Equality Index by Stonewall

BREAKING STEREOTYPES



#NoOneLeftBehind
Unstereotype the workplace

#unstereotype the workplace
FOR EVERYONE.



MAKING SUSTAINABLE LIVING COMMONPLACE

WATER



Hindustan Unilever Foundation (HUF)

>1.3 trillion litres of water conservation potential created^

SUSTAINABLE SOURCING



76% Tomatoes**
78% Tea**

sourced sustainably

BECOMING PLASTIC NEUTRAL



>67% Plastic recyclable*

58.5K tonnes
(60%) of plastic collected and processed in 2020

HEALTH AND WELL-BEING



>150 million people impacted till date

5 Suvidha centers operational in Mumbai

ENHANCING LIVELIHOODS



>30 million person days employment generated by HUF^

~4.5 million people benefited under Prabhat^

136K Shakti entrepreneurs*

ENVIRONMENT

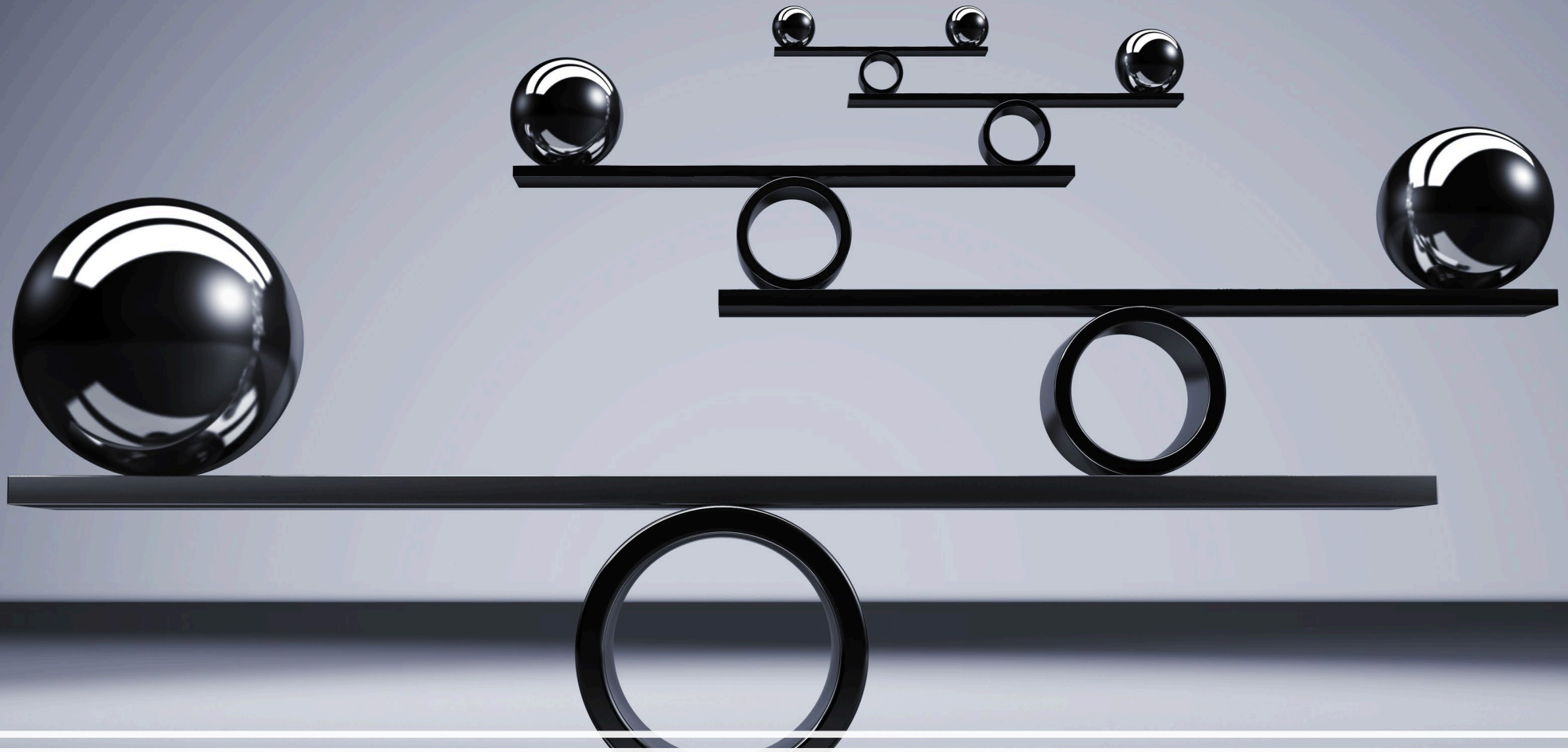
SOCIETY



*2020 exit

** In 2019

^ Cumulative numbers since inception till date



FUTURE-FIT HUL

CREATING CATEGORIES OF THE FUTURE THROUGH MARKET DEVELOPMENT

DRIVE CATEGORY PENETRATION

EXPLODE

ACCELERATE

SEED

Increasing penetration in nascent categories

MORE BENEFITS

More benefits

Rising income

Building liquids portfolio

EXPANSION ACROSS SEGMENTS

Foraying into body wash and anti-perspirants

POWERED BY CONSUMER CONNECTS

May I take a picture of yours?

5X scale up in consumer contacts*



LEADING WITH IMPACTFUL INNOVATIONS

VIM MATIC 30 TABLETS
INTRODUCING VIM MATIC ALL-IN-ONE DISHWASHER TABLETS
 No.1 UNBEATABLE GREASE REMOVAL
 ALL IN 1
 SUPERIOR FOR ALL MACHINE SITUATIONS

NEW egg protein
CLINIC PLUS
 egg protein

KERATIN SMOOTH HAIR SERUM
 WITH CAMELLIA OIL
TRESemmé
 DEEP SMOOTHING MASK 300 mL e

Hands Face
Body
Lifebuoy Wet Wipes
 Germ protection on-the-go

Surf excel SMART SPRAY
 REMOVES STAINS IN FRONT OF YOUR EYES
 FABRIC STAIN REMOVER

Lifebuoy GERM KILL SPRAY
 KILLS 99.9% BACTERIA & VIRUSES*
 SAFE ON SKIN SAFE ON SURFACES
 75 ml

KILLS 99.9% Bacteria & Viruses*
SAFE ON SKIN Safe on Surfaces
ON THE GO Protection

NEW SURF EXCEL ACTIVE HYGIENE
 HELPS REMOVE 99.9% CORONAVIRUS
 TESTED & PROVEN

Kissan PEANUT BUTTER Creamy
 100% PEANUT BUTTER

YOUR ON THE GO HYGIENE SOLUTION.
DOMEX MULTI-PURPOSE GERM REMOVAL WIPES
Domex GERM-REMOVAL WIPES
 EFFECTIVELY CLEANS AND REMOVES GERMS

Vim POWER OF 100 LEMONS
 ANTIGERM

DON'T JUST CLEAN. DISINFECT.
DOMEX MULTI-PURPOSE DISINFECTANT SPRAY KILLS 99.9% GERMS*

Knorr
 FLAVOUR OF SLOW COOKED CHICKEN, NOW IN A CUBE.
Knorr CHICKEN CUBE

ORDINARY CLEANER
NATURE PROTECT DISINFECTANT SURFACE CLEANER
10X MORE POWERFUL THAN ORDINARY CLEANERS
*Ordinary cleaner refers to bleach

Vaseline PROTECT & CARE
2in1 ANTI-BACTERIAL HAND CREAM

Lifebuoy Laundry Sanitizer
99.9% GERM REMOVAL FROM CLOTHES

CAPTURING HIGH GROWTH SPACES



BUILDING THE NATURALS PORTFOLIO

MASTER BRANDS

Choose 5000 years old ayurvedic wisdom

LEVER ayush

nature protect
FIGHTS 99.9% GERMS*

FIGHT GERMS WITH NATURE'S SUPERPOWER.

nature protect
SUPERCHARGED FORMULA WITH NEEM EXTRACT.

BRAND EXTENSIONS

Red Label Natural Care
Enhance Immunity
Boost Skin

Fair & Lovely IS NOW **ayurvedic care™**
Glow & Lovely

NOW GET IMPROVED NATURAL GLOW
WITH 16 EXPERT INGREDIENTS

Pears naturals
pomegranate
Brightening Softening foam

Lifebuoy
NEW Lifebuoy Neem
Power of Neem, Now in Lifebuoy
100% Better Skin Protection*

VIM
ANTI SMELL LIQUID
WITH PUDINA EXTRACTS

REMOVES 5 TOUGH SMELLS

Pepsodent
CLOVE + SALT EVERYDAY.
FOR HEALTHY GUMS & TEETH

Vaseline
Revitalizing Green Tea
WITH PURE GREEN TEA EXTRACTS

SPECIALIST BRANDS

indulekha
Strengthens Hair

hamam
NEEM

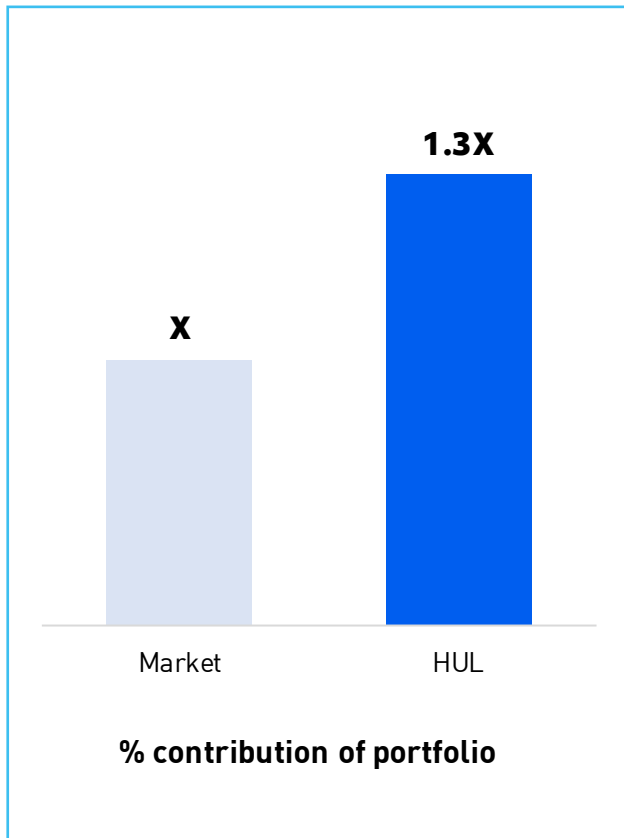
pamper

energize

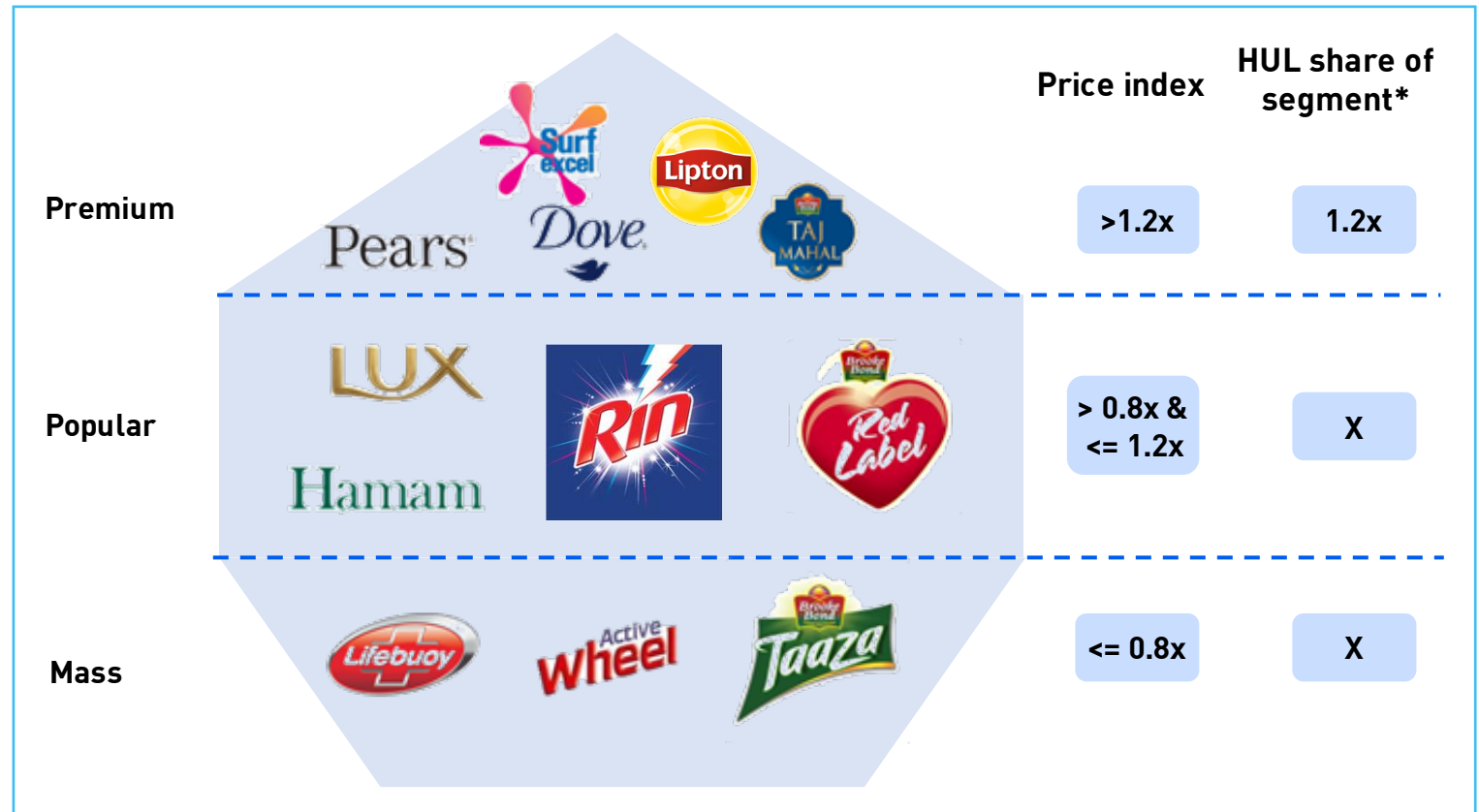
Neem oil
Tulsi
Aloe Vera

DRIVING PREMIUMIZATION

OUR PREMIUM PORTFOLIO IS OVER-INDEXED TO MARKET



PORTFOLIO STRADDLING THE PYRAMID



M&A FOR CATALYSING PORTFOLIO TRANSFORMATION

2016



2018



2020

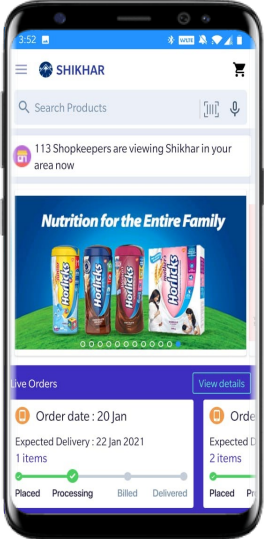



2020



ACCELERATING CHANNEL TRANSFORMATION

GENERAL TRADE

3.4 LAKH
Outlets onboarded

6X
Avg. orders per month[^]

Connected Stores

E-COMMERCE



Portfolio designed for channel




Everyday great execution

2X Growth[^] & Contribution[^]


↑ Shares Post vs Pre COVID

MODERN TRADE

Building brands in store



Driving experiential marketing



WINNING IN MANY INDIAS

**INDIA
A HETEROGENEOUS
COUNTRY**

Example:

High Low

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

**WIMI-LED DISTINCTIVE
PREMIUMIZATION STRATEGY**

Majority Mass :
Uttar Pradesh

Upgradation through mid and
premium bars and powders

Majority Mid: Tamil
Nadu

Upgradation through top end formats
– Matic liquids

**WIMI-LED DISTINCTIVE
PRODUCT STRATEGY**

Punjab & Karnataka

Same brand designed for different
color and taste preferences in the
clusters

CENTRAL BRANCH GROWING AT ~1.7X OF HUL AVERAGE*

* From 2017 to 2020

NIMBLE AND EMPOWERED TEAMS

COUNTRY CATEGORY BUSINESS TEAM: 3 DIVISIONS SPLIT INTO 16 MINI-BOARDS



Marketing

Customer Development

Finance

Supply Chain

Research & Development

Functions in a CCBT

Merger of brand building and brand development



Empowered to deliver in-year P&L

More consumer & customer centric

Land bigger, faster innovations

Liberating HUL Management Committee to focus on longer term goals, exploring inorganic growth opportunities and managing disruptions

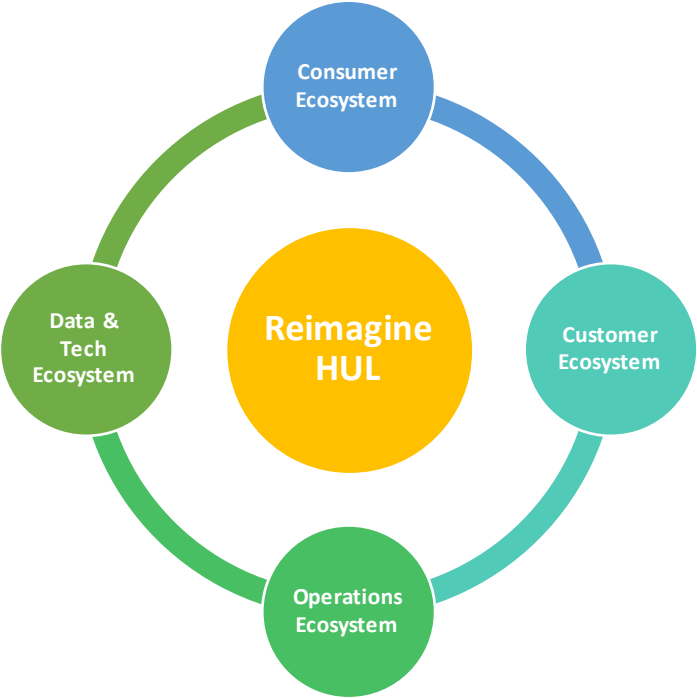
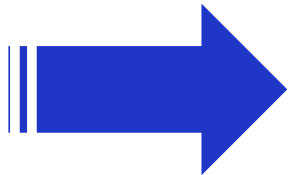
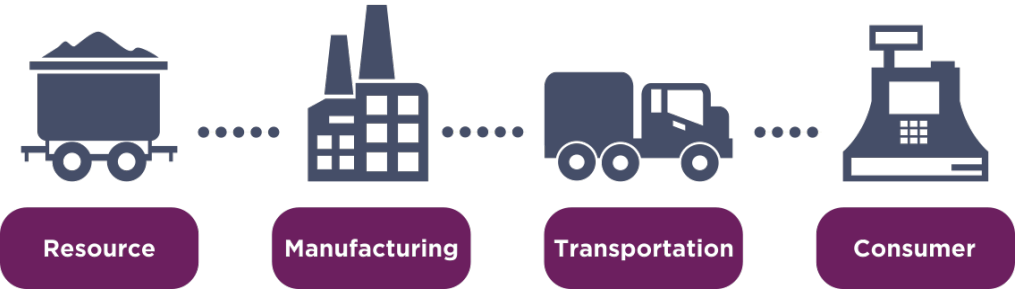
LANDING INNOVATIONS FASTER WITH 1.4X SPEED TO MARKET





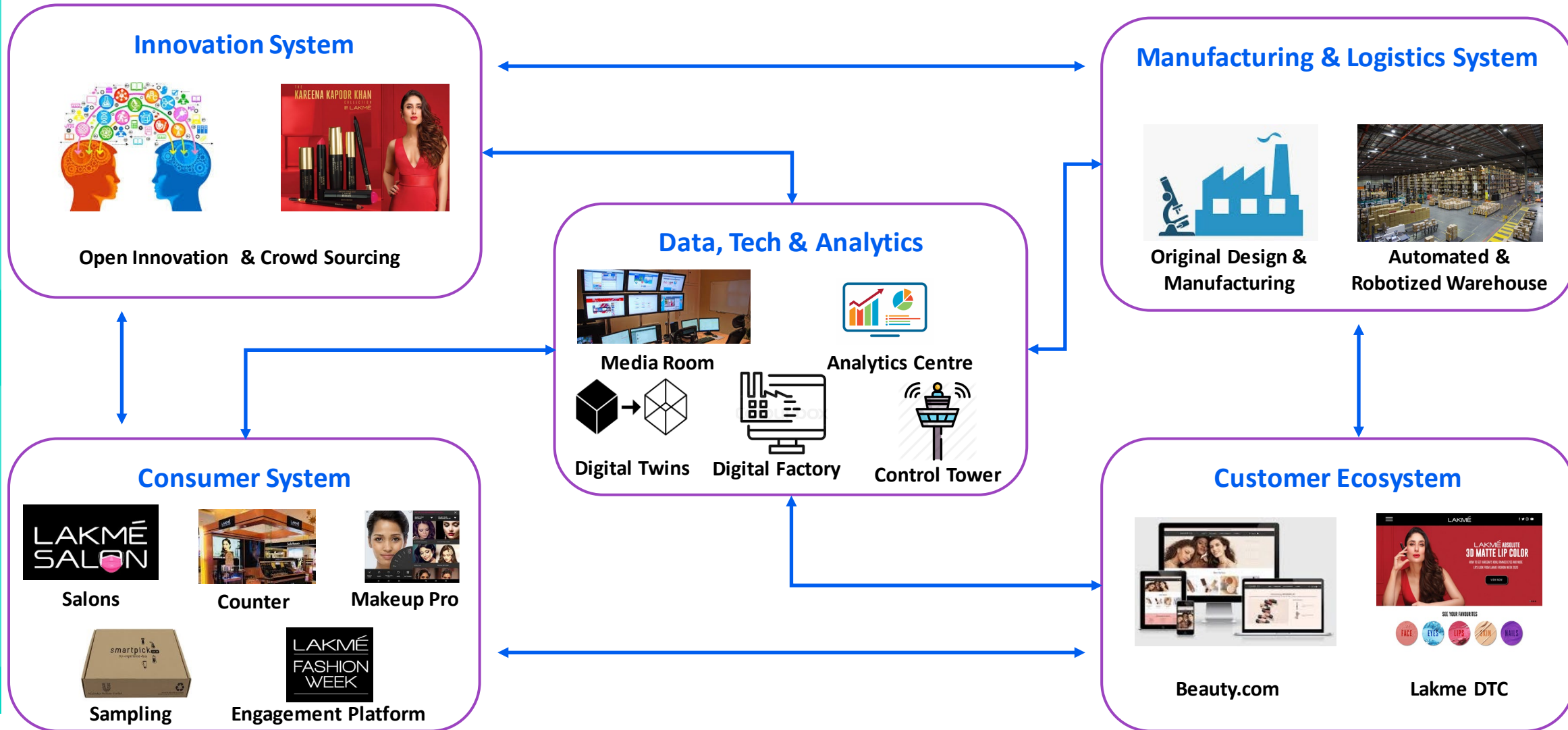
**REIMAGINING
HUL FOR THE
NEXT DECADE**

REIMAGINING HUL: OUR VISION

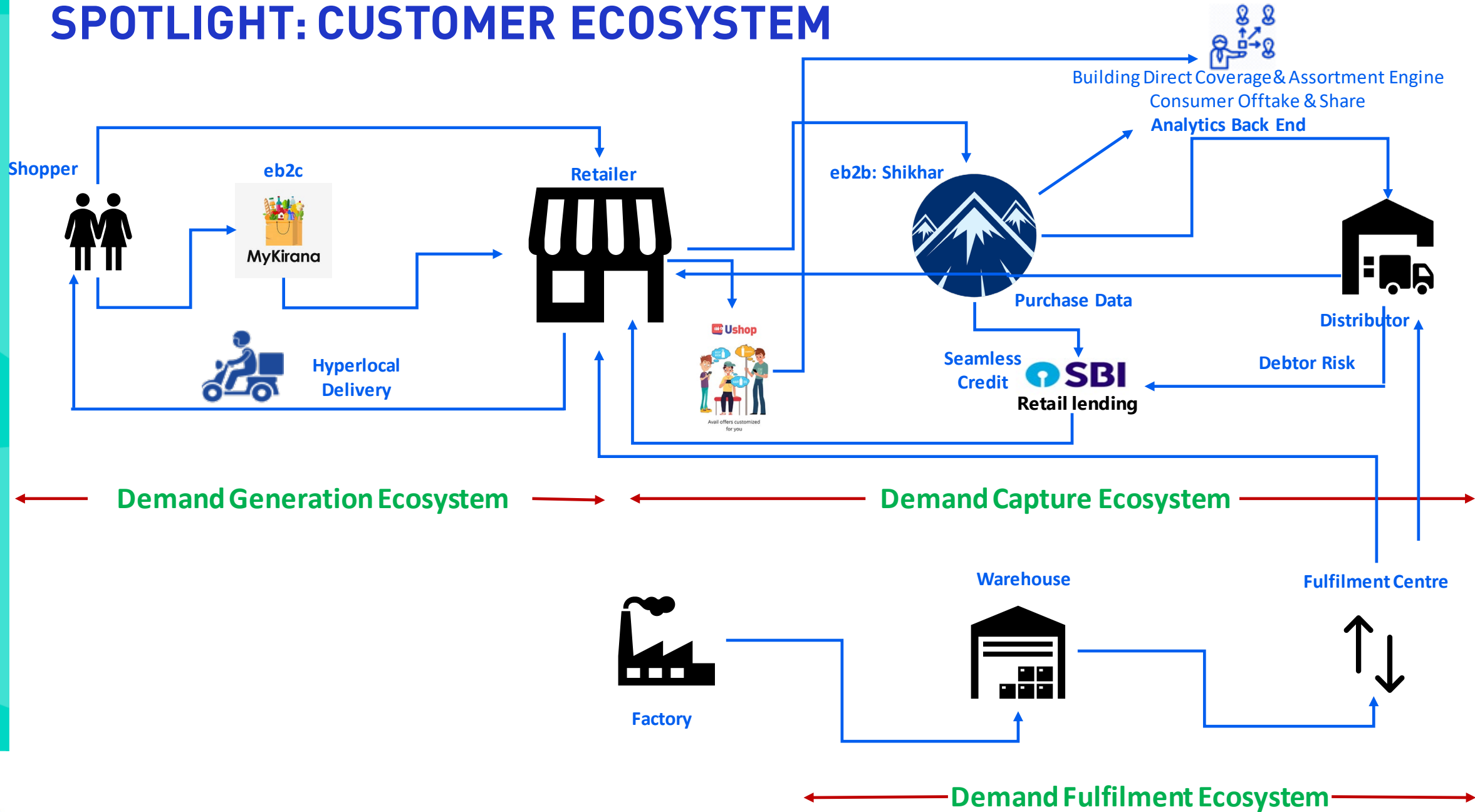


**MOVING FROM LINEAR VALUE CHAIN TO NON LINEAR ECOSYSTEMS FOR TRANSFORMATION
BUILDING DISTINCTIVE CAPABILITIES ACROSS THE VALUE CHAIN**

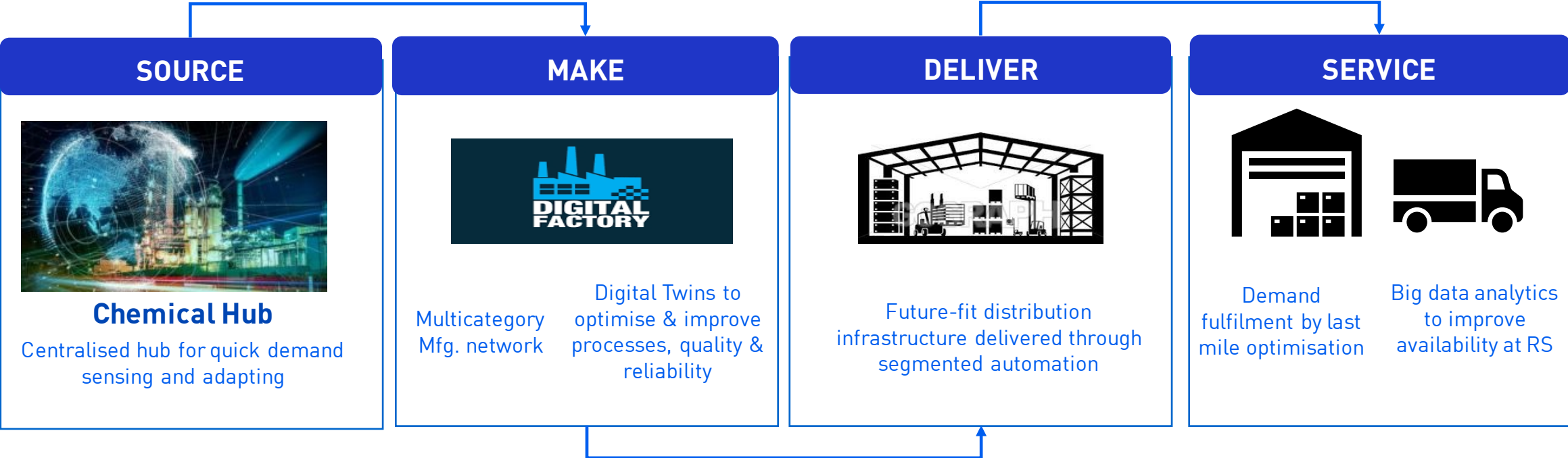
SPOTLIGHT: LAKME ECOSYSTEM



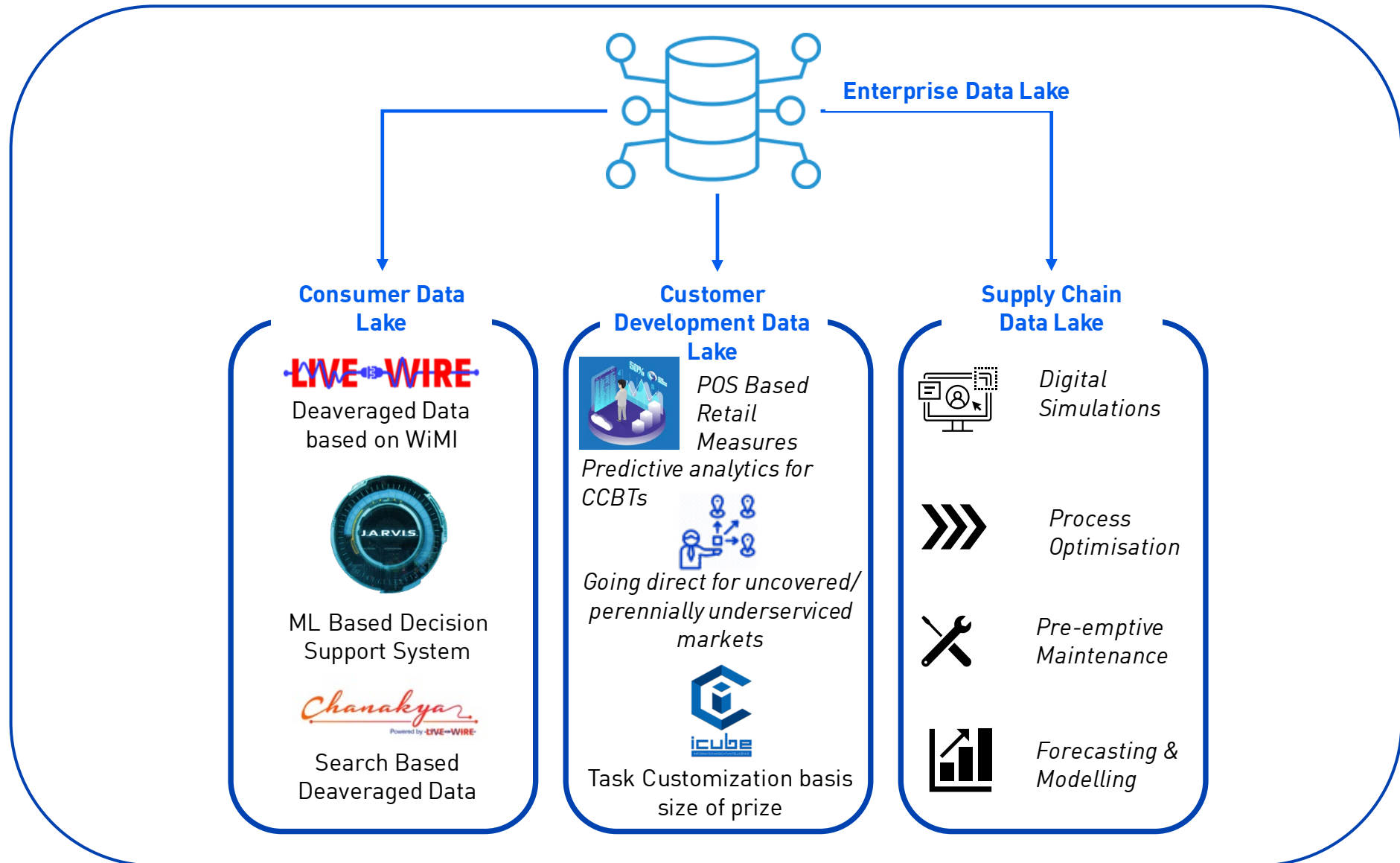
SPOTLIGHT: CUSTOMER ECOSYSTEM



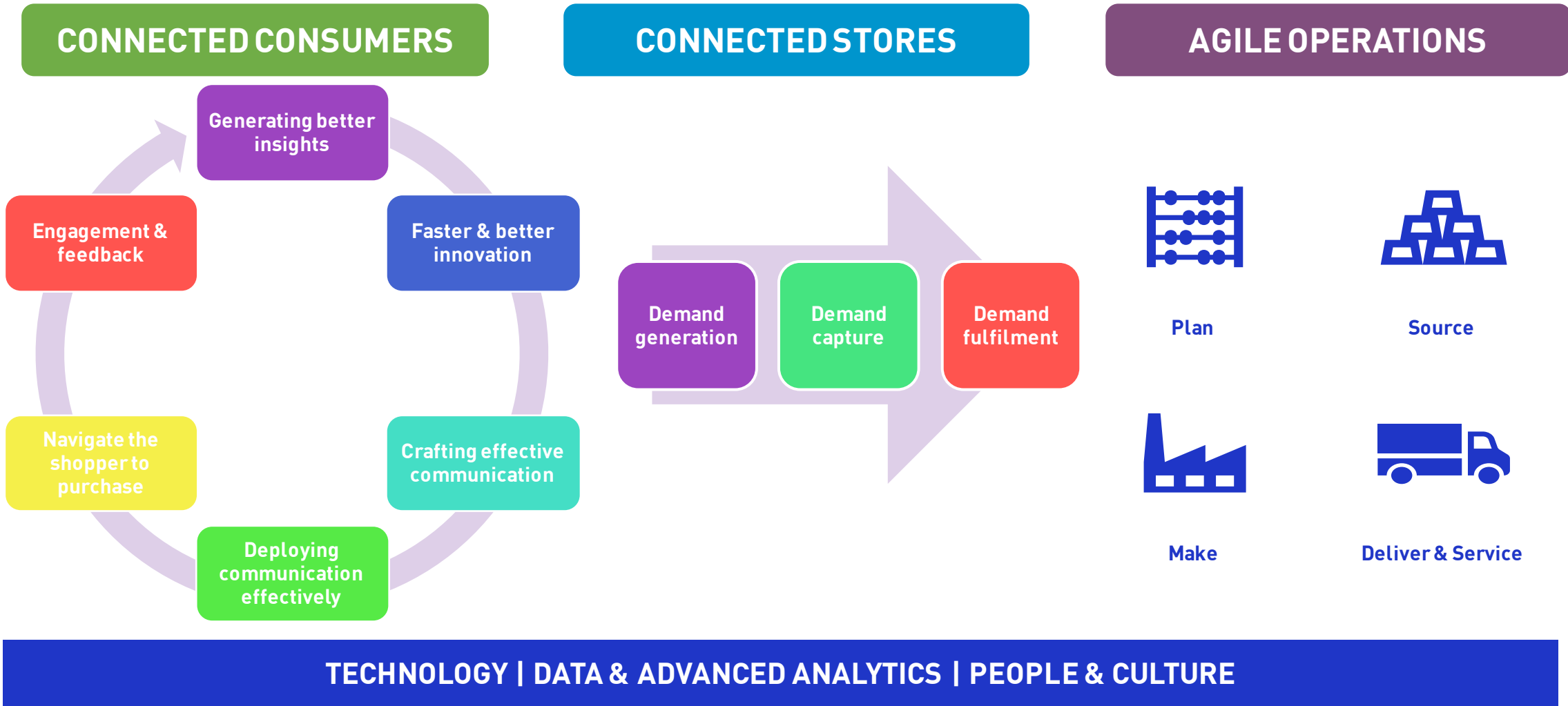
SPOTLIGHT: OPERATIONS ECOSYSTEM



POWERED BY INTELLIGENT DATA ECOSYSTEM



REIMAGINING HUL: AN INTEGRATED END TO END TRANSFORMATION PROGRAM



HUL IS READY FOR THE NEW DECADE



PURPOSE-LED, FUTURE-FIT

THANK YOU

