

CHARTERING THE UNCHARTERED

Sanjiv Mehta, Chairman & Managing Director
Hindustan Unilever Limited

15th February, 2021

Sensitivity: Public



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.

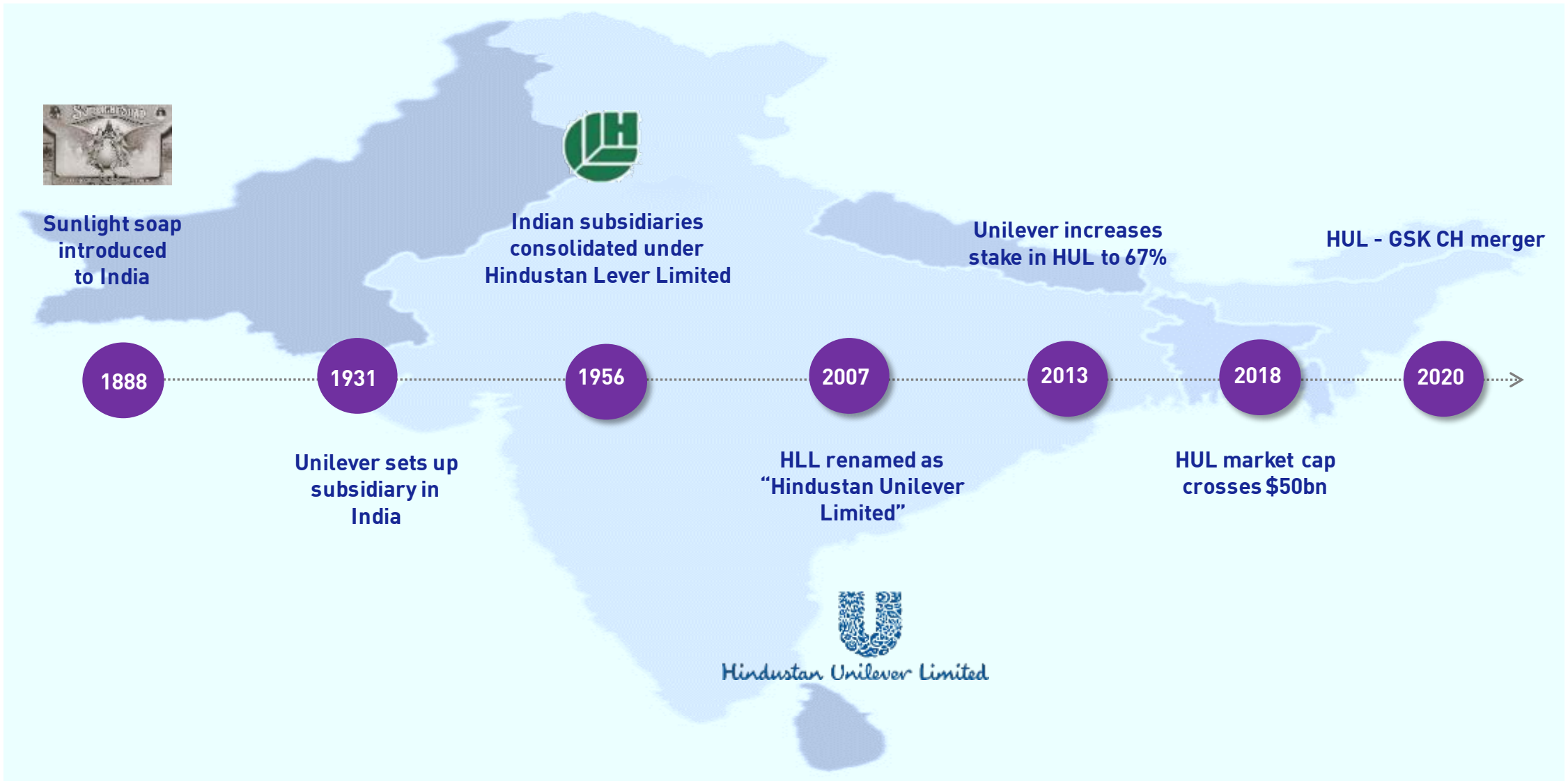


Hindustan Unilever Limited

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

PERFORMANCE OVER THE LAST DECADE

CONSISTENT GROWTH



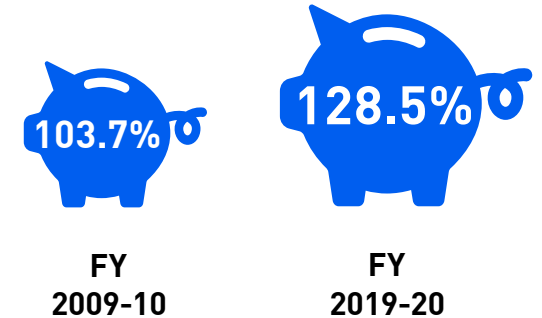
9% CAGR
Sales growth*

PROFITABLE GROWTH



890 bps
EBITDA improvement^

HIGH CAPITAL EFFICIENCY



Best in CLASS
ROCE sustained

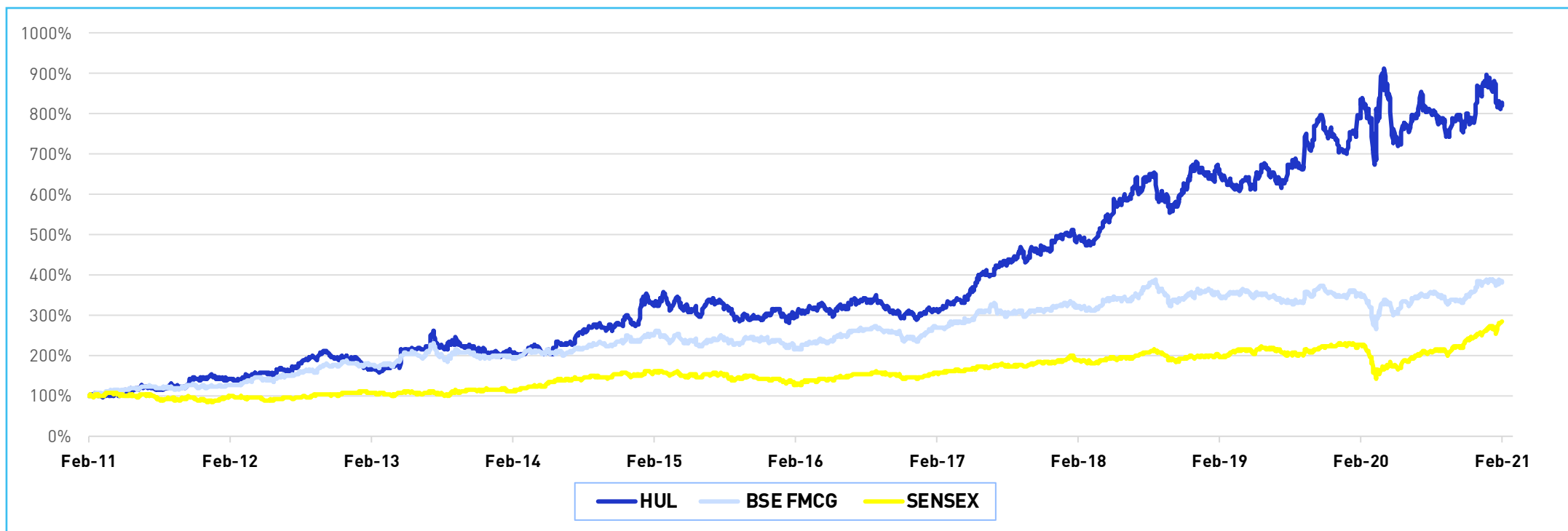
CONSISTENT TRACK RECORD OF HIGH PERFORMANCE



*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 capitalisation

\$ 13 bn
2011**

5.6X

+ \$59 bn

\$ 72 bn
Current*

*Market capitalization as on 12th February 2021 and converted to USD based on reference rate on 11th February 2021

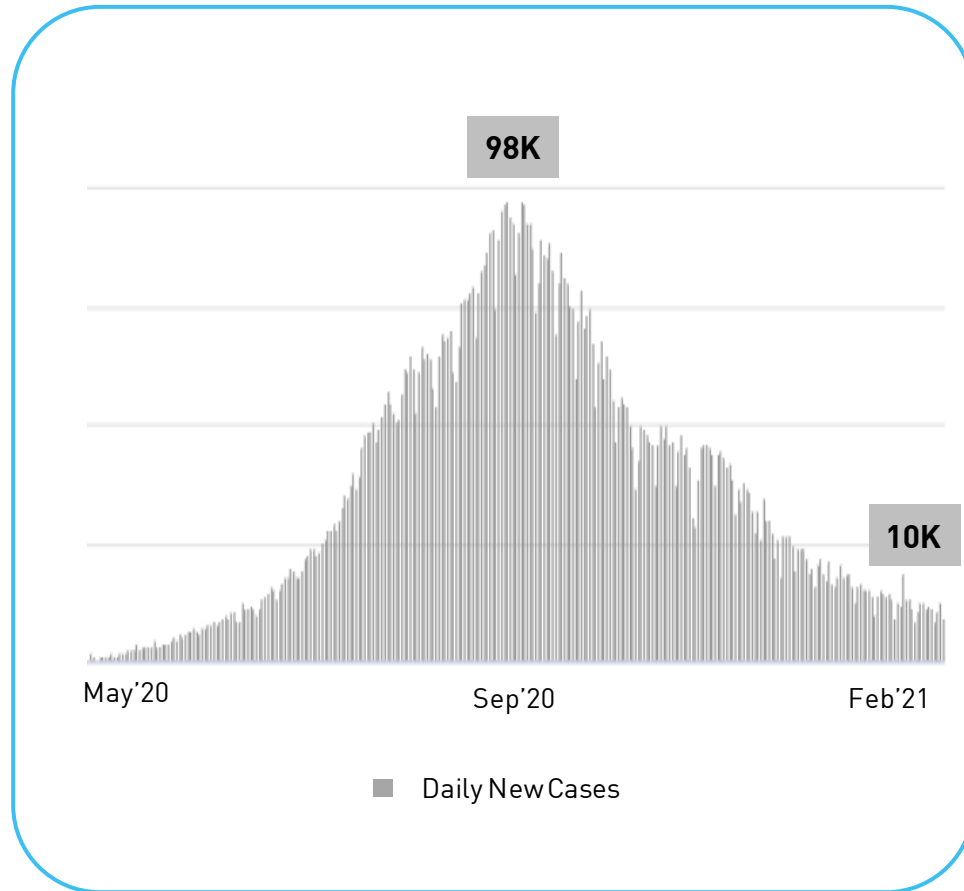
**Market capitalization as on 14th February 2011 and converted to USD based on reference rate on 11th February 2011

FY 21: A YEAR LIKE NO OTHER

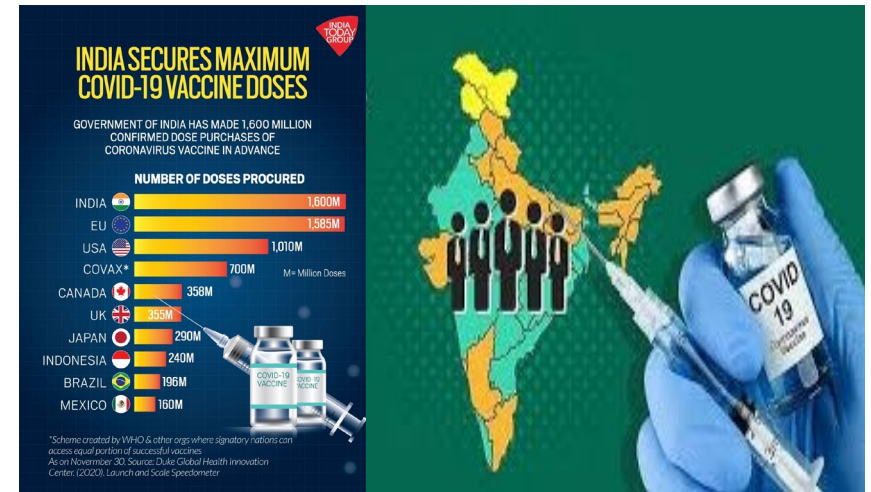


FROM PANDEMIC TO VACCINE ROLLOUT

COVID CASES TOUCHED ~100k PER DAY,
AND NOW UNDER ~10k PER DAY



COVID VACCINE ROLLOUT

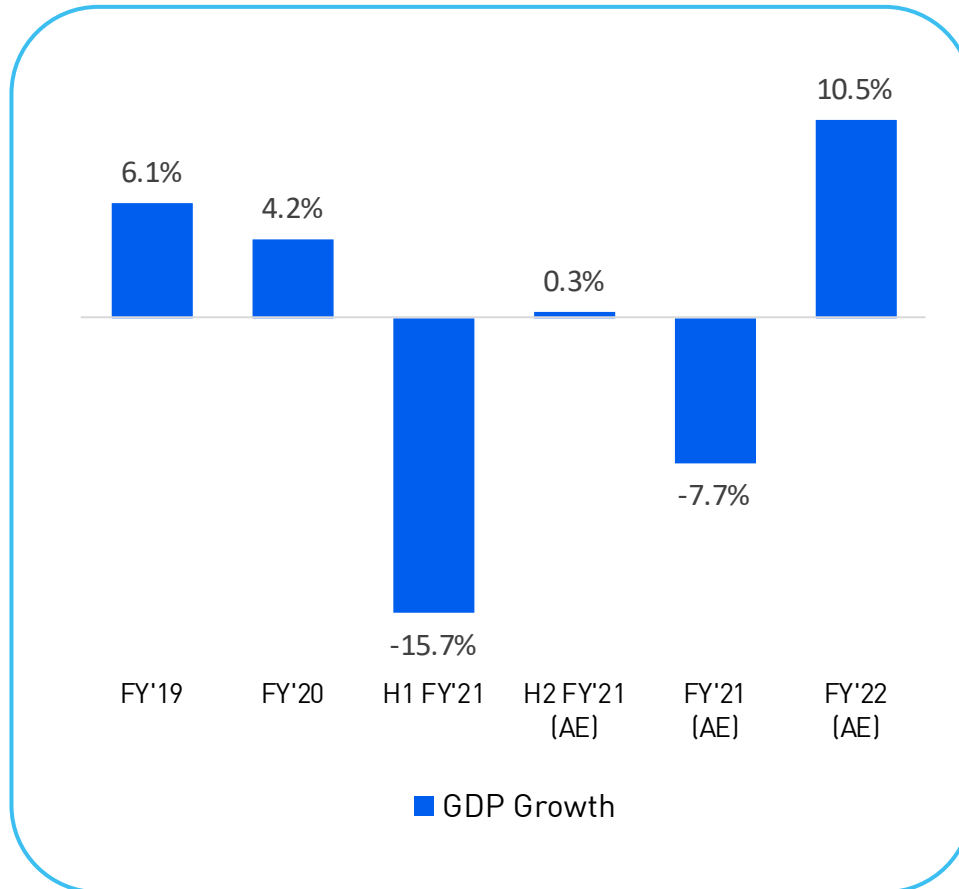


**Rapid Development | Secured Vaccines |
Fastest rollout > 7.5mn already covered**

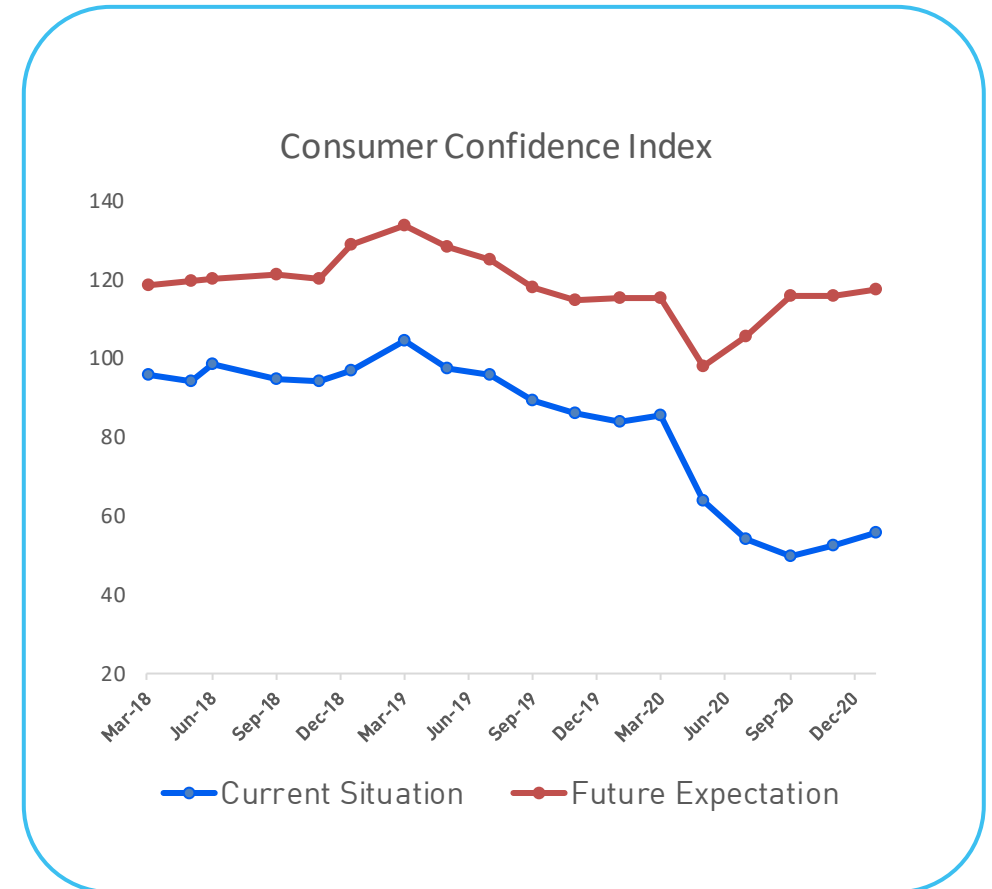


FROM ECONOMIC MELTDOWN TO A SHARPER THAN ANTICIPATED RECOVERY

ECONOMY BOUNCING BACK FROM THE LOWS OF H1'FY21

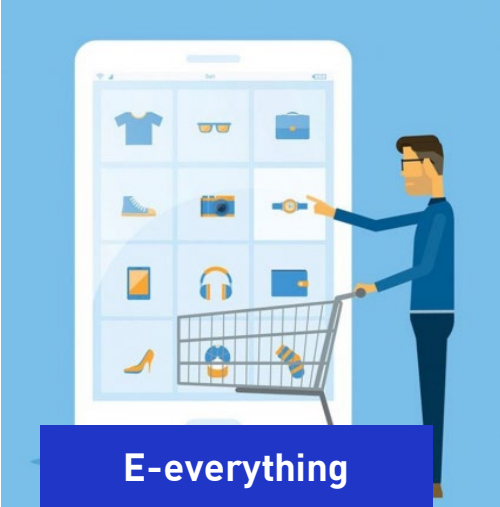


SHRINKING CONSUMER CONFIDENCE, OUTLOOK ON FUTURE OPTIMISTIC



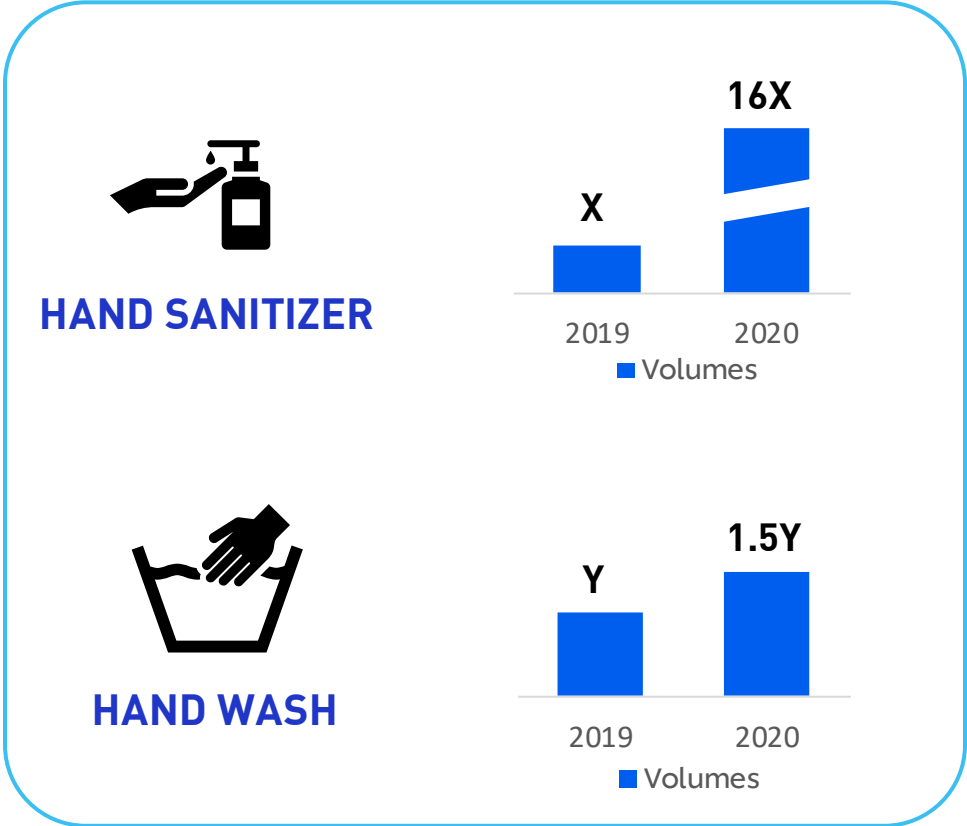
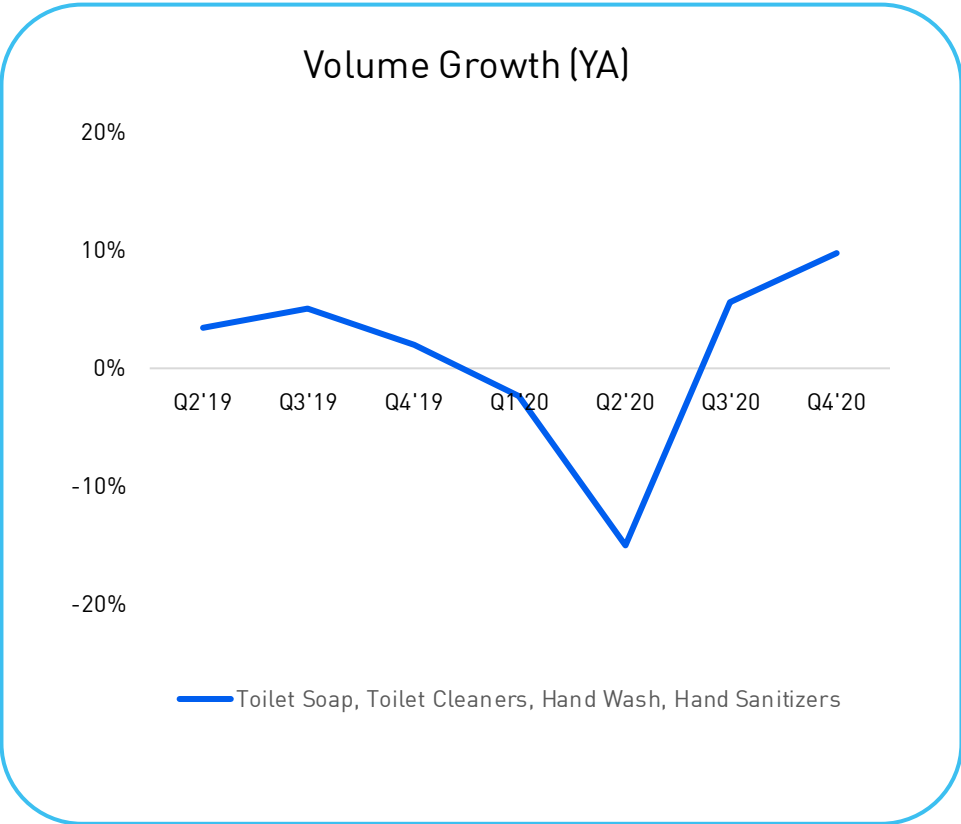
Source:
 Real GDP growth – National Statistical Office (NSO), Govt. of India
 FY22 GDP – RBI MPC Jan'21
 Consumer Confidence Index, Future Expectation from RBI

THE PANDEMIC HAS SHAPED NEW CONSUMER BEHAVIOURS



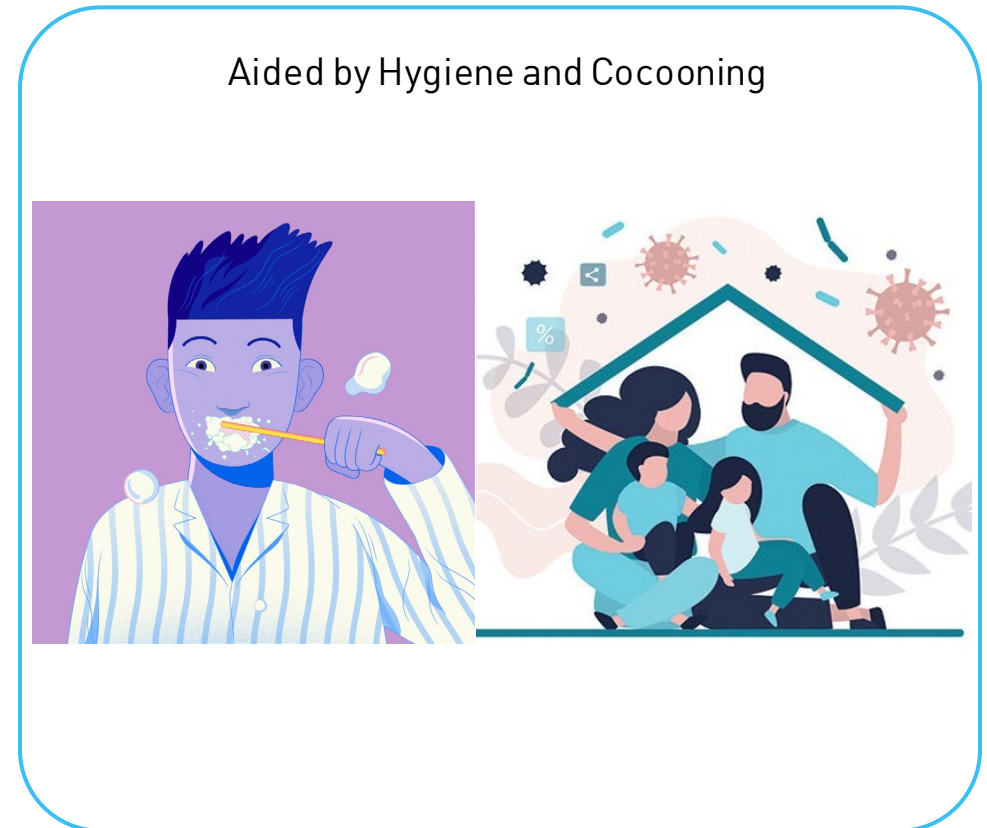
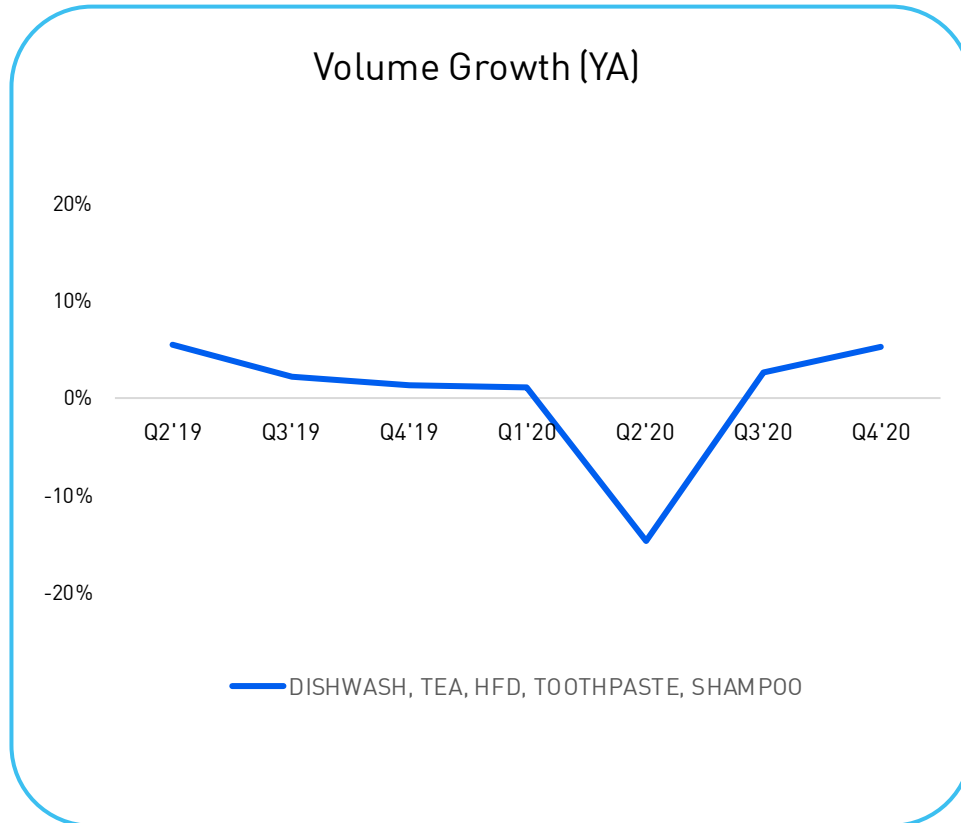
COVID OBSESSIVE CATEGORIES SAW A SHARP SURGE

Expect to normalize in 2021



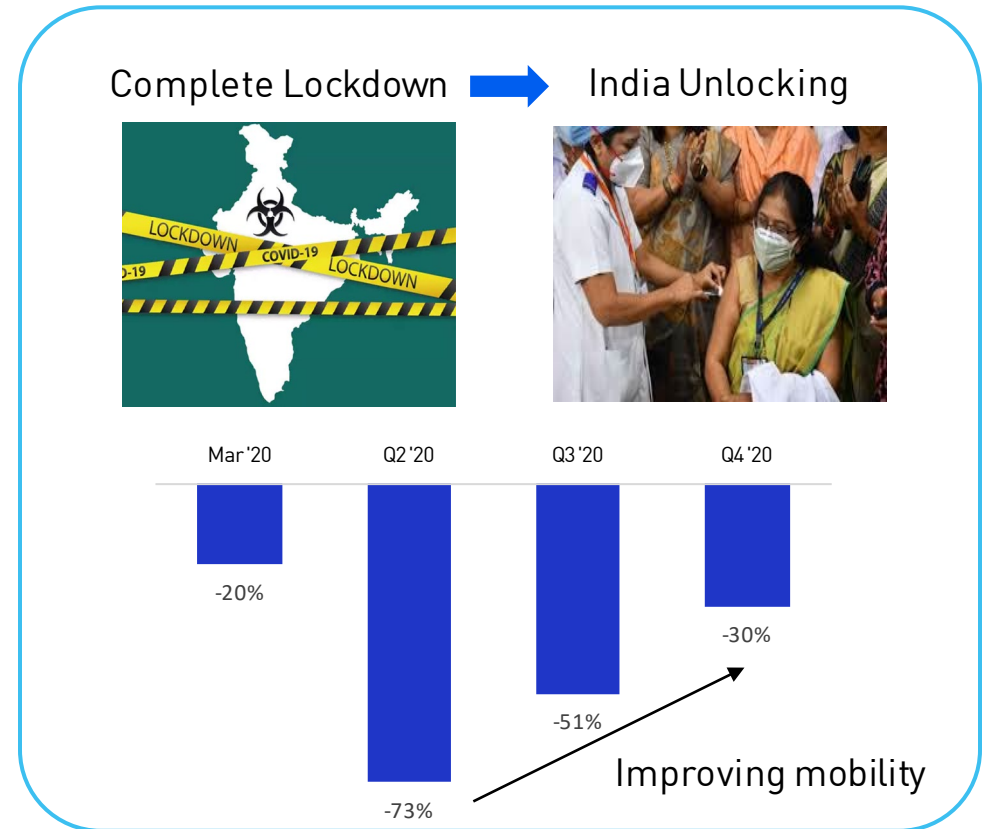
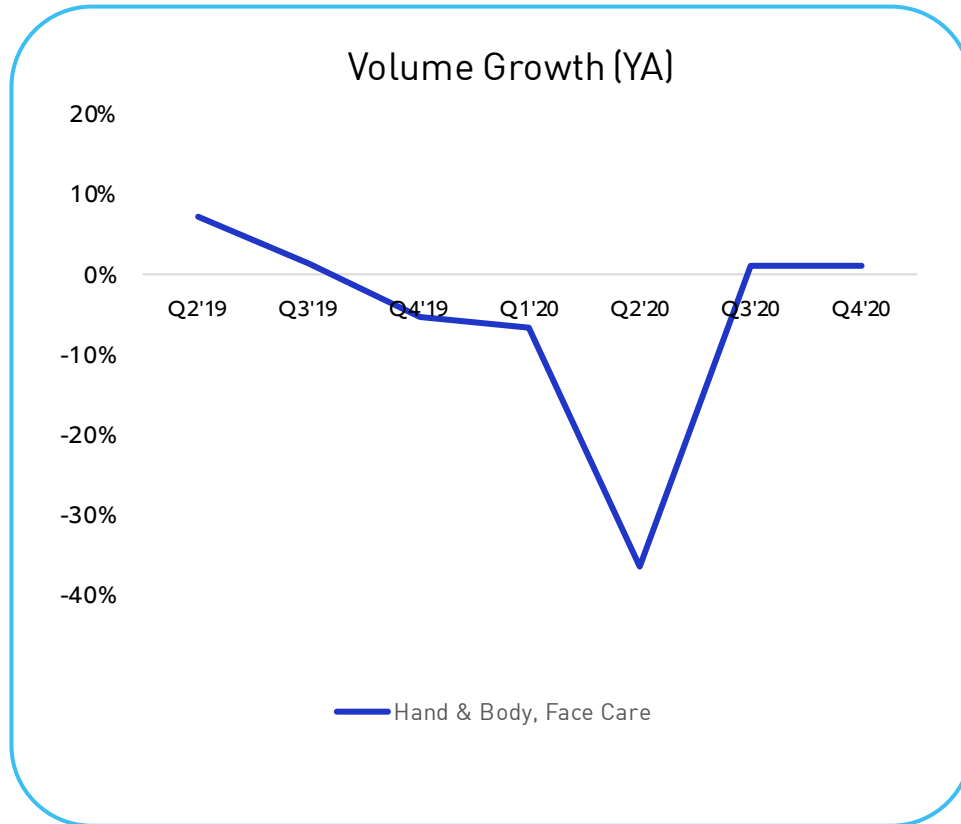
COVID RELEVANT CATEGORIES ARE BACK TO PRE-COVID LEVELS

Expect to sustain in 2021



COVID RESISTANT CATEGORIES

Expect to normalize with increase in mobility in 2021



COVID IMPACTED CATEGORIES

Expect to rebound strongly in 2021 with increase in mobility



FMCGs wait for out-of-home consumption to pick up

3 min read . Updated: 01 Jul 2020, 06:03 PM IST

Suneera Tandon

- While India has been unlocking its economy, its schools and colleges remain shut and several offices continue to work under restrictions or have employees working from home

Ice-cream industry suffers blow due to Coronavirus lockdown, manufacturers left frozen

The ice cream industry has taken a blow due to the migrant crisis triggered by the migrant crisis due to the coronavirus lockdown.

ADVERTISEMENT



Manogya Lolwal

New Delhi June 29, 2020 UPDATED: June 29, 2020 08:10 IST

Covid sings ice cream industry in 2020

By: Geeta Nair

September 1, 2020 9:23 AM

Industry players say it was a washout year for them and there are no chances of any recovery this year.

CATEGORIES WHICH SLOWED DOWN IN 2020 WILL REBOUND

SKIN CARE

CAGR 7%

CY'14 CY'19

MARKET LEADER

FABRIC WASH

CAGR : 9%

CY'14 CY'19

Profits 4x

COLOR COSMETICS

CAGR : 14%

CY'14 CY'19

Highly Profitable

ICE CREAM

CAGR : 15%

CY'14 CY'19

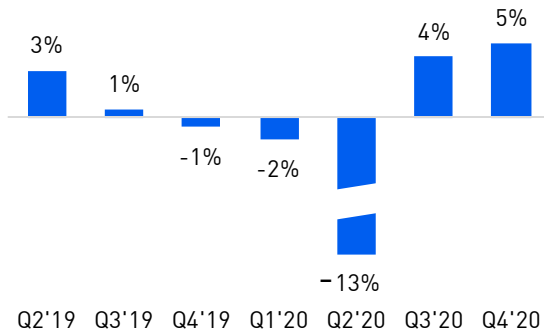
Profits 3x

THESE CATEGORIES REMAIN STRUCTURALLY ATTRACTIVE FOR US

SIGNIFICANT CHANNEL SHIFTS

Led by preference for proximity, contactless culture and closure of malls

RENAISSANCE OF THE HUMBLE GROCER



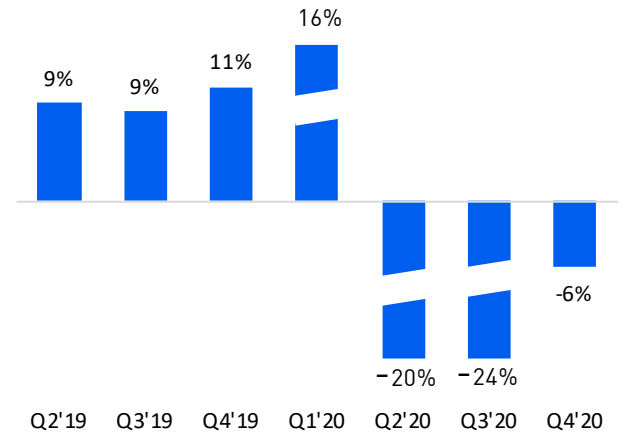
E-COMMERCE ACCELERATION A STRUTURAL SHIFT



2X

Contributions vs Pre-COVID

MT SIGNIFICANTLY IMPACTED, NOW RECOVERING



NAVIGATING THROUGH THE PANDEMIC



WE FOLLOWED A SEGMENTED PORTFOLIO APPROACH

HEALTH, HYGIENE & NUTRITION

Lifebuoy
LUX
closeup

sunsilk
Dove
CLINIC PLUS+

Wheel 2in1
Domex
Surf excel
Rin
Vim

kissan
Annapurna
BRU
Knorr
Red Label
Lipton
Greentea

c.80%

Skin Cleansing, Home Care, Hair Care, Oral Care, Packaged Foods, Tea, Coffee

DISCRETIONARY

Vaseline
LAKMÉ
AXE

Fair & Lovely
Glow & Lovely
POND'S

ELLE 18

c.15%

Skin Care, Color Cosmetics, Deos

OUT OF HOME

Unilever pureit
Unilever Food Solutions
Cornetto

c.5%

Water, Ice Cream, Food Solutions, Vending

OUR FOCUS AREAS

CONTINUITY OF SUPPLY



PULSE ON CONSUMER DEMAND



WIN IN HIGH GROWTH CHANNELS



SUPPLY LINES RESTORED AT SPEED WITH AGILITY


 Service levels @ **PRE-COVID**

130+ Alternate suppliers


 **~90** Flex formulations



 **100%** Factories & depots operational

 **11** Wage settlements during COVID

BRANDS REPURPOSED WITH CONTEXTUAL COMMUNICATION

This is a public service message from Lifebuoy

Handwashing with Lifebuoy soap kills germs that cause disease. It's the best way to protect yourself and others from germs. Lifebuoy soap is made with natural ingredients and is gentle on your skin. It's the best way to protect yourself and others from germs.

Everybody needs strong immunity

Horlicks contains immunity-supporting nutrients like **Vitamin C, Vitamin D and Zinc***

ZINC
VITAMIN C
VITAMIN D
PROTEIN

Pepsodent CAVITY PROTECTION

GERMICHECK+
32h Germ Protection

Aap apna khayaal rakho, baalon ki fikr chhodo hum par.

Dove Intense Repair

Accept your child's meeting invite too.

Sunlight

জীবনের রঙ

FULL VIDEO SONG OUT NOW

Red Label

স্টাড আপনেপন

Vim GEL

WHAT A PLAYER!

Kissan

TIFFIN TIMETABLE

SNACK AT HOME STAY AT HOME

THE TIMES OF INDIA

DON'T BELIEVE WHAT YOU SEE.

Just because a toilet looks clean, doesn't mean it is germ-free.

INSTEAD, BELIEVE WHAT YOU SMELL.

Now smell this paper. It's the Domex FreshGuard fragrance. If your toilet smells like this, it's proof that it is safe from germs.

DOMEX FRESHGUARD KILLS 99.9% GERMS* and keeps the toilet fresh for 3 days non-stop.*

IMPACTFUL INNOVATIONS ACROSS THE PORTFOLIO

HYGIENE: NEEDS

FIGHT GERMS WITH NATURE'S SUPERPOWER.

n+p nature protect FIGHTS 99.9% GERMS*

SUPERCHARGED FORMULA WITH NEEM EXTRACT.

*As per standard test conducted in lab on representative organisms.

GET THE POWER OF SODIUM HYPOCHLORITE

RECOMMENDED BY LEADING HEALTH ORGANISATIONS FOR PROTECTION AGAINST VIRUSES

NEW SURF EXCEL ACTIVE HYGIENE

REMOVES 99.9% CORONAVIRUS
TESTED & PROVEN

Domex DISINFECTANT SPRAY
KILLS 99.9% GERMS*

*As per standard test conducted in lab on bacteria.

HYGIENE: BENEFITS

INTRODUCING **Vim MATIC**

REMOVES TOUGH INDIAN GREASE IN YOUR DISHWASHER

Vim 30
30
30

Lifebuoy Laundry Sanitizer

99.9% GERM REMOVAL FROM CLOTHES

Lifebuoy GERM KILL SPRAY
KILLS 99.9% BACTERIA & VIRUSES*

SAFE ON SKIN
Safe on Surfaces

ON THE GO
Protection

*As per standard test conducted in lab on bacteria.

HYGIENE: FORMATS

Surf excel

SMART SPRAY

REMOVES STAINS IN FRONT OF YOUR EYES

Surf excel SMART SPRAY
FABRIC STAIN REMOVER

*Based on lab tests on selected fabrics and stains.

DON'T JUST CLEAN. DISINFECT.

DOMEX MULTI-PURPOSE DISINFECTANT SPRAY
KILLS 99.9% GERMS*

- Multipurpose Hands, face and body
- Contains Vitamin E
- On-the-Go Germ Protection

*As per standard test conducted in lab on bacteria.

IMPACTFUL INNOVATIONS ACROSS THE PORTFOLIO

NUTRITION



IN-HOME



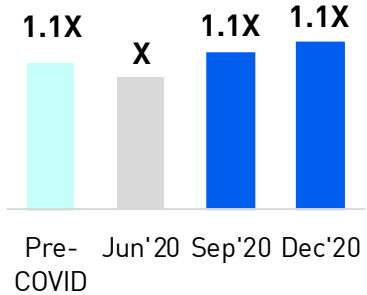
CARE



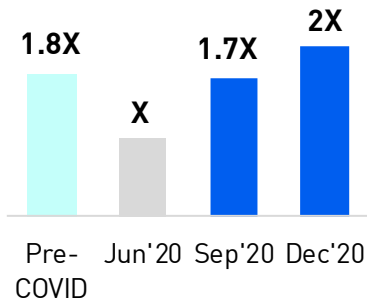
EXECUTION EDGE IN GENERAL TRADE SHARPENED

STRENGTHENING OUR COVERAGE

Effective Coverage*



Assortment



EXPANDING RURAL REACH

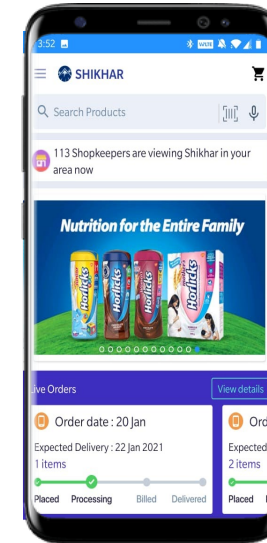


2x Growths
2020 vs 2019
Entrepreneurs
2020 vs 2016



>8 lakh Assets deployed in DQ'20

E-ROUTE TO MARKET



3.4 lakh
Outlets onboarded

6x
Avg. orders per month[^]

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

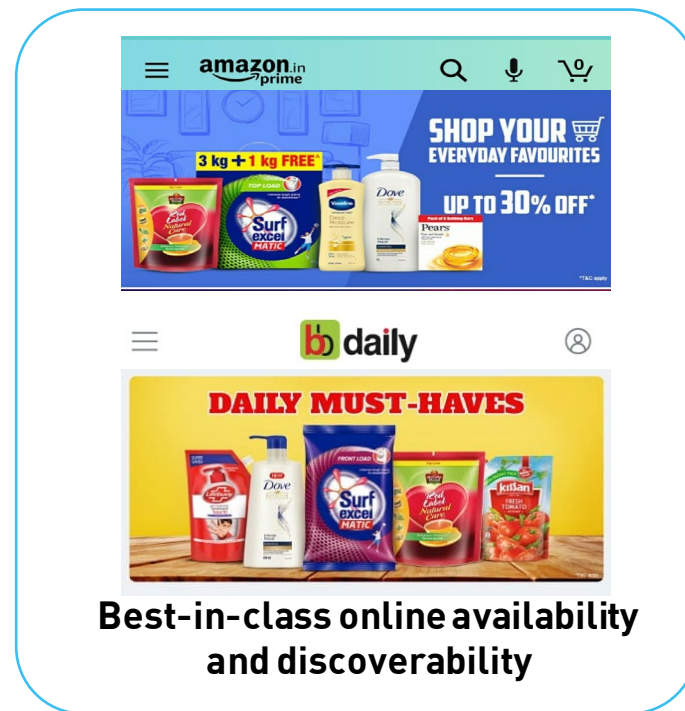
[^]DQ'20 vs DQ'19

E-COMMERCE ACCELERATED

PORTFOLIO DESIGNED FOR CHANNEL

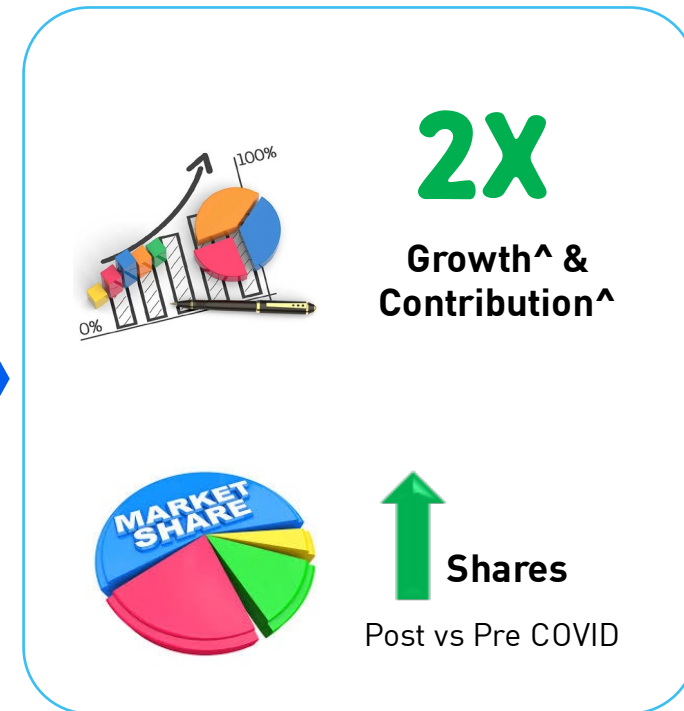


EVERYDAY GREAT EXECUTION



Best-in-class online availability and discoverability

STRONG PERFORMANCE

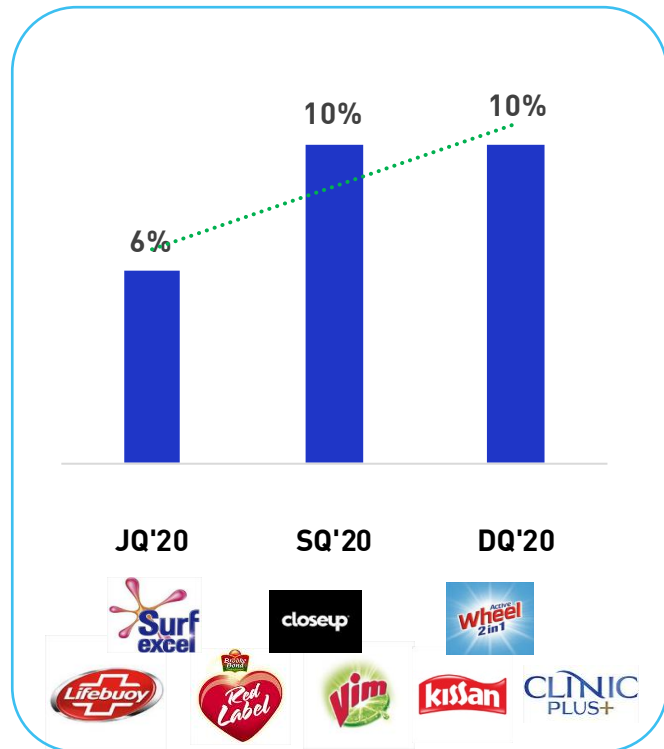


2X
Growth[^] & Contribution[^]

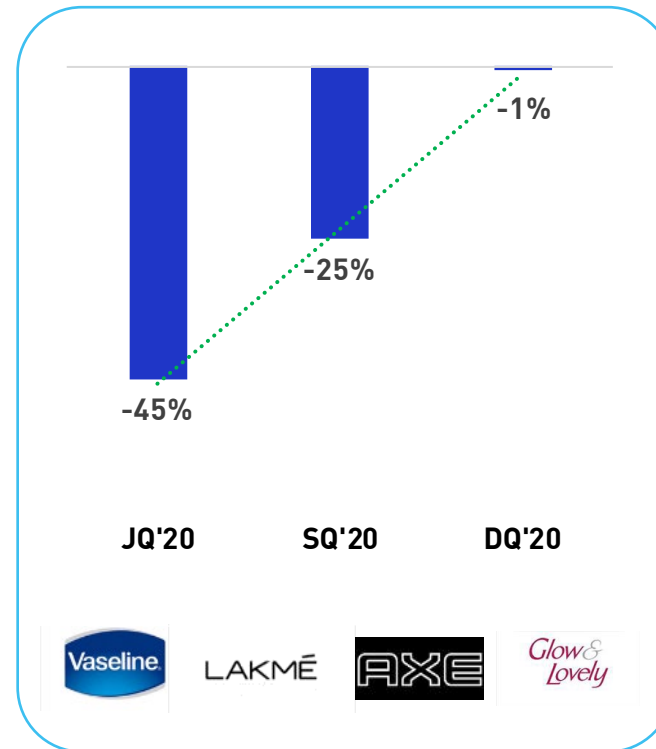
↑
Shares
Post vs Pre COVID

SEGMENTED PORTFOLIO APPROACH ENABLED US TO GROW MAJORITY OF OUR BUSINESS

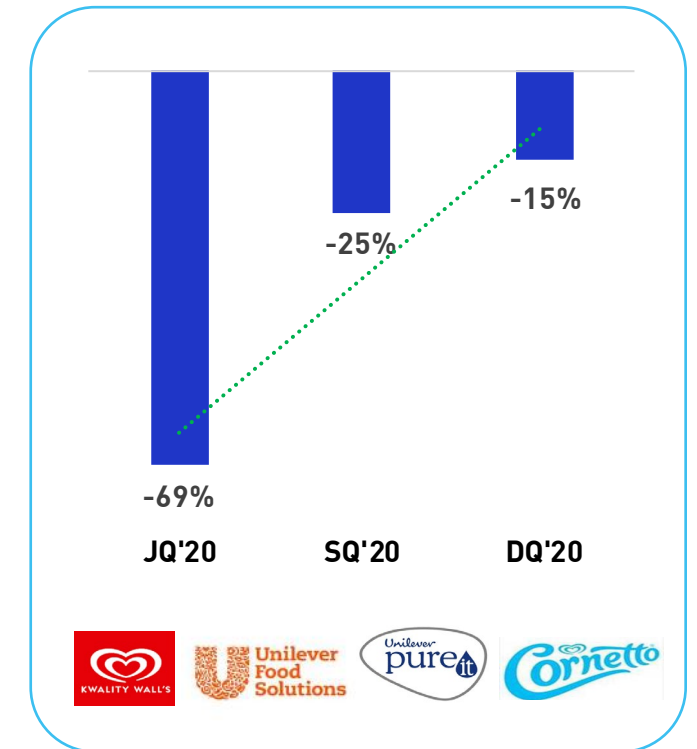
HEALTH, HYGIENE AND NUTRITION c. 80%



DISCRETIONARY c. 15%



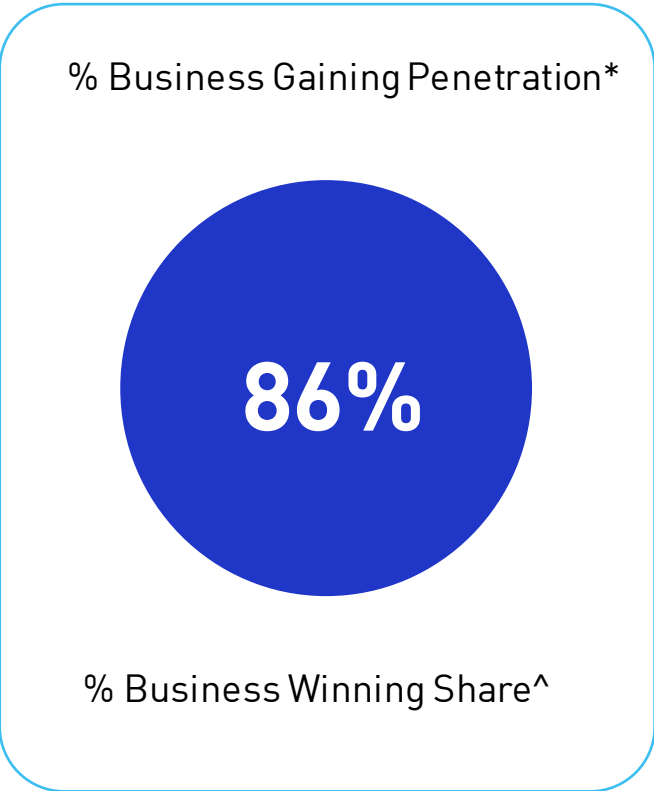
OUT OF HOME c. 5%



HEALTH, HYGIENE AND NUTRITION STRONG; DISCRETIONARY RECOVERING

DQ'20: ROBUST PERFORMANCE

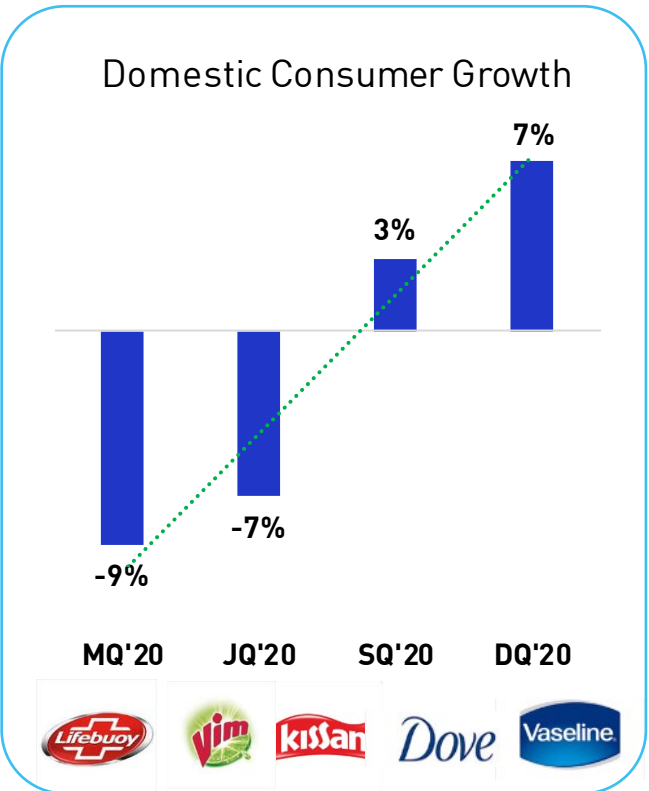
STRONG FUNDAMENTALS



GROWTH COMPETITIVE & PROFITABLE



BUSINESS GAINING MOMENTUM



*As per Kantar Worldpanel for L3M November 2020 on relative basis

^As per Kantar Worldpanel for L3M November 2020 volume data

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



REIMAGINING HUL FOR THE NEXT DECADE

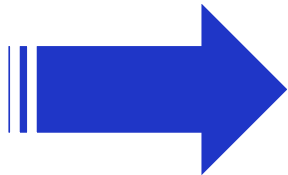
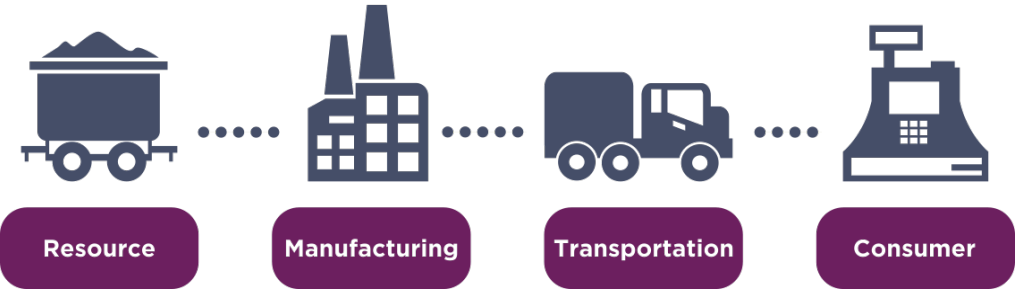


REIMAGINING HUL: OUR VISION



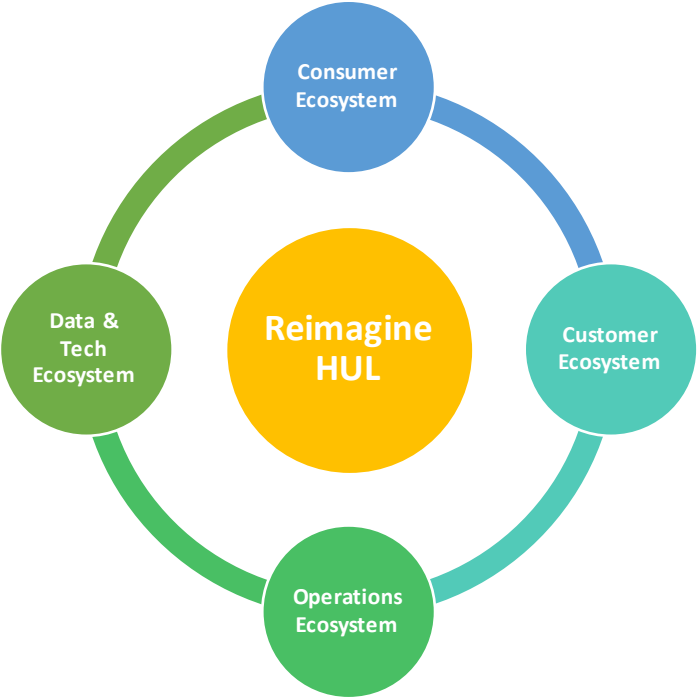
Hindustan Unilever Limited

YESTERDAY



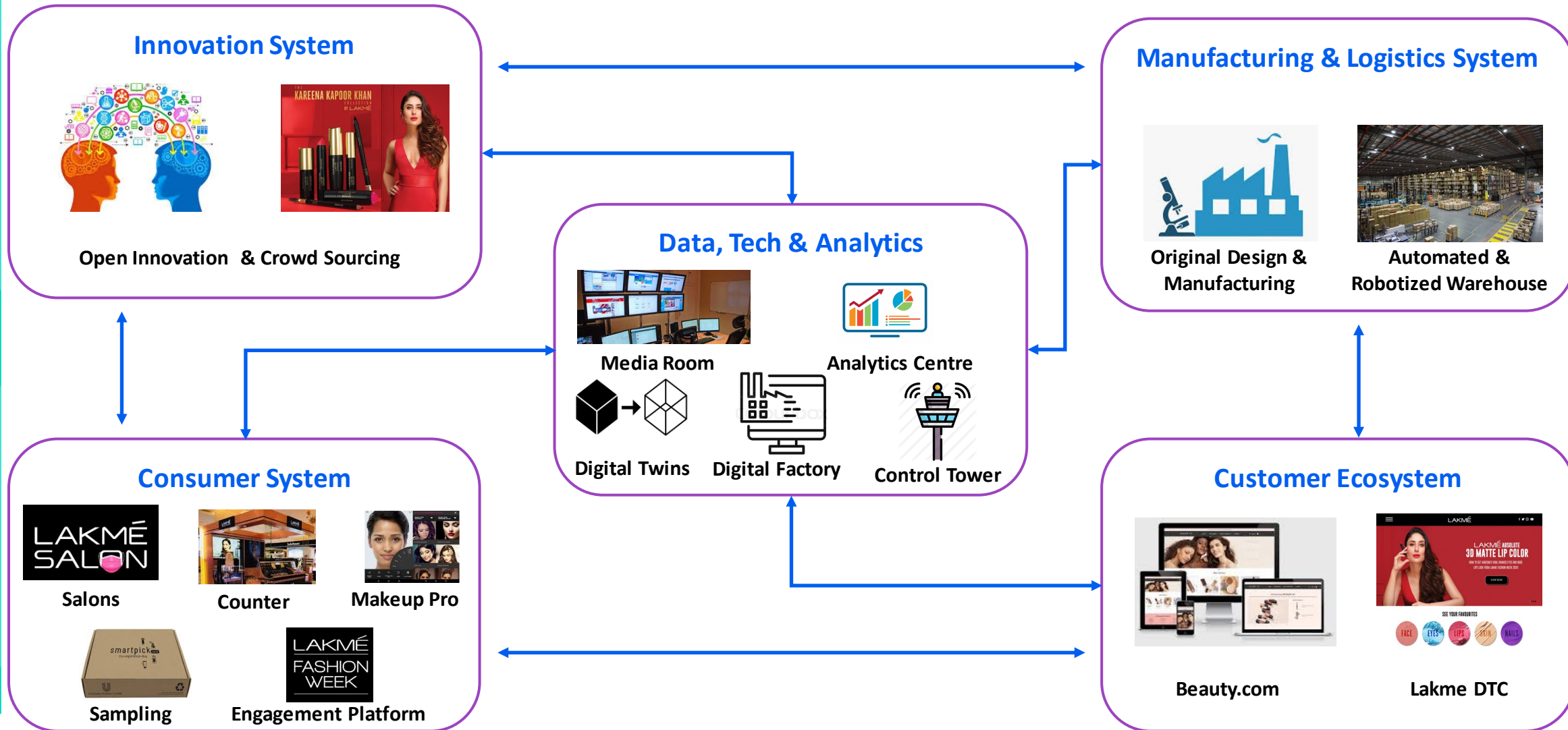
Hindustan Unilever Limited

TOMORROW

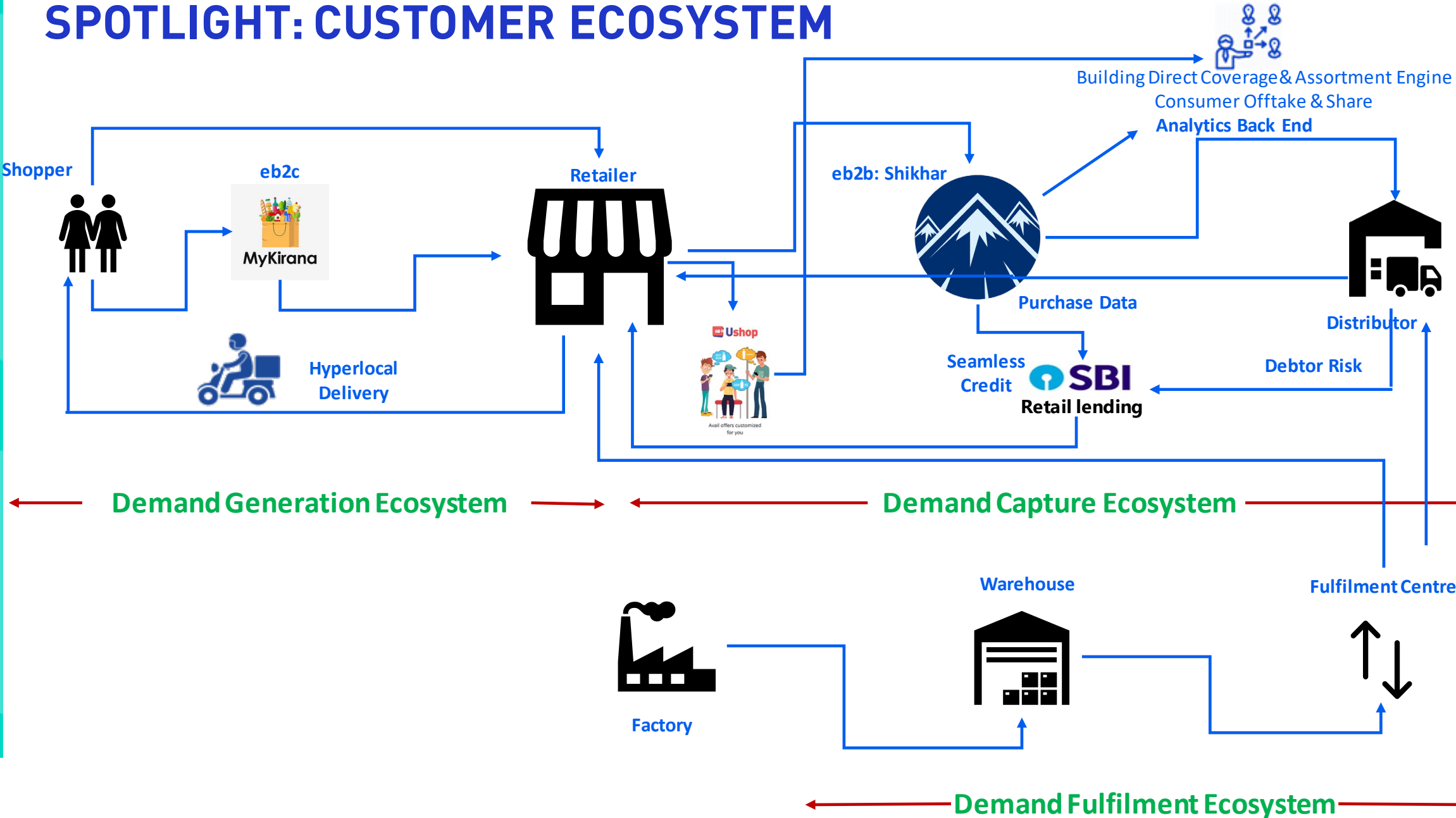


**MOVING FROM LINEAR VALUE CHAIN TO NON LINEAR ECOSYSTEMS FOR TRANSFORMATION
BUILDING DISTINCTIVE CAPABILITIES ACROSS THE VALUE CHAIN**

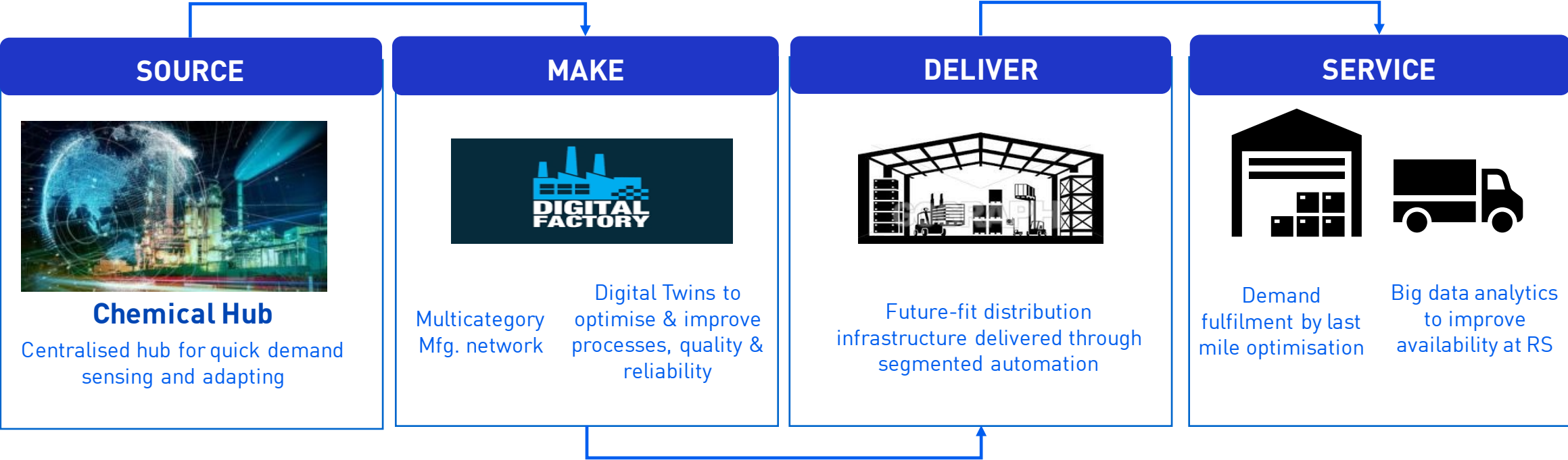
SPOTLIGHT: LAKME ECOSYSTEM



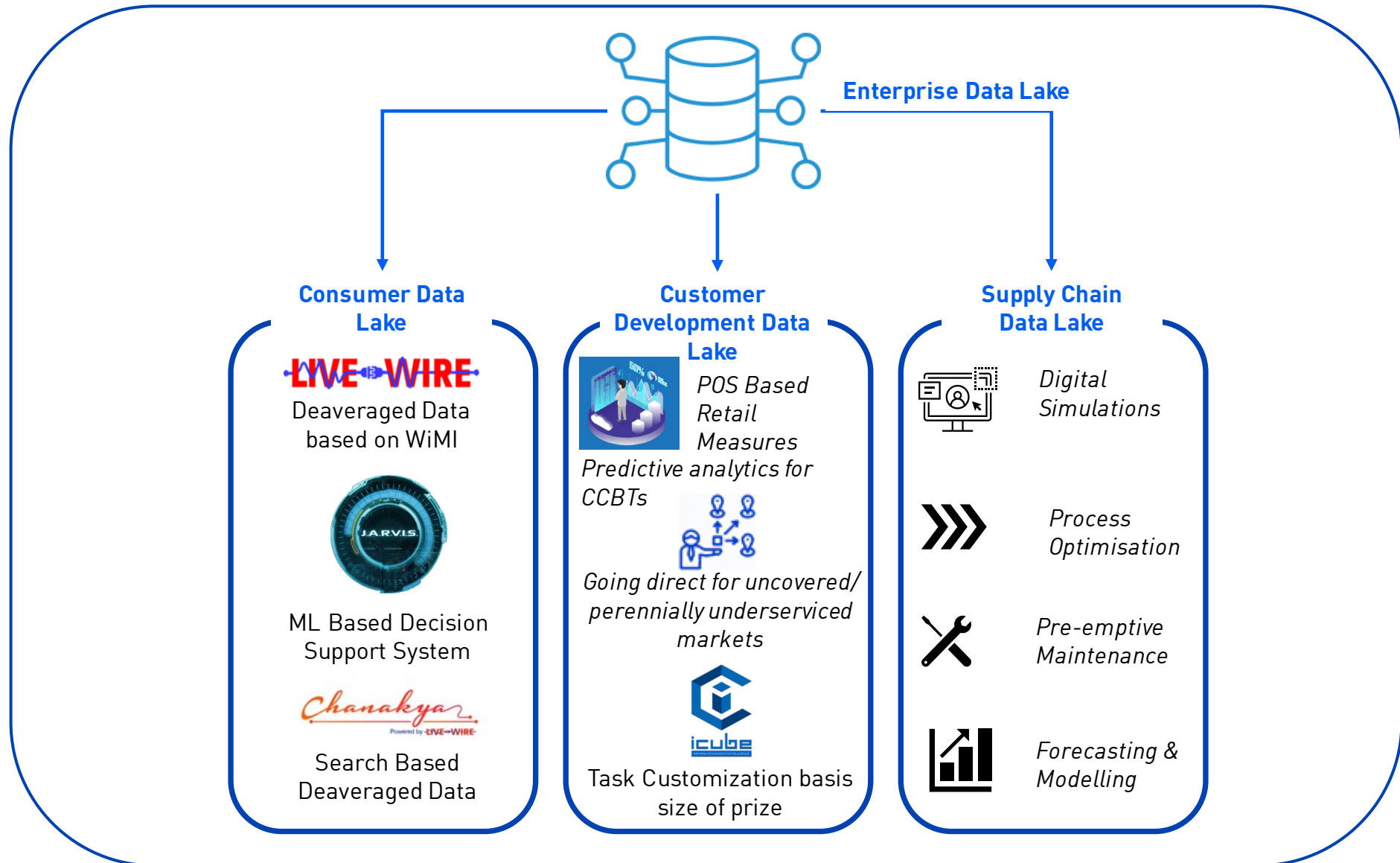
SPOTLIGHT: CUSTOMER ECOSYSTEM



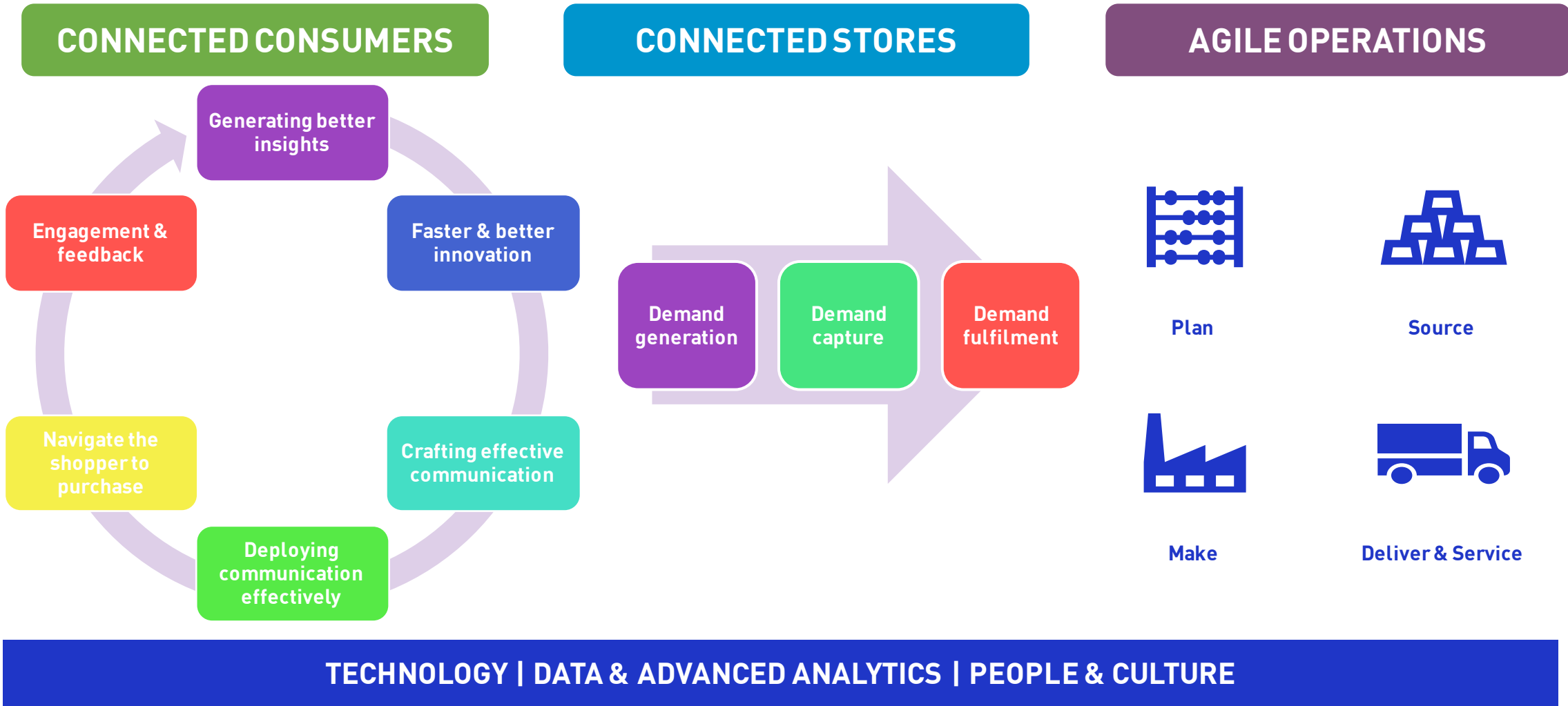
SPOTLIGHT: OPERATIONS ECOSYSTEM



POWERED BY INTELLIGENT DATA ECOSYSTEM



REIMAGINING HUL: AN INTEGRATED END TO END TRANSFORMATION PROGRAM



LOOKING AHEAD: HOPE AND OPTIMISM

INDIA IS REFORMING



Landmark reforms

- Goods & Services Tax
- Insolvency and Bankruptcy Code



Ease of doing business

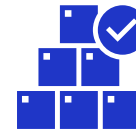
- Rank improved **+79** vs 2014
- Corporate tax reduced to **25%** from 35%



Focus on infrastructure development

- Capex in 2021 budget increased by **34.5%**

OUR STRENGTHS



Brand portfolio



Talent & capabilities



Organizational speed and agility

HUL IS READY FOR THE NEW DECADE



THANK YOU!

