



# Hindustan Unilever Limited

Hindustan Unilever Limited  
Unilever House  
B D Sawant Marg  
Chakala, Andheri East  
Mumbai 400 099

Tel: +91 (22) 3983 0000  
Web: www.hul.co.in  
CIN: L15140MH1933PLC002030

2nd June, 2017

Stock Code BSE: 500696  
NSE: HINDUNILVR  
ISIN: INE030A01027

BSE Limited,  
Corporate Relationship Department,  
2nd Floor, New Trading Wing,  
Rotunda Building, P.J. Towers,  
Dalal Street,  
Mumbai – 400 001

National Stock Exchange of India Ltd  
Exchange Plaza, 5th Floor,  
Plot No. C/1, G Block,  
Bandra – Kurla Complex,  
Bandra (E),  
Mumbai – 400 051

Dear Sir,

## **Sub: Annual Investor Meet 2017**

This is further to our letter dated 22nd May, 2017, intimating that the Annual Investor Meet, we are attaching herewith the presentations shared with the Investors at the Annual Investor Meeting. The said presentation is also being uploaded on the Company website.

You are requested to take the above information on record.

Thanking You.

Yours faithfully,  
For Hindustan Unilever Limited

**Dev Bajpai**  
**Executive Director (Legal & Corporate Affairs)**  
**and Company Secretary**  
**DIN: 00050516**



AM

# WINNING DECISIVELY

ANNUAL INVESTOR MEET | 2 JUNE 2017

Sanjiv Mehta, CEO & MD



*Hindustan Unilever Limited*

# SAFE HARBOUR STATEMENT

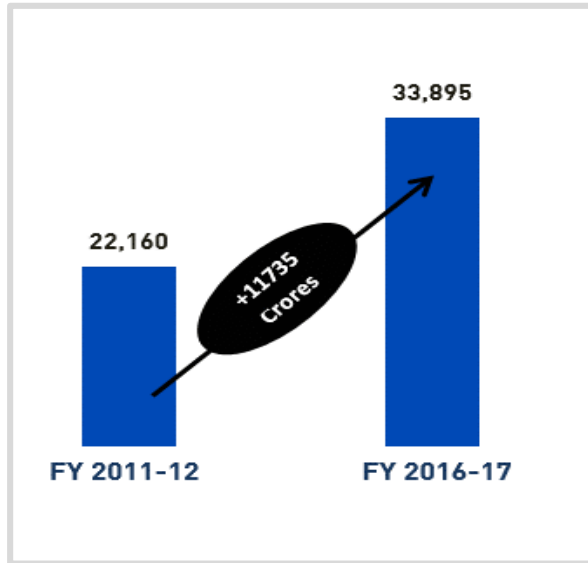


Hindustan Unilever Limited

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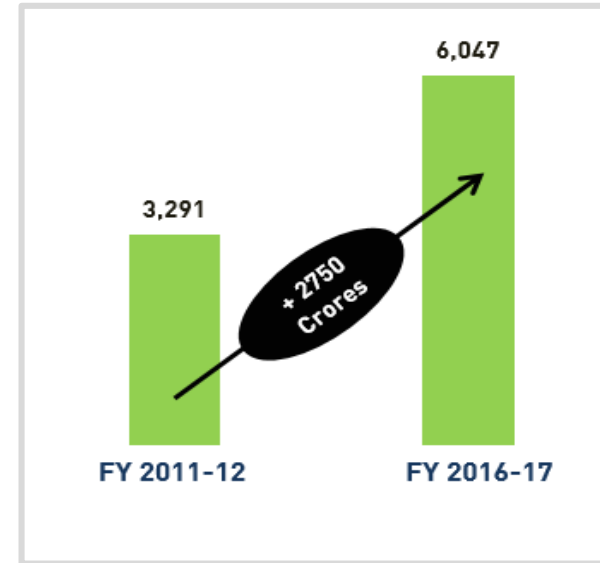
# HUL PERFORMANCE - LAST 5 YEARS AT A GLANCE

## Net Sales



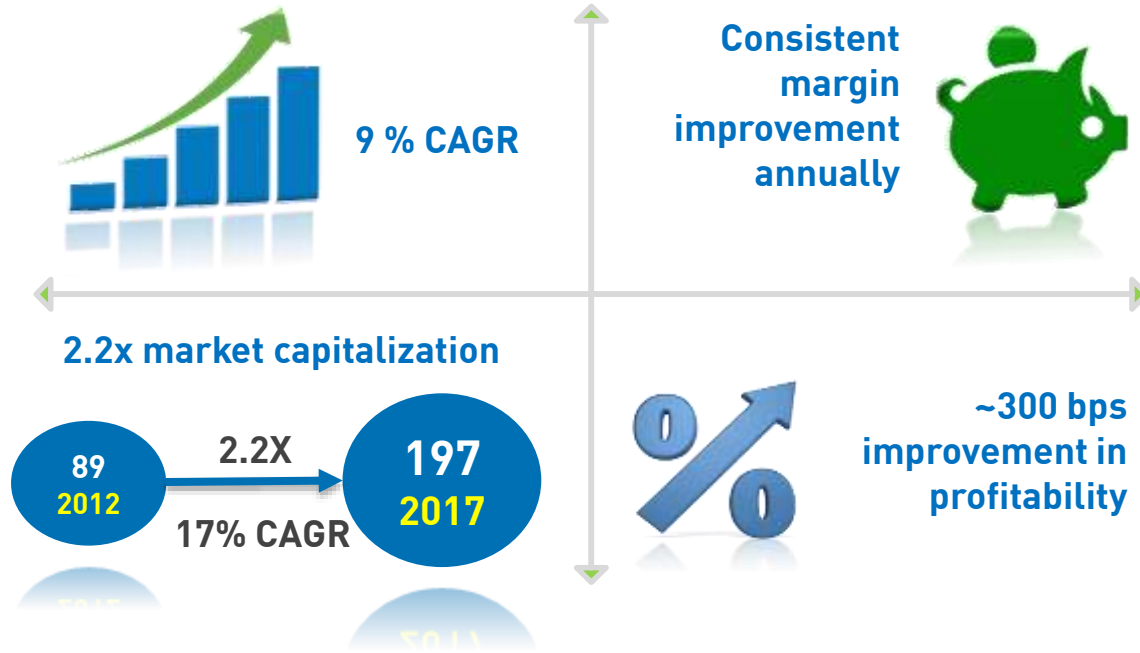
~12,000 Crores added

## EBITDA



EBITDA 1.8X

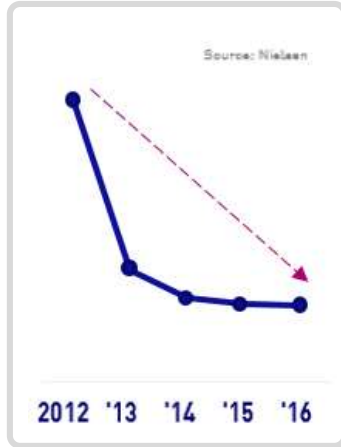
# STRATEGY ON TRACK AND DELIVERING IN LAST 5 YEARS



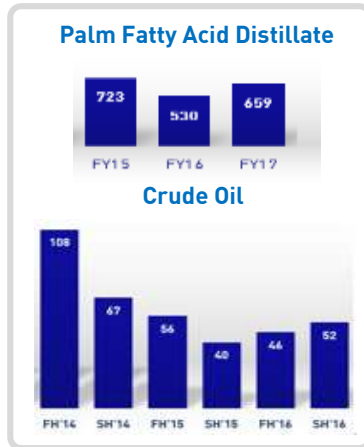
**Consistent, Competitive, Responsible, Profitable Growth delivered**

# 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



6<sup>th</sup> YEAR in a row

#1 Employer



Mid Career recruits & Women

Dream Employer



8<sup>th</sup> YEAR in a row



# HUL: WINNING DECISIVELY



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# WE REMAIN OPTIMISTIC ON THE INDIA GROWTH STORY



Hindustan Unilever Limited

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

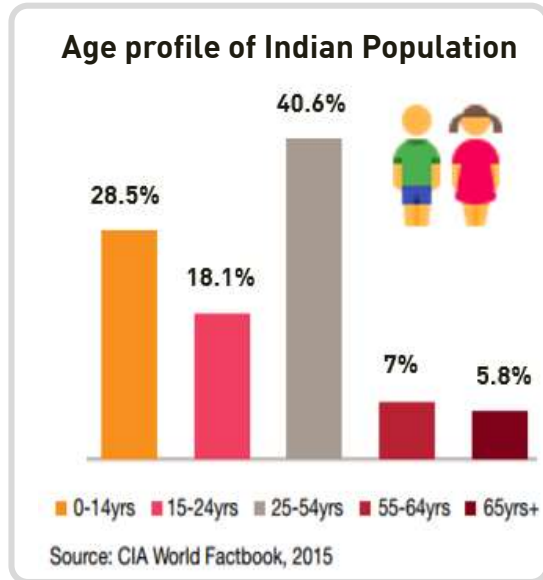


India to surpass Germany as 4th largest economy by 2022, but hard work ahead: **IMF**

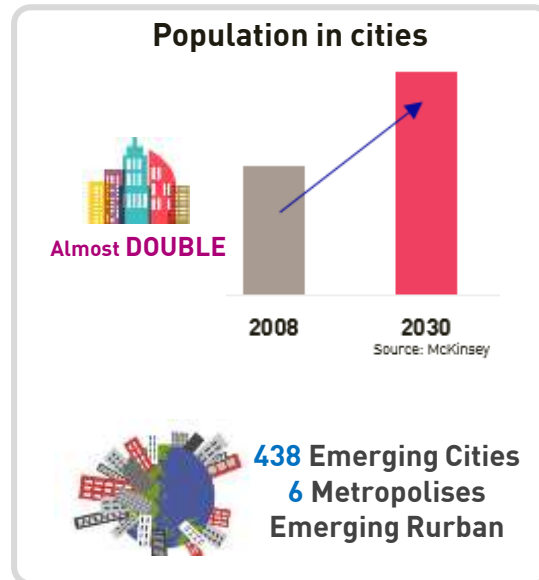
-April 2017

# AND POSITIVE ON MID-LONG TERM OUTLOOK FOR FMCG

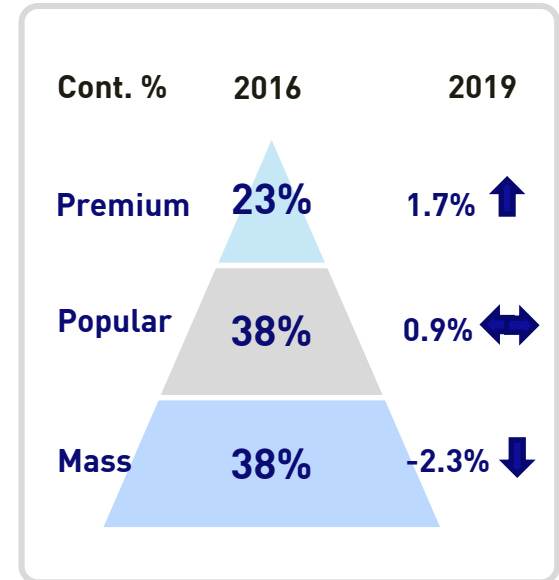
## Millennials



## Increasing Urbanization



## 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



**THE COMPASS**

**WE ARE UNILEVER...**

**WE MAKE HISTORY A BETTER STORY EVERY DAY**

- We are a consumer goods company.
- We help people that spend their good and make out of the world brands and services that are good for them and good for others.
- We will keep it simple to take good service to them that can add to it in different for the world.
- We will always come back to doing business that we can add to it.
- We use all our resources to create a better world for everyone.

**WHERE WE WILL WIN**

**HOW WE WILL WIN...**

- Winning with brands and innovation
- Winning through continuous improvement
- Winning with people
- Unilever Sustainable Living Plan

- 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**



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# WINNING WITH BRANDS & INNOVATION

# KEY THRUSTS



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## 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



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Surf Excel



Lux



Red Label



Kissan



Vim



Dove



Lux



# BUILDING BRANDS WITH PURPOSE



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Rin and Brooke Bond

# INNOVATING ACROSS THE PORTFOLIO



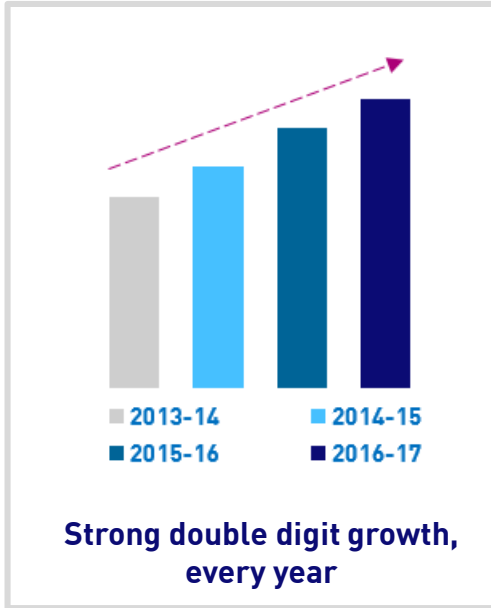
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# MARKET DEVELOPMENT

## BUILDING CATEGORIES OF THE FUTURE

How these categories have evolved over the years

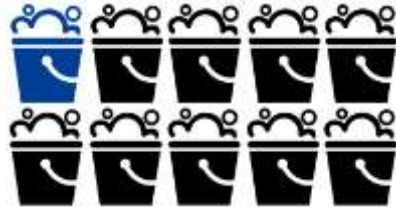


# ADDRESSING NEEDS OF ALL CONSUMERS



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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



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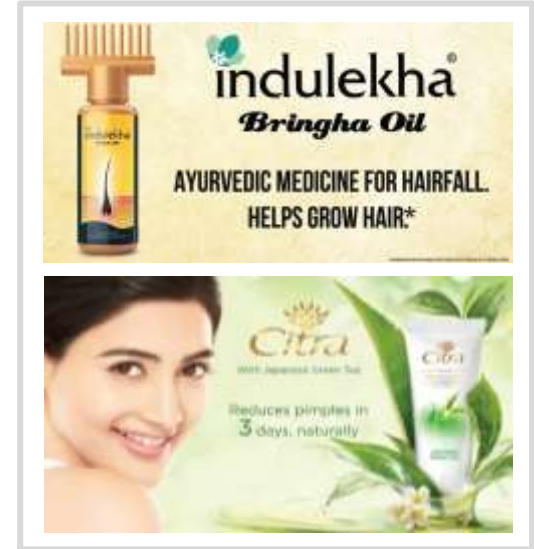
## Within Existing Brands



## 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





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# WINNING IN THE MARKET PLACE

# KEY THRUSTS



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## Winning in Many Indias (WiMI)



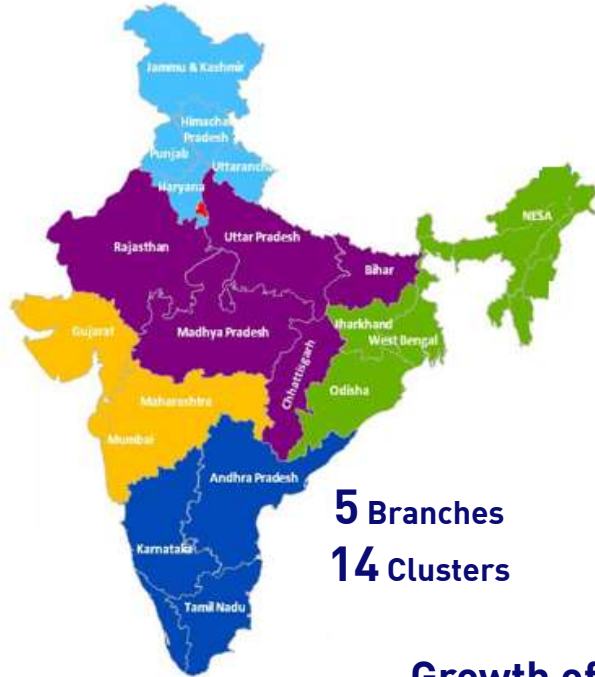
## Effective coverage and assortment



## 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

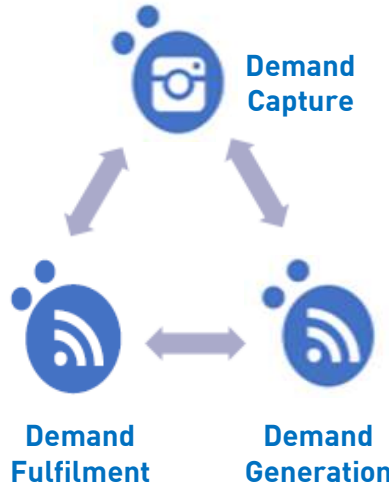


What to sell to the store



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**



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# WINNING THROUGH CONTINUOUS IMPROVEMENT



# KEY THRUSTS

## Profitable Growth



## Everyday customer service & quality at the moment of truth



## Building back-end capabilities



# PROFITABLE GROWTH



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## A Business Model That Works



## Max the Mix



## End-to-end cost focus



## Symphony



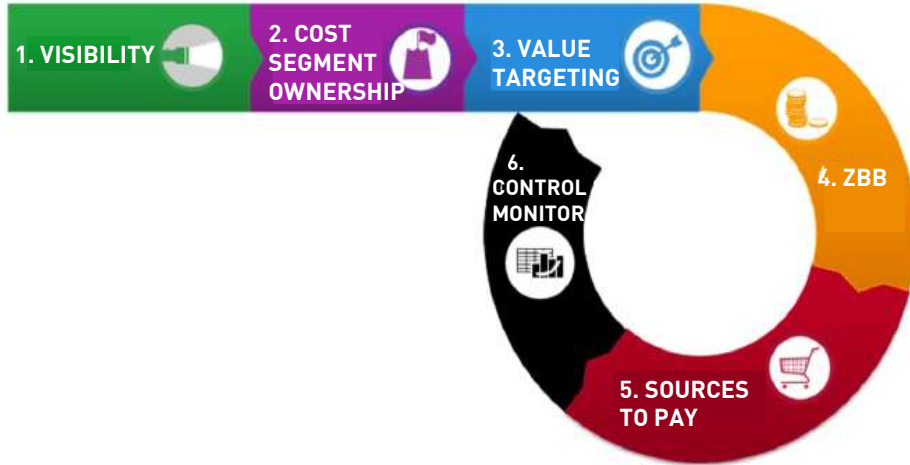
## ZBB



# 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



**Order  
Management**



**Shipment  
Planning**



**Shipment  
Tendering**



**Tracking &  
Monitoring**



**Reporting &  
Analytics**

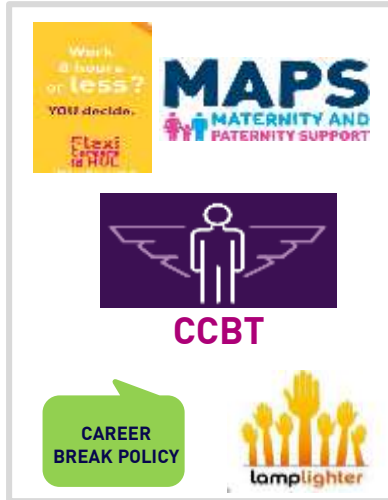


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# WINNING WITH PEOPLE

# WINNING WITH OUR PEOPLE

## Flexible and Agile



## Diversity & Inclusion


36% of Managers are WOMEN



100% WOMEN EMPLOYEE FACTORY



## 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



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# CCBT

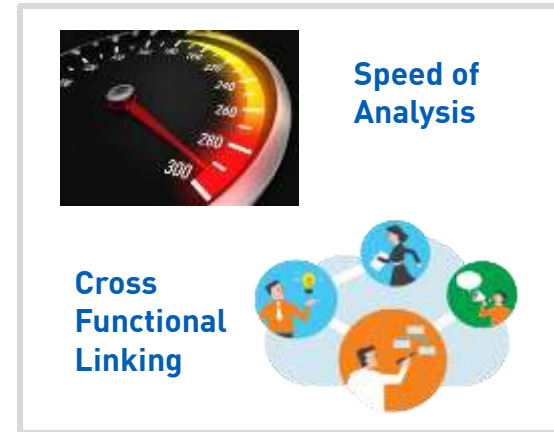
## AGILE EXECUTION BACKED BY BIG DATA ANALYTICS



### Advanced Analytics



### More Power to Users



### Analytics driven insights



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# UNILEVER SUSTAINABLE LIVING PLAN

# DOING WELL BY DOING GOOD



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## 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

Faire & Lovely Foundation



## Prabhat



A community initiative of Hindustan Unilever Limited



**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



Hindustan Unilever Limited

## 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

\* Assured Figures as of March 2016

# 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

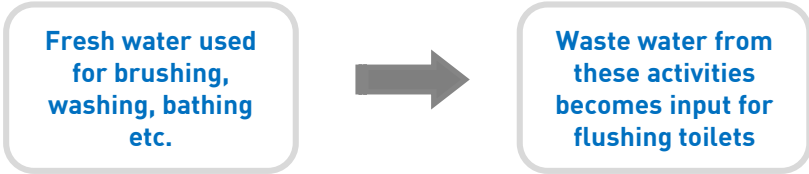


# SUVIDHA CENTRE LAUNCHED

## URBAN WATER HYGIENE & SANITATION COMMUNITY CENTRE



Circular economy principle used to reduce water usage



**~10 mn litres**  
of water savings per annum



ADDRESSING THE HYGIENE NEEDS OF LOW INCOME URBAN HOUSEHOLDS



# 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](#)



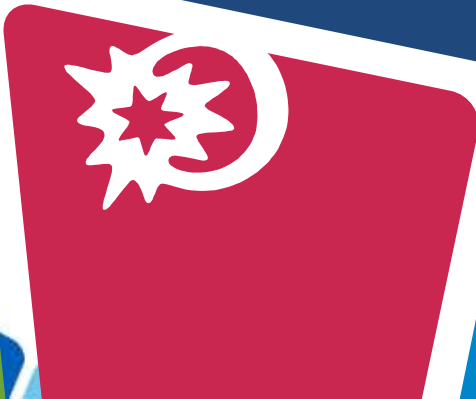
## HUL INVESTOR APP



# GST

ANNUAL INVESTOR MEET | 2 JUNE 2017

P.B. Balaji



*Hindustan Unilever Limited*

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Hindustan Unilever Limited

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# WELCOME REFORM; WIN-WIN FOR ALL



Hindustan Unilever Limited

## CONSUMER

Cheaper, better products

## COUNTRY/ ECONOMY

Higher investment led growth

## GOVERNMENT

Lower fiscal deficit,  
higher tax base

## INDUSTRY

Simpler & effective compliance,  
Level playing field, Efficient SC

# EXTENSIVE PREPARATIONS UNDERWAY



Hindustan Unilever Limited

1) Compliance

2) Cutover

3) Value Creation

## Impacts multiple areas

- Significant impacts on
  - Procurement
  - Manufacturing
  - Distribution
  - Customer Development
  - Accounting
  - Controls
  - Taxation
  - IT
- ~100 business whitepapers

## Focus on IT readiness

- Significant impact on HUL systems
- Extensive testing underway to secure a smooth transition
- GSTN readiness expected soon
- Revised GSTR formats released – being understood

## Supporting the eco-system

- HUL and our eco-system targeting to be ready for a July 1<sup>st</sup> transition
- Engagement to step up further in the coming days

# COMMITTED TO PASS ON THE NET BENEFITS



Hindustan Unilever Limited

## Source of benefits

- **Reduced output tax rates**
  - Soaps
  - Toothpaste
  - Detergent bars
- **100% input credit availed**

**HUL shall pass on the net benefit based on fair principles**

**Interplay between P&L lines likely**



# NEAR TERM IMPACT



Hindustan Unilever Limited

## Growth likely to be impacted by temporary thinning down of trade pipelines

### Trade concerns

#### Presumptive Credit on closing stock

- 40% of CGST payable available as credit

#### Margins

- Impact of higher GST on their margins

### Our Response

- Extensive communication to clarify
- Compensate customers appropriately
- Await final transition rules to further fine-tune response

# IN SUMMARY



Hindustan Unilever Limited

**Win- win for everyone in  
the long run**

**In the near term –  
Temporary thinning down  
of trade pipelines likely**

**Net Benefit on tax rates  
to be passed on**

**Interplay between P&L  
lines likely**

# THANK YOU

FOR MORE INFORMATION



Hindustan Unilever Limited

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## HUL INVESTOR APP





# HOME CARE

Priya Nair

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# 2016 PERFORMANCE HIGHLIGHTS

COMPETITIVE, PROFITABLE, SUSTAINABLE GROWTH

**30%**

Of HUL's Size

**No 1 Position**

In All Key Sub Categories

**450+ bps**

Delta Margin 2013-16

**9/10 Indians**

Our Consumer Franchise

# LAUNDRY PORTFOLIO STRADDLES THE PYRAMID



# INVESTING TO WIN IN MANY INDIAS



Capability and Portfolio to win everywhere

Tailored actions and investments for differential results





Hindustan Unilever Limited

## OUR STRATEGY



# STRENGTHENING OUR LEADING POSITION



**Innovate For  
Premiumization**



**Strengthen the  
Core**



**Develop Formats  
of the Future**



**Improve  
Profitability**

# INNOVATE FOR PREMIUMIZATION

AGGRESSIVELY DRIVING PREMIUMIZATION TO STRENGTHEN POSITION IN LAUNDRY Hindustan Unilever Limited



## Through Consumer Centric Innovations

Rin: Water Saving Detergent Bar



Surf Excel Matic Liquid



# INNOVATE FOR PREMIUMIZATION

RIN BAR: WATER SAVING TECHNOLOGY THAT DELIVERS SUPERIOR BRIGHTNESS



Hindustan Unilever Limited

Rinsing – 30% Of Daily Water Consumption



Increasing Instances Of Drought



Rin

# INNOVATE FOR PREMIUMIZATION

SURF EXCEL MATIC LIQUID: INDIA'S FIRST LIQUID MATIC DETERGENT

## Delivering Formats Of The Future And Educating Consumers



Surf Excel Matic

# INNOVATE FOR PREMIUMIZATION

## PREMIUMIZING DISH WASH THROUGH INNOVATION



NOW Launching **VIM EXTRA** with *natural Pudina* !  
To address one of India's biggest concern in dishwash

**REMOVES TOUGH SMELLS**

**VIM EXTRA**  
ANTI SMELL  
WITH PUDINA

Best in class 'Grease removal'  
+  
Fragrance Technology to  
Fight Toughest of food smells

Onion

Garlic

Masalas

Egg



# INNOVATE FOR PREMIUMIZATION

PUREIT: DISRUPTING CATEGORY THROUGH AFFORDABLE INNOVATIONS



**Gravity Range**  
2008-12



**Low Cost Ro & UV Range**  
2016-17



**Premium RO + UV Range**  
2014-15

# STRENGTHEN THE CORE

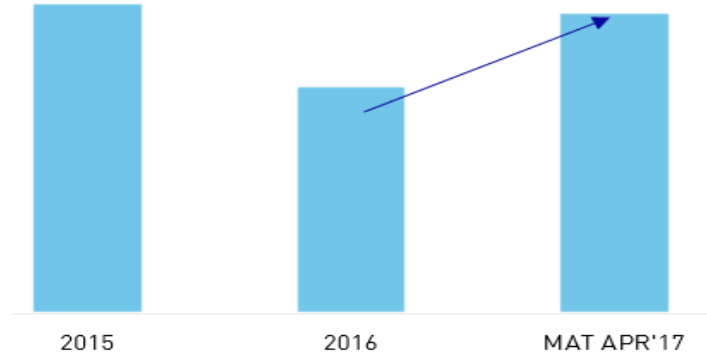
## LAUNCH OF WHEEL 2-IN-1

With the dual benefits of deep clean and  
Malodour Removal



Turning around the Segmental Share  
Trajectory

Wheel Powder Share of Segment





# DEVELOP FORMATS OF THE FUTURE



**Fabric Conditioner**



**Dish wash Liquids**

**Through Education and Sampling**

# THE SCIENCE OF SAMPLING: UNLOCKING GROWTH

## PRODUCT SAMPLING FUNNELS



WHERE?



WHAT?



HOW MUCH?

Maximizing Scale and ROMI

# EDUCATING CONSUMERS WITH SCALE

## REACHING OUT TO PROSPECTIVE CONSUMERS DIRECTLY

**X**

Mn Contacts

**2014**

**2.5X**

Mn Contacts

**2016**

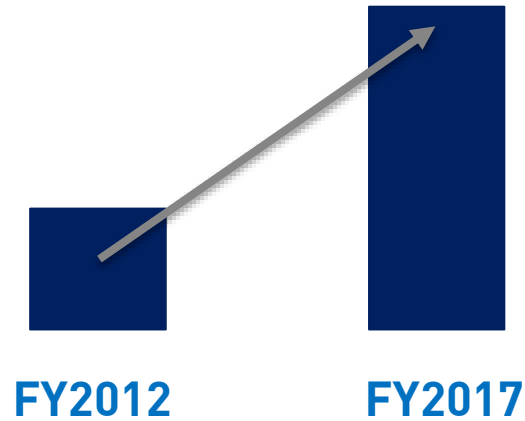
**3.1X**

Mn Contacts

**2017**

# CONSISTENT PROFITABLE PERFORMANCE

450+ bps improvement in  
Margin



# COMPREHENSIVE MARGIN IMPROVEMENT PLAN



**Increased Agility to respond better to Competition/Environment**



**THANK YOU**

India's first transgender band  
invites you to...

**Aao Bajao Taali!**



**REFRESHMENT**

**Sudhir Sitapati**

# OUR PORTFOLIO



TEA

GLOBAL POSITION

**#1**

INDIA POSITION

**#1**



COFFEE

**NA**

**#1**

  
Hindustan Unilever Limited



ICE CREAM &  
FROZEN DESSERTS

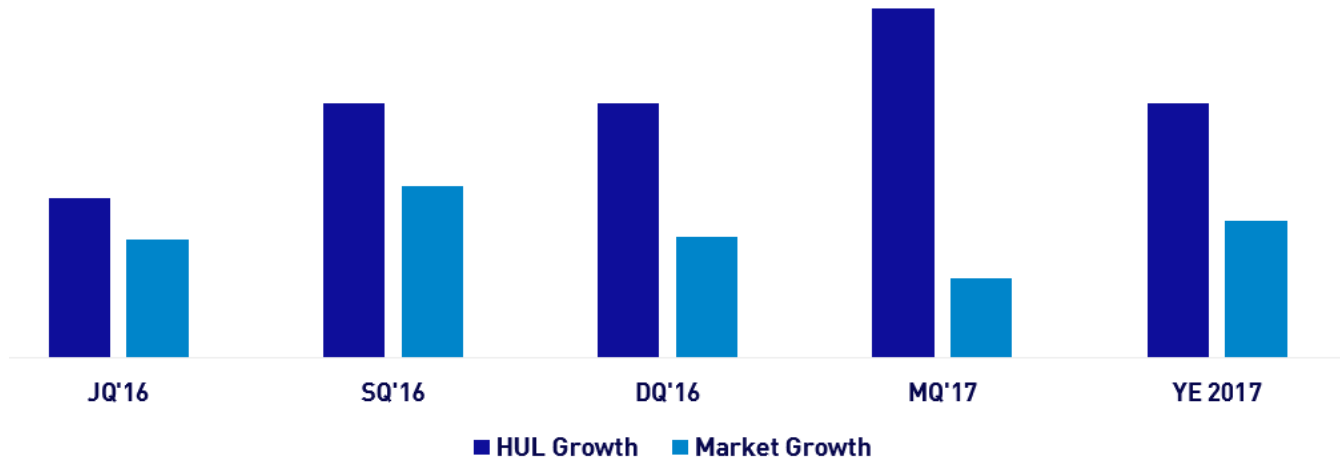
**#1**

**#2**



# OUR PERFORMANCE

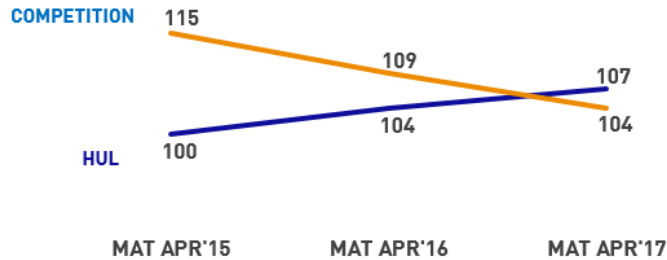
## Consistently growing ahead of the Market



Turnover ~ Rs. 5000 cr. in 2017

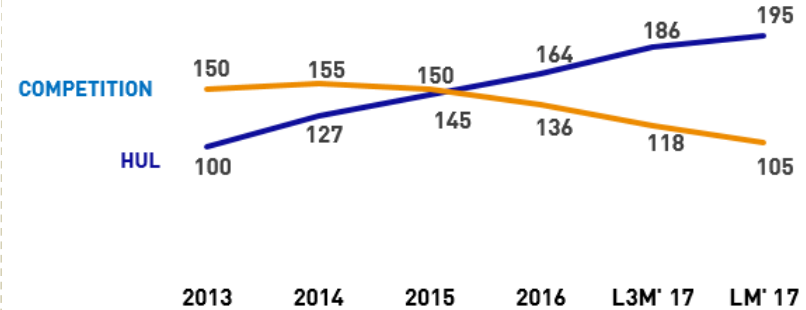
# KEY HIGHLIGHTS

## Decisive Leadership in Coffee MAT Market Shares



## ...and in Green Tea

### Decisive Market Share Leadership



## Brooke Bond: the most awarded Indian Brand



Laadi  
A Girl Child Campaign  
By Population First

## Beating Demonetization: 8% USG in DQ



# THE OPPORTUNITIES

40% of tea in India is still sold loose



Only 1% of tea in India is sold in tea bags



Value added teas – Green and flavoured are exploding



Coffee penetration in India is at 20%



....3/4<sup>th</sup> of which is in conventional coffee



Ice Cream consumption is 300 ml per capita





# OUR STRATEGY



# THE STRATEGY

## Core



Win in the core

## Market development



Create high margin new categories

## Accessibility



Allow Consumers to access big brands

# STRATEGY: CORE

Win in the core



**Better Products**



Tailor made tea blends  
to suit region specific  
tastes



**Brand Love**



Building emotional  
connect with our  
brands



# STRATEGY: MARKET DEVELOPMENT

Create high margin new categories



Insightful communication



New ideas



Sampling



# STRATEGY: ACCESSIBILITY

Allow Consumers to access  
big brands



Access Packs



Distribution





# IN SUMMARY

## Core



Win in the core

## Market development



Create high margin new categories

## Accessibility



Allow Consumers to access big brands

India's first transgender band  
invites you to...

**Aao Bajao Taali!**



**THANK YOU**

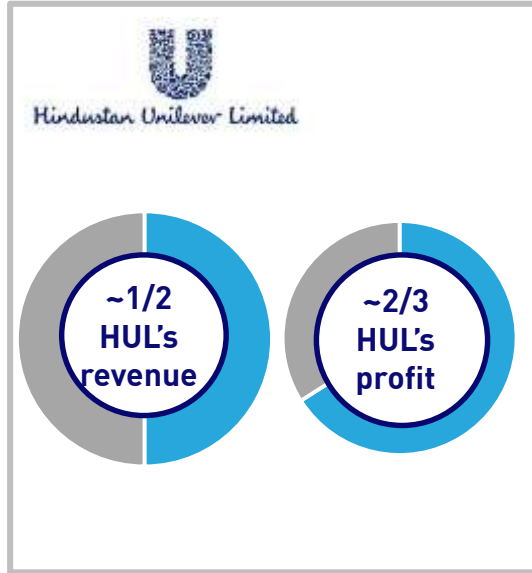


# PERSONAL CARE

Sandeep Kohli

# INTRODUCING PERSONAL CARE

## Largest Personal Care business in India



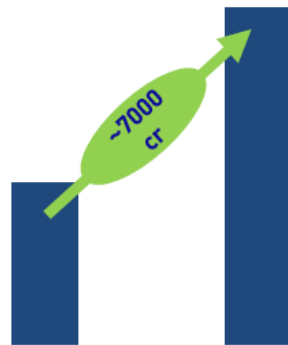
## Iconic brands leading category positions



# CONSISTENT TRACK RECORD

## Growing the Market +Competitive Growth

### Revenue

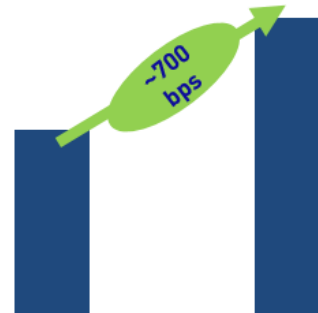


2011

2016

## Profitable Growth

### Operating Margin



2011

2016

# HEADROOM FOR GROWTH ACROSS CATEGORIES & SEGMENTS

## CONSUMPTION

Personal Wash

1.6x

Face Creams

2.7x

Shampoo

2.6x

Deodorants

4X

Toothpastes

2x

## PENETRATION

Body Wash

Hand Wash

Hair Conditioner

Anti Perspirants

Categories with low  
single digit penetrations

# GROWING THE MARKET

**More Users**



**Penetration**

**More Usage**



**Consumption**

**More Benefits**



**Premiumization**



Hindustan Unilever Limited

## OUR STRATEGY

LUX

Dove

Pears

Rexona

Hamam



NEW Fair & Lovely

POND'S



LAKMÉ

St Ives

CLINIC PLUS+



TRESemmé  
CARED BY PROFESSIONALS

indulekha

closeup

Pepsodent

ayush  
therapy

AXE



## MISSION

INSPIRE A BILLION INDIANS TO TAKE MORE  
CARE OF THEIR PERSONAL CARE

# KEY THRUSTS

## Make Core Brands Aspirational



## Accelerate Premiumization & Market Development



## Build a Naturals portfolio based on expertise & efficacy



## Enter Emerging Segments : Baby



## Winning in E-Commerce & Digital



# MAKING CORE BRANDS ASPIRATIONAL

LUX

## Reviving the Heritage of Bollywood



## Premiumisation



## New Formats



#1 Beauty Soap in India for the last 90 years

# MAKING CORE BRANDS ASPIRATIONAL

## BUILDING ASPIRATIONS IN EACH CATEGORY WITHIN THE PORTFOLIO

### Hair Care



### Skin Care - Face



### Skin Care – Hand & Body



### Skin Cleansing



### Oral Care



### Deodorants



# ACCELERATE PREMIUMIZATION & MARKET DEVELOPMENT

## HAIR CARE

### Portfolio based on consumer needs

#### 5 sharply defined brands



### Premiumising the category by Higher order benefits



### Building New Regimen



Only player adding penetration and growth

# ACCELERATE PREMIUMIZATION & MARKET DEVELOPMENT SKIN CARE

## Building Premium Brands



## New Benefits & Sensorial



## Leading Trends



HUL has ~40% of the overall Premium Skin Lightening market

# ACCELERATE PREMIUMIZATION & MARKET DEVELOPMENT

## PREMIUMIZING THROUGH TREND SETTING INNOVATIONS: LAKME

### First Argan Oil Infused lip care in India



### Weightless Mousse



Lakme is India's No. 1 Makeup Brand

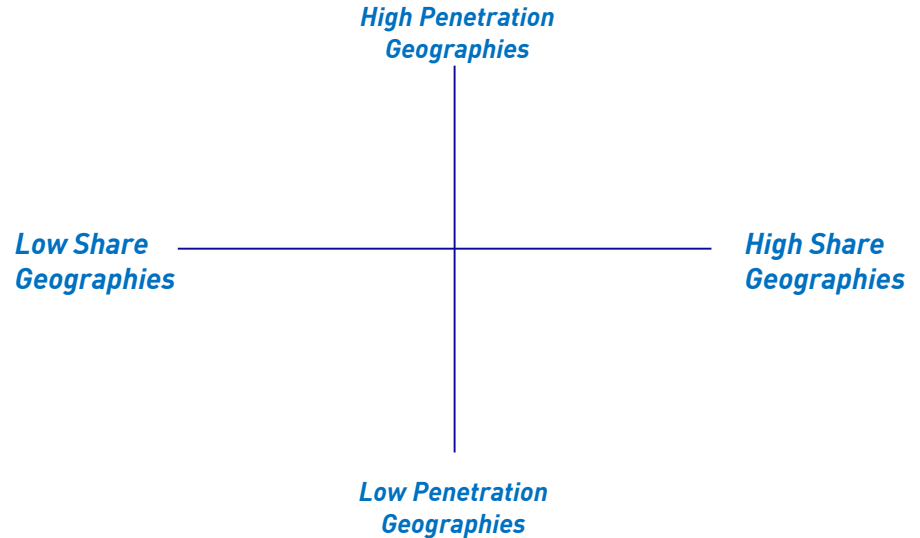


Lakme Argon Oil

# ACCELERATE PREMIUMIZATION & MARKET DEVELOPMENT DEPLOYMENT THROUGH THE WIMI LENS



## Cluster based jobs & marketing campaigns





# ACCELERATE PREMIUMIZATION & MARKET DEVELOPMENT A CLEAR MODEL OF DEPLOYMENT, FOCUSED ON SAMPLING

## Sampling a key mechanism of driving trials



E-COM PACK WITH EDUCATION,  
AND TARGETING  
(BASED ON PIN CODES)



CHILD PACK WITH  
EDUCATION



HANDWASH MINI-CARTON  
WITH EDUCATION



H2H ON POND'S BB



CONTEXTUAL SMS  
TARGETING ON POLLUTION -  
PURE WHITE FC



JACKET SAMPLING FOR LARGE  
CHILD PACKS

**70 Mn** Samples across various mediums

# BUILDING A NATURALS PORTFOLIO BASED ON EXPERTISE & EFFICACY

## Within existing brands



## Building master brands



## Building specialist brands



# ENTERING EMERGING SEGMENTS: BABY

## BABY DOVE LAUNCHED IN SELECT MARKETS



# WINNING IN E-COMMERCE & DIGITAL

## Replicating Perfect Stores online

**Pack**  
Can our shoppers recognise & easily choose BRAND / FORMAT / VARIANT / SIZE?

**Product**  
Can our Shoppers Add our Brands to Baskets? Access the Range Shopper expects?

**Place**  
Find our Brands online? Find them on retailers website / mobile app?

**Proposition**  
Call to Action, Will it be good for me? Reasons to purchase?

**Promotion**  
Media or offers to capture shoppers? Are we competitive vs similar brands?

**Price**  
Shoppers use online to research price Don't give shoppers a reason to leave us

**DEFINITIONS & Iconography**

**6Ps for ONLINE**

**Perfect Store Online**



## Declutter Front of Pack and Zoom In

### On Pack Messaging Hierarchy



1. Brand Lock Up
2. Range Name
3. Subrange
4. Variant Name & Illustration
5. Product Name
6. Product Benefit
7. Product Claim
8. Size (not visible on back)

### eCommerce 4 messages ONLY



1. Brand Lock Up
2. Format
3. Variant / Benefit
4. Size

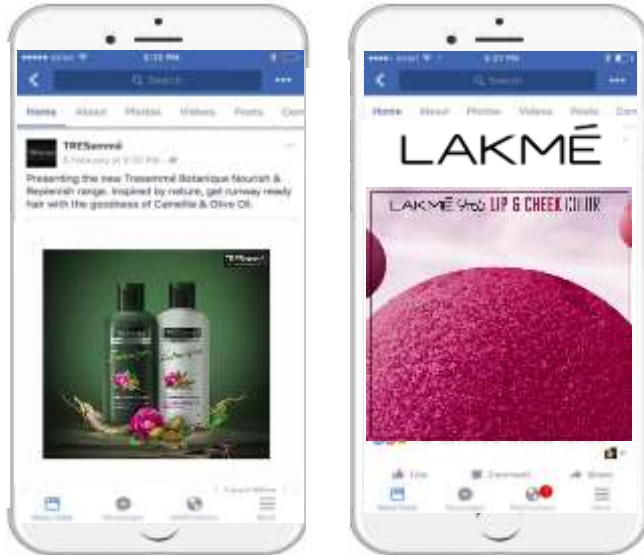
## JBPs with Leading Players



5<sup>th</sup> largest Personal Care E-commerce business for Unilever globally

# WINNING IN E-COMMERCE & DIGITAL LEADING IN MARKETING IN A DIGITAL WORLD WITH MEASURABLE METRICS

## Thumb stopping creatives for Social media & mobile



## Preferred destination for content

*"Be the Wikipedia of Personal Care in India by answering all search queries on personal care through our brands"*



Become the 2<sup>nd</sup> largest beauty portal in India

9 Million visits and 12 Million queries answered in the past year alone on BeBeautiful

# KEY THRUSTS



**Make Core Iconic Brands Aspirational**

**Accelerate Premiumisation and Market Development**

**Build a Naturals portfolio on Expertise and Efficacy**

**Enter Emerging Segments : Baby**

**Winning in E-Commerce and Digital**



# PERSONAL CARE

Sandeep Kohli



# FOODS

Geetu Verma



# STRONG TRACK RECORD

## Reaching critical Scale



Turnover ~1000 cr.

## Leadership in core categories



KETCHUP



JAM



SOUPS

#1

With double digit growth over past 5 years

# BRANDS HAVE STRENGTHENED

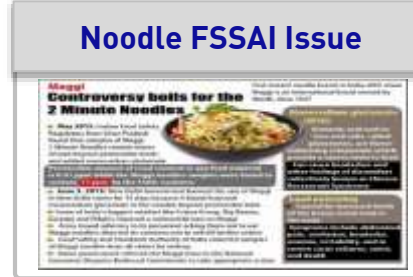


<b>Brand Equity Score</b>	← →	<b>Increased by avg. 900 bps</b>	← →
<b>Increase in BMI</b>	← →	<b>Increased by avg. 330 bps</b>	← →
<b>Internal Distribution</b>	← →	<b>Average double digit increase</b>	← →

# 2016: A MODEST PERFORMANCE

1

## Challenging External Factors



2

## Fine Tuning Innovations Knorr Masalas



Mix fine tuned & relaunched in Maharashtra



Continue to drive Trials



## OUR STRATEGY



# STRATEGY

## 1. Strengthening the Core

### Jam Penetration ( Urban HHs)



### Ketchup Pen - MH (All Urban HH)



## 2. Driving Innovations



Convenience cooking & eating



International cuisines



Health & wellness

Significant growth opportunity

# STRENGTHENING THE CORE

A SCIENTIFIC & DISCIPLINED MARKET DEVELOPMENT MODEL

## 1 Accelerating Core



## 2 Building 360 Salience



## 3 Driving Access Packs



## 4 Driving Product Experience



# ACCELERATING THE CORE

## CREATING RELEVANCE



60% of Jam consumed with bread, thus building the Breakfast Moment



Increasing relevance of Soups in peak season

# BUILDING 360 SALIENCE

RANGING ACROSS ALL POSSIBLE TOUCH POINTS

## Winning Proposition



## Harnessing Non TV



## Partnerships Popular Culture



## Build Brand Love





# DRIVING ACCESS PACKS

ACCELERATING GROWTH BY INCREASING PENETRATION



**CAGR – 30% to 100%  
(2012-2016)**

**And improved  
category penetration**

# DRIVING PRODUCT EXPERIENCE

## SAMPLING AT SCALE

### Food Ambassadors



~20% Increase Over FY'16

### Dry Sampling



~Doubled Over FY'16

### Partnering to sample



Building Consumer Relevance

# DRIVING PRODUCT EXPERIENCE

## THE ADDA MODEL



- “EXPERIENCE” model in Foods and Beverages- franchisee model
- Specifically targeting “snacking” moments
- Over 100 + locations
- 3 Lakh+ consumers interact with HUL brands everyday

# DRIVING PRODUCT EXPERIENCE PREMIUMIZING

## International Soups



## Premium Jams



## Exciting Variants





**THANK YOU**

# 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



# CO-CREATING BUSINESS COMPETITIVENESS

ANNUAL INVESTOR MEET | 2 JUNE 2017

Pradeep Banerjee



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.



# AGENDA

Strategy

Execution

Capabilities



# OUR NETWORK

Total ~ 4500 SKU's ACROSS 12 CATEGORIES

Suppliers	900	Factories	over 30	SC People	12000	Warehouses	40	Customers	3800
Unique RPM	1200	Co Packers	60	Daily Trucks	8000	Million Tons	3	Billion units	38



## Integrated Planning



## IT Systems & Processes

<ul style="list-style-type: none"> <li>• MRP</li> <li>• Centralizing contract management</li> </ul>	<ul style="list-style-type: none"> <li>• Centralized Quality Incident Management</li> <li>• Paperless Factories</li> </ul>	<ul style="list-style-type: none"> <li>• Inventory Management</li> <li>• No-touch Prod Plan</li> </ul>	<ul style="list-style-type: none"> <li>• Depots/HUBs</li> </ul>	<ul style="list-style-type: none"> <li>• Transport Management</li> <li>• GPS tracking</li> </ul>	<ul style="list-style-type: none"> <li>• Continuous Replenishment</li> <li>• EDI/VMI</li> <li>• CRM/ Process robotics</li> </ul>
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END TO END - IT ENABLED

# SUPPLY CHAIN STRATEGY



**EVERYDAY BRILLIANT EXECUTION**

 **ONE VOICE** - OUR CULTURE

# COMPETITIVE ADVANTAGE

## Distributed Manufacturing



Responsiveness and Flexibility

## IT



Dynamic real time replenishment

## Scale



Procurement, Manufacturing, & Distribution

## Partnerships



Supplier and service providers network

## Talent Powerhouse

# AGENDA

## Strategy

Execution

## Capabilities

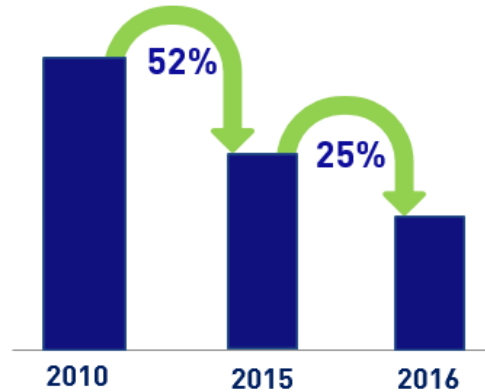


# BRILLIANT EXECUTION

Safety	Frequency Rate (Reduction)	25% ▼	<ul style="list-style-type: none"><li>• BeSAFE Program</li><li>• Visible leadership</li></ul>
Quality	Defect per Million Units (Reduction)	38% ▼	<ul style="list-style-type: none"><li>• End to End Quality Focus</li><li>• Quality Deep Dives</li></ul>
Service	Cases fill on time (BPS)	+180 ▲	<ul style="list-style-type: none"><li>• Service focus to point of purchase</li><li>• Responsiveness and agility</li></ul>
Inventory (Days on hand)	MAT DOH (Days Reduction)	6% ▼	<ul style="list-style-type: none"><li>• Robust S&amp;OP process</li><li>• Optimised manufacturing network</li></ul>
Savings	Savings % of Spends (Increase)	25% ▲	<ul style="list-style-type: none"><li>• Symphony</li><li>• World Class Manufacturing</li></ul>
Employee Relations	Man Days Lost	ZERO	<ul style="list-style-type: none"><li>• Industrial Strategy Upskilling &amp; Multiskilling</li><li>• Employee at the center</li></ul>

# SAFETY

## Accident Frequency Rate\*



\* Total Recordable Frequency Rate  
Across entire organization

## Enablers

### Behavioural Safety



- Top Management commitment & visible leadership
- BeSAFE Initiative across all Units

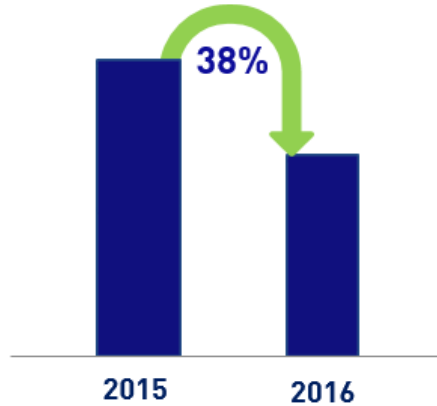
### World Class Manufacturing



- Risk assessment tool
- Blue Collar programs for Risk elimination

# QUALITY

## Defect per Million Units\*



\* Consumer Relevant Quality Standards

## Enablers

### Consumer Focus



- Q in Design Phase
- Q @ Point of Sale
- Q in End to End SC

### Brilliant Quality Fundamentals



- Zero Defects
- Leverage IT
- Supplier Quality

### Culture & People

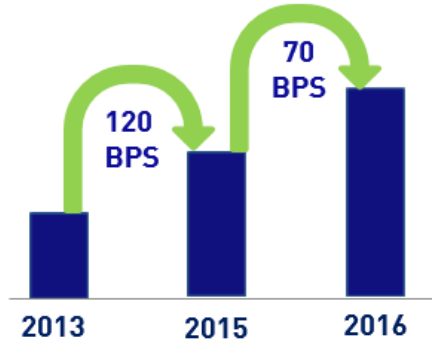


- Q mindset in last mile
- Distributor → Retail
- Grass root initiatives

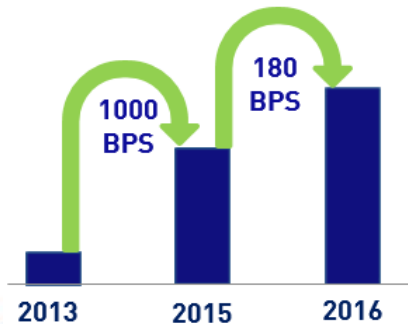


# SERVICE

## Distributor



## Retail



## Enablers

### 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

### Every day focus

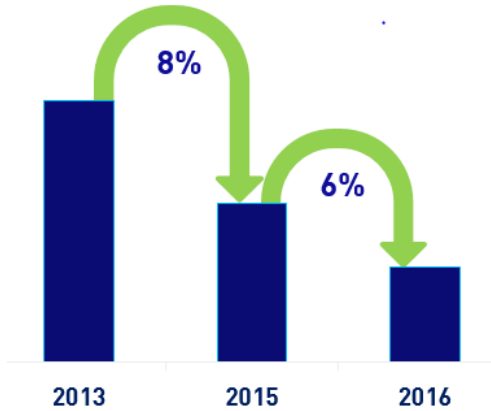


- Leading indicators
- IT enabled replenishment


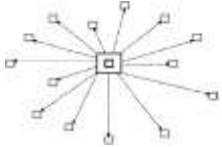


**Focus @ “Point of Purchase”**

# INVENTORY

## Inventory (Days Reduction)

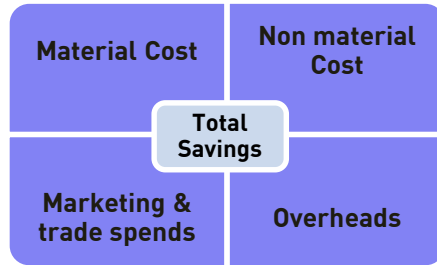


## Enablers

Robust S&OP	Optimized Networks	Benchmarking	Analytics
 <p>Rigorous &amp; sharper process</p>	 <p>Multi - format Factories</p>	 <p>Analyzing cycle, safety &amp; Transit inventory</p>	 <p>Structural shifts</p>

# SAVINGS

## End to End Value Chain

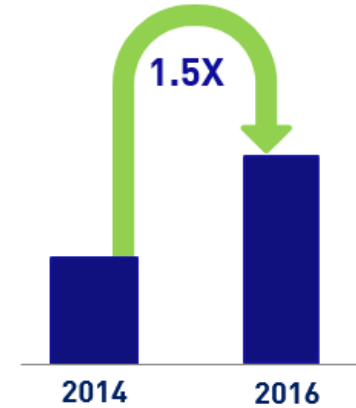


## Leveraging ZBB framework



Galvanizing the entire organisation

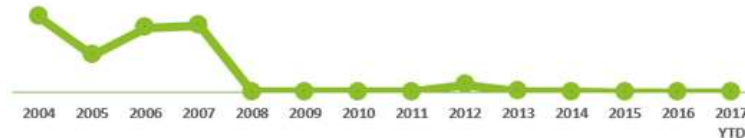
## Stepped up savings



# NURTURING RELATIONS



**Zero Man-days lost with 12000 Blue Collar employees in the last 3 years**



# AGENDA

Strategy

Execution

Capabilities



# FUTURE READY SUPPLY CHAIN

## Segmentation



**Differentiated Strategy**

## World Class Manufacturing



**Process driven improvements**

## Logistics Excellence



**Optimized end to end**

## Integrated Planning



**Analytics and Process Automation**

## Emerging Segments & Channels



**Being Future ready to serve business**

## Sustainability



**Unilever Sustainable Living Plan**

## Talent Powerhouse

# SEGMENTATION

## Category



De-average SC

## Channel



Differential Channel & Customer offerings

## Geography



E2E Network Design, WIMI

# SEGMENTATION

## AGILE SUPPLY CHAIN

### OPPORTUNITY



Lakme

**Business Need** : Range availability


**SC Challenge** : Low volume , Difficult to forecast

### METHODOLOGY



### RESULTS (2 Years)

Service   
**+320  
BPS**

FG DOH Redn   
**22%**

Business Waste Redn   
**32%**



# SEGMENTATION

## LEAN SUPPLY CHAIN

### OPPORTUNITY



**Laundry**

**Business Need** : Reduce Distribution Cost

**SC Challenge** : High volume, source plan adherence

### METHODOLOGY



Logistics Cost Redn. 

12%

Loadability Improvement 

10%

Service 

+240  
bps

### RESULTS

(2 Years)

# SEGMENTATION

## WINNING IN MANY INDIAS



Cluster based Planning & Execution

### Differential SC response

GEOGRAPHY			
FORMULATION	Enzymatic		 Rs. 11 off
	Non Enzymatic		 Plain Stock
ACTIVATION			 Rs. 2 off
			 Rs. 4 off
CHANNEL			
ACTIVATION	GT	 Container Offer	 Plain Stock
		 4+1 RTD	 Tiffin Box CP
	CSD	 Plain Stock	 Scrubber CP

# WORLD CLASS MANUFACTURING

## Savings

- Cost Deployment across the manufacturing process



- Eliminate Waste / Non Value Added Activity



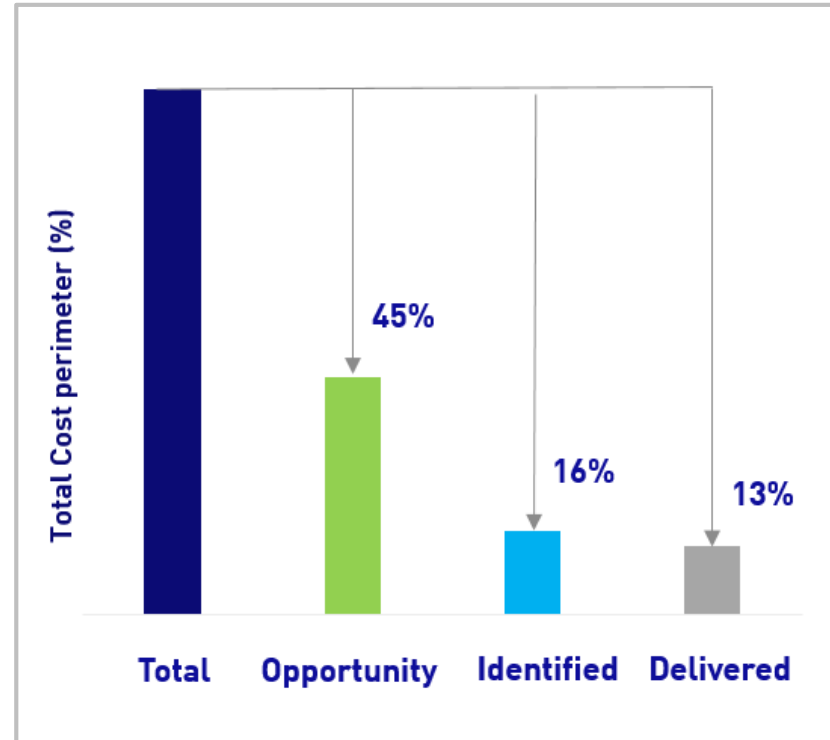
- Improve Machine Productivity (OEE)



- Minimize material handling



- 10% Cost Perimeter reduction YoY



# LOGISTICS EXCELLENCE

## Buy Smart



- Price Discovery
- Target Costing
- Fuel De-coupling

## Operate Efficiently



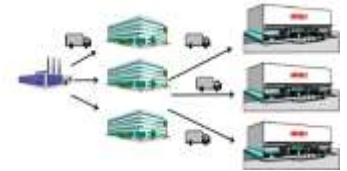
- Cost to Serve
- Manpower Rationalization
- Optimizer

## Load Better



- Design to Distribute
- Right Truck Type

## Travel Less



- Network Optimization
- Direct Dispatch Maximization

Ultra Logistics

# INTEGRATED PLANNING

## Collaborative Planning



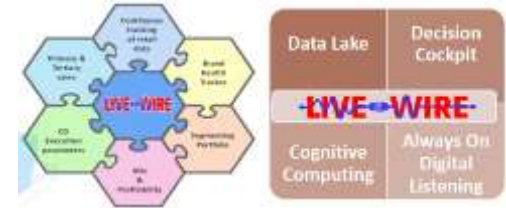
- Business Modelling
- Baselines, Promo Planning

## Execution Focus



- Predictive Service Analytics
- Everyday Great Execution (Edge) Scorecard

## Performance Management



- Inventory analytics
- Release operational time

**Democratize Data : Faster Decision Making**

# EMERGING SEGMENTS & CHANNELS

## Categories



- Capability for naturals... end to end
- Build partnerships

## Channels



- SC design
- E-com specific capabilities  
( E.g. packaging)

# SUSTAINABILITY

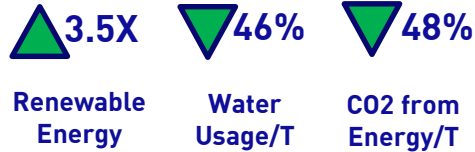
## Sourcing



- Higher yields – 25 to 40 MT/Acre
- 100% under drip irrigation
- 20% less Water & chemicals used

Enhanced farmer incomes

## Energy\*



- Solar and wind energy
- Water conservation plans
- Biomass fuel

Environment friendly use of resources

## Community engagement



- Swach Doot – Shop floor employees as ambassadors

Direct Beneficiaries : 6.8L

# TALENT POWERHOUSE

## Individual Focus



**INDIVIDUAL  
CAPABILITY BUILDING**

**Training Hrs:  
~65000**

## Unleash Potential



**Winning Balance:  
20%**

## SC Leadership Forum



**No of Projects:  
500+**



# THANK YOU

For More Information

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## HUL INVESTOR APP

