



Hindustan Unilever Limited

2nd February, 2024

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/ Madam,

**Sub: Intimation of Postal Ballot Notice for Introduction and Implementation of Hindustan Unilever Limited Performance Share Plan Scheme 2024**

Further to our letter dated 31st January, 2024, and pursuant to Regulation 30 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby enclose the Postal Ballot Notice for seeking approval of Members of the Company for introduction and implementation of Hindustan Unilever Limited Performance Share Plan Scheme 2024 (HUL PSP 2024) and for extension of HUL PSP 2024 to Employees of Subsidiary Company(ies) of the Company.

The Notice is being sent to all the Members, whose name appears in the Register of Members/ list of Beneficial Owners as received from National Securities Depository Limited and Central Depository Services (India) Limited and whose email IDs are registered with the Company/ Depository Participants as on Tuesday, 30th January, 2024. Members holding shares in physical mode and who have not updated their email addresses with the Company are requested to update their email addresses as per the instructions given in the enclosed Notice.

The e-voting period will commence from Monday, 5th February, 2024, at 09.00 A.M. (IST) and will end on Tuesday, 5th March 2024 at 05.00 P.M. (IST).

Please take the above information on record.

Thanking You.

Yours faithfully,

**For Hindustan Unilever Limited**

DEVOPAM  
NARENDRA  
BAJPAI

Digitally signed by  
DEVOPAM NARENDRA  
BAJPAI  
Date: 2024.02.02  
16:09:20 +05'30'

**Dev Bajpai**  
**Executive Director, Legal & Corporate Affairs**  
**and Company Secretary**  
**DIN : 00050516 / Membership No. F3354**



*Hindustan Unilever Limited*

**Registered Office:** Unilever House, B. D. Sawant Marg, Chakala, Andheri (East), Mumbai - 400 099

**CIN:** L15140MH1933PLC002030,

**Website:** [www.hul.co.in](http://www.hul.co.in), **Email Id:** [levercare.shareholder@unilever.com](mailto:levercare.shareholder@unilever.com).

**Tel:** +91 22 5043 2791 / 5043 2792

## NOTICE OF POSTAL BALLOT

Dear Member(s),

Notice is hereby given pursuant to the provisions of Sections 108 and 110 of the Companies Act, 2013, (the Act), read with Rule 20 and Rule 22 of the Companies (Management and Administration) Rules, 2014, as amended (Rules), read with the General Circular Nos. 14/2020 dated 8th April, 2020, 17/2020 dated 13th April, 2020 and the latest one being General Circular No. 9/2023 dated 25th September, 2023 issued by the Ministry of Corporate Affairs (MCA Circulars) and any other applicable law, rules and regulations (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force and as amended from time to time), that the Special Resolutions as set out in this Notice are proposed for consideration by the Members of the Company for passing by means of Postal Ballot by voting through electronic means only.

An Explanatory Statement pursuant to Sections 102, 110 and other applicable provisions, if any, of the Act, pertaining to the resolutions setting out the material facts and reasons thereof, is appended to this Postal Ballot Notice. Further, for the purpose providing greater clarity to the Members in respect of the items proposed to be passed vide this Postal Ballot, Frequently Asked Questions on the same forms part of this Notice at Page 12.

In compliance with Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (Listing Regulations) and pursuant to the provisions of Sections 108 and 110 of the Act read with the Rules framed thereunder and the MCA Circulars, the manner of voting on the proposed resolutions is restricted only to e-voting i.e., by casting votes electronically instead of submitting postal ballot forms. Accordingly, the Postal Ballot Notice and instructions for e-voting are being sent only through electronic mode to those Members whose email address is registered with the Company / Depository Participant(s). The details of the procedure to cast the vote form part of the Notes to this Notice.

The e-voting period commences from 09.00 A.M. (IST) on Monday, 5th February, 2024 and ends at 05.00 P.M. (IST) on Tuesday, 5th March, 2024.

The Company has appointed Mr. S. N. Ananthasubramanian (FCS: 4206 and COP No.: 1774) Practicing Company Secretary or failing him, Mr. S. N. Viswanathan (ACS: 61955 and COP No.: 24335), Practicing Company Secretary, to act as the Scrutinizer, for conducting the Postal Ballot process, in a fair and transparent manner. The Scrutinizer will submit his report to the Chairman of the Company (the Chairman) or any other Director authorized by the Chairman, and the results of the voting by Postal Ballot will be announced not later than 48 hours from the conclusion of the e-voting. The results declared along with the Scrutinizer's Report shall be communicated in the manner provided in this Postal Ballot Notice.

The said results along with the Scrutinizer's Report would be intimated to BSE Limited and National Stock Exchange of India Limited, where the Equity Shares of the Company are listed. The results will also be uploaded on the Company's website at [www.hul.co.in](http://www.hul.co.in) and on the website of KFin Technologies Limited at [www.kfintech.com](http://www.kfintech.com).

### RESOLUTIONS:

#### 1. Introduction and Implementation of 'Hindustan Unilever Limited Performance Share Plan Scheme 2024'

To consider, and if thought fit, to pass, the following resolution as a **Special Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Section 62(1)(b) and all other applicable provisions, if any, of the Companies Act, 2013 (the Act), and the Rules thereunder, applicable Regulations of the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 including any statutory modification(s) or re-enactment thereof (hereinafter referred to as SBEB Regulations), the Memorandum and Articles of Association of the Company, the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (Listing Regulations) including any statutory modification(s) or re-

enactment(s) thereof, for the time being in force and subject to such other approvals, permissions and sanctions, as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, consent of the Members of the Company be and is hereby accorded for the introduction and implementation of 'Hindustan Unilever Limited Performance Share Plan Scheme 2024' (HUL PSP 2024 or Scheme), the salient features of which are detailed in the Explanatory Statement to this Notice, and authorise the Board of Directors of the Company (hereinafter referred to as the 'Board' which term shall be deemed to include any Committee, including the Nomination and Remuneration Committee which the Board has designated as Compensation Committee to exercise its powers, including the powers, conferred by this resolution), to create, issue, offer, grant and allot from time to time, in one or more tranches, up to 20,00,000 (Twenty lakh ) Stock Options convertible into 20,00,000 (Twenty lakh ) equity shares of face value of Re. 1 /- (Rupee One only) each fully paid up, ranking *pari passu* with the existing equity shares of the Company for all purposes and in all respects, including payment of dividend, to or for the benefit of the employees, exclusively working in India or outside India, who are in the employment of the Company including any Director, whether Whole-Time or otherwise (other than the employee who is Promoter or person belonging to the Promoter Group, Non-Executive Chairman, Independent Directors of the Company and Directors holding directly or indirectly more than 10% of the outstanding equity shares of the Company), on such terms and conditions as the Board may decide under the Scheme in accordance with the SBEB Regulations and other applicable laws.

**RESOLVED FURTHER THAT** in case of any corporate action(s) such as rights issue, bonus issue, merger, demerger, sale of division, expansion of capital, change in capital structure and others, if any including preferential allotment of shares or qualified institutions placement, additional Stock Options of the Company are to be issued to the employees for the purpose of making a fair and reasonable adjustment to the Stock Options issued to them, the above ceiling in terms of number of equity shares shall be deemed to be increased in proportion to the additional equity shares issued in the aforesaid corporate action(s).

**RESOLVED FURTHER THAT** in case the equity shares of the Company are either consolidated or sub-divided, then the number of equity shares to be issued by the Company and the price of acquisition payable by the Stock Option grantees under the Scheme shall automatically stand increased or reduced, as the case may be, in the same proportion as the present face value of Re. 1 /- (Rupee One only) per equity share shall bear to the revised face value of the equity shares of the Company after such consolidation or sub-division, without affecting any other rights or obligations of the said grantees and the ceiling in terms of number of shares specified above shall be deemed to be adjusted accordingly.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to take necessary steps for listing of the equity shares allotted, in accordance with the HUL PSP 2024 on the Stock Exchanges where the equity shares of the Company are listed as per the provisions of the SEBI Listing Regulations, the SBEB Regulations and other applicable laws and regulations.

**RESOLVED FURTHER THAT** the Company shall conform to the accounting policies prescribed from time to time under the SBEB Regulations and any other applicable laws and regulations to the extent relevant and applicable to the HUL PSP 2024.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to devise, formulate, modify, change, vary, alter, amend, suspend or terminate HUL PSP 2024, subject to compliance with the applicable laws and regulations, in case of any change in applicable laws or as specified by any statutory authority without being required to seek any further consent or approval of the Members of the Company and to do all such acts, deeds, matters and things as it may in its absolute discretion deem fit, for such purpose and being incidental for effective implementation and administration of the Scheme and also to settle any issues, questions, difficulties or doubts that may arise in this regard and further to delegate any executive / officers powers to execute all such documents, writings and to give such directions and/or instructions as may be necessary or expedient to give effect to HUL PSP 2024 and to do all other things incidental to and ancillary thereof."

## 2. **Extension of 'Hindustan Unilever Limited Performance Share Plan Scheme 2024' to Employees of Subsidiary Company(ies) of the Company**

To consider, and if thought fit, to pass, the following resolution as a **Special Resolution**:

**"RESOLVED THAT** pursuant to the provisions of section 62(1)(b) and all other applicable provisions, if any, of the Companies Act, 2013 (the Act), and the Rules thereunder, applicable regulations of the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 including any statutory modification(s) or re-enactment thereof) (hereinafter referred to as SBEB Regulations), the Memorandum



and Articles of Association of the Company, the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), including any statutory modification(s) or re-enactment(s) thereof, for the time being in force and subject to such other approvals, permissions and sanctions, as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, consent of the Members of the Company be and is hereby accorded to extend the benefits of the 'Hindustan Unilever Limited Performance Share Plan Scheme 2024' (HUL PSP 2024 or Scheme) referred to in Resolution No. 1 above, and authorize the Board of Directors of the Company (hereinafter referred to as the 'Board' which term shall be deemed to include any Committee, including the Nomination and Remuneration Committee which the Board has designated as Compensation Committee to exercise its powers, including the powers, conferred by this resolution), to create, issue, offer, grant and allot from time to time, in one or more tranches, up to 20,00,000 (Twenty lakh) Stock Options convertible into 20,00,000 (Twenty lakh) equity shares of face value of Re. 1 /- (Rupee One only) each fully paid up, ranking *pari passu* with the existing equity shares of the Company for all purposes and in all respects, including payment of dividend, to or for the benefit of the employees, exclusively working in India or outside India, who are in the employment of the Subsidiary Company(ies) (present and future, if any) of the Company, including any Director, whether Whole-Time or otherwise (other than the employee who is Promoter or person belonging to the Promoter Group, Independent Directors of the Subsidiary Company (ies) and Directors holding directly or indirectly more than 10% of the outstanding equity shares of the Company), on such terms and conditions as the Board may decide under the Scheme in accordance with the SBEB Regulations and other applicable laws.

**RESOLVED FURTHER THAT** the maximum number of Stock Options to be granted to eligible employees of both the Company and its Subsidiary Company(ies) under the Scheme shall not cumulatively exceed 20,00,000 (Twenty lakh ) Stock Options convertible into 20,00,000 (Twenty lakh) equity shares of face value of Re. 1 /- (Rupee One only) each fully paid up, ranking *pari passu* with the existing equity shares of the Company for all purposes and in all respects, including payment of dividend.

**RESOLVED FURTHER THAT** in case of any corporate action(s) such as rights issue, bonus issue, merger, demerger, sale of division, expansion of capital, change in capital structure and others, if any including preferential allotment of shares or qualified institutions placement, additional Stock Options of the Company are to be issued to the Employees for the purpose of making a fair and reasonable adjustment to the Stock Options issued to them, the above ceiling in terms of number of equity shares shall be deemed to be increased in proportion to the additional equity shares issued in the aforesaid corporate action(s).

**RESOLVED FURTHER THAT** in case the equity shares of the Company are either consolidated or sub-divided , then the number of equity shares to be issued by the Company and the price of acquisition payable by the Stock Option grantees under the Scheme shall automatically stand increased or reduced, as the case may be, in the same proportion as the present face value of Re. 1 /- (Rupee One only) per equity share shall bear to the revised face value of the equity shares of the Company after such consolidation or sub-division, without affecting any other rights or obligations of the said grantees and the ceiling in terms of number of shares specified above shall be deemed to be adjusted accordingly.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to take necessary steps for listing of the equity shares allotted, in accordance with the HUL PSP 2024 on the Stock Exchanges where the equity shares of the Company are listed as per the provisions of the SEBI Listing Regulations, the SBEB Regulations and other applicable laws and regulations.

**RESOLVED FURTHER THAT** the Company shall conform to the accounting policies prescribed from time to time under the SBEB Regulations and any other applicable laws and regulations to the extent relevant and applicable to the HUL PSP 2024.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to devise, formulate, modify, change, vary, alter, amend, suspend or terminate HUL PSP 2024, subject to compliance with the applicable laws and regulations, in case of any change in applicable laws or as specified by any statutory authority without being required to seek any further consent or approval of the Members of the Company and to do all such acts, deeds, matters and things as it may in its absolute discretion deem fit, for such purpose and being incidental for effective implementation and administration of the Scheme and also to settle any issues, questions, difficulties or doubts that may arise in this regard and further to delegate any executive / officers powers to execute all such documents, writings and to give such directions and/or instructions as may be necessary or expedient to give effect to HUL PSP 2024 and to do all other things incidental to and ancillary thereof."

## NOTES :

1. The Explanatory Statements and reasons for the proposed Special Resolutions pursuant to Section 102 read with Section 110 of the Act setting out material facts are appended herein below.
2. In compliance with the MCA Circulars, the Notice is being sent by electronic mode only to those Members whose names appear in the Register of Members / List of Beneficial Owners maintained by the Company and as received from National Securities and Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) (Depositories) as on Tuesday, 30th January, 2024 and whose e-mail IDs are registered with the Company / Depository Participants. For Members who have not registered their e-mail IDs, please follow the instructions given under Note No. 9.
3. In accordance with the MCA Circulars, physical copies of the Notice are not being sent to Members for this Postal Ballot. Members are requested to provide their assent or dissent through e-voting only.
4. The Members, whose names appear in the Register of Members / List of Beneficial Owners as received from Depositories as on Tuesday, 30th January, 2024, being the cut-off date, are entitled to vote on the Resolutions set forth in this Notice. A person who is not a Member as on the cut-off date should treat this Notice of Postal Ballot for information purpose only.
5. In compliance with provisions of Section 108 and Section 110 and other applicable provisions of the Act read with the Companies (Management & Administration) Rules, 2014, the Company is pleased to offer e-voting facility to all the Members of the Company. For this purpose, the Company has availed the service of KFin Technologies Limited, Registrar and Share Transfer Agents (RTA) of the Company for facilitating e-voting to enable the Members to cast their votes electronically.
6. Members may please note that the Postal Ballot Notice will also be available on the Company's website at [www.hul.co.in](http://www.hul.co.in), websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively, and on the website of KFin Technologies Limited at [www.kfintech.com](http://www.kfintech.com).
7. All the material documents referred to in the Explanatory Statement, shall be available for inspection for Members through electronic mode from Monday, 5th February, 2024 to Tuesday, 5th March, 2024, basis the request being sent on [levercare.shareholder@unilever.com](mailto:levercare.shareholder@unilever.com) mentioning their name, Folio no. / Client ID and DP ID, and the documents they wish to inspect, with a self-attested copy of their PAN card attached to the email.
8. The voting rights of Members shall be in proportion to their shares of the paid-up equity share capital of the Company as on Tuesday, 30th January, 2024, being the cut-off date fixed for the purpose.
9. Members holding shares in physical mode and who have not updated their email addresses with the Company are requested to update their email addresses by writing to the Company at [levercare.shareholder@unilever.com](mailto:levercare.shareholder@unilever.com) along with the copy of the signed request letter in Form ISR-1 mentioning the name and address of the Member, self-attested copy of the PAN card, and self-attested copy of any document (eg.: Driving License, Election Identity Card, Passport) in support of the address of the Member. Members holding shares in dematerialised mode are requested to register / update their email addresses with the relevant Depository Participants. In case of any queries / difficulties in registering the e-mail address, Members may write to [levercare.shareholder@unilever.com](mailto:levercare.shareholder@unilever.com).
10. The Scrutinizer will submit his report to the Chairman or a Director authorized by him after completion of the scrutiny and the results of the e-voting by Postal Ballot will be announced on Wednesday, 6th March, 2024 at the Registered Office of the Company at Unilever House, B. D. Sawant Marg, Chakala, Andheri East, Mumbai – 400 099. The Resolution, if passed by requisite majority shall be deemed to have been passed on Tuesday, 5th March, 2024 being the last date specified by the Company for e-voting.
11. The declared results along with the Report of the Scrutinizer shall be forwarded to the BSE Limited and National Stock Exchange of India Limited and shall be uploaded on the website of the Company i.e., [www.hul.co.in](http://www.hul.co.in) and website of KFin Technologies Limited at <https://evoting.kfintech.com/>.
12. The instructions for Shareholders for e-voting are as under:
  - a. Pursuant to SEBI Master Circular No. SEBI/HO/CFD/PoD2/CIR/P/2023/120 dated 11th July, 2023, e-voting process has been enabled for all the individual demat account holders, by way of single login credential, through their demat accounts/ websites of Depositories/ DPs in order to increase

the efficiency of the voting process. Individual demat account holders would be able to cast their vote without having to register again with the e-voting service provider (ESP) thereby not only facilitating seamless authentication but also ease and convenience of participating in e-voting process.

- b. Members are advised to update their mobile number and e-mail ID with their DPs in order to access e-voting facility.
- c. **Method of login for Individual shareholders holding the securities in demat mode:**

Shareholders	Login Method
Shareholders holding securities in demat mode with NSDL	<b>A. Users registered for NSDL IDeAS facility:</b> <ol style="list-style-type: none"> <li>1. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com/">https://eservices.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “<b>Beneficial Owner</b>” icon under “Login” which is available under “<b>IDeAS</b>” section.</li> <li>2. A new screen will open. Enter your User ID and Password. After successful authentication, you will be able to see e-voting services. Click on “Access to e-voting” under e-voting services and you will be able to see e-voting page.</li> <li>3. Click on options available against Company name or e-voting service provider and you will be re-directed to e-voting website for casting your vote during the remote e-voting period.</li> </ol>
	<b>B. Users not registered for IDeAS e-Services:</b> Option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> . Select “Register Online for IDeAS” Portal or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a>
	<b>C. Visit the e-voting website of NSDL</b> <ol style="list-style-type: none"> <li>1. After successfully registering on IDeAS, visit the e-voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-voting system is launched, click on the icon “Login” which is available under ‘Shareholder/ Member’ section.</li> <li>2. A new screen will open. Enter your User ID (i. e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-voting page.</li> <li>3. Click on options available against Company name or e-voting service provider and you will be redirected to e-voting service provider website for casting your vote during the remote e-Voting period.</li> </ol>
Shareholders holding securities in demat mode with CDSL	<b>A. Users who have opted for Easi/Easiest:</b> <ol style="list-style-type: none"> <li>1. Shareholders can login through their user ID and password. Option will be made available to reach e-voting page without any further authentication. The URL for users to login to Easi/Easiest is <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi.</li> <li>2. After successful login of Easi/Easiest the user will be also able to see the e-voting Menu. The Menu will have links of e-voting service provider i.e. KFin Technologies Limited. Click on KFin Technologies Limited to cast your vote</li> </ol>
	<b>B. Users who have not opted for Easi/Easiest:</b> Option to register for Easi/Easiest is available at CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> . Click on login & New System Myeasi Tab and then click on registration option.

Shareholders	Login Method
	<b>C. Visit the e-voting website of CDSL</b> <ol style="list-style-type: none"> <li>Alternatively, the user can directly access e-voting page by providing demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; e-mail as recorded in the demat Account.</li> <li>After successful authentication, user will be provided links for the respective ESP where the e-voting is in progress.</li> </ol>
Shareholders (holding securities in demat mode) login through their depository participants	<ol style="list-style-type: none"> <li>Shareholders can also login using the login credentials of their demat account through their Depository Participant registered with NSDL/ CDSL for e-voting facility. After logging, you will be able to see e-voting option.</li> <li>Once you click on e-voting option, you will be redirected to NSDL/ CDSL Depository site after successful authentication, wherein you can see e-voting feature.</li> <li>Click on options available against Company name or e-voting service provider- KFin Technologies Limited and you will be redirected to e-voting website of KFin Technologies Limited for casting your vote during the e-voting period.</li> </ol>

**Important Note:** Members who are unable to retrieve User ID/Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

**For Technical Assistance:**

Members facing any technical issue in login can contact the respective helpdesk by sending a request on the email ID's or contact on the phone nos. provided below:

NSDL	CDSL
<b>Email:</b> <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> <b>Toll free no.:</b> 1800 1020 990 / 1800 22 44 30	<b>Email :</b> <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> <b>Phone No.:</b> 1800 22 55 33

**d. Information and Instructions for e-voting by Members other than individuals holding shares of the Company in demat mode and all Members holding shares of the Company in physical mode:**

- Launch internet browser and type the URL : <https://evoting.kfintech.com>.
- Enter the login credentials i.e. User ID and password mentioned in your email. Your Folio No./ DP ID Client ID will be your User ID. However, if you are already registered with KFin Technologies Limited for e-voting, you can use your existing User ID and password for casting your votes.
- After entering the details appropriately, click on LOGIN.
- You will reach the password change menu wherein you are required to mandatorily change your password. The new password shall comprise minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@, #, \$, etc.). It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- You need to login again with the new credentials.
- On successful login, the system will prompt you to select the EVENT i.e. 'EVEN 7836'.
- On the voting page, the number of shares (which represents the number of votes) held by you as on the cut-off date will appear. If you desire to cast all the votes assenting/ dissenting to the resolution, enter all shares and click 'FOR' / 'AGAINST' as the case may be or partially in 'FOR' and partially in 'AGAINST', but the total number in 'FOR' and/or 'AGAINST' taken together should not exceed your total shareholding as on the cut-off date. You may also choose the option 'ABSTAIN' and the shares held will not be counted under either head.



- viii. Members holding multiple folios/demat accounts shall choose the voting process separately for each folio/demat account.
- ix. Cast your votes by selecting an appropriate option and click on 'SUBMIT'. A confirmation box will be displayed. Click 'OK' to confirm, else 'CANCEL' to modify. Once you confirm, you will not be allowed to modify your vote subsequently. During the voting period, you can login multiple times till you have confirmed that you have voted on the resolution.
- x. Corporate/Institutional Members (i.e. other than individuals, HUF, NRI, etc.) are required to send scanned image (PDF/JPG format) of certified true copy of relevant board resolution/ authority letter etc. together with attested specimen signature of the duly authorised signatory (ies) who is/are authorised to vote, to the Scrutinizer through e-mail at [scrutinizer@snaco.net](mailto:scrutinizer@snaco.net) and may also upload the same in the e-voting module in their login. The scanned image of the above documents should be in the naming format 'CLIENT EVENT No.'
- xi. In case of any queries/grievances, you may refer the Frequently Asked Questions (FAQs) for Members and e-voting user manual available at the 'download' section of <https://evoting.kfintech.com> or call KFin Technologies Limited on 1800 309 4001 (toll free).
- xii. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

**Registered Office:**

Unilever House,  
B. D. Sawant Marg,  
Chakala, Andheri (East),  
Mumbai – 400 099

Mumbai  
19th January, 2024

**By Order of the Board**

**Dev Bajpai**

Executive Director, Legal & Corporate Affairs and  
Company Secretary  
FCS No.: 3354 / DIN: 00050516



## EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 (the Act)

### **ITEM NO. 1 & 2**

The Company believes that Equity based compensation schemes are an effective tool to reward the talent working with the Company and its Subsidiary Company(ies) (present and future, if any). It provides an opportunity to employees to share the growth of the Company and to create long-term wealth in the hands of the employees. With a view to motivate employees seeking their contribution to the corporate growth, to create an employee ownership culture, to attract new talents and to retain them for ensuring sustained growth, to reward for loyalty, to link interests of employees with shareholders, the Company intends to implement Stock Option Scheme namely 'Hindustan Unilever Limited Performance Share Plan Scheme 2024' (HUL PSP 2024 or Scheme) for the employees of the Company and its Subsidiary Company(ies) (present and future, if any).

Based on the recommendation of the Nomination and Remuneration Committee (Committee), the Board of Directors of the Company at their meeting held on Friday, 19th January, 2024, had approved the HUL PSP 2024, subject to the approval of Members, for the benefit of the employees, exclusively working in India or outside India, who are in the employment of the Company and its Subsidiary Company(ies) (present and future, if any) including any Director, whether Whole-Time or otherwise (other than the employee who is Promoter or person belonging to the Promoter Group, Independent Directors of the Company, Non-Executive Chairman of the Company and Directors holding directly or indirectly more than 10% of the outstanding equity shares of the Company), under the Scheme in accordance with the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (SBEB Regulations) and other applicable laws.

Under HUL PSP 2024, the eligible employees shall be granted Stock Options which will be exercisable into equity shares of Re. 1/- (Rupee One only) each of the Company. HUL PSP 2024 shall be implemented by the Nomination and Remuneration Committee of the Board which will also act as Compensation Committee (Committee) as per the provisions of SBEB Regulations.

Disclosure/main features of HUL PSP 2024 pursuant to the SBEB Regulations are as under:

#### **a) Brief description of the Scheme**

The Scheme shall be called as Hindustan Unilever Limited Performance Share Plan Scheme 2024. The Scheme contemplates grant of Stock Options to the employees of the Company and its Subsidiary Company(ies) (present and future, if any).

After vesting of Stock Options, the employees earn a right, but not an obligation, to exercise the vested Stock Options within the exercise period and obtain equity shares of the Company which shall be issued by the Company subject to payment of exercise price and satisfaction of any tax obligation arising thereon and other terms and condition of the Scheme.

The objectives of the Scheme are:

- To provide means to enable the Company to attract and retain appropriate human talent;
- To motivate the employees with incentives and reward opportunities;
- To achieve sustained growth of the Company and the creation of shareholder value by aligning the interests of the employees which will lead to long-term wealth creation; and
- To create a sense of ownership and participation amongst the employees or otherwise increase their proprietary interest.

#### **b) Total number of Stock Options to be offered and granted**

The total number of Stock Options to be granted under the Scheme shall not exceed 20,00,000 (Twenty Lakh). Each Stock Option when exercised would be converted into one equity share of Re. 1/- (Rupee One only) each fully paid-up and shall be issued by the Company to the employee.

In case of any corporate action(s) such as rights issue, bonus issue, merger, demerger, sale of division, expansion of capital, change in capital structure and others, if any including preferential allotment of shares or qualified institutions placement, additional Stock Options of the Company are to be issued to the Employees for the purpose of making a fair and reasonable adjustment to the Stock Options issued to them, the above ceiling in terms of number of equity shares shall be deemed to be increased in proportion to the additional equity shares issued in the aforesaid corporate action(s).

In case the equity shares of the Company are either consolidated or sub-divided, then the number of Equity shares to be issued by the Company and the price of acquisition payable by the Stock Option grantees under the Scheme shall automatically stand augmented or reduced, as the case may be, in the same proportion as the present face value of Re. 1/- (Rupee One only) per equity share shall bear to the

revised face value of the equity shares of the Company after such consolidation or sub-division, without affecting any other rights or obligations of the said grantees and the ceiling in terms of number of shares specified above shall be deemed to be adjusted accordingly.

**c) Identification of classes of Employees entitled to participate in the Scheme**

Following classes of employees are entitled to participate in the Scheme:

- (i) an employee as designated by the Company, who is exclusively working in India or outside India; or
- (ii) a Director of the Company, whether a Whole-Time director or not, including a Non-Executive Director who is not a Promoter or member of the Promoter Group or Non-Executive Chairman of the Company, but excluding an Independent Director; or
- (iii) an employee as defined in sub-clauses (i) or (ii), of a Subsidiary Company (ies) (present and future), in India or outside India, of the Company,  
but shall not include -
  - a) an employee who is a promoter or a person belonging to the promoter group; or
  - b) a director who, either himself or through his relative or through any Body Corporate, directly or indirectly, holds more than 10% of the outstanding equity shares of the Company.

The Employees to whom the Stock Options would be granted and their eligibility criteria (including but not limited to performance, merit, grade, conduct and length of service of the Employee) would be determined by the Committee, in its absolute discretion from time to time.

**d) Requirements of vesting and period of vesting**

The Stock Options granted to any Employee shall vest within the Vesting Period in the manner as set forth in the Grant letter subject to maximum period of 3 years from the date of grant. There shall be a minimum period of one year between the Grant of Stock Options and Vesting of Stock Options. Subject to the terms of the Scheme, the Vesting of Stock Options shall be time based (period of service) and / or Performance based (market capitalization, revenue, EBITDA, Return on capital employed, underlying sales growth, free-cash flow, underlying operating profit, market share and such other parameters as may be determined by the Committee) as mentioned in the Grant Letter.

**e) Maximum period (subject to Regulation 18(1) of SBEB Regulations) within which the Stock Options shall be vested**

All the Stock Options granted on any date shall vest not later than 3 years from the date of grant of Stock Options.

**f) Exercise price**

The exercise price for the purpose of grant of Stock Options shall be the face value of equity shares or such higher value as may be determined by the Committee.

**g) Exercise period and the process of exercise**

The exercise period would commence from the date of vesting and will expire on completion of maximum exercise period of 3 years from the date of respective vesting or such lesser period as may be decided by the Committee at its sole discretion from time to time and mentioned in the Grant Letter of the Grantee. The Stock Options will be exercised by the Employees by submitting an Exercise Letter as prescribed by the Committee.

The Stock Options will lapse if not exercised within the specified exercise period.

**h) The appraisal process for determining the eligibility of the Employees for the Scheme**

The Scheme shall apply to all the Employees engaged in such Grades and Levels as may be decided at the discretion of the Committee from time to time. The Employees to whom the Stock Options would be granted and their eligibility criteria (including but not limited to future-fit potential, individual performance, merit, grade, conduct and length of service of the Employee, performance of business of the Company and its Group Companies) would be determined by the Committee, in its absolute discretion from time to time.

**i) Maximum number of Stock Options to be issued per Employee and in aggregate under the Scheme**

The maximum number of Stock Options granted per Employee will be determined by the Committee on a case to case basis and the aggregate number of Stock Options that may be granted to an identified Employee under the Scheme shall be less than 1% of the issued capital of the Company in any one year

at the time of Grant, unless a separate specific approval from shareholders of the Company through Special Resolution is obtained for granting Stock Options that are 1% or more of the issued capital of the Company.

The maximum number of Stock Options, in aggregate, that may be granted pursuant to this Scheme shall not exceed 20,00,000 (Twenty lakh). Each Stock Option when exercised would be converted into one equity share of Re. 1/- (Rupee One only) each fully paid-up and shall be issued by the Company to the employee.

**j) Maximum quantum of benefits to be provided per Employee under the Scheme**

The maximum quantum of benefits underlying the Stock Options granted to an Employee can be construed to be an amount equal to the appreciation in the value of the Company's equity shares determined as on the date of exercise of Stock Options, on the basis of difference between the Stock Options Exercise Price and the Market Price of the equity shares on the exercise date.

**k) Whether the Scheme is to be implemented and administered directly by the Company or through a trust**

The Scheme is proposed to be implemented directly by the Company through the Board / Committee.

**l) Whether the Scheme involves new issue of shares by the Company or secondary acquisition or both**

The Scheme contemplates only new / fresh / primary issue of equity shares by the Company.

**m) Amount of loan to be provided for implementation of the Scheme(s) by the Company to the Trust, its tenure, utilization, repayment terms, etc.**

Not applicable as the Scheme is not implemented through Trust.

**n) Maximum percentage of secondary acquisition that can be made by the Trust for the purpose of the Scheme**

Not Applicable as the Scheme is not implemented through Trust.

**o) A statement to the effect that the Company shall conform to the accounting policies specified in Regulation 15 of SBEB Regulations**

The Company shall comply with the disclosure and accounting policies prescribed in Regulation 15 of SBEB Regulations and any other authorities as applicable, from time to time.

**p) Method of valuation of Stock Options by the Company**

The Company shall use the Fair Value Method for valuation of the Options as prescribed under the Accounting Standards, as applicable and notified by appropriate authorities from time to time.

**q) Declaration**

*'In case, the Company opts for expensing of share-based employee benefits using the intrinsic value, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the Stock Options shall be disclosed in the Directors' Report and the impact of this difference on profits and on Earning Per Share (EPS) of the Company shall also be disclosed in the Directors' Report.'*

The said statement is not applicable to the Company since the Company is opting for the Fair Value Method.

**r) Period of lock-in**

The Equity Shares allotted upon exercise of Stock Options under the Scheme are not subject to any lock in period.

**s) Terms & conditions for buyback, if any, of specified securities covered under SBEB Regulations**

The Board in accordance with Applicable Laws shall lay down the procedure for buy-back of specified securities issued under this Scheme, to be undertaken by the Company at any time under the SEBI (Buyback of Securities) Regulations, 2018, which shall also include:

- (i) permissible sources of financing for buy-back;
- (ii) any minimum financial thresholds to be maintained by the company as per its last financial statements; and
- (iii) limits upon quantum of specified securities that the Company may buy-back in a financial year.

Pursuant to the provisions of Sections 62(1)(b) of the Companies Act, 2013 and Regulation 6 of the SBEB Regulations, the implementation of the Scheme and the grant of Stock Options to Employees of the Company and its Subsidiary Company(ies), approval of the Members by Special Resolutions which are proposed at Item Nos.1 and 2 of this Notice respectively.

None of the Directors, Key Managerial Personnel of the Company and their relatives are, concerned or interested, financially or otherwise, in these resolutions, except to the extent of their respective shareholding, if any, in the Company and number of Stock Options which may be granted to them, if any, pursuant to implementation of the Scheme.

The Board recommends the Special Resolutions set out in Item Nos. 1 and 2 of this Notice for approval of the Members.

**Registered Office:**

Unilever House,  
B. D. Sawant Marg,  
Chakala, Andheri (East),  
Mumbai – 400 099

Mumbai  
19th January, 2024

**By Order of the Board**

**Dev Bajpai**  
Executive Director, Legal & Corporate  
Affairs and Company Secretary  
FCS No.: 3354 / DIN: 00050516



## **Addendum to Explanatory Statement - Frequently Asked Questions**

### **1. Whether the new HUL PSP 2024 will lead to higher compensation for employees?**

The new Scheme does not lead to increase in remuneration of any employee of Hindustan Unilever Limited and its subsidiaries including its Executive Directors.

Currently the employees of the Company are eligible for Unilever PLC (parent company) share awards namely the Unilever Performance Share Plan (UL PSP). Under UL PSP eligible employees receive annual awards of parent company shares. Quantum of shares granted are linked to defined service and performance conditions which include individual contribution, future potential and business performance.

The proposed Hindustan Unilever Limited Performance Share Plan Scheme 2024 (HUL PSP) partly substitutes compensation of eligible employees under the UL PSP Scheme, which is presently fully denominated in 100% Unilever PLC Shares, to a new ratio of 62% in Unilever PLC Shares and 38% in HUL shares. This shift reflects the share holding pattern of Unilever in HUL.

### **2. Are Executive Directors of HUL and members of HUL Management Committee (Senior Management) eligible for HUL shares under the new Scheme?**

Yes, eligible Members of HUL Management Committee, will receive 38% of their Performance Share Grant as HUL Shares, instead of the present structure where the entire Performance share grant is denominated in Unilever PLC Shares.

### **3. What are the conditions of grants and vesting for HUL shares?**

The grant and vesting conditions would be a combination of one or more of the below factors as determined and approved by the Nomination and Remuneration Committee (NRC) taking into consideration the operating environment:

- Eligible employees would receive shares, the quantum of which is determined basis Business performance, Individual's performance and future-fit potential.
- The Business performance criteria presently includes factors such as Underlying sales growth, Free-Cash flow, Operating Profit, Competitiveness and Progress on Sustainability Agenda. This is subject to review and approval by NRC annually.
- The shares under the Scheme would vest at the end of 3 years post grant subject to employee being on the rolls of the Company / Subsidiary Company (ies), as the case maybe, and applicable Company policy.

### **4. What is the quantum of shares being allocated under the Scheme?**

The total number of Stock Options to be granted under the Scheme shall not exceed 20,00,000 (Twenty Lakhs). Each Stock Option when exercised would be converted into one equity share of Re. 1/- (Rupee One only) each fully paid-up and shall be issued by the Company to the employee.

The above quantum of shares should be sufficient to meet the needs under the Scheme for the coming 4 to 5 years. HUL currently has ~235 crores equity shares which are paid up and fully subscribed. This one-time issuance of 20,00,000 (Twenty Lakhs) shares would lead to a dilution of 0.08% for all the existing shareholders.

### **5. Impact of corporate actions/capital restructuring on the grants under the Scheme?**

Employee shares will be treated at par with listed equity shares of the Company and would be treated in the same manner as the rest of the equity shares during any future corporate action.