

WINNING DECISIVELY

ANNUAL INVESTOR MEET | 2 JUNE 2017

Sanjiv Mehta, CEO & MD



Hindustan Unilever Limited

SAFE HARBOUR STATEMENT

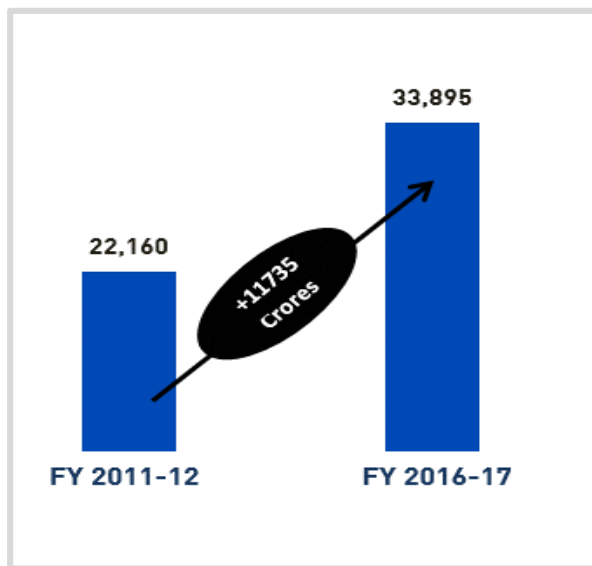


Hindustan Unilever Limited

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.

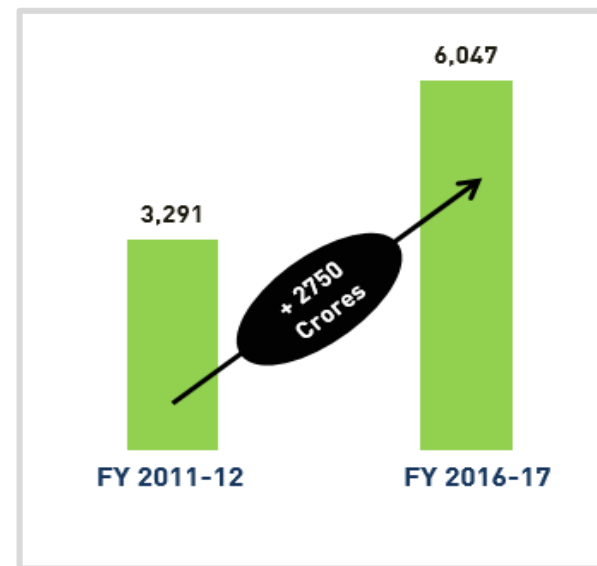
HUL PERFORMANCE - LAST 5 YEARS AT A GLANCE

Net Sales



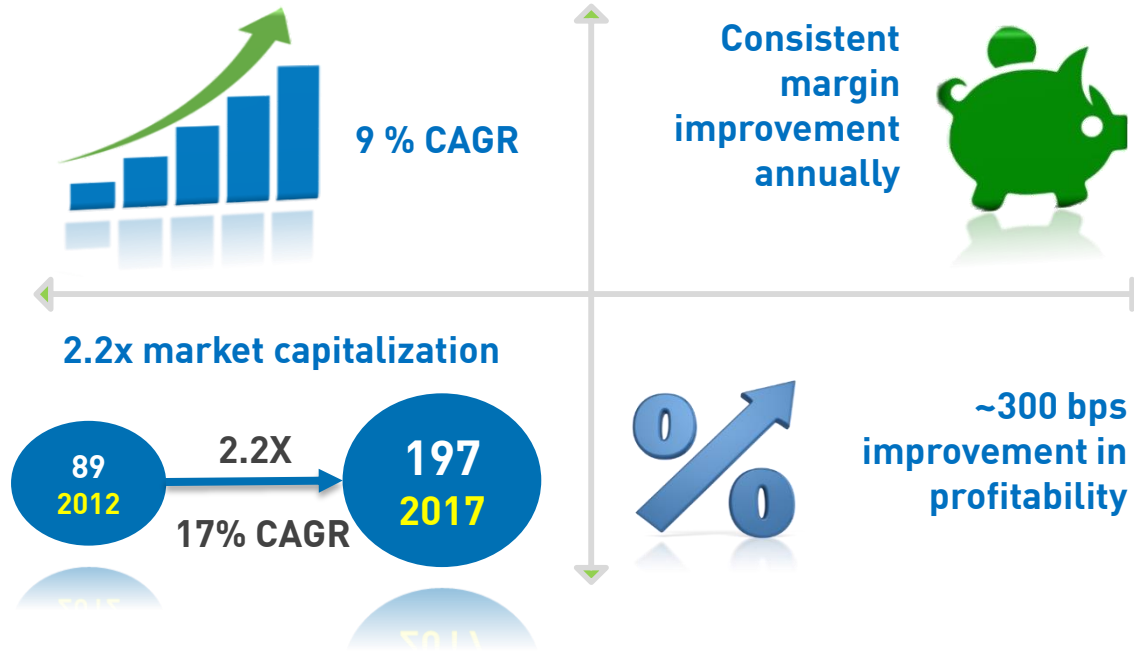
~12,000 Crores added

EBITDA



EBITDA 1.8X

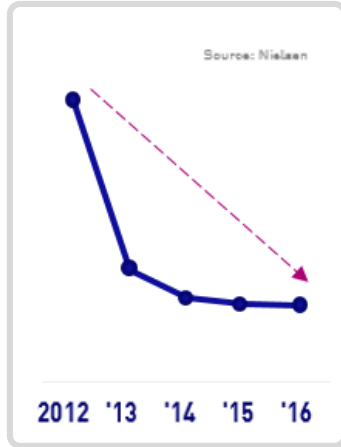
STRATEGY ON TRACK AND DELIVERING IN LAST 5 YEARS



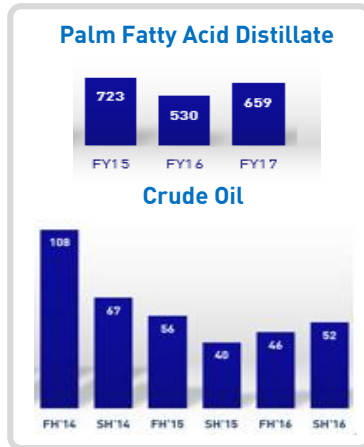
Consistent, Competitive, Responsible, Profitable Growth delivered

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



6th YEAR in a row

#1 Employer



Mid Career recruits &
Women

Dream Employer



8th YEAR in a row

HUL: WINNING DECISIVELY



Hindustan Unilever Limited

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

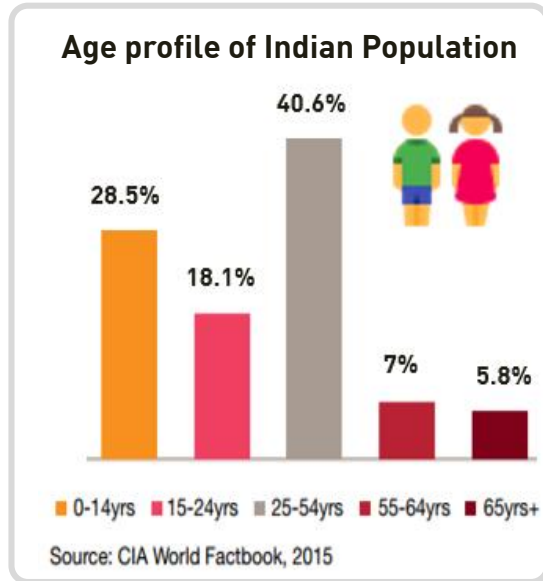


India to surpass Germany as 4th largest economy by 2022, but hard work ahead: **IMF**

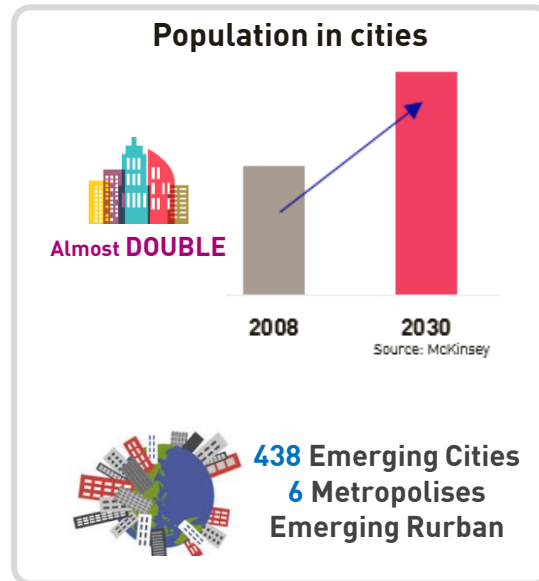
-April 2017

AND POSITIVE ON MID-LONG TERM OUTLOOK FOR FMCG

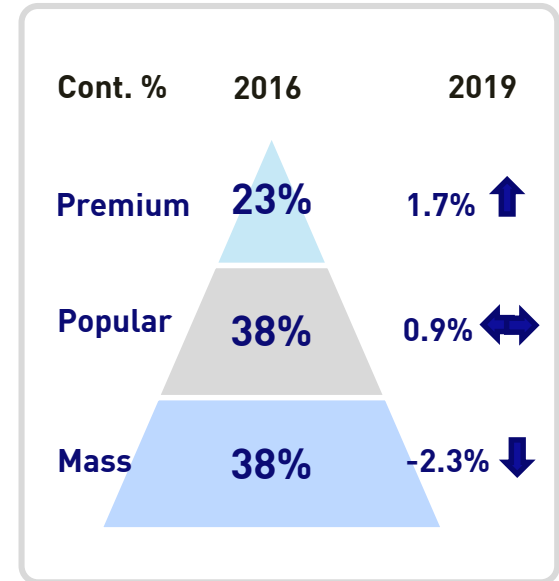
Millennials



Increasing Urbanization

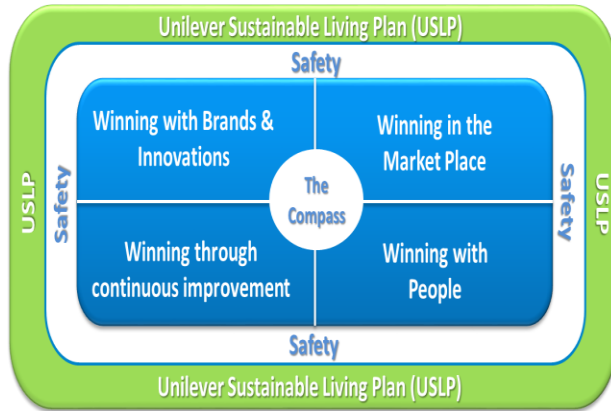


Premiumisation



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...

VISION

We are a successful, growing, sustainable business.

WE THINK YOU'RE HAVING A BETTER EVENING EVERY DAY

We help people that spend their good food and more out of the world, brands and services that are good for them and good for others. We will inspire people to take small everyday actions that can add up to a big difference for the world. We will develop new ways of doing business with the aim of doubling the size of our company while reducing our environmental impact.

VALUES

We focus on customers and partners with a bias for action.

Our first priority is to our consumers, then customers, employees and communities. When we fulfil our responsibilities to them, our shareholders will be rewarded. We will act through a growth mindset and a positive approach to all our stakeholders, based on clear accountability and bias for action.

WHERE WE WILL WIN...

FOCUS

We focus and grow volume in every category and country.

HOW WE WILL WIN...

CHALLENGES

Winning with brands and innovation	1	Deliver superior products.
Winning in the marketplace	2	Maximize market share.
	3	Improve customer experience.
	4	Improve operational efficiency.
Winning through sustainable improvement	5	Improve through sustainable improvement.
	6	Improve through sustainable improvement.
Winning with people	7	Improve through sustainable improvement.
	8	Improve through sustainable improvement.
	9	Improve through sustainable improvement.
	10	Improve through sustainable improvement.



- 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**



Hindustan Unilever Limited

WINNING WITH BRANDS & INNOVATION

KEY THRUSTS



Hindustan Unilever Limited

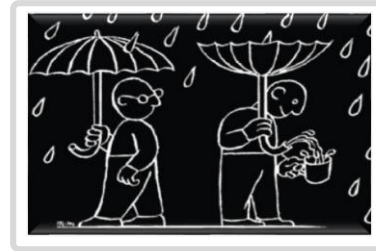
Strengthening the core



Building brands with purpose



Innovating across the portfolio



Market Development



Addressing needs of all consumers



Strengthening Naturals



Magic and craftsmanship



STRENGTHENING THE CORE



Hindustan Unilever Limited



Surf Excel



Lux



Red Label



Kissan



Vim



Dove



BUILDING BRANDS WITH PURPOSE



Hindustan Unilever Limited



Rin and Brooke Bond

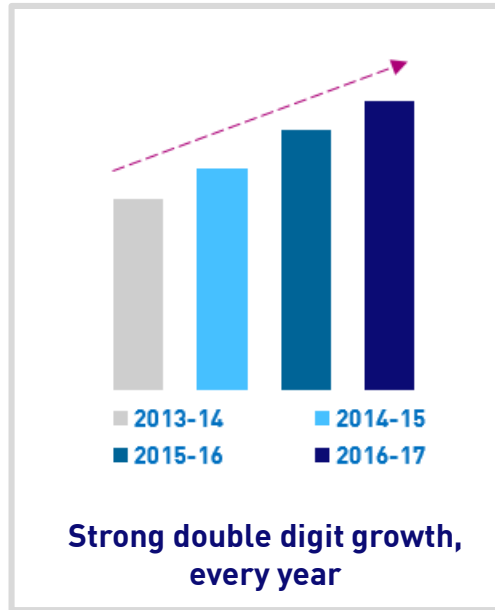
INNOVATING ACROSS THE PORTFOLIO



MARKET DEVELOPMENT

BUILDING CATEGORIES OF THE FUTURE

How these categories have evolved over the years



ADDRESSING NEEDS OF ALL CONSUMERS



Hindustan Unilever Limited

Only 1 in 10 washes uses a HUL Premium laundry powder



Huge scope for premiumization



Democratizing trends across core, while driving premiumization

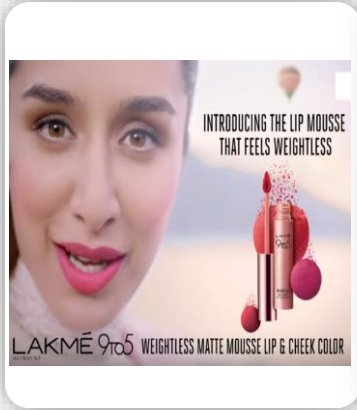
ADDRESSING NEEDS OF ALL CONSUMERS



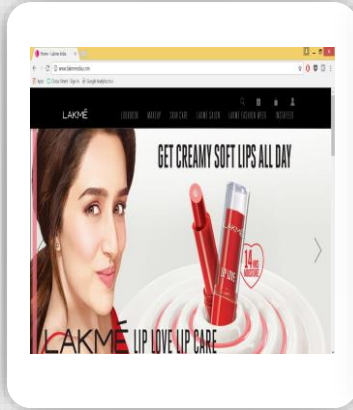
Democratizing trends across core, while driving premiumization

MAGIC & CRAFTSMANSHIP WITH DIFFERENTIATED CONTENT

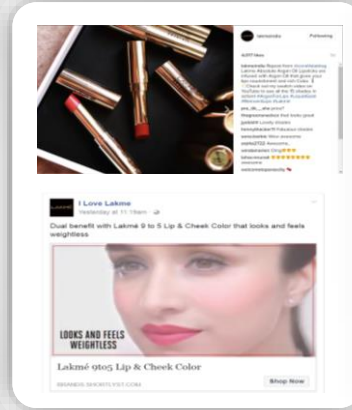
Television



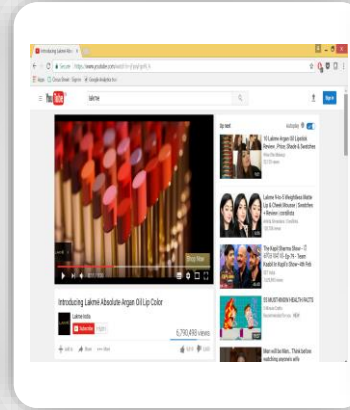
Website



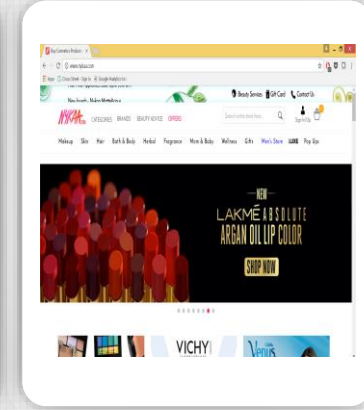
Social Media



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



Hindustan Unilever Limited

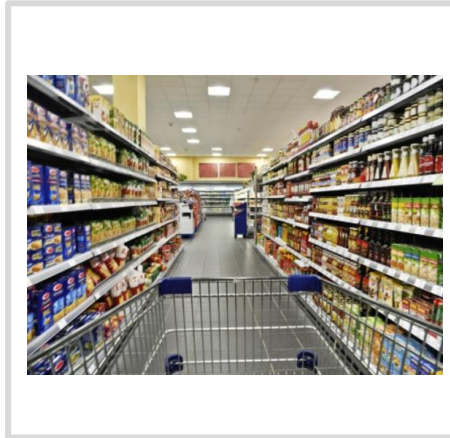
WINNING IN THE MARKET PLACE

KEY THRUSTS

Winning in Many Indias (WiMI)



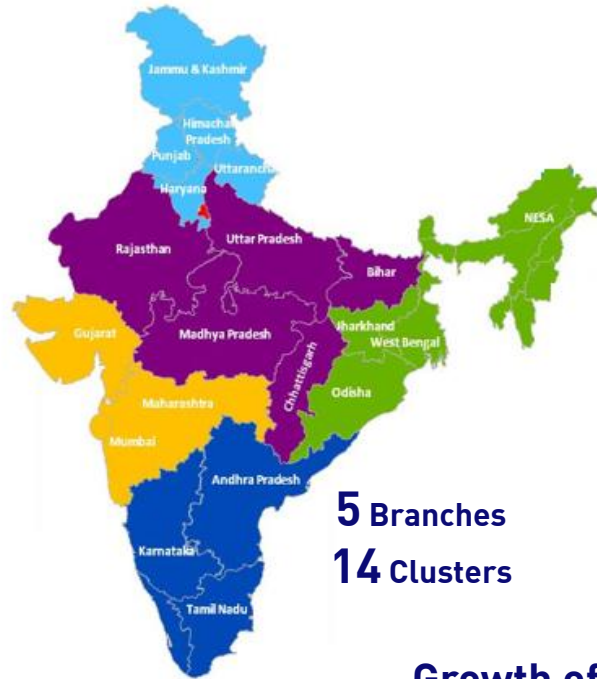
Effective coverage and assortment



Partner of choice across all channels



WINNING IN MANY INDIAS (WIMI) HELPING TURBO CHARGE GROWTH WITH AGILITY



Cluster Specific Mixes – Content, Communication, Schemes



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

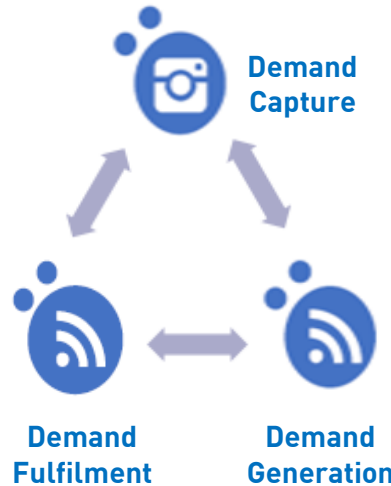


What to sell to the store



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

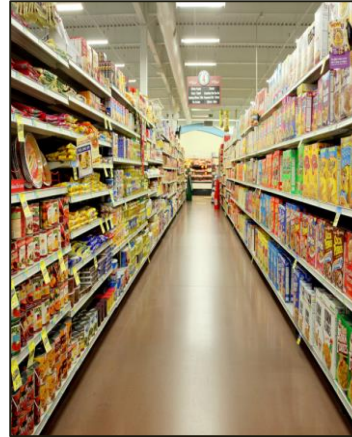


General Trade



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



Hindustan Unilever Limited

WINNING THROUGH CONTINUOUS IMPROVEMENT

KEY THRUSTS

Profitable Growth



4G
ZERO
BASED
BUDGETING

Everyday customer service & quality at the moment of truth

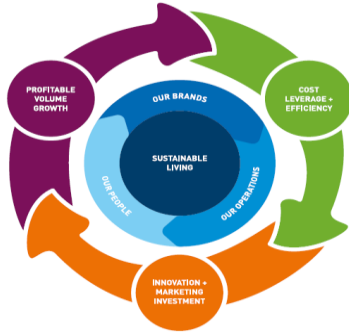


Building back-end capabilities



PROFITABLE GROWTH

A Business Model That Works



Max the Mix



End-to-end cost focus



Symphony



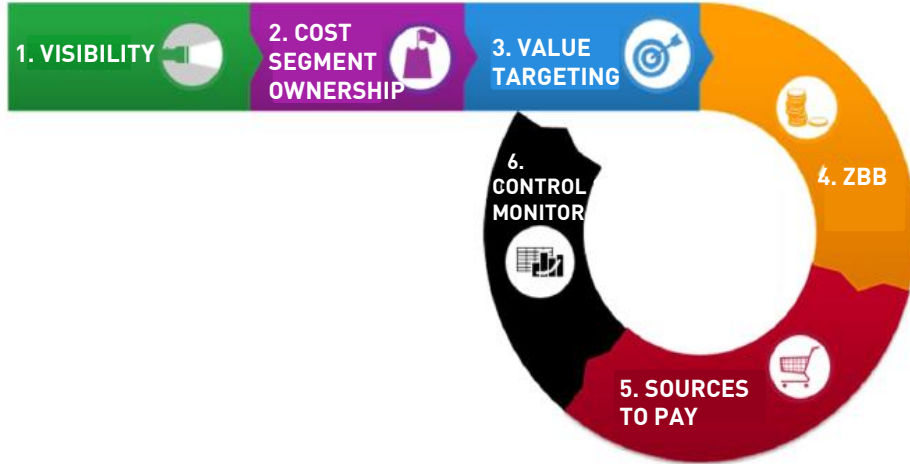
ZBB



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**

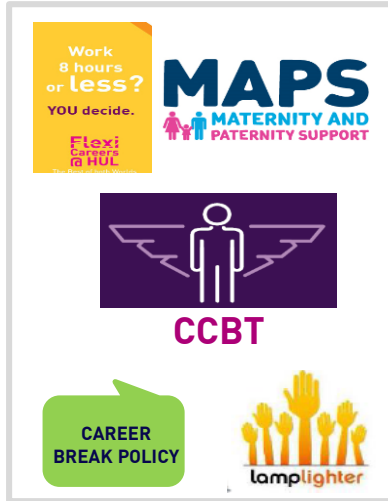


Hindustan Unilever Limited

WINNING WITH PEOPLE

WINNING WITH OUR PEOPLE

Flexible and Agile



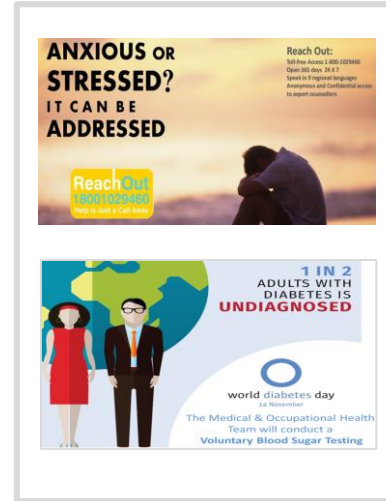
Work 8 hours or less? YOU decide. Flexi Careers @ HUL. MAPS MATERNITY AND PATERNITY SUPPORT. CCBT. CAREER BREAK POLICY. lampLighter

Diversity & Inclusion




36% of Managers are WOMEN. 100% WOMEN EMPLOYEE FACTORY

Employee Wellbeing



ANXIOUS or STRESSED? IT CAN BE ADDRESSED. Reach Out. 1 IN 2 ADULTS WITH DIABETES IS UNDIAGNOSED. world diabetes day

Founders mentality



THE UNILEVER FOUNDRY



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

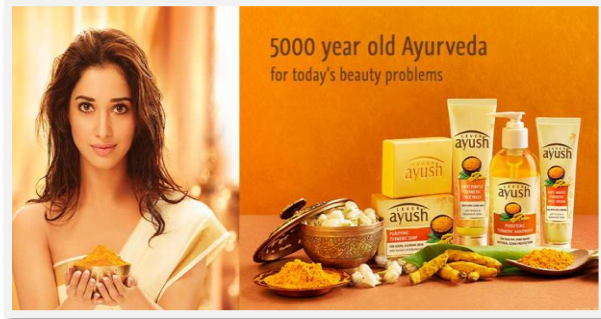


All about experimentation, empowerment and collaboration

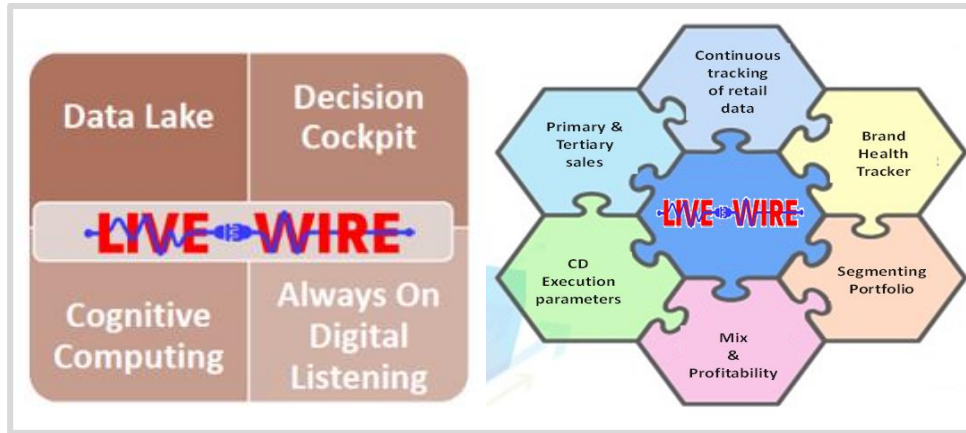
CCBT INNOVATIONS LANDING FASTER



Hindustan Unilever Limited



Advanced Analytics



More Power to Users



Analytics driven insights



Hindustan Unilever Limited

UNILEVER SUSTAINABLE LIVING PLAN

DOING WELL BY DOING GOOD



Hindustan Unilever Limited

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

Fair & Lovely Foundation



Prabhat



680,000*
People benefited 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



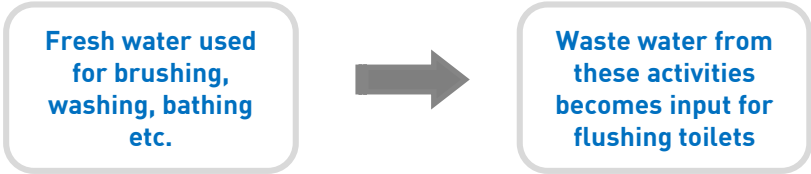
46% Tea (16% in 2011) is sourced from estates certified as sustainable

SUVIDHA CENTRE LAUNCHED

URBAN WATER HYGIENE & SANITATION COMMUNITY CENTRE



Circular economy principle used to reduce water usage

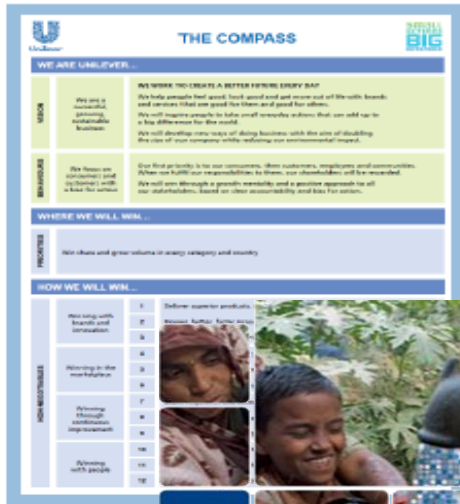


~10 mn litres
of water savings per annum



ADDRESSING THE HYGIENE NEEDS OF LOW INCOME URBAN HOUSEHOLDS

WINNING DECISIVELY



THE COMPASS

WE ARE UNILEVER...

USON
We are a successful, growing, sustainable business.

WE THINK "NO ONE'S A BETTER FINDER EVERY DAY"
We help people that spend, live good and move out of the world, brands and services that are good for them and good for others.
We will require people to take small, everyday actions that can add up to a big difference for the world.
We will develop new ways of doing business with the aim of doubling the size of our company while reducing our environmental impact.

INDIA
We focus on customers and partners with a local focus.

OUR FIRST PRIORITY IS TO OUR CUSTOMERS, THEN CUSTOMERS, EMPLOYEES AND COMMUNITIES.
When we fulfill our responsibilities to them, our shareholders will be rewarded.
We will aim through a growth-oriented and a positive approach to all our stakeholders, based on clear accountability and high performance.

WHERE WE WILL WIN...

INDICATORS
We share and grow volume in every category and country.

HOW WE WILL WIN...

STRATEGICAL	1	Deliver superior products.
Winning with brands and innovation	2	Reduce carbon, water usage.
Winning in the marketplace	3	Improve through continuous improvement.
Winning with people	4	Improve through continuous improvement.
	5	Improve through continuous improvement.



- 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

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

