

Purpose-led, Future-fit

Sanjiv Mehta, Chairman & Managing Director  
Hindustan Unilever Limited

8<sup>th</sup> December, 2020

Sensitivity: Public



*Hindustan Unilever Limited*

# Safe harbor statement

This Release / Communication, except for the historical information, may contain statements, including the words or phrases such as 'expects, anticipates, intends, will, would, undertakes, aims, estimates, contemplates, seeks to, objective, goal, projects, should' and similar expressions or variations of these expressions or negatives of these terms indicating future performance or results, financial or otherwise, which are forward looking statements. These forward looking statements are based on certain expectations, assumptions, anticipated developments and other factors which are not limited to, risk and uncertainties regarding fluctuations in earnings, market growth, intense competition and the pricing environment in the market, consumption level, ability to maintain and manage key customer relationship and supply chain sources and those factors which may affect our ability to implement business strategies successfully, namely changes in regulatory environments, political instability, change in international oil prices and input costs and new or changed priorities of the trade. The Company, therefore, cannot guarantee that the forward looking statements made herein shall be realized. The Company, based on changes as stated above, may alter, amend, modify or make necessary corrective changes in any manner to any such forward looking statement contained herein or make written or oral forward looking statements as may be required from time to time on the basis of subsequent developments and events. The Company does not undertake any obligation to update forward looking statements that may be made from time to time by or on behalf of the Company to reflect the events or circumstances after the date hereof.

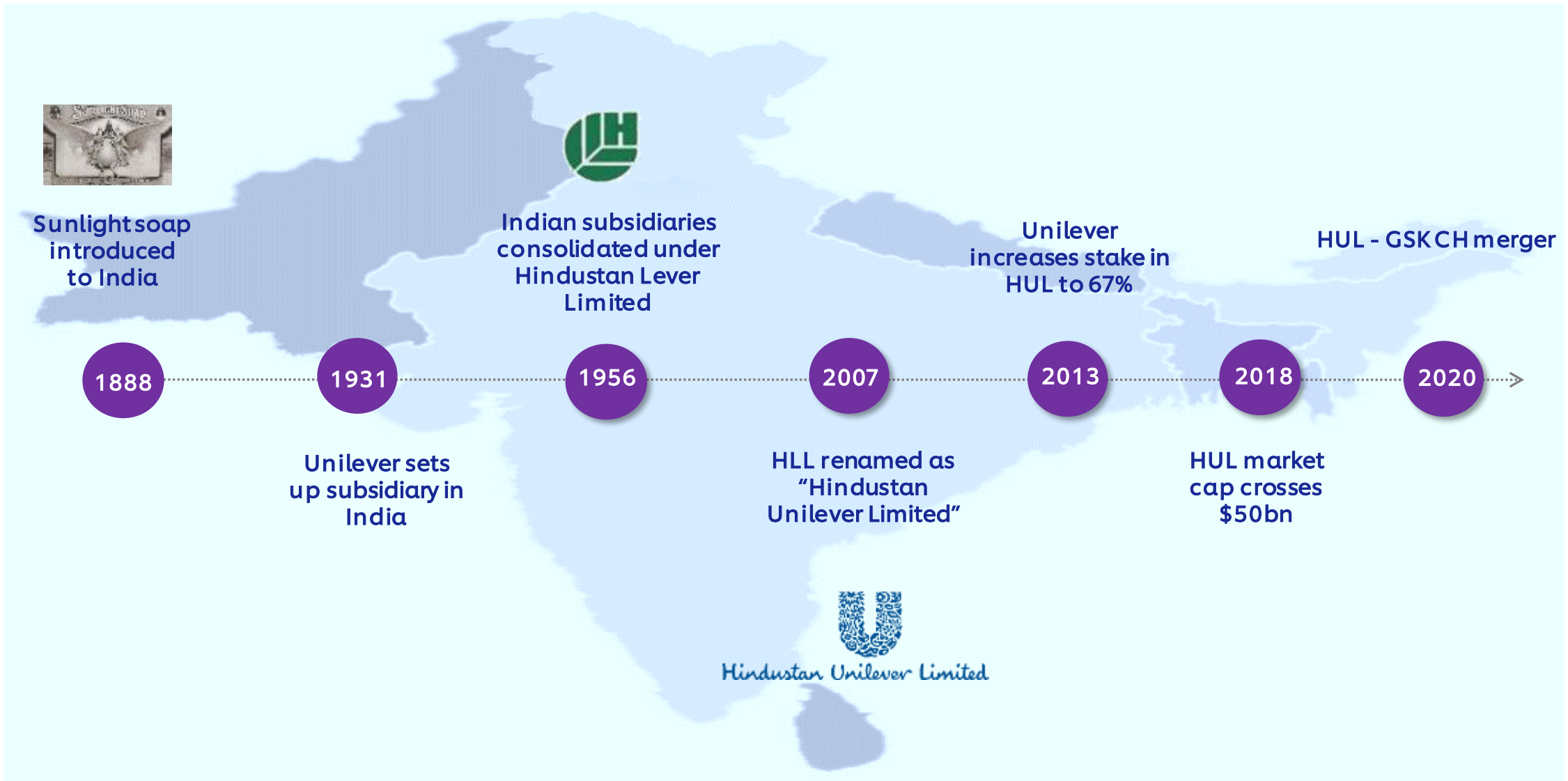


Hindustan Unilever Limited

## INDIA'S LARGEST FMCG COMPANY



# 130+ years of presence in India



# A \$6bn execution powerhouse

## Our footprint



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

Our brands are  
available in  
**8 MN+ STORES**



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

## Recognition



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

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



**BRAND EQUITY**  
**MOST  
TRUSTED  
BRANDS**

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



# With category leadership in >90% of our business



**#1**

Skin  
Cleansing



**#1**

Skin  
Care



**#1**

Hair  
Care



**#1**

Fabric  
Wash



**#1**

Household  
Care



**#1**

Tea



**#1**

Health Food  
Drinks



**#1**

Ketchup



# Our performance over the last decade

## Consistent growth



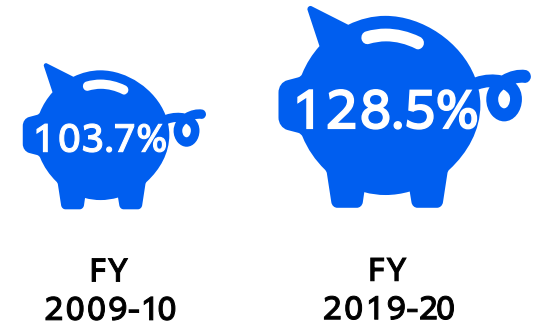
**9% CAGR**  
Sales growth\*

## Profitable growth



**890 BPS**  
EBITDA improvement^

## High capital efficiency

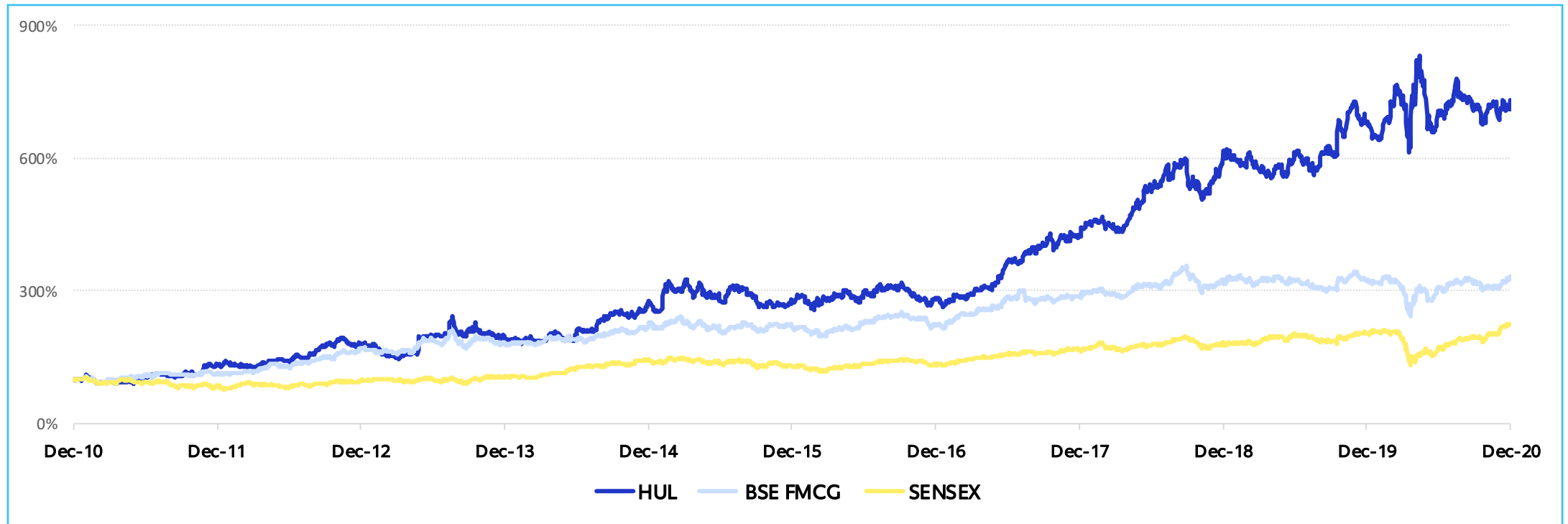


**BEST IN CLASS**  
ROCE sustained

**Consistent track record of high performance**



# Leading value creation



Market capitalisation

\$ 14 bn  
2010\*\*

5X

+ \$56 bn

\$ 70 bn  
Current\*

\*Market capitalization as on 4<sup>th</sup> December 2020 and converted to USD based on reference rate on 4<sup>th</sup> December 2020

\*\*Market capitalization as on 3<sup>rd</sup> December 2010 and converted to USD based on reference rate on 3<sup>rd</sup> December 2010

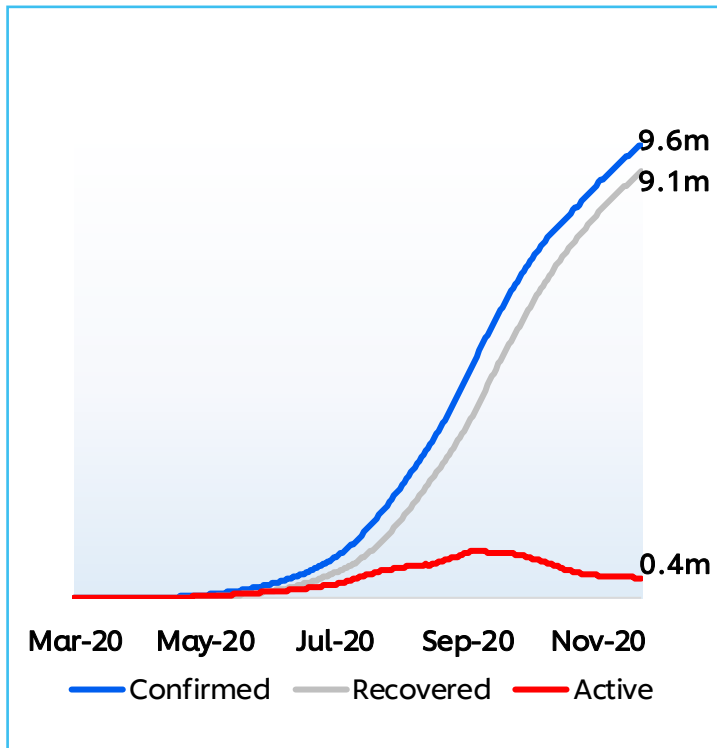


A dramatic scene featuring a lighthouse on a rocky island during a storm at night. The lighthouse, with its black and white striped tower, has a bright light at the top that casts a powerful beam across the dark, stormy sky. The sea is turbulent, with large, white-capped waves crashing against the rocks. The overall atmosphere is dark and intense, with a sense of navigating through uncharted waters.

# 2020: CHARTERING THE UNCHARTERED

# Social and economic toll of the virus

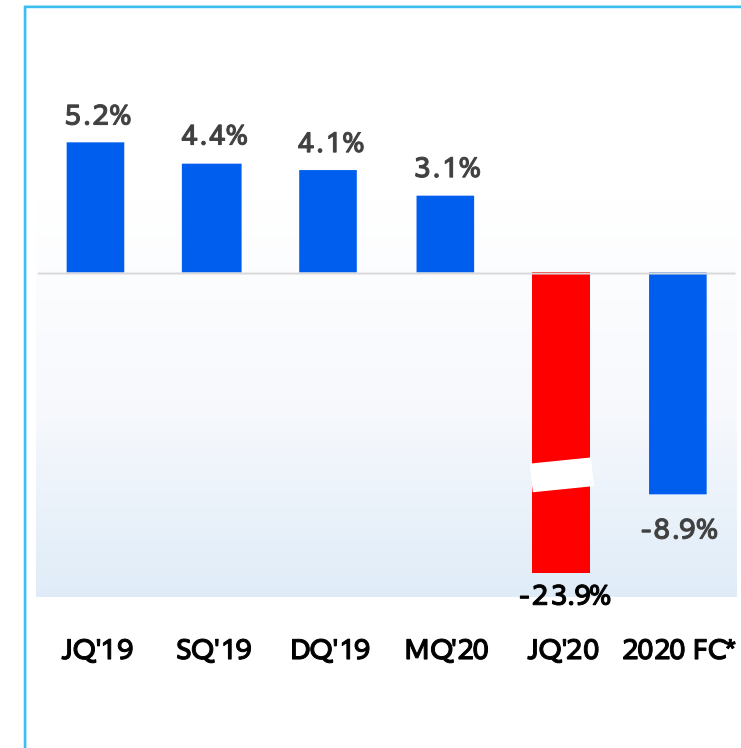
## Rising COVID-19 cases



## Societal crisis

- Loss of livelihood
- Reverse migration
- Stress
- Unknowns: availability | affordability

## Uncertain economic outlook



# Our five priorities in COVID times

Safety of our people



Ensuring continuity of supplies



Keeping our fingers on the pulse of consumers



Helping the communities



Heightened focus on cost & cash



44K

Employees (direct/ indirect)  
covered under COVID  
Insurance

8

Wage settlements

120+

Alternate suppliers

100%

Factories and depots  
operational

Service Levels @

Pre-COVID

~90

Flex formulations

100+

Innovation led SKUs in last 6  
months



Hindustan Unilever Limited



90%

Employee engagement score



Hindustan Unilever Limited

Partnership to deliver Digital  
Solutions

2.7 lakh

outlets onboarded on Shikhar  
B2B app

2X

E-com YOY channel  
contribution

#HULStandsWithTheNation

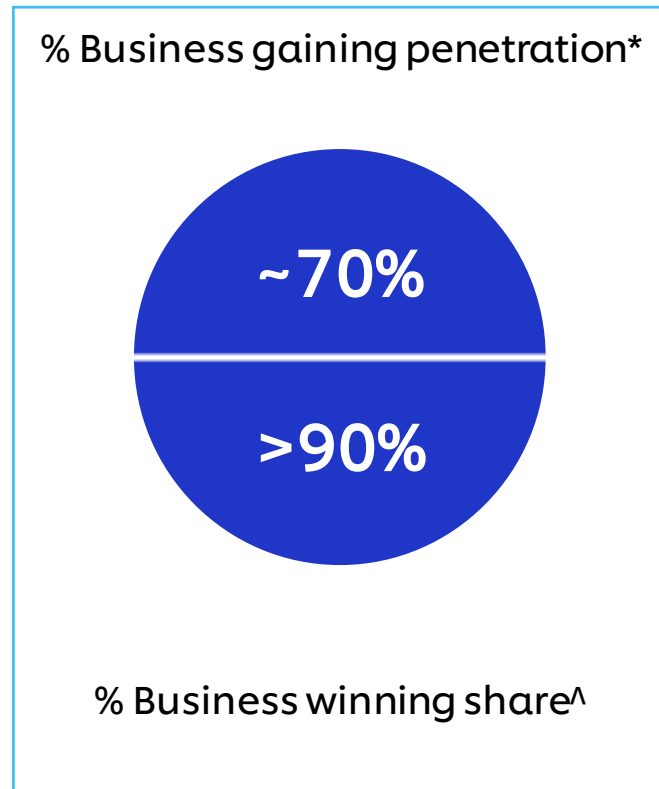
INR 100 cr.

pledged

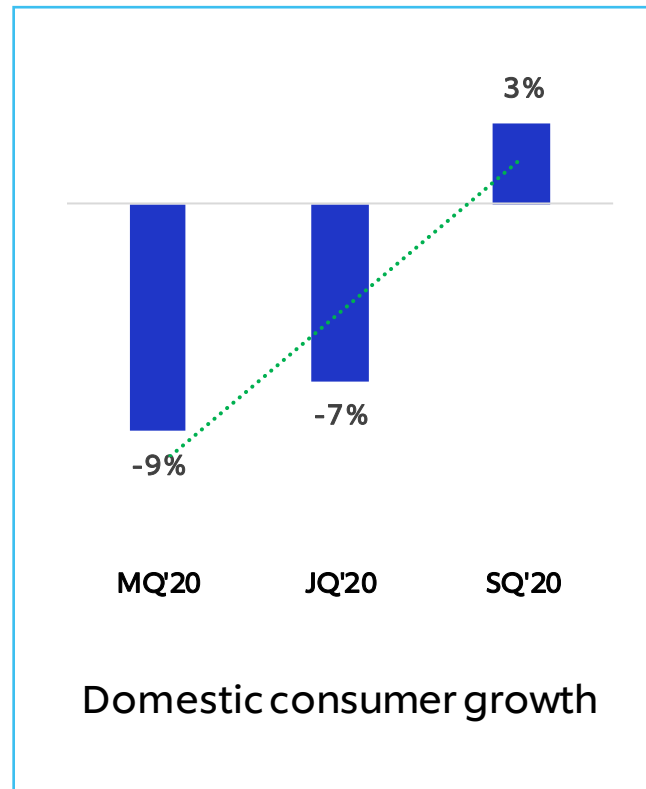
70% already deployed

# 2020: Strong competitive performance

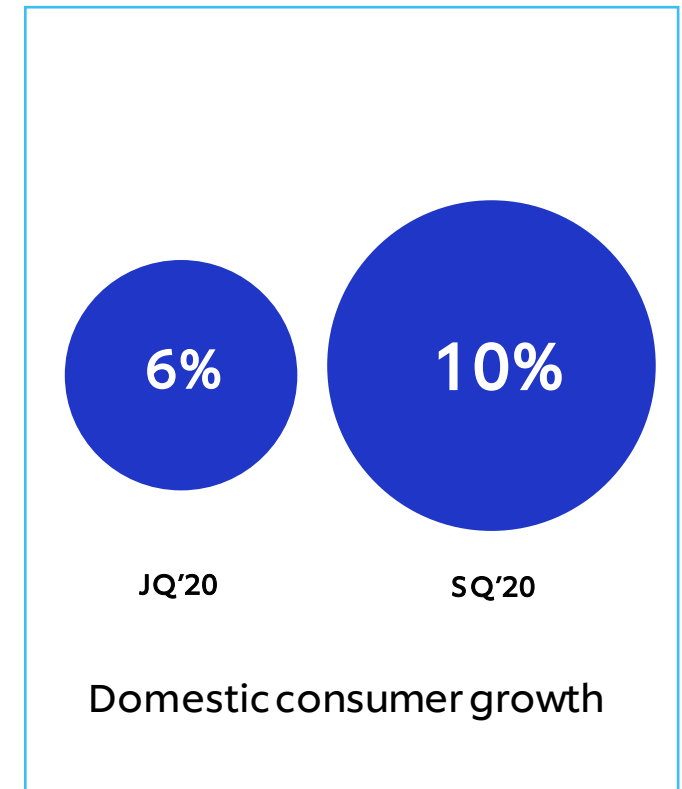
## Strong fundamentals



## Sequential step-up



## Health, hygiene and nutrition outperform (~80% of business)



\* As per Kantar Worldpanel for MAT September 2020 on relative basis

^As per Kantar Worldpanel for L3M Sept 2020 volume share

Domestic consumer growth excludes the impact of merger of GSKCH and acquisition of VWash







**BUILDING A  
PURPOSE-LED, FUTURE-FIT  
HINDUSTAN UNILEVER LIMITED**





**PURPOSE-LED**



# **BRANDS WITH PURPOSE GROW**

# Purposeful brands strengthening our core

## Laundry



## Surf Excel: Dirt is Good!

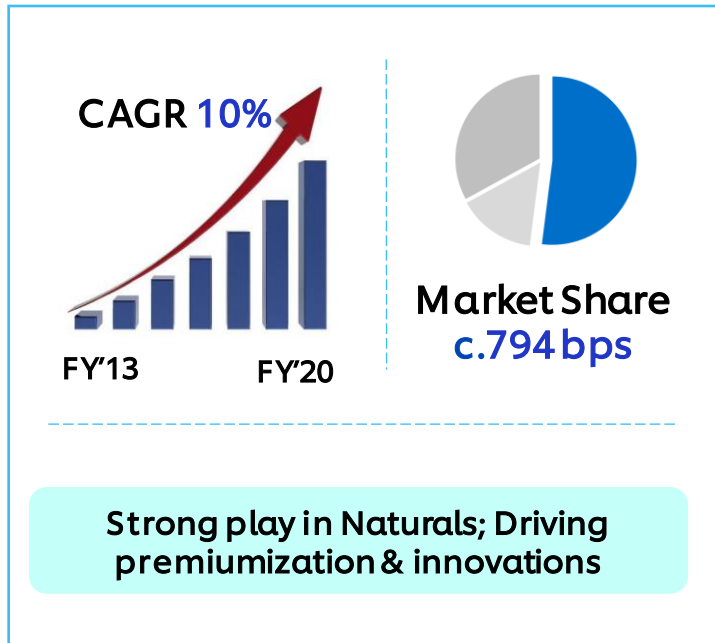


HUL is the No. 1 Laundry company in India



# Purposeful brands strengthening our core

## Hair care



## Clinic Plus: Stay Clean Stay Strong!



HUL is the No. 1 Hair care company in India

# Purposeful brands strengthening our core

## Tea



## Red Label: Taste of Togetherness



HUL is the No. 1 Tea company in India

The ABCs of education haven't changed in over a hundred years. Maybe, now is the time.



H for HAT HANDWASHING

>72 mln people reached

Glow & Lovely CAREERS

730K women registered

Brands living their purpose



560K people benefited

>1 mln people impacted

Domex Toilet Academy

~95 bln litres safe drinking water provided

pureit






# PEOPLE WITH PURPOSE THRIVE

# Our people are our biggest strength

## Holistic wellbeing



**PHYSICAL**  
Energy mapping

**PURPOSEFUL**  
Finding our big rocks

**WELLBEING**

**MENTAL**  
Focus and flow

**EMOTIONAL**  
Resilience, reflection and recovery

**1** FIND YOUR LIFE STORY

**2** TAKE YOUR PURPOSE TO THE NEXT LEVEL


**3** MAKE YOUR PURPOSE TO FINANCIAL PLAN

**4** LIVE YOUR PURPOSE

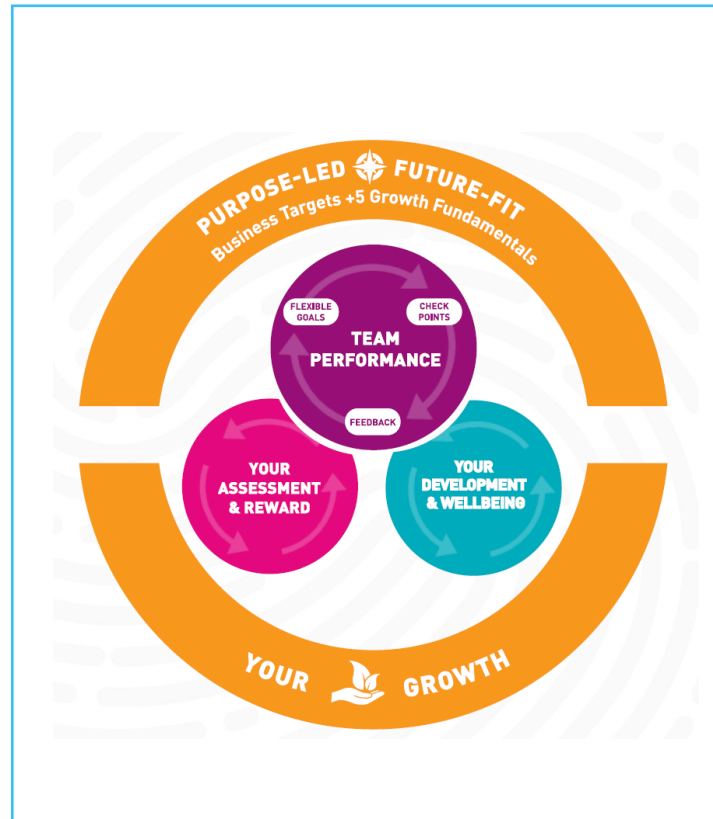
People with purpose

Physical and mental wellbeing


HUL Awarded 'Unilever Health and Wellbeing' Gold Category Award



## Pioneering growth culture



## Leaders building leaders



Nurturing future leaders

Curated personalized learning

Talent immersions

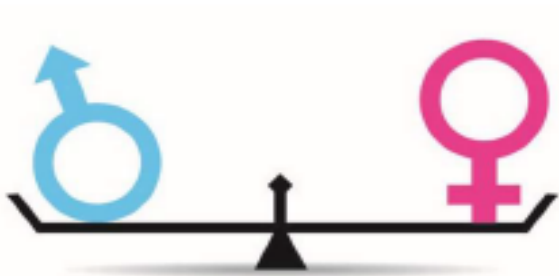
Cross-laning

We look after our people and they look after our business



# Diverse and inclusive

## Gender balance

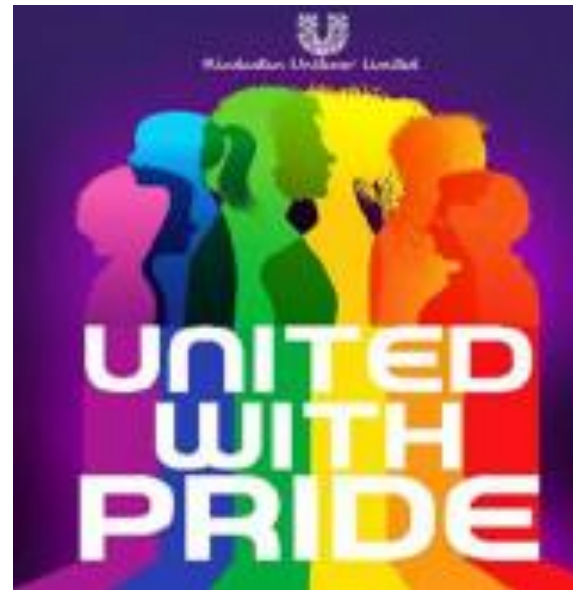


**42%** managers are women

**+2200 BPS**

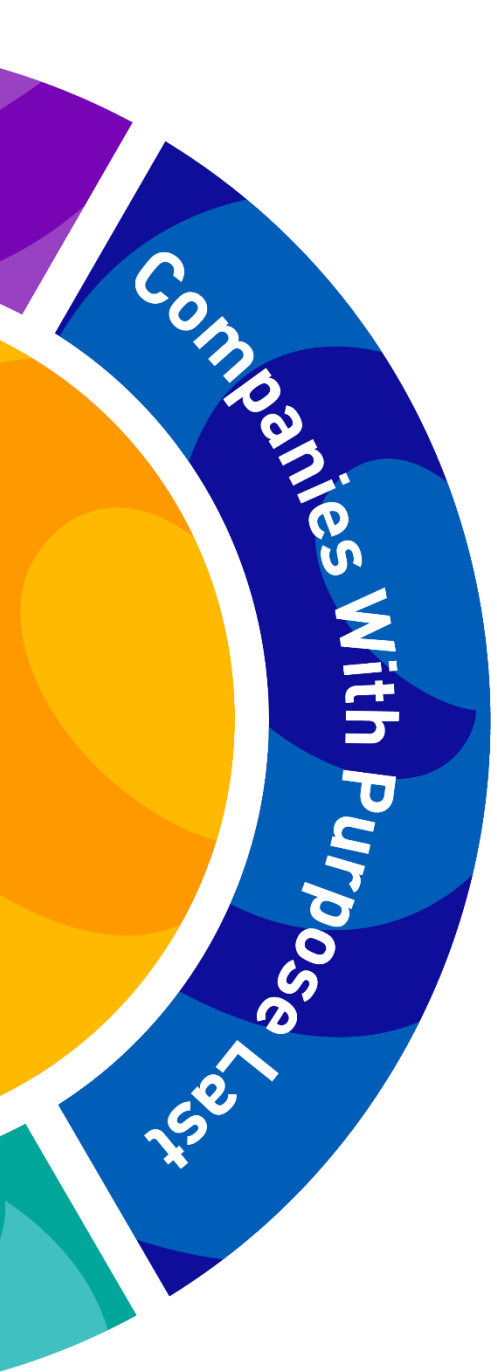
improvement in gender balance  
in last 9 years

## LGBT inclusion



## Breaking stereotypes





# COMPANIES WITH PURPOSE LAST

# Being purposeful

## Water



**Hindustan Unilever Foundation**  
**> 1200 billion litres of water saved**

## Health and well-being



**> 150 million people impacted till date**

## Enhancing livelihoods



**120,000+** Shakti entrepreneurs  
**~4.5 million** people benefited under Prabhat

## Sustainable sourcing



**76% Tomatoes, 78% Tea** sourced sustainably

## Becoming plastic neutral



In last 2 years combined **more plastic waste has been collected** than we use in our packaging in a year



# Serving the society and the planet

## 4 Suvidha centers in Mumbai



Daily **10,000+** people in slums across Mumbai are provided access to hygiene and sanitation

Circular economy principle used to reduce water usage

## #StartALittleGood



**"Waste No More"**

**80,000+** students covered through digital curriculum addressing waste management issues.

End to end waste management program



## FUTURE-FIT HUL



# Creating categories of the future through market development

## Drive category penetration

**EXPLODE**

**ACCELERATE**

**SEED**

Increasing penetration in nascent categories

## More benefits

More benefits

Rising income

Building liquids portfolio

## Expansion across segments

Foraying into body wash and anti-perspirants

## Powered by consumer connects

May I take a picture of yours?

5X scale up in consumer contacts\*

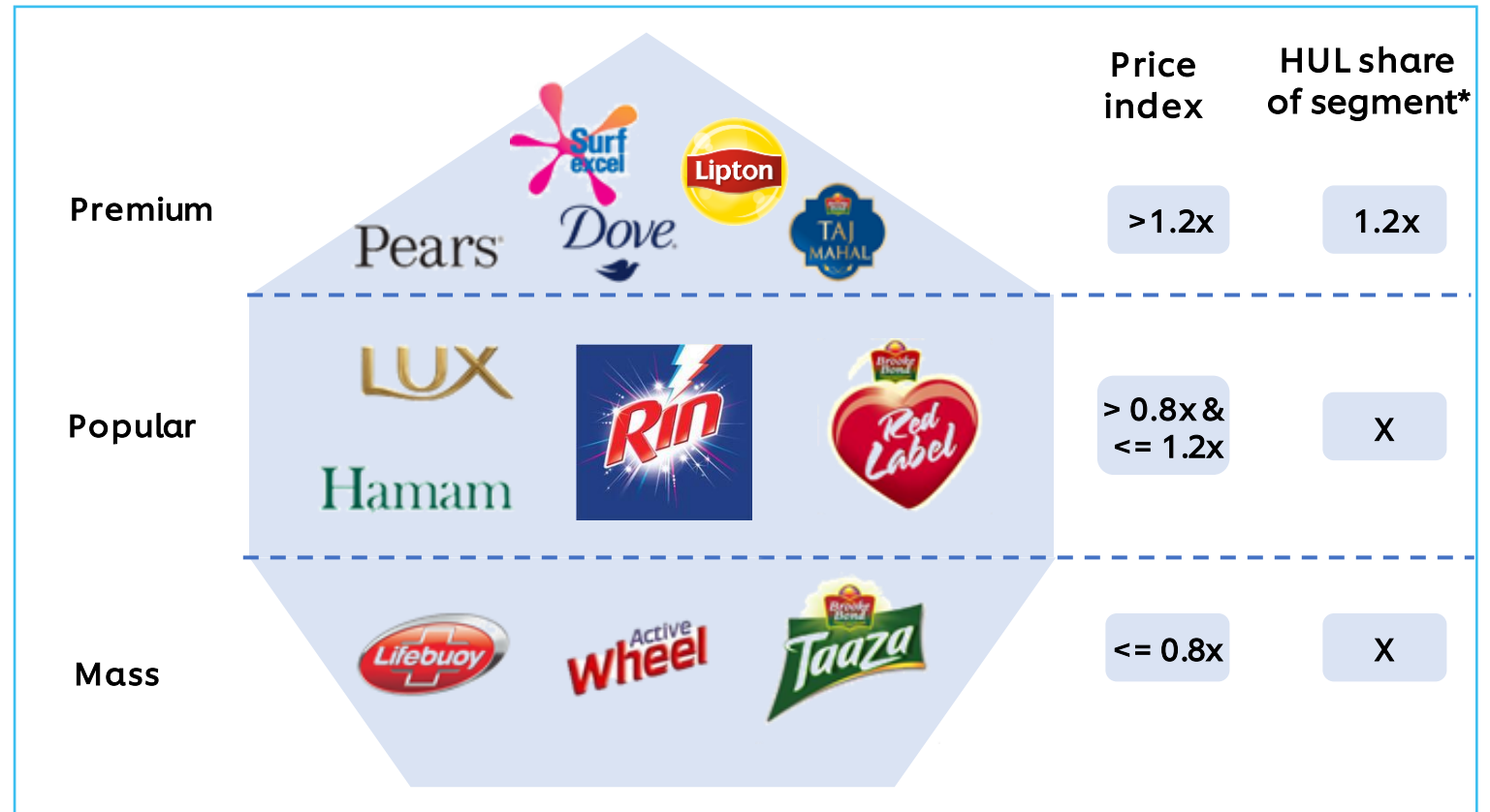
**20% of business growing 2X of company\*\***

# Leading premiumization

Our premium portfolio is over-indexed to market



Portfolio straddling the pyramid







# Catalysing portfolio transformation

## Organic



## Acquisitions





# Winning in Many Indias

**India**  
A heterogeneous country

Example:

High Low

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

**WiMI-led distinctive premiumization strategy**

Majority Mass :  
Uttar Pradesh

Upgradation through mid and premium bars and powders

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Majority Mid:  
Tamil Nadu

Upgradation through top end formats – Matic liquids

**WiMI-led distinctive product strategy**

Punjab & Karnataka

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

Central branch growing at ~1.5X of HUL average\*

\* From 2016 to 2019



# Nimble and empowered teams

Country Category Business Team: 3 divisions split into 16 mini-boards

Marketing Customer Development  
Finance Supply Chain  
Research & Development

Functions in a CCBT

Merger of brand building and brand development

Empowered to deliver in-year P&L

More consumer & customer centric

Land bigger, faster innovations

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

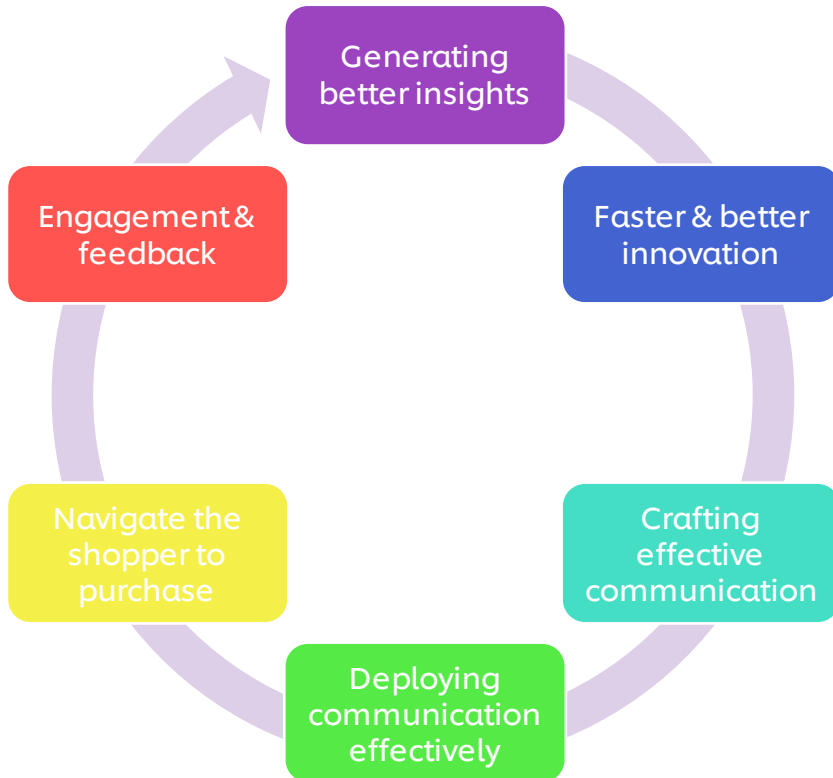
Landing innovations faster with 1.4X speed to market

# REIMAGINING HUL

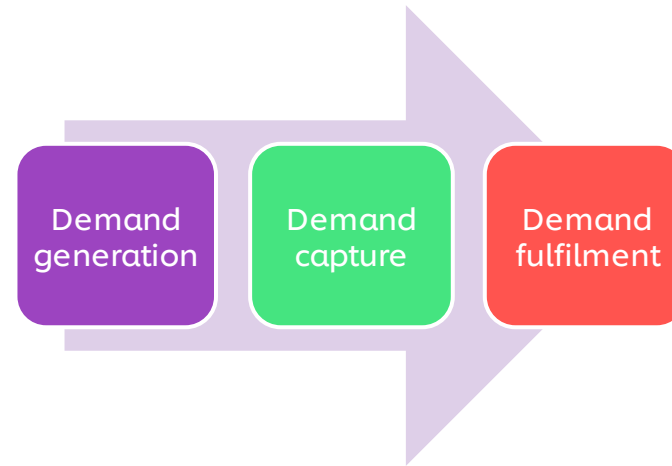


# Reimagining HUL: Building moats across the business

## Connected consumers



## Connected stores



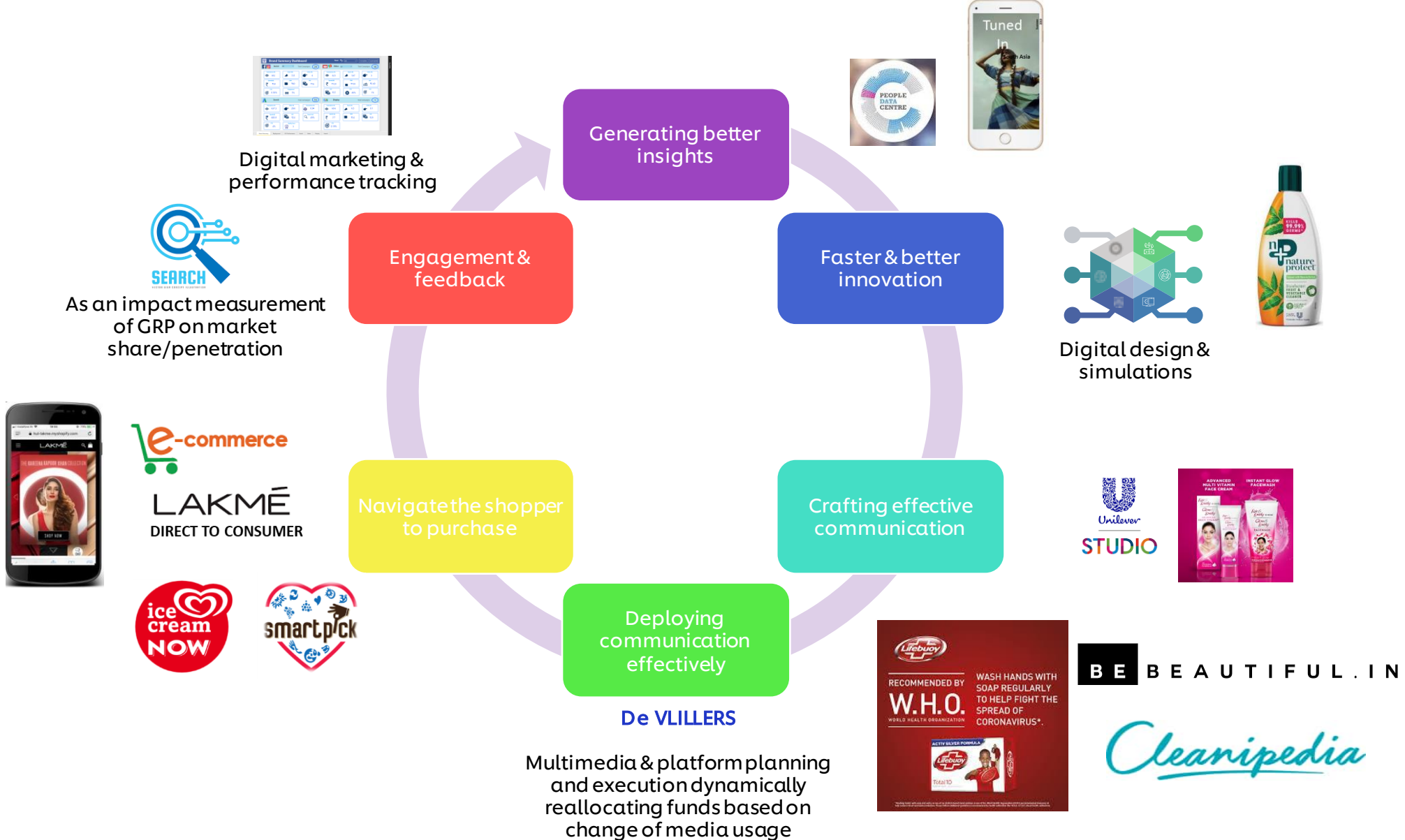
## Connected operations



Technology | Data & advanced analytics | People & culture



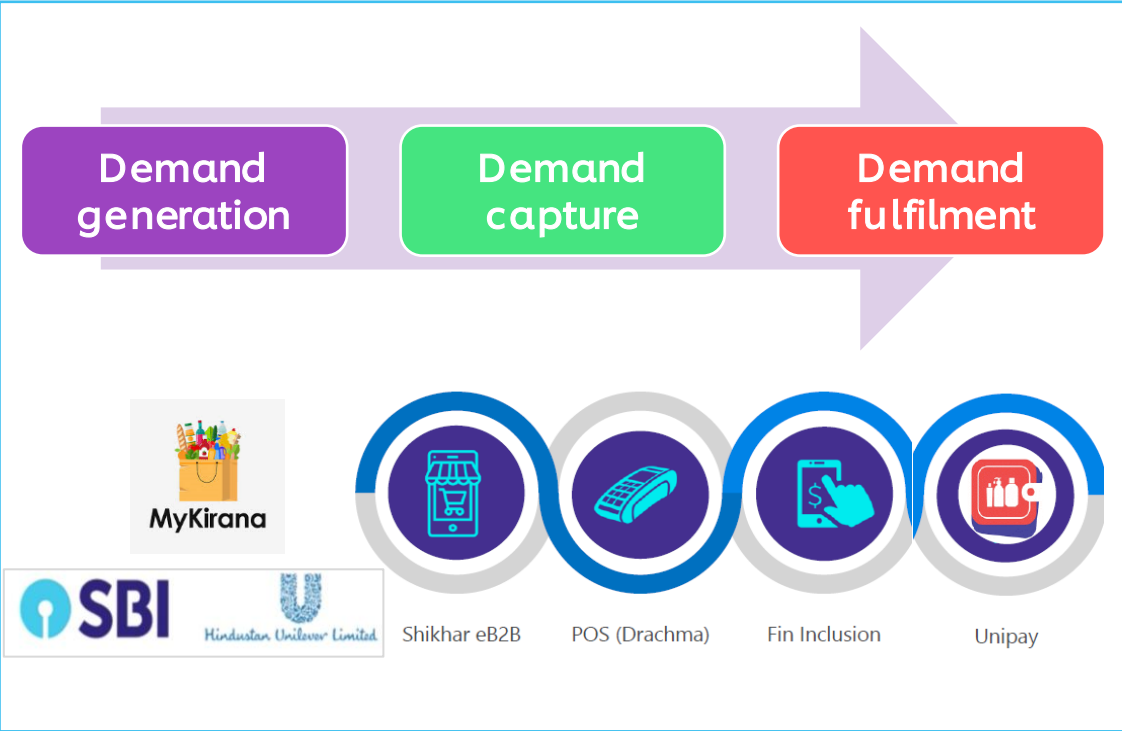
# Reimagining HUL: Connected consumer





# Reimagining HUL: Connected stores & operations

## Connected stores




## Connected operations

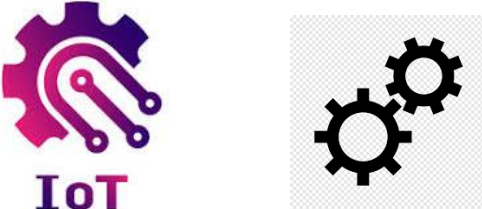


# Reimagining HUL: Technology, data & analytics and people & culture

## Technology



Cloud Computing, Robotic Process Automation, and ML for intelligent automation



**IoT**

Leveraging IOT for data signal and automation for factory and warehouses

## Data & analytics



Powered by **LIVE WIRE**



## People & culture



**ANALYTICS & DATA EXPERTISE**

**Creating a Culture of Experimentation**

A data first mindset

**Thank you!**

