

# WINNING DECISIVELY

Annual Investor Meet, 1 July 2014

Sanjiv Mehta, CEO & MD



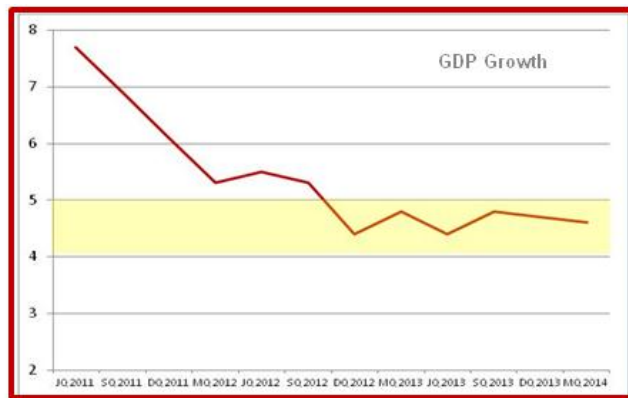
Hindustan Unilever Limited

# SAFE HARBOR STATEMENT

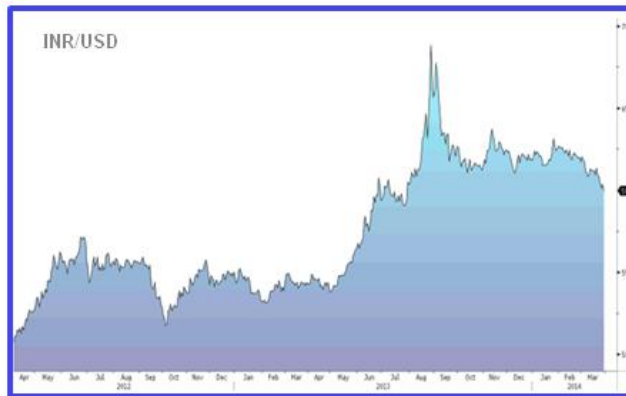
This Release / Communication, except for the historical information, may contain statements, including the words or phrases such as 'expects, anticipates, intends, will, would, undertakes, aims, estimates, contemplates, seeks to, objective, goal, projects, should' and similar expressions or variations 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.

# FY 2013-14: A CHALLENGING ENVIRONMENT

Slowing  
Growth



Volatile  
Currency



High  
Inflation

Sep 17, 2013, 09:14 AM IST | Source: Reuters

## India's business confidence at four-year low: Survey

Inflation, slow growth dent Indian consumer optimism: Credit Suisse

**Rupee depreciation to hurt India Inc: CRISIL Research**

**Consumer confidence in India has gone down: Nielsen survey**

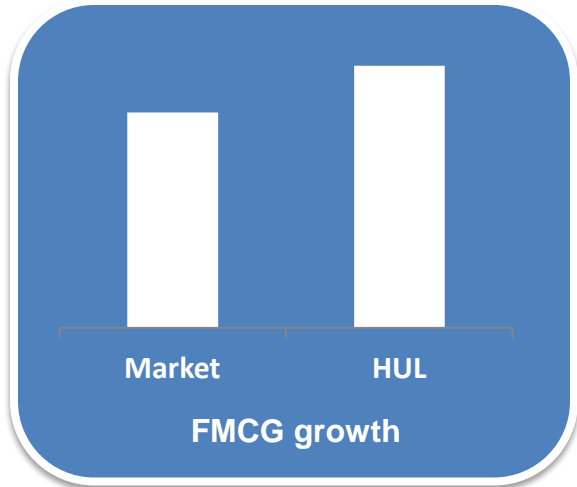
New Delhi, October 30

Weak  
Sentiment

# WE HAVE DELIVERED ON OUR GOALS

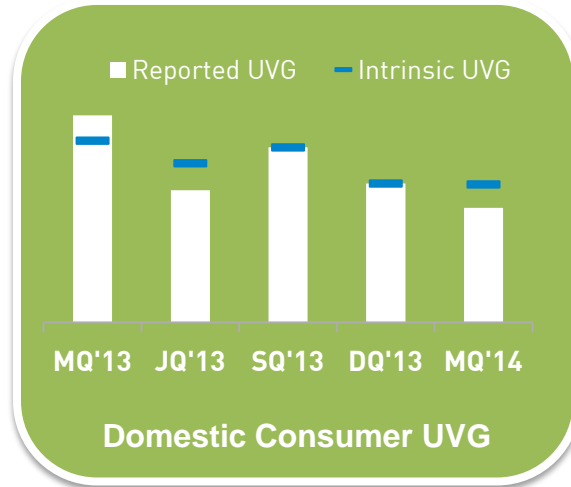
## COMPETITIVE GROWTH

*Ahead of market*



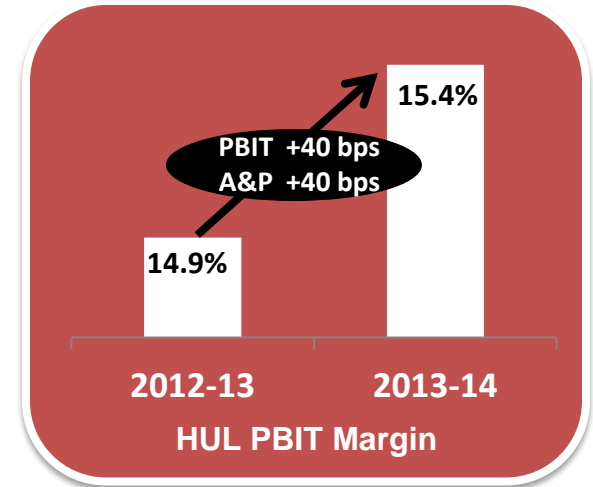
## CONSISTENT GROWTH

*Sustaining UVG in a slowing market*



## PROFITABLE GROWTH

*Expanding margins whilst investing competitively*



Domestic Consumer business grows 9% | 4% UVG | PBIT +12%

# MADE PROGRESS ON OUR SUSTAINABILITY PRIORITIES

## IMPROVING HEALTH & WELL-BEING



**58 million** people touched by **Lifebuoy** handwashing programs since 2010



**57.5 million** people gained access to safe drinking water from **Pureit** by end 2013

## REDUCING ENVIRONMENTAL IMPACT



**Reduced CO<sub>2</sub> emissions by 27%, water use by 37%, waste by 84%\***



Out of 38 sites, **33 factories are now zero discharge sites & 35 sites zero non-hazardous waste to landfills**



**33,750 climate friendly freezers** with Hydro Carbon technology



**80% of tomatoes & 13% of tea** is sourced from sustainable sources



**100% of palm oil** sourced in 2013 backed by Green Palm certificates

## ENHANCING LIVELIHOODS



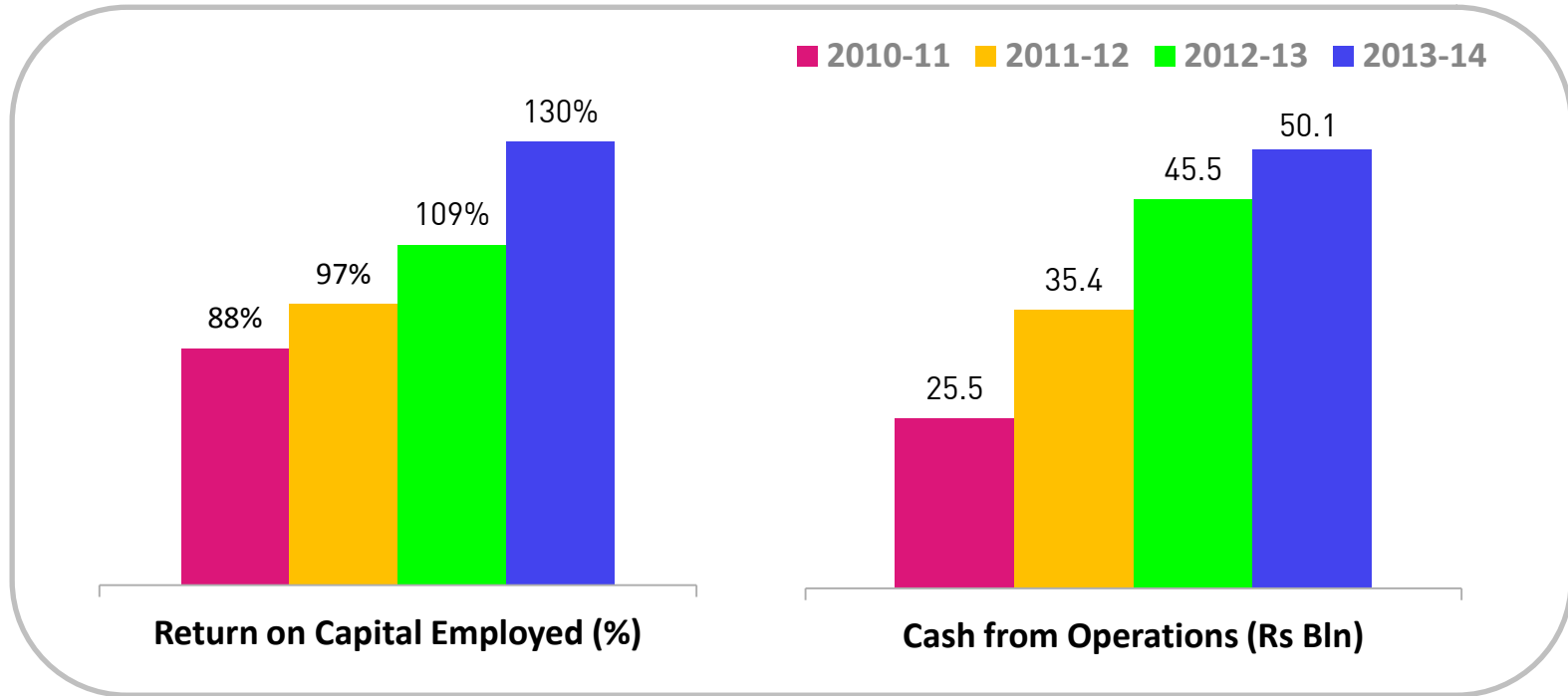
**65,000 Shakti Ammas** and over **50,000 Shaktimaans** who cover >4m households across 160,000 villages



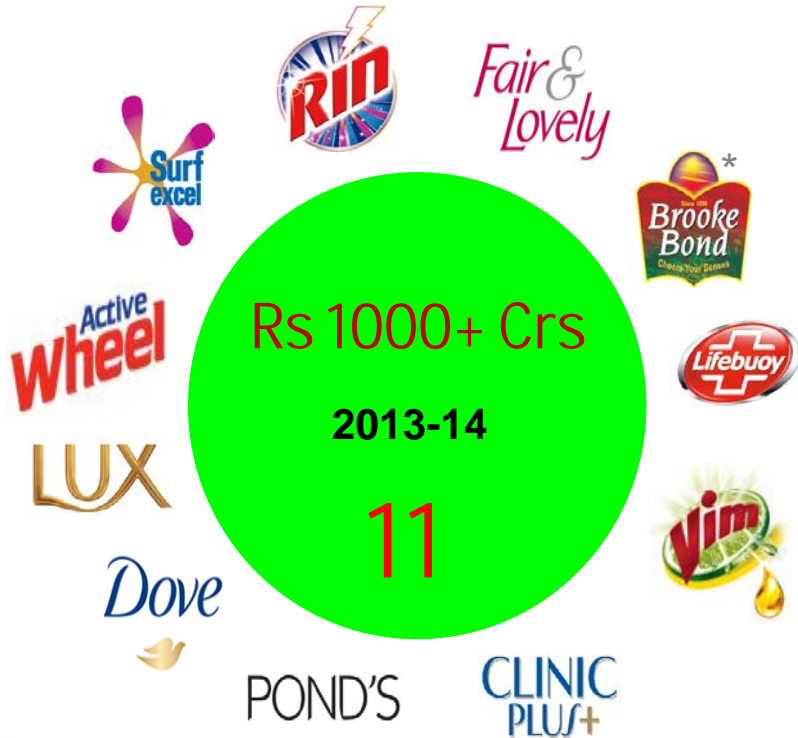
Kwality Wall's mobile vending operations provide over **6500 people** with entrepreneurship opportunities

*\*compared to 2008 baseline*

# SUSTAINED OUR STRONG TRACK RECORD



# CONTINUE TO BUILD BIGGER BRANDS



\* Brooke Bond Master Brand

# CONTINUE TO WIN WITH CONSUMERS



**Most Trusted Brand in Water Purifiers**



# RETAINED OUR TOP EMPLOYER POSITION

EMPLOYER OF  
CHOICE

**3<sup>rd</sup>** YEAR  
in a row

DREAM  
EMPLOYER

**5<sup>th</sup>** YEAR  
in a row

**NO. 1**

Employer in **Mktg & IIMs**  
FMCG in **Finance & IT**  
Employer for **Women**



# CONTINUE TO BE RECOGNIZED

**Forbes**

Conscious Capitalist  
2013 - Forbes India  
Leadership Awards

**FORTUNE**

2nd in Fortune's List  
of Most Admired  
Companies

**AIMA**

ALL INDIA MANAGEMENT ASSOCIATION

AIMA Managing Award  
2013 as the "Multinational  
in India of the Year"



INTERNATIONAL  
ADVERTISING  
ASSOCIATION

HUL - Corporate  
Social Crusader  
of the Year

**Business Standard**

Log on to Indian business

Business Standard Awards for  
Corporate Excellence recognizes  
HUL as Star MNC of the Year 2013



Golden Peacock Awards®

HUL won Golden  
Peacock Environment  
Management Award



HUL - Client of  
the Year at  
Effies 2013

**IR GLOBAL  
RANKINGS**

HUL rated No. 1 on  
the Most Popular IR  
Website globally



Silver Shield for best  
annual report across  
Manufacturing sector

**EMVIES**

HUL awarded  
'Best Media Client  
of the Year'

THE ECONOMIC TIMES  
**INDIA  
MANUFACTURING EXCELLENCE AWARDS**  
IN PARTNERSHIP WITH  
FROST & SULLIVAN

Doom Dooma Factory  
awarded Platinum Award -  
Process Sector, Large  
Business

# HUL: WINNING DECISIVELY



Hindustan Unilever Limited

# WE ARE POSITIVE ABOUT THE MEDIUM – LONG TERM OUTLOOK FOR FMCG IN INDIA

## Affluence



## Aspirations



## Attitudes



## Awareness



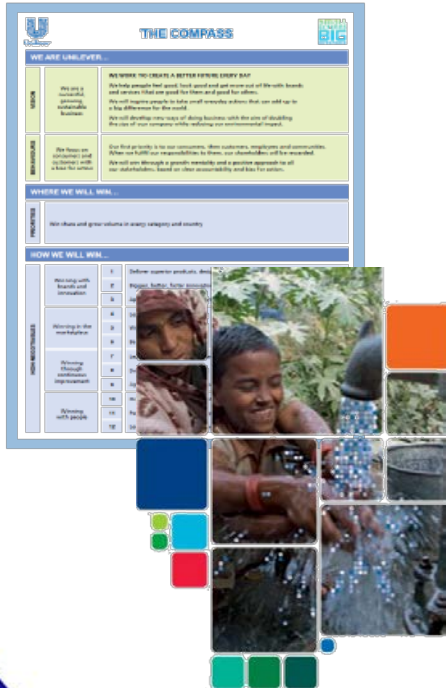
## Access



More Users | More Usage | More Benefits

# WE REMAIN COMMITTED TO OUR STRATEGY

## A Compelling Framework



**THE COMPASS**

**WE ARE UNLIKELY:**

**VISION**  
We are a successful, profitable, sustainable business.

**MISSION**  
We exist to create a better living every day. We are people that care that want and get more out of life with brands and services that are good for them and good for others. We will improve the lives of our small business owners that can add value to the difference for the world. We will always be a part of the world with the aim of creating the best of our companies while respecting our environment.

**VALUES**  
Our first priority is to our customers, then customers, employees and communities. When we fail in our responsibilities to them, our shareholders will be awarded. We will use through a growth mentality and a proven approach to all our stakeholders based on their accountability and the law for action.

**WHERE WE WILL WIN:**

**MARKETS**  
Mid-thru and gross volume in every category and country.

**HOW WE WILL WIN:**

**OUR OPERATIONS**

Activity	Score	Impact
Aligning with brands and innovation	10	Aligning with brands and innovation
Aligning in the marketplace	10	Aligning in the marketplace
Aligning through partnerships and investments	10	Aligning through partnerships and investments
Aligning with people	10	Aligning with people

Deliver superior products, do it right, better, faster, cheaper.

Aligning with brands and innovation

Aligning in the marketplace

Aligning through partnerships and investments

Aligning with people

Collage of images showing people and water.

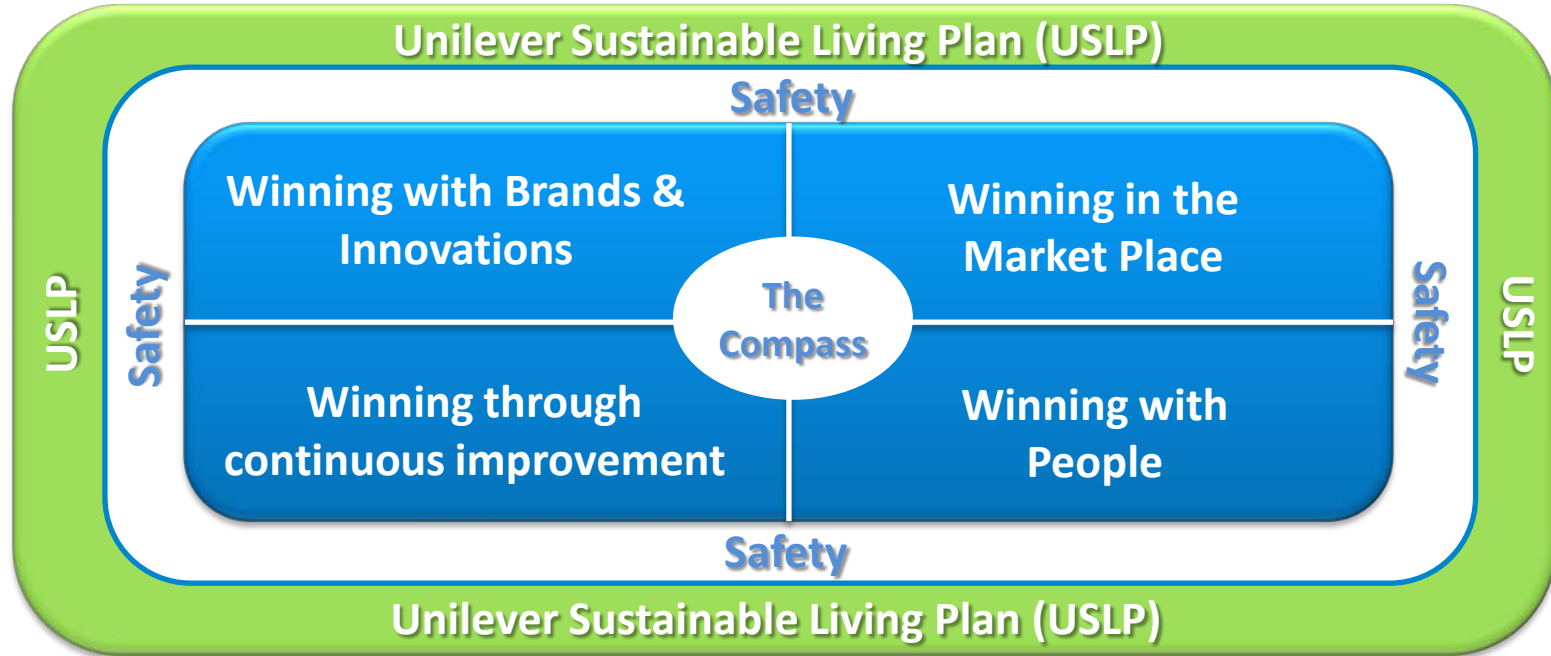
## A Model Which Works



## A Clear Set of Goals

- Consistent **Growth**
- Competitive **Growth**
- Profitable **Growth**
- Responsible **Growth**

# WINNING DECISIVELY



# HUL: WINNING DECISIVELY

Winning with Brands & Innovations



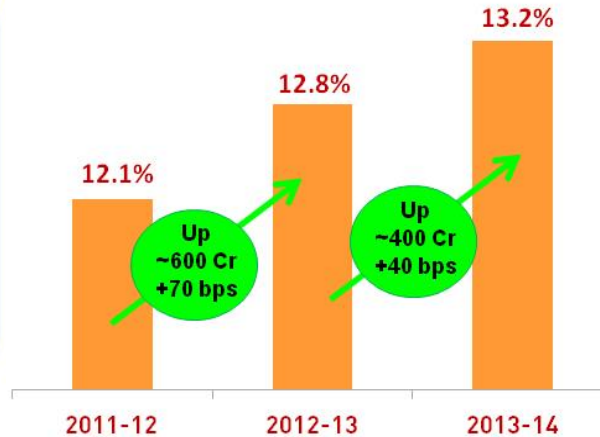
Hindustan Unilever Limited

# INVESTING COMPETITIVELY

## Strong Core



A&P up Rs 1000 Cr in last 2 years



## Market Development





# DRIVING EXCITING INNOVATION



Younger looking skin with



Bigger | Better | Faster

# DEPLOYING IMPACTFUL ACTIVATION

**Lifebuoy** **HELP A CHILD REACH 5**  
 Donate now and make twice the difference  
**Every year, 2 million children don't live to celebrate their 5th Birthday**

**NOW REMOVE TOUGH STAINS EASILY WITH THE POWER OF 10 HANDS**

**NEW Fair & Lovely**  
 आमचं बेस्ट क्रीम सौंदर्यमं जगळपणासाठी

**TRESemmé Ramp Ready H**

**LAKMÉ FASHION WEEK**

**Close up**  
 बसतानाच डीव्हायल

- Get closer to Ranbir & Deepika
- Get badtimez with Ranbir
- Strike a pose with Ranbir
- Strike a pose with Deepika
- Instructions

**“Strength aur flavour ki jugalbandi Jo koi aur chai mein nahin”**

What?!

Make your everyday Tiffin yummy with Kissan Jam and ketchup.

[www.facebook.com/KissanIndia](http://www.facebook.com/KissanIndia)

**BUY PUREIT SAVE 3 CYLINDERS EVERY YEAR**

1800 100 1000

# LEVERAGING GLOBAL TO WIN LOCAL



~Rs 100 Cr in first full year post launch



Online + assisted selling in premium chains in 3 cities



Across 250+ premium salons in 6 cities



Extended this season; now in 5 cities

# BUILDING BRANDS WITH A PURPOSE



# HUL: WINNING DECISIVELY

Winning in the Marketplace



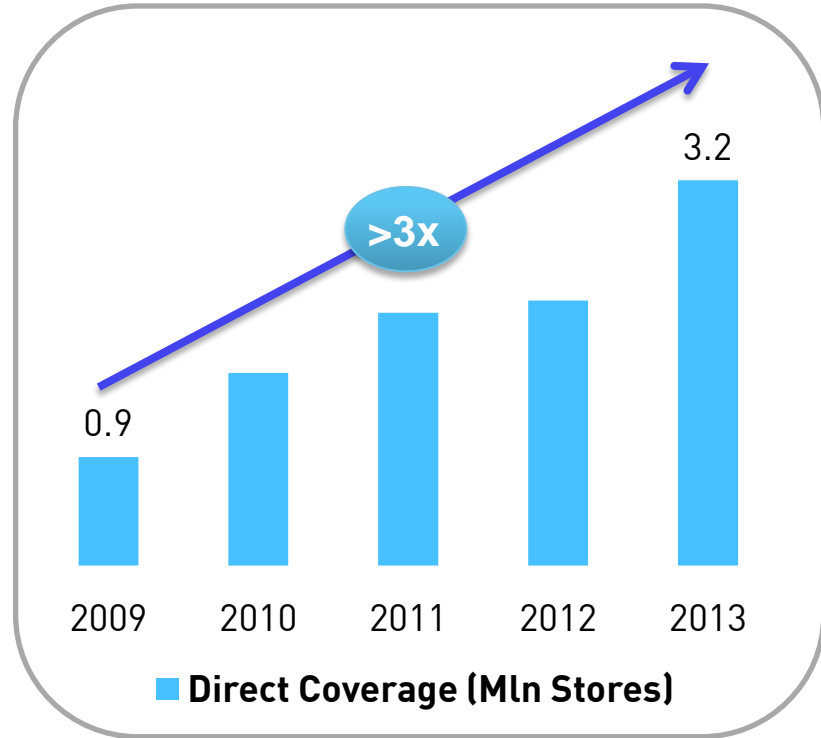
Hindustan Unilever Limited

# 2013: THE I WILL, 1 MILL CHALLENGE



Delivering 1 Million More, 1 Million Perfect Stores

# BUILDING COMPETITIVE ADVANTAGE: MORE STORES



# BUILDING COMPETITIVE ADVANTAGE: BETTER STORES

Taking Perfect Stores  
Deeper & Wider



2013: 1 million stores turned  
Perfect



Rollout of Perfect Villages:  
8500 villages covered



Every Day Great Execution



# WINNING PARTNERSHIPS IN MODERN TRADE

## ACROSS CATEGORIES



Market Development Models

## IN STORE



World Class In-Store Assets



Advisors / dynamic CTAs to drive niches



JBP engagement, CatMan, VMI

## ACROSS FORMATS

## ACROSS CUSTOMERS

Higher market shares | Profitable | Preferred supplier

# LEVERAGING TECHNOLOGY TO DRIVE EXECUTION

## Shakti Mobile enabling Shakti Ammas



## Using Shopper Insight to Win On Shelf

**FG Virtual Trade** GT – First ever use of Science and Shopper Insight to create Grocer program

**JBP** MT-Build Partnership, **Key Launch** MT-Win Share of Mind, **Shopper Study** Salons- Thought Leadership

**New Retailer Content** Categories – Driving shopper engagement through Pack, Asset & Call To Action

# HUL: WINNING DECISIVELY

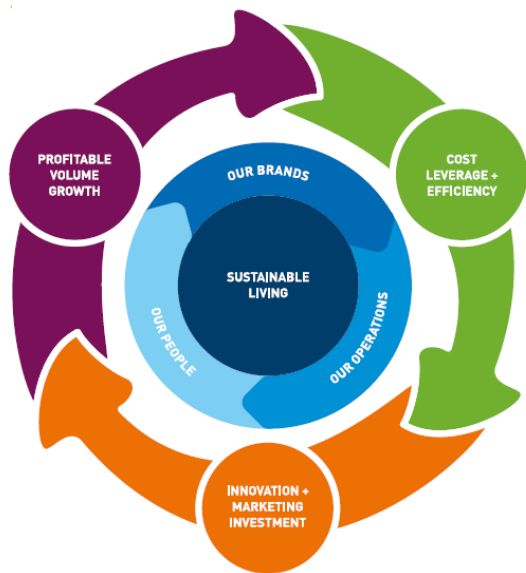
Winning through Continuous Improvement



Hindustan Unilever Limited

# DRIVING THE VIRTUOUS CYCLE OF GROWTH

## A Business Model That Works



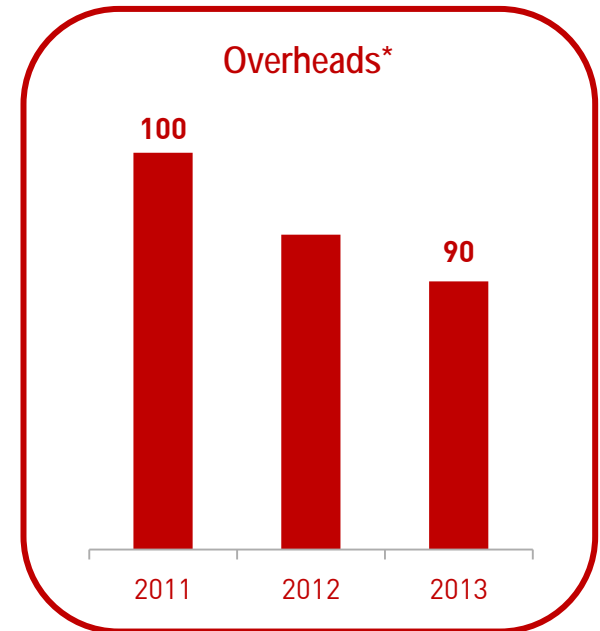
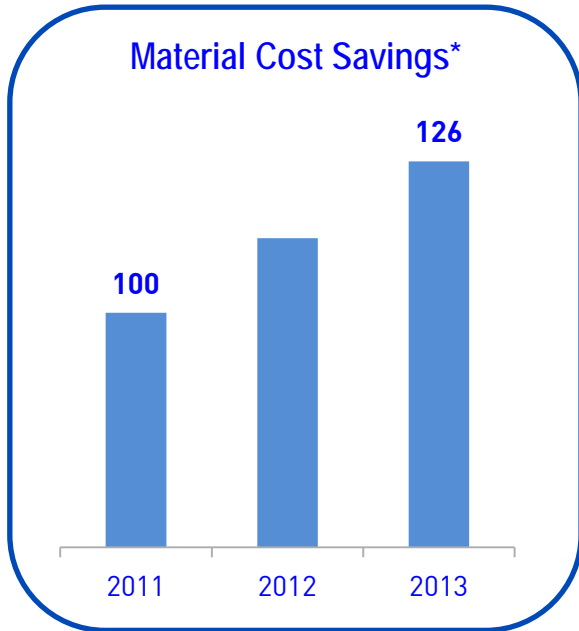
## Max the Mix



## End-to-end cost focus



# END TO END COST FOCUS



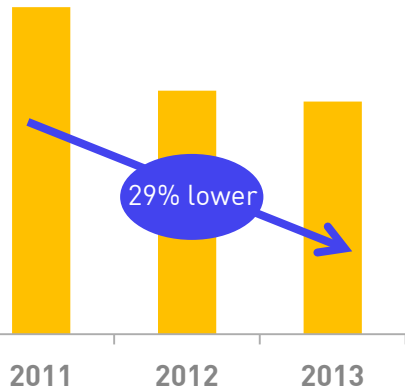
Savings Up, Costs Down

\*All charts indexed to 2011 (Base = 100)

# EFFICIENT SUPPLY CHAIN

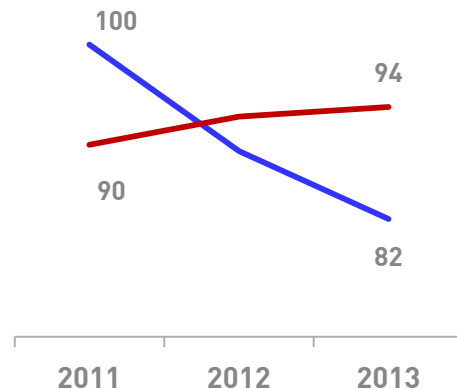
## Safety FIRST

■ Accidents per million hrs worked



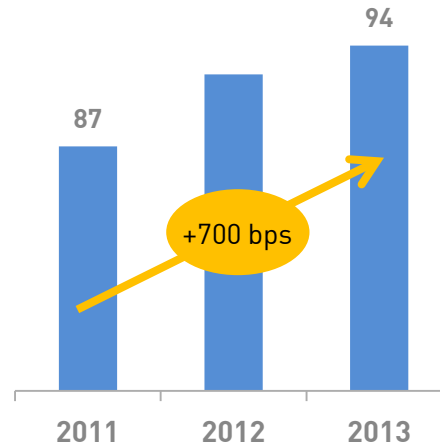
## Service up, Inventory down

— Inventory DOH (Indexed)  
— CCFOT



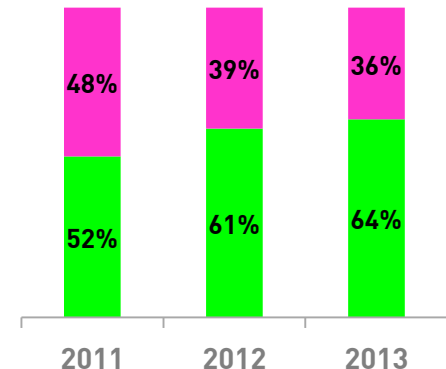
## Innovation Management

■ Innovation Network OTIF %



## Capex Productivity

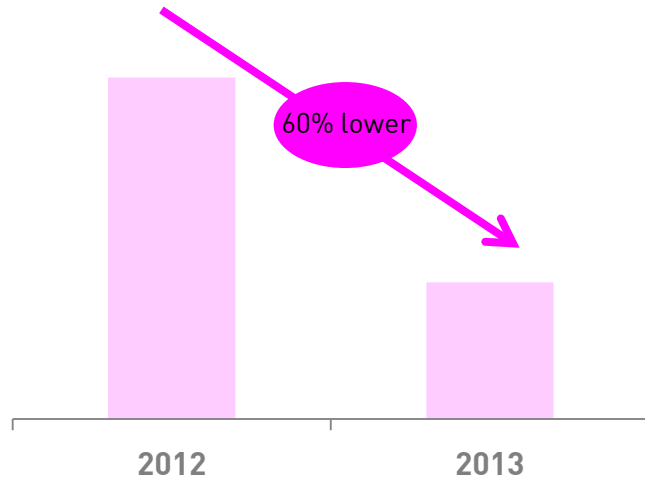
■ Productivity Improvement  
■ New Capital Investment



# DIALING UP QUALITY

## Improved Product Quality

Consumer complaints per million units



## Superior Service Standards

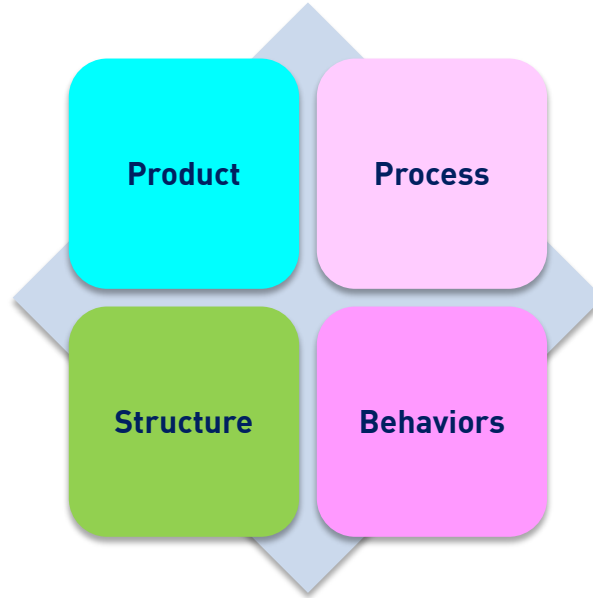
The Pureit PROMISE logo features the Hindustan Unilever logo and the 'pureit' brand name. Below it, the word 'PROMISE' is written in large, bold, white letters on a dark blue background. To the right, a yellow box contains the text '3 Days Delivery Guarantee Or Germkill Kit Free'. At the bottom right, there is a phone icon with the number '1860 180 1000' and the website 'www.pureitwater.com'.

A yellow rounded rectangle containing the text '99.8%' in large, bold, blue font. Below it, the text 'efficiency across 1.7m+ consumer engagements' is written in a smaller, grey font.

# AGILITY & SIMPLIFICATION



Focused workstreams



Simplify & Sharpen



30%+ lower SKUs



# HUL: WINNING DECISIVELY

Winning with People

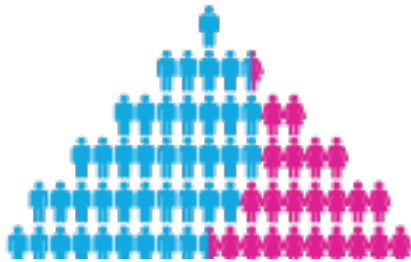


Hindustan Unilever Limited

# WINNING WITH & THROUGH OUR PEOPLE

## Values

**INTEGRITY**  
**RESPECT**  
**RESPONSIBILITY**  
**PIONEERING**



Diverse Workforce

**1**

**Number 1**  
People  
Place  
Performance  
One team

## Performance Culture



Behaviours

# BUILDING TALENT & CAPABILITIES



**Enhancing Front Line  
Capability**



**Foods College**



**Building capability  
across HPC**



**Line manager &  
employee education**



**Customized solutions  
for Water**



**Going Digital  
across functions**

**Focus on building institutional capabilities**



*Hindustan Unilever Limited*

**MAKING  
SUSTAINABLE  
LIVING  
COMMONPLACE**

# BUILDING PERFECT COMMUNITIES



Transforming Lives by Empowering  
Communities for a Sustainable Future



Behavioural programs



Water security projects



Vocational training

Launched across 9 sites in Phase 1 | We aim to impact a million lives through Prabhat

# HELPING CREATE A BRIGHTER FUTURE



# WINNING DECISIVELY – 3 THEMES TODAY

**Dove Real Beauty SKETCHES**

Only 4% of women believe they're beautiful. We inspired the other 96% to look the same.

Results after 2 weeks:  
 3.8 Billion Global impressions  
 73.4 Million Unique views  
**4th MOST SHARED AD EVER**  
**MOST SHARED ARTICLE** on the internet today

Facebook, Twitter, YouTube, Google+, LinkedIn, and other social media icons are visible at the bottom of the ad.

**Magic in Marketing**

**कनसुन्दर्य टैसन**  
 1800 30000123  
 मिररड कॉल लगाओ, मुफ्त मनोरंजन पाओ.

**अमर उजाला**  
 कनसुन्दर्य को प्रेम रखने का दर्शन को खरबों बेग

**facebook**  
 LAKME WALL OF ROMANCE

**LAKME**  
 THE ULTIMATE SKIN INDULGENCE IS HERE

**LUX**

**Harnessing Non-TV Media**



**Winning in the Marketplace**

# SUMMARY

Challenging  
market context in  
2013-14

Strategy on course,  
delivered on our  
'4G' goals

Attractive mid-long  
term FMCG  
outlook

HUL well  
positioned to win  
decisively

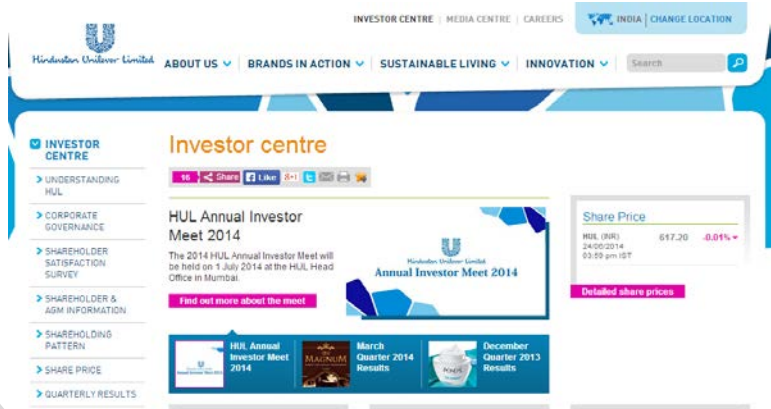


# THANK YOU

## For More Information

### VISIT OUR WEBSITE

<http://www.hul.co.in/investorrelations/>



The screenshot shows the HUL Investor Relations website. The header includes the HUL logo, navigation links for 'INVESTOR CENTRE', 'MEDIA CENTRE', and 'CAREERS', and a location selector set to 'INDIA'. Below the header is a search bar and a list of categories: 'ABOUT US', 'BRANDS IN ACTION', 'SUSTAINABLE LIVING', and 'INNOVATION'. The main content area features an 'Investor centre' section with a sidebar menu on the left containing links like 'UNDERSTANDING HUL', 'CORPORATE GOVERNANCE', and 'SHAREHOLDER SATISFACTION SURVEY'. The central content highlights the 'HUL Annual Investor Meet 2014', providing details about the event on July 1, 2014, in Mumbai. A 'Share Price' box shows the current price of HUL (NSE) at 617.20, up 0.01% from the previous close of 617.19. A 'Detailed share prices' link is also visible.

### HUL INVESTOR APP

