

WINNING DECISIVELY

KOTAK – 'CHASING GROWTH' INVESTOR CONFERENCE | 09 FEB 2015

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.

CHANGING CENTRE OF GRAVITY



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

Affluence



Aspirations



Attitudes



Awareness



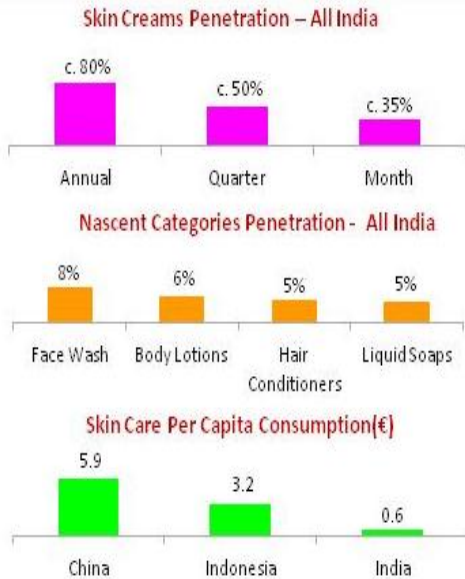
Access



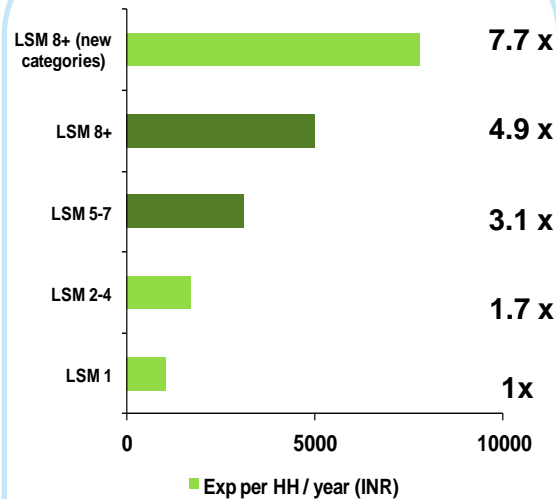
More Users | More Usage | More Benefits

ATTRACTIVE OPPORTUNITY AS MARKETS EVOLVE

Head room for growth

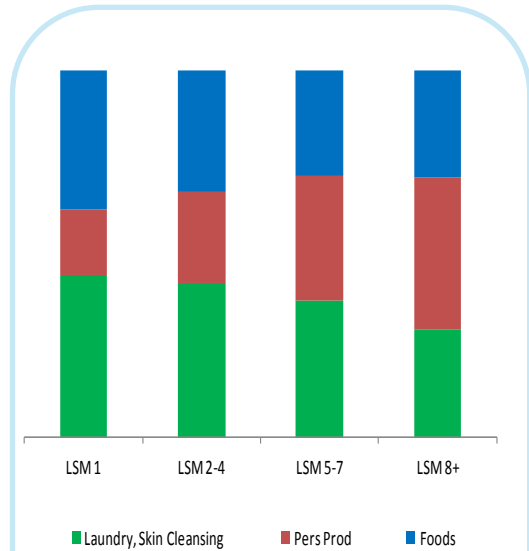


Favouring Consumption



*HUL Participating Categories; HH: Households

Higher Personal Care & Foods



*Source : Family Budget Survey, Consumer Panel

INTRODUCING HUL: INDIA'S LARGEST FMCG COMPANY



FY 2013 - 14

NET SALES	NET PROFIT	EPS (BASIC)	CASH FROM OPS
Rs 274 bln	Rs 39 bln	Rs 17.88	Rs 50 bln
USD 4.5 bln	USD 640 mln	USD 30 ¢	USD 830 mln

INR / USD = 60.47 (average for FY 2013-14)

Segments	% Revenue	% Results
Soaps & Detergents	49	40
Personal Products	29	46
Beverages	12	13
Packaged Foods	6	1

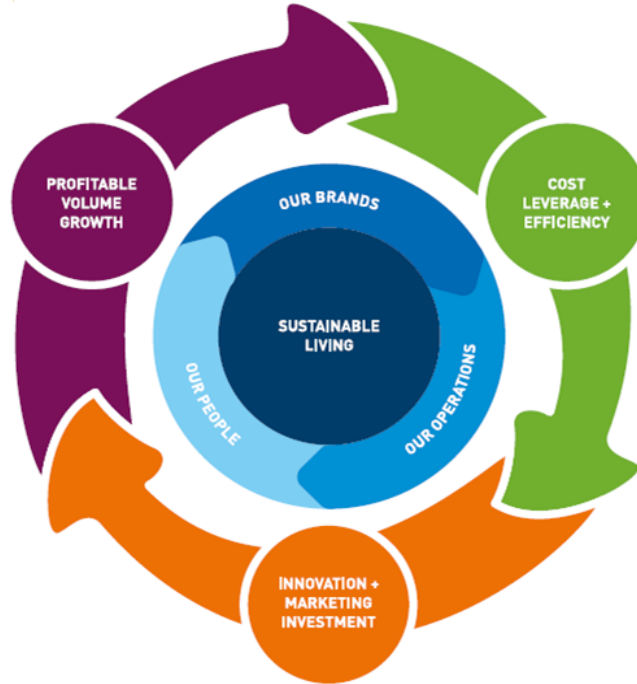
- Deep roots in local culture; 75+ years in India with leading market position across categories
- 8 HUL brands in the 2014 Brand Equity Top 25 Most Trusted Brands list
- Direct distribution reach of > 3 million stores; total coverage of close to 7 million stores
- Over 16,000 employees, 70 Manufacturing locations, 40+Depots, 2700+ Distributors

WE REMAIN COMMITTED TO OUR STRATEGY

A Compelling Framework

THE COMPASS	
WE ARE UNLEASING:	
VISION	WE WANT TO CREATE A BETTER FUTURE EVERY DAY We are proud that our products and services are good for our customers and good for the world. We will continue to invest in our brands and services that are good for them and good for the world. We will continue to invest in our brands and services that are good for them and good for the world. We will continue to invest in our brands and services that are good for them and good for the world.
MISSION	Our goal is to be the most innovative, most customer-focused, most responsible, and most profitable company in the world. We will continue to invest in our brands and services that are good for them and good for the world. We will continue to invest in our brands and services that are good for them and good for the world. We will continue to invest in our brands and services that are good for them and good for the world.
WHERE WE WILL WIN:	
MARKETS	High-growth and high-volume in every category and country.
HOW WE WILL WIN:	
MARKETING	Deliver superior products, drive... Marketing with brands and innovation Marketing in the marketplace Marketing through partnerships and investments Marketing with people

A Model Which Works



A Clear Set of Goals

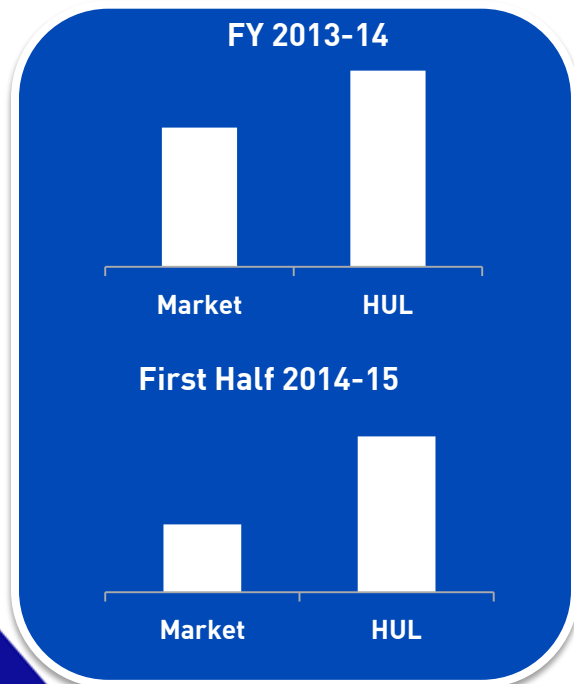
- Consistent **Growth**
- Competitive **Growth**
- Profitable **Growth**
- Responsible **Growth**



WE CONTINUE TO DELIVER ON OUR GOALS

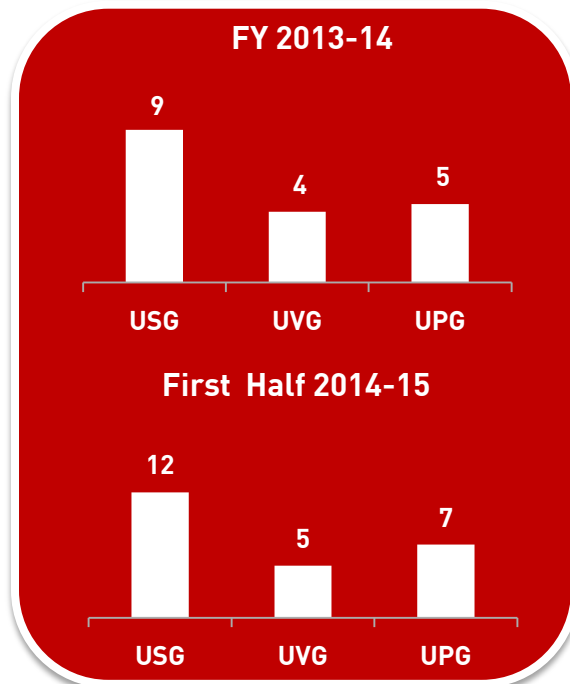
COMPETITIVE GROWTH

...ahead of market



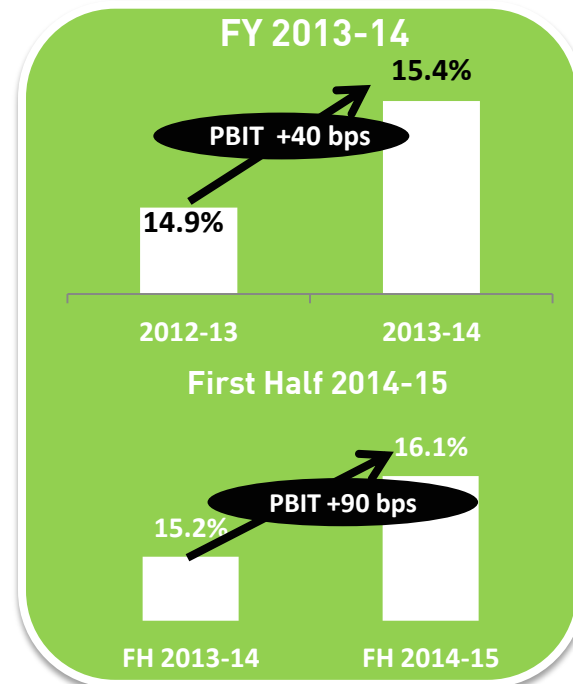
CONSISTENT GROWTH

...steady UVG in a soft market



PROFITABLE GROWTH

...expanding margins whilst investing competitively



MADE PROGRESS ON OUR SUSTAINABILITY PRIORITIES



IMPROVING HEALTH & WELL-BEING



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



55 million people gained access to safe drinking water from **Pureit** by end 2014



REDUCING ENVIRONMENTAL IMPACT



Reduced CO₂ 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



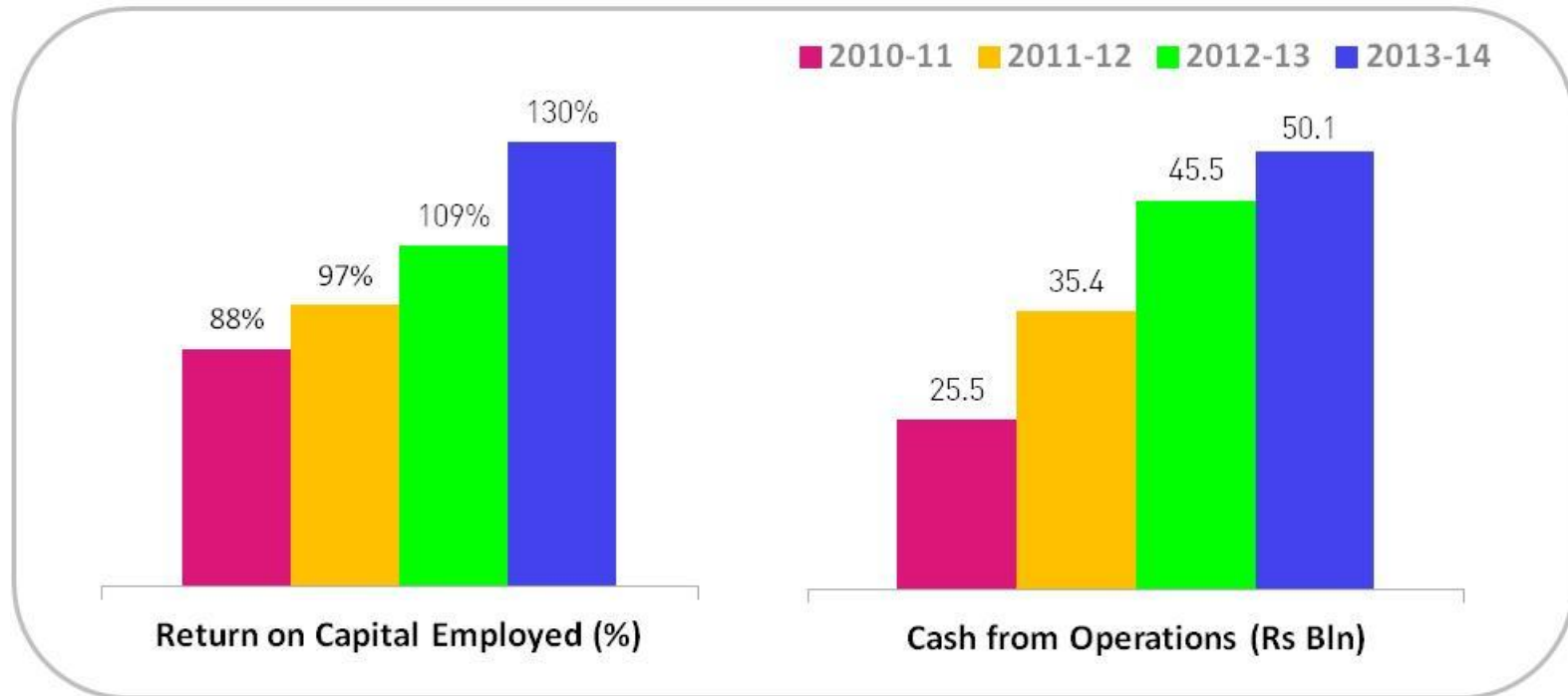
65,000 Shakti Ammas and over **50,000 Shaktimaans** who cover >4m households across 160,000 villages



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 Brands 2014
3 HUL brands in Top 10
8 HUL brands in Top 25
16 HUL brands in Top 100



Most Trusted Brand in Water Purifiers

RETAINED OUR TOP EMPLOYER POSITION

EMPLOYER OF
CHOICE

4th YEAR
in a row

DREAM
EMPLOYER

5th YEAR
in a row

NO. 1

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



CONTINUE TO BE RECOGNIZED

Kan Khajura Tesan
won **3 Gold Lions**
at Cannes

FORTUNE

2nd in Fortune's List
of Most Admired
Companies

HUL's Project Shakti
received the '**Porter
Prize for Creating
Shared Value**'



HUL - Corporate
Social Crusader
of the Year

HUL was ranked no. 1 by
Aon Hewitt and Economic
Times in the **Top Company**
for leaders in India



HUL won Golden
Peacock Environment
Management Award

HUL is **No. 1 Employer** of Choice
in India for the **3rd** year in the
Nielsen Campus Track Survey

DESIGNOMICS
AWARDS 2014

HUL's Investor
Relations Microsite
best in India



Silver Shield for best
annual report across
Manufacturing sector

EMMIES

HUL awarded
'Best Media Client
of the Year'

Forbes | 2014
**THE WORLD'S
MOST INNOVATIVE
COMPANIES**

HUL recognised as Most
Innovative Company in India

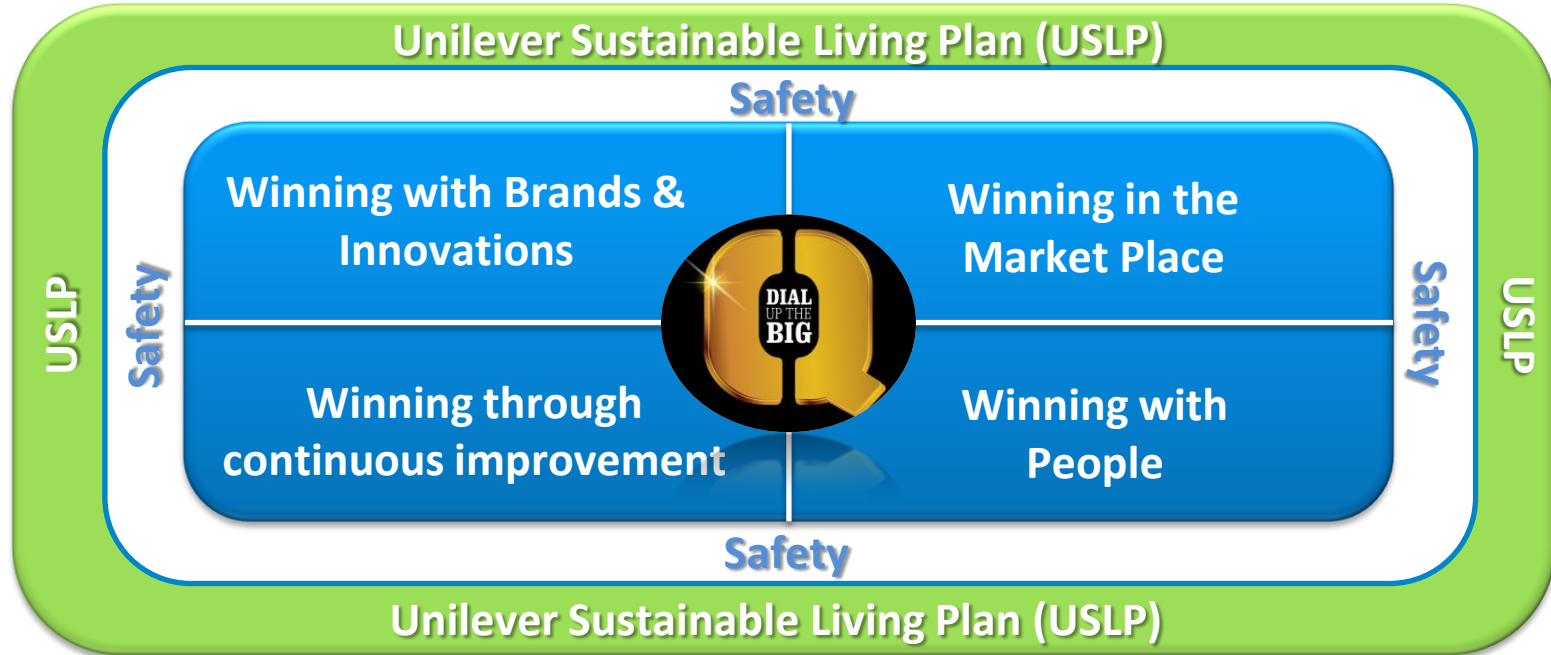


Hindustan Unilever Limited

HUL: WINNING DECISIVELY



WINNING DECISIVELY FRAMEWORK



Consistent | Competitive | Profitable | Responsible Growth



Hindustan Unilever Limited

HUL: WINNING DECISIVELY

Winning with Brands & Innovations

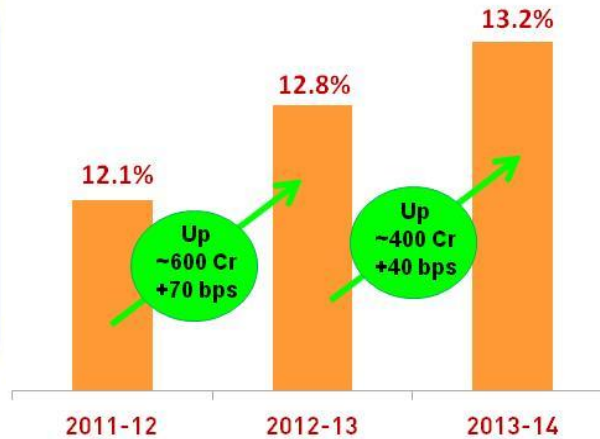


INVESTING COMPETITIVELY

Strong Core



A&P up Rs 1000 Cr in last 2 years



Market Development



TURBO CHARGING INNOVATIONS



Younger looking skin with



Bigger | Better | Faster



FAIR AND LOVELY RS. 5 ACCESS PACK AV

CREATING BUZZ THROUGH MAGIC IN MARKETING



welcome to kissanpur

now growing
India's love for nature

THE KISSANPUR AV



Kissanpur film has already touched lives of over **30 Million** people.

You Tube  **4 million Views**

 **#RealJoy** trended across India

Tested as best HUL Print advertisement; Mind measures on “made from sun ripened tomatoes” moved up by **1600 BPS.**

Got over **1 lakh consumers** to experience nature and change their habit by converting 20,000 sq feet of concrete floor into lush green farms at PVR Cinemas



BROUGHT TO YOU BY

TRESemmé[®]
USED BY PROFESSIONALS[™]

Salon style hair at home
Everyday*

TRESEMME AV

HARNESSING NON-TV MEDIA

RADIO



OUTDOOR



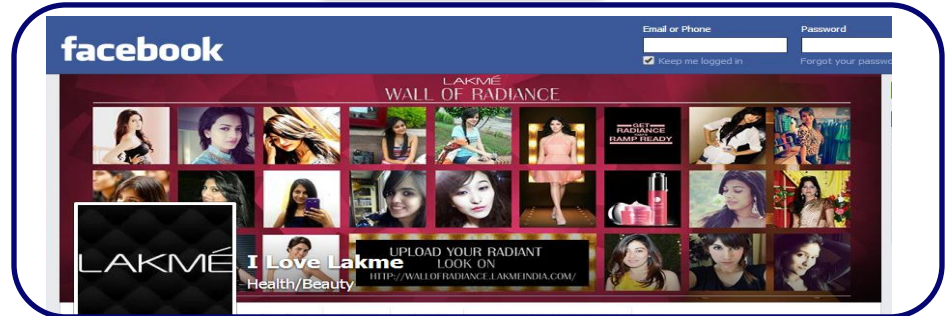
CINEMA



PRINT



DIGITAL





Hindustan Unilever Limited

HUL: WINNING DECISIVELY

Winning in the Marketplace



HARVESTING COMPETITIVE ADVANTAGE: 3M STORES



'Harvesting' outlets

- Improving throughput in new stores
- Drive assortment in Rural by leveraging Shakti Mobile
- Accelerate growths through better in-store execution
- Deploy high impact visibility and category management solutions

BUILDING BRANDS IN STORE

Using Store as Medium to Drive Salience & Equity leveraging all 6Ps



PRODUCT



PACKAGING



PRICING



PROMOTION



PLACE



PROPOSITION



BUILDING LAKME IN-STORE

Redesigned Beauty Advisor counter assets to bring alive Pro-Stylist



Digitized assets (Makeover App) at key counters



Redesigned makeover units and doubled the number of makeover artists to amplify new launch experiential



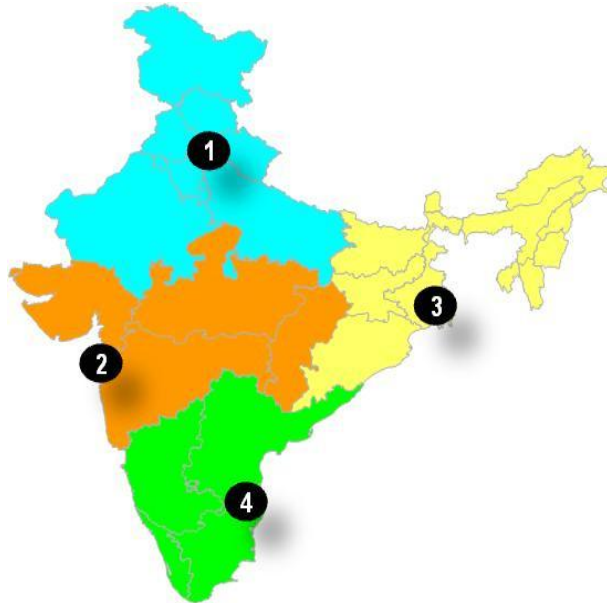
Aggressive thrust on product experience in Lakme Salons via visual merchandising, sell-out training and demo integration with services

THE RESULT

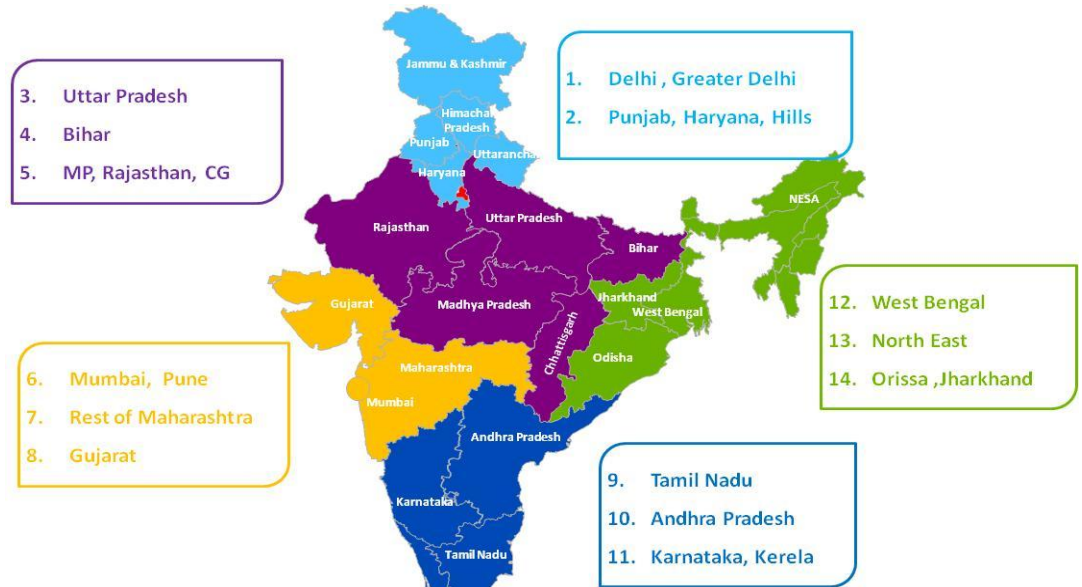


REORGANIZING TO WIN IN MANY INDIAS

EARLIER: 4 Branches



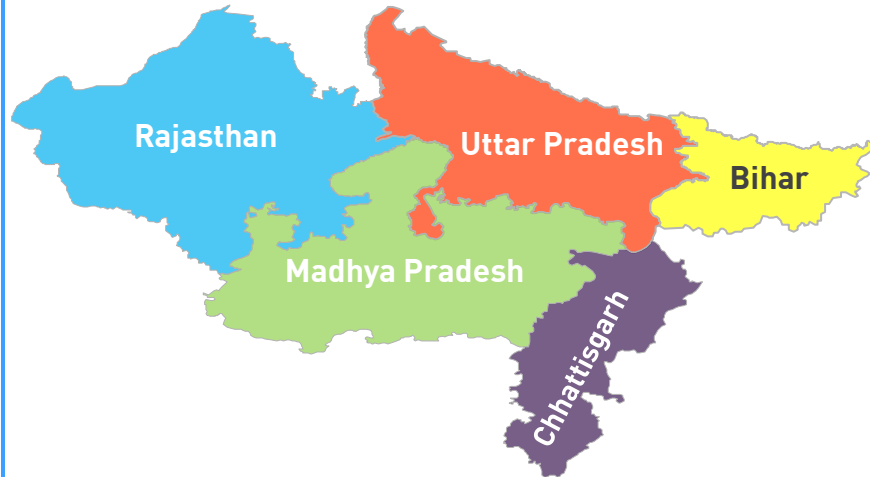
NOW: 5 Branches, 14 Consumer Clusters



Structure | Processes | Empowerment | Micro Marketing

CENTRAL INDIA PRESENTS A LARGE OPPORTUNITY

40% Population ; 49 cities



1.75 times GDP growth

	Rest of India	Central India
Population (Mln)	740	470
Population Share	60%	40%
GDP per capita € PPP	2750	1600
GDP Share	78%	22%

WINNING THROUGH CONSUMER CLUSTERS

JOB TO BE DONE AT THE CONSUMER CLUSTER LEVEL

Faster
response in the
marketplace

Seamless
Communication for
better execution

Smaller teams
with sharper
focus

Better Infra
leading to
better delivery

Driving Every Day Great Execution at a Consumer Cluster level

HUL RURAL ADVANTAGE



Portfolio of brands that spans the pyramid



Unparalleled distribution reach



Economies of scale

LEVERAGE RURAL – PERFECT VILLAGE



PERFECT VILLAGE IMPACT



3.7 Million consumers contacted



1 Million children contacted



3800 Beauty parlors



80,000 Stores



1200 promoters



1.2million Man – hours



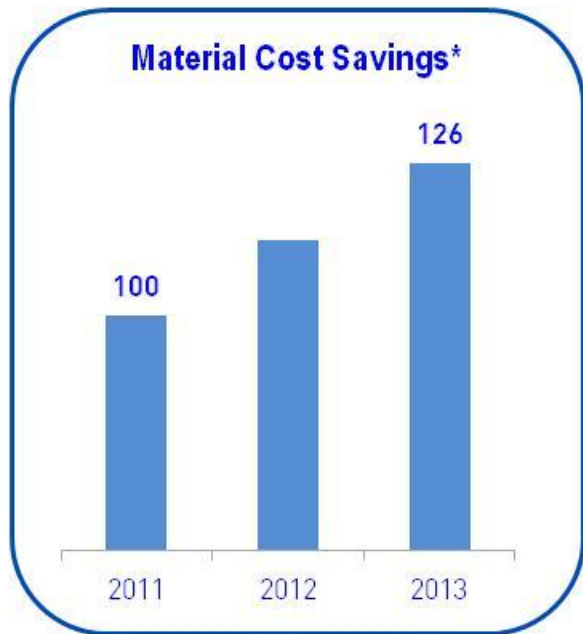
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HUL: WINNING DECISIVELY

Winning through Continuous Improvement



SUSTAINED FOCUS ON EFFICIENCIES AND SAVINGS



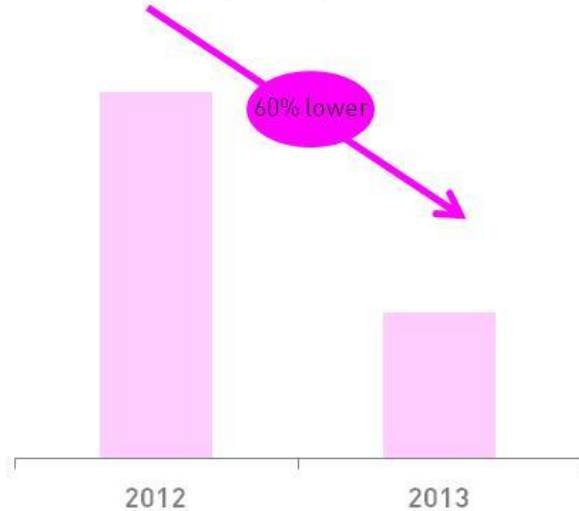
Savings Up, Costs Down

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

QUALITY AT THE MOMENT OF TRUTH

Improved Product Quality

Consumer complaints per million units



Quality Mindset



Superior Service Standards

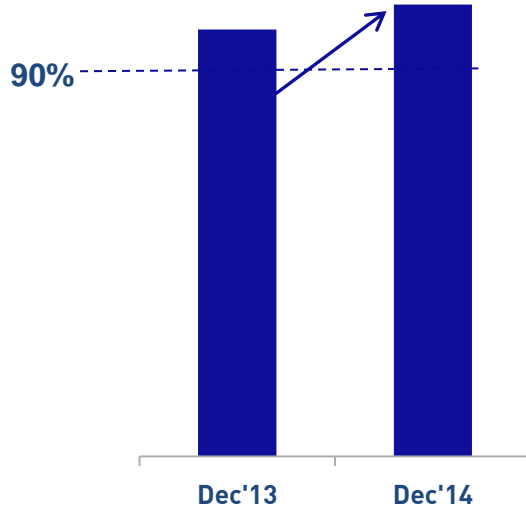


99.8%

efficiency across **1.7m +**
consumer engagements

SERVICE AT THE POINT OF PURCHASE

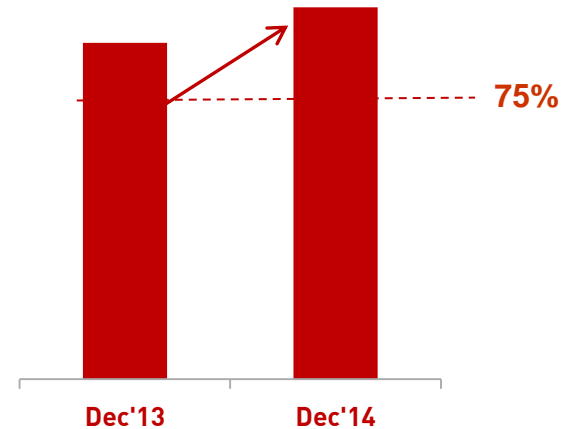
PRIMARY CCFOT



Primary CCFOT at 90+ levels; focus on stepping up Secondary CCFOT



MT - OSA

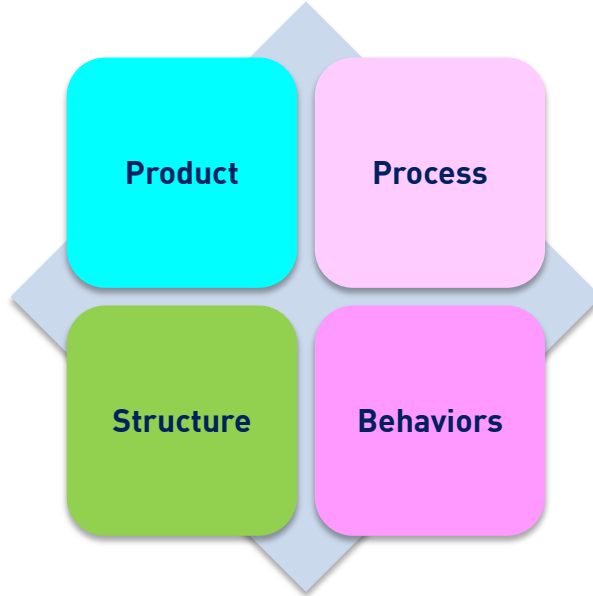


MT On shelf availability at 80+ levels; stepping up GT levels

AGILITY & SIMPLIFICATION



Focused workstreams



Simplify & Sharpen



~30% lower SKUs in 2014



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HUL: WINNING DECISIVELY

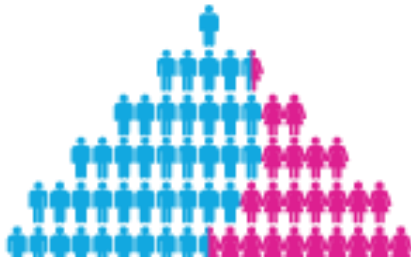
Winning with People



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 26 sites | We aim to impact a million lives through Prabhat

HELPING CREATE A BRIGHTER FUTURE

TAKE THE SUNLIGHT LIVING CHALLENGE
AND JOIN THEM TO SAVE WATER.



Hindustan Unilever Limited
project Sunlight

#BRIGHTFUTURE
www.projectsunlight.co.in, <https://www.facebook.com/HindustanUnileverLimited>

HARNESSING THE POWER OF CHILDREN FOR CHANGE

Social Experiment
Leading by action

Hindustan Unilever Limited



CAN KIDS
INFLUENCE
CHANGE IN
OUR WORLD?

Sunlight Living challenge



Innovating to provide
simple solutions



WHAT
ARE YOU DOING
TO CONSERVE
WATER
THIS MONSOON?

Hindustan Unilever Limited
projectSunlight

OUR HEALTH & WELL BEING IMPACT TILL 2020



LB School
Contact
Programs
160 mln
People



Pureit
100 mln
People



Domex Toilet
Academy
100K Toilets
530k
People



Oral School
Cont.
Program
5 mln
People



Water
Foundation
500 bln
litres

Impacting >250 mln people – 1 in every 5 Indians



SWACHH BHARAT ABHIYAN AV

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 and navigation links for 'INVESTOR CENTRE', 'MEDIA CENTRE', and 'CAREERS'. A search bar is present. The main content area features a sidebar with navigation options like 'UNDERSTANDING HUL', 'CORPORATE GOVERNANCE', and 'SHAREHOLDER SATISFACTION SURVEY'. The central section is titled 'Investor centre' and displays 'December Quarter 2014 Results' with a 'Read more' button. Below this, there are sections for 'Presentations & speeches' listing dates and topics, and a 'Recent news' section with a 'Financial Calendar' link.

HUL INVESTOR APP

