2nd August, 2019

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,

Sub: Investor Presentation

Pursuant to the Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith a copy of the presentation to be made to a group of investors at Mumbai today.

You are requested to take the above information on your record.

Thanking You.
Yours faithfully,
For Hindustan Unilever Limited

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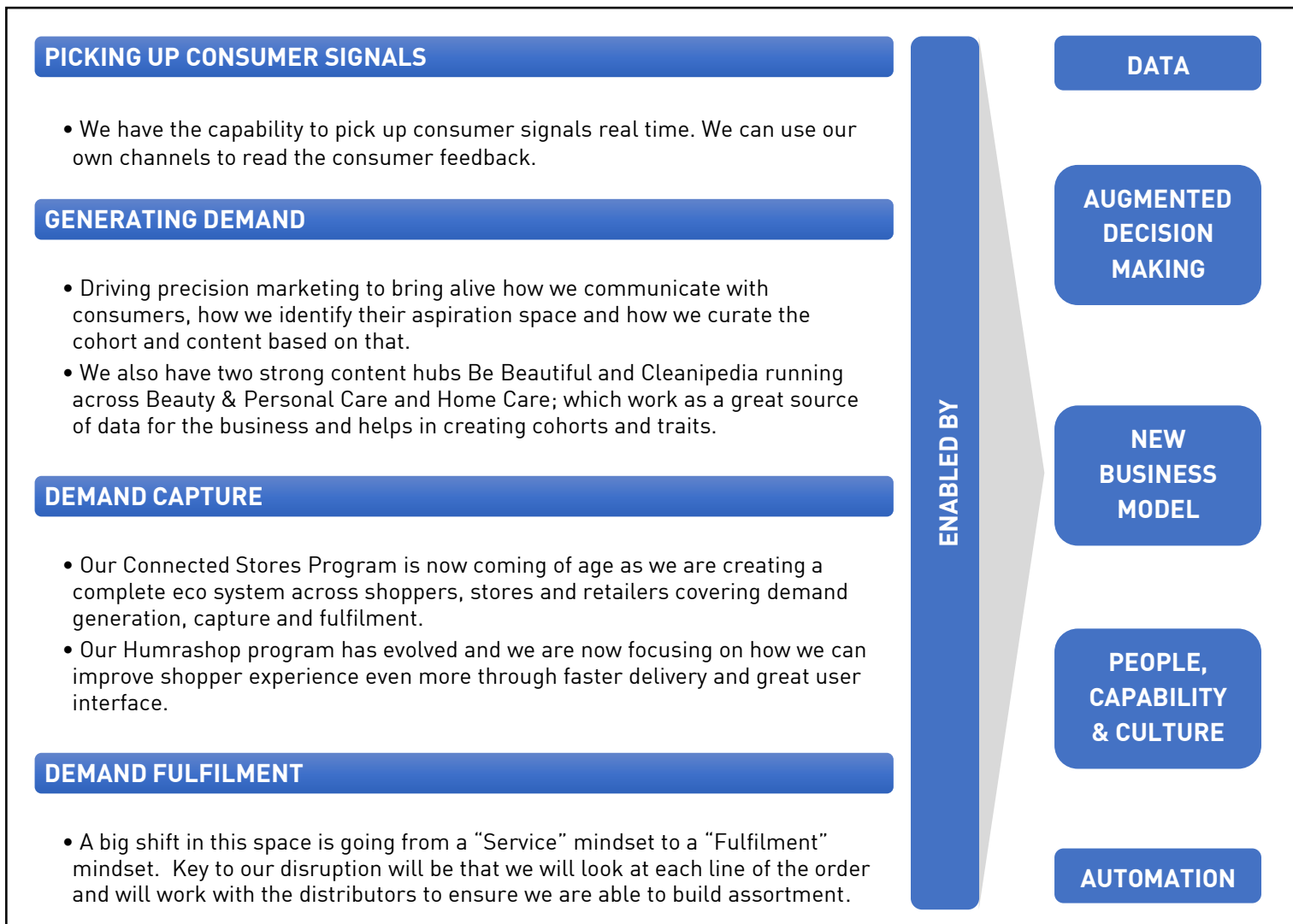**and Company Secretary**
DIN:00050516 / FCS No.: 3354

ANNUAL INVESTOR MEET 2019: BREAKOUT SESSION

RE-IMAGINING HUL: DIGITAL TRANSFORMATION TO BUILD A FUTURE FIT HUL

With a population 1.3 billion and a GDP of ~US$2.6 trillion, India's ascend to the world economy is a well-known story. However, critical to India's next growth trajectory will be the surge in the digital ecosystem that will catapult it to a US$ 10 trillion economy. Today the country has 1.2 billion* mobile phone subscriptions and 560 million* internet subscribers, making it one of the fastest digitising country. A mammoth 8.3 GB* per capita data consumption/ month is making it one of the highest data consuming market. In 2018, Indians have downloaded 12 billion* apps, changing the dynamics of consumer experience. Despite these staggering numbers, only ~50% of Indians are online, speaking volumes of the huge disparity across India. We call it 'the Great Divide', which is making it imperative for us to serve all of India.

With disruption becoming par for the course, we observe different retailer and distributor's business models and a non-linear consumer journey. To be at the forefront of such a changing ecosystem, we continue to put a big thrust on leveraging technology and data-led decision-making. We are choreographing an integrated end-to-end organization change program across functions as encapsulated in our vision 'Re-imagining HUL'. Today we don't have full visibility to the extent of growth potential in the market due to asymmetry of information across the value chain. An integrated solution will bring information together in a more harmonised manner which we believe will help us leverage the full potential of growth.

The 'Re-imagining HUL' program in summary:

PICKING UP CONSUMER SIGNALS

- We have the capability to pick up consumer signals real time. We can use our own channels to read the consumer feedback.

GENERATING DEMAND

- Driving precision marketing to bring alive how we communicate with consumers, how we identify their aspiration space and how we curate the cohort and content based on that.
- We also have two strong content hubs Be Beautiful and Cleanipedia running across Beauty & Personal Care and Home Care; which work as a great source of data for the business and helps in creating cohorts and traits.

DEMAND CAPTURE

- Our Connected Stores Program is now coming of age as we are creating a complete eco system across shoppers, stores and retailers covering demand generation, capture and fulfilment.
- Our Humrashop program has evolved and we are now focusing on how we can improve shopper experience even more through faster delivery and great user interface.

DEMAND FULFILMENT

- A big shift in this space is going from a "Service" mindset to a "Fulfilment" mindset. Key to our disruption will be that we will look at each line of the order and will work with the distributors to ensure we are able to build assortment.

ENABLED BY

- DATA
- AUGMENTED DECISION MAKING
- NEW BUSINESS MODEL
- PEOPLE, CAPABILITY & CULTURE
- AUTOMATION

Collectively, these initiatives will strengthen our data moat, and build an organization which is purpose led and future fit.

Foods & Refreshment
Sudhir Sitapati, Executive Director F&R

FY 2018-19 PERFORMANCE HIGHLIGHTS

Hindustan Unilever Limited

Strong Brands

4 Brands with
Turnover > 500 Crores

Net Sales

Double Digit Turnover
Growth

Operating Margin

17% Operating Margin*
~180 Bps# ▲

* Segment Margins (EBIT) FY 2018-19 excludes exceptional items

\# Operating margin improvement in one year (FY'19 Vs. FY'18)

STRONG POSITION IN ALL KEY CATEGORIES

#1 Tea

#2 Coffee

#1 Ketchup

#1 Jams*

#2 Ice Creams*

3

OUR PURPOSE

TO HELP SHAPE INDIA'S FOOD REVOLUTION

As one of India's largest Foods & Refreshment companies, we will use science & expertise to serve the majority of Indians by preserving the goodness of farm in a healthy, hygienic and sustainable way.

OUR STRATEGY

Growth Segments

Growth Channels

M&A

Subject to regulatory approvals

Purposeful Brands

Growth Segments

Growth Channels

M&A

Subject to regulatory approvals

Purposeful Brands
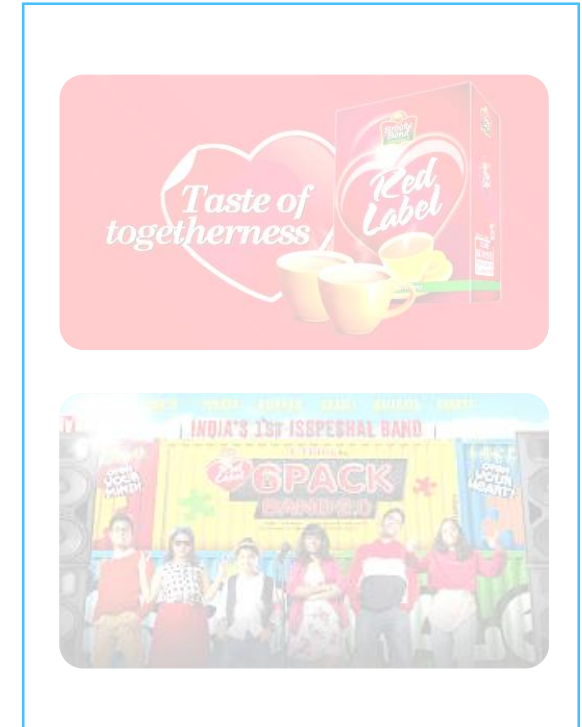
NATURAL CARE HAS SUCCESSFULLY LEVERAGED THE TREND OF HEALTH AND WELLNESS

Iconic brands

Persuasive communication with strong claims

Consistent results

▶ **AV 02: Red Label Natural Care**
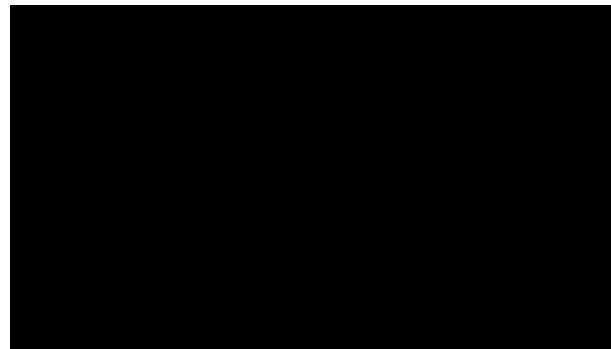
Natural Care

~2X

in the last 3 years

DEVELOPING THE KETCHUP MARKET IN INDIA

Underpenetrated category

Users 30%

Non Users 70%
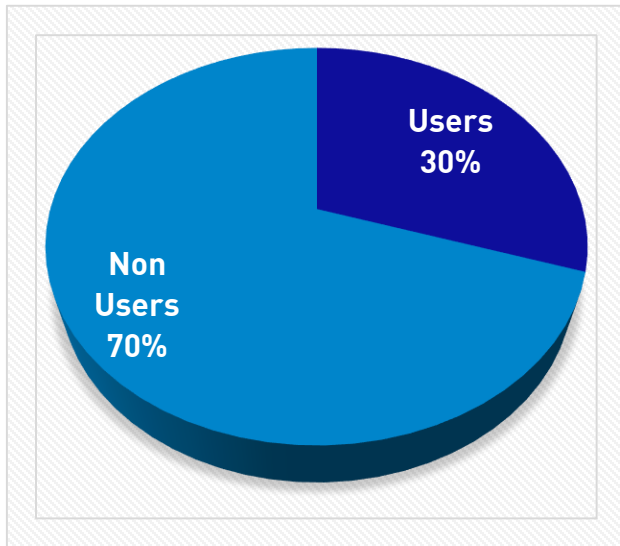
Communication aimed at market development

▶ **AV 03: Kissan TVC**

KISSAN
20 SEC
HINDI
05.02.19

Leading the market development

4 out of every 5 category entrants through kissan

REVISED STRATEGY HAS HELPED US DOUBLE OUR GROWTH RATES IN ICE CREAMS IN LAST 2 YEARS

Organic expansion

X Towns → **6X Towns**

2014   2019

Entering BOP

Kulfi Stick Rs. 10

Blockbuster innovations

Growth Segments

Growth Channels

M&A

*Subject to regulatory approvals

Purposeful Brands
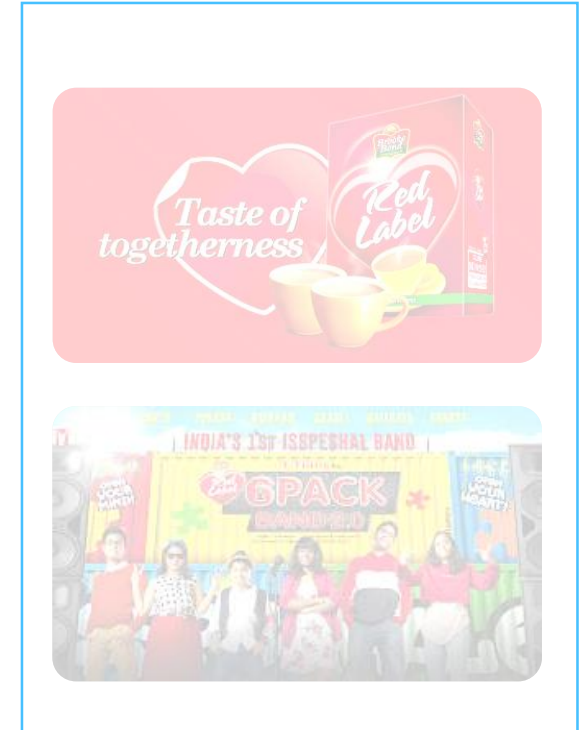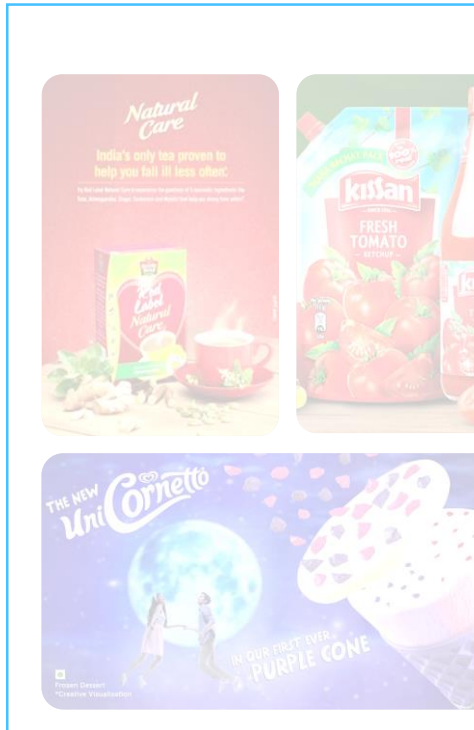
UNILEVER FOOD SOLUTIONS

Huge opportunity

Food Service 48 USD Bn > Pharmaceuticals 23 USD Bn > TV 12 USD Bn

Huge headroom to grow

Our strategy

Knorr CHICKEN BROTH POWDER

Knorr AROMAT SEASONING POWDER

Bring global successes to India

8 quarters of strong growth

3.5X
Local Chain Accounts

2X
Star Hotels

TEA: BRILLIANT BASICS UNLOCKED MASSIVE OPPORTUNITY IN RURAL

Rural opportunity

HUL Tea market share
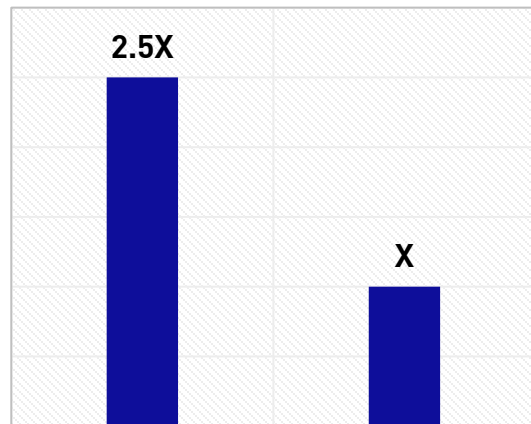
2.5X — Urban India

X — Rural India

Under indexed rural share

Our strategy

▶ **AV 04: Brooke Bond Taaza TVC**

HUL Tea Direct Coverage

X — MQ 16
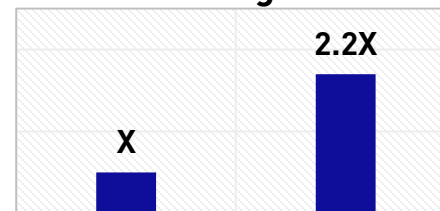
2.2X — MQ 19

Significant results in last 3 years

3X

2X

Brooke Bond Taaza
3 Roses
Red Label
Lipton Greentea
Taaza
TAJ MAHAL

HUL TEA PORTFOLIO

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OUR STRATEGY

Growth Segments

Growth Channels

M&A

Subject to regulatory approvals

Purposeful Brands

HUL F&R CONUNDRUM WAS

STRONG EXISTING BUSINESS

~7000 Crore
Double digit growth

Market leaders / winning shares
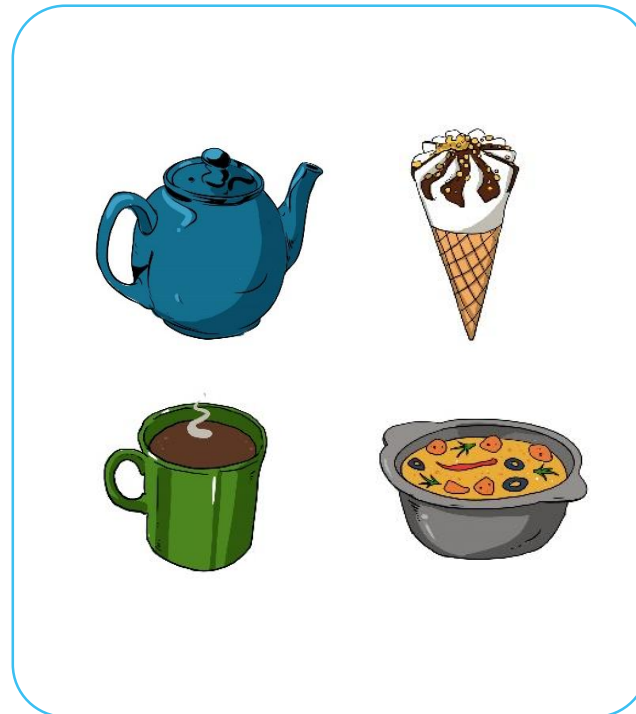
... BUT PLAYED IN SLOWER GROWING PARTS

HUL was playing in a relatively smaller, slower growing highly penetrated part of the market

HEALTH FOOD DRINKS (HFD) MARKET IN INDIA

Large & consolidated

Yet under-penetrated

Brands with strong equity

Having strong margins
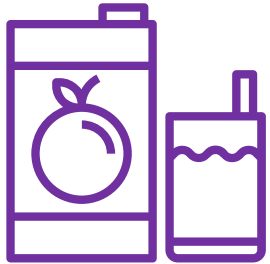
1 Billion Euro Market With GSK dominance in Shares

25% Penetration

With scope for even higher margins

HUL-GSK DEAL

Portfolio

**Broad portfolio of
Nourishing Malt-based Drinks**

High EBIT margin

HFD deal contours
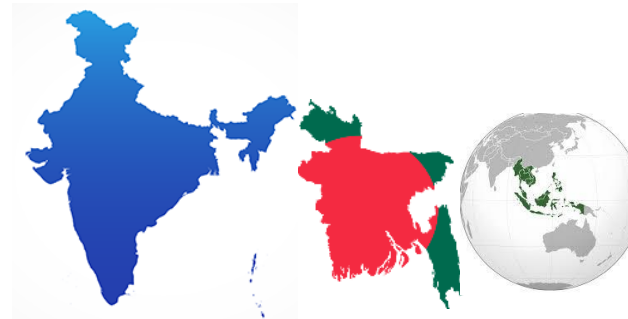
**Deal is global in scope
$ 3.8 Bn - India**

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20 Markets IPR & Commercial Op.

OTC/OH

OTC Portfolio

On commission selling agent

ON TRACK AS PER PLAN ON THE REGULATORY APPROVALS FOR THE MERGER

ADITYA ACQUISITION GIVES US FOOTHOLD IN NEWER MARKETS

HUL acquires Adityaa Milk Ice Cream brand

Adityaa Milk is a fast-growing brand and brings in distribution and portfolio synergies to Kwality Wall's across Maharashtra, Goa, Karnataka and Kerala

Enabled us to play BOP

Mini cone
Rs. 10

Unlocked physical availability in new markets

3x

X

2018   2019
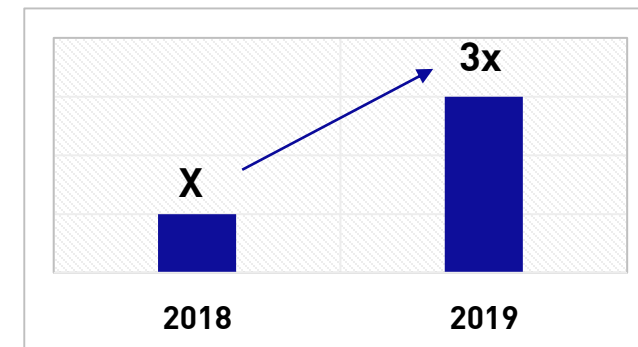
HUL + Adityaa cabinets in key markets*

*Kerala, Rest of Karnataka & Rest of Maharashtra

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OUR STRATEGY

Growth Segments

Growth Channels

M&A

*Subject to regulatory approvals

Purposeful Brands

RED LABEL: TASTE OF TOGETHERNESS

▶ **AV 05: Red Label Purpose**

Purpose at the heart of all communications

Topics of relevance

Market leadership

External recognition

MARKET LEADERSHIP IN TEA UNDERPINNED BY PURPOSE-LED ENGAGEMENTS

OUR STRATEGY

Growth Segments
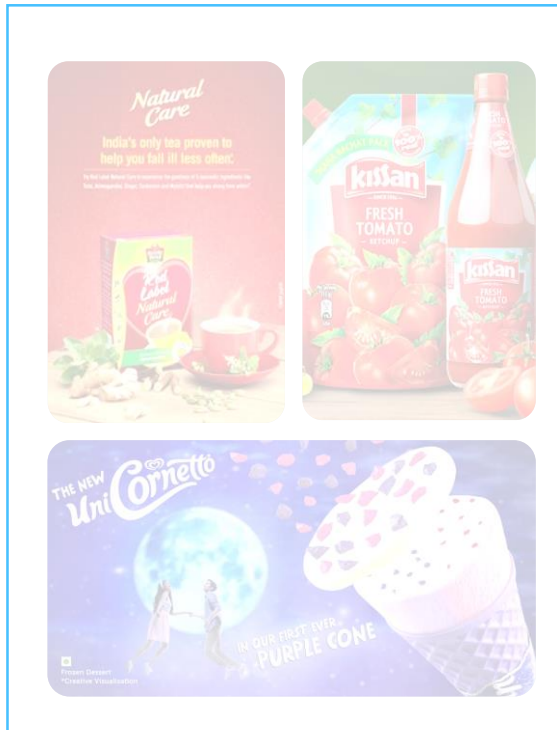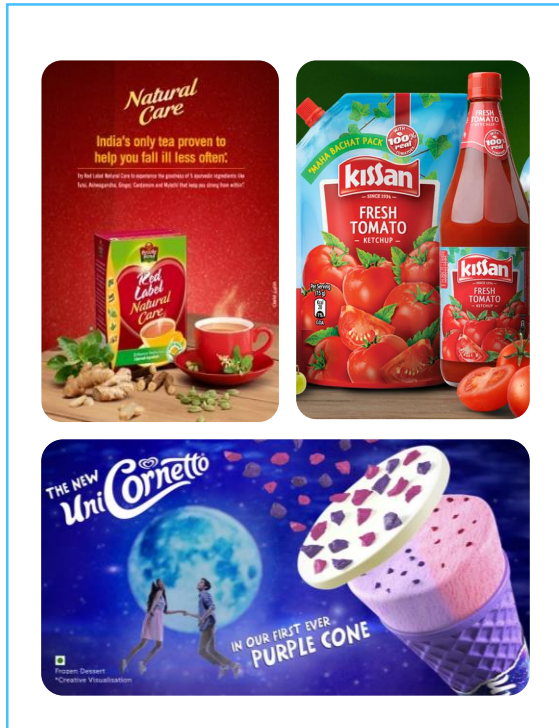
Growth Channels

M&A

Purposeful Brands

Subject to regulatory approvals

TO HELP SHAPE INDIA'S FOOD REVOLUTION

THANK YOU

TRANSFORMING
DISTRIBUTIVE
TRADE WITH
TECHNOLOGY

INDIA CD LANDSCAPE

3K+

Distributors

19k+

Sales
Representatives

30k+

Logistics
Manpower

4000+

Merchandisers

5000+

Beauty
Advisors

120k+

Shakti Entrepreneurs

WIDEST RURAL REACH

140 Mn

Units Sold per Day

3 Units sold to every Indian Citizen monthly

600k Sq. Ft

of Trade Assets

BIGGEST IN STORE MERCHANDIZING

WIDEST DISTRIBUTION REACH (OL)

Many brands reach over million outlets

Pillars of CD Strategy

DEMAND CAPTURE

cover the right outlets at the right frequency with the right assortment

DEMAND FULFILMENT

speedy delivery of order(s) to outlets at the most optimal cost

DEMAND GENERATION

world class in store execution & shopper loyalty to win at the point of purchase

DEMAND CAPTURE

Increase
Direct Reach
Distribution

More Stores

More
Assortment

Democratize
Ordering

Adding **Stores** – following the **sustainable rhythm**

Building a Rhythm of outlet addition

Streamlining the process of outlet addition – making it repeatable, scalable & efficient

Scouting	Salesman Addition	OL Addition	Service Mix Upgrade	GPS Fixing
Month 1	Month 2	Month 3-5	Month 6-9	Month 9-12
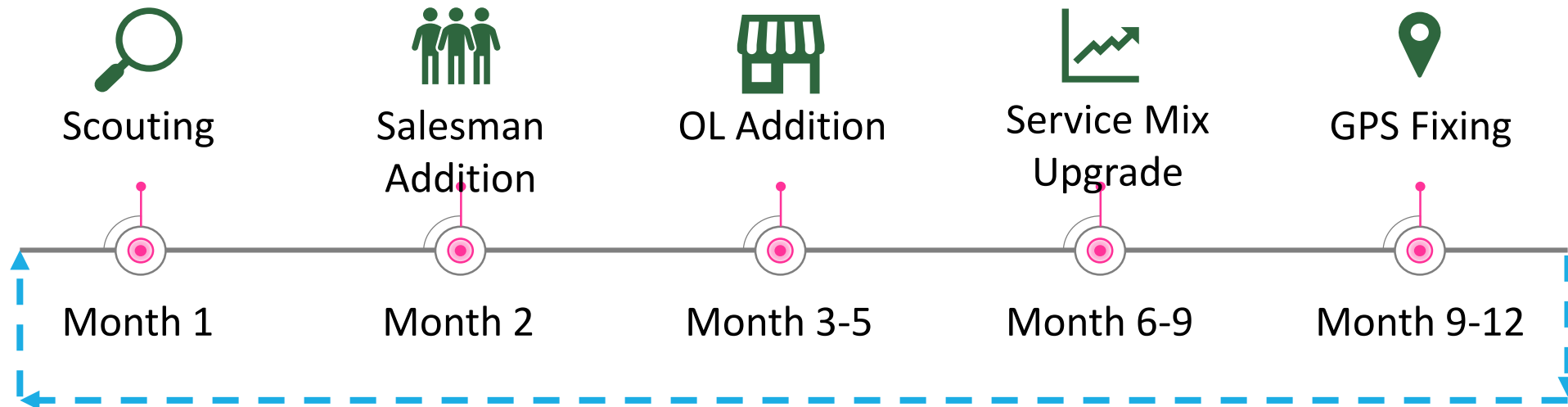
More Stores

More Assortment

Increase Direct Reach Distribution

Democratize Ordering

Better Replenishment is our biggest lever to grow assortment

Spread of Replenishment Across our Universe

% Contribution

30% 15% 11% 8% 7% 6% 5% 5% 4% 3% 3% 2%

1x 2x 3x 4x 5x 6x 7x 8x 9x 10x 11x 12x

Frequency of Replenishment
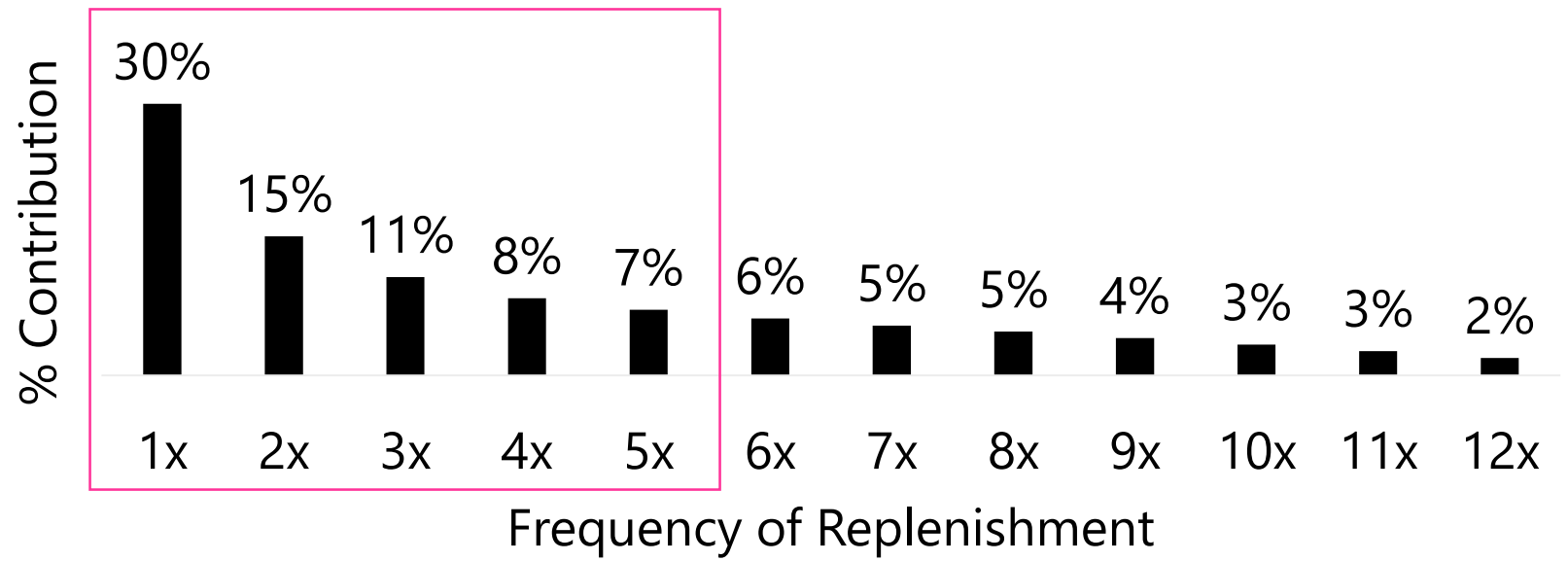
" Assortment is not just about the sale of new packs but also **their *subsequent replenishment*** "

Leveraging **Bayesian networks** for improved replenishment modelling

A probabilistic model which learns outlet and pack behavior trends to provide more relevant tasks to the Salesman in the given month
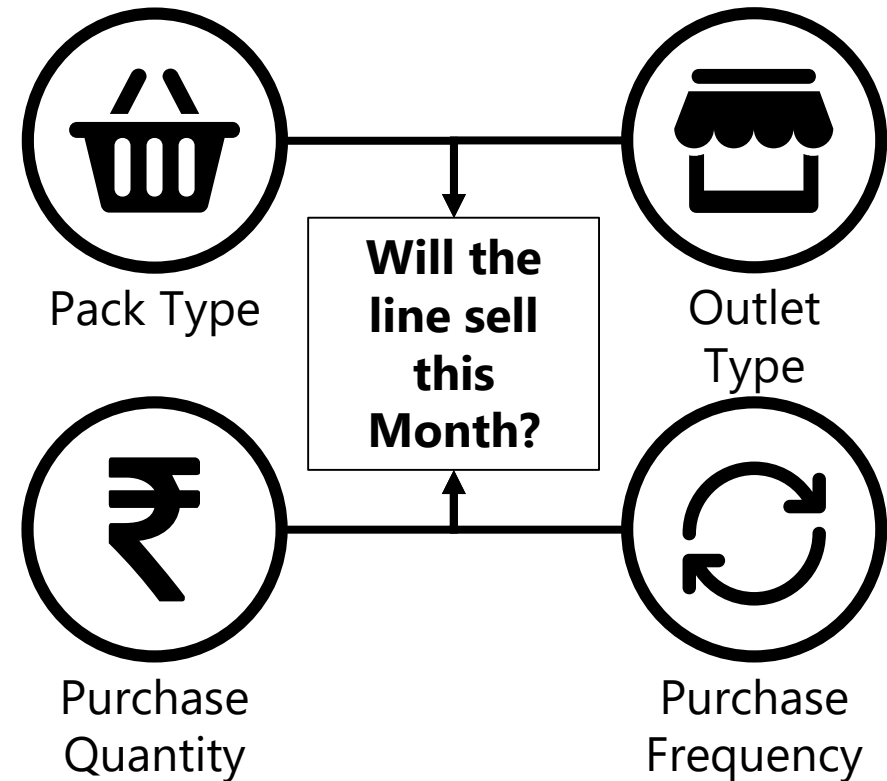
Simplified KPIs

Simplified Interface

1

Total Lines Sold Per Day

2
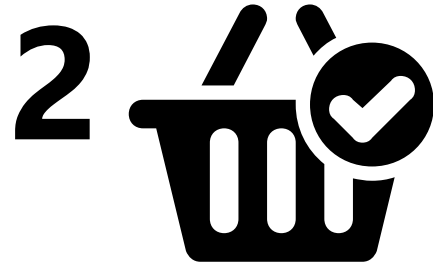
Total Assortment

☺ **Easy to Sell**   Set of packs an outlet regularly buys

₹ **Easy to Earn**   Set of incremental packs which have a priority

Increase
Direct Reach
Distribution

More Stores

More
Assortment

Democratize
Ordering

Democratize order taking from Salesman : B2B App

RAPID SCALE UP

Q1' 18 — **4 Cities**

Q4' 18 — **15 Cities**

Q2' 19 — **50 Cities**

Any time ordering

Business Transparency

Customized Promotions
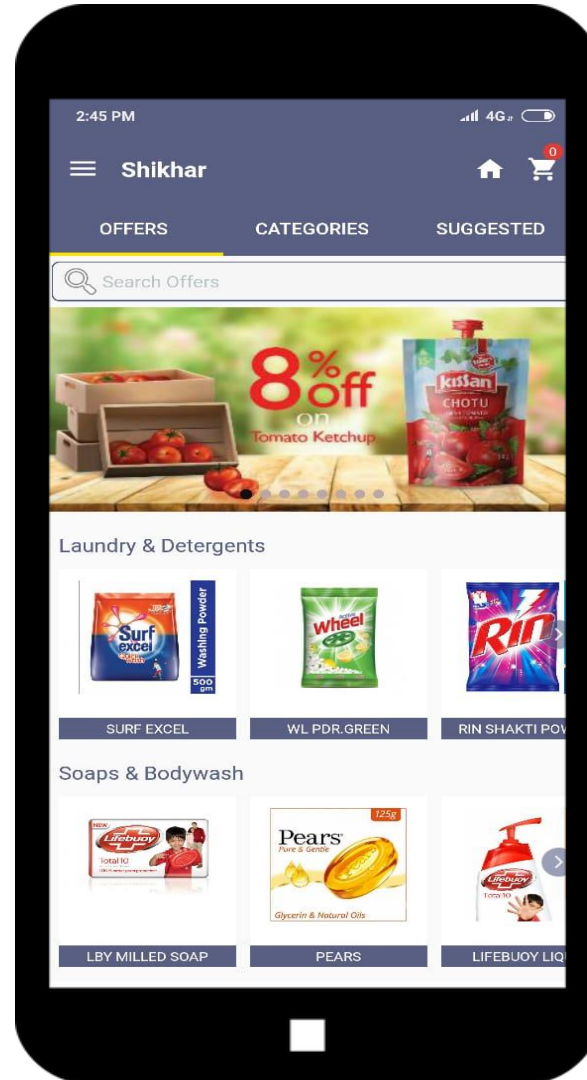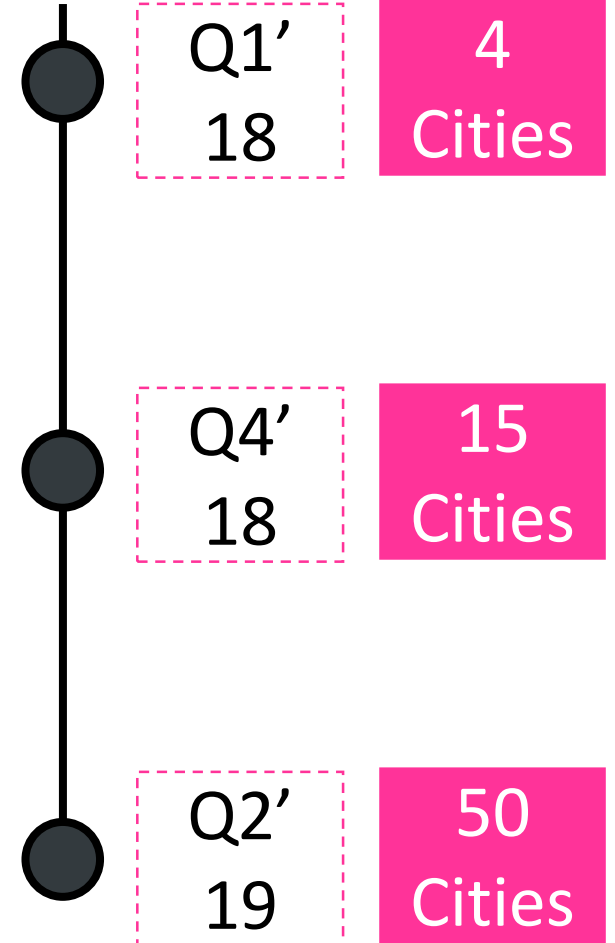
DEMAND FULFILMENT

- N+2 Delivery

- Back end automation

Delivery Transparency
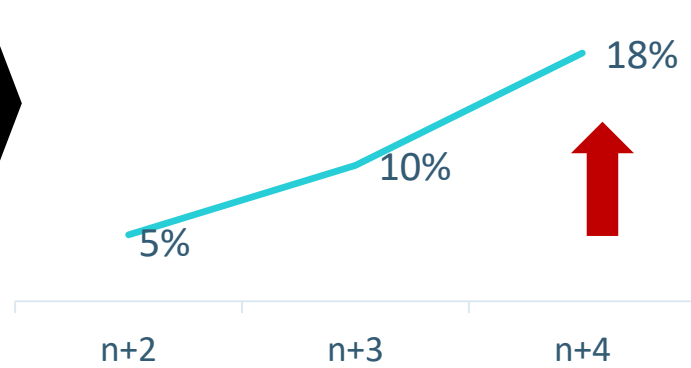
Automation

Faster & on-time deliveries key for growth

+ Delivery Optimization is key to improve last mile efficiency
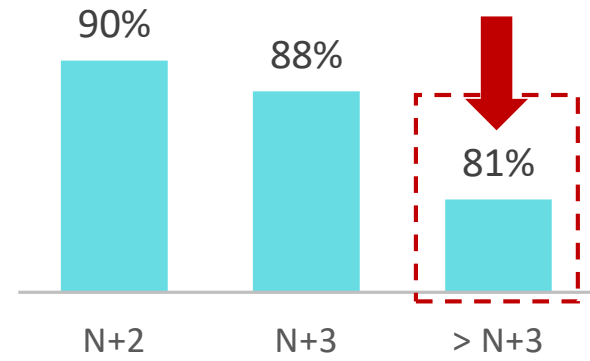
Higher the delay in delivery
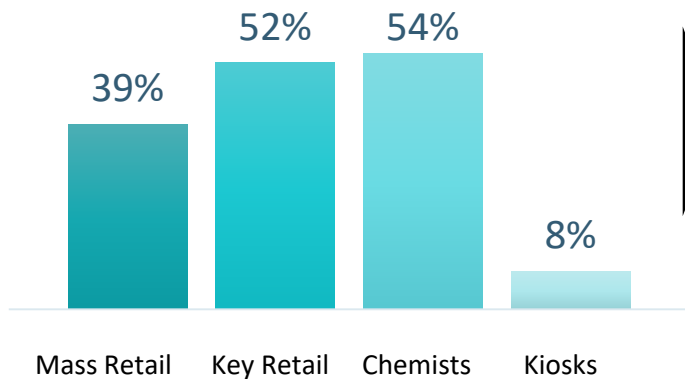
Larger is the Cost of Delay

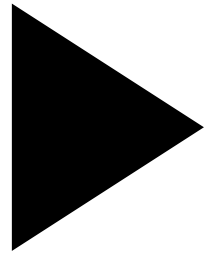**Lesser is the Productivity**

N+2 Delivery

%age Return as per delivery date

Probability of billing in next salesman visit

AV : Demand Fulfilment

- N+2 Delivery

- Back end automation

Delivery Transparency

Automation

Handling Complexity through Robotization

DEMAND GENERATION

- Wiring up **Program Stores**
- Activate B2C

Wire Up Stores

Direct to Consumer

Wiring Up Stores & winning at scale

Billing Solution

Cashless Payments

Shopper Retargeting

Loyalty Program

Benefits from Wired Stores

Shopper transaction level insights

Customized promotions

Stronger retailer relationship

Premiumizing shoppers and wider assortment

Zero response time on competitive actions

Improved Shopper loyalty

- Wiring up
Program Stores

- Activate B2C

Wire Up
Stores

Direct to
Consumer

B2B2C : Humarashop – The power of Hyperlocal

B2B2C : Humarashop – The power of Hyperlocal

DELIVERY
PARTNER/STORE PICKUP

DELIVERY

PARTNER
DELIVERS

RETAILER CLICKS
DISPATCH

SHOPPER
PLACES ORDER

ORDER

RETAILER GETS
NOTIFIED

IT PLATFORM

SHOPPER

RETAILER

SHOPPER SEES
REAL TIME

MASTERS

SHOP & PROMOTER
UPDATES PRICES
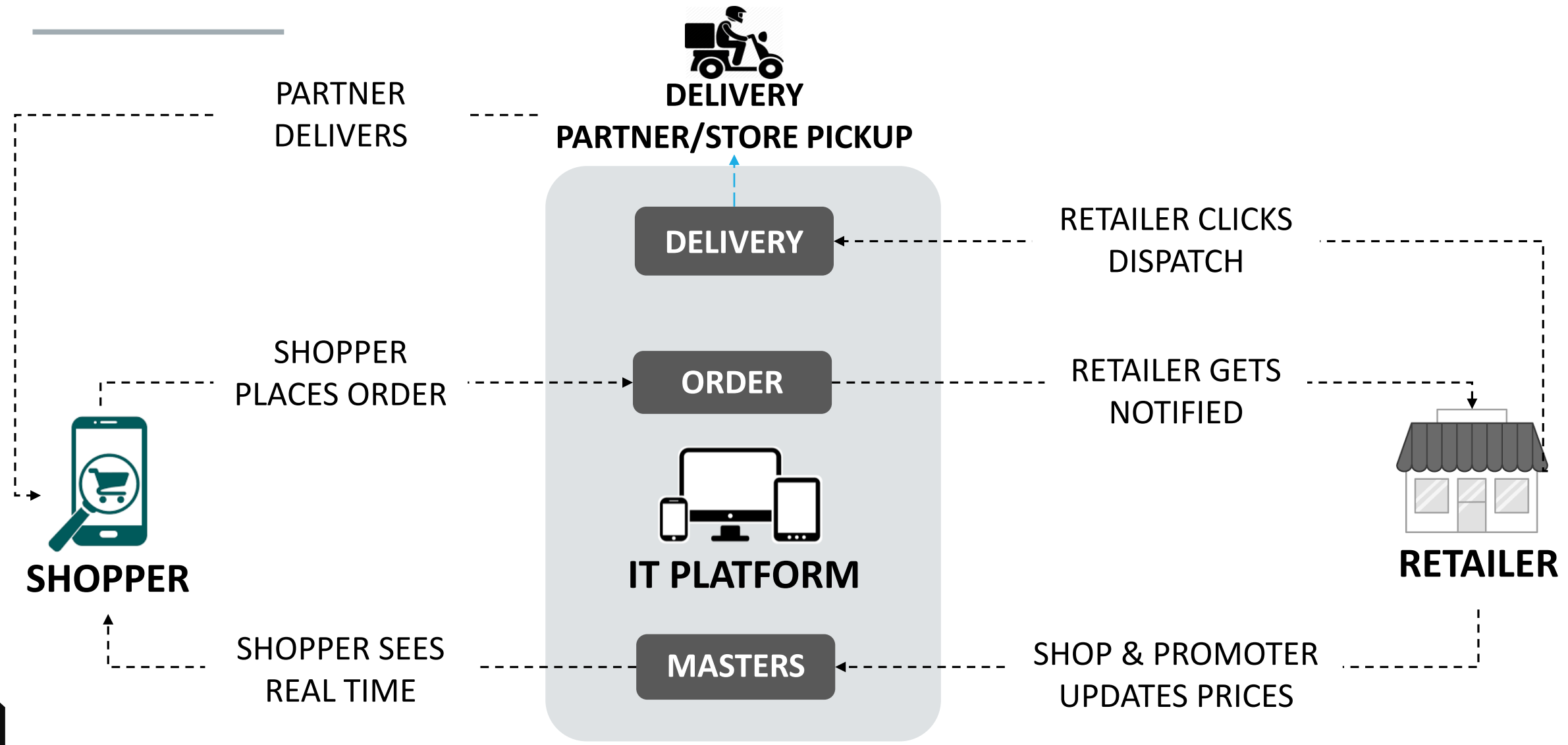
CD Strategy : Summary

DEMAND CAPTURE

More Stores

More Assortment

Democratize Ordering

DEMAND FULFILMENT

Delivery Transparency

Automation

DEMAND GENERATION

Wire up Stores

Direct to Consumer

THANK YOU