



30th June, 2025

Stock Code: BSE: 500696
NSE: HINDUNILVR
ISIN: INE030A01027

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Dear Sir / Madam,

Sub.: Chairman's Speech at the 92nd Annual General Meeting of the Company

This is further to our letter dated 24th April, 2025, wherein the Company had informed that the 92nd Annual General Meeting of the Company is scheduled to be held on Monday, 30th June 2025. We are enclosing herewith a copy of Chairman's Speech as delivered at the 92nd Annual General Meeting of the Company held today.

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

Thanking you,

Yours faithfully,
For HINDUSTAN UNILEVER LIMITED

Radhika Shah
Company Secretary & Compliance Officer
Membership No: A19308
Encl: As above



Hindustan Unilever Limited

Building a Winning Business in an Aspiring India

Nitin Paranjpe - 2025



**BUILDING A WINNING BUSINESS
IN AN ASPIRING INDIA**

was the subject of the speech
delivered by Nitin Paranjpe, Chairman,
Hindustan Unilever Limited, at the
Annual General Meeting held on 30 June 2025.

BUILDING A WINNING BUSINESS IN AN ASPIRING INDIA

NAVIGATING THE NEW NORMAL

We live in a world of rapid and profound change. From VUCA (Volatility, Uncertainty, Complexity and Ambiguity), a term introduced in the 1980s, to BANI (Brittle, Anxious, Non-Linear, Incomprehensible) introduced in the 2020s, volatility continues to define our new normal.

We are witnessing unprecedented technological advancements, from Artificial Intelligence (AI) taking over everything from searches to product design to farming, bio-mimetic inspired design, driverless vehicles and Mars missions to science utilising bugs for cleaning homes. Technology is, and will continue to be, a primary driver shaping our future.

Climate change is another critical factor influencing our collective future. Its effects, alongside biodiversity loss, are already evident in uneven rainfall, increasing water scarcity, and zoonotic diseases. By 2049, the cost of economic damage due to climate change is estimated to reach USD 38 trillion per annum.

Beyond these, we are seeing a significant shift from globalisation towards increased protectionism. Trade wars and armed conflicts have moderated global growth. In fact, the Organisation for Economic Co-operation and Development (OECD) recently revised global growth projections downward to 2.9% for both 2025 and 2026. Thriving in this turbulent world presents challenges, but also several opportunities for nations and businesses.

INDIA: GROWING AMIDST TURBULENCE

Despite global uncertainty and slowing growth, India remains one of the fastest-growing economies, projected to grow at approximately 6.3% during Financial Year 2025-26. According to IMF data, India's GDP has more than doubled from USD 2.1 trillion in 2015 to over USD 4.3 trillion in 2025, and projected to soon surpass Japan's, and become the fourth-largest economy. The period from 2014 to 2024 is being hailed as the decade of India's economic resurgence. This aligns with the vision of a 'Viksit Bharat' (Developed India) by 2047, the nation's 100th year of independence. Achieving zero poverty, quality education for all, affordable healthcare, meaningful skilled employment, and becoming the world's food basket are ambitious yet achievable milestones in India's journey to

becoming an advanced economy. To reach these, we need to boost our GDP growth from 6.5% to over 8%. Several 'tailwinds' will help achieve this, including a strong digital infrastructure, a conducive policy environment, and a burgeoning young population.

The Digital Differentiator:

What India may have lacked in physical infrastructure having missed out on the first, second and third industrial revolutions the nation is making up for during the fourth Industrial Revolution with the kind of digital public infrastructure (DPI) it has created. Countries worldwide are seeking to replicate India's open network models, such as Aadhaar and UPI. Indeed, digitisation and the nation's DPI could be its greatest future advantage.

For example, India is advancing in digital commerce through the Open Network for Digital Commerce (ONDC). ONDC operates on the same principles as other DPI frameworks, aiming to bring sellers and buyers onto a single platform creating opportunities for all. From local 'kirana walas' to the largest retailers, everyone can leverage the network, allowing consumers to choose freely, levelling the playing field like never before.

Of course, it is easier said than done. Getting the country's over 12 million sellers and re-sellers to leverage e-commerce and improve India's e-retail penetration from the current 4.3% is a tall order. Projections indicate ONDC's e-commerce Gross Merchandise Value (GMV) is expected to grow to a massive 30% of the total e-commerce GMV by 2030, potentially reaching USD 1 trillion. This requires concerted efforts, but when ONDC achieves UPI's ubiquity, it will democratise commerce and foster inclusive growth across the nation.

Furthermore, AI is already accelerating India's next growth phase. AI empowers people nationwide to leverage data and knowledge for livelihoods, accessible healthcare, skilling, and more. This is merely the beginning, as AI and digital adoption hold significant transformative potential across all sectors. India's finance minister recently stated that industries adopting AI are most likely to propel India into becoming the world's third-largest economy.

Policies Boosting Innovation and Growth:

A positive policy environment focused on growth and prosperity for all serves as India's second growth tailwind. In the last decade, several policy actions such as implementation of the Goods and Services Tax, the Make in

India initiative, the Digital India drive, efforts to open up the economy by raising FDI limits among others, have provided the much-needed boost to growth. India's infrastructure budget, for instance, has increased six-fold, with capital expenditure surging from ₹2 lakh crore in 2014-15 to ₹11.21 lakh crore in 2025-26, significantly contributing to the 'Viksit Bharat' goal. The Cabinet Committee on Economic Affairs recently approved 12 new project proposals under the National Industrial Corridor Development Programme with an estimated investment of over ₹28,000 crores.

Government policies favouring a robust startup ecosystem and fostering innovation through initiatives like the Atal Innovation Mission have helped India steadily climb the Global Innovation Index. From 81st spot in 2015, we have come up to 39th spot in 2024. This highlights the immense strides made in the last decade. However, more needs to be done; boosting innovation and improving conditions for businesses are crucial to sustaining growth momentum.

In addition, the Govt has also doubled down on investment in R&D through the creation of the Anusandhan National Research Fund to catalyse industry-academia partnership, and has launched the Bio-E3 policy aimed at fostering high-performance biomanufacturing, which involves the

production of bio-based products across various sectors. The policy aligns with broader national goals such as achieving a 'Net Zero' carbon economy and promoting sustainable growth through a circular bioeconomy.

Doubling Down on Demographic Dividend:

Finally, India's burgeoning young population has the potential to propel future growth. By 2030, 69% of the country's population will be of working age. With a median age of less than 29 years and the lowest dependency ratio, India will remain the largest provider of human resources. According to the World Economic Forum (WEF), economies with a demographic dividend, like India and sub-Saharan African nations, will supply nearly two-thirds of new workforce entrants in the coming years. This will not only strengthen India's manufacturing and services sector advantage, but also boost its consumption.

However, to truly leverage these tailwinds, we must navigate challenges towards a better, more sustainable future.

CREATING A TECH-DRIVEN, HUMAN-LED, AND SUSTAINABLE FUTURE

Our young population can only become our greatest strength if nurtured effectively. This is mission critical and will prove crucial in achieving the Viksit Bharat ambition by enabling meaningful employment; driving up consumption and contributing to the economy. Technology must be harnessed to enhance productivity and empower the vast young population. It needs to be leveraged for skilling, reskilling, and upskilling the working-age population, and ensuring meaningful education through online courses and programmes. The government has already initiated large-scale, tech-driven skilling programmes, such as the Skill India Digital Hub. Interestingly, the World Economic Forum Future of Jobs Report 2025 indicates that Indian companies are increasingly adopting skill-based hiring (30% compared to 19% globally), which reduces the need for degrees and opens up livelihood opportunities across the socio-economic pyramid. To fully utilise the demographic dividend, we must provide meaningful employment to our youth, enabling them to further boost India's internal consumption and contribute to the economy.

Even as we pursue growth, we must consider its environmental impact. India is not insulated from global pressures. Rising temperatures, irregular rainfall, drought, and floods are clear indicators of changing weather patterns and a call for action. One-third of our nation's GDP comes from nature-dependent sectors. It is estimated that the climate crisis could cost India between 6% to 10% of its national income by 2100, potentially pushing 50 million people back into poverty. According to the United Nations, climate change will exacerbate inequalities, disproportionately affecting the poor through increased food insecurity, water scarcity, and displacement.

To create a developed India, we must chart a path that prioritises economic growth alongside environmental sustainability and social progress. While the government is taking significant steps, 'India Inc.' must play a crucial role in ensuring this growth is inclusive and environmentally responsible.

UNLOCKING A BILLION ASPIRATIONS

At Hindustan Unilever (HUL), we recognise our role in unlocking the aspirations of a fast-evolving India. For over 90 years, we have embraced change and adapted to meet the evolving needs of consumers across India.

Consequently, today, 9 out of 10 Indian households use one or more of our brands. Our journey has had its challenges, but our core strengths have helped us navigate the external environment while doing good for the nation.

First, as a consumer goods company, we have always listened closely to our consumers, rooting ourselves in the very cultural fabric of India. Sensing consumer needs and picking up signals have been our key strengths. Simultaneously, consumer-centric and superior product innovation has fuelled our growth and provided a competitive edge. In India, we pioneered FMCG research, establishing our first R&D centre in the 1960s. Our world-class supply chain is another key strength, enabling us to manufacture superior products and deliver them through one of the country's widest and most extensive distribution networks. Today, over 9 million outlets carry our products.

But India is changing faster than ever. Consumers today are more aspirational, with sentiments, tastes, and preferences evolving rapidly with every click or scroll on social media. As a company, we have become more obsessive about 'sensing' what consumers want and need, and 'delivering' at the right place and time. We are embedding technology across our value chain to enhance agility and resilience. We also recognise that in an increasingly complex world,

leveraging the power of partnerships and deeper collaboration is essential to find solutions for changing aspirations. As India prepares for a watershed moment that will define its future, we are building to serve this new, aspirational India.

Picking Up Consumer Signals Faster:

As aspirations rise, we are increasingly focusing on consumers' future needs – segments we believe will form the future core, and products that will create new markets. In addition to traditional methods, we are now deploying technology to pick up on trends even faster. For instance, DVOC (Digital Voice of Consumer) is an AI-enabled tool that helps us comprehensively analyse consumer sentiments.

For example, consumers today seek holistic wellness. To meet this growing demand, we leveraged Unilever's brand repertoire to launch Liquid IV, a science-backed hydration drink in India. We have also made strategic investments in science backed wellness brands such as Oziva and Wellbeing Nutrition. At the same time, we are building the Adult Nutrition portfolio for Horlicks through clinically proven products for Diabetes Management, Women's Health and Protein plus diets.

Innovating for the Future:

After identifying consumer signals, we innovate to deliver superior formulations that cater to every consumer need while also being good for the planet. For instance, we recently developed Stratos, a first-of-its-kind innovation enabling better skincare and skin protection benefits in soap bars, that is also beneficial for the planet. This technology, the 1st of its kind to be certified by the Skin Health Alliance UK and the British Skin Foundation, took five years to develop, with over 20 patents filed. It was tested across the country and proven superior. With reduced palm oil dependency, these new bathing bars decreased our reliance on forex-dependent commodities and lowered greenhouse gas emissions.

Consider another innovation: intentionally adding probiotic micro-organisms to a floor cleaner. These microbes consume dirt and stains, resulting in sparkling clean, fragrant and insect-free floors. The Vim Ultra Pro floor cleaners were formulated with key consumer pain points in mind, taking us nearly two years to launch a product that addresses consumer needs without harming nature.

We are powering our innovations with differentiated science and technology from Unilever's three cutting-edge research platforms. First, our deep understanding of

gut, skin, scalp and household microbiomes helps us bring world-class innovations designed to address evolving consumer needs. Second, we are building on biotechnology, which harnesses biology and nature to create new products that meet consumer needs and preferences. This includes materials like plant-based polysaccharides and bio-surfactants like rhamnolipids powering our PC and HC innovations. The third platform, next generation materials, helps us identify and invest in developing materials that benefit both people and the planet. We collaborate with partners to reformulate products using lower-emission ingredients without compromising performance. We continuously develop alternatives to fossil-fuel-based chemical ingredients in our laundry and cleaning products. For instance, we partnered with Tuticorin Alkali Chemicals and Fertilisers Limited and Carbon Clean Solutions, who developed cutting-edge technologies to capture carbon dioxide from their production processes' energy use and convert it into soda ash (sodium carbonate). This soda ash is used in our detergent products like Rin, Wheel, and Surf excel.

Building an Agile Supply Chain:

Developing superior solutions for India's changing needs must be complemented by world-class manufacturing

and supply chain. We have 27 owned factories and produce over 80 billion units of products for our consumers. Today, we further leverage technology in manufacturing for even greater agility and resilience. Our Agile Innovation Hub, for instance, helps deploy digital tools for faster recipe development and test with consumers, cutting down the time taken from idea to shelf. Our digital Supply Chain Nerve Centre captures real-time information and enables intelligent, data-driven decisions. It prescribes customer-centric actions in real-time, ensuring our products are always available to consumers wherever they are.

We are reimagining the factory of the future. Our nano factories handle smaller product volumes with similar unit efficiencies as large factories, allowing us to cater to new-age consumers with niche product categories. Smaller batches also enable faster time-to-market for innovations, addressing rapidly evolving consumer needs even quicker. Digital interventions across our supply chain have received global recognition, with three of our factories being declared 4IR end-to-end digital lighthouse factories by the WEF, deploying the latest digital technology in manufacturing processes.

We collaborate with our suppliers and business partners to ensure collective success in the future. For instance, we work closely with our agricultural suppliers and smallholder farmers to deploy regenerative agricultural practices. This will provide superior quality raw materials, boost farmer income with better yields, and help regenerate natural ecosystems – a win-win for all.

Distributing to the New Consumer:

We understand that the shopper journey is evolving and no longer linear. Consumers today are overwhelmed by choices across traditional trade, modern trade, and especially online channels. To ensure a seamless experience both offline and online, we are leveraging advanced technology stacks and creating a singular data lake for better decision-making and execution in the marketplace. The recently established Premium Retail Organisation (PRO) exemplifies our focus on shopper needs and execution. The PRO exclusively focuses on creating demand and distributing our premium beauty portfolio through Beauty and Pharma channels, reaching consumers where they are.

Another example of technology and collaboration enhancing traditional distribution is our pioneering eB2B

mobile app, Shikhar. It's a kirana-centric, distributor-inclusive model that fosters better partnerships with our customers. With diversified product offerings and advanced features like loyalty programmes, an intuitive user interface, AI-powered personalised ads, and Customer Relationship Management (CRM) tools, Shikhar offers an engaging platform to retailers and helps them improve footfalls. By automating routine tasks, it frees up time for our distributor sales representatives to focus on market expansion and innovation. We are also leveraging Shikhar's reach to collaborate with and promote the Government of India's Open Network for Digital Commerce (ONDC) initiative. Through an integrated module on Shikhar, neighbourhood kiranas can seamlessly go live on ONDC and sell their entire product range online.

Marketing to the New India:

We are embracing technology and collaboration to reach our new-age consumers differently, preparing for the future of marketing and shifting investments to digital marketing channels. For instance, we have significantly boosted digital marketing investments; today, 40% of our spending is on digital media. We also collaborate with over 12,000 influencers to amplify our brand messages on social

media. Allowing others to tell our story on social media has provided many of our brands unprecedented reach and traction.

Consider the example of Moti, our soap brand, which launched the 'Din Din Diwali' campaign last festive season to preserve the essence of 'Abhyanga Snan' among new-age consumers. The campaign garnered over 150 million views, and Moti's market share saw one of its highest-ever growths following this campaign. Another example is the Knorr Korean range of noodles, which collaborated with Netflix's popular show, Squid Game season 2, to reach consumers interested in Korean shows, culture, and food.

DRIVING SUSTAINABILITY FOR MORE IMPACT

While we are embracing technology and collaboration to cater to the aspirations of a changing India, we realise that we also need to meet the expectations of society and challenges of the environment. We have evolved our approach towards sustainability to focus our efforts on four priority areas that need urgent action: Climate, Nature, Plastics and Livelihoods. Let me illustrate with a few examples.

We have joined the Resource Efficiency and Circular Economy Industry Coalition (RECEIC), established by the

Ministry of Environment, Forest and Climate Change (MoEFCC). This is an initiative that aims to advance the chemical industry's transition towards NetZero by shifting from fossil-based carbon to renewable carbon, and will help us tackle climate change.

In our quest to protect and regenerate nature, we are promoting regenerative agricultural practices that help reduce emissions and build resilience. We have partnered with the Tea Research Association, Tocklai and conducted detailed lifecycle analysis of over 10,000 hectares across 21 tea estates, factories, and small tea growers covering major tea-growing regions of India. The outcome of this research will help the tea industry devise mitigation strategies for reducing the carbon footprint of Indian tea.

To partner India's transition towards a plastic circular economy, we have made an investment in Lucro Plastecycle Private Limited, a leading player in recycled flexible plastics with an aim to significantly strengthen plastic circularity by increasing the availability of recycled content for flexible.

Through the Skill's Academy For Advancement of Livelihoods or SAFAL, we have been empowering youth and enhancing livelihoods through skill development,

entrepreneurship and inclusivity initiatives. From helping fund young entrepreneurs to mentoring and enabling employment for them, SAFAL has, till date, helped enhance livelihoods of over 3 lakh individuals.

These are among the many initiatives that we undertake to ensure a positive impact on people and the planet. We realise that climate change and societal concerns will continue to affect businesses in the long term, unless we become a part of the solution.

EMBEDDING A WINNING CULTURE

We are equally cognisant of the team we have, and the need to further develop them to cater to the needs of an aspiring India while remaining relevant as an organisation. We truly believe that market leadership follows thought leadership and fosters a culture that enables freedom of thought and ideas, helping us win in the future.

For instance, we urge our people to 'Care Deeply' for our consumers, their brand experience, and the impact our products have on both people and the environment. We want our people to have an owner's mindset and be obsessed with how our brands interact with every stakeholder across the value chain.

As an organisation, we are increasingly 'Focusing on What Counts' to thrive in the future. This means prioritising what's best for our consumers and, in turn, for the business. We will continue to focus on fewer but bigger things—those that make a real difference.

'Staying Three Steps Ahead' is critical to staying on top of trends. At HUL, we have always prided ourselves on being thought leaders, possessing foresight, and predicting consumer trends well ahead of time. For instance, we created the market for hair conditioners and even for fabric softeners in India. We empower our people to abandon the old and embrace the new, to stay ahead of the curve and lead by example.

Finally, we encourage our people to 'Deliver with Excellence,' taking complete responsibility for processes and experiences.

These behaviours are underpinned by our enduring values, which continue to define how we do business today. The values of integrity, responsibility, respect, and pioneering, govern everything we do and have served us well, helping us weather many past storms, and will continue to anchor us as we navigate an increasingly uncertain future.

CONCLUSION

The world today is characterised by uncertainty and chaos. However, amidst this incomprehensibility, the Indian economy appears poised to continue its path to sustainable and inclusive growth. The Indian consumer is evolving, seeking newer products, better experiences, and aspiring for more. As a business serving the needs of an ever-aspiring consumer and partner to a nation focused on its growth, we bear significant responsibility. The new India presents several opportunities that we can leverage to leapfrog into the future.

We are building capabilities to cater to the needs of an evolving and aspiring India. Simultaneously, we are striving to ensure this growth journey does not negatively impact the environment and leaves no one behind. We are navigating short-term challenges to partner the nation's long-term ambitions. After all, we have always believed that what is good for India is good for HUL.

Thank you.

Published by Prasad Pradhan,
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The speech can also be accessed on
the company website <http://www.hul.co.in>



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