

United Spirits Limited

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www.diageoindia.com

27th May 2024

BSE Limited
Listing Department
Dalal Street,
Mumbai 400 001
Scrip Code: 532432

National Stock Exchange of India Limited
Exchange Plaza, C-1 Block G,
Bandra Kurla Complex,
Bandra East, Mumbai- 400051
Scrip Code: MCDOWELL-N

Dear Sirs,

Sub: Investor Presentation

Ref: Regulation 30 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

Further to our intimation dated 3rd May 2024 regarding investors' call, enclosed is the presentation which will be used in our call. The same is being uploaded on our website www.diageoindia.com

This is for your information and records.

Thank you,

For United Spirits Limited

Mital Sanghvi
Company Secretary

Encl: as above



DIAGEO INDIA

Delivering *sustainable* *long-term* growth

FY 2023-24

Ms. Hina Nagarajan, Managing Director & Chief Executive Officer

Mr. Pradeep Jain, Executive Director & Chief Financial Officer

27 May 2024

CAUTIONARY STATEMENTS CONCERNING FORWARD-LOOKING STATEMENTS

This document contains 'forward-looking' statements. These statements can be identified by the fact that they do not relate only to historical or current facts. In particular, forward-looking statements include all statements that express forecasts, expectations, plans, outlook and projections with respect to future matters, including trends in results of operations, margins, growth rates, overall market trends, the impact of changes in interest or exchange rates, the availability or cost of financing to United Spirits Limited ("USL"), anticipated cost savings or synergies, expected investments, the completion of USL's strategic transactions and restructuring programmes, anticipated tax rates, expected cash payments, outcomes of litigation, anticipated deficit reductions in relation to pension schemes and general economic conditions. By their nature, forward-looking statements involve risk and uncertainty because they relate to events and depend on circumstances that will occur in the future. There are a number of factors that could cause actual results and developments to differ materially from those expressed or implied by these forward-looking statements, including factors that are outside USL's control. USL neither intends, nor assumes any obligation, to update or revise these forward-looking statements in the light of any developments which may differ from those anticipated. In addition, some of the numbers presented are based on management assumptions & analysis.

Agenda

1. FY24 Business Update
2. FY24 Financial Highlights
3. Looking Ahead

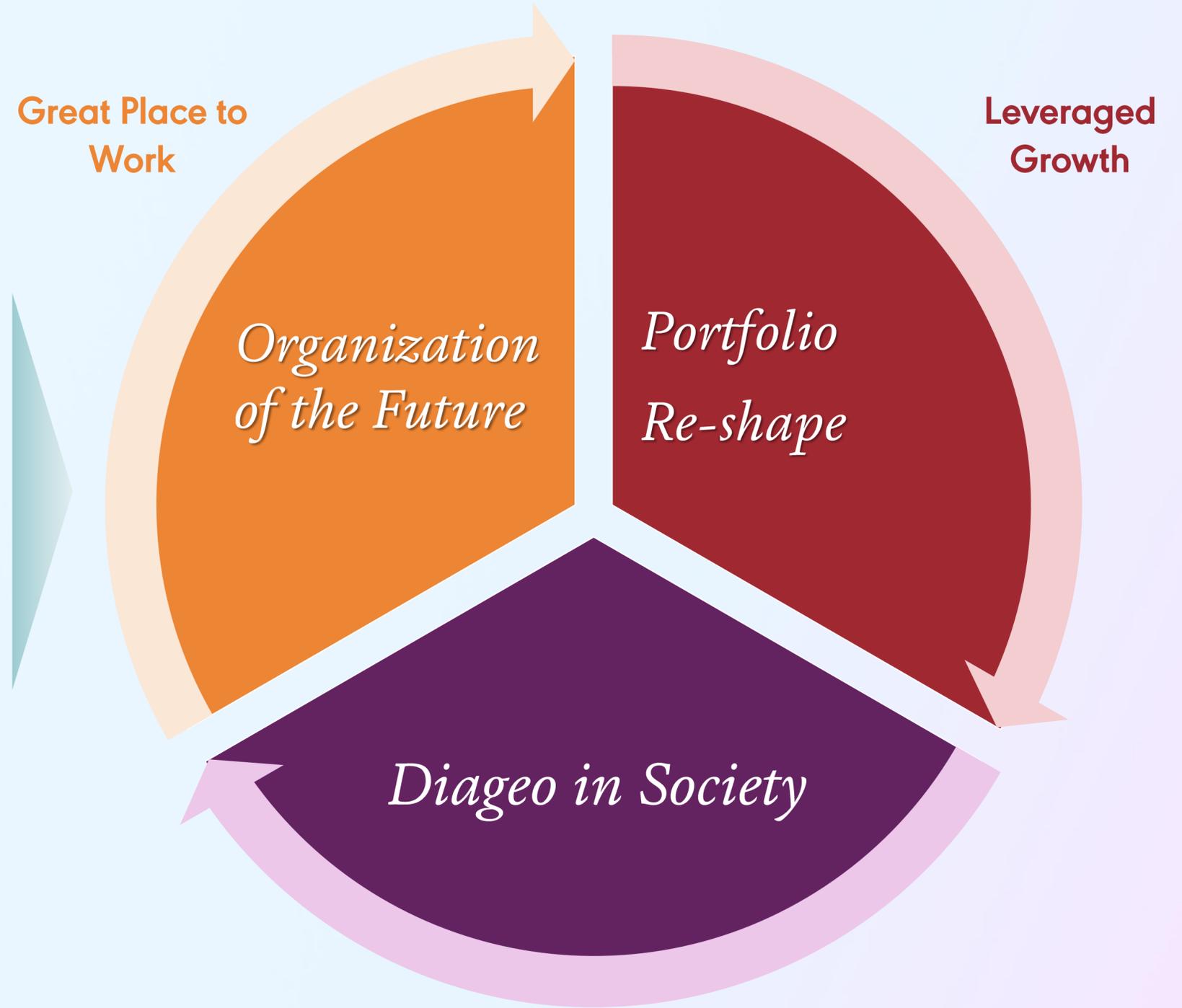
FY24 BUSINESS UPDATE

The background features a soft, light blue gradient on the left side, transitioning into a series of dynamic, flowing lines in various shades of blue and white on the right side. These lines create a sense of movement and depth, resembling liquid or energy waves.

Top performing CPG company in India delivering
sustained double-digit, profitable topline growth

&

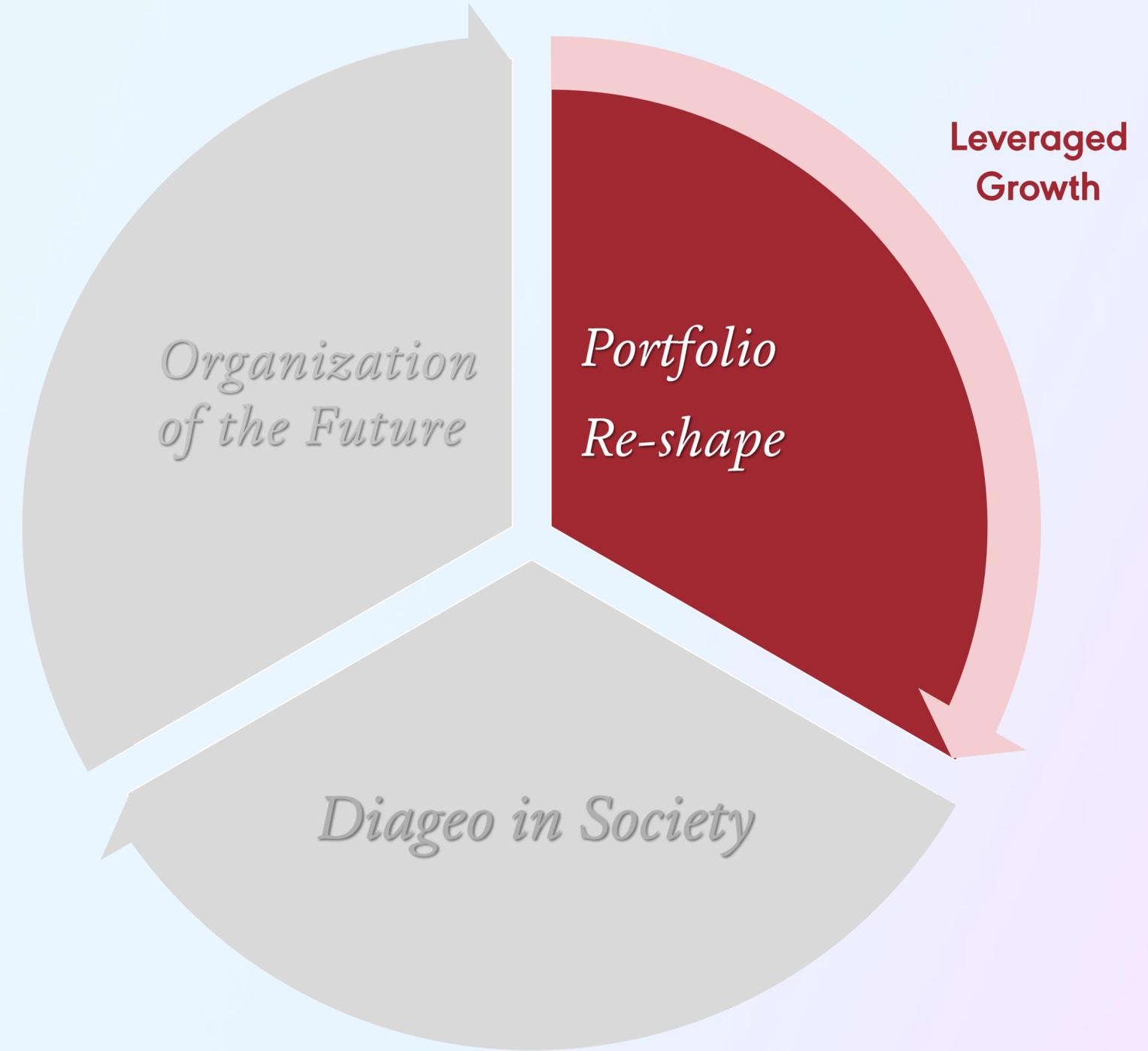
long-term value to all our Stakeholders



Top performing CPG company in India delivering
sustained double-digit, profitable topline growth

&

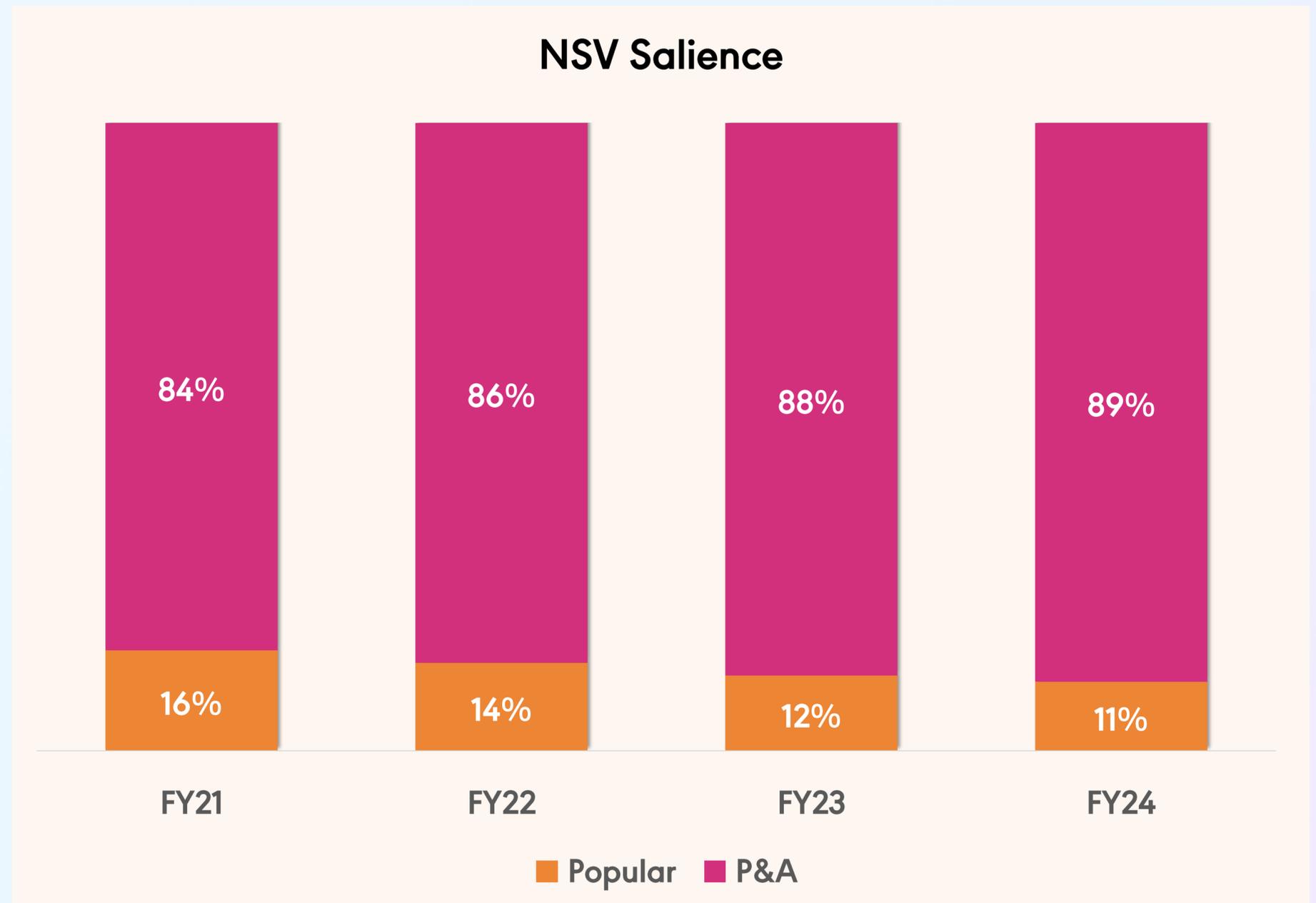
long-term value to all our Stakeholders



Our Portfolio provides multiple Premiumisation levers to make the consumer drink better

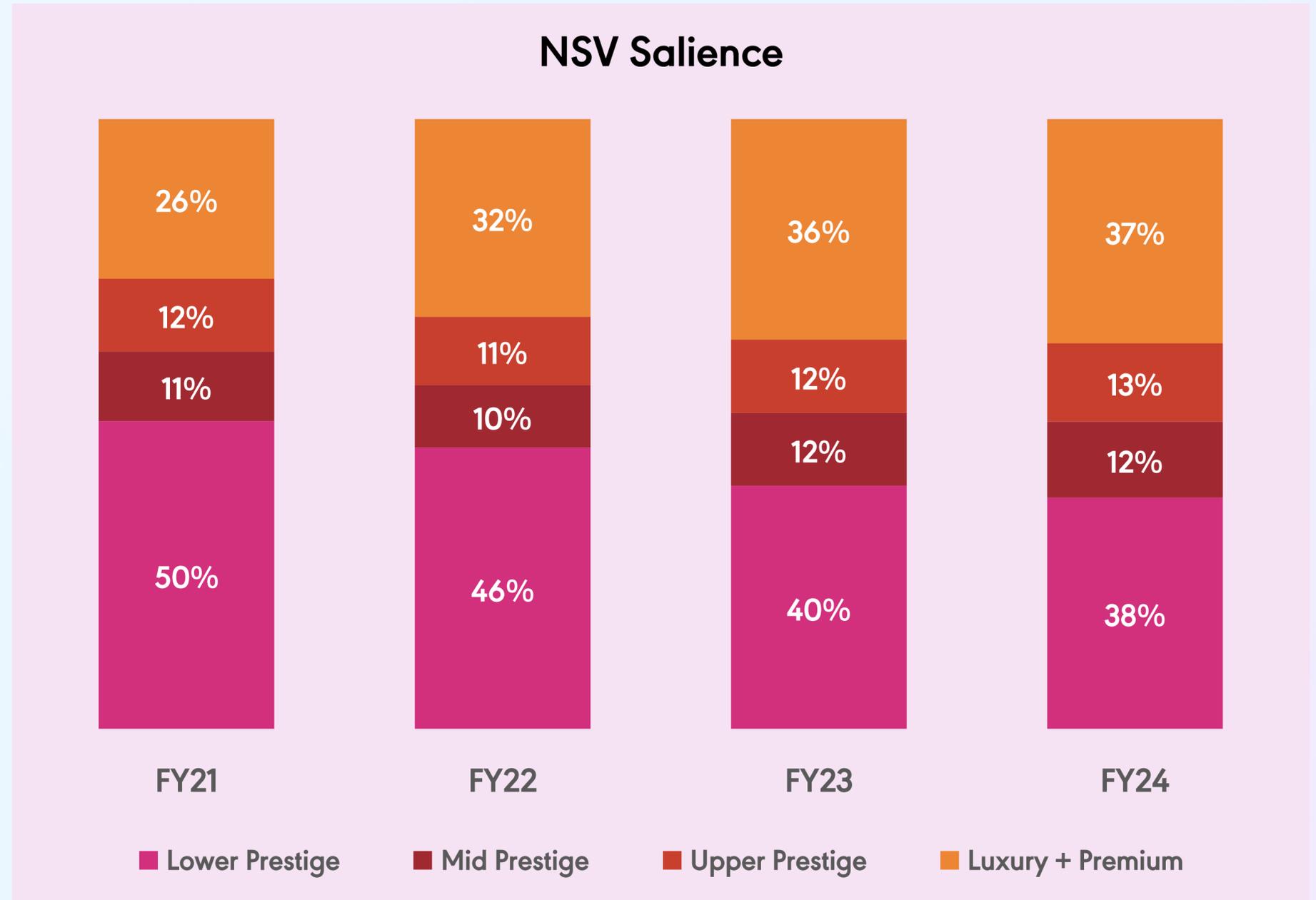


Premiumisation lever 1: Within the broader segments: Popular upgrades to P&A

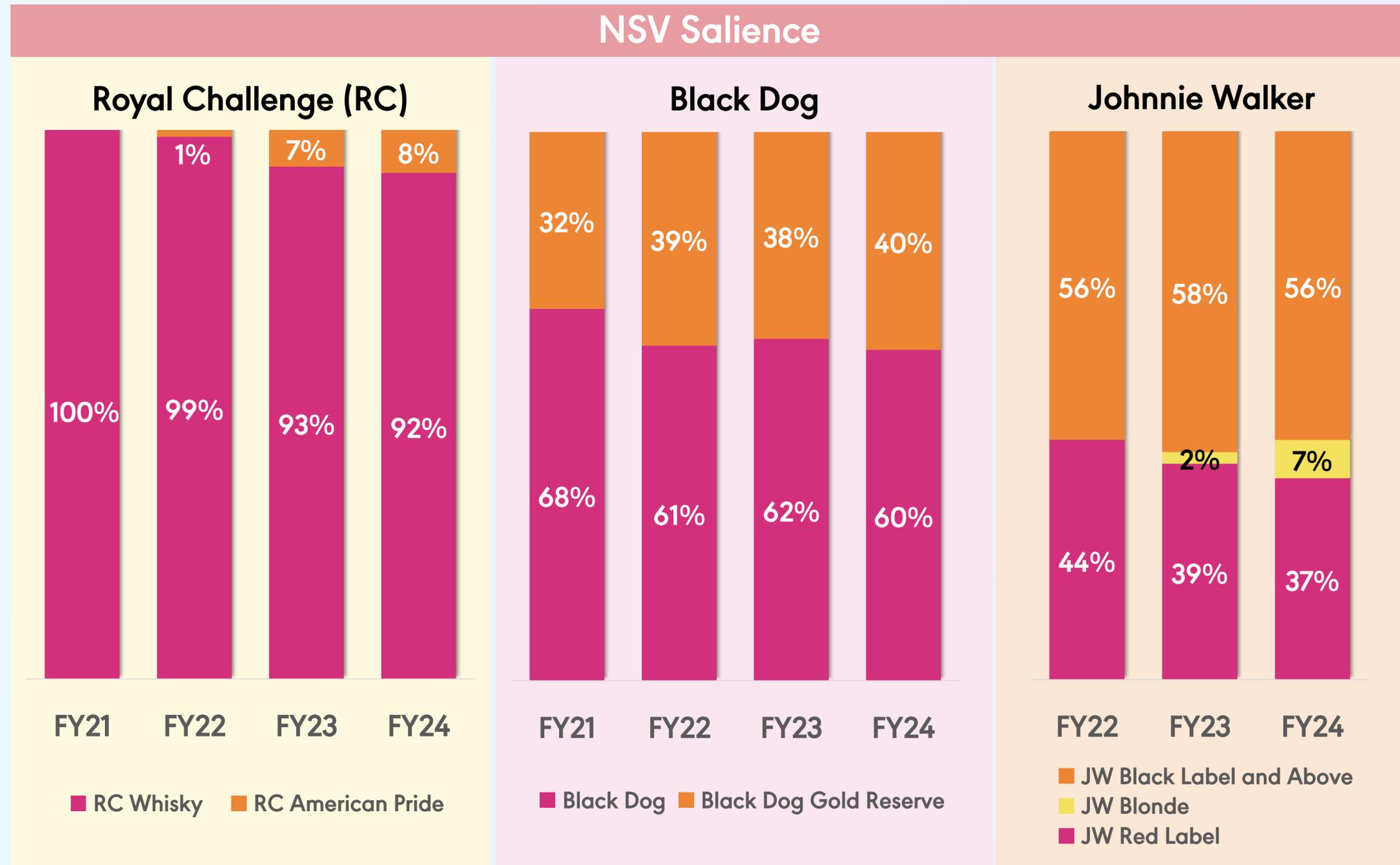


*NSV excludes sales from NBR segment

Premiumisation lever 2: Within the Prestige sub-segments and Above



Premiumisation lever 3: Within Trademarks



Premiumisation lever 4: Within Categories by Introducing and Creating New





DELIGHTFULLY UNEXPECTED

#THISISMCDOWELLS



DRINK RESPONSIBLY



PRESTIGE

House of McDowells; our Anchor Trademark being stretched to new frontiers



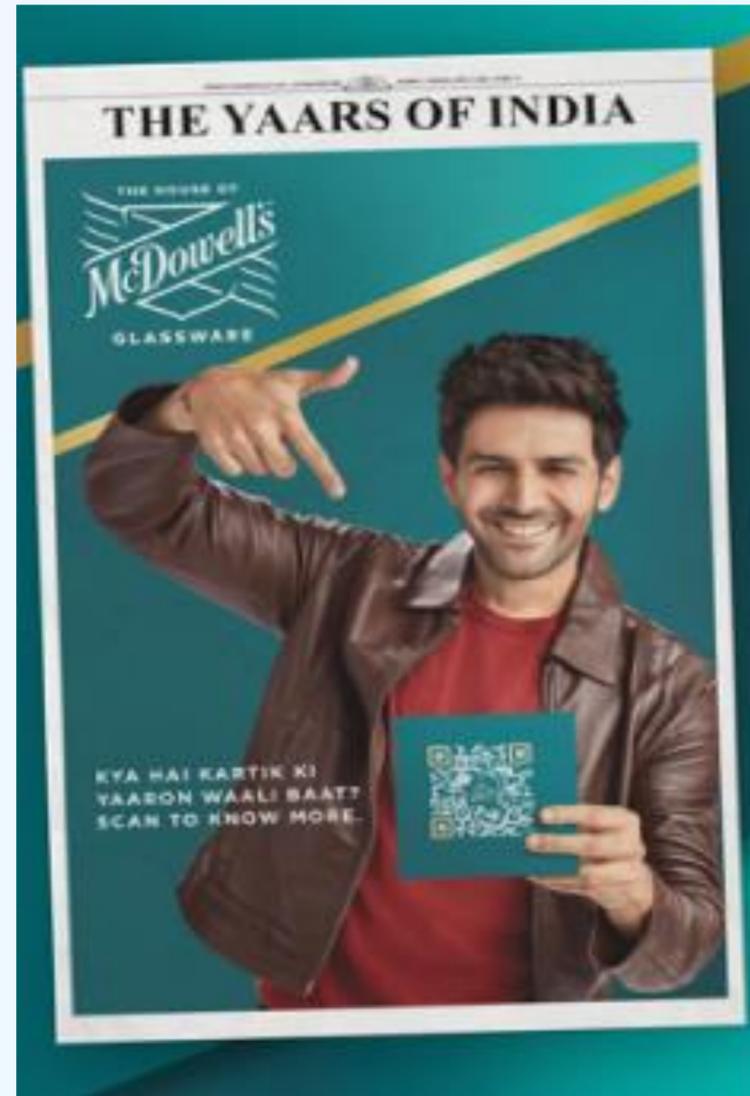
McDowell's X Series; unique range of Rum, Gin & Vodka



McDowells Indian Single Malt Whisky

Kartik Aaryan; the new face for House of McDowell's Brand Extensions

New Purpose Communication



1.2 Bn
Impressions

41
Press Ads



The biggest jump in equity scores in
last 5 years
(more salient, more meaningful)

Collab with King and Karan Kanchan

120M Reach



RC Whisky renovation enabled sustained growth momentum through the year

Strong Visibility during IPL and World Cup



Growing ahead of market, 2nd year in a row due to renovated bundle



RCAP - Strong focus on Activations to drive trials and repeats



Fastest scale up of innovation (91% Repeats)



RCB Girls win WPL; Drove Saliency and Message through High Reach Impact



RCB, Amongst Global Top 5 Sports teams in Social media interactions, high engagement even in Off-season

Big Screen Branding



Use of Player Imagery



Our Upper Prestige Resurgence continued with the Dual Trademark play

Signature

#ONEWITHNATURE Campaign ft. Ayushmann Khurrana



Green Vibes 2.0 in Hyderabad



Signature Presents Ziro Festival

Market leader on brand equity in segment

Antiquity

From

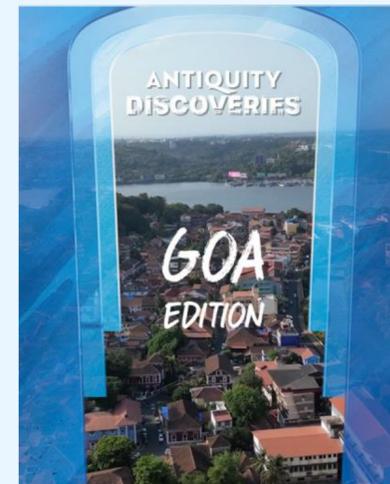


To



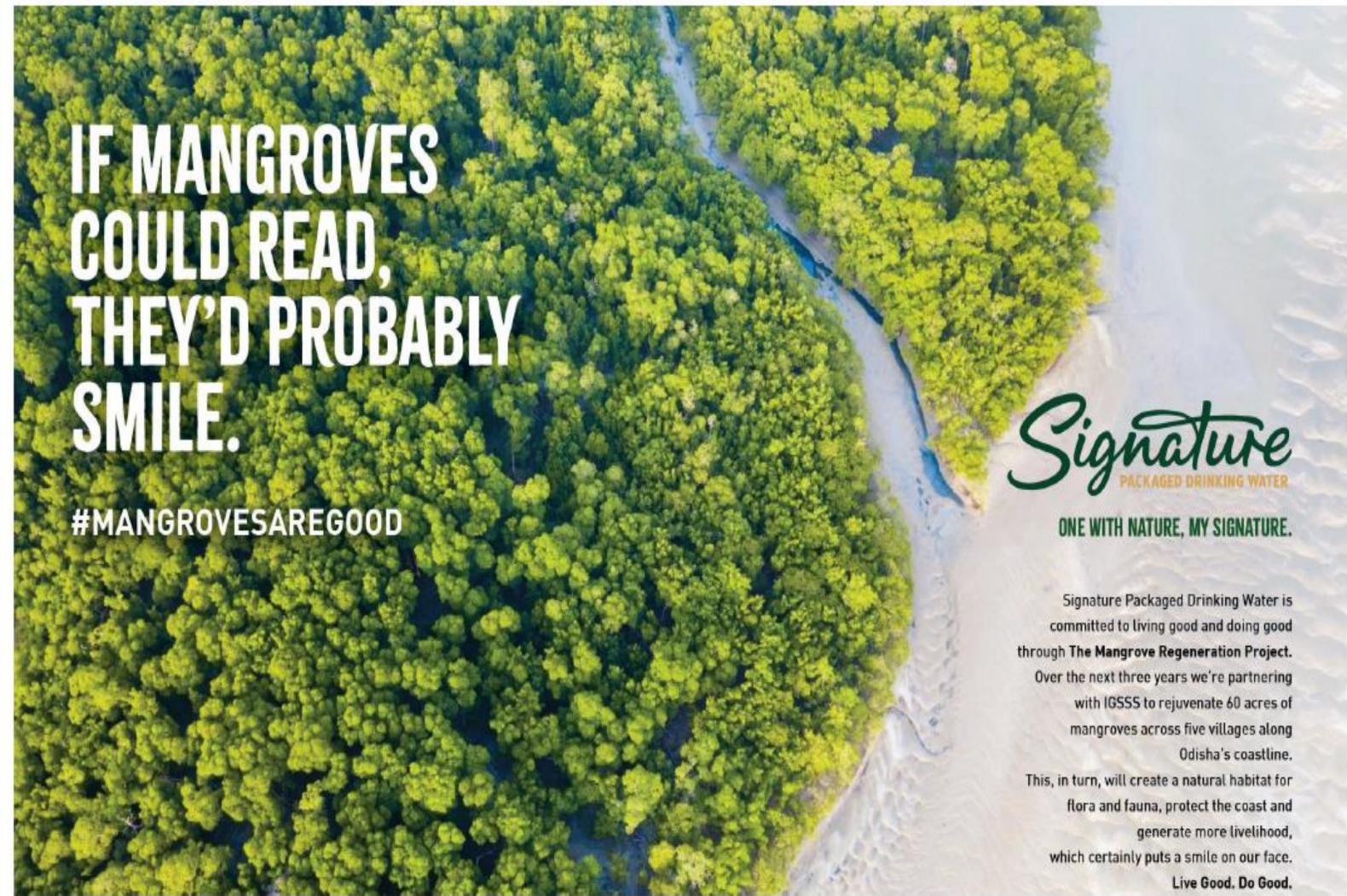
Impactful awareness, energy on renovation

Launch of New Antiquity Blue pack



Antiquity Discoveries X LBB

Signature Trademark; driving the core brand proposition & purpose through its ESG initiatives



**IF MANGROVES
COULD READ,
THEY'D PROBABLY
SMILE.**

#MANGROVESAREGOOD

Signature
PACKAGED DRINKING WATER

ONE WITH NATURE, MY SIGNATURE.

Signature Packaged Drinking Water is committed to living good and doing good through **The Mangrove Regeneration Project**. Over the next three years we're partnering with IGSSS to rejuvenate 60 acres of mangroves across five villages along Odisha's coastline. This, in turn, will create a natural habitat for flora and fauna, protect the coast and generate more livelihood, which certainly puts a smile on our face. **Live Good. Do Good.**



Signature
PACKAGED DRINKING WATER

THE MANGROVE REGENERATION PROJECT

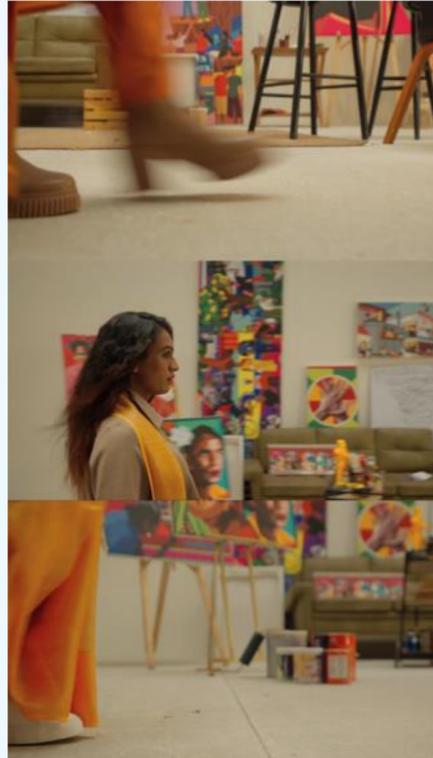
WHY	WHAT	WHERE
50% OF MANGROVES HAVE BEEN LOST IN 50 YEARS STEADY DECLINE OF MANGROVES IN ODISHA'S LONG COASTLINE OF 480KMS	SIGNATURE PACKAGED DRINKING WATER UNITES WITH IGSSS TO REJUVENATE ODISHA'S MANGROVE COVER REVIVAL OF 60 ACRES OF MANGROVE COVER IN 3 YEARS	5 VILLAGES OF NAGARA PANCHAYAT, ASTARANG IN THE DISTRICT OF PURI IN ODISHA



LUXURY & PREMIUM

Strengthened leadership in Luxury & Premium; JW & Singleton, our growth bets in the BIO portfolio

Johnnie Walker



Aravani Art Project



Immersive Experiences with Blue Label



Recruiting Young Adults with JW Blonde

Brand equity leader

Singleton



Uncover Worlds Within Worlds

The Singleton Social X Nicobar



The Singleton Social takeover at Jaipur Literature Festival with our Epicurated plus 1 "Maria Goreti"

Coming on par in brand equity with leading single malts

Accelerate Luxury & Premium; BII remains strong with B&W and Black Dog growing well

Black & White



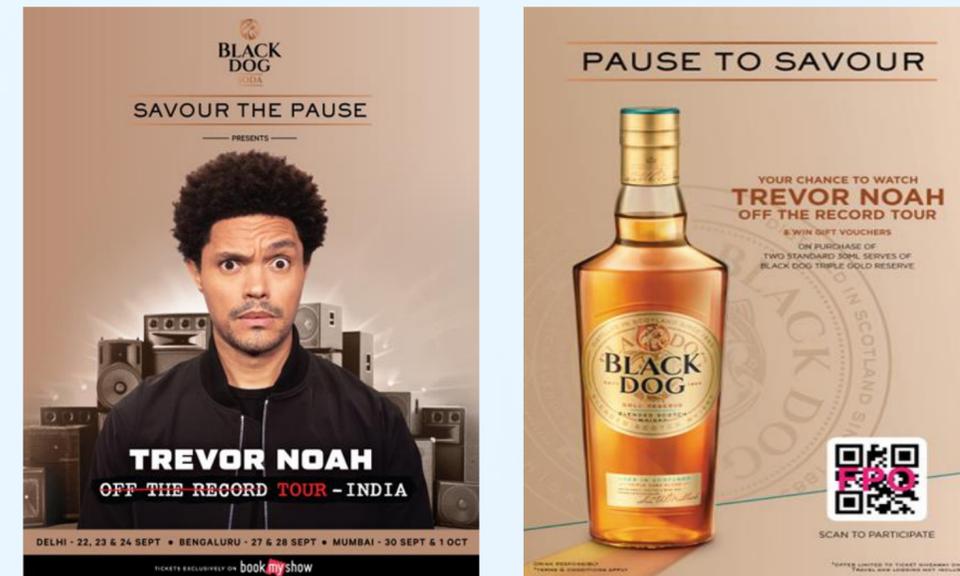
Black White X World Cup



Activating Third Spaces with a Reach Focus

The largest B&W market in world

Black Dog



360-degree Amplification With Trevor Noah India Tour



Building 'Savour the Pause' in Culture with Easy Evenings

Equity leader in segment

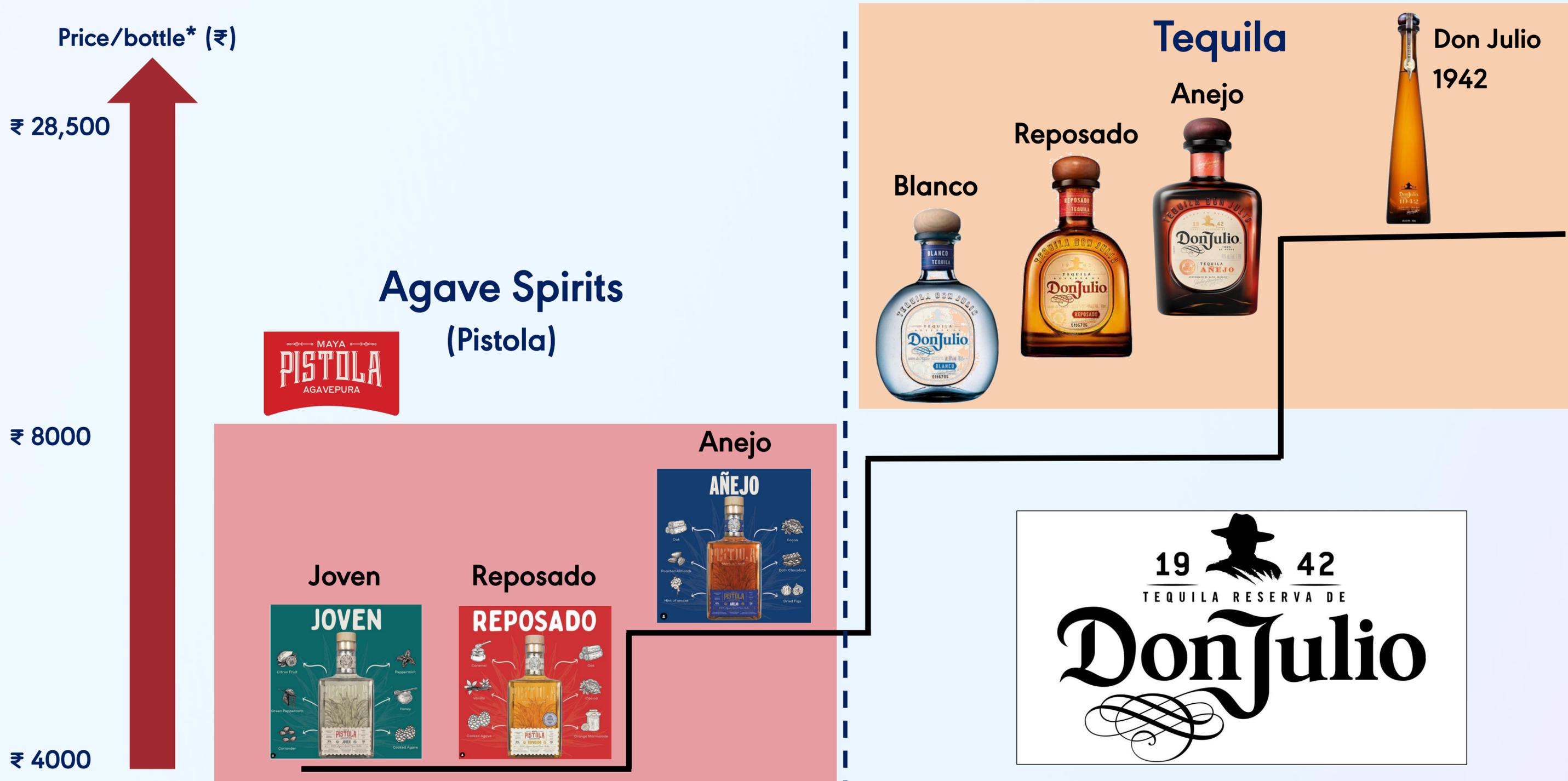
Godawan Championing 'Made In India – Sustainable Modern Luxury' for the World

42 + Global Accolades; Awards for liquid Excellence

Our commitment to create Sustainable Purpose led brands



Creating the Agave & Tequila category; Strategic Minority stake in Pistola & Don Julio launch



Prices vary from state to state because of taxes hence MRPs are only indicative in nature
 *Maharashtra approx. MRP

Our advantaged portfolio blends volume and value scale

FY24 Net Revenue

₹ 1000 Cr. +



McDowell's

Royal Challenge

Johnnie Walker

₹ 500 Cr. +



Signature

Black Dog

Black & White

'7' One Million-case+ Trademarks



10 Mn +



5 Mn+



1 Mn+

The Virtuous cycle of Profitable Growth



01

Driving Top Line

NSV Growth: +10.5%

02

Healthy Price/Mix

+8.6%

03

Sustained A&P

~ ₹ 1,000 Cr.; RIR* of 9.7%

04

Value Chain Productivity

~ ₹ 500 Cr.; offsetting ~82% inflation

Top performing CPG company in India delivering
sustained double-digit, profitable topline growth

&

long-term value to all our Stakeholders

Great Place to
Work

*Organization
of the Future*

*Portfolio
Re-shape*

Diageo in Society

We continue to strengthen our Employer Brand in India thru 360-degree interventions



EMPLOYEE VALUE PROPOSITION

Best place to grow

Shape your future with us

Support and rewards

Key Pillars of EVP



Internal recruitment



PROGRESSIVE POLICIES

Gender Neutral insurance benefits

Gender Identity, Sexual Orientation & Gender Expression Guidelines

Equal Parenting Policy & Pregnancy loss leave

Gender Neutral Creche Benefit

Disability Inclusion

Key Focus on Women Representation



India Executive Committee



Leadership



Overall Executive Employees

● Women Representation



People with Disabilities employed across our manufacturing units under **Project SAKSHAM**



CAPABILITY BUILDING



Went through skill upgradation training



Total skill upgradation training hours clocked

Learning Pillars

Leadership & Management Excellence

Professional Competence

Skills of the Future

Functional Mastery*

Dial Up Behaviors

Externally Curious | Act Decisively | Experiment & Learn | Collaborate Efficiently

Leadership Standards

Win through Execution | Inspire through Purpose | Shape the Future | Invest in Talent

Innovation Capability



Empowering our Team: Enhanced engagement and satisfaction in recent surveys



Engagement Index

Employee NPS



I would recommend Diageo as a place to work



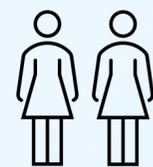
I am proud to work for Diageo



I am extremely satisfied with Diageo as a place to work



I would recommend Diageo as a great place to work

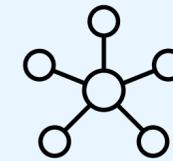


86%

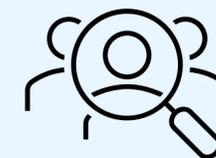
Inclusion & Diversity Index



Where I work, people act with integrity and in line with our code of business conduct.



I can see a clear link between my work and Diageo's business priorities.



Where I work, people put customers and consumers first when making business decisions.

Accelerating Digital & Technology penetration across the Organization

Supply



Transport Management System



Distillery Automation



O-9 Planning Tool



Line Monitoring



Digital Asset Management (Labels)

Commercial



Image Recognition of Shelves/Back Bar/Menu



Geo-fenced Execution



Salesforce Automation App

Marketing

Digital Factory/Precision Marketing



always-on social content



programmatic via trade-desk



sharper media targeting through interest and affinity

Owned Platforms (in.thebar.com)



10X increase in visitation
10X increase in organic traffic
Best-in-class website metrics,
3X increase in time spent. engagement
At 50% reduction in costs.

Consumer Data/CRM



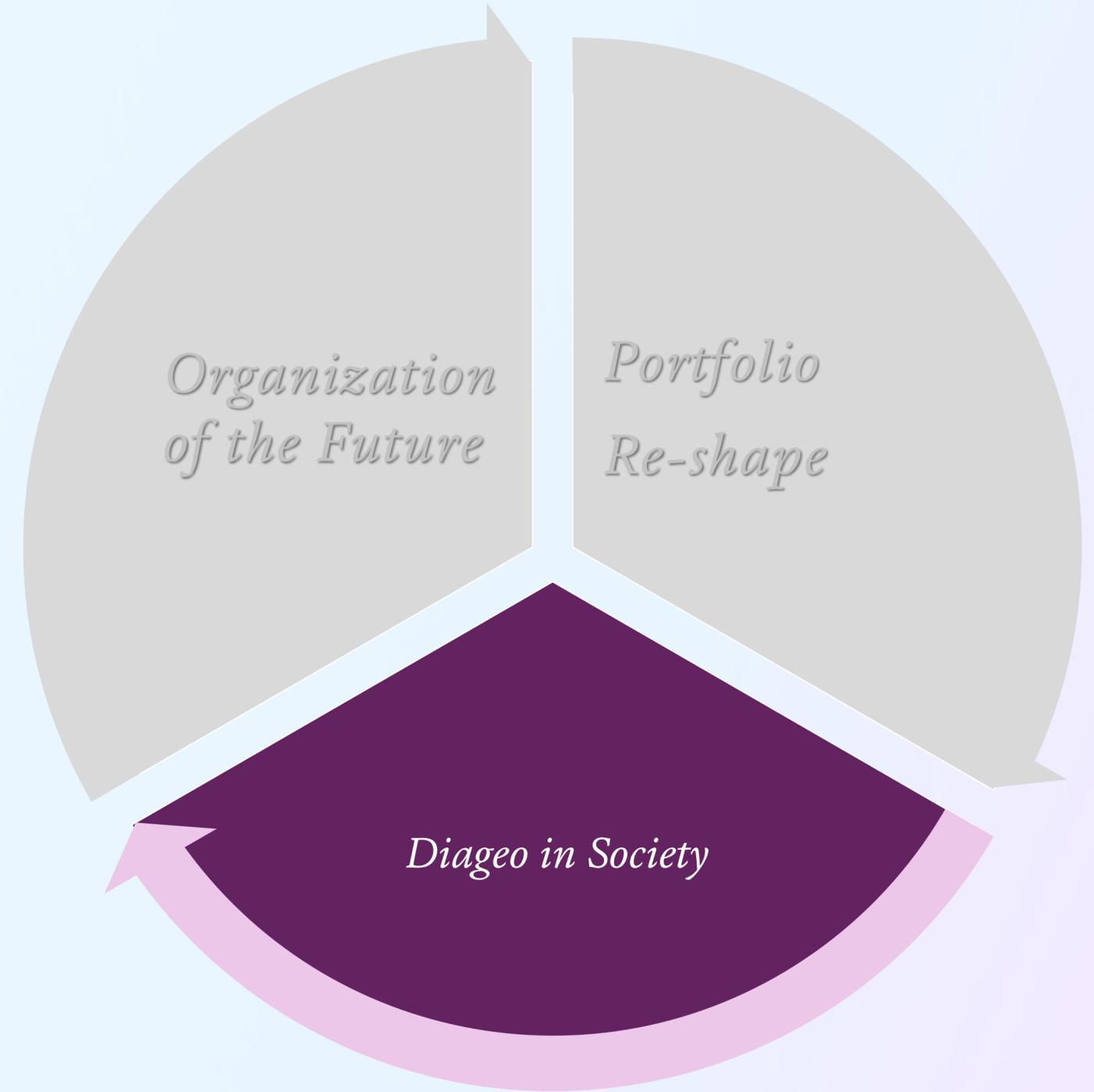
Completed mar-tech set up
Communicate 1:1 with our consumers
3.5X jump in consumer data vs. last year

BUSINESS UPDATE

Top performing CPG company in India delivering
sustained double-digit, profitable topline growth

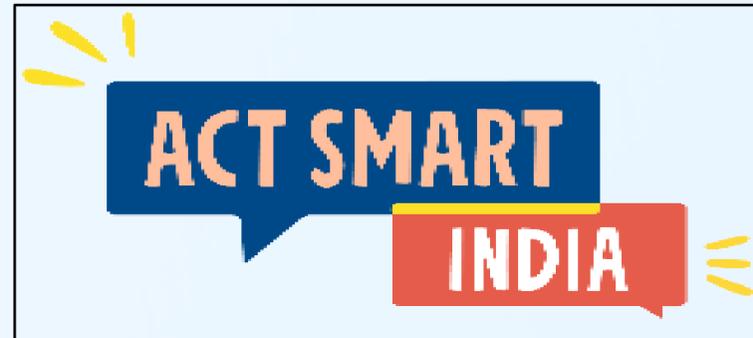
&

long-term value to all our Stakeholders



ESG for Stakeholder Value

Promote Positive Drinking



**32 RTO partnerships in 7 states;
Educated ~0.7 million consumers**



**Curbing underage consumption;
Educated ~0.3 million people**



**Consumer reach of ~40 million;
Through Brand led campaigns**

Championing Inclusion and Diversity

Transforming lives through Sustainable Livelihood interventions



Trained 1784 people* with business & hospitality skills; Many placed at reputed organizations such as Taj, Leela, Café coffee day, La Pino'z Pizza etc.



Diageo India signs MOU with Skill Council for Persons with Disability (SCPwD) to train 300 students under its 'Learning for Life' program



Empowering Small Holder Farmers



Higher farm yield (onion) - extra income especially for women

Enabling micro-enterprises to process unsold produce
Reducing crop loss, food waste & creating livelihoods



*Based on USL ESG Reporting Index 2023

Pioneer Grain 2 Glass Sustainability

Replenished more Water than we Use*

Achieved in 2023; 3 years ahead of Target

On track for Net Zero by 2027



Replenished more than 1 Mn. Cu.M. of water across water stressed sites



Created rain-water harvest capacity of 31,550 Cu.M. across sites



Air cooled condenser at Goa unit



100% shift from Coal to Biomass fuel boiler across our operation



Transition to Solar renewable power (2.6 MW current installed capacity)



Shift from LPG to Induction cooking

	2020	2023
Distillation Eff. (L/L)	25.10	14.0 (44%**)
Packaging Eff. (L/L)	1.6	1.1 (30%**)

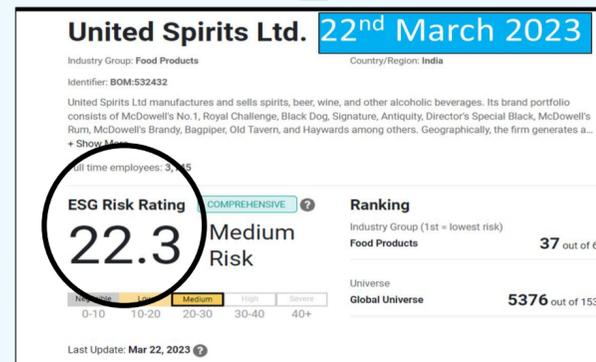
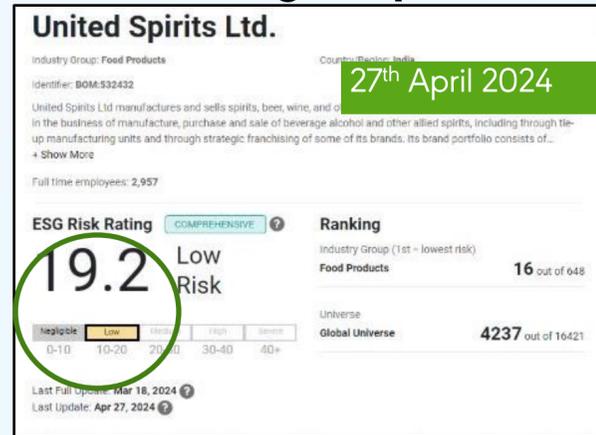
** % reductions

	2020	2023
GHG Emissions ('000 tonnes CO2e)	35.4	4.2
RE Progress (%)	71%	98.6%

** % reductions

Consistent Improvement in ESG Ratings thru Sustained actions & engagement

ESG ratings improved



Low Risk

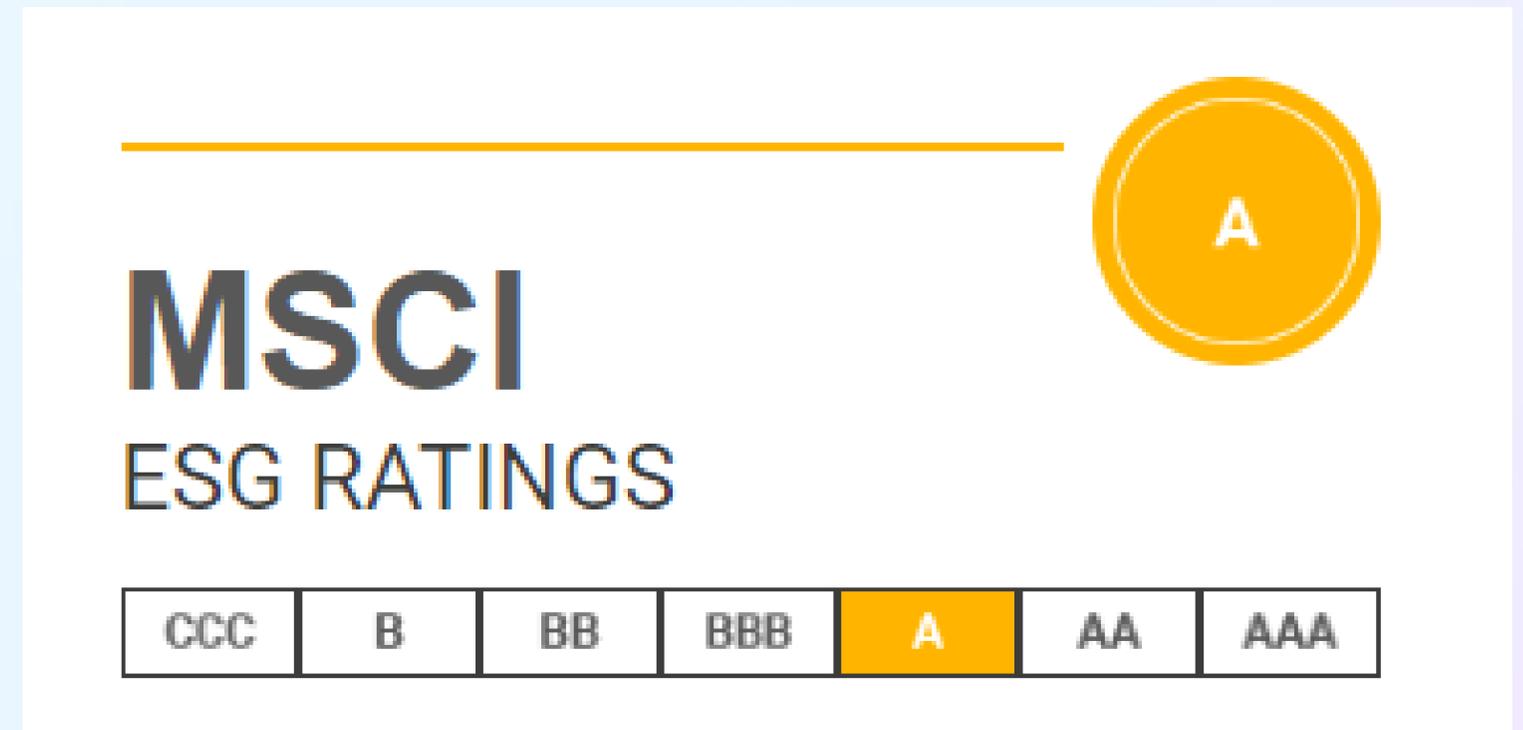


Medium Risk



Medium Risk

Maintained MSCI ESG ratings of A



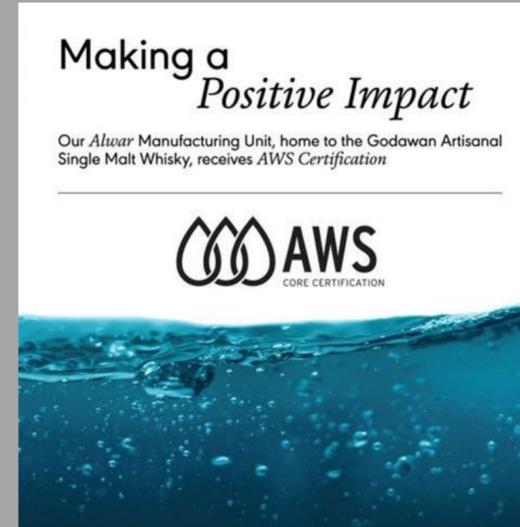
* MSCI Rating as of March 2024

Recognition for value creation at multiple forums for different stakeholders

Workplace Practices



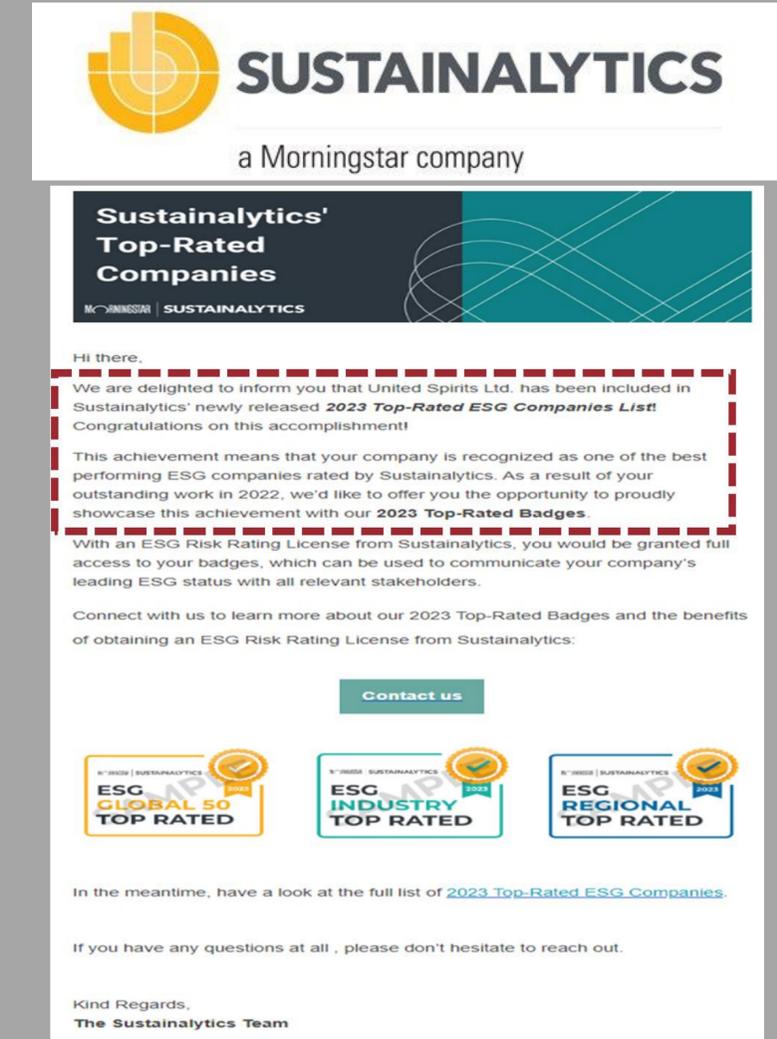
Manufacturing & ESG Practices



Alwar Manufacturing Unit



Baramati Manufacturing Unit



Included in Sustainalytics 2023 Top Rated ESG Companies

FY24 FINANCIAL HIGHLIGHTS

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Sustained Growth Momentum; Back to mid teen EBITDA margin

*Healthy performance across all
key financial metrics*

Core NSV Growth

10.5%

P&A Growth

11.9%

Pre-exceptional EPS

INR 18.3

Gross Margin

43.4%

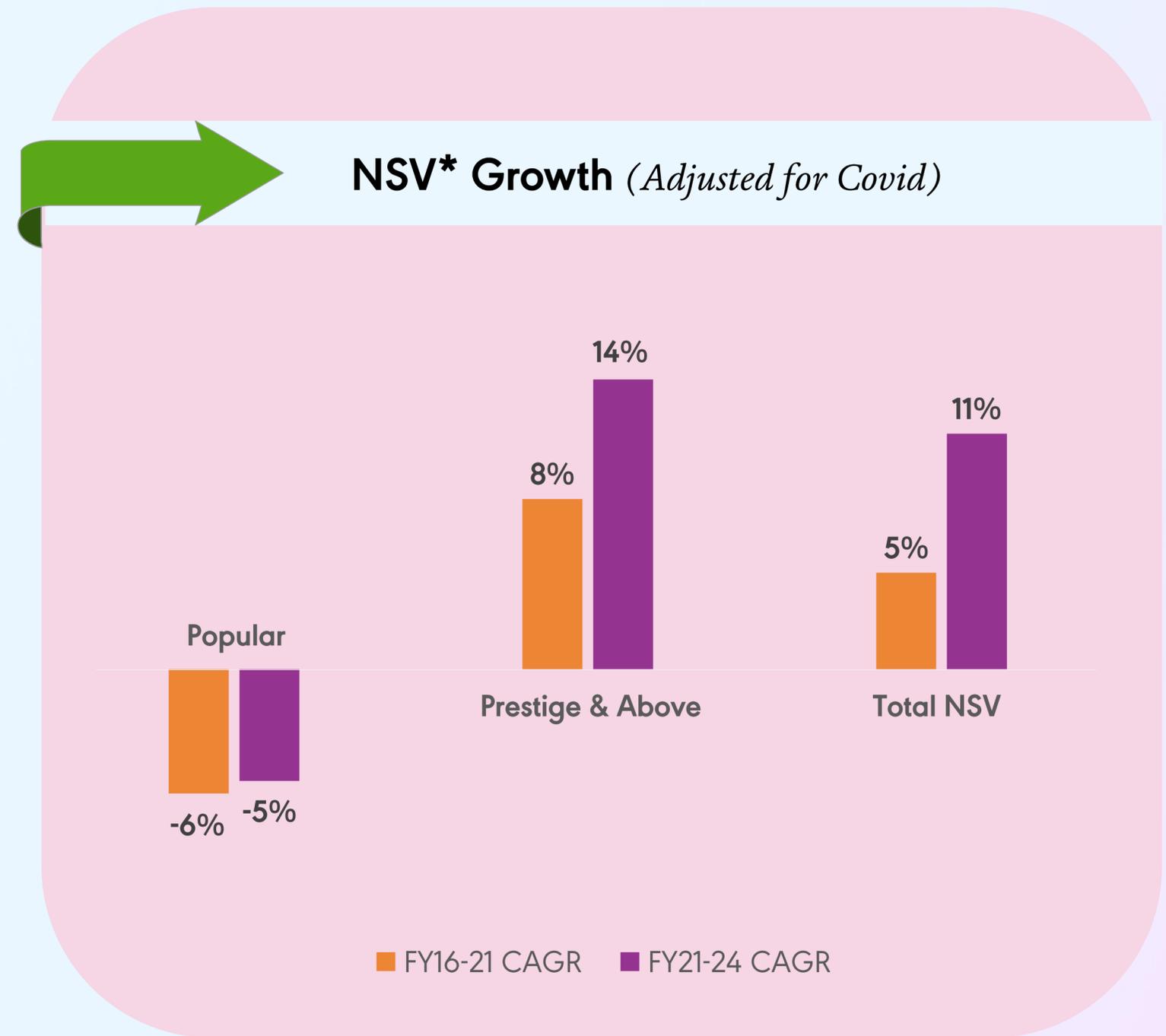
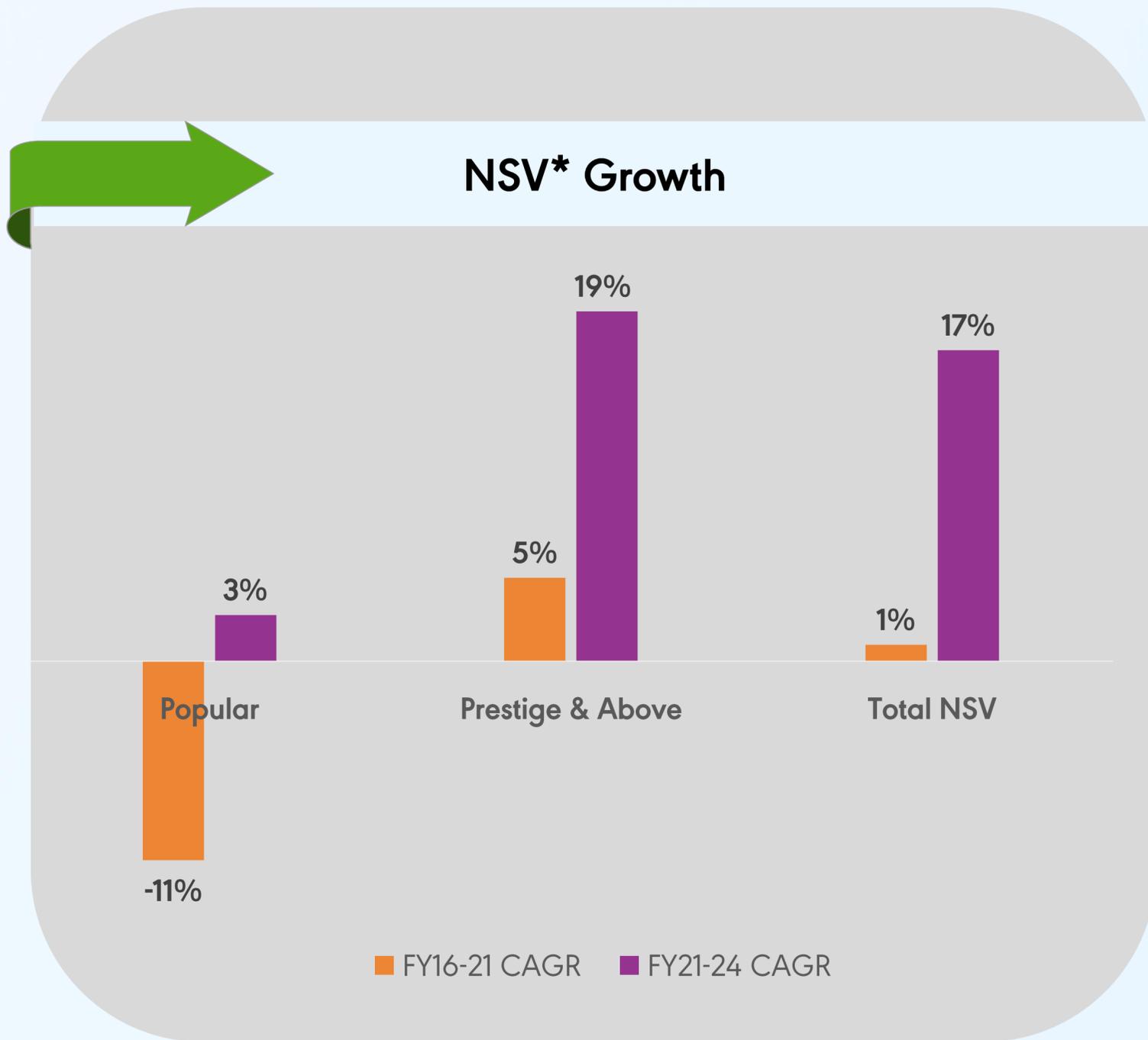
EBITDA Margin

16.0%

Return on Capital
Employed

24.7%

We have the Momentum and are on Track



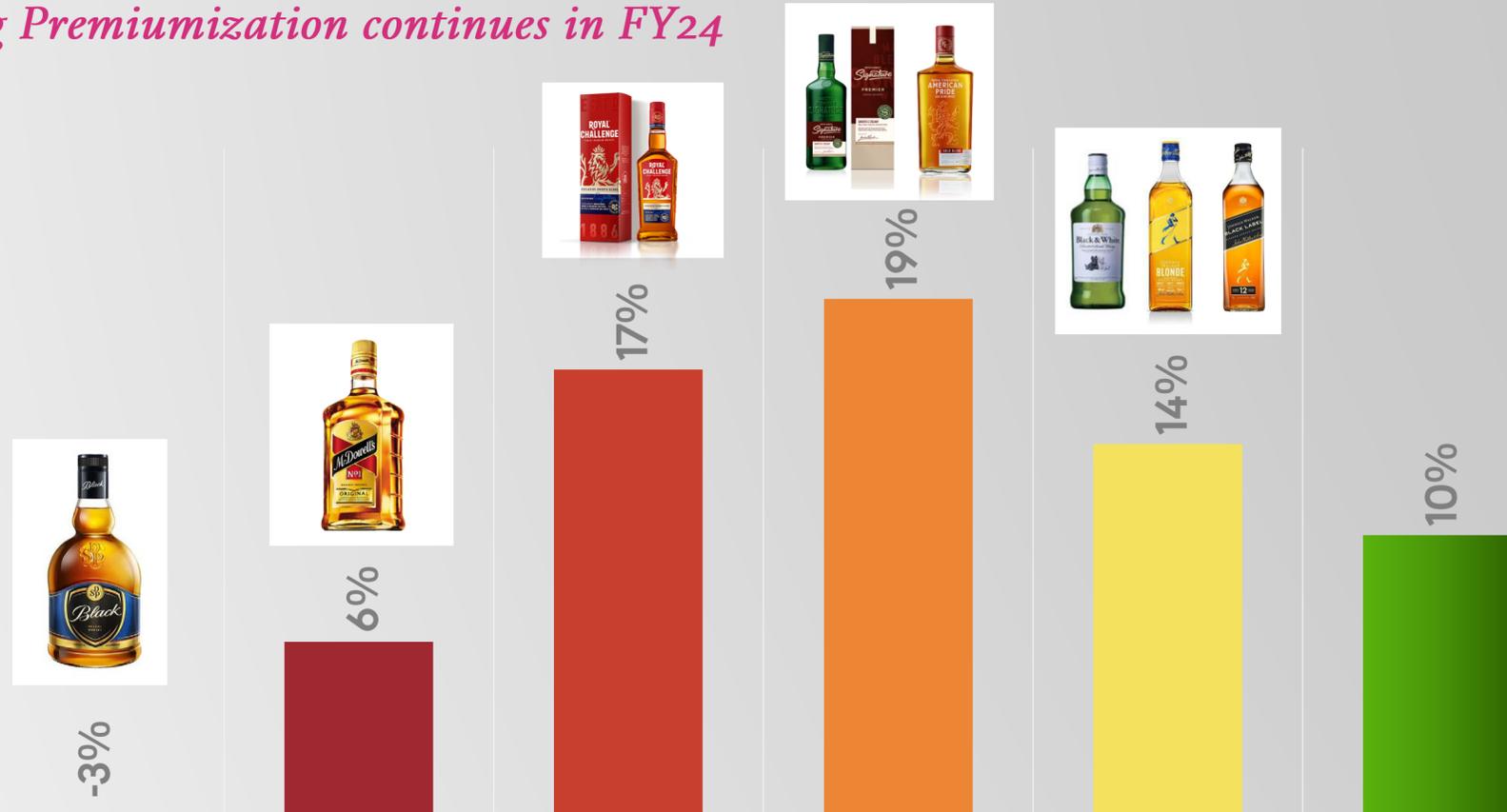
Premiumisation intact; we added ~1000 Cr in Net Sales growth

10,692Cr

~10% Growth

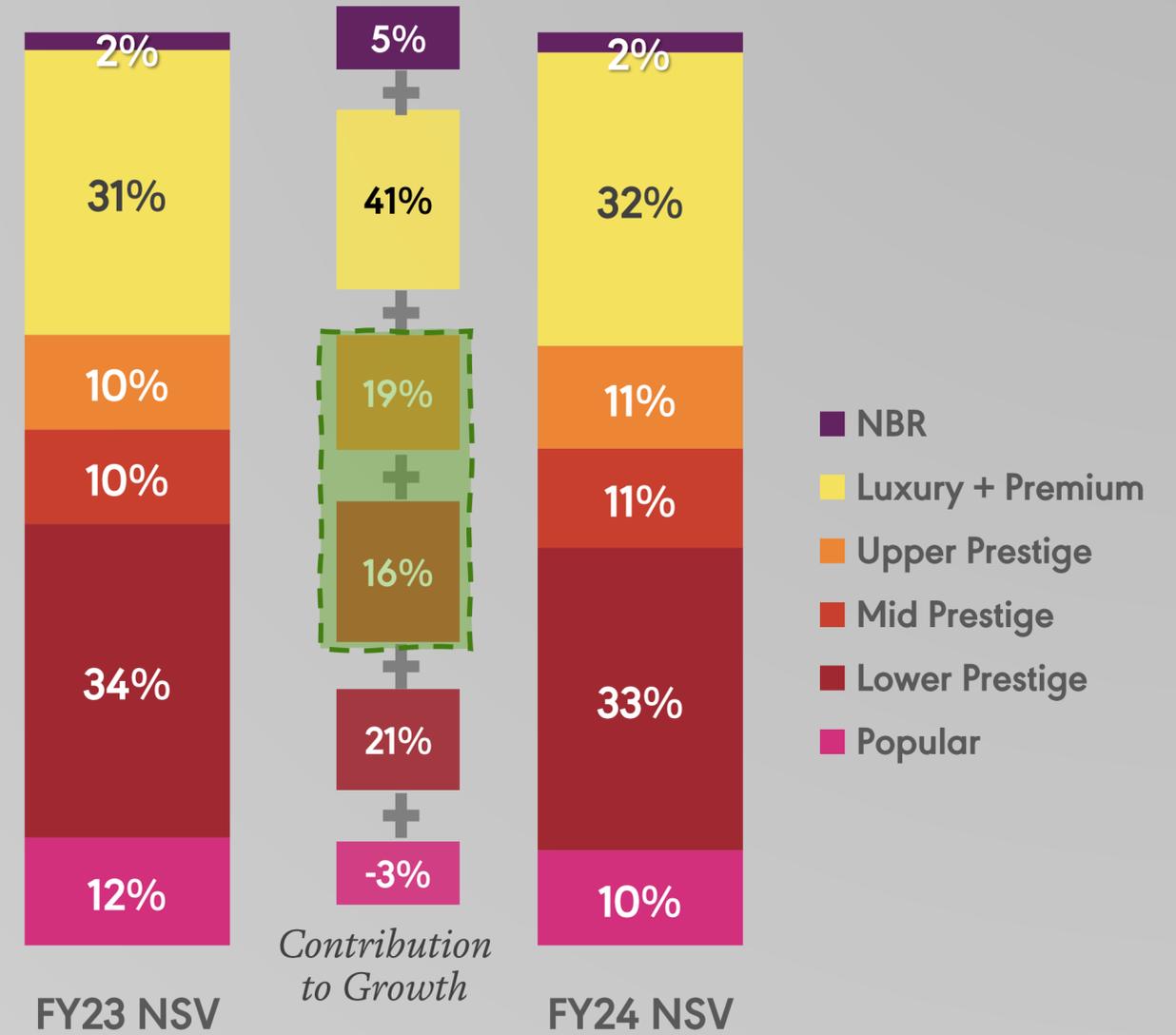
9,677Cr

Strong Premiumization continues in FY24



Rebased Net Sales by Segment

9,677 Cr + 1,015 Cr = 10,692 Cr

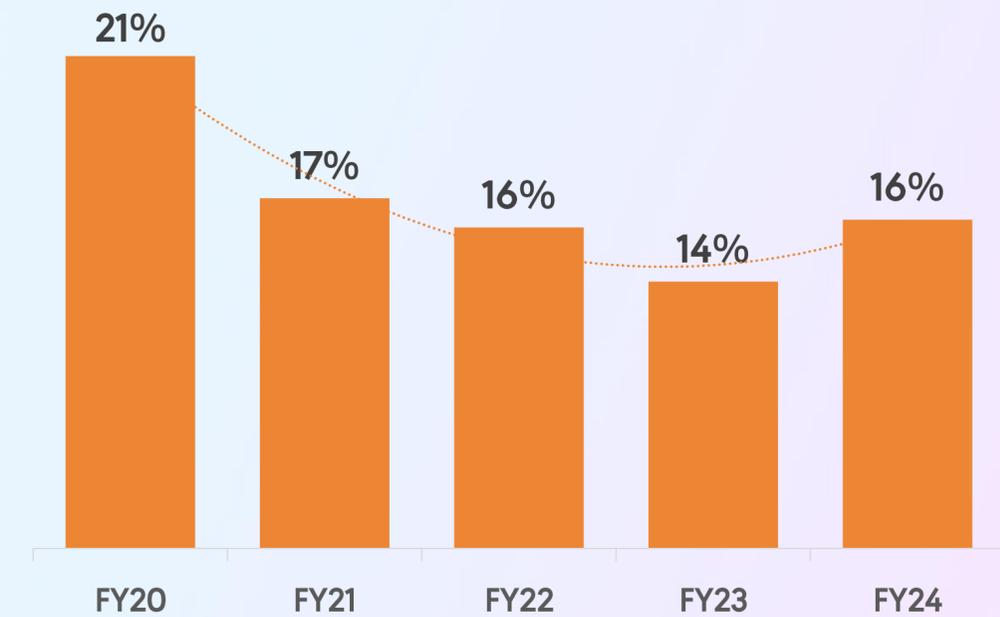
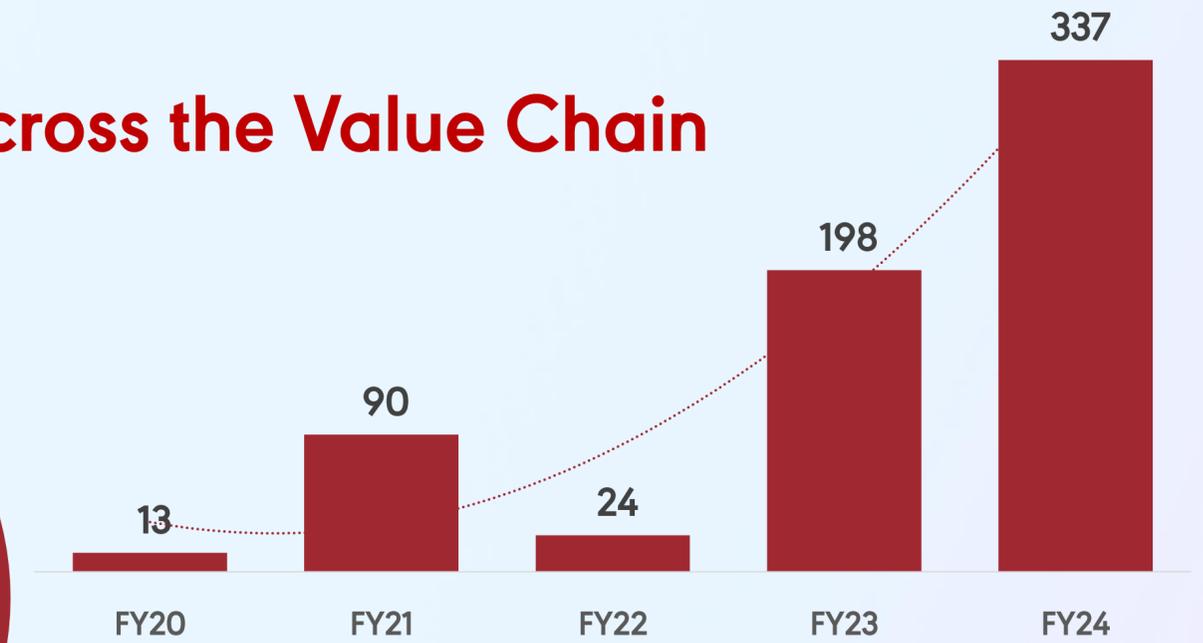
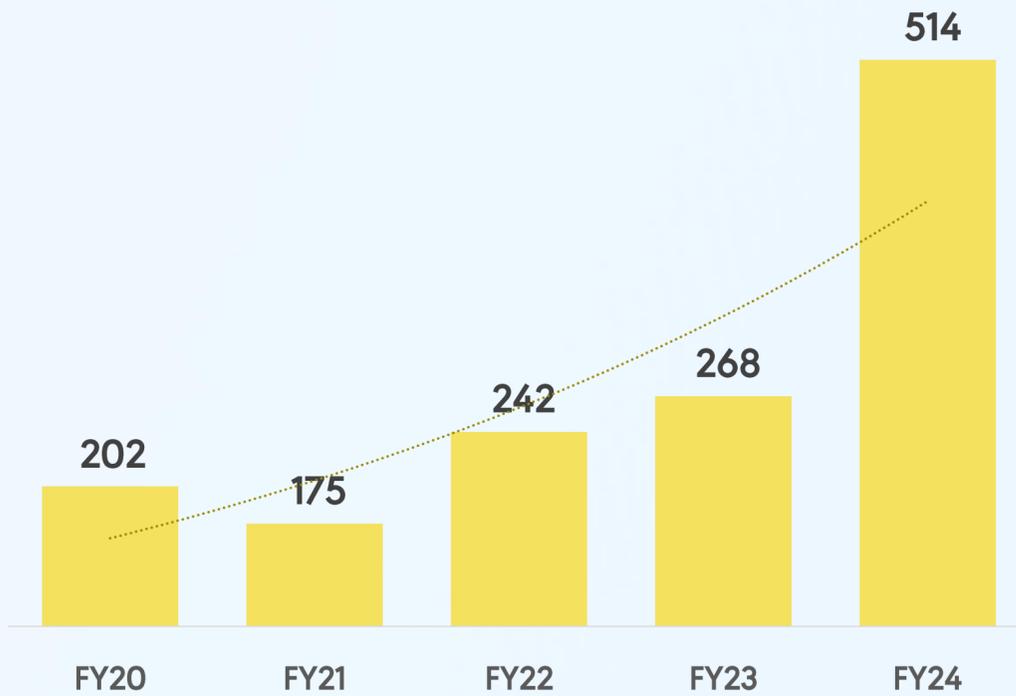


	POPULAR	LOWER PRESTIGE	MID PRESTIGE	UPPER PRESTIGE	LUXURY + PREMIUM	OVERALL GROWTH
Reported	3%	9%	23%	22%	34%	17%
Covid adjusted	-5%	4%	17%	17%	28%	11%

FY 21-24 CAGR*

*NSV excludes impact of Covid, AP, Slump Sale & Franchise

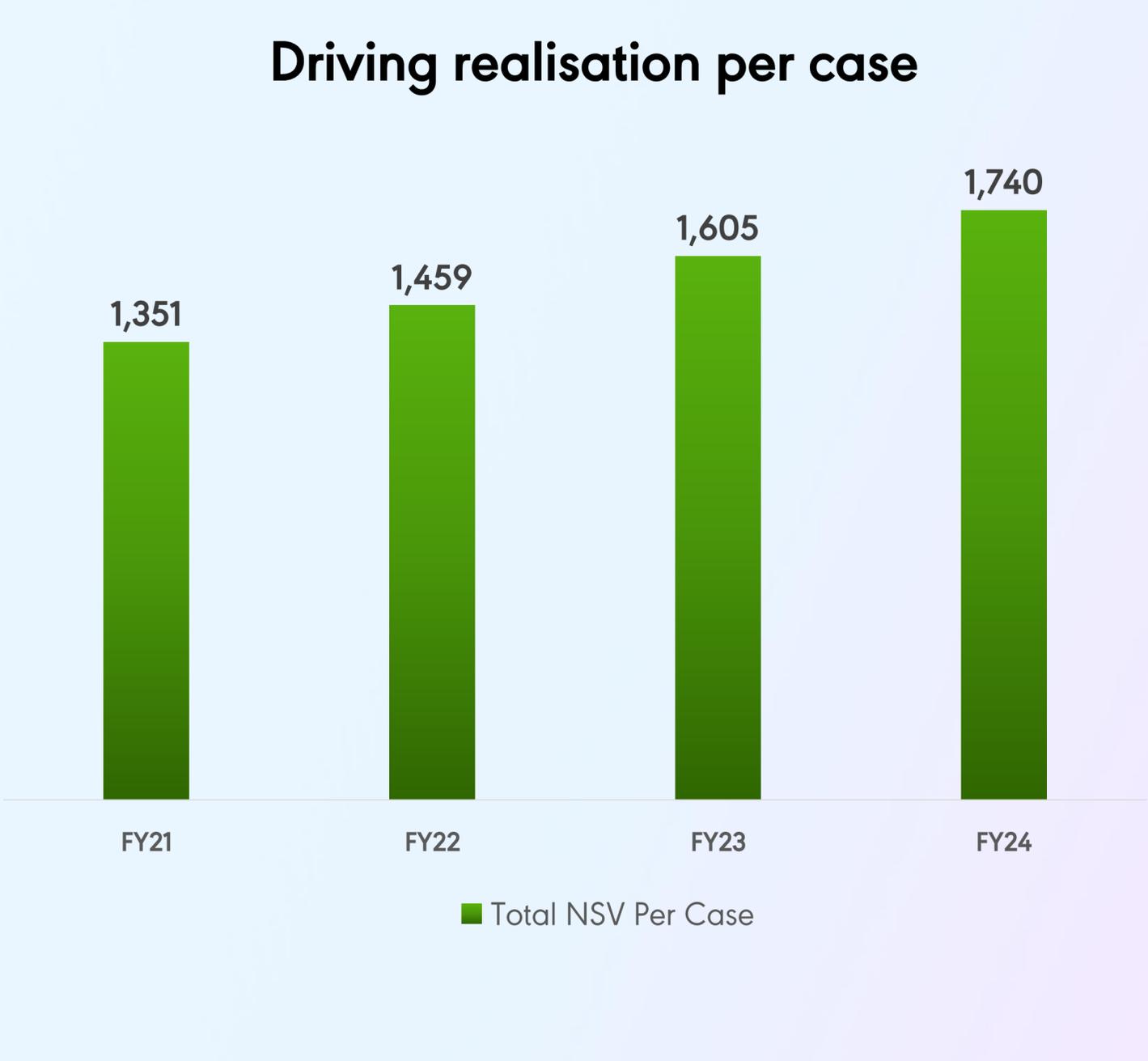
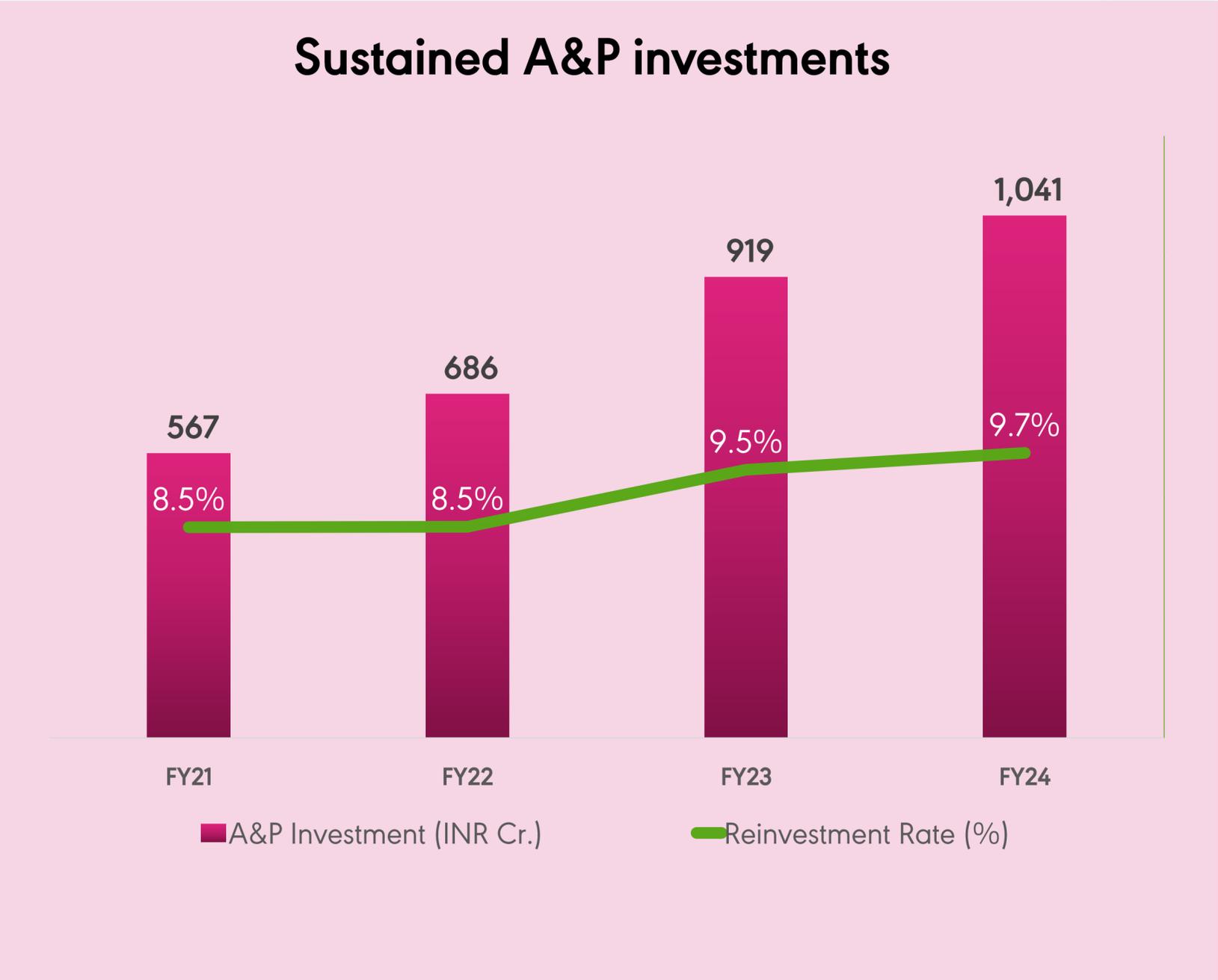
Our Productivity muscle continues to build and deliver across the Value Chain



All numbers in INR Cr

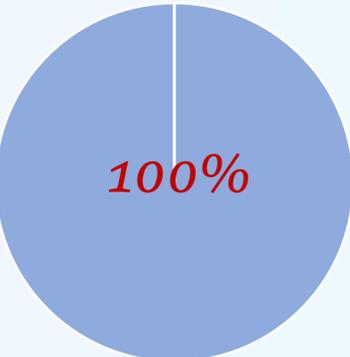
Net working capital excludes the Malt Matured Spirit Inventory

Our Virtuous cycle enabling higher A&P that in turn enables Premiumisation

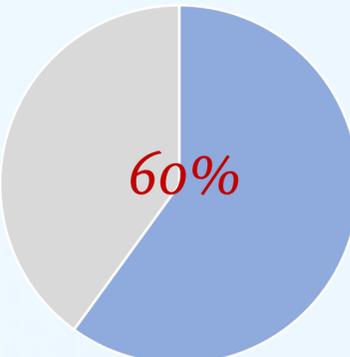


Our multiyear supply agility programme is on track

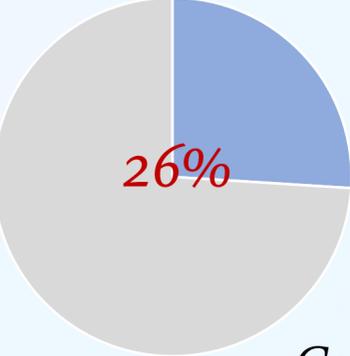
ENA Co-location



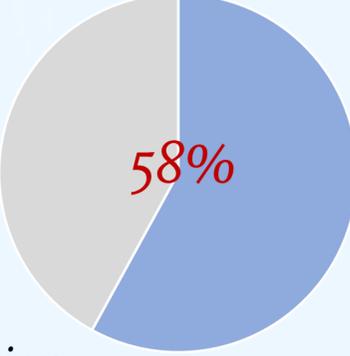
Footprint optimisation



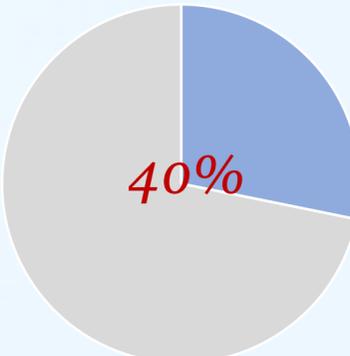
Cash spends



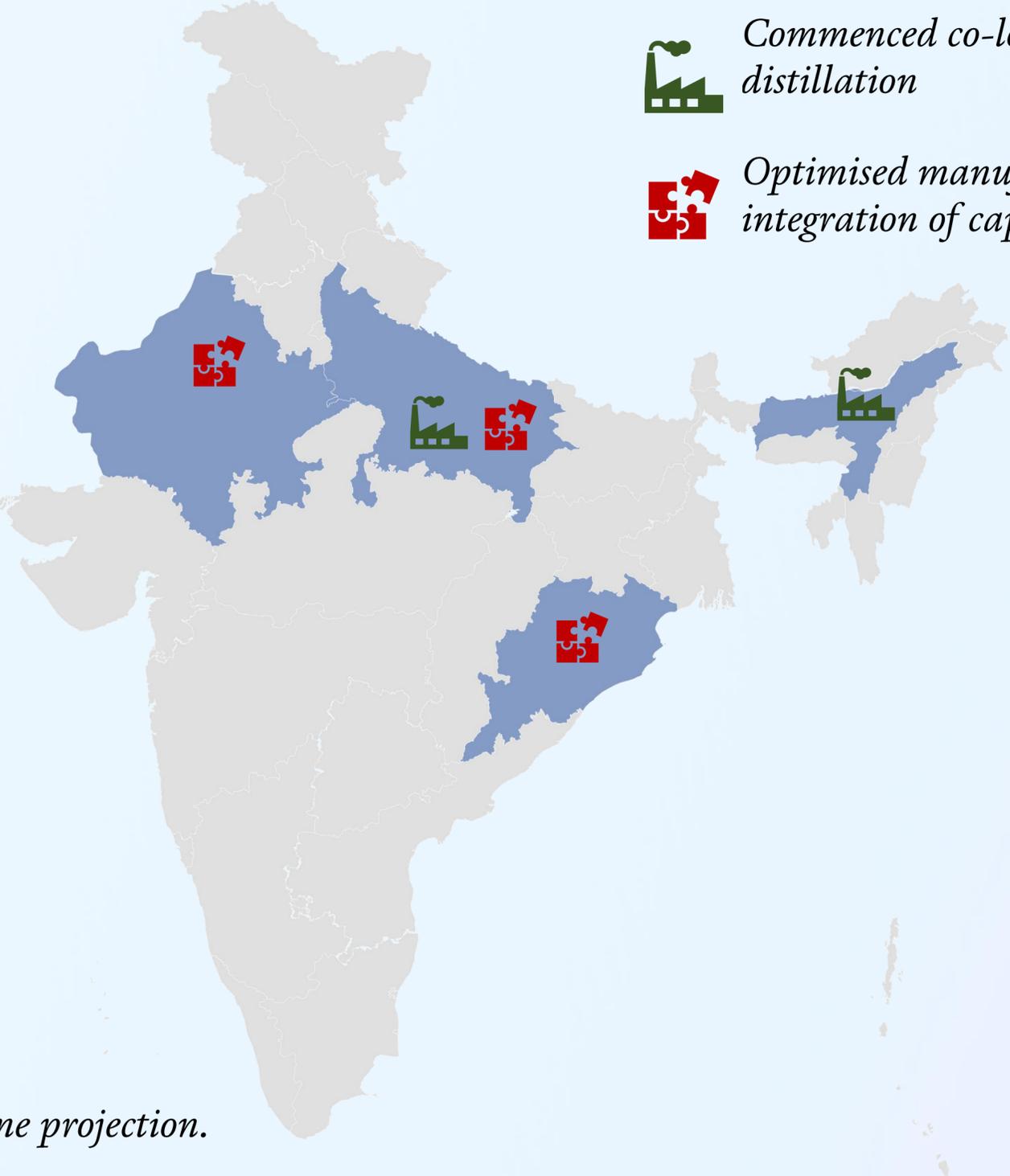
Non-cash costs



*Cost optimisation
(annualised)*



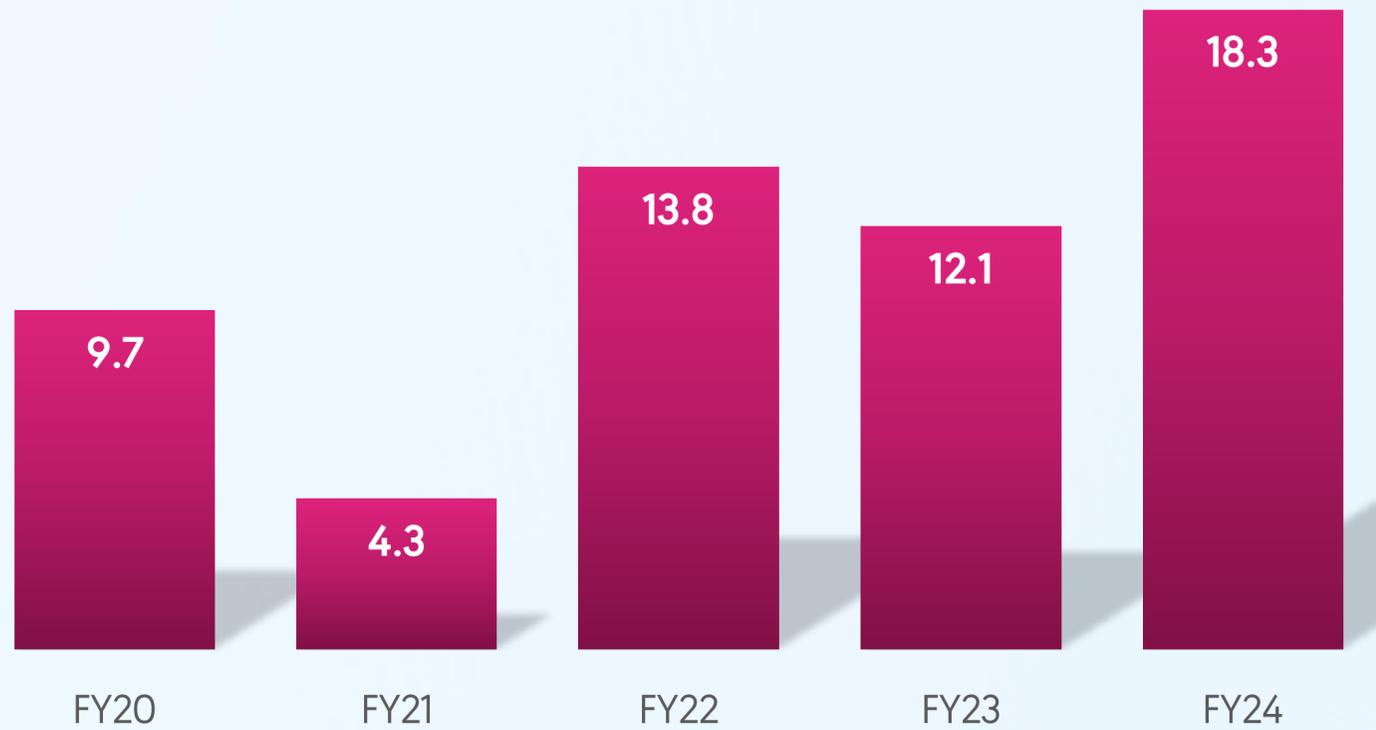
-  *Commenced co-located plant with ENA distillation*
-  *Optimised manufacturing footprint through integration of capacities*



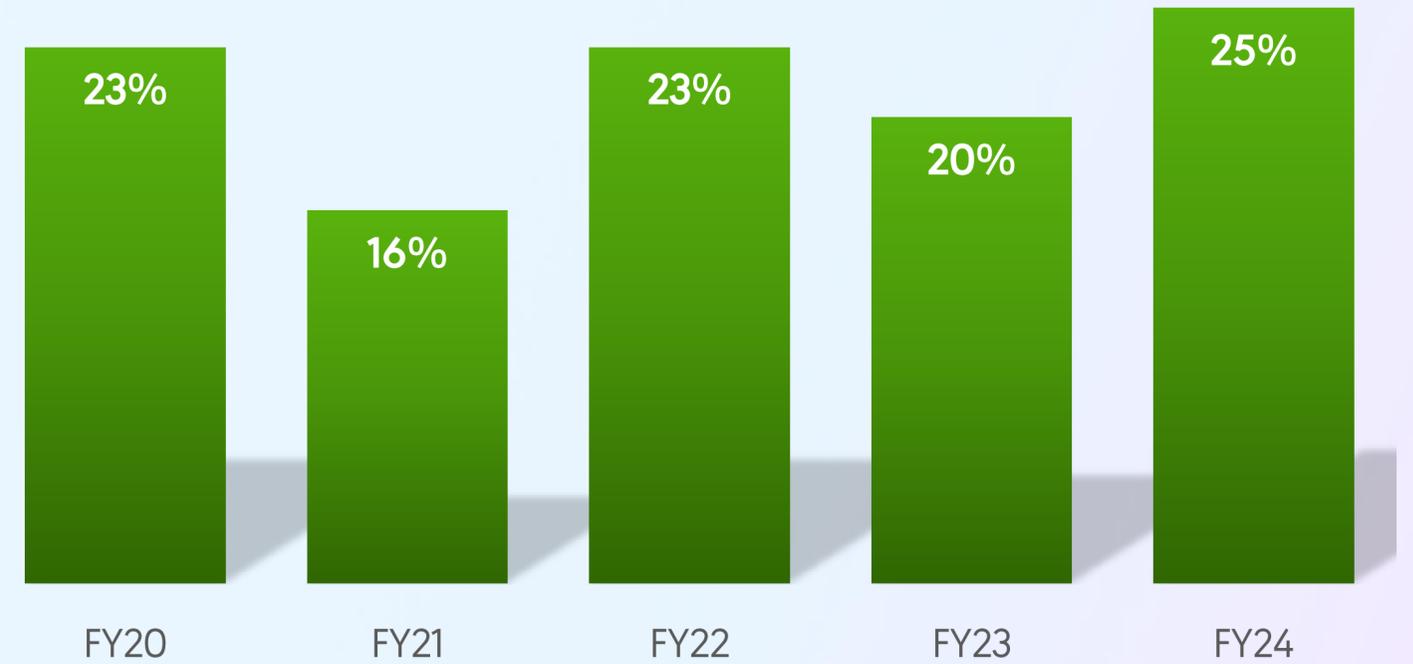
Above % represent progress made against end-state programme projection.

Thereby creating *value for our shareholders*

Pre-exceptional EPS INR/share



Return on capital employed (ROCE)



Note: EPS & ROCE nos. from FY22 onwards are reinstated to include the impact of PDL merger.

LOOKING AHEAD

The background features a soft, light blue gradient on the left side, transitioning into a more vibrant blue on the right. On the right side, there are several flowing, wavy lines in various shades of blue, creating a sense of movement and depth. The overall aesthetic is clean, modern, and futuristic.

We are confident in our growth strategy & it is working!



- **Continued Inflation headwinds**
 - *Lower SEC Consumers*
 - *COGS commodity*
- **Headline Pricing; two good years; likely to moderate**
- **Volatile Regulatory environment**

- *Future-backed Innovation and Renovation strategy focused on changing Demographics & Consumer insights*
- *Proven Productivity Muscle*
- *Diageo in Society*
- *Our People and Culture*

The background features a dynamic, abstract composition of flowing, translucent blue and white shapes. These shapes curve and overlap, creating a sense of movement and depth. The colors transition from light, airy blues to deeper, more saturated blues, with some areas appearing almost white due to the translucency and lighting. The overall effect is clean, modern, and fluid.

DIAGEO