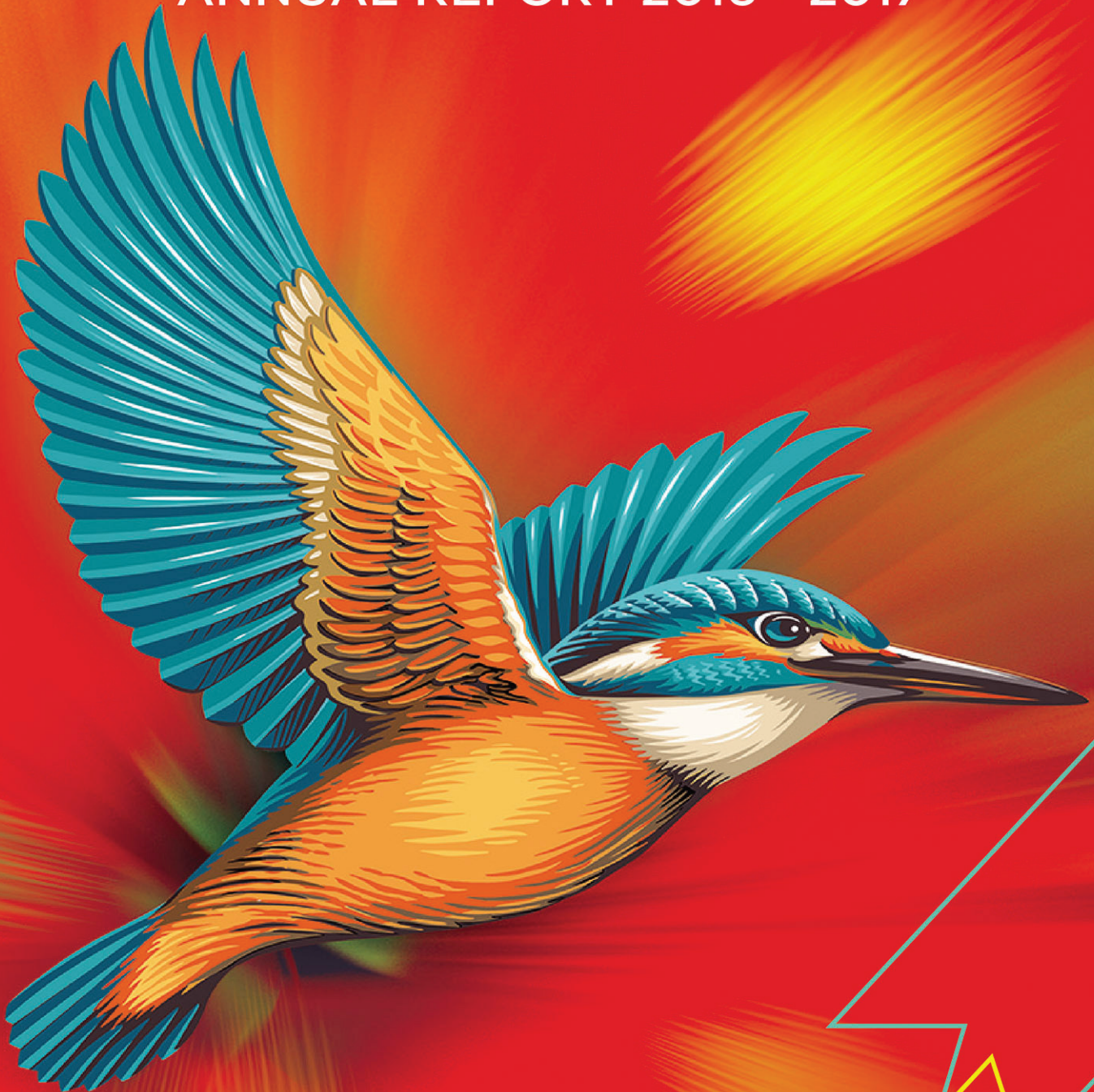




UNITED BREWERIES LIMITED
ANNUAL REPORT 2016 - 2017



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OUR VISION

Our vision is to lead and develop the Indian beer market and deliver best-in-class performance through excellence in product and brand portfolio, capabilities and policies.

OUR VALUES

1. Passion for achievement, success and winning
2. Freedom to operate and learn from our mistakes
3. Treating people with respect and fairness
4. Respecting the environment
5. Integrity in all things and at all times

OUR BEHAVIOUR

1. We act with courage
2. We experiment and allow for mistakes
3. We discuss and decide on the basis of facts and data
4. We plan, set clear goals and do as we committed
5. We consider the consequences of our actions on others and for the future
6. We treat others in the way we would like to be treated ourselves
7. We celebrate success
8. We communicate, communicate and communicate...

India's largest beer company

A market leader in the truest sense

Brewing excellence since inception





CRICKET AND KINGFISHER - THE HEARTBEAT OF INDIA

Kingfisher launched its '**Cricket Edition 2017**' packs. This initiative ensured that the association of Cricket and Kingfisher reached every consumer across the country. The initiative was supported with impactful visibility across points of sale with a strong message - '**Cricket & Kingfisher - The Heartbeat of India**'.



THE NATION PAUSES FOR #KINGFISHERMANNEQUINCHALLENGE

Kingfisher associated with 7 IPL teams for the 10th year of the tournament. Over the years, the cricketers dancing and singing to the Kingfisher jingle had become synonymous to the brand's communication during this tournament. This year, the brand's clutter-breaking communication of #KingfisherMannequinChallenge was seen by the fans as a refreshing change.



KINGFISHER AND M.S. DHONI - TWO ICONS OF INDIA

Kingfisher created one of the most innovative movie marketing associations of all time, when it tied up with the superhit movie '**M.S Dhoni - The Untold Story**'. The role of M.S Dhoni was played by Kingfisher's brand ambassador Sushant Singh Rajput. In this iconic TV commercial, Kingfisher brought together the reel and real life Dhoni in one TVC!

15 YEARS OF UNPARALLELED GLAMOUR

The Kingfisher Calendar, the brand's most glamorous property has captivated people for 15 remarkable years. The 2017 edition was shot at exotic locations in Greece and lived up to the expectations with its breathtaking images.



GOOD TIMES AT SUNBURN



Kingfisher continued its long term association with Sunburn, India's biggest and most exciting music festival.



LIFE IN THE FAST LANE

Great things are bound to happen when F1 and Kingfisher - The King of Good Times, join forces. The Formula 1 team, 'Sahara Force India', which Kingfisher is associated with, stood a creditable 4th in the overall team standings in the 2016 season.



—PITCHERS—
THE ULTIMATE NIGHTLIFE PLANNER

TOTAL DOWNLOADS: 1.6 LAKHS
AND COUNTING

CURRENTLY PRESENT IN
BANGALORE, MUMBAI & DELHI

The leading nightlife planning app in India, Pitchers, is loaded with information on the best pubs, restaurants, live events and flash deals in each city.



ULTRA RACES TO THE 2 MILLION MARK!

This year, Kingfisher Ultra takes a new spot in the super premium mild beer segment. With sales soaring to 2 million cases, the brand has become one of the most popular choices in the category.

ULTRA SHORTS

Ultra Shorts is a digital platform to share consumer stories that anyone, especially today's millennials, can relate to. These films, centred around Kingfisher Ultra, offer a great hook for the audience of today!

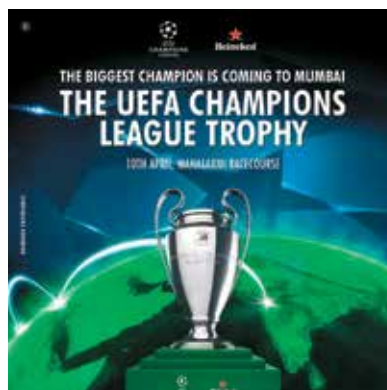
The platform was launched with our first short film, **Half Ticket**, that revolved around the Kingfisher Ultra Indian Derby. The film has crossed 1.5Mn views on YouTube and over 9Mn on Facebook. This was

followed by **Born Free**, which trended on YouTube for 4 days and has crossed 3.5Mn views on YouTube and 11Mn on Facebook.



HEINEKEN – THERE'S MORE BEHIND THE STAR

To help people discover more about Heineken, we launched a multi-city '**Credentials**' campaign.



HEINEKEN BRINGS THE BIGGEST CHAMPION TO INDIA

Heineken made every football lover's dream come true, by bringing the UEFA Champions League Trophy Tour to India, for the first time ever.



THE KING OF SWAG IS HERE!

Kingfisher, the most loved and trusted beer brand across India, announced the launch of **KINGFISHER STORM**, a new premium strong beer. A less bitter and an easy to drink smooth beer, it is all set to cheer beer lovers across the country. Packaged in an exciting blue bottle and smart 500ml cans, it is already beginning to captivate discerning consumers.



WE HAVE
LAUNCHED
A RANGE OF
INTERNATIONAL
BRANDS



HUMAN RESOURCES

CORPORATE GOVERNANCE

Values & Behaviours:

United Breweries Limited believes in its fundamental values and expects its employees to understand them and live by them.

The values and behaviours are communicated to the employees through various functional forums. The company has produced an induction video that helps new joiners understand our values and behaviour.

Governance & Ethical Standards:

United Breweries Limited Code of Business Conduct (COBC) lays down broad directions as well as specific guiding principles for all business transactions and conduct at the workplace. The COBC is applicable to all business practices, employees, contractor employees and consultants of UBL.

This year, we introduced a customised mandatory online interactive e-learning course on UBL's COBC. All executive employees have completed the course and earned a certification as a mark of understanding UBL's code of business conduct and abiding by it.

OVERVIEW OF CLIMATE SURVEY 2016

81%

...of our employees say
"Taking everything into account, I would say this is a great place to work."

This is close to what employees in India's Top 50 organizations say in the same survey.

In our constant endeavor to re-invent ourselves, we participated in a global climate survey conducted by a leading third party partner, **'Great Place to Work'** for the fifth consecutive year.

We had the opportunity to get a feel of our employees' perspectives and perceptions, measured on 5 parameters – Credibility, Respect, Fairness, Pride and Camaraderie.

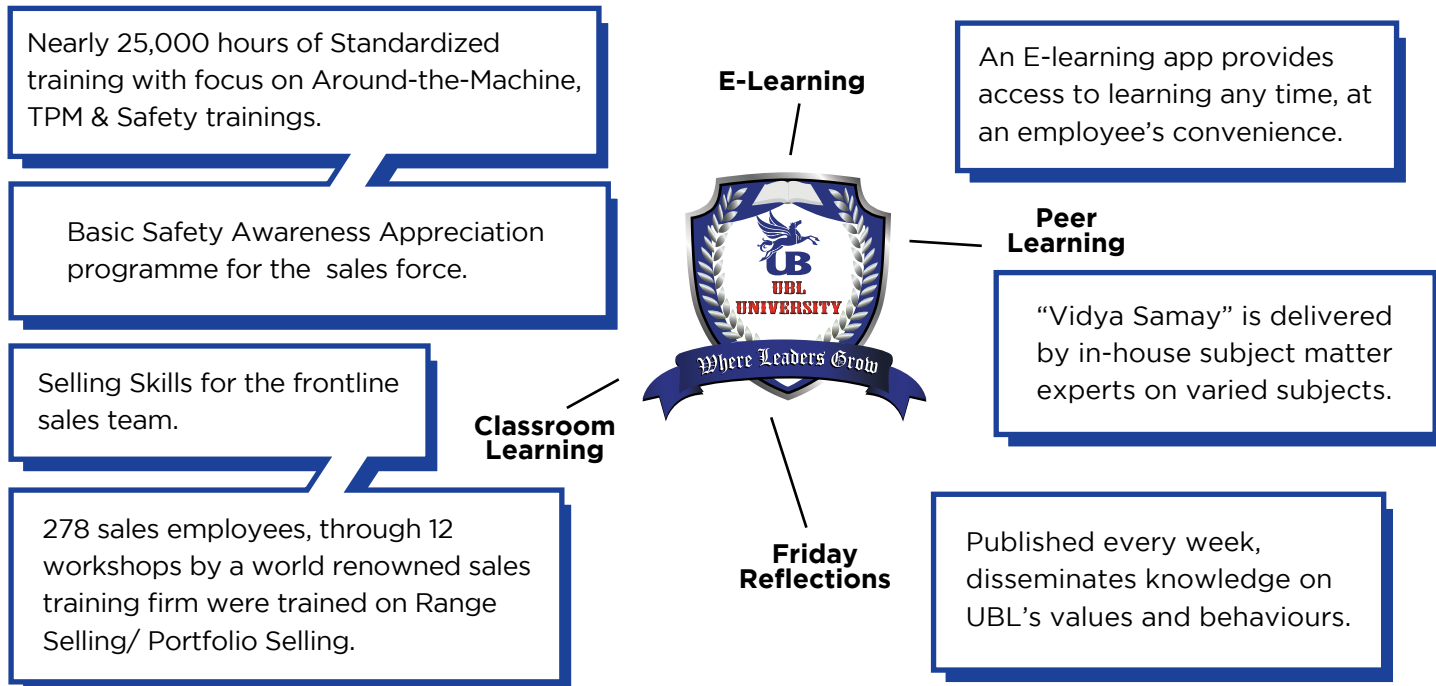
The summary findings are as follows:

1. 81% of the team members at UBL strongly believe in the overriding statement "Taking everything into account, I would say this is a great place to work."
2. The organisation has outdone itself on all parameters as compared to the previous year.
- 3..UBL's scores are comparable to that of the Top FMCG 2016 companies.

LEARNING & DEVELOPMENT INITIATIVES

Learning and Development continues to be a very high priority initiative for the entire organisation. UBL focusses a lot on employee development & learning. Its learning initiatives are well aligned to business.

Following were some of the programmes conducted throughout the year:



CELEBRATIONS

Celebration is a way of life at UBL - with factory-level annual family get-togethers, competitions for children, annual sports events, Women's Day celebrations etc., UBL celebrated more than 170 events at various locations through the year.



STEPATHLON 2016

UBL participated in Stepathlon, a unique, pedometer based mass participation event which provides a simple and relevant solution to transform the sedentary into the active, and the active into more active, for the 5th consecutive year.

UBL as an organisation has bagged the Most Active Company award in the FMCG category for 2016, for the 3rd time in a row.

IN 100 DAYS


545
PEOPLE


WALKED
215495979
STEPS


COVERED
137873
kms

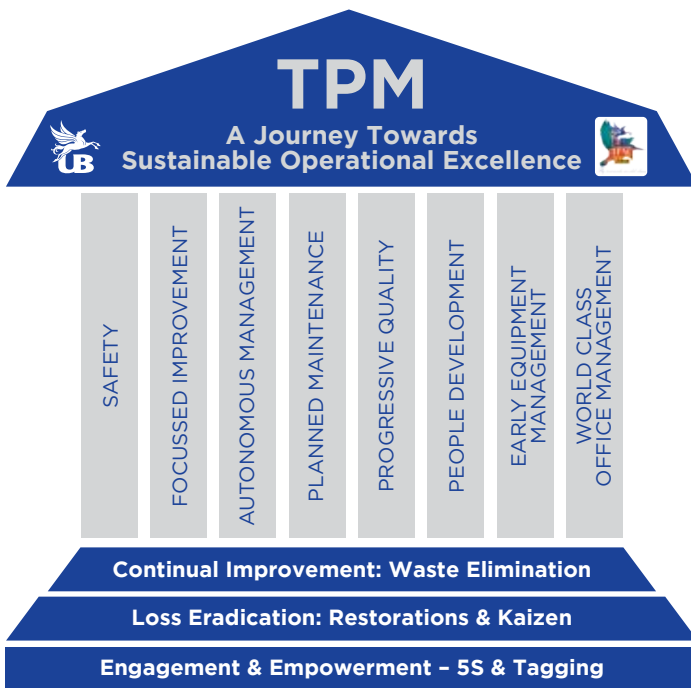

TO BURN
9050831
CALORIES

AT **61**
LOCATIONS 

MANUFACTURING AT UBL

United Breweries Limited has a network of 21 own breweries and 8 contract breweries across the country. The spread of the breweries gives a unique advantage of speed of delivery and freshness of stocks, across all regions of the country.

The manufacturing function at United Breweries Limited encompasses the entire gamut of operations, starting from the Procurement of Raw Materials, New Product Development and Centre of Manufacturing Excellence.



Purpose

The objective is to develop a participative culture in the organization using a structured methodology, to drive sustainable improvements. This initiative is referred to as Total Productive Management (TPM) or Project Udaan.



The company has got the capacity to produce 18 million hectoliters of beer per annum, with a combination of bottling and can lines spread across strategic locations in the country.

The geographic advantage also results in improved profitability since the import / export duty structures are state specific. The old bottle collection mechanism in each state ensures that the patented returnable glass bottle pool is protected to minimize overall product costs.

Kingfisher Ultra production was started at the Golconda brewery, in addition to the Bombay brewery, as a strategic initiative to cater to the growing demand of Telangana and Andhra markets.

A new can line was commissioned at the Goa brewery. The Shahjahanpur brewery capacity got increased from 0.25 to 0.75 million cases/month.



What we have done

TPM (Project Udaan) has now become a way of working at UBL units. This process is leading to a great level of employee engagement at all levels and is helping UBL move towards World Class Operational Excellence.

