

February 19, 2020

Asst. Vice President, Listing Deptt.,
National Stock Exchange of India Ltd.
Exchange Plaza, Plot C-1, Block G,
Bandra Kurla Complex,
Bandra (E),
MUMBAI - 400 051
Scrip Code: HEROMOTOCO

The Secretary,
BSE Limited
25th Floor,
Phiroze Jeejeebhoy Towers,
Dalal Street,
MUMBAI - 400 001
Scrip Code: 500182

Sub: Presentation made to investors

Dear Sirs,

Pursuant to Regulation 30 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in furtherance to our letter dated February 11, 2020 w.r.t. schedule of analyst / investor meet, please find enclosed herewith the presentation made at the event scheduled for today, viz., Hero World 2020.

Request you to kindly take the same on records.

Thanking you,

For Hero MotoCorp Ltd.



(Neerja Sharma)
Company Secretary & Chief Compliance Officer

Encl.: As above

Hero MotoCorp Ltd.

Regd. Office: The Grand Plaza, Plot No. 2, Nelson Mandela Road, Vasant Kunj – Phase-II, New Delhi - 110070, India
Tel. +91-11-46044220, Fax +91-11-46044399
HeroMotoCorp.com CIN: L35911DL1984PLC017354 PAN: AAACH0812J



Hero
WORLD
2020

INVESTOR DAY

Hero MotoCorp

February 2020

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R&D
Transformation



Winning in Scooters
& Premium



Developing strong
brands



Expanding global
footprint



Foraying into
Emerging Mobility



Leading Sustainably



Delivering yesterday,
today and tomorrow

R&D TRANSFORMATION

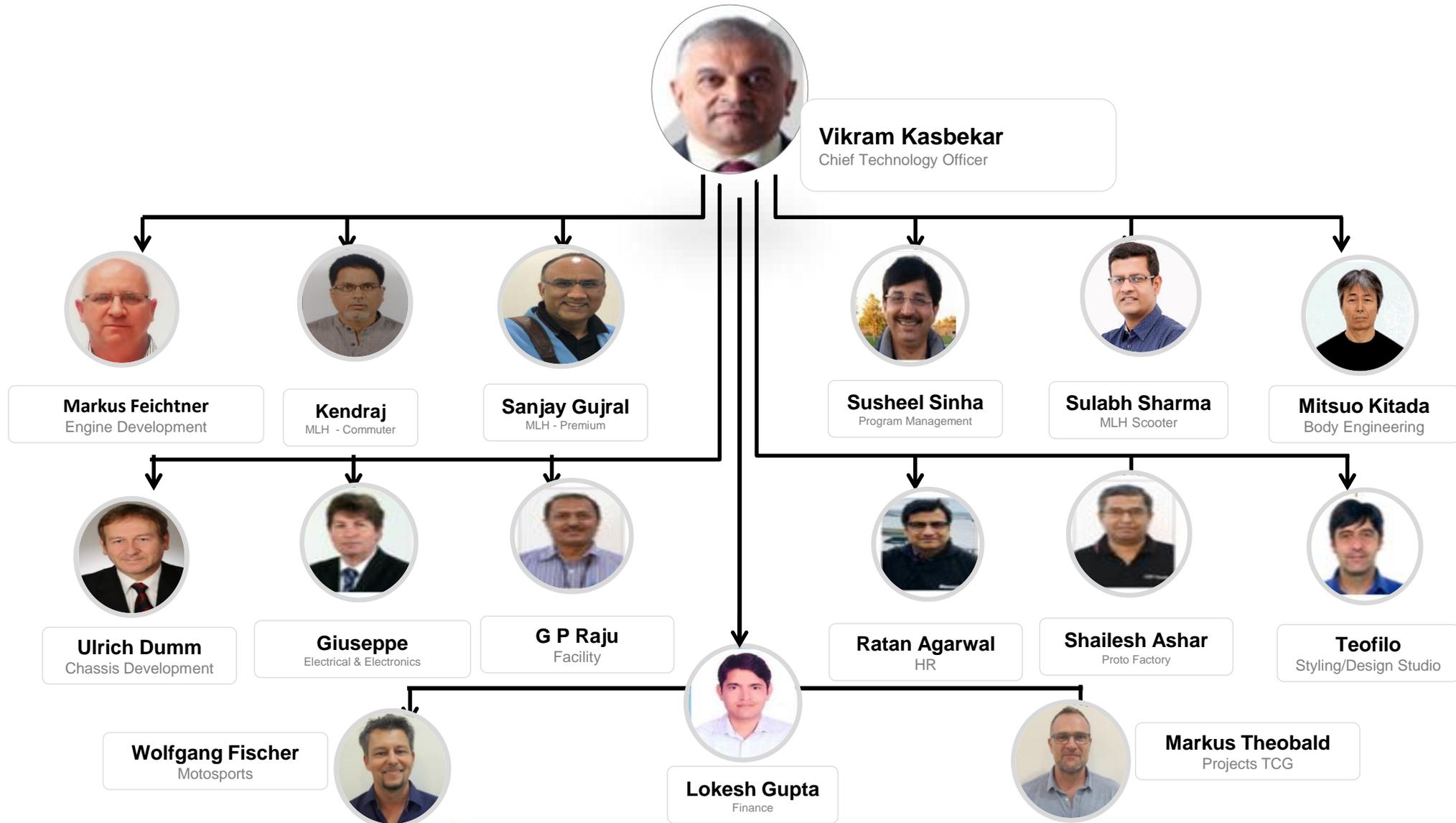
Vikram Kasbekar

Executive Director- Operations (Plants) & Chief Technology
Officer

R&D Transformation



Domain experts fueling the Hero dream



Drawing experienced global talent

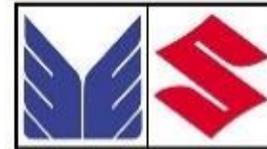
From across the globe



And key automotive players



PIAGGIO



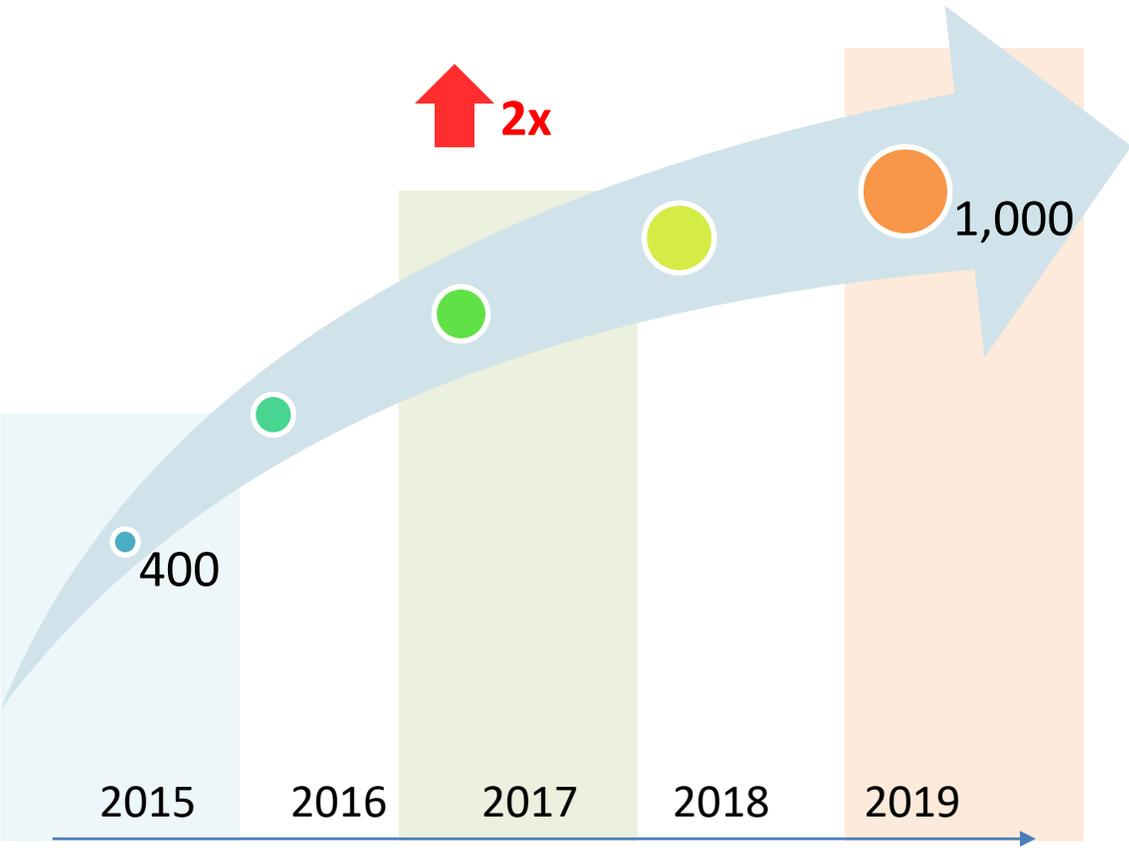
KISKA.

Partnering with global design houses

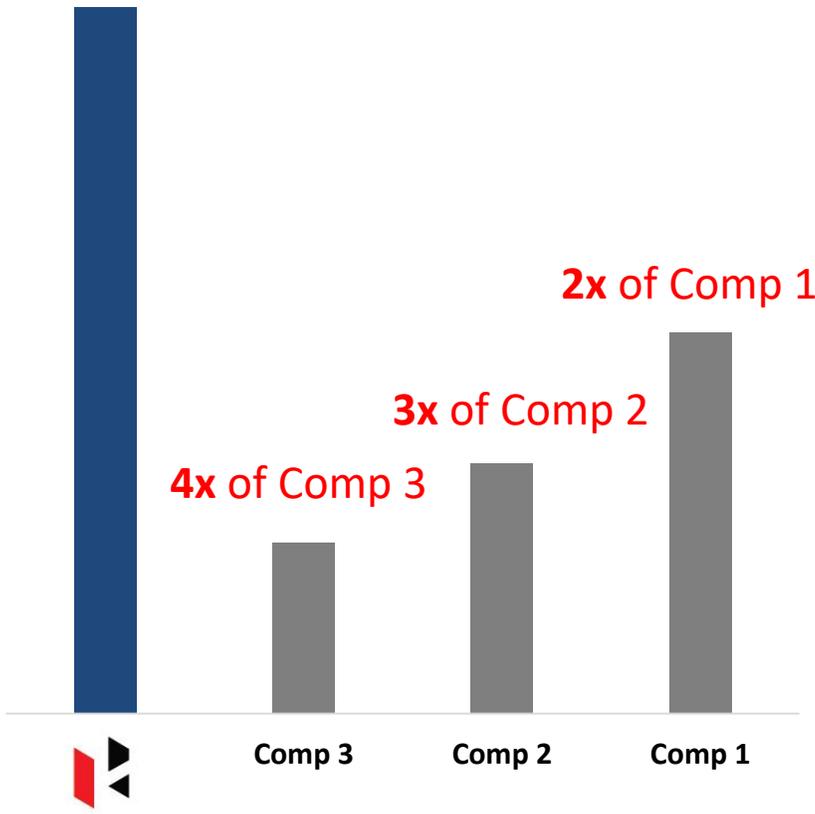


Rapid ramp up of R&D

R&D Talent Base



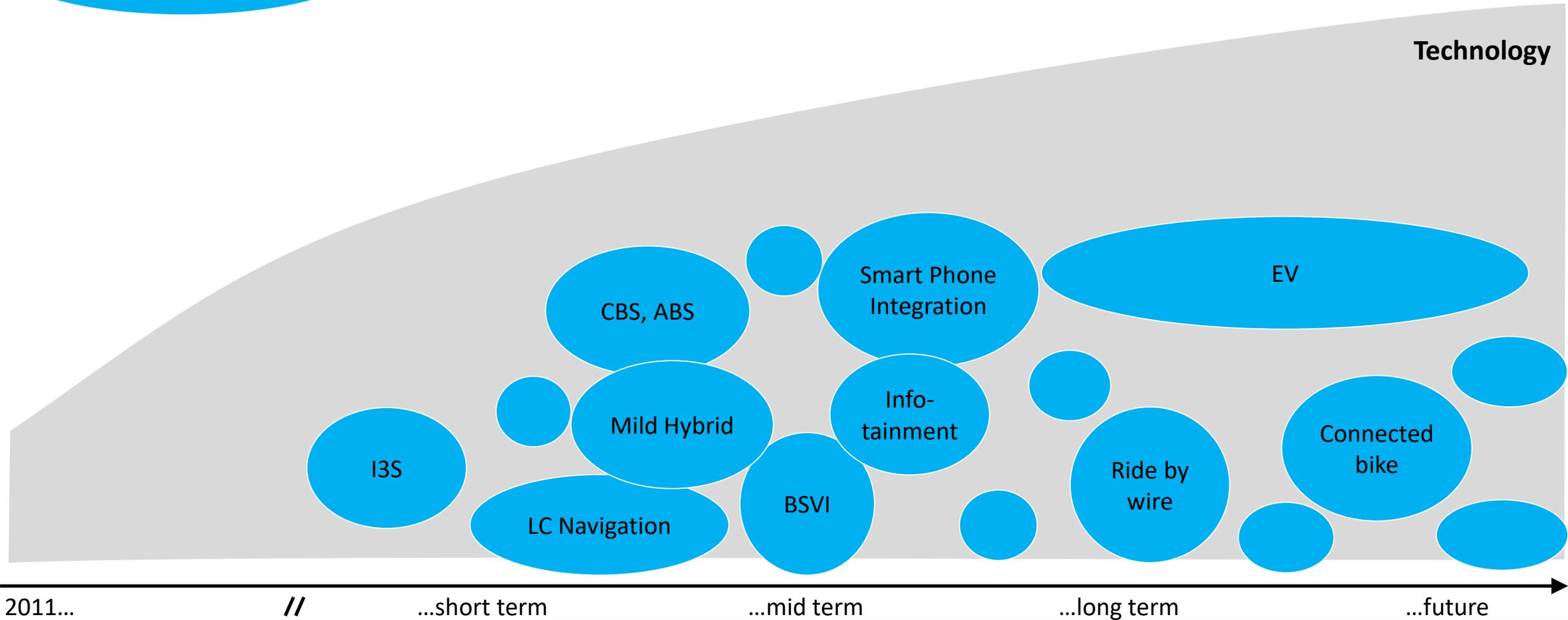
R&D Investments over 5 years



Future lineup and technologies elucidate our way forward

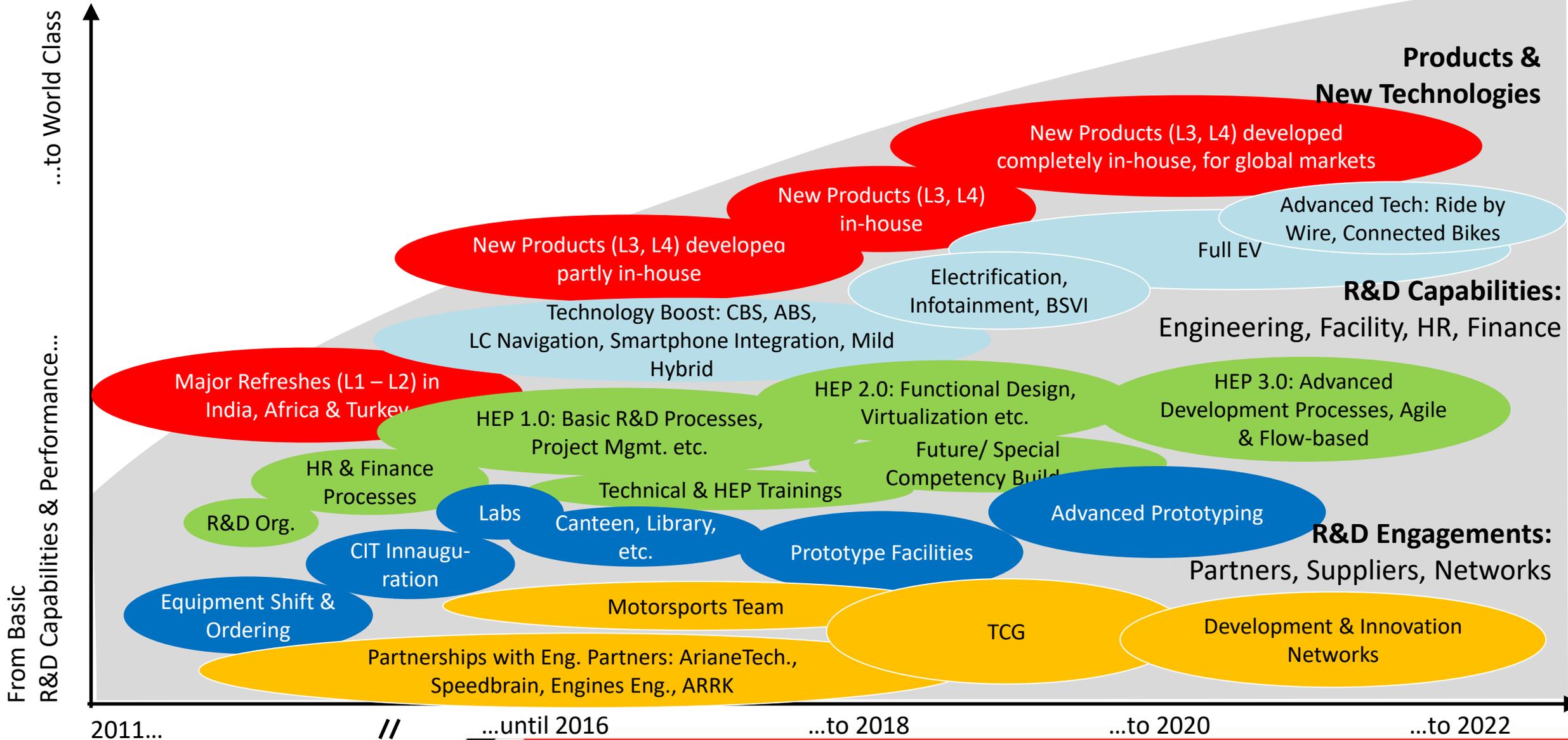
Technology

Technology

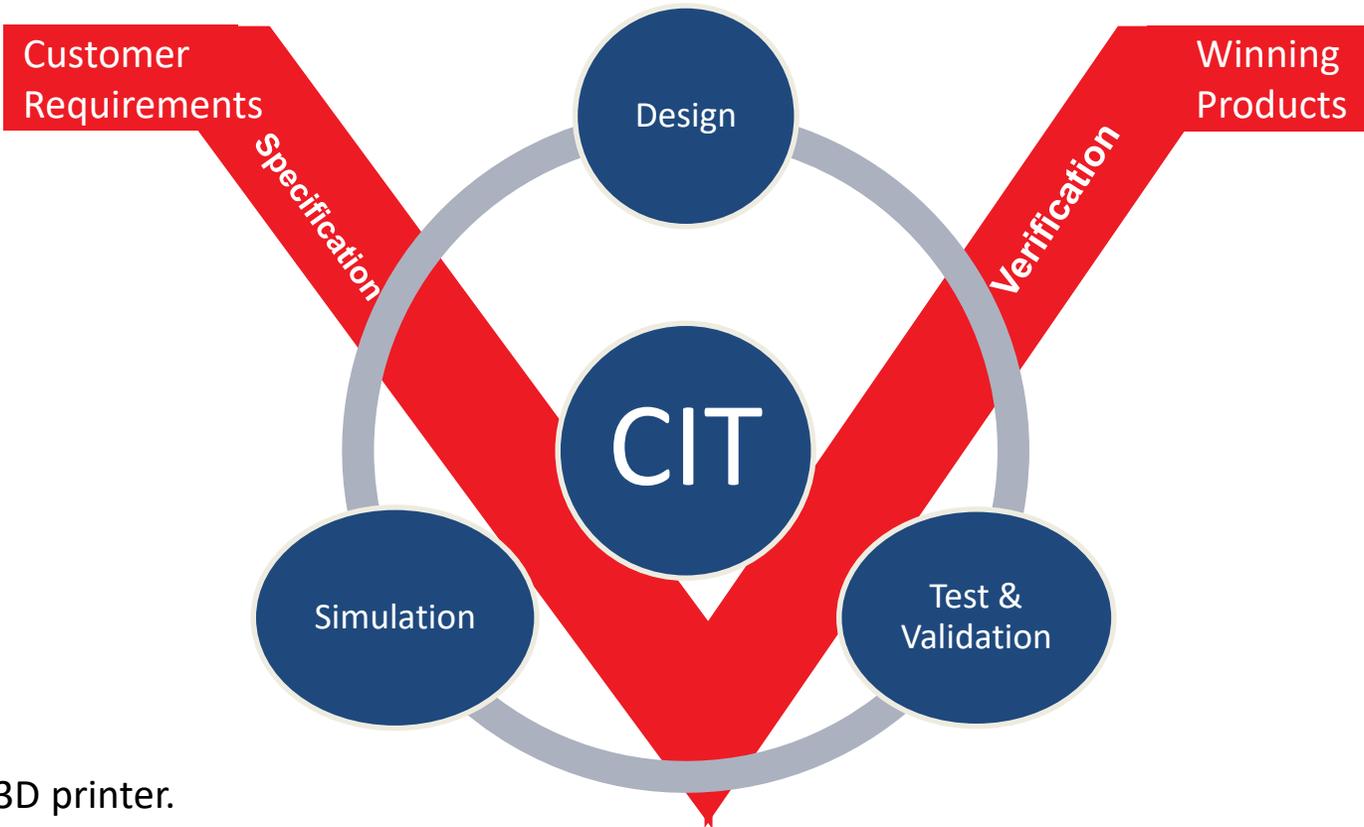


2011... // ...short term // ...mid term // ...long term // ...future

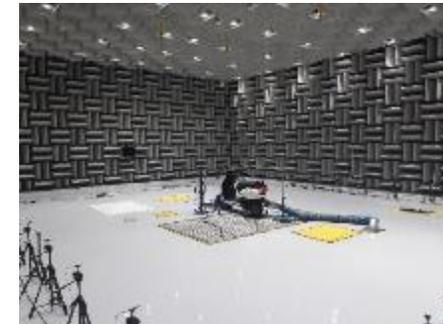
Building world class core capabilities and performance



Based on well defined process – architecture



Test Track – Simulation Testing



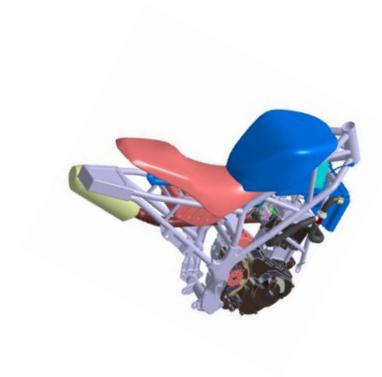
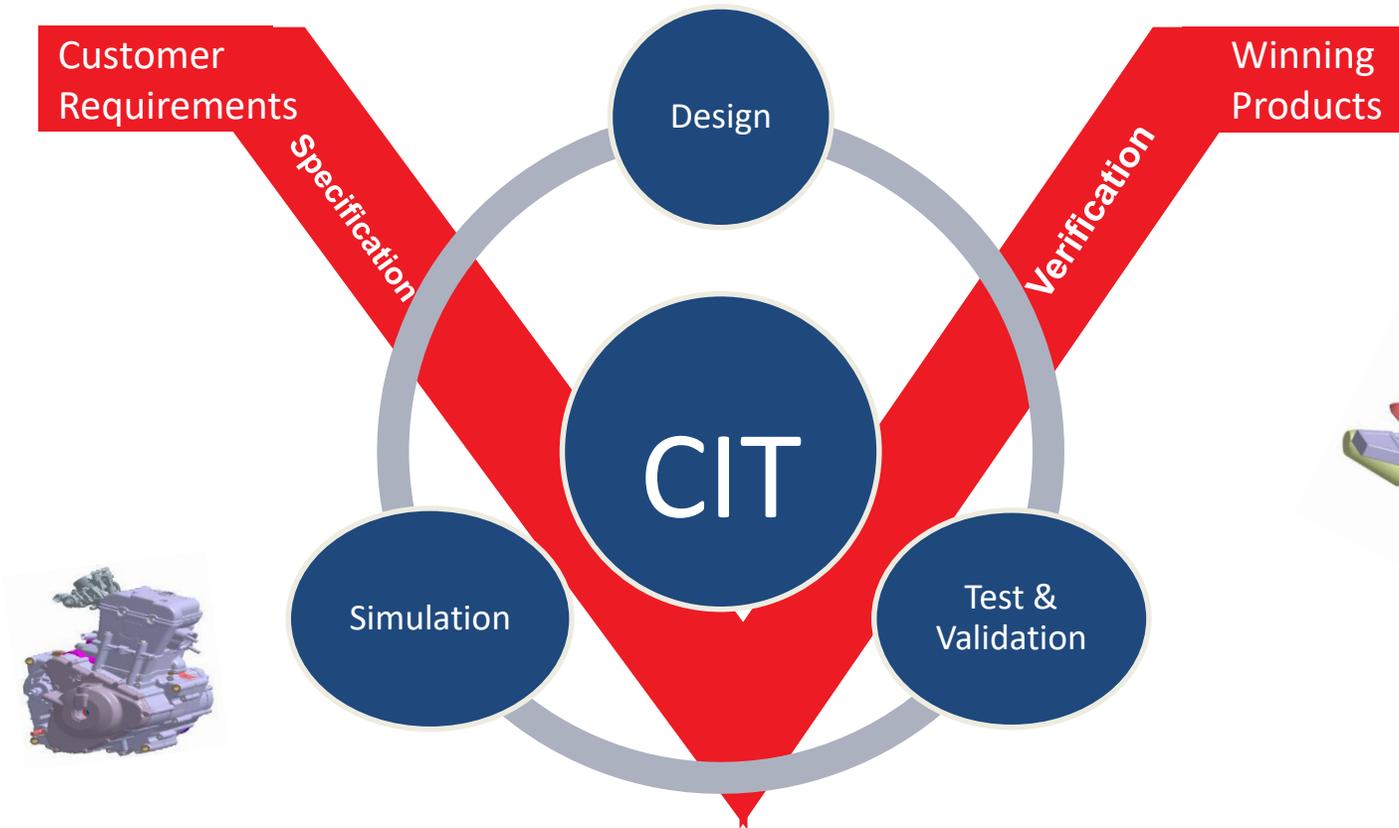
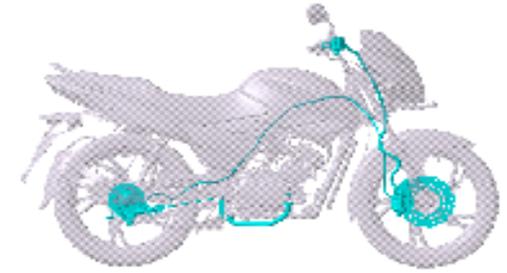
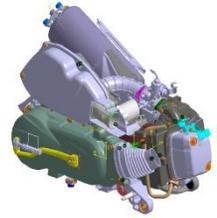
Vehicle Semi-anechoic Chamber



Objet1000 Plus

World's largest multi-material 3D printer.
Used to create full scale prototype

Design → Simulate → Test & Validate



Build nodal points globally: Tech Centre Germany (TCG)

Tap into the premium & EV auto eco-system

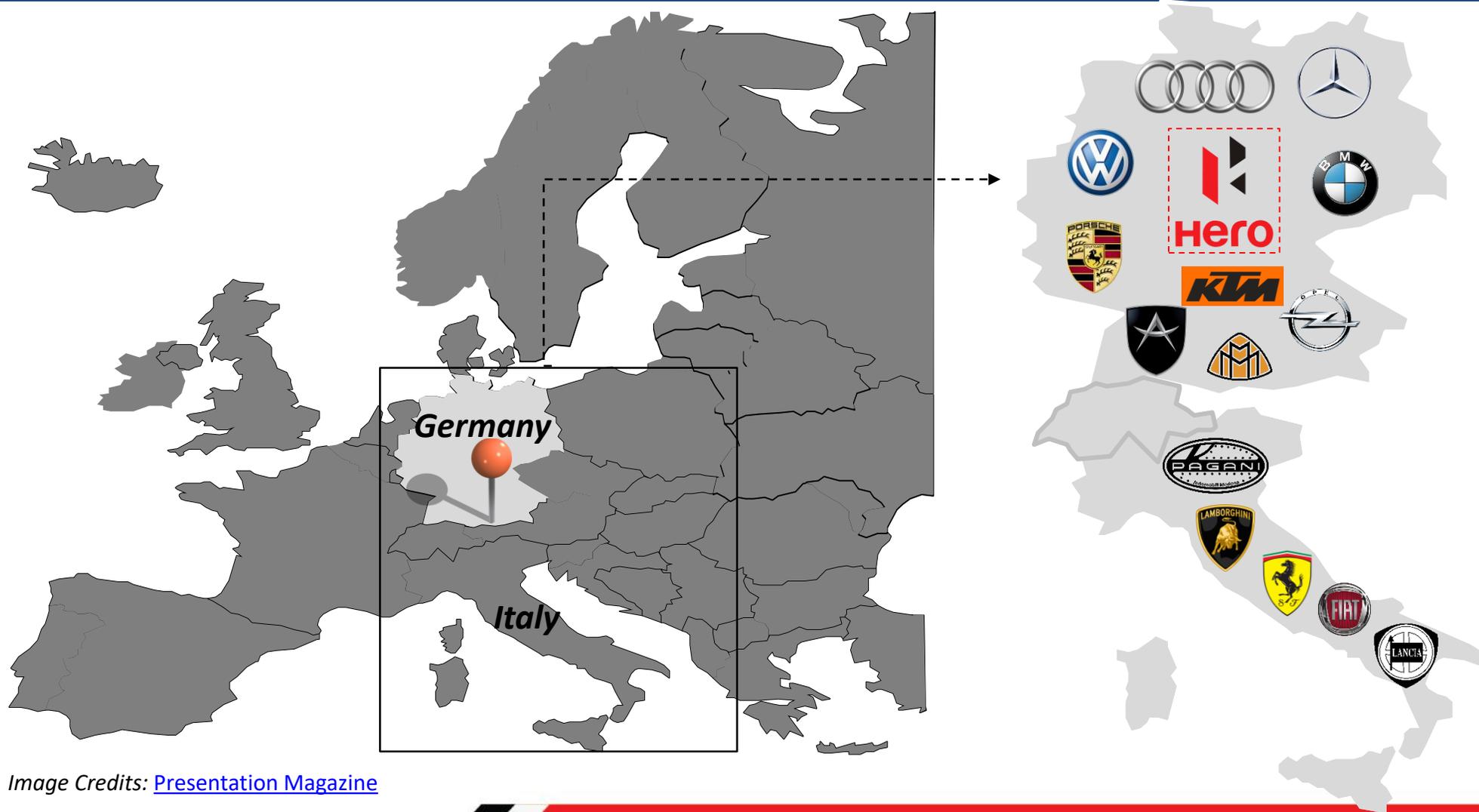


Image Credits: [Presentation Magazine](#)

Fully functional Tech Centre



With experienced global talent

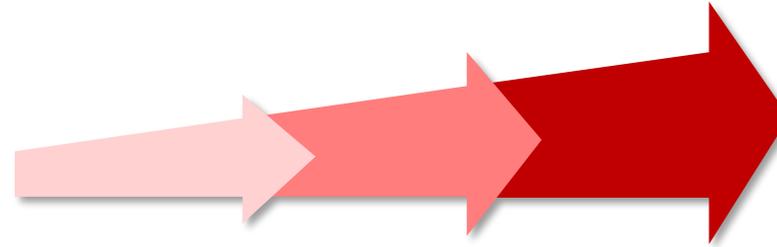


Building world class competencies for EV and premium projects

TCG

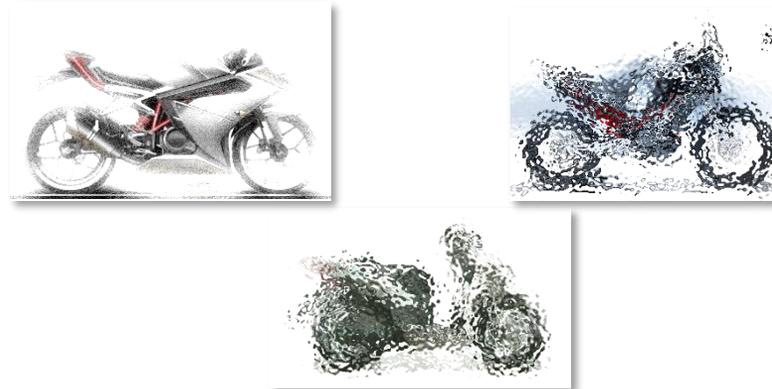


Build up of technical competencies



- Chassis Development
- Electric Vehicle: Battery Manufacturing
- Advanced Styling & Design
- Engine Mechanical Development, powertrain

Deliver on EV & Premium projects



Hero's R&D already delivering on key priorities

Seamless tech
transfers



Strengthen
the core



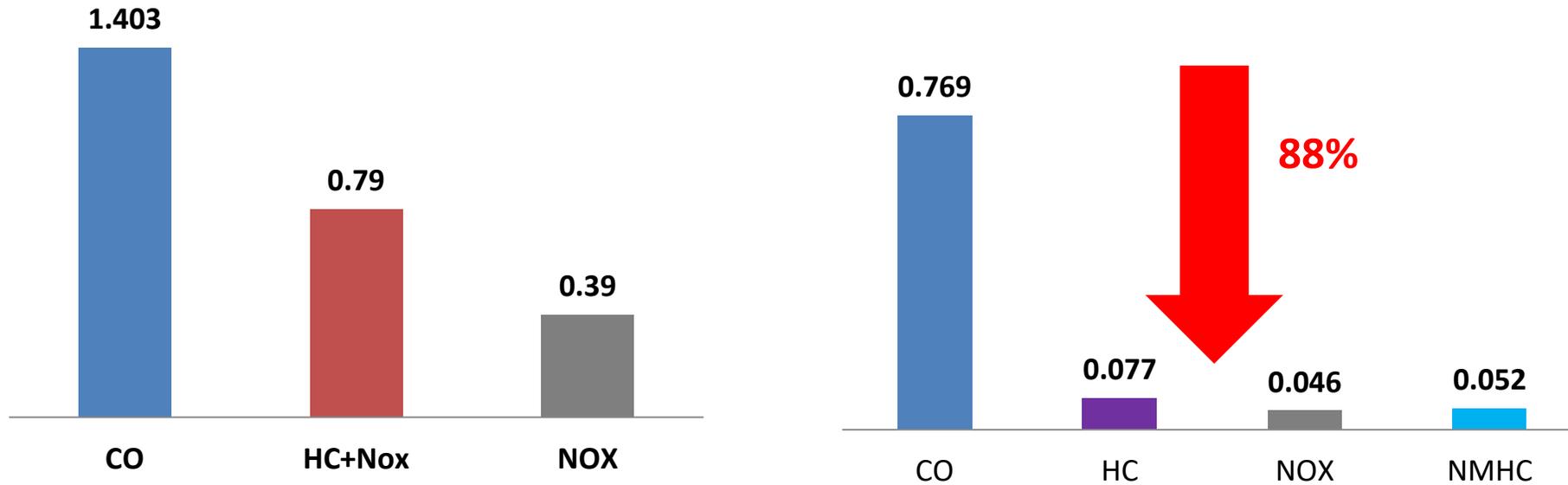
Build the
future



Evolving Emission Standards: BS IV vs. BS VI



BSVI Transition with FI



Enhanced fuel efficiency

Faster acceleration

Future ready technology with sensors

Gaining recognition along the way



2016

TIME India Awards:
Manufacturing Innovator
of the Year Award



2016

Overdrive Scooter of
the Year: Maestro
Edge



2017

NDTV Car and Bike
Commuter Motorcycle of
the Year: Hero Glamour



2018

Auto Expo 2018:
Excellence Award



awarded
**2020 INDIAN
MOTORCYCLE OF THE
YEAR**



2020

Autocar Scooter of the Year:
Maestro Edge 125 FI
Indian Motorcycle of the Year:
Xpulse

Successful R&D Transformation in record time



Ramped up people and physical infrastructure



World class capabilities with highest R&D investments



**Core: Refreshed
White spaces: Scaling up**



Preparing for the future of mobility including premium, EV etc.

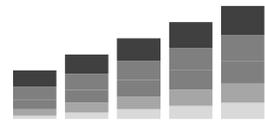
CREATING A WINNING PORTFOLIO IN SCOOTERS & PREMIUM

Malo Le Masson

Head - Global Product Planning, Sales & After Sales

Key focus areas

MARKET EVOLUTION



REFLECTION ON THE PAST,
OUTLOOK OF FUTURE

LEVERAGE REGULATIONS



NOT JUST
EARLY READINESS

SCOOTERS THRUST



3X NEW MODELS
RENEWAL SOON

ANCHORING X-STORY



HORIZONTAL →
VERTICAL

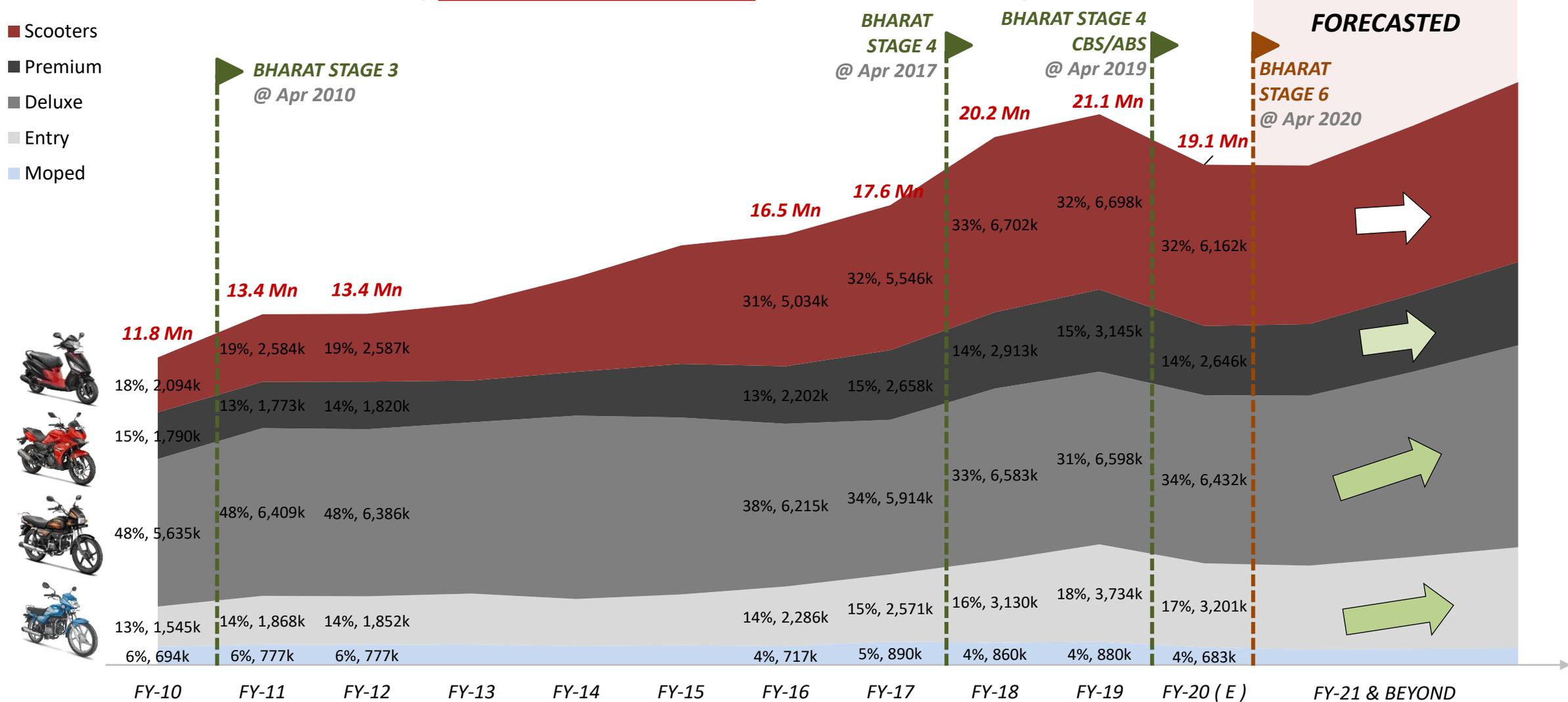
OVERALL ROADMAP



DECODING THE
FUTURE

Indian 2w industry expected to grow after BSVI adoption

RECOVERY EXPECTED POST H2-FY21, ENTRY & DELUXE SEGMENT TO BENEFIT FROM ABS/BS-VI PRICE PRESSURE



Source: SIAM Domestic Dispatch Data, FY20(E) annualized figures, Internal Analysis for Forecast

Prepared with a balanced BSVI portfolio

**USHER THE
NEW**

EVOLUTION



i-Smart 110



Super Splendor 125



Glamour 125



Passion Pro 110



Xtreme 160R

REVOLUTION

**RETAIN THE
CORE**



HF Deluxe



Splendor+



Pleasure+ 110



Maestro Edge 110



Maestro Edge 125



Destini 125

Scooter thrust: Continuing the momentum



DESTINI 125

1 TO GET **i3S** TECHNOLOGY IN SCOOTERS

2,00,000+
cumulative sales volumes of **Destini 125**
firmly
anchoring as the preferred
FAMILY SCOOTER



MAESTRO EDGE 125

1 TO GET **PROFESSIONAL** IN SCOOTERS

Maestro Edge 125
2020
SCOOTER
OF THE YEAR



Pleasure+

1 BRAND IN THE COMPACT SEGMENT



Scooter focus to unlock volume potential for Hero

BUILD-FOCUS-WIN-EXPAND



...UNLOCKING POTENTIAL

+ >125cc Products
+ Brand Halo in Scooters

FOCUSED STRATEGY...

+ Packed Lifecycle
+ Image Enhancement

2020

2021

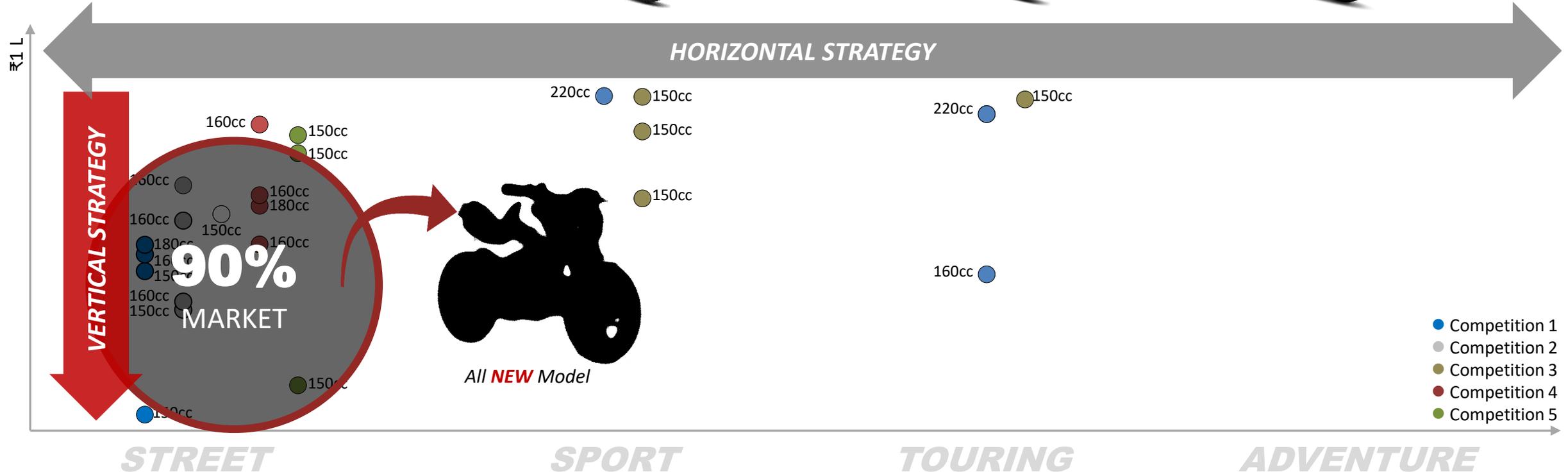
2022

Anchoring the X story

HORIZONTAL EXPANSION → VERTICAL COVERAGE WITH PREMIUM BELLY FOCUS



awarded
**2020 INDIAN
MOTORCYCLE
OF THE YEAR**



While scripting the NeXt Chapters

BLITZ-FOCUS-LEVERAGE-EXPAND



...RAISE THE BAR

+ Brand Halo in Motorcycles
+ 300cc+

OWN THE NeXt ...

+ Leverage Xtreme, XPulse
+ Active Lifecycle

2020

2021

2022

Tech enabled product strategy

✓ INCREASE MARKET COVERAGE



✓ HERO CONNECT 1.0



✓ LEVERAGING OUR PREMIUM PORTFOLIO



STRENGTHENING SCOOTER BRANDS

INNOVATIVE RETAIL SHOWROOM



Premium Showroom



Enhanced User Experience

HERO CONNECT 2.0



Next Generation Solutions

ELECTRIC VEHICLES

MORE than PRODUCT



TARGETED TO MILLENNIALS

BRAND HALO



300cc+ MC



SC

RIDE SHARING

Innovative Formats Beyond 2W

2018-2019

2020

2021

2022

BUILDING STRONG BRANDS

Gurinder Sandhu
Head - Marketing

BUSINESS

CONTEXT

Core MC : Maximize Share, Premium

Seize the Scooter Opportunity

Build a Premium Portfolio

BS6 : Category reset

Changing Consumer Engagement Dynamics

SHARE

PREMIUM

HERO
ASPIRATION
STATURE, INDIA
YOUTH, TECH

INVOKE STATURE

WORLD LEADER,
APPROACHING 100Mn.

OWN INDIA
IN A MODERN WAY

ADD NEW VALUES
YOUTH AND TECHNOLOGY

HERO

ASPIRATION

INDIA

CAN'T WAIT

HERO

ASPIRATION

TOMORROW

CAN'T WAIT



HERO

ASPIRATION

INDIA'S FIRST

BSVI BIKE

HERO CYCLES & MOTORCYCLES LTD. | 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84, 85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100

THE TIMES OF TOMORROW

PRICE 7.7% ALONG WITH GENERAL INFLATION OF THE ECONOMIC TIMES OF MAHARASHTRA TIMES*



TOMORROW'S NEVER
JUST A DAY AWAY,

IF ITS TECHNOLOGY,
IS ONE DAY TOO OLD.

IF ITS DESIGN,
IS ALREADY OUT OF DATE.

IF ITS INNOVATION,
IS AN IDEA TOO SLOW.

AND THAT'S WHY AT HERO,
WE ASK,

WHY SHOULD TOMORROW BE
A WHOLE DAY AWAY,

WHEN IT CAN BE HERE NOW.

TOMORROW CAN'T WAIT.

INDIA CAN'T WAIT.



HERO ROLLS OUT INDIA'S FIRST **BSVI** MOTORCYCLE



PFI WITH 6 SENSOR TECHNOLOGY

BRINGING TOMORROW'S TECHNOLOGY TODAY



BSVI PFI ENGINE | **REVOLUTIONARY iBSO TECHNOLOGY** | **SMART DUAL TONE LOOK** | **120 MM FRONT SUSPENSION TRAVEL** | **ALL NEW DIAMOND FRAME**

East Delhi - Durgapuri & Con Road, Shubhadra - Hingoli Hero - 726075249, Kirti Nagar - Hingoli Hero - 726101305, Gurgaon - Hingoli Hero - 726075249, Puchhi Kartar Nagar - Anant Hero - 726031083, Bhagpur - Anant Hero - 726101305, Kurukshetra - Anant Hero - 726101305, Chandigarh - Anant Hero - 726101305, North Delhi - Anant Hero - 726101305, Azadpur - Shraman Automobiles - 800080805, 011-6544622, 33 Yamuna - Shraman Automobiles - 800080805, 011-6544622, 11 Indira (Gurgaon) Metro Hero - 726075249, Roma Vihar, Kirti Nagar Road, Metro Hero - 800080805, Noida - Metro Hero - 800080805, Connaught Place - North Delhi (Puchhi Road) - Ekam Hero - 726075249, Mayapuri - Ekam Hero - 726075249, West Delhi - New Rohanpur, Noida - Anant Hero - 726101305, Panchsheel Park - Shingara Hero - 726101305, Tikka Nagar - Khanna Hero - 726101305, Noida - Khanna Hero - 726101305, Palam (East Road) (Noida) - Singla Hero - 726101305, 33 Jangpura - Panchsheel Road - Singla Hero - 726101305, South Delhi - Laxmi Nagar - Sappire Hero - 726101305, Aditi (New Market Road) - Panchsheel Hero - 726101305, Connaught Place - Panchsheel Hero - 726000021, Anand Nagar - Panchsheel Hero - 726000021, Badli - Singla Hero - 726101305, Gurgaon - Anant Hero - 726101305, Rangan (Majapuri) - KS Hero - 726000021, NCR - Bahadurgarh - Tawli Hero - 726000021, Yash Hero - 726000021, Gurgaon - Hingoli Hero - 726101305, Gurgaon - New Railway Road - Hingoli Hero - 726101305, Auto Hero - 726101305, Palwal - Deo Varan Hero - 726101305, Ghaziabad - Ghaziabad Hero - 726101305, Meerut - Meerut Hero - 726101305, Anant Hero - Shiv Puri, Vijay Nagar - 726101305, Noida - Khanna Hero - 726101305, Uppal Hero - 726101305, Singla Hero - 726101305, Bahadurgarh - Singla Hero - 726101305



INVOKE MODEL STORIES

MODEL
STORIES
STATURE, INDIA
YOUTH, TECH

SPLENDOR+

#1 BIKE BRAND
FAMILY TRUST

HF DELUXE

DURABILITY
RESALE VALUE

DELUXE SEGMENT

STYLE
SUPREMACY

MODEL

STORIES

SPLENDOR

#1 STATUS
FAMILY TRUST



Jab baat ho
family ki
samjhauta nahi
sirf Splendor



Jab aap apnon ke liye kuch chunte hain, tab aap sirf best chunte hain.
Isiliye 3.5 crore Indians ne bharosa kiya hai Hero Splendor par.
Aur ise banaaya hai desh ki No.1 bike.



Splendor
**INDIA'S
NO.1
MOTORCYCLE**

Regd. Office: Hero MotoCorp Ltd., 34, Community Centre, Basant Lok, Vasant Vihar, New Delhi - 110057, India. CIN: L35911DL1984PLC017304. Phone No. 011 - 46044100. For further information, contact nearest Hero MotoCorp authorized outlet or call our toll free no.: 1800 - 209 - 8018 or visit us on www.HeroMotoCorp.com. Accessories and features shown may not be part of standard fitment. Always wear a helmet while riding a two wheeler.

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MODEL

STORIES

HF DELUXE

DURABILITY
RESALE VALUE

MAZBOOTI JO SAATH NA CHHODE

Hero HF Deluxe ki mazbooti iski bemisaal Resale Value mei dikhti hai. Toh aap bhi ghar laaiye ek HF Deluxe, aur shuru kijiye saalon saal ka safar.

HF-*Deluxe*
NAYE INDIAN KA MAZBOOT SAATHI.

WITH **TBS** | **iBS** | NEW COLOUR
INTEGRATED BRAKING SYSTEM TECHNOLOGY VARIANT



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**ZYADA MAZBOOTI
SABSE ZYADA RESALE VALUE**

MODEL

STORIES

GLAMOUR
PASSION

STYLE
SUPREMACY

STYLISH NEW

Fusion



BOLDER STYLING | **FASTER** 110 cc ENGINE | **SMARTER**



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L & K | SAATCHI & SAATCHI

Bano toh aisa bano!

AADHUNIK Fi ENGINE. SABSE POWERFUL 125CC BIKE. DABANGG STYLE.

Jab aap sawaar honge nayi Glamour Fi par
toh duniya chalna chahegi aapki raah.

NEW
GLAMOUR
PROGRAMMED Fi



Hero



HeroMotoCorpIndia HeroMotoCorpLimited TheHeroMotoCorp heromotocorp.com @HeroMotoCorp

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RIGHTFUL SHARE IN SCOOTERS

BUILD
FUNCTIONAL
EDGE

LEVERAGE LAUNCHES
AHEAD OF OTHERS
HIGH PRESENCE

AHEAD OF OTHERS

DESTINI

INDIA'S 1ST i3S

AHEAD OF OTHERS

DESTINI

DO KADAM AAGEY

Brand Story : High Impact Print



DESTINI 125

INDIA'S FIRST FAMILY SCOOTER WITH



- STOPS WHEN IDLE
- RESTARTS INSTANTLY
- SAVES FUEL



SOCHO DO KADAM AAGEY



Revolutionary iBS Technology for Great Mileage



125cc Energy Boost Engine for Power Packed Performance



Elegant Metallic Body and Premium Chrome Finish for a majestic road presence



Telescopic Front Suspension for a Smooth Ride



External Fuel Filling, Mobile Charging Port, Service Reminders and many more



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Scan the QR code to experience the new Hero Destini 125



DESTINI 125

REVOLUTIONARY iBS TECHNOLOGY FOR GREAT MILEAGE

125CC ENERGY BOOST ENGINE FOR POWER PACKED PERFORMANCE



INTEGRATED BRAKING & TUBELESS TYRES



TELESCOPIC FRONT SUSPENSION



ELEGANT METALLIC BODY



SIGNATURE TAIL LAMP

SOCHO DO KADAM AAGEY



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*Conditions apply.

AHEAD OF OTHERS

MAESTRO

INDIA'S 1ST FI

AHEAD OF OTHERS

MAESTRO KAL KE SAATH CHAL



FASTER. SMARTER.

INDIA'S FIRST SCOOTER WITH **PROGRAMMED Fi**

Smart Fuel Injection technology with on-board sensors that optimises fuel supply to give a riding experience like no other.

Superfast
Pickup

Effortless
Climb

All Weather
Easy Start

MAESTRO 125 EDGE

KAL KE SAATH CHAL

FEEL THE FUTURE!
TEST RIDE NOW



Scan the QR code to experience
the new Hero Maestro Edge 125



- ▶ Striking LED Insignia
- ▶ LED Tail Lamp
- ▶ Diamond Cut Alloy Wheels
- ▶ Disc Brake with IBS
- ▶ Service Reminder
- ▶ External Fuel Filling
- ▶ Mobile Charging Port

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HERO MILEAGE
11000A EXTRA KILOMETERS PER LITRE

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*Conditions apply

AHEAD OF OTHERS

PLEASURE NAYA BOLD ANDAAZ

AHEAD OF OTHERS

PLEASURE BOYS LOVE IT TOO

Impactful
Announcement

HAMAARE NAYE

BOLD

ALL
NEW
HERO

*Why should
boys have
all the fun*

Pleasure+

MOBILE CHARGING PORT SIDE STAND INDICATOR INTEGRATED BRAKING & TUBELESS TYRES



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*Conditions apply.



ANDAAZ KI AADAT DAAL LO



Scan the QR code to experience the new Hero Pleasure+



HERO MILEAGE
100% EXTRA KILOMETERS PER LITRE

HeromotoCorp.com

[HeromotoCorpIndia](https://www.facebook.com/HeromotoCorpIndia)

[HeromotoCorpLimited](https://www.instagram.com/HeromotoCorpLimited)

[TheHeroMotoCorp](https://www.youtube.com/TheHeroMotoCorp)

[HeromotoCorp](https://twitter.com/HeromotoCorp)

PREMIUM RESTART

STYLE, LOOKS, DESIGN KEY DRIVER OF CHOICE

LEVERAGE
NEW PRODUCTS
& FORMATS

ADD YOUTH
CODES
MODERN
MACHO

BADGE
VALUE KEY

MAKE NEW TRACKS



CONNECT WITH THE NEW HERO

BRANDWORLD FILMS

SEEDING THE ADV & TOURER BRAND WORLDS



FEATURE FILMS

SEEDING THE INDIVIDUAL PRODUCT FEATURES



 Hero



YOUTH ENGAGEMENT THROUGH DIGITAL

DOMINATE IN-MARKET AUDIENCES

GOOGLE AD NETWORK
FACEBOOK



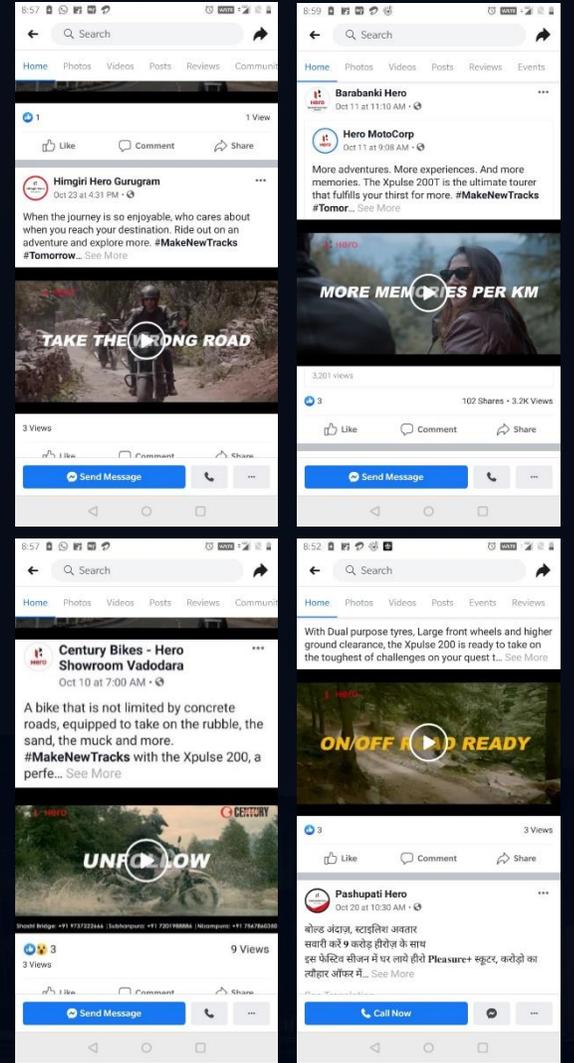
YOUTH ENGAGEMENT

COLLOQUIAL YOUTH LINGO



VIDEO MINI SERIES

SEEDING THE BRAND WORLD



BUILDING AFFINITY AND PREMIUM APPEAL

PREMIUM BROCHURE

MAN, MACHINE & THEIR WORLD



EPL

CO-BRANDED PROMO
MONEY CAN'T BUY EXPERIENCES
SELECT FC



TRAILBLAZERS MOVIE FESTIVALS

CO-BRANDED PROMO
MOVIE ASSOCIATIONS



Brands on a consistent growth path

CORE MOTORCYCLE PORTFOLIO

HF Deluxe, Splendor

Grown on Most Likely to Buy,
Advocacy

SCOOTERS

Destini

Faster take-off than any other new
launch

Pleasure+

Strong rebound across all key brand
KPIs

PREMIUM

Xtreme

Consistent growth in Brand
Awareness and Consideration

Xpulse

Strong brand launch impact

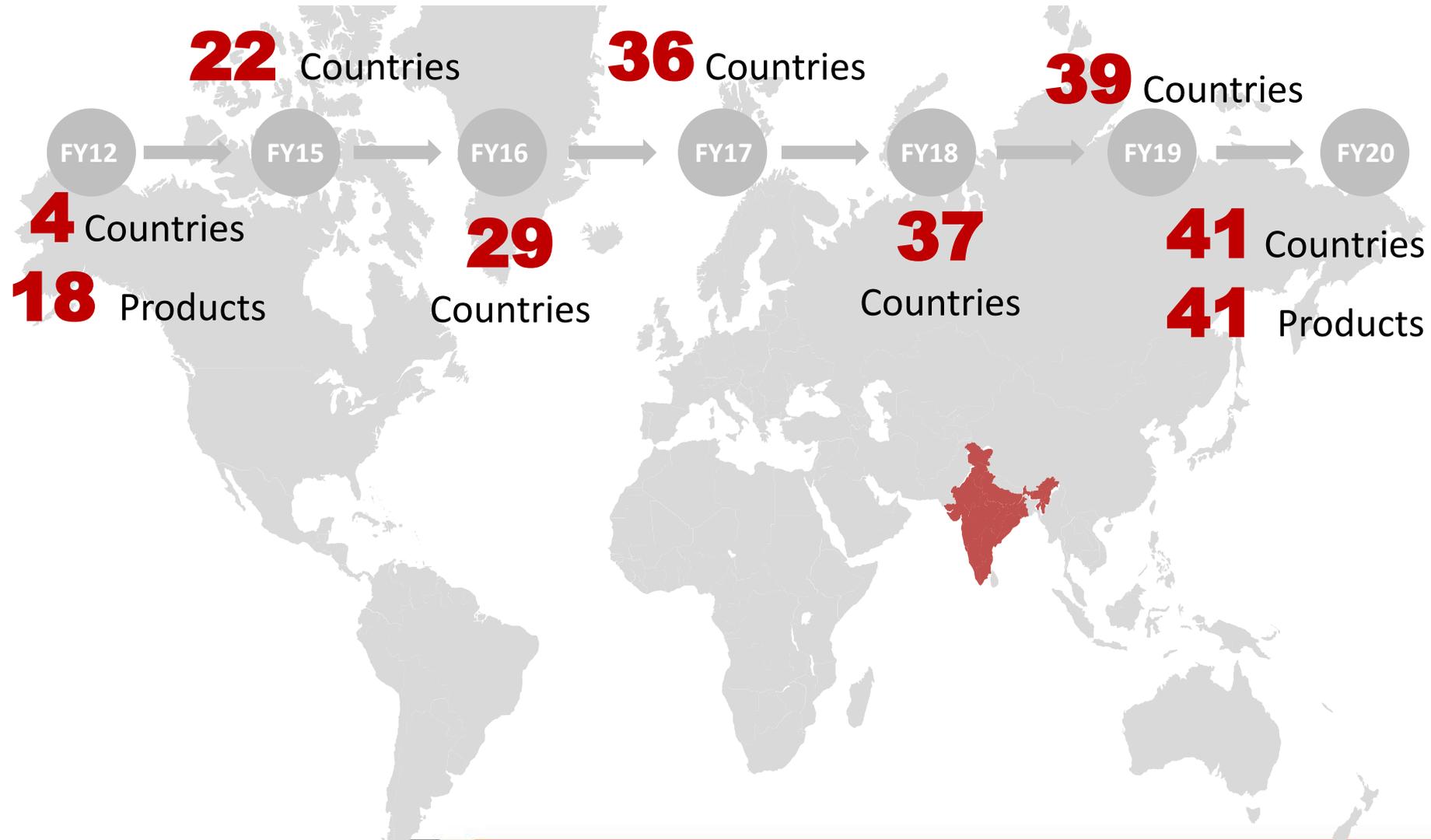
EXPANDING OUR GLOBAL FOOTPRINT

Rajat Bhargava

Head - Global Business, Emerging Mobility, Strategy
& Performance Transformation

Expanding our global footprint

Objective: Create presence in key strategic markets



Developing products based on Global customer needs



Recent performance and opportunities

What has gone well

- Sustained good performance in Bangladesh
- Positive response to Xpulse and scooters
- Increase in the market share and sales in Colombia
- Growth rate in Africa is faster than industry



What needs improvement

- Share of Africa and Middle East (AME) in Hero's portfolio needs to grow
- Industry and market share revival in Sri Lanka
- Lower base in the 150cc+ segment



Building brick by brick: products, regions and enablers



Premiumization

- Launch new models in 150 cc, 160 cc segment
- Build on the momentum of the Xpulse family in Asia and LatAm



Africanization

- Launch improved models tailored to Africa across CC
- Build on the positive word of mouth to ramp up sales in the key markets



Scooterization

- Revive scooter sales in Asia through new models - Pleasure 110 and Destini



Retail Finance

- Continue momentum on retail finance in Bangladesh and Nepal
- Deepen financier network across markets



Digitalization

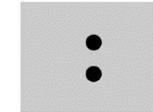
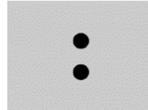
- Convert the sales leads through digital – Bangladesh, Nepal, Colombia, CAC

FORAYING INTO EMERGING MOBILITY

Rajat Bhargava

Head - Global Business, Emerging Mobility, Strategy
& Performance Transformation

The EV world



Hardware and software platform with a vehicle skin wrapped around it

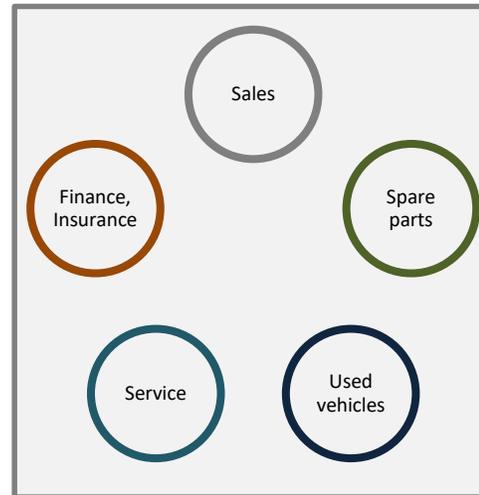
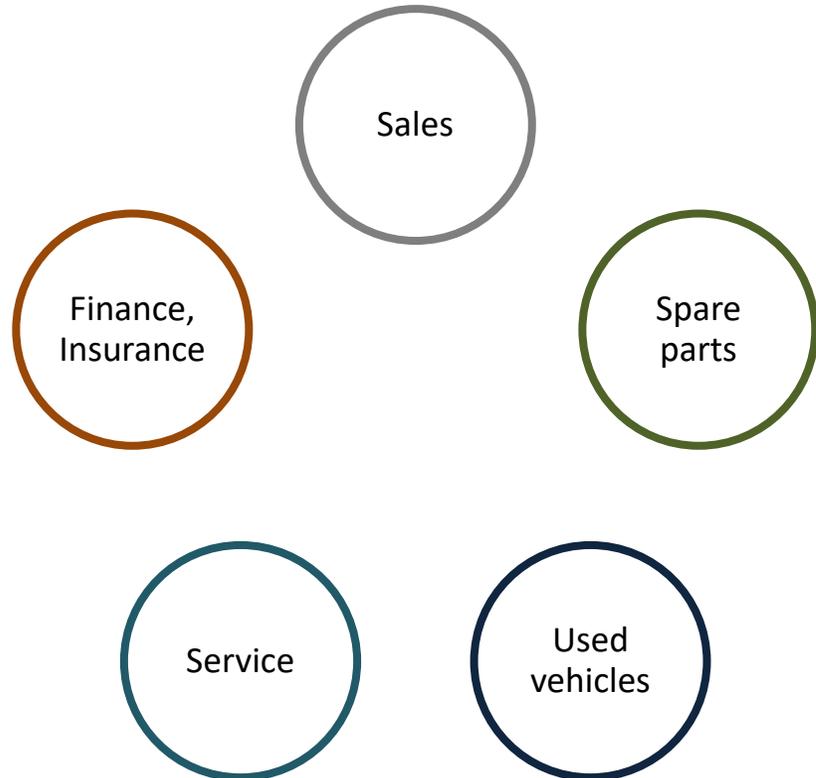
Platform play with scale benefits

Connectedness to deliver novel experiences

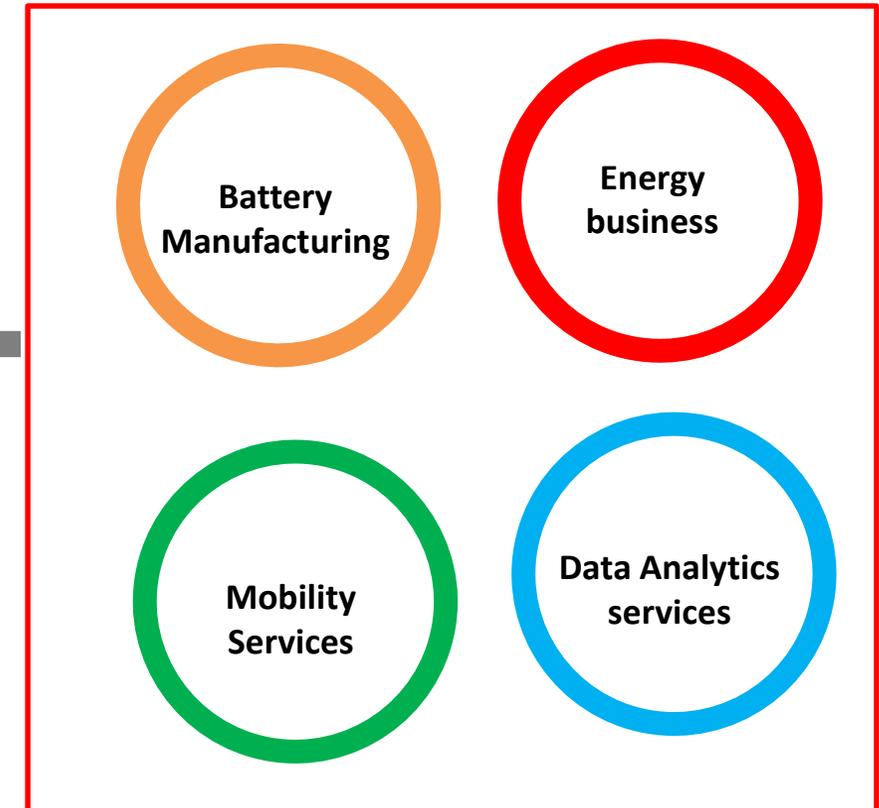
Competition for other electronic gadgets

Hero's view of the 2w EV world

Auto OEM's traditional revenue pools

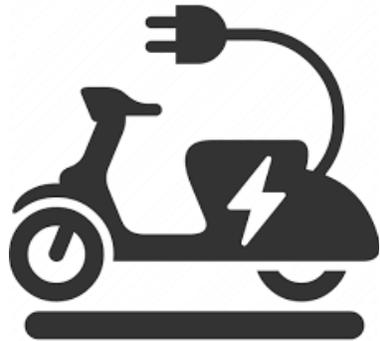


Potential future revenue pools



Each OEM's strategy will define participation in the revenue pools

Our playing field for EV



2w & 3w



Core vehicle, telematics,
data analytics



Charging / swapping
ecosystem

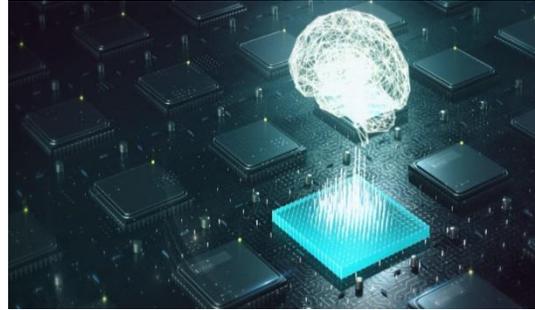


Mobility as a service
(MaaS)

Participate as a leader or an eco-system player

Key tenets of Hero's EV strategy

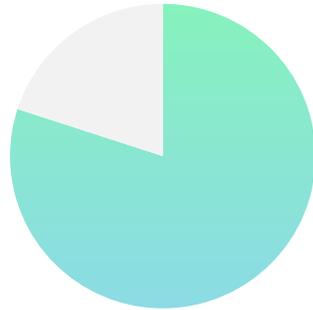
Technology as platform to differentiate



Compelling, differentiated customer proposition



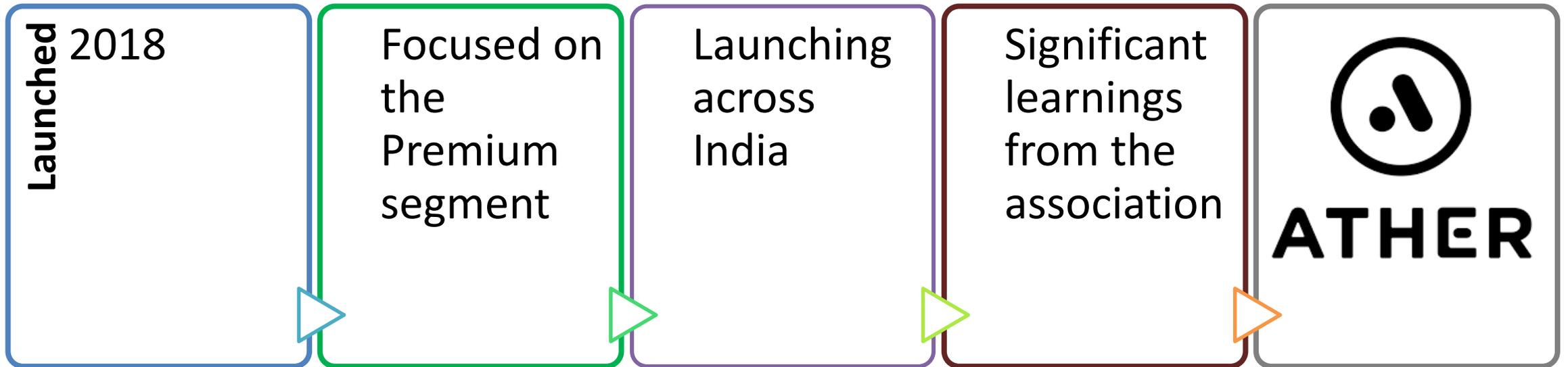
Leadership in the belly of the market



Ecosystem partnerships with 'Frenemies'



Hero: The 1st to address the 2W EV market!



Using multiple avenues to deliver EV solutions



Core organization



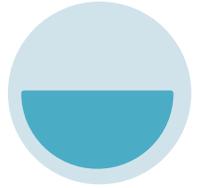
ATHER

External start-ups

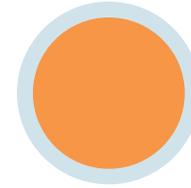


Internal incubator

EV Product Pipeline



In-house product



Ather Energy

Successful launches and more to follow

2021



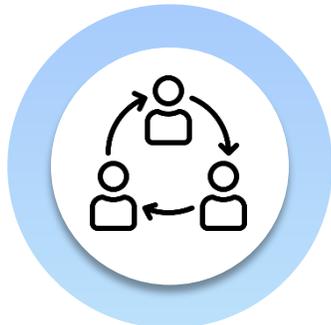
Foraying into Emerging mobility



Emerging mobility expands the current business models



Explore both product and service offerings



In-house R&D, incubator and collaborative approach



Ather, a strategic investee and partner

LEADING SUSTAINABLY

Vikram Kasbekar

Executive Director - Operations
(Plants) & Chief Technology Officer

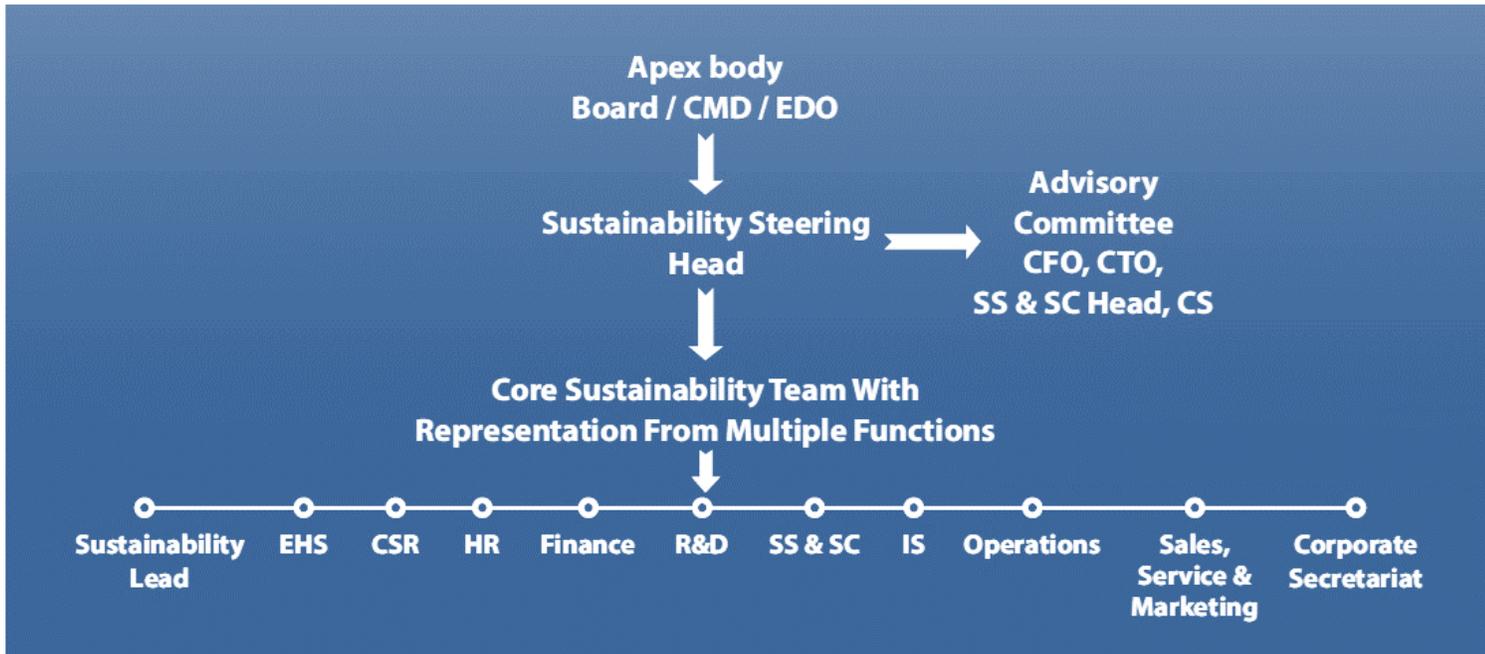
Vijay Sethi

Chief Information Officer, Head CSR
& Chief Human Resources Officer

Neerja Sharma

Company Secretary & Chief
Compliance Officer

Led by a focus from top and a robust governance structure



SS & SC - Strategic Sourcing & Supply Chain; CS - Company Secretary; EDO - Executive Director, Operations IS - Information Systems; CSR - Corporate Social Responsibility; HR - Human Resources; R&D - Research and development & EHS - Environment Health and Safety



VIJAY SETHI
Chief Information Officer,
Head CSR & Chief Human
Resources Officer



VIKRAM S. KASBEKAR
Executive Director-Operations
(Plants) & Chief Technology Officer



NEERJA SHARMA
Company Secretary & Chief
Compliance Officer

The Sustainability Steering Committee monitors the Environmental, Social and Governance (ESG) performance of the Company. The Committee provides overview, assesses business risks and identifies future opportunities

Sustainability a key focus area with UN Development Goals at the heart



A sustainability roadmap that encompasses all our stakeholders



Synergy in Environment & Technology: Manufacturing Sites

Key Environment Strategies: Solar, Big Foot, Hydroponics, Green roof, Green Wall, Zero Liquid Discharge, Zero Waste to Landfill, LEDs, Trigeneration, ISO Certified, GreenCo, IGBC



Taking greener strides: Eliminating Single Use Plastic

Reducing Personal Plastic Consumption



Limit plastic bags,
plates, cutlery



Plastic bottles
replaced with
glass / steel
bottles

Results: Reduction in Single-use Plastic



20% in 1 year

Remaining plastic packaging converted to re-usable / returnable or recyclable plastic with EPR declaration per the Plastics Management & Handling rules 2016

And across our operations



Foldable Large Containers Concept

Innovative parts packaging in inbound, outbound materials & products



Rigid returnable
packing



Multiuse bin with flap cover

Working towards Carbon Neutrality by 2030



Energy | Carbon Neutral
70% CO₂ Reduction of which:

- 70% due to efficiency improvement & renewable energy – Solar footprint to increase 24%
- 30% due to tree plantation



Waste | Waste Neutral
Waste Neutrality
82%



Water | Water Neutral
Reuse → Reduce → Recycle → Recharge
40%  water recharge

Corporate Social Responsibility (CSR) – focus on society

Environment protection and conservation

GREENER

- **Plantation:** 20 Lakh+ saplings and 5 lakh seed balls
- **Water Conservation:** Saved more than 40 mn litres of water
- **Clean Energy:** 13,000+ Solar Street Lights in 250+ villages
- **Saving Energy:** LED Lights in 330 Villages saving 30 million units of electricity per year
- **Community Participation:** More than 100,000 people participated till date

SAFER

Ensure safety on roads

- 6,00,000+ youth trained on 'Safe Driving'
- 125,000+ Road Safety Pledges
- Regular Awareness campaigns

EQUITABLE

Support underprivileged communities

- **Education:** 150+ schools benefitting 2,00,000+ students
- **Sanitation:** 1400+ toilets built in Government Schools
- **Women Empowerment:** 4000 girls trained on two wheeler riding; Entrepreneurship training for 30,000 women, 782 doing business
- **Livelihood Training:** 4800+ youth trained, many working now
- **Specially Aabled:** 5000+ supported for limbs; 500 + trained
- **Community Development:** Holistic development of villages; 3,00,000+ beneficiaries
- **Sports:** 2500+ young athletes being supported

Strong Governance framework

Inculcate a culture of accountability, transparency and ethical conduct



A. Board Effectiveness

- Competent & Diverse Board
- Strategic Orientation
- Clear role delineation between Board and Company leadership

B. Codes and Procedures

- Comprehensive Policy framework
- Effective policy(ies) implementation
- Efficient Internal financial & operational controls and risk management systems

C. Stakeholders and Compliance Management

- Robust compliance framework
- Focus on stakeholders' effective engagement and management
- Proactive disclosures and information sharing

Hero has made considerable progress and is being recognised

| | | | | | | |
|--|---|---|--|---|---|--|
| CII – ITC : EXCELLENCE AWARD IN ENVIRONMENT MANAGEMENT | ET NOW: BEST GREEN EXCELLENCE SUSTAINABILITY AWARD | CII : EXCELLENCE IN ENERGY EFFICIENCY | CII – ITC : EXCELLENCE AWARD IN CSR | | | |
| BEST ENVIRONMENT FRIENDLY PROJECT | EXCELLENCE IN COMPLIANCE OF SAFETY, HEALTH AND WELFARE PROVISIONS | CII ENVIRONMENT BEST PRACTICE AWARD: GVDP – MOST INNOVATIVE PROJECT | FICCI : ROAD SAFETY AWARD 2018 | ET 4 GOOD : HIGHEST RATING IN ET 2 GOOD 4 GOOD | | |
| BEST INITIATIVE FOR COMMUNITY AWARENESS | BEST GREEN ORGANIZATION OF THE YEAR | DIAMOND AWARD FOR BEST CSR PRACTICES IN HARYANA | BEST USE OF TECHNOLOGY FOR SOCIAL CAUSE | CII ENVIRONMENT BEST PRACTICE AWARD: GVDP – MOST INNOVATIVE PROJECT | BEST USE OF CSR PRACTICES IN AUTOMOBILE SECTOR | |
| MAHATMA AWARD FOR EXCELLENCE IN CORPORATE SOCIAL RESPONSIBILITY | INDIA AND ASIA BOOK OF RECORD FOR TREE PLANTATION | SHIKSHA VIBHUSHAN FOR DEVELOPMENT WORK IN EDUCATION | CSR EXCELLENCE AWARD IN ENERGY AND EDUCATION IN RAJASTHAN | NAVBHARAT - BEST CSR PRACTICES IN PRIVATE SECTOR | ET NOW CSR LEADERSHIP AWARD – ROAD SAFETY | ET NOW CSR LEADERSHIP AWARD – WOMEN EMPOWERMENT |



We Care

SUSTAINABILITY REPORT 2018

(GRI STANDARDS)

www.heromotocorp.com

We Care

CREATING A SUSTAINABLE FUTURE



Hero MotoCorp Limited
Sustainability Report 2019
(GRI STANDARDS)

**DELIVERING YESTERDAY,
TODAY AND TOMORROW**

Niranjan Gupta
Chief Financial Officer



Macro Economic
Overview



Two Wheeler
Industry

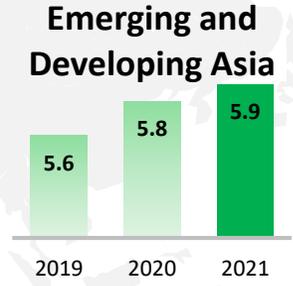
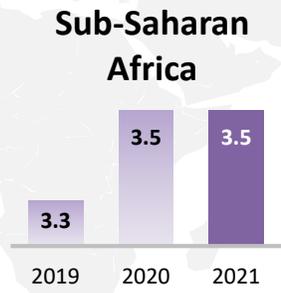
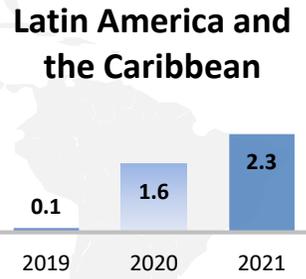
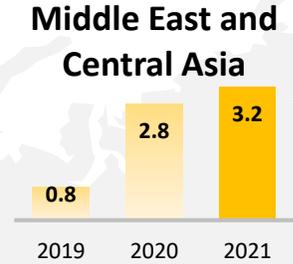
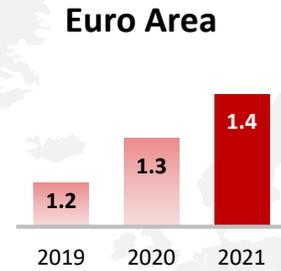
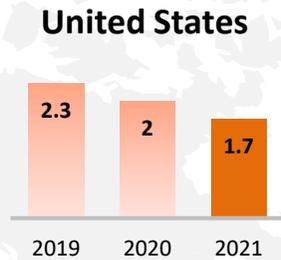
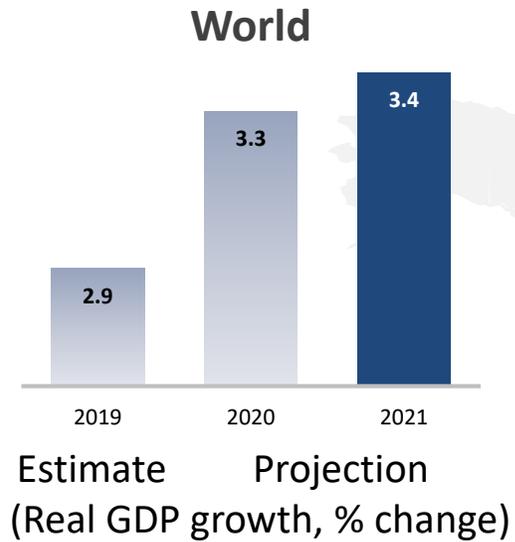


Our Story



Key Takeaways

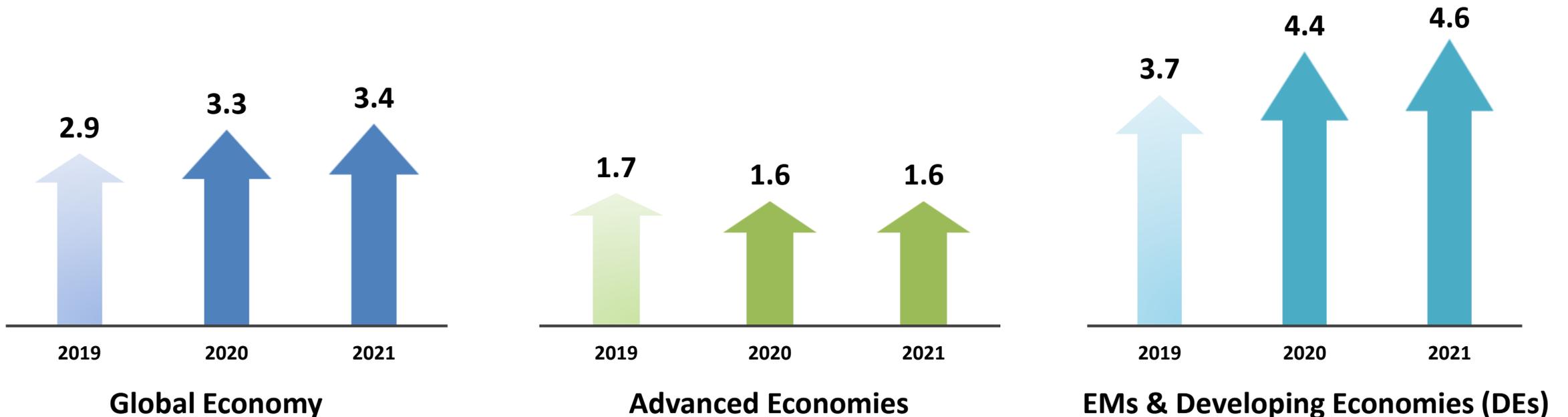
World economic growth to trend up



Source: [IMF World Economic Outlook, Jan. 2020](#)

Emerging markets (EMs) to lead economic growth

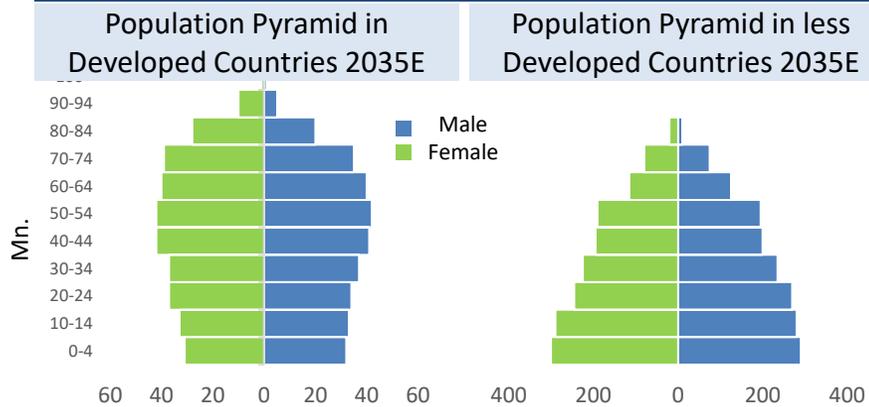
Global growth has been declining..
but there are tentative signs of stabilization



Source: [IMF World Economic Outlook, Jan. 2020](#)

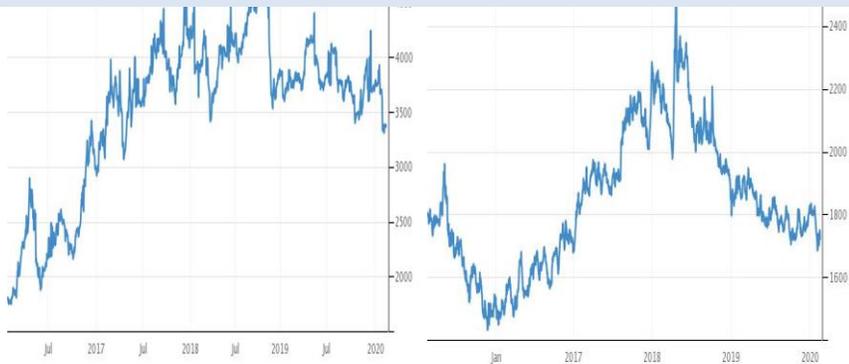
Constituents for growth prevail

Demographic dividend



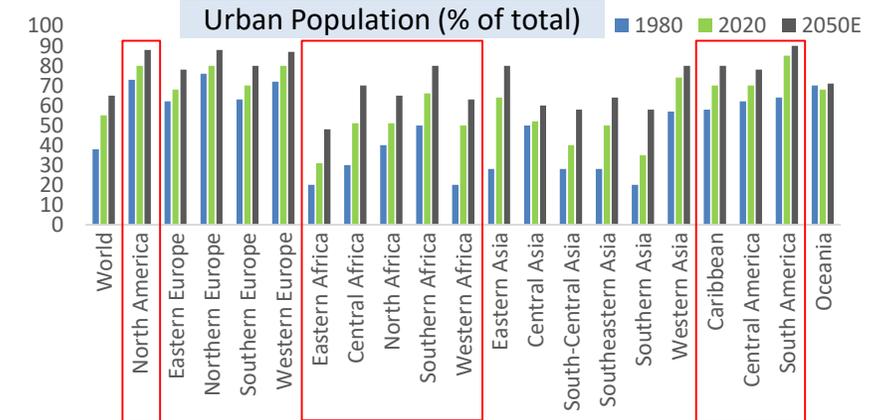
Supportive commodity prices

Supportive Steel & Aluminium prices



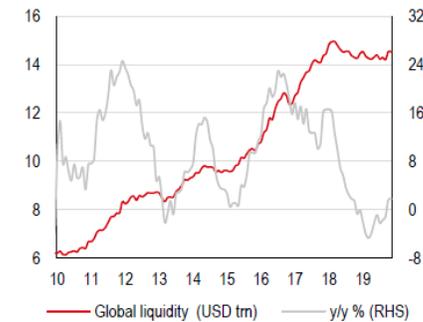
Source: [UN Population Prospects](#), Analyst reports

Urbanization



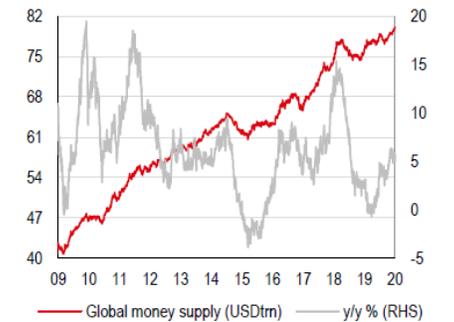
Fiscal and monetary support

Global liquidity reversed its decline and posted annual growth rates...



Source: Bloomberg, HSBC

...while global money supply reached its highest level ever

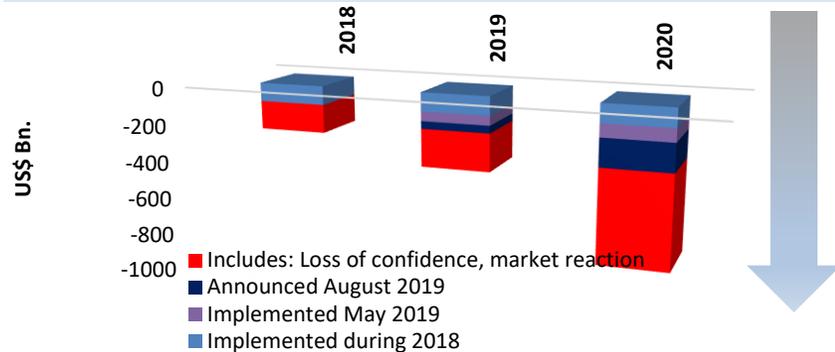


Source: Bloomberg, HSBC

While some uncertainties are there in the short term..

Sino – US trade wars

Projected Global GDP Loss from Trade Disputes



Political uncertainties

Brexit costs* nearly match UK's total EU contributions

£203 Bn.



Expected cost of Brexit by end of 2020

£215 Bn.

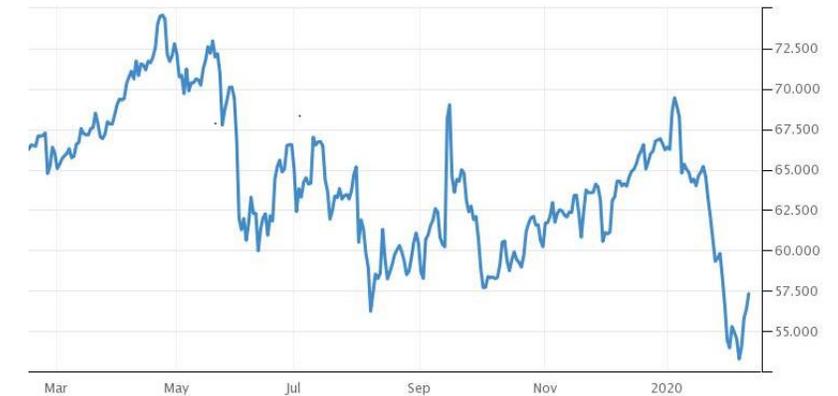


Total UK contributions to EU budget (1973-2020)

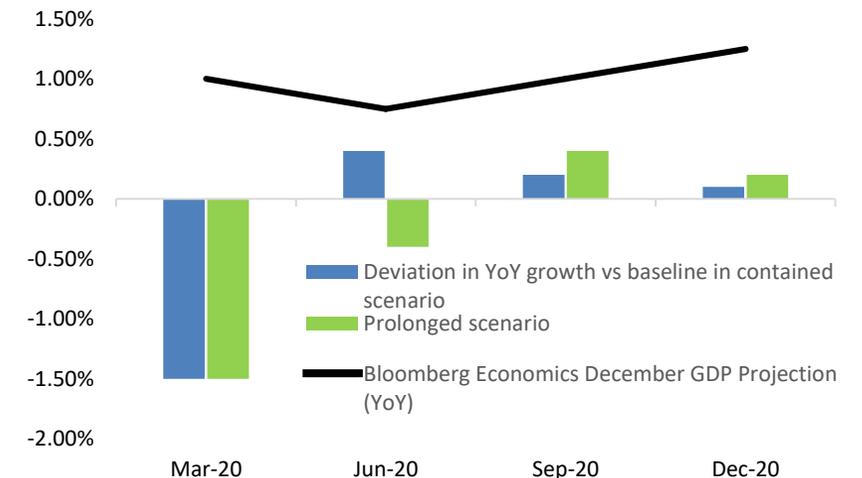
*Cost based on BBG analysis of lost economic growth up to end of 2020

Source: [IMF](#), [Tradingeconomics](#), [Forbes](#), [Bloomberg](#)

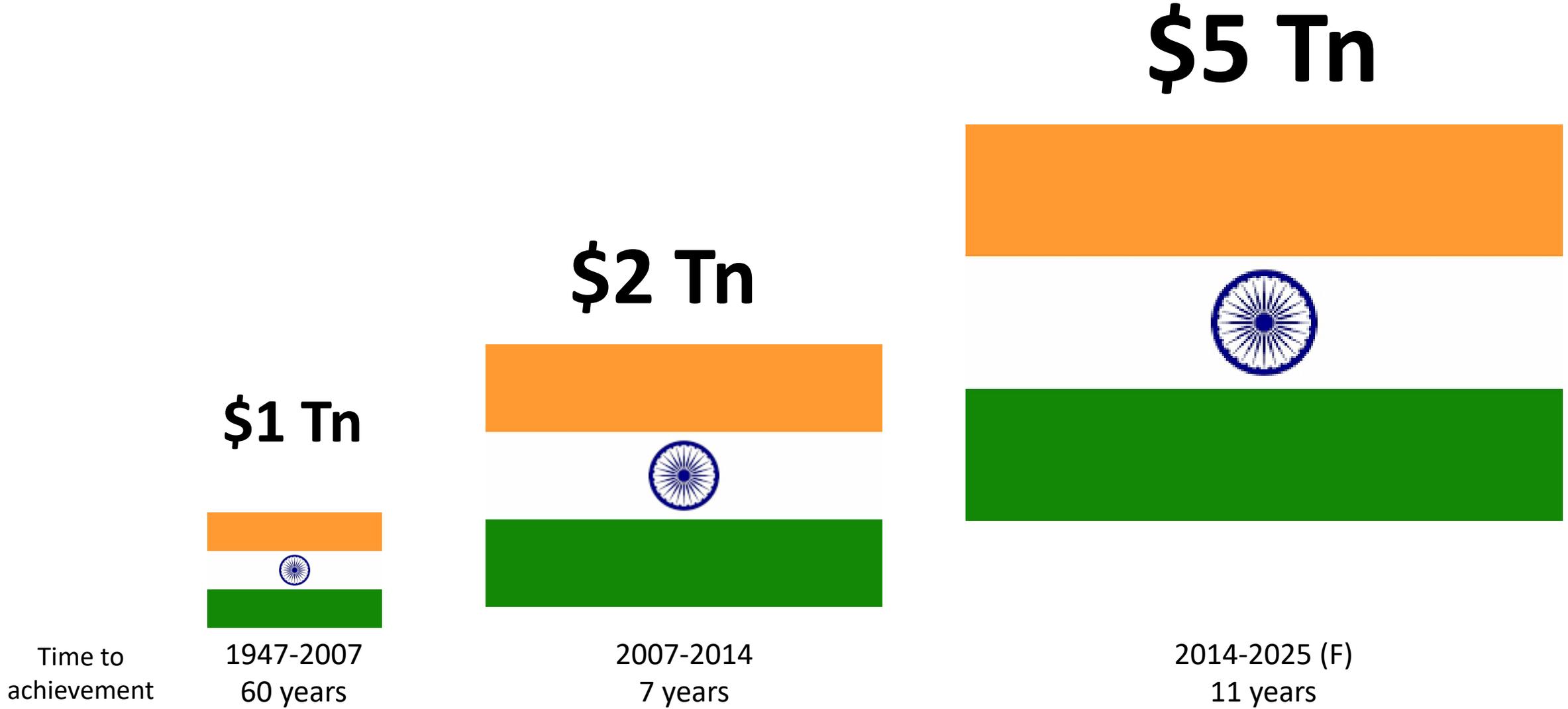
Volatile oil



Coronavirus effect: China's Q1 GDP @4.5%



India could grow to a \$5Tn economy by 2025



Source: [Press Information Bureau](#)

Key growth drivers to support the domestic economy



Demographic dividend



Infrastructure growth



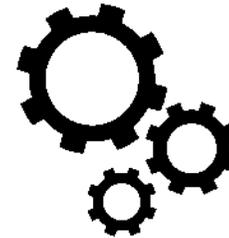
Digital revolution



Modernizing agriculture



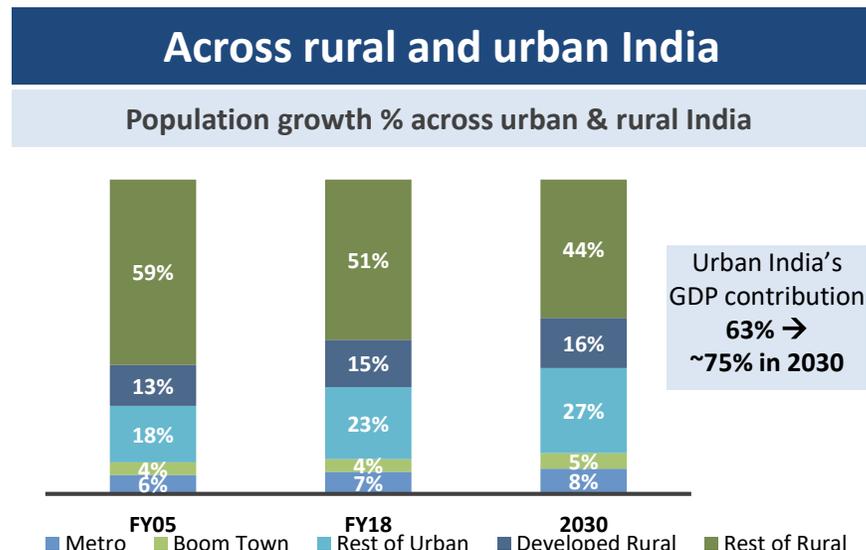
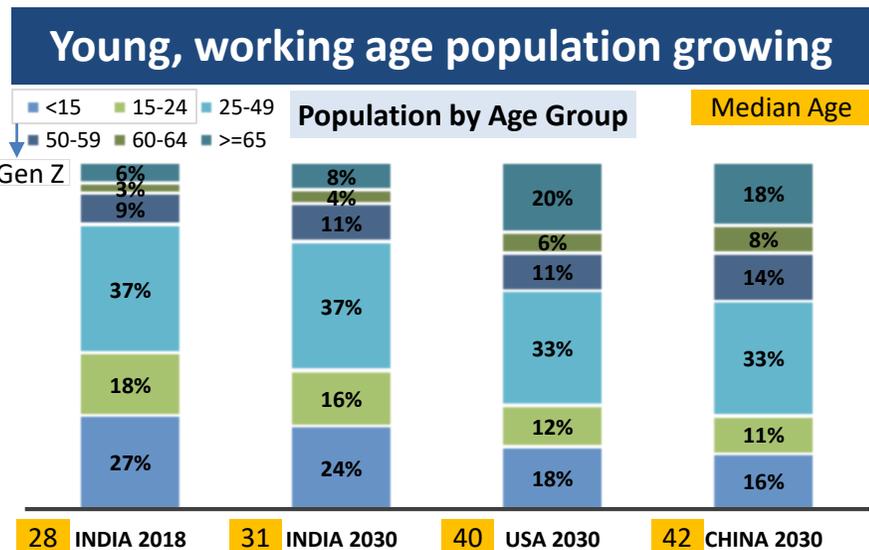
Financial inclusion



Reforms 2.0



Working class population growth to continue till 2031

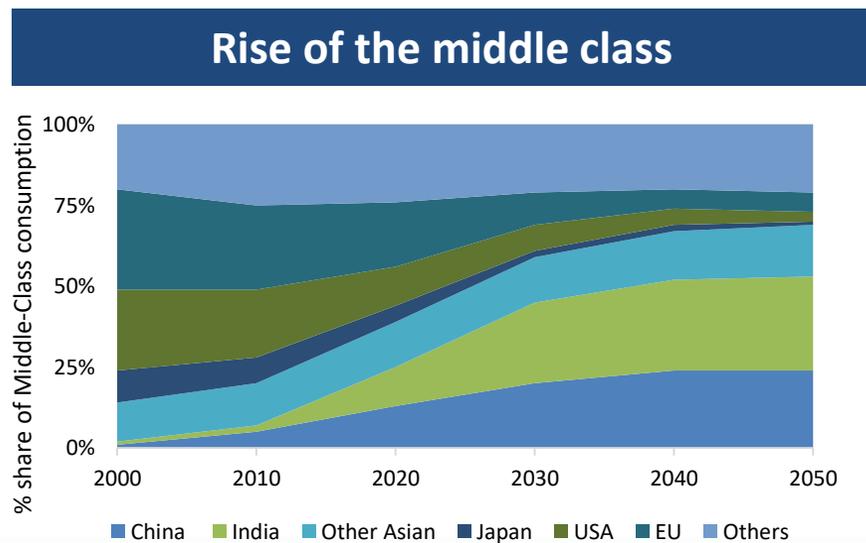


Empowering the better half

Potential GDP boost by gender equity

\$770 Bn (18%+) to GDP by 2025

If 50% of women were in the labor force, the annual pace of economic growth would rise by 1.5% to ~9%



Source: [WEF, April-18 McKinsey Global Institute, India 2030: Exploring the Future, Funds Society](#)





Infrastructure Growth

\$1.4 Tn infrastructure push by 2025

Private sector (22%)



Centre (39%)

States (39%)



19%



18%



13%



NIP Coordination mechanism for timely implementation of projects

- ✓ Jobs
- ✓ Ease of living

Make in India, for India, for the world

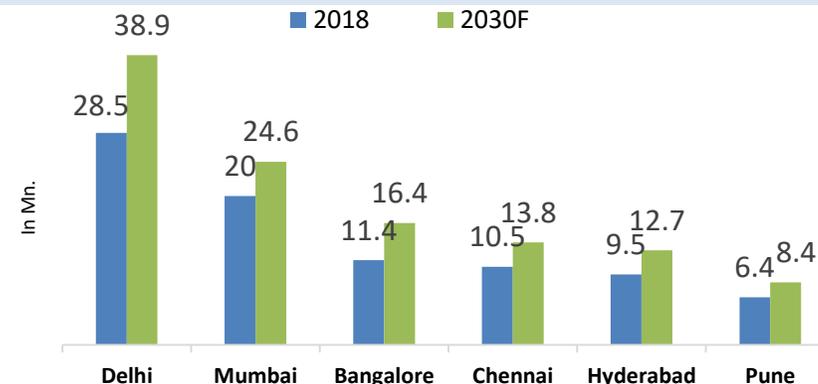
| Country | Market size in 2015 | CAGR 2016-25 |
|--------------|---------------------|--------------|
| Vietnam | \$23,410 | 6.8% |
| India | \$356,226 | 6.3% |
| Philippines | \$59,605 | 5.3% |
| Pakistan | \$27,474 | 5.1% |
| Indonesia | \$212,778 | 5.0% |
| Estonia | \$3,464 | 4.6% |
| China | \$3,200,063 | 4.5% |
| Saudi Arabia | \$79,585 | 4.1% |
| Slovenia | \$8,986 | 3.9% |
| Oman | \$6,721 | 3.9% |
| Emerging | \$6,241,879 | 4.0% |
| Developed | \$6,046,315 | 1.2% |
| World | \$12,287,820 | 2.7% |



Source: [India 2030: Exploring the Future](#), National Infrastructure Pipeline

100+ Smart Cities

Urban population: 34% in 2018 → 40% by 2030



City-wise Population Projection

Rural infrastructure growth

- 100% access to pucca houses
- "Rurban Mission": Urban facilities in rural areas
- Structurally sound & well maintained rural roads
- Jal Jeevan Mission 2024: 100% Piped water supply
- 100% access to toilets

Logging in to a \$1 tn digital opportunity



Digitizing at speed: Fastest in the world



1.2 Bn
People with unique digital identity



0.1%
Cost / GB per capita monthly income



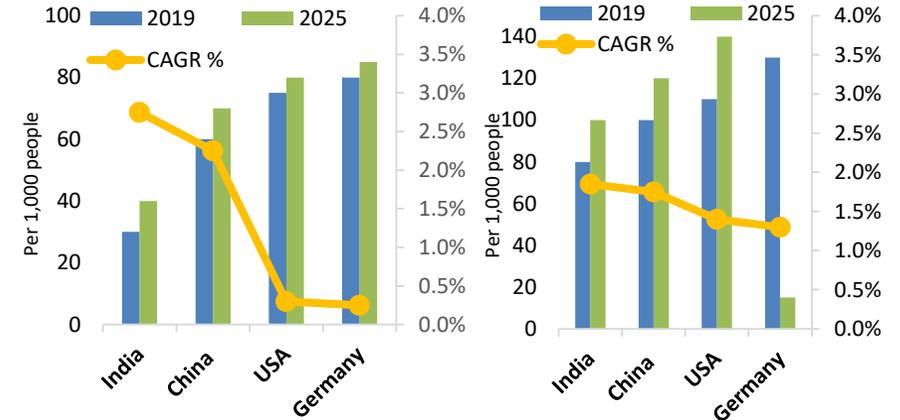
9.1 GB
Data consumption / subscriber / month

Create digital value

| Digital Foundation | | Digital Reach |
|--------------------|---|----------------------------|
| IT Infra & Sw | E-Governance | Healthcare |
| Education | Energy | Financial services |
| Double farm income | Make in India Make for India Make for the world | Future ready jobs & skills |

Source: [India 2030: exploring the Future](#); UIDAI; TRAI; [India's Trillion Dollar Digital Opportunity](#)

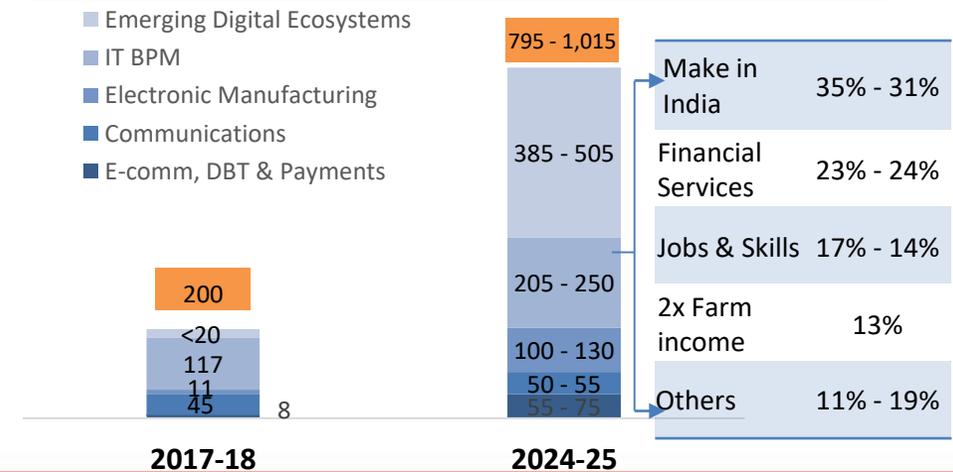
2nd largest subscriber base in the world



Internet Subscriber Base

Mobile Subscriber Base

Leading to \$1 Tn digital economy by 2025





Sowing the seeds for 2x farmer's income

Enablers of productivity, efficiency

Land consolidation:
Farmer co-operatives

Enhanced
mechanization

Technology: Remote
sensing, drones, GIS

Climate resilient crops to
raise crop intensity

Modern farming: Organic,
Precision, Low input

Micro / Drip irrigation →
2x Yield : 0.5x Water

Growth with reforms



NATIONAL AGRICULTURE MARKET

Ensuring More
Crop Per Drop

Pradhan Mantri Krishi
Sinchai Yojana



Pradhan Mantri Fasal Bima Yojana

Source: [Strategy for new India @ 75](#), [MOFPI Annual Report 2018-19](#)

High value crops (HVC) & livestock growth



1% growth in HVC cultivation →
5% income growth by 2022-23

Food processing & preservation





Enhancing Financial Inclusion (FI) for overall economic growth

Largest FI drive in the world

Over 6 years fall in unbanked population
74% → 23%

Over 6 years fall in Empty accounts
77% → 14%

Tech for less cash, more data economy

Potential GDP boost by digitizing 60% retail transactions by value

\$30 - \$40 Bn by 2025
Lower infrastructure & operations costs of banks + lesser notes to be printed by RBI

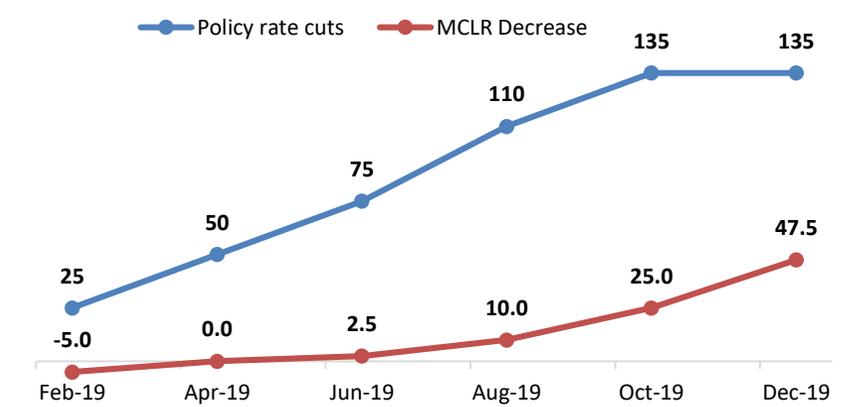


Liquidity has improved



Source: [India's Trillion Dollar Digital Opportunity](#), Analyst reports

Transmission of rates will help



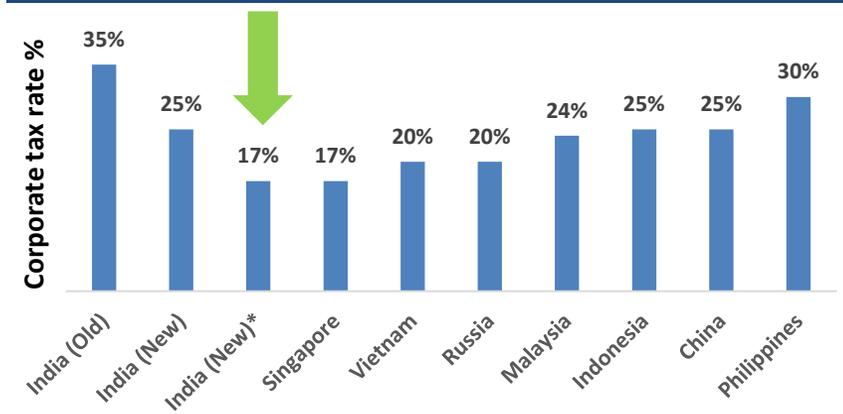


Multiple Reforms: Short term Pain → Long term Gain

GST Simplification

- Features to enhance ease: SMS based filing, return pre-filing, input tax credit flow
- Faceless refunds
- Cash rewards for e-invoices
- Dynamic QR code for consumer invoices

Tax cuts to attract investments



*New Manufacturing firm
Source: [Transforming India](#), [Livemint](#), [Press Bureau](#)

Effective implementation

Fast-Tracking Resolution Process with Insolvency & Bankruptcy Code

| Recovery Rate | Time taken in Recovery | Gross NPA level in Indian banking system |
|---------------|------------------------|--|
| | | |

20 states on board

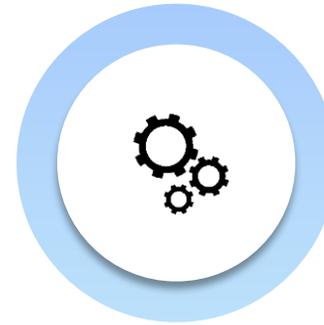
Start up India's growth engine

- Over 27,000 Startups Recognized**
- Each startup employs an average of 12 persons
- 2,804 Startups registered on GeM; 13,666 Orders worth ₹463.5 Cr. placed
- ₹10,000 Cr. Corpus "Fund of Funds"; ₹2,669.83 Cr. Invested in 279 Startups
- International bridges established with 10 countries enabling local startups to go global

Key takeaways



EMs to lead global GDP growth amidst headwinds and tailwinds



Youth, robust infrastructure & emerging technologies to fuel India's economy



India poised to become a global super power



Along with improving agriculture, financial inclusion and reforms



Macro Economic
Overview



Two Wheeler Industry

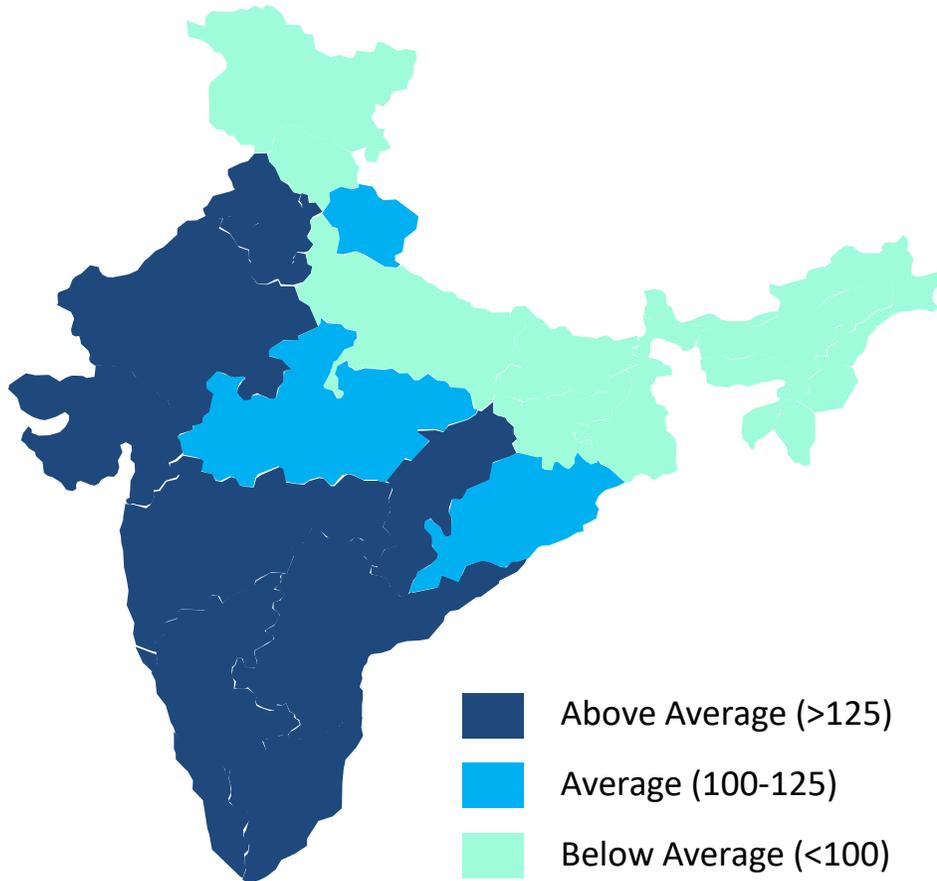


Our Story

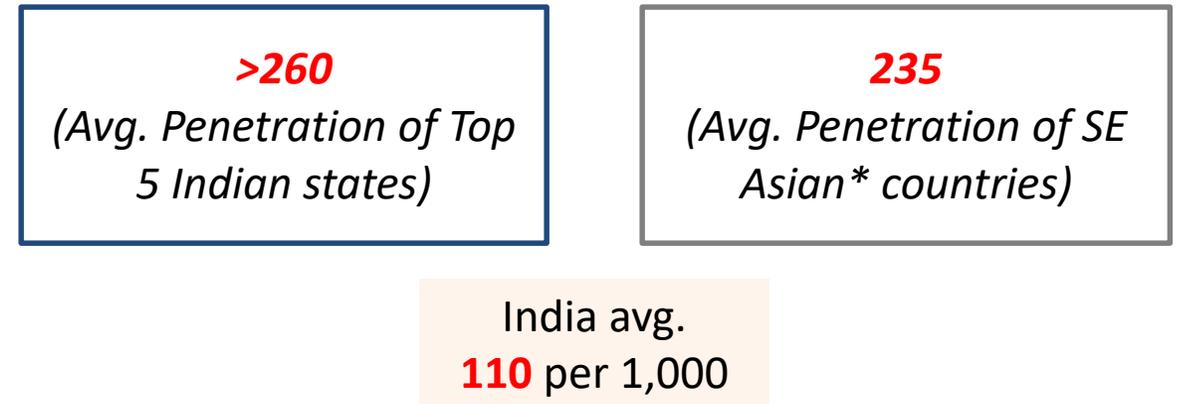


Key Takeaways

2x 2w penetration potential exists



2x Penetration Potential



*Philippines, Malaysia, Indonesia, Thailand, Vietnam

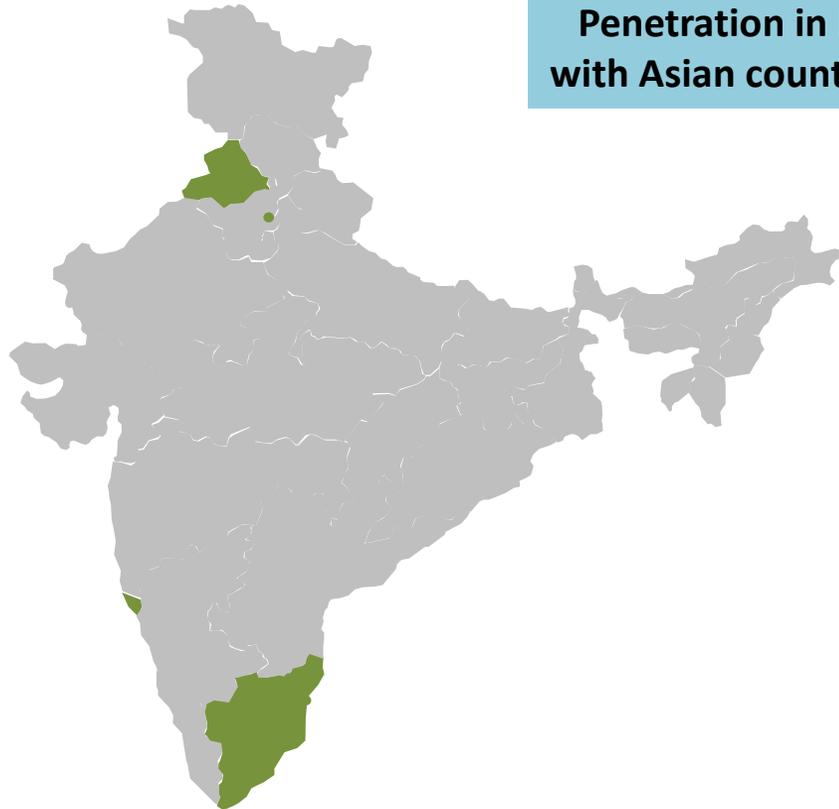
Note: Penetration based on Census 2011 total population projection and per 1,000 persons

Source: HMCL Analysis, Population: [MoSPI](#), [India Budget](#); Image Credits: [Presentation Magazine](#)

Many states have catch up potential

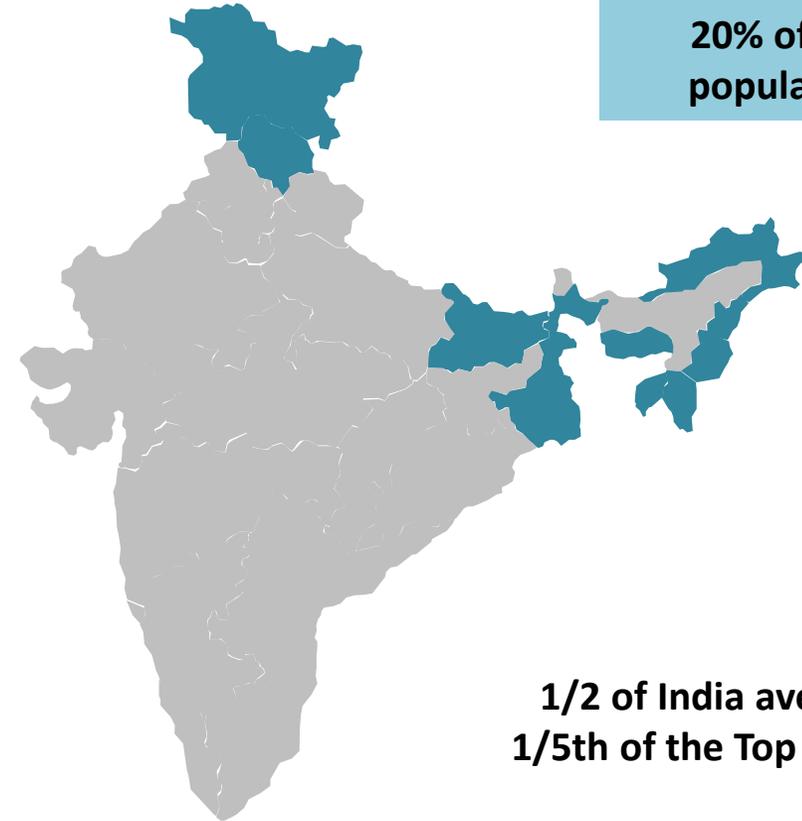
Top 5 states/UTs = Asia Penetration

Penetration in line with Asian countries*



Bottom 10 states: Significantly below average

20% of the population



1/2 of India average & 1/5th of the Top 5 states

2 states have penetration above that of Asian countries

*Philippines, Malaysia, Indonesia, Thailand, Vietnam || Indian states include UTs

Source: HMCL Analysis, Image Credits: [Presentation Magazine](#)

Driven by multiple factors



Income enabler: Sturdy transport for longer distances



Point to point mobility for the city rider



Aspirational youth drive the commuter & leisure 2w demand



Enabling women's participation in education, employment and leisure





Macro Economic
Overview



Two Wheeler
Industry



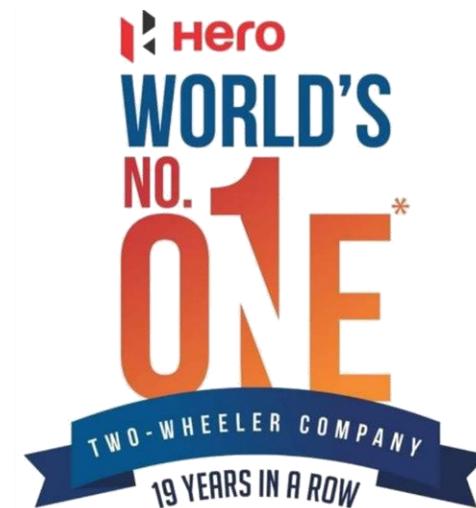
Our Story



Key Takeaways



**Reaching 100Mn 2w sold
across the world!**



**By Volume*



Hero for 19 years & counting!

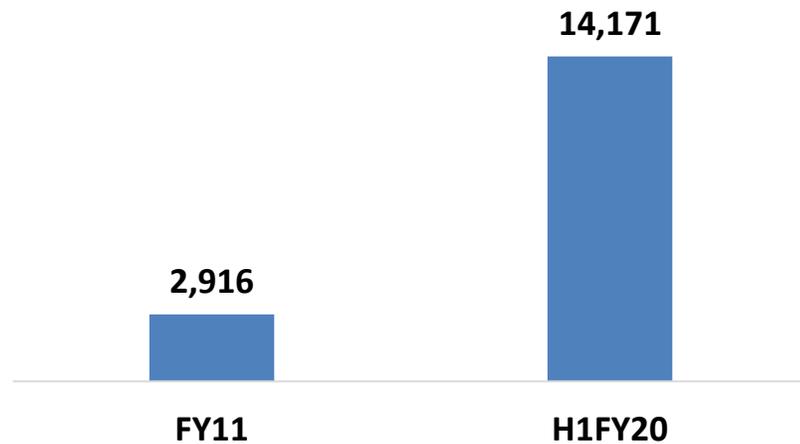
Consistent Strong Performance

Market share leadership



**51% Market Share
in Motorcycles**

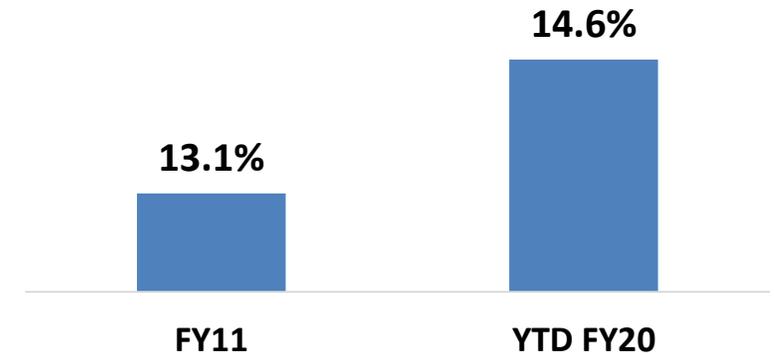
Growth in Reserves (₹ Cr.)



Source: Company Financials



Resilience in margins despite headwinds



Top Quartile Dividend Payout



Hero's strategic pillars

Core: Entry & Deluxe

Premium

Scooters

Global business

Emerging Businesses



Grow 2w penetration at the bottom of the pyramid



Portfolio strategy to participate in the growing, profitable Premium segment



Regain MS with focus on 125 cc segment & a refreshed portfolio



Leverage domestic market's strength to build scale globally across key markets



Leverage the core to foray in emerging businesses areas: TCG, EM BU & 3w

Increase 2w penetration and drive upgrades

Macro: Rural growth, financing



Upgrade core product portfolio



Positioning: Aspirational with trust



Drive USP: TCO



Deluxe: drive upgrade from entry

Macro: Urbanization, financing



Upgrade core product portfolio



Positioning: Style quotient, dependability



Drive USP: Trust



Hero FinCorp: Growing strongly and aiding in finance penetration

| Disbursements (₹ Cr.) | AUM (₹ Cr) & Growth (%) | Profit After Tax (₹ Cr) & Growth (%) |
|---|--|---|
| 12,756  | 19,216 46%  | 268 84%  |

Stronger risk controls to aid sustainable growth

Source: HFCL FY19 Financial Metrics, Crore = 10Mn

Participate in the growing premium segment

Cover Segments & CCs



STREET



SPORT



TOURING



ADVENTURE

Cover the entire
160cc-400cc
premium space

Revamped Distribution



Store – in – Store
Premium only dealerships

Creative Engagement



Xtracks

Showcase interest
generation →
Experience →
Conversion



Social media
Riding community
Youth brand ambassador

Achieve our rightful share in scooters

Win in the 125 cc segment with new launches



DESTINI 125

TO GET **i350**
TECHNOLOGY
IN SCOOTERS

MAESTRO
EDGE 125

TO GET **F1**
IN SCOOTERS



AUTOCAR
INDIA

2020 Scooter of The Year

With industry leading technology initiatives



Investor Relations

Challenger in slow moving 100-110 cc segment



BRAND IN
THE
COMPACT
SEGMENT

Pleasure⁺

Ushering in the new: Pleasure 110 BS VI



Expanding our global footprint to fuel future growth

Expand Premium Product Portfolio



Address belly of the premium market:
Launch 160 cc model

Leverage Xpulse in Asia & LATAM

Scooterization



Pleasure 110 and Destini to revive scooter sales in Asia

Africa: Tapping Frontier Markets



Build on positive word of mouth: Enhance brand strength

Expand distribution & after sales in key markets

Key Enablers for Growth



- Digitize lead conversion: Nepal, Bangladesh, Colombia, CAC



- Enhance momentum on retail finance in Bangladesh & Nepal

Foraying into emerging mobility

Thriving innovative culture



Leveraging internal capabilities



Thinking ahead of the industry



ATHER

- Invested in 2018
- Largest equity holder
- 1 Board Seat



- 2 Electric and connected products launched



- Multiple charging options

Innovative formats





Macro Economic
Overview



Two Wheeler
Industry



Our Story



Key Takeaways

Hero: Fully geared for future of mobility

Global and Domestic drivers of economic growth intact

Strong winning brands already in portfolio; building more

Rapidly expanded global footprint - Now building depth & scale

Significant potential for 2 wheeler growth in India across segments

Building a full portfolio in premium over the next 5 years

Foraying into Emerging mobility

R&D transformed in record time and going global

Driving in scooters through 125 cc

Leading sustainably

Enjoy the ride!

 **Hero**
WORLD
2020