



Unilever  
Nigeria PLC

# 2025 Sustainability Report

Transforming with Transparency  
and Delivering Impact





**The world's  
best-known brands  
creating desire at scale.**

2026©



Unilever

# Contents

<b>1. Introduction</b>	<b>6</b>	<b>5. Strategy</b>	<b>36</b>
Message from the Managing Director	7	Sustainability Strategy	37
Executive Summary	9	Plastics - Advancing a Circular Economy in Nigeria	38
Basis of Preparation	10	Livelihoods - Empowering Women and Strengthening Communities	40
Timing of Report	10	Climate Strategy	41
2025 Sustainability Performance Highlights	11	Climate Risks and Opportunities	41
Reporting Entity	12	Climate Transition Action Plan	49
Key Judgements and Uncertainties	13	Our Climate Resilience	50
		Financial Impacts of Sustainability-Related Risks and Opportunities	52
<b>2. Approach to Sustainability</b>	<b>14</b>	<b>6. Our Planet</b>	<b>62</b>
Our Approach to Materiality	15	Climate Change	64
Stakeholder Engagement	18	Greenhouse Gas (GHG) Emissions	64
Alignment to United Nations Sustainable Development Goals	20	Climate Physical and Transition Risk	66
		Capital Deployments	66
<b>3. Our Governance Framework</b>	<b>26</b>	Remuneration Linked to Climate Targets	66
Board Oversight	29	Biodiversity Impact	67
Management Oversight	30	Water Management	68
Impact of Sustainability on Remuneration Policies	31	Waste Management	70
Developing and Monitoring Progress Towards	31	Energy Management	72
		<b>7. Our People</b>	<b>74</b>
<b>4. Risk Management</b>	<b>32</b>	Employee Health and Safety	75
Risk Management Approach	33	Employee Practices	78

<b>8. Our Society</b>	<b>82</b>
Product Labelling & Marketing	83
Human Rights	83
Product Quality and Safety	84
Sustainable Livelihood	84
<b>9. Our Responsibility</b>	<b>86</b>
Business Ethics	87
Registration, licensing and permitting systems	89
<b>10. Our Purpose</b>	<b>90</b>
Packaging Lifecycle Management	91
Environmental & Social Impacts of Ingredient Supply Chain	92
<b>11. Our Brands and Social Impact</b>	<b>94</b>
<b>12. Appendix</b>	<b>107</b>
IFRS S1 and S2	107
SASB Context	109
GRI Context Index	111
Glossary of Terms	118



# Introduction

## Introduction

# Chairman and MD's Statement

## Dear Shareholders,

We are pleased to present our sustainability highlights for the year ended 31 December 2025. Our focus is to reflect on how we continued to steer the business through a demanding operating environment while strengthening the foundations required to deliver sustainable growth. We continued to sharpen our focus on resource allocation, accelerating long-term priorities and delivering systemic impact.

Nigeria's business environment is not isolated from the shift towards deglobalisation, unpredictable trade policies, and fierce international relations that characterised the global business climate in 2025. Our business faced rising input costs, fluctuating demand, and stiff competition. Consumers became increasingly value-conscious, adjusting spending patterns and prioritising essential and affordable products. Climate-related events, including flooding in some parts of the country that impacted the agricultural ecosystem, also aggravated the pressure on our supply chain.



Bolaji Balogun



Tobi Adeniyi

These realities strengthened our resolve to proactively manage climate-related risk and opportunities. During the year, we strengthened our approach to enterprise risk management, with increased focus on identifying and assessing climate-related physical and transition risks, understanding their potential implications for operations, agricultural sourcing, logistics, and market competitiveness. The Board played an active role in setting the direction for integrating sustainability into strategy formulation and risk management practices throughout the year. This enhanced governance structure improved oversight and decision-making quality across the organisation. In parallel, the business continued to strengthen internal controls, data quality, and assurance processes in response to rising stakeholder expectations, reinforcing transparency, accountability, and confidence in our systems.

Aligned with Unilever's Global Sustainability Priorities, the business continued to embed sustainability considerations into core strategic processes, including capital allocation, sourcing decisions, product design, and supply chain management by prioritising customers, communities, and the environment.

We focused on improving energy efficiency, reducing operational emissions, and strengthening sustainable sourcing in preparation for a lower-carbon future. In support of our circular economy initiatives, we strengthened our partnerships to address post-consumer plastic waste, invested in redesigning our packages, and re-engineered our waste management practices.

Our community support remained strong and vibrant, with over 13,000 women micro-entrepreneurs empowered across 22 states in Nigeria, including more than 600 persons with disabilities, through our Shakti Programme. Through the Future-X Unilever Campus Ambassadors Programme (FUCAP), more than 900,000 young people were equipped with practical, work-ready skills aligned with evolving labour market needs.

To improve our supply chain security and support national economic development, we advanced our localisation agenda through the localisation of agro-spices (e.g., onion powder) and our cassava sorbitol initiative, with over 10,000 local farmers engaged, and increased our locally sourced raw materials to over 60%. The initiative continues to support farmer livelihoods, reduces reliance on imported inputs, and strengthens our supply chain resilience to deliver both commercial and societal value.

Looking forward, we are clear on our Priorities: to grow our brands responsibly, deepen local value creation, reduce our environmental footprint, manage risks proactively, and deliver sustainable returns for our shareholders. We are confident that the actions taken in 2025 have strengthened our resilience and positioned the business to navigate future challenges while continuing to create value for all stakeholders.

On behalf of the Board and Management, we thank our employees for their dedication, our consumers for their trust, our partners and suppliers for their collaboration, our communities for their continued support, and our shareholders for their confidence in us.

>60%  
Locally Sourced

Raw Materials



# Executive Summary

At Unilever Nigeria Plc, we believe that long-term business success is inseparable from environmental stewardship, social responsibility, and strong corporate governance. Rapid changes in societal expectations, consumer preferences, and regulations underline the continued importance of our global Unilever Sustainability priorities. Our work protects and enhances the value of our business through innovation, operational efficiency, and supply chain resilience.

The report is structured to offer clear insight into our sustainability strategy, governance, and performance, addressing environmental impact, economic value creation, human capital development, and social contribution. A detailed materiality analysis highlights the key issues and stakeholder concerns most relevant to our business and the communities we serve.

During the year, we reaffirm that our sustainability goals play a critical role in future-proofing our business, ensuring focus and urgency in the areas where we can deliver the most impact. We continue to prioritise practices that benefit not only our business but also Nigerian families, local economies, and the broader environment. Through conscientious sourcing, responsible manufacturing, and product innovations, we aim to build a resilient, inclusive, and sustainable future that delivers shared value for all stakeholders.



# Basis of Preparation

This report has been prepared considering the requirements of the Global Reporting Initiative (GRI) Standards, which provide a widely recognised framework for sustainability reporting. In addition, as part of our planned transition to the IFRS Sustainability Disclosure Standards (IFRS S1 and IFRS S2), the disclosure requirements of these standards have also been taken into consideration. This approach supports future alignment with the evolving global sustainability landscape and ensures the report is both relevant and forward-looking.

We have also considered guidance from the United Nations Sustainable Development Goals (UNSDGs), the Nigerian Exchange Sustainability Disclosure Guidelines, and provided an overview of our sustainability approach across our operations and business activities in Agbara and Oregun (Inclusive of our head office). For ease of navigation and enhanced transparency, the appendix includes a GRI Content Index alongside IFRS S1 and S2 Disclosure Indexes to guide users through the relevant disclosures.

# Timing of Report

The 2025 Sustainability Report provides a complete overview of our sustainability and climate-related performance during the reporting year. The report covers the period 1 January 2025 to 31 December 2025 and includes significant material developments up to the date of Board approval. This ensures our stakeholders receive an accurate, comprehensive, and timely account of our sustainability progress and commitments.



# 2025 Sustainability Performance Highlights

## Climate Change

We developed and implemented several mitigation actions in response to our 2025 physical and transition risk assessment, such as the physical reinforcement of warehouse perimeters. Manufacturing sites in Oregon and Agbara have focused on water circularity, incorporating closed-loop recycling and rainwater harvesting to mitigate the long-term risk of groundwater depletion.

## Business Ethics

We Identified

### 9 Business Integrity Cases

Through our Speak Up channels, which were all resolved.

## Employee Health & Safety

We delivered over

### 280

HSE-related training courses across the organisation, both physical and virtual.

## Water Management

We installed a pressure washer machine at the Agbara manufacturing site, designed to significantly reduce water consumption during cleaning operations, saving approximately **3 cubic metres of water every day**.

## Energy Management

We reduced our total energy consumption by:

### 5%

 compared to previous year

## Waste Management

We achieved



We have replaced 84% and 85% of traditional paper-based activities at our Agbara and Oregon sites with digital tools.

## Packaging Lifecycle Management

### 5,126mt

We used 5,126 metric tonnes of packaging materials (plastics and Paper), with 67% of the total packaging designed to be recyclable, reusable, or compostable.

## Plastics

Through our partnership with Wecyclers, we collected

### 2,882mt

as opposed to our targeted collection of 2,699 metric tonnes. We also collected more plastics than we introduced to the market in 2024 and 2025.

## Livelihood

### Shakti

### 500

Women with disabilities

We onboarded 500 women with disabilities across Nigeria (150 in Lagos and 350 in Kano). Our broader Shakti network now spans over 13k women micro-entrepreneurs across 22 states and the FCT, and our total People With Disabilities Shakti women network exceeds 600.

### Localisation

We have localised over 60% of our raw materials through various initiatives, creating over **10,000 jobs** across the value chain.

## Future-X Unilever Campus Ambassadors Programme (FUCAP)

Over  
**900k**

Achieving  
**128%**  
of our target

In partnership with UNICEF's Generation Unlimited, the Future-X Unilever Campus Ambassadors Program (FUCAP) has been designed to enhance the employability of young Nigerians, with the target of equipping 700,000 students in three years with essential workplace skills. Since its launch in July 2023, we have already engaged more than 900,000 young people through online entrepreneurial and workplace skills and offline career upskilling seminars across Universities and Polytechnics in the Country, achieving 128% of our target.





## Reporting Entity

Unilever Nigeria is a subsidiary of Unilever Plc and one of the leading fast-moving consumer goods companies in Nigeria.

Established in 1923 as Lever Brothers West Africa and currently quoted on the Nigerian Exchange Limited, we are engaged in the manufacturing and distribution of food, beauty & wellbeing, and personal care products. We operate two manufacturing sites located in Agbara, Ogun State, and Oregun, Lagos State, which serve as the primary production hubs for our Nigerian operations.

Our core operations include sourcing raw materials and packaging inputs, manufacturing products, quality assurance, and nationwide distribution. Key product categories include nutrition products, oral care, skin care, and personal hygiene items, with leading brands such as Knorr, Close-Up, Pepsodent, Royco, Rexona, Vaseline, and Pears produced locally and distributed across Nigeria. This year, we remain dedicated to our global Unilever Sustainability Priorities as we continue to produce and sell consumer goods across our three Business Groups: Beauty & Wellbeing, Personal Care, and Foods.

# Key Judgement and Uncertainties

The preparation of this report involves the use of judgment, assumptions, and estimates in areas where data availability, measurement methodologies, and forward-looking assessments continue to evolve. These judgements primarily relate to the identification of material sustainability topics, the assessment of potential financial effects of climate-related risks and opportunities, and climate scenario analysis.

Estimates are developed using available internal data, industry guidance, and reasonable assumptions about future conditions. As sustainability reporting practices and data systems continue to mature, these estimates may be refined over time. Details of significant estimated and critical judgements in the preparation of this report, as well as amounts that are subject to a high degree of measurement uncertainty, are noted below:

## Key Judgement - Climate Scenario Analysis

Assessing climate-related risks across our diverse global operations requires significant judgment in evaluating our prospects. Both physical risks, such as extreme weather events, and transition risks driven by policy, technology, market shifts, and evolving consumer expectations, could materially impact our value chain. Many of these factors remain outside our direct control.

We recognise that climate projections and regulatory landscapes continue to evolve, creating inherent uncertainties. Technological developments, market dynamics, socio-political changes, and regional differences will influence how we manage climate-related risks and identify opportunities. In Nigeria, we emphasised qualitative analysis due to data limitations and the complexity of modelling climate scenarios across our extensive product portfolio and operating region.



# Approach to Sustainability

# Our Approach to Materiality

At Unilever Nigeria, we recognise that materiality is not a static exercise but a dynamic process that evolves with changing societal expectations, stakeholder priorities, and business realities.

During the year, our approach to materiality was designed to go beyond identifying risks and opportunities to creating a deeper understanding of how sustainability issues shape our long-term resilience and our ability to create value.

We conducted a refreshed materiality assessment informed by the IFRS Sustainability Disclosure Standards (IFRS S1 and IFRS S2), as well as other recognised sustainability reporting frameworks and industry guidance.

## Sources of Guidance

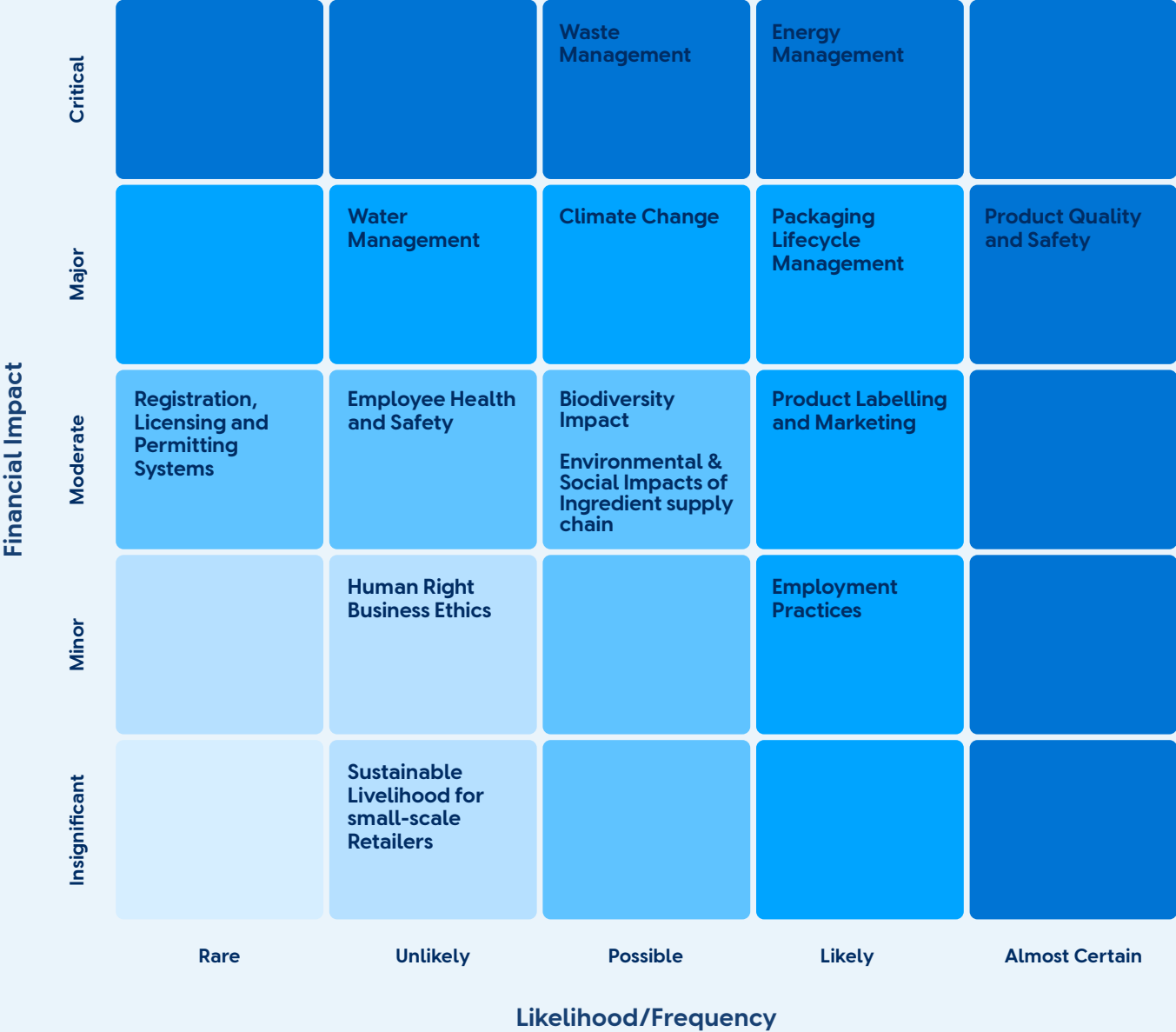
In carrying out this assessment, we considered insights from the International Sustainability Standards Board (ISSB) guidance, Sustainability Accounting Standards Board (SASB) standards, GRI, industry benchmarking, prior reporting practices, and other relevant global frameworks. The assessment included input from a diverse group of stakeholders (Please refer to our stakeholder engagement section for more information).

We applied a structured methodology for determining the materiality, likelihood, and severity of sustainability-related risks. To prioritise risks, a 5x5 likelihood-severity matrix was used to assess the probability of occurrence over a five-year horizon and the magnitude of potential impacts across financial and non-financial dimensions. This resulted in fifteen (15) sustainability topics being considered most significant to our operations and stakeholders.

Our materiality matrix illustrates the relative significance of each topic and provides a clear view of priority areas for management focus.



# Materiality Matrix



The table below shows all material issues identified in 2025 and what they entail for us.

Pillar	Material	What it is about
Our Planet	<b>Biodiversity Impact</b>	Protecting and restoring ecosystems by reducing negative impacts on land, flora, and fauna. We embed nature-positive practices into our operations and value chain to safeguard biodiversity for future generations.
	<b>Climate Change</b>	Mitigating greenhouse gas emissions while building resilience against physical and transition risks. We focus on low-carbon technologies, improving energy efficiency, and aligning with global climate goals.
	<b>Water Management</b>	Ensuring sustainable water use across operations, protecting water sources, and supporting access to clean water in the communities where we operate.
	<b>Waste Management</b>	Minimising waste generation and promoting a circular economy through reuse, recycling, and responsible disposal. We target both hazardous and non-hazardous waste while advancing sustainable product design.
	<b>Energy Management</b>	Driving efficiency in energy use and transitioning to renewable and low-carbon sources. Our goal is to decouple growth from fossil fuel consumption in line with global energy transition pathways.
Our People	<b>Employee Health &amp; Safety</b>	Providing a safe and healthy workplace by embedding robust occupational health and safety practices.
	<b>Employment Practice</b>	Ensuring fair employment practices, promoting diversity and inclusion, and supporting employee development and well-being.
Our Society	<b>Sustainable Livelihoods</b>	Supporting small-scale retailers through capacity building, training, and financial inclusion to strengthen livelihoods and resilient local economies.
	<b>Product Labelling and Marketing</b>	Building consumer trust through responsible marketing and transparent product information, empowering consumers to make informed choices while ensuring regulatory compliance.
	<b>Human Rights</b>	Protecting fundamental rights and the dignity of employees, ensuring freedom from discrimination, fair wages, and safe working conditions, in line with international standards.
	<b>Product Quality and Safety</b>	Delivering products that are safe, reliable, and of the highest quality, continuously strengthening safety systems to maintain consumer trust and meet global standards.
Our Purpose	<b>Business Ethics</b>	Operating with integrity, transparency, and accountability, guided by our values to uphold ethical standards and responsible business practices.
	<b>Registration, licensing and permitting systems</b>	Maintaining compliance with regulatory frameworks to ensure legality and operational integrity, building strong governance systems to manage risks and maintain stakeholder trust.
Our Responsibility	<b>Packaging Lifecycle Management</b>	Designing packaging for circularity by reducing materials, promoting recyclability, and investing in alternatives, aiming to close the loop on packaging waste.
	<b>Environmental &amp; Social Impacts of Ingredient supply chain</b>	Addressing upstream sustainability risks such as deforestation, human rights issues, and emissions in our ingredient supply chain, collaborate with suppliers to reduce negative impacts and drive positive change.

# Stakeholder Engagement

We continued our commitment to building meaningful dialogue and collaboration with these groups, ensuring that their perspectives not only inform but also shape our strategy, decision-making, and day-to-day operations.

We see engagement as more than consultation; it is a two-way exchange that enables us to listen, learn, and co-create solutions that advance both business performance and societal progress.

The Corporate Affairs and Sustainable Business unit is responsible for systematically gathering and analysing stakeholder intelligence. The unit maintains a stakeholder list to track and manage

relationships. A quarterly summary from this stakeholder management log is presented to the Sustainability Steering Committee to ensure that emerging risks are captured in real time.

The table on the next page provides a summary of our key stakeholders, how we engaged with them in the reporting year, and the issues raised by these stakeholders during our engagement:

Stakeholder Group	Approach to Stakeholder Engagement	Key Topics and Issues
<p><b>Shareholders</b></p> <p>We aim to deliver top third total shareholder return</p>	<ul style="list-style-type: none"> <li>· Engagement through Registrars and our Secretary's office</li> <li>· Annual General Meetings</li> <li>· Investor calls</li> </ul>	<ul style="list-style-type: none"> <li>· Transparency and effective communication</li> <li>· Timely payment of dividends</li> <li>· Accurate maintenance of shareholder records</li> </ul>
<p><b>Our People</b></p> <p>1,042 talented people give their skills and time in Unilever Nigeria offices, and factories.</p>	<ul style="list-style-type: none"> <li>· Bi-weekly Idan sessions</li> <li>· Functional engagements with the leadership team</li> <li>· Focus group discussions</li> <li>· Employee surveys</li> <li>· Safety, Health, and Environment (SHE) talks</li> <li>· Team bonding sessions</li> <li>· Virtual meetings</li> </ul>	<ul style="list-style-type: none"> <li>· Psychological safety and financial security</li> <li>· Effective employee engagement</li> <li>· Safety, health, and well-being at work</li> <li>· Upskilling and reskilling opportunities</li> <li>· Competitive compensation and benefits</li> <li>· Refinement of HR policies</li> <li>· Improved business performance</li> </ul>
<p><b>Customers</b></p> <p>We partner with distributors, wholesalers, retail outlets, and trade retailers across Nigeria to ensure product availability and support category growth.</p>	<ul style="list-style-type: none"> <li>· One-to-one visits to sales partners to identify operational improvements</li> <li>· Social media campaigns</li> <li>· Influencers to drive brand visibility</li> </ul>	<ul style="list-style-type: none"> <li>· Adaptability to a changing business environment</li> <li>· Consistent production of quality products</li> <li>· Provision of effective customer support</li> </ul>
<p><b>Suppliers &amp; Business Partners</b></p> <p>We collaborate with suppliers locally and internationally to source essential materials and secure critical services.</p>	<ul style="list-style-type: none"> <li>· Informal one-to-one engagement sessions</li> <li>· Project planning meetings</li> <li>· Supplier training sessions</li> <li>· Virtual meetings</li> </ul>	<ul style="list-style-type: none"> <li>· Enhancing supply chain resilience</li> <li>· Orientation on payment platforms and procurement policies</li> <li>· Timely payment for goods and services</li> </ul>
<p><b>Planet &amp; Society</b></p> <p>We are taking more targeted, urgent, and comprehensive actions in 2 priority areas (Plastics and livelihoods).</p>	<ul style="list-style-type: none"> <li>· Environmental stewardship plans</li> <li>· Awareness campaigns on environmental responsibility</li> </ul>	<ul style="list-style-type: none"> <li>· Implementation of environmental initiatives</li> <li>· Advancement of environmental responsibility and sustainability</li> </ul>



# Alignment to United Nations Sustainable Development Goals

We align our sustainability priorities with the United Nations Sustainable Development Goals (UN SDGs), ensuring that our brands, operations, and partnerships deliver measurable social and environmental impact. To deliver on this ambition, we have structured our goal attainment around five key themes:



## Our Planet

We are committed to reducing our environmental footprint and promoting sustainable operations across Nigeria.

<b>Material Issue</b> Water Management	
<b>Sustainability Development Goals</b>	 <b>SDG 6:</b> Clean Water and Sanitation
<b>How Unilever has achieved this:</b>	We are installing a pressure washer machine at the wash bay, designed to significantly reduce water consumption during cleaning operations.
<b>Material Issue</b> Energy Management	
<b>Sustainability Development Goals</b>	 <b>SDG 7:</b> Affordable and Clean Energy
<b>How Unilever has achieved this:</b>	This year, we intensified our focus on energy conservation by deploying targeted efficiency initiatives that both reduce operational costs and contribute to climate resilience.
<b>Material Issue</b> Waste Management	
<b>Sustainability Development Goals</b>	 <b>SDG 12:</b> Responsible Consumption and Production
<b>How Unilever has achieved this:</b>	We ensure that daily produced wastes, including wrappers, filter paper, and BOPP, are recycled into new products such as nylon, plastics, and tissue paper.



### Our Planet

We are committed to reducing our environmental footprint and promoting sustainable operations across Nigeria.

<b>Material Issue</b>	Climate Change	
<b>Sustainability Development Goals</b>		<b>SDG 13:</b> Climate Action
<b>How Unilever has achieved this:</b>	We plan to achieve net zero across our value chain by 2039.	
<b>Material Issue</b>	Biodiversity Impact	
<b>Sustainability Development Goals</b>		<b>SDG 15:</b> Life on Land
<b>How Unilever has achieved this:</b>	We have two key manufacturing sites in Oregun (approximately 2,500 m <sup>2</sup> ) and Agbara (approximately 6,000 m <sup>2</sup> ), which are located outside protected or high biodiversity areas.	



### Our People

We strive to empower our employees, create a safe workplace, and foster an inclusive culture.

<b>Material Issue</b>	Employee Health & Safety	
<b>Sustainability Development Goals</b>		<b>SDG 3:</b> Good Health and Well-being
<b>How Unilever has achieved this:</b>	Our employees have access to on-site clinics, comprehensive health insurance, and dedicated occupational health services.	



## Our People

We strive to empower our employees, create a safe workplace, and foster an inclusive culture.

Material Issue	Employment Practice	
Sustainability Development Goals		SDG 10: Reduced Inequalities
How Unilever has achieved this:	This year, we recorded no discrimination claims, reflecting the effectiveness of our policies and our ongoing focus on a safe, fair, and equitable workplace.	

## Our Society

We aim to create lasting positive impact in the communities where we operate.

Material Issue	Product Labelling & Marketing	
Sustainability Development Goals		SDG 12: Responsible Consumption and Production
How Unilever has achieved this:	From product formulation to packaging, distribution, and retail engagement, we ensure that every item placed in the hands of consumers reflects accuracy, transparency, and responsible communication.	
Material Issue	Product Quality & Safety	
Sustainability Development Goals		SDG 12: Responsible Consumption and Production
How Unilever has achieved this:	Our strategy is anchored on continuous improvement and rigorous adherence to globally recognised standards, including GFSI-recognised certification schemes.	



### Our Society

We aim to create lasting positive impact in the communities where we operate.



### Our Purpose

We align our business growth with sustainable value creation for all stakeholders.

<b>Material Issue</b>	Human Rights	
<b>Sustainability Development Goals</b>		<b>SDG 16:</b> Peace, Justice, and Strong Institutions
<b>How Unilever has achieved this:</b>	Our approach is supported by global Unilever human rights principles and aligned with international frameworks.	
<b>Material Issue</b>	Sustainable Livelihoods	
<b>Sustainability Development Goals</b>		<b>SDG 8:</b> Decent Work and Economic Growth
<b>How Unilever has achieved this:</b>	We have localised over 60% of our raw materials through various initiatives, creating over 10,000 jobs across the value chain.	

<b>Material Issue</b>	Packaging Lifecycle Management	
<b>Sustainability Development Goals</b>		<b>SDG 12:</b> Responsible Consumption and Production
<b>How Unilever has achieved this:</b>	In total, 5,126 metric tonnes of packaging materials were used, including 2,327 metric tonnes of paper and 2,799 metric tonnes of plastics, with 67% of all packaging designed to be recyclable, reusable, or compostable (100% of paper is recyclable and 38% of plastics is recyclable).	



### Our Purpose

We align our business growth with sustainable value creation for all stakeholders.

**Material Issue** Environmental & Social Impact of ingredient supply chain

**Sustainability Development Goals**



**SDG 12:** Responsible Consumption and Production

**How Unilever has achieved this:** In the year, 67% of our suppliers are sourced locally after undergoing rigorous supplier's assessments

### Our Responsibility

We uphold ethical practices, transparency, and accountability across all our operations.

**Material Issue** Business Ethics

**Sustainability Development Goals**



**SDG 16:** Peace, Justice and Strong Institutions

**How Unilever has achieved this:** At Unilever, every member of our team, from leadership to frontline staff, is entrusted with upholding our Code of Business Principles.

**Material Issue** Registration, licensing and permitting systems

**Sustainability Development Goals**



**SDG 16:** Peace, Justice and Strong Institutions

**How Unilever has achieved this:** We recorded no significant instances of non-compliance with applicable laws and regulations across our operations.





# Our Governance Framework

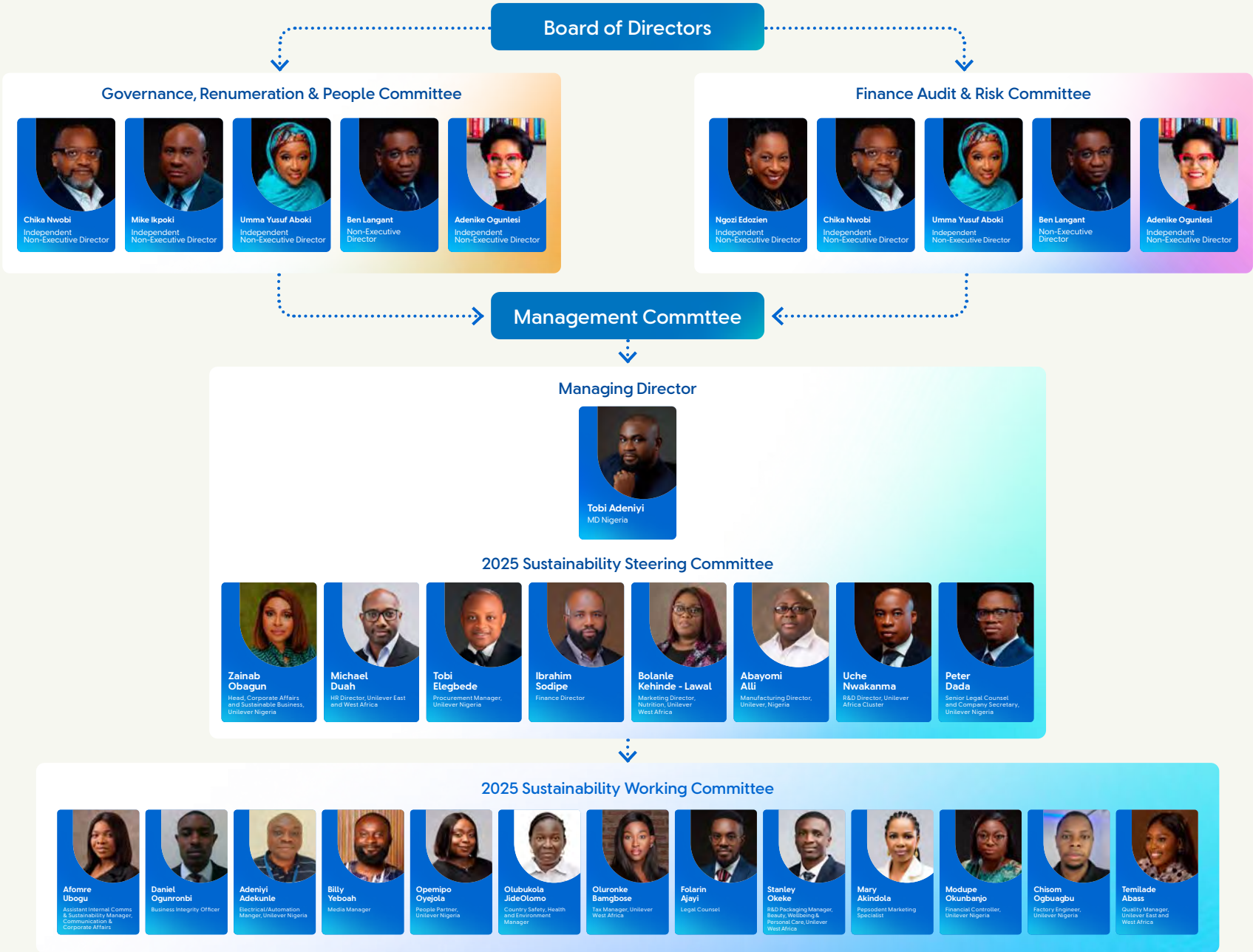
At Unilever Nigeria, we recognise that effective governance is paramount to our long-term success. Our dedication to transparency and ethical business practices is deeply rooted in our corporate governance practices.

The Board, its committees, and management all play essential roles in governance, supported by relevant policies and procedures.

The Board oversees the approach to sustainability and climate issues and is responsible for managing all risks and opportunities related to sustainability. It is supported by the Managing Director (MD), who ultimately oversees our sustainability agenda locally, including our Climate Transition Action Plan (CTAP).

The Sustainability Steering Committee, which includes members of the Leadership Team, supervises the development of our sustainability plan and manages the implementation and progress of our sustainability strategy across all operations in Nigeria, which is implemented by the Sustainability Working Committee.

# An overview of the sustainability governance structure is set out below:



Our governance framework depends on integrated processes, controls, and procedures that operate across the organisation. The Code of Business Principles and related Code Policies, establishes mandatory standards of conduct, ranging from anti-bribery to product safety, and reinforces these standards through regular training and annual employee declarations. Unilever's Responsible Partner Policy (RPP) applies to our business partners in our upstream and downstream value chain. It also includes expectations for suppliers to cascade equivalent requirements within their own supply chains. It sets out the mandatory requirements suppliers must meet and the mandatory management systems we expect them to have in place to identify and manage significant environmental risks. We verify alignment to and achievement of our RPP's mandatory requirements and mandatory management systems through self-declarations at registration, annual re-registration to our systems, routine due diligence, and risk-based audits.

## Board Oversight

The Board of Directors has ultimate responsibility for managing all risks, including sustainability and climate-related risks, and for reviewing the effectiveness of the entire internal control and risk management system. In the year, the Board held 4 formal meetings where strategic, financial, sustainability, and climate matters were discussed.

Ahead of these dedicated sessions, Board members receive a comprehensive Sustainability Performance Pack prepared by management. This includes an update on our performance against key sustainability KPIs and targets, a detailed overview of the priority sustainability and climate-related risks from the ERM register, a summary of emerging regulatory and market trends, and proposals for significant new sustainability-related investments or initiatives.

The Board brings diverse expertise in strategy, risk, and performance management, supported by strong problem-solving, regulatory, and industry knowledge. This enables effective oversight and informed decision-making. We are committed to ongoing education and training to keep Board members updated on evolving laws, regulations, and sustainability and climate-related risks and opportunities.

The Board of Directors delegates specific oversight functions to dedicated committees composed of experienced directors as described below. All the Board Committee's Terms of Reference are in line with the Nigerian Code of Corporate Governance 2018.

### The Governance, Remuneration and People Committee

The Governance, Remuneration and People Committee comprises Non-Executive Directors solely; they have oversight for Governance, Succession Planning and People related agenda of the business, amongst others.

### The Board, Finance, Audit and Risk Committee

The Finance, Audit and Risk Committee comprises Non-Executive Directors solely. They are responsible for reviewing the processes and controls that underpin our sustainability disclosures, ensuring they are as rigorous as those for our financial reporting, including overseeing the effectiveness of the Internal Controls over Sustainability Reporting (ICSR) and reviewing the scope and findings of the external assurance process for sustainability data.

# Management Oversight

Every sustainable business matter falls under the purview of the Sustainability Steering Committee, headed by the Managing Director.

The Sustainability Steering Committee is composed of members of the **Senior Leadership Team** (Head, Corporate Affairs, Communications and Sustainability, HR Director, Procurement Manager, Finance Director, Head of Supply Chain, Research and Development Director, Unilever Africa Cluster), functioning as the primary management body for sustainability.

The mandate of the committee includes:

- Overseeing the creation and implementation of the sustainability plan,
- Managing the advancement of our sustainability strategy throughout all operations in Nigeria,
- Reviewing climate-related performance and risks on a Monthly basis before reporting to the Board.
- Driving the implementation of the Climate Transition Action Plan (CTAP), and
- Embedding a culture of sustainability and integrity and ensuring that the necessary resources are allocated to meet our targets.

Ultimately, the Managing Director holds ultimate management accountability as the Head of the sustainability committee.



## Impact of Sustainability on Remuneration Policies

We recognise that incentivising performance is a critical driver of accountability. As part of our broader sustainability governance approach, we have established a direct link between climate performance and executive remuneration. The Governance, Remuneration, and People Committee oversees integrating climate-related performance metrics into our remuneration policies for senior management.

At the beginning of each performance year, specific Key Performance Indicators (KPIs) derived from our Climate Transition Action Plan are assigned to the relevant executives. These KPIs include, but are not limited to, the percentage reduction in absolute Scope 1 & 2 GHG emissions, improvements in energy efficiency, and progress on our plastic waste collection targets. At the end of the performance year, the Committee formally reviews the performance against these pre-defined KPIs. The outcome of this assessment directly influences the final variable pay-out for the executives, ensuring that their compensation is aligned with their contribution to our climate goals.

## Developing and Monitoring Progress Towards Sustainability and Climate Targets

At Unilever Nigeria PLC, we have a structured governance process to set and monitor climate and sustainability targets, ensuring alignment with global strategy and local needs.

The Climate Transition Action Plan (CTAP) sets out our long-term ambition to achieve net zero GHG emissions by 2039, which is then approved by the Board and progress is tracked monthly by the Sustainability Working Committee and reported quarterly to senior leadership and the Board, ensuring ongoing oversight and accountability.



# Risk Management

# Risk Management Approach

At Unilever Nigeria Plc, sustainability-related risks and opportunities are identified, assessed, and managed through an integrated enterprise risk management (ERM) framework designed to support long-term value creation and resilience.

## Identification of Sustainability-Related Risks

We identify sustainability-related risks and opportunities through a structured and continuous process that incorporates internal and external inputs. Key data sources include enterprise risk registers, operational performance data, regulatory developments, stakeholder engagement outcomes, industry benchmarking, and guidance from globally recognised frameworks such as the IFRS Sustainability Disclosure Standards, Sustainability Accounting Standard Board (SASB), Global reporting Initiative (GRI), Intergovernmental Panel on Climate Change AR6 (IPCC), and International Energy Agency (IEA). This process covers our manufacturing operations, supply chain activities, and key stages of our value chain within Nigeria.

## Assessment and Prioritisation of Risks

Identified risks are evaluated using a structured risk assessment methodology that considers their nature, likelihood, and potential impact on our financial performance, operational continuity, and reputation. Both qualitative and quantitative criteria are applied, including risk scoring thresholds aligned with our enterprise risk management framework.



# Monitoring and Management of Risks

Sustainability-related risks are monitored on an ongoing basis through established governance structures, internal controls, and periodic risk reviews integrated within our enterprise risk management framework. Risk owners across business functions track key risk indicators, emerging trends, and mitigation effectiveness, while management committees conduct regular reviews to ensure sustainability risks remain appropriately managed and aligned with strategic objectives.

To strengthen accountability and ensure objectivity in risk oversight, we operate a structured three lines of defence model.

## 1

### First Line of Defense

The sustainability working committee, alongside functional teams, serves as the first line of defence by identifying and managing sustainability risks within their operations. They integrate sustainability considerations into day-to-day activities across Procurement, Manufacturing, Supply Chain, Finance, and other business functions. These teams are responsible for implementing controls, monitoring risk indicators, and ensuring the reliability of sustainability data.

## 2

### Second Line of Defense

The second line of defence consists of independent governance and risk oversight functions, led by the Sustainability Steering Committee. This layer is responsible for establishing risk management frameworks, monitoring compliance with sustainability policies and standards, and overseeing the implementation of risk mitigation initiatives. The committee also plays a strategic role by assessing emerging sustainability and climate risks, reviewing performance against risk thresholds, and recommending resource allocation based on risk prioritisation. This ensures that sustainability risks are consistently managed and aligned with organisational strategy.

## 3

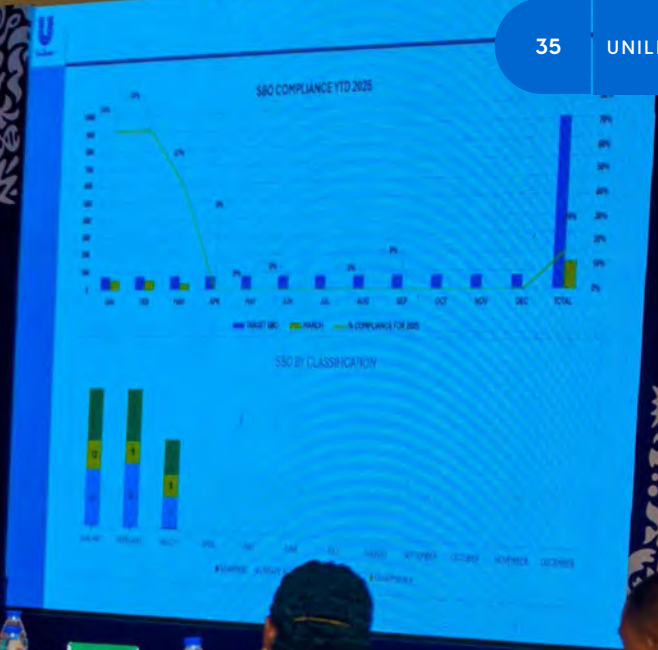
### Third Line of Defense

The third line of defence provides independent & objective reassurance through internal and external Audit, periodically evaluating the effectiveness of risk management processes and internal controls, including those related to sustainability risks. Oversight is further reinforced through Board-level committees, including the Finance and Risk Audit Committee.



WM  
WE MOVE

WM  
WE MOVE





# Strategy

# Sustainability Strategy

Our sustainability strategy was guided by our global Unilever Sustainability Priorities, which reinforces the role of sustainability as a driver of performance, productivity, and long-term value creation.

Locally, we focused on Priority areas where we can deliver the greatest impact and manage the most material risks and opportunities, which include livelihoods (Future-X Unilever Campus Ambassadors Programme, Shakti women, Localisation), and plastics.





## Plastics - Advancing a Circular Economy in Nigeria

At Unilever Nigeria, we are committed to ending plastic pollution by transforming how we design, source, use, and recover packaging materials. Our ambition is driven by three core principles of circularity: reduce, circulate, and collaborate. These principles guide our shift away from dependence on virgin plastic and towards systems that keep materials in use for as long as possible.

Through our partnership with Wecyclers and other community-based organisations, we collected 2,882 metric tonnes of plastic, exceeding our target of 2,699 metric tonnes. We also achieved plastic neutrality in both 2024 and 2025 through our Wecyclers partnership. This means the volume of plastics collected through the program exceeds the volume of plastics introduced into the market by Unilever.

# 2,882

Metric Tonnes of plastic collected

Plastics

## Livelihoods - Strengthening Economic Participation and Local Value Chains

At Unilever Nigeria, our livelihoods priority focuses on empowering individuals, strengthening local value chains, and creating economic opportunities across communities. Our livelihoods initiatives are implemented through three key programmes: localisation of our value chain, the Shakti women entrepreneurship programme, and youth empowerment through the Future-X Unilever Campus Ambassadors Programme (FUCAP).

### Localisation - Building Resilient Nigerian Value Chains

By increasing local sourcing, manufacturing, and partnerships, we are strengthening supply security, reducing exposure to foreign exchange volatility, and creating shared value within Nigeria's economy.

We focused on embedding Nigerian farmers, suppliers, and entrepreneurs more deeply into our value chain, while maintaining global quality and safety standards. Our localisation initiative is a game-changer, engaging over 10,000 farmers and strengthening local value chains. Today, over 60% of our raw materials are locally sourced, creating jobs, strengthening food security, and reducing import dependence. This is not just about business; it is about building an economic ecosystem that grows the Nigerian economy, benefits all participants across the value chain, and ultimately helps build resilience into our Supply Chain network.



# >60%

Locally Sourced

Raw Materials



# 500

Women with disabilities across Nigeria onboarded

Shakti Women

## Shakti - Empowering Women and Strengthening Communities

At Unilever Nigeria, we focus on empowering women, boosting small entrepreneurship, and enhancing economic participation in underserved communities. The Shakti programme is key to this effort, helping women in rural and semi-urban areas become micro-entrepreneurs, selling our products locally and earning steady incomes.

We deepened our investment in Shakti by expanding into more rural communities, equipping more women with training and tools to thrive as economic agents and community leaders, we onboarded 500 women with disabilities across Nigeria (150 in Lagos and 350 in Kano), each receiving empowering stock of our products to kickstart their enterprises. Our broader Shakti network now spans over 13,000 women micro entrepreneurs across 22 Nigerian states and the FCT, exceeding over 600 Persons with Disabilities.

## Youth Empowerment - Investing in Nigeria's Future Workforce

At Unilever Nigeria, we are committed to equipping young people with the skills, confidence, and exposure needed to succeed in the modern workplace.

The Future-X Unilever Campus Ambassadors Programme (FUCAP), delivered in partnership with UNICEF, is the cornerstone of our youth empowerment agenda. Designed as a three-year initiative to reach 700,000 young Nigerians, FUCAP focuses on developing practical skills in digital literacy, entrepreneurship, leadership, and career readiness. Since its launch in July 2023, we have already engaged more than 900,000 young people through online entrepreneurial and workplace skills and offline career upskilling seminars across Universities and Polytechnics in the Country, achieving 128% of our target.

# Climate Strategy

## Climate Risks and Opportunities

We have undertaken a thorough evaluation of climate-related risks and opportunities that may have a significant impact on our business, both now and in the future. Recognising the evolving nature of climate challenges, we actively monitor these factors across multiple time horizons to ensure our business remains resilient and adaptive.

The Sustainability Steering Committee, overseen and approved by the Board, Finance, Audit and Risk Committee, conducts an annual strategic risk and opportunity assessment. This assessment is based on evidence, utilising sources such as Intergovernmental Panel on Climate Change (IPCC's) Sixth Assessment report, International Energy Agencies (IEA) pathways for understanding transition and physical risks, Nigerian government policies including the Nationally Determined Contribution (NDC) under the Paris Agreement, CBN financial policies, and proposed legislation on carbon pricing, EPR, or water use, along with input from industry organisations like the Manufacturers Association of Nigeria (MAN).



## Value Chain Analysis

The value chain analysis considers risks and opportunities across upstream, midstream, and downstream activities. Upstream activities include supply chain and procurement processes, where supplier audits under the Responsible Sourcing Policy assess climate-related factors such as water use, flood exposure, deforestation risk, traceability, and potential transport disruptions. Midstream activities involve direct operations, with manufacturing sites such as Agbara and Oregon conducting periodic physical climate risk assessments and annual energy-transition stress testing. Downstream activities include marketing and sales functions, where brand risk assessments evaluate packaging lifecycle impacts, such as recyclability and regulatory exposure, and monitor consumer sustainability sentiment.

# Climate Risks



## Transition Risks

### Market and Price Volatility

**Description** Market and price volatility represent fluctuations in raw material prices (such as palm oil and tallow) and foreign exchange (FX) volatility, affecting imported components that can disrupt our supply chains and impact profitability.

**Impact on Business** The business faces immediate risks from high inflation, currency devaluation, and a scarcity of foreign exchange, which impact consumer purchasing power and production costs. These factors directly affect revenue and gross margins, requiring agile financial management and strategic pricing to maintain profitability.

**Timeframe** Short term

**Management of risk**

- **Localisation:** Aggressive sourcing of local raw materials (e.g., cassava, spices such as onion powder).
- **Hedging:** Utilising the cash position to pre-pay for inputs during favourable FX windows.

### Carbon Taxes

**Description** The risk of the introduction of a domestic carbon levy or the removal of industrial gas subsidies to meet Nigeria’s NDC 2060 Net-Zero goal.

**Impact on Business** The introduction of a domestic carbon levy or the removal of industrial gas subsidies acts as a direct “tax on production,” structurally inflating the Cost of Sales. Operationally, this creates a “margin squeeze” where the per-unit cost of energy-intensive manufacturing at Agbara rises faster than the price-sensitive Nigerian consumer’s willingness to pay.

**Timeframe** Short to medium-term

**Management of risk** Rapid scaling of the Agbara Solar Hybrid Phase 2 to achieve 50% renewable mix; utilising energy credits to offset tax liabilities.



## Extended Producer Responsibility

**Description** The risk of extreme heatwaves impacting the health and output of factory floor workers at Agbara and Oregun.

**Impact on Business** Stricter enforcement of the "Polluter Pays" principle by agencies like NESREA or OGEPA turns plastic waste into a direct cost, increasing Statutory Deductions through EPR levies tied to non-recyclable sachets and packaging. This requires an urgent, costly supply chain redesign; failing to meet recovery targets could lead to surcharges or loss of Environmental Compliance Certificates, blocking access for Unilever's main brands.

**Timeframe** Short-term to medium-term

**Management of risk** Scaling the Wecyclers Development Impact Bond to prove actual recovery tonnages and earn Waste Credits.

## Legal and Compliance Risk

**Description** The risk of public scrutiny of Unilever's "Net Zero" claims. If we fail to meet the IFRS S2 disclosure quality, we face a "Reputational risk" from ESG investors.

**Impact on Business** Failure to provide accurate sustainability data or missing publicly stated Unilever Compass goals can cause Reputational Risk, increasing Cost of Capital. Investors and lenders may see a gap between ESG rhetoric and actual carbon accounting, applying higher risk premiums. This trust gap risk can lead to Contagion Risk, where credibility loss affects Brand Spend, reduces consumer loyalty, and harms Revenue.

**Timeframe** Short-term to medium-term

**Management of risk** We plan to enforce the implementation of the Internal Control over Sustainability Reporting framework and strict internal audits on every carbon metric reported to the Board.



**Stranded Energy Assets**

<b>Description</b>	The risk of Unilever diesel (AGO) generators becoming economically unviable due to emission limits and global fuel price spikes.
<b>Impact on Business</b>	As the global and local transition to renewables accelerates, Unilever’s existing investment in fossil-fuel-dependent infrastructure, such as diesel AGO generators and gas-fired boilers, faces Economic Obsolescence. These assets become “Stranded” when carbon pricing or fuel volatility renders them too expensive to operate relative to renewable alternatives. Financially, these triggers Accelerated Depreciation or a one-time Impairment Charge (IAS 36) against the PPE base.
<b>Timeframe</b>	Medium term
<b>Management of risk</b>	We are considering “Energy as a Service” (EaaS) contracts with renewable providers to move power from the balance sheet to the P or L.

**Failure to Innovate in Product Formulation and Design**

<b>Description</b>	The risk of falling behind competitors in transitioning to plastic-free, biodegradable, or carbon-neutral product designs.
<b>Impact on Business</b>	<p><b>Asset Stranding:</b> Existing manufacturing lines for non-recyclable sachets may be rendered illegal by future bans.</p> <p><b>Market Share Loss:</b> Younger consumers may migrate to eco-friendly local startups, eroding brand equity</p>
<b>Timeframe</b>	Medium-term to Long-term
<b>Management of risk</b>	<p><b>R&amp;D Investment:</b> We will be implementing the Safe and Sustainable by Design framework.</p> <p><b>CapEx Re-allocation:</b> Using our liquidity to fund the transition to 100% recyclable or compostable packaging before 2030.</p>

## Physical Risks

### Extreme weather events

**Description** Acute events such as floods (like the 2024/2025 incidents) or severe storms damaging factories or blocking logistics routes.

**Impact on Business** This will disrupt the revenue stream. Leading to insurance-claim cycles and emergency CapEx for repairs.

**Timeframe** Short-term

**Management of risk** To manage these risks, we are making physical reinforcement of warehouse perimeters, diversifying third-party logistics providers and utilising regional distribution hubs to bypass flood zones.

### Extreme Heatwaves

**Description** This is about extreme heatwaves impacting the health and output of our factory floor workers at Agbara and Oregun

**Impact on Business** As global temperatures rise, the Agbara and Oregun manufacturing sites face an escalating risk of extreme heatwaves that directly impair the physiological well-being and cognitive performance of the workforce. Operationally, this manifests as a decline in manufacturing throughput, increased "Lost Time" due to heat-related fatigue, and a higher frequency of safety incidents on the factory floor. Financially, this risk drives up Administrative Expenses through higher medical insurance premiums and the necessary investment in passive cooling architecture or high-energy HVAC systems to maintain safe working conditions.

**Timeframe** Medium term

**Management of risk** We are installing high-efficiency HVAC systems and adopting "passive cooling" architectural designs. Also, we are introducing flexible shift patterns during periods of extreme heat to ensure the well-being of our workforce.





### Change in Climate Patterns

<b>Description</b>	In the long term, sustained changes in climate patterns, including permanent shifts in temperature and rainfall, leading to crop failure (e.g., shea, tea) or permanent infrastructure degradation in Nigeria
<b>Impact on Business</b>	This poses a risk of systemic failure for our local smallholder farmers, which in turn threatens the success of our Localisation Program. If this occurs, we may be forced to revert to costly, foreign exchange-intensive imports.
<b>Timeframe</b>	Long term
<b>Management of risk</b>	We are committed to promoting Climate-Smart Agriculture by training our local farmers in resilient techniques. Additionally, we conduct supplier audits using our Internal Control over Sustainability Framework to verify supplier resilience data before awarding long-term contracts.

# Opportunities

## Capitalising on the Shift to Sustainable Consumption

**Description** There is a significant market opportunity in responding to the growing consumer demand for sustainable and ethically produced goods.

**Timeframe** Short term

**Management of risk** By leveraging our Responsible Marketing principles, we can truthfully and accurately communicate the value of our purposeful brands. This includes developing products with improved nutritional information and transparent labelling, which builds consumer trust and loyalty.

## Investment in Energy Transition Technologies

**Description** We can capitalise on resource efficiency opportunities by investing in renewable energy solutions at our manufacturing sites in Oregon and Agbara.

**Timeframe** Short term

**Management of risk** Initiatives like on-site solar power generation can reduce reliance on the volatile national grid, lower operational costs, and help achieve our target of zero GHG emissions in our operations by 2030, reinforcing our commitment to our Climate Transition Action Plan (CTAP).

## Strengthening Local Supply Chain Resilience

**Description** Enhancing the resilience of our local supply chains presents a valuable sustainability opportunity for our business. By investing in local sourcing, building strong relationships with regional suppliers, and supporting smallholder farmers, we can reduce our exposure to global market disruptions and climate-related shocks.

**Timeframe** Medium term

**Management of risk** Our engagement with over 10,000 cassava farmers for Sorbitol production is a prime example. By supporting these smallholders with training in regenerative agriculture, we secure our supply of raw materials and also improve their livelihoods and reduce our import dependence, which is a key strategic advantage in a volatile forex environment.





### Leading the Transition to a Regenerative Economy

**Description** Unlike traditional models that focus solely on minimising harm, a regenerative approach seeks to restore, renew, and enhance natural and social systems. By embedding regenerative principles into our operations, such as adopting circular production methods, investing in regenerative agriculture, and prioritising resource renewal, we can create positive impacts that extend beyond our immediate business interests.

**Timeframe** Long term

**Management of risk** By achieving our ambitious net-zero emissions goal by 2039 and championing a deforestation-free supply chain, we can position ourselves as a leader in the transition to a sustainable and regenerative economy. This leadership can attract top talent, enhance brand loyalty, and create new business opportunities.

### Shaping Policy and Industry Standards

**Description** Taking a proactive stance in shaping policies and standards allows us to anticipate and influence emerging regulations, ensuring that our sustainability ambitions are aligned with, and often ahead of, legal requirements.

**Timeframe** Long term

**Management of risk** We have the opportunity to advocate for and help shape the future of sustainable business in Nigeria through continued partnerships with governments, regulators, and industry bodies.

This includes promoting widescale systemic changes and creating an enabling environment that supports our long-term climate targets and business objectives.

# Climate Transition Action Plan

We continue to advance our climate transition through ambitious targets to reduce greenhouse gas (GHG) emissions by 2039, while sustaining business growth and strengthening operational resilience.



By 2039

# Net Zero

Our transition strategy focuses on the most significant emission sources within our Nigerian footprint, particularly energy use in manufacturing, logistics activities, packaging materials, and upstream supply chain operations. Climate considerations are embedded into operational planning, capital allocation decisions, supplier engagement, and innovation processes, ensuring that climate-related risks and opportunities are systematically integrated into business strategy and decision-making.

The plan prioritises improving energy efficiency, progressively transitioning to lower-carbon energy sources, advancing circular packaging solutions, and strengthening collaboration with suppliers to support more sustainable sourcing and logistics practices. These actions are complemented by ongoing assessments to enhance resilience to physical climate risks, including water stress, extreme weather events, and supply chain disruptions.

# Our Climate Resilience

Building resilience to climate change is fundamental to the long-term success and sustainability of our business. To assess the resilience of our strategy and business model, we have conducted a scenario analysis. These scenarios align with the Shared Socioeconomic Pathways (SSPs) as defined in the Intergovernmental Panel on Climate Change (IPCC's) Sixth Assessment report. This analysis explores our potential performance under three distinct climate pathways, allowing us to stress-test our strategic priorities and identify areas for enhanced resilience.



## Scenario 1

### <2°C - aligned pathway (SSP1-2.6)

This scenario assumes that global and national climate policies are introduced early and become progressively more stringent. It features a steadily increasing carbon price, strong support for renewable energy, and regulations promoting circular economy principles. Consumer awareness is high, leading to a strong preference for sustainable brands.

#### Impact and Strategic Resilience

##### Transition Risks Activated

The primary risks are transition-related, including carbon taxes, EPR regulations for plastics, and rules on product composition.

##### Impact on Unilever's Strategy and Financials

- Our Climate Transition Action Plan (CTAP) and goal of 100% renewable energy in operations by 2030 directly mitigates the financial impact of carbon pricing. While operational costs may rise, our proactive investments would likely place us at an advantage compared to slower-moving competitors.
- Our Plastics strategy focused on "less plastic, better plastic, or no plastic," and our partnership with Wecyclers to collect more plastic than we produce, positions us well to meet stringent EPR laws. This reduces potential fines and enhances our brand image.
- The market shift towards plant-based diets would boost our Nutrition category, validating our strategy to focus on this growth area.

##### Time horizon

Long-Term (up to 2039).

##### Resilience Assessment - High

Our current strategy is highly aligned with an orderly transition. We established sustainability programs, ranging from responsible sourcing to product innovation. This provides a robust framework to navigate the regulatory and market shifts of this scenario. The focus on local sourcing also insulates us from some of the global commodity price shocks associated with the transition.

## Scenario 2

### <3°C - aligned pathway (SSP2-4.5)

This scenario is characterised by delayed and reactive climate policies, leading to abrupt, disruptive, and unanticipated changes. It involves sudden, sharp increases in carbon prices, hastily implemented trade policies on carbon-intensive goods, and market shocks as the energy transition accelerates unevenly.

#### Impact and Strategic Resilience

**Transition Risks Activated** This scenario activates a mix of severe transition risks (sudden policy shocks) and emerging physical risks. Market and supply chain volatility are the defining features.

**Impact on Unilever's Strategy and Financials**

- An abrupt carbon tax would immediately impact profitability, testing our financial resilience. The N4.7 billion forex loss recorded in 2023 due to sudden policy shifts provides a clear understanding of the potential financial shock.
- Sudden restrictions could disrupt our supply of both local and imported raw materials. Our Localisation Initiative would be a critical buffer, but our effectiveness would depend on the speed at which domestic infrastructure could adapt.
- Our ability to pass costs to consumers would be limited by already strained purchasing power, potentially squeezing margins significantly.

**Time horizon** Short to Medium-Term (2025–2028).

**Resilience Assessment - Medium** While our foundational policies provide a degree of resilience, the “disorderly” nature of this scenario would severely test our agility. Our risk management framework, which emphasises identifying and mitigating both downside and upside risks, would be paramount. The success of our strategy would depend on our ability to rapidly adapt to our procurement, production, and pricing models in response to sudden shocks.

## Scenario 3

### >4°C – aligned pathway (SSP5-8.5)

This scenario assumes global policy efforts are insufficient, leading to significant global warming and severe, widespread, and irreversible physical climate impacts. In Nigeria, this translates to chronic water scarcity, frequent and extreme weather events (flooding, heatwaves), severe agricultural disruption, and infrastructure damage.

#### Impact and Strategic Resilience

**Transition Risks Activated** This scenario is dominated by severe physical risks. Water scarcity and extreme weather would become chronic, rather than acute, operational challenges.

**Impact on Unilever's Strategy and Financials**

- **Supply Chain Collapse:** Sourcing key crops would be severely threatened, potentially leading to widespread unavailability of raw materials and catastrophic price increases. Our sustainable sourcing program would need to pivot from efficiency to sheer survival, focusing on drought-resistant crops and radically different farming techniques.
- **Operational Disruption:** Our manufacturing sites would face direct threats from flooding and water shortages, leading to frequent production stoppages. Our distribution network would be constantly disrupted. The business discontinuation of the Home Care line in 2023 shows a willingness to make major portfolio changes, and in this scenario, further, more drastic changes might be necessary.
- **Community and Social Impact:** Social instability caused by food and water shortages would impact our employees, consumers, and the communities where we operate. Our Shakti program for women's empowerment would face immense challenges as the livelihoods of our members are threatened.

**Time horizon** Long Term (Post 2030)

**Resilience Assessment - Low** While our investments in water-efficient products and local community programs like Shakti and the Future Unilever Campus Ambassador Program (FUCAP) demonstrate a commitment to building local resilience, these measures would likely be insufficient to fully mitigate the severe impacts of this scenario.

# Financial Impacts of Sustainability-Related Risks and Opportunities

We operate manufacturing, distribution, and sales activities primarily across key urban and industrial hubs in Nigeria, where our production facilities, warehouses, offices, and logistics networks are located. These operations support the manufacture and distribution of fast-moving consumer goods across food, home care, and personal care categories. As a result, the current and future value of our physical assets, brands, and supply chain relationships is concentrated within these locations.

Given this footprint, below gives a description of our financial current and anticipated effects per material topic.

Risk	Context	Current Financial Impact	Anticipated Financial Impact
<b>Biodiversity Impact</b>	<b>Regulatory and legal risks related to deforestation and habitat loss due to the sourcing of agricultural derivatives.</b>	Manufacturing and sourcing costs have increased due to the need to procure sustainably certified raw materials. We also provide advance payments to suppliers to secure compliant agricultural inputs and stabilise supply.	Future costs may increase due to investments in sustainable sourcing and traceability systems. Non-compliance with deforestation regulations could also lead to supply disruptions, inventory write-downs, and reputational damage affecting revenue.
	<b>Increased Operational Costs for Implementing Biodiversity-Friendly Practices and Restoration.</b>	We incur higher operational costs from sourcing certified raw materials, implementing sustainability initiatives, and investing in manufacturing infrastructure that supports environmental resilience.	Additional capital expenditure may be required for ecosystem restoration and environmental upgrades to manufacturing facilities. These investments may also place pressure on operating margins if costs cannot be passed on to consumers.
	<b>Increased Scrutiny and Pressure from NGOs and Stakeholders.</b>	Administrative and marketing expenses have increased due to sustainability reporting, stakeholder engagement, and investments in initiatives such as waste recovery partnerships.	Heightened scrutiny could affect brand reputation and sales if stakeholder expectations are not met, potentially requiring additional marketing expenditure and risk management measures.

Risk	Context	Current Financial Impact	Anticipated Financial Impact
<b>Climate Change</b>	<b>Physical Risks:</b> <b>Hurricanes, floods, wildfires, and other climate-related disasters</b>	We incur higher operational costs from maintaining inventory buffers and investing in infrastructure upgrades to protect manufacturing facilities from climate-related disruptions.	Extreme weather events could damage facilities, disrupt production, and increase insurance and repair costs, potentially affecting profitability.
	<b>Transition Risk:</b> <b>Changes in government policies or regulations related to climate change</b>	The rise in manufacturing and distribution costs is mainly due to cuts in energy subsidies. To stay resilient, we have built a strong cash and bank balance as a buffer for future projects and regulatory shocks.	Future climate policies such as carbon taxes or stricter environmental regulations may increase operating costs and require investments in low-carbon technologies.
	<b>Higher operational costs from infrastructure upgrades to enhance climate resilience</b>	There is an increase in capital expenditure to reinforce and upgrade property, plant, and equipment to withstand extreme weather events, such as enhanced industrial drainage systems and warehouse fortification.	This highlights a projected increase in depreciation as resilience infrastructure becomes operational. We may need to deplete liquid reserves to fund a multi-year resilience plan, potentially affecting long-term investments in other growth projects.
<b>Water Management</b>	<b>High operational costs from inefficient water usage or wastage.</b>	Our water-intensive manufacturing processes contribute to higher factory overheads, including costs associated with wastewater treatment, water abstraction permits, and environmental levies required to maintain regulatory compliance. We operate treatment systems and monitoring processes to ensure responsible water use and uninterrupted production.	Future regulatory changes or increasing water scarcity could lead to higher operational costs if new water depletion levies or stricter abstraction limits are introduced. We may need to increase capital expenditure to implement water-efficiency solutions such as closed-loop treatment systems and water recycling infrastructure.
	<b>Regulatory fines for non-compliance with water conservation laws.</b>	We incur administrative and operational costs to comply with water-use regulations, including payments for abstraction permits, environmental levies, and regulatory monitoring requirements. These compliance-related costs are embedded within our manufacturing and administrative expenses.	Failure to comply with water conservation regulations could expose us to regulatory fines or penalties that may reduce operating profit and place pressure on liquidity. Such regulatory developments may also require additional investment in monitoring technologies, water-efficiency systems, and operational process improvements to ensure continued compliance.
	<b>Operational cost savings from implementing water-efficient systems.</b>	We continue to allocate capital expenditure toward improving water efficiency across our manufacturing sites. Investments in water metering, recycling systems, and process optimisation are designed to reduce water wastage and improve resource efficiency within our operations.	Over time, these efficiency initiatives are expected to reduce operational costs associated with water abstraction permits, environmental levies, and wastewater treatment.

Risk	Context	Current Financial Impact	Anticipated Financial Impact
<b>Waste Management</b>	<b>Non-compliance or regulatory risk from failure to meet waste management standards.</b>	We incur administrative and operational costs associated with complying with waste management regulations and circular economy requirements. In addition, we have deployed capital into strategic partnerships and social investment initiatives, including “Development Impact Bond” for plastic waste recovery, to proactively mitigate the risk of regulatory penalties.	Failure to meet evolving waste management regulations could result in regulatory fines, environmental levies, or additional compliance costs that may reduce operating profit and place pressure on liquidity. Stricter environmental standards may also require remediation provisions or result in write-downs of packaging materials that no longer meet regulatory specifications.
	<b>Reputational damage from unsustainable waste management practices.</b>	We continue to invest in brand and marketing initiatives to communicate our waste reduction and recycling efforts to stakeholders. These expenditures support consumer awareness campaigns and partnerships aimed at strengthening waste collection and recycling infrastructure while reinforcing our environmental commitments.	Negative public perception of our waste management practices could affect consumer trust and lead to reduced product demand in certain segments. Such reputational pressures may require increased marketing expenditure to rebuild brand confidence and maintain market share across our distribution network.
	<b>Increased operational cost of waste disposal and treatment.</b>	We incur increasing operational costs related to industrial waste handling, treatment services, and environmental levies required to maintain compliance with regulatory standards.	Rising waste treatment and disposal costs may place pressure on operating margins if these costs continue to increase faster than our ability to absorb or offset them. In response, we may need to invest in advanced waste treatment or waste-to-value technologies to improve long-term efficiency and reduce future disposal costs.
<b>Energy Management</b>	<b>Increased Energy Costs and Volatility.</b>	Energy market volatility and the removal of energy subsidies have contributed to a significant increase in our cost of goods sold, driven by higher electricity and fuel costs required to support manufacturing and distribution activities. These rising utility expenses have increased operational overheads and placed additional pressure on our administrative and operational cost base.	Continued volatility in energy prices or the introduction of carbon-related taxes could further compress operating margins. To manage these risks, we may need to increase capital expenditure to support the transition to lower-carbon energy sources, improve energy efficiency across our manufacturing sites, and gradually reduce our dependence on fossil fuel-based energy systems.
	<b>Operational Inefficiencies and Waste.</b>	Operational inefficiencies and production-related energy losses contribute to higher manufacturing costs. We continue to monitor energy consumption patterns and optimise operational processes to improve resource efficiency and reduce waste.	If operational inefficiencies persist, increasing manufacturing overheads may place further pressure on operating margins. Addressing these inefficiencies may require additional investment in process optimisation, automation, and upgrades to manufacturing infrastructure to improve energy efficiency and operational productivity.

Risk	Context	Current Financial Impact	Anticipated Financial Impact
<b>Energy Management</b>	<b>Technological Obsolescence and Missed Opportunities for Innovation.</b>	We continue to invest in brand development, technology access, and innovation support from the wider Unilever Group to maintain product competitiveness and operational efficiency. These investments include technology licencing, technical advisory services, and innovation support aimed at strengthening our manufacturing capabilities.	Failure to upgrade existing technologies could result in higher operating costs and reduced competitiveness if our production systems become less efficient relative to industry standards. Over time, this may require significant capital investment to modernise manufacturing equipment and integrate more energy-efficient technologies across our operations.
	<b>Unhealthy workforce, disengaged workforce (increased insurance and compensation costs from workplace accidents).</b>	We incur ongoing costs associated with maintaining employee health, safety, and well-being programmes across our operations. These include investments in employee benefits, health and safety training, and workplace safety systems designed to support workforce productivity and compliance with occupational health standards.	An increase in workplace incidents or reduced employee engagement could lead to higher insurance premiums, compensation payouts, and operational disruptions. Such developments may affect productivity and potentially impact operating margins if production schedules are interrupted.
<b>Employee Health &amp; Safety</b>	<b>High level of staff retention leading to better service quality.</b>	We continue to invest in human capital to retain skilled employees and maintain operational excellence across our manufacturing and distribution networks. These investments support consistent production quality, efficient operations, and strong relationships across our distribution channels.	Sustaining a stable workforce is expected to reduce recruitment, onboarding, and training costs associated with employee turnover. Over time, improved workforce stability may enhance operational efficiency, reduce production losses, and support the long-term performance of our business segments.
	<b>Compensation claims and medical costs from workplace injuries.</b>	We incur costs related to employee health and safety management, including workplace safety programmes, employee benefits, and insurance coverage designed to support worker protection and regulatory compliance.	If workplace accidents increase, we may face higher insurance premiums, medical compensation payments, and potential operational disruptions. Such incidents could temporarily affect productivity and increase administrative and operational costs associated with incident management and safety improvements.
<b>Employment Practice</b>	<b>Perception of Exploitation.</b>	We incur marketing and administrative costs associated with protecting brand reputation and strengthening stakeholder engagement. These include investments in campaigns and social impact initiatives aimed at demonstrating our commitment to responsible business practices and community development.	Negative public perception of our employment practices could harm consumer trust, reduce demand, and increase marketing costs to rebuild brand confidence. Strained distributor relationships might also impact receivables and sales.

## Employment Practice

Risk	Context	Current Financial Impact	Anticipated Financial Impact
Employment Practice	<b>Policy and Regulatory Changes.</b>	We incur administrative costs related to compliance with evolving labour, tax, and regulatory requirements. These include advisory fees and operational adjustments required to ensure that our employment practices remain aligned with applicable legal and regulatory frameworks.	Future regulatory changes, including labour regulations or environmental levies affecting employment practices, may increase operating costs and require additional capital investment to ensure compliance. Such developments could place pressure on operating margins if compliance costs increase significantly.
	<b>Unfair wage rates and practices.</b>	We continue to invest in employee compensation and benefits to maintain a fair and competitive remuneration framework. These investments contribute to increased administrative expenses and include long-term employee benefit obligations and other workforce-related costs.	Rising labour costs or wage adjustments linked to inflation may increase operating expenses. In extreme cases, dissatisfaction with compensation structures could affect workforce stability and productivity, potentially disrupting operations and impacting operating margins.
	<b>Discrimination claims leading to legal risk and lawsuits.</b>	We incur administrative costs related to ensuring compliance with labour regulations and maintaining inclusive workplace policies. These include legal advisory services, human resource management processes, and monitoring systems designed to promote fair and equitable employment practices.	Potential discrimination claims or labour disputes could lead to legal costs, settlements, or regulatory penalties. Such developments may also affect workforce morale and productivity, potentially increasing operational and administrative expenses.
	<b>Inability to Attract and Retain Top Talent.</b>	We invest in human capital development, employee engagement programmes, and competitive compensation structures to attract and retain skilled talent. These investments contribute to higher administrative expenses but support operational capability and business growth.	Difficulty in attracting or retaining specialised talent could affect operational efficiency, product innovation, and overall business performance. This may lead to increased recruitment, training, and onboarding costs while potentially impacting productivity and growth opportunities.
	<b>Poor Employee Engagement and Motivation.</b>	We continue to invest in employee wellbeing programmes, training initiatives, and workforce engagement strategies to support organisational stability and operational performance.	Low employee engagement could reduce productivity, increase operational inefficiencies, and lead to higher production wastage or downtime. Such outcomes may affect manufacturing efficiency and place additional pressure on operating margins.

Risk	Context	Current Financial Impact	Anticipated Financial Impact
<b>Livelihoods</b>	<b>Increased Supply Chain Complexity.</b>	We maintain strategic inventory levels for both raw materials and finished goods to ensure consistent product availability across our distribution network. In addition, we sometimes provide advance payments to suppliers to secure key inputs and manage supply volatility, which requires careful management of working capital.	As we expand initiatives that support sustainable livelihoods and strengthen relationships with small-scale retailers and suppliers, supply chain management may become more complex. This could increase operational costs and place pressure on margins if additional investments are required to improve supply chain visibility, digital systems, or last-mile distribution capabilities.
	<b>Lack of Transparency and Accountability.</b>	We incur administrative costs associated with maintaining robust governance, reporting, and compliance processes across our value chain. These include advisory services and systems designed to ensure transparency, accountability, and alignment with global reporting standards.	A perceived lack of transparency within the supply chain could weaken trust among distributors and retail partners. This may affect sales performance in key product categories if distributor relationships are disrupted or if confidence in our value chain practices declines.
	<b>Return on Investment Uncertainty.</b>	We continue to invest in manufacturing capacity, operational improvements, and other strategic projects to strengthen our long-term value chain resilience. Some of these investments remain under development and are reflected as capital work in progress until they begin generating operational returns.	If major capital investments do not deliver expected operational benefits or market demand changes, there may be a risk of asset impairment or delayed returns on investment. This could affect future earnings and influence decisions around capital allocation and long-term financial planning.
<b>Product Labelling and Marketing</b>	<b>Non-Compliance with Labelling Laws</b>	We incur administrative and operational costs to ensure our product labels comply with local and international regulatory requirements. These include legal and technical advisory services as well as updates to packaging specifications to align with evolving regulatory standards such as NAFDAC requirements.	Failure to comply with labelling regulations could result in regulatory fines, legal penalties, or product recalls. Such events may require additional expenditure to manage product withdrawals, reverse logistics, and regulatory remediation while potentially impacting operating profit and brand reputation.
	<b>Misleading or Deceptive Marketing</b>	We invest in marketing and compliance to keep advertising accurate, responsible, and compliant with regulations. These include brand campaigns, consumer marketing, and legal support to adhere to FCCPC and local mandates.	Misleading marketing can lead to penalties, legal issues, and reputational damage, reducing consumer trust and demand, which may hurt sales and increase brand rebuilding costs.

Risk	Context	Current Financial Impact	Anticipated Financial Impact
<b>Product Labelling and Marketing</b>	<b>Intellectual Property Infringement</b>	This relates to the substantial recurring royalty and service fee payments to the parent group (Unilever Europe Business Centre B.V.), which are paid specifically for the licenced use of global trademarks, technology, and branding assets to ensure local compliance and IP protection.	We incur ongoing costs related to the protection and use of intellectual property, including royalty payments, licencing fees, and legal advisory services to ensure the proper use of trademarks, technologies, and brand assets across our operations.
	<b>Consumer Distrust.</b>	This is characterised by a significant year-on-year increase in brand and marketing expenses, as we prioritise campaigns to reinforce the authenticity of our 18 key brands across Nigeria.	This impact hinges on a potential sales decline in Foods and Beauty & Wellbeing if negative word of mouth causes a sustained drop in sales. This distrust could lead to loss of shelf space within its 85 key distributors, as retailers may favor more trusted competitors, raising inventory costs.
<b>Human Rights</b>	<b>Poor Working Conditions and Exploitation of Workers</b>	We incur administrative and operational costs related to workforce management, labour compliance, and supplier monitoring. These include investments in employee welfare programmes, workplace safety improvements, and supplier audits to ensure alignment with our Responsible Sourcing standards.	Failure to maintain acceptable labour standards could expose us to legal liabilities, regulatory penalties, and operational disruptions. Such incidents could also lead to reduced productivity, higher employee turnover, and additional costs associated with remediation, workforce restructuring, and strengthened monitoring across our supply chain.
	<b>Discrimination and Lack of Equal Opportunity</b>	We invest in diversity, equity, and inclusion programmes, employee training, and governance processes to promote fair employment practices. These initiatives support administrative expenses for workforce development, policy implementation, and human resource management.	If discrimination risks are not adequately managed, we may face legal claims, regulatory sanctions, or reputational damage. Such outcomes could increase legal and compliance costs, affect employee retention, and lead to higher recruitment and training expenses required to rebuild workforce stability.
	<b>Forced Labour and Child Labour in Supply Chains</b>	We incur costs associated with responsible sourcing initiatives, supplier due diligence, and compliance monitoring across our supply chain.	Discovering forced or child labour in supply chains can lead to penalties, trade bans, and reputational harm. These effects may disrupt supplies, lower consumer trust, and necessitate costly remediations, supplier changes, and brand recovery efforts.

Risk	Context	Current Financial Impact	Anticipated Financial Impact
<b>Product Quality &amp; Safety</b>	<b>Contamination and Recalls</b>	We incur high manufacturing and quality assurance costs, including laboratory testing, sanitation, quality control, and technical oversight, to meet global food safety (GFSI) standards.	A contamination incident can cause product recalls, inventory write-downs, logistics costs, and impact consumer confidence, reducing sales in Foods. It also increases expenses for testing, monitoring, and corrective actions.
	<b>Failure to properly manage allergens in our food products</b>	We invest in manufacturing protocols and monitoring to prevent allergen cross-contamination and ensure accurate allergen labelling. These costs include cleaning, quality checks, and allergen testing across production lines, contributing to our manufacturing overhead	Failure to properly manage allergens could result in consumer health incidents, legal claims, and regulatory penalties. Such outcomes may lead to product recalls, increased compliance costs, and reputational damage that could affect product demand and brand trust.
<b>Packaging Lifecycle Management</b>	<b>Pressure to use sustainably sourced materials (e.g., recycled content, bio-based polymers) can introduce complexities in the supply chain</b>	We face higher costs as we switch to sustainable packaging, including recycled and certified materials, which often cost more. We also spend cash to secure reliable supply from packaging partners to ensure production and meet sustainability goals.	Continued reliance on higher-cost sustainable materials may pressure profit margins if input costs outpace price adjustments. It could also necessitate capital spending to upgrade manufacturing for new packaging materials like recycled plastics or bio-based options.
	<b>Waste Management Fees: Increasing landfill taxes and the costs associated with participating in or establishing recycling schemes can add to the overall cost of packaging.</b>	We incur administrative and operational costs related to compliance with emerging packaging waste regulations and circular economy initiatives. In addition, we have invested in waste recovery and recycling partnerships to improve packaging collection and reduce environmental impact.	As packaging waste regulations evolve, producers may be required to contribute financially to national recycling and waste management systems. Such obligations could increase operating costs and may require additional investment in packaging redesign, recycling infrastructure, or circular packaging initiatives.
	<b>Governments worldwide are imposing stricter packaging regulations, including bans on specific materials, recycled content targets, EPR schemes, and labelling rules.</b>	We incur compliance-related costs to monitor and align with new packaging regulations and environmental policies. These include legal advisory services, regulatory compliance activities, and investments to strengthen packaging sustainability initiatives.	Stricter packaging regulations, recycling targets, and producer responsibility schemes could raise compliance costs, demand more investment in packaging innovation, and impact operational costs, prompting changes in product packaging design and supply chains processes.

## Environmental & Social Impacts of Ingredient Supply Chain

Risk	Context	Current Financial Impact	Anticipated Financial Impact
	<b>This relates to the loss of natural habitats and increased greenhouse gases due to unsustainable land use for ingredient cultivation.</b>	We incur higher procurement costs as we prioritise responsibly sourced agricultural ingredients that meet global sustainability and deforestation-free sourcing standards.	Future environmental rules, like carbon pricing or biodiversity standards, might raise costs for agricultural inputs, pressure margins, and necessitate investment in sustainable sourcing or alternative ingredients.
	<b>Land Rights Conflicts:</b> Sourcing ingredients from land where local communities have traditional or legal rights can lead to disputes and displacement.	We incur costs related to responsible sourcing programmes, supplier due diligence, and environmental and social governance monitoring to ensure that suppliers operate in accordance with land rights and community engagement standards.	Disputes relating to land use or community rights within sourcing regions could disrupt agricultural production and increase procurement costs. Such events may also expose us to legal liabilities or reputational risks that could affect supply continuity and operational performance.
	<b>Price volatility, unfair trading practices, and lack of access to resources can negatively affect the livelihoods of small-scale farmers in the supply chain.</b>	We support smallholder farmers through procurement partnerships, supplier engagement programmes, and advance payment arrangements that help stabilise supply and strengthen farmer resilience. These initiatives contribute to procurement and distribution expenses within our supply chain operations.	Rice volatility and climate-related pressures affecting smallholder farmers could lead to supply instability and increased raw material costs. Such conditions may require additional investment in supplier support programmes and sustainable sourcing initiatives to maintain long-term supply chain stability.
	<b>Litigation risk that could cause legal and compliance costs from corruption and bribery practices.</b>	We incur costs for anti-corruption controls, including audits, monitoring, and advisory services to ensure compliance with regulations and governance standards. These activities add to administrative overheads.	If corruption or bribery incidents occur, we could face regulatory penalties, legal settlements, and increased compliance costs. Such events may also damage stakeholder trust and potentially affect our ability to maintain business permits, commercial partnerships, or participation in certain market opportunities.

## Business Ethics

<b>Potential legal actions arising from unethical practices, contractual disputes, or non-compliance with laws and regulations</b>	We incur legal and advisory costs related to contract management, regulatory compliance, and dispute prevention across our operations and distribution network. These activities support the maintenance of a strong governance framework and contribute to administrative expenses.	Legal disputes or contractual conflicts could lead to settlement payments, litigation costs, or operational disruptions. Such outcomes may impact operating profit and, in certain cases, affect relationships within our distribution network or supply chain.
--	--	---

Risk	Context	Current Financial Impact	Anticipated Financial Impact
<b>Business Ethics</b>	<p><b>Failure to adhere to laws, regulations, or industry standards related to ethics, governance, and financial conduct, which can lead to fines, sanctions, and reputational harm.</b></p>	<p>We invest in governance, compliance monitoring, and internal control systems designed to ensure adherence to applicable regulatory requirements and corporate governance standards. These investments contribute to administrative expenses associated with regulatory compliance and financial oversight.</p>	<p>Failure to comply with regulatory requirements could result in fines, sanctions, or restrictions on operations. Such penalties may affect financial performance and require additional expenditure to strengthen compliance systems and governance processes.</p>
	<p><b>Non-Compliance Penalties:</b></p> <p>Failing to meet requirements can lead to fines, shutdowns, and legal issues.</p>	<p>We incur administrative and compliance costs associated with maintaining regulatory approvals and operational licences across our manufacturing and distribution activities. These include legal advisory services, regulatory filings, and internal compliance monitoring to ensure alignment with applicable regulatory requirements.</p>	<p>Ethical breaches could result in financial losses, regulatory penalties, or reputational damage. These events may require additional investment in compliance programmes, governance controls, and stakeholder engagement to restore trust and maintain operational stability.</p>
<b>Registration, Licencing, and Permitting Systems</b>	<p><b>Regulatory Changes:</b></p> <p>Frequent updates in rules require constant adaptation and potential product/process changes.</p>	<p>We incur ongoing administrative and operational costs associated with monitoring regulatory developments and adapting internal processes to evolving legal and industry requirements. These activities include regulatory advisory services and operational adjustments necessary to maintain compliance.</p>	<p>Future regulatory changes may require additional investment in operational adjustments, product reformulation, or process improvements. These developments could increase compliance costs and require further capital expenditure to ensure that manufacturing operations and product specifications remain aligned with regulatory expectations.</p>





# Our Planet

An aerial photograph showing a dense, vibrant green forest on the left and right sides, with a dark blue body of water in the center. The forest appears to be a tropical or subtropical rainforest, with a mix of different shades of green. The water is calm, reflecting the sky. The overall scene is a natural, undisturbed landscape.

We believe that protecting the planet is inseparable from protecting our future. From the water that sustains our communities, to the energy that powers our operations, to the biodiversity and ecosystems that support life itself, every part of our business touches the environment.

Our environmental strategy focuses on reducing our footprint, protecting and regenerating the environment, while strengthening the resilience of our climate action, energy efficiency, water stewardship, waste reduction, and biodiversity protection to help create a healthier planet for future generations.

# Climate Change

Climate change remains one of the defining challenges of our time, with implications for businesses, communities, and ecosystems. Guided by our global long-term ambition to achieve net zero GHG emissions by 2039, set out in our Climate Transition Action Plan, we continue to embed climate resilience and low-carbon thinking into every stage of our operations, from sourcing and manufacturing to distribution and product innovation.

To deepen transparency and strengthen climate action, we disclose our performance against the IFRS S2 cross-industry metrics, which capture how climate-related risks and opportunities are managed across our operations.

## Greenhouse Gas (GHG) Emissions

Reducing greenhouse gas (GHG) emissions remains important to our environmental strategy and to our global ambition to achieve a net-zero value chain by 2039. We measure, manage, and disclose our emissions to strengthen accountability, inform decision-making, and provide transparency on our operational footprint and decarbonisation progress.

Our GHG report currently covers direct (**Scope 1**) emissions from fuel consumption in our manufacturing facilities and fleet operations, as well as indirect (**Scope 2**) emissions from the electricity we purchase. While we recognise that Scope 3 emissions arising from activities

such as raw material sourcing, product use, and logistics represent a significant share of our overall footprint, reliable data for this category is not yet available.

All reported emissions are calculated in line with the Greenhouse Gas (GHG) Protocol. This remains our regular measurement approach used year on year, ensuring consistency, accuracy, and comparability across our operations. Our organisational boundary is defined by operational control and covers our Agbara and Oregon manufacturing sites as well as supporting logistics and distribution activities.

Our baseline year for GHG accounting is 2024, marking a significant step in our decarbonisation journey. Establishing this baseline allows us to track progress, set reduction targets, and align with Our global ambition of achieving net-zero emissions across operations by 2039.

Scope 1: Direct GHG Emissions			
Location	GHG Emission Sources	Metric tons CO2e (2025)	Metric tons CO2e (2024)
Agbara	Natural Gas and Diesel	4,774	4,665
Oregon	Diesel	261	320
<b>Total</b>		<b>5,035</b>	<b>4,985</b>

### Scope 2: Energy Indirect GHG Emissions

Location	GHG Emission Sources	Metric tons CO2e (2025)	Metric tons CO2e (2024)
Agbara	Public Grid	123	802
Oregun	Public Grid	595	640
<b>Total</b>		<b>718</b>	<b>1,442</b>

## Greenhouse Emission Reduction Targets

To ensure transparency and accountability, our Climate Transition Action Plan is built on a foundation of clear metrics and dedicated financial commitment.

Metric	Scope	Baseline (2024)	2028 Target	2030 Target
<b>Absolute GHG Emissions</b>	Scope 1 & 2	Based on 2024 data	50% Reduction	95.6% Reduction
<b>GHG Emission Intensity</b>	Scope 1 & 2	Based on 2024 data	60% Reduction	95.6% Reduction
<b>Renewable Energy Percentage</b>	Scope 2	Based on 2024 data	60%	100%
<b>Key Scope 3 Emissions</b>	Scope 3	Based on 2024 data and estimated value from key categories (e.g., purchased goods, transport)	Establish formal measurement and set a reduction target	39.5% Reduction



## Climate Physical and Transition Risk

We assessed certain climate risks and opportunities which we believe are significant and could at some time in the future be material to our business. **(Please refer to the strategy section of this report for more details on our physical and transition risk assessments).**

## Capital Deployments

In line with our sustainability strategy and climate ambition, we direct capital towards initiatives that support climate risk mitigation, circular economy outcomes, and operational emissions reduction. Capital allocation decisions are informed by our climate risk and opportunity assessments and prioritise investments that strengthen long-term resilience, reduce environmental impact, and unlock sustainability-linked opportunities.

During the reporting period, we deployed approximately ₦2.169 billion towards climate-related investments and financing to Wecyclers Nigeria Ltd (a for-profit social enterprise that promotes environmental sustainability, socioeconomic development, and community health by providing recycling services in densely populated urban neighbourhoods in developing countries) from our local investments fund to improve the community environment and health/well-being through effective waste collection and management.

## Remuneration Linked to Climate Targets

Climate performance is integrated into management objectives and incentive structures. Progress on energy efficiency, emissions reduction, and sustainability initiatives contributes to performance evaluations. To link performance to climate action, a portion of the Leadership Team's annual performance-based bonus is tied to achieving key climate metrics. The specific metrics include, but are not limited to, the percentage reduction in absolute Scope 1 and 2 GHG emissions against the annual target.



# Biodiversity Impact

Safeguarding biodiversity is an essential part of our global sustainability ambition to regenerate nature. In Nigeria, our approach is guided by the principle of minimising operational impacts while ensuring our sites do not contribute to biodiversity loss.

Our two key manufacturing sites in Oregon (approximately 2,500 m<sup>2</sup>) and Agbara (approximately 6,000 m<sup>2</sup>) are not located in areas that contribute significantly to global biodiversity in terrestrial, freshwater or marine ecosystems, significantly reducing the risk of adverse ecological impacts. Both sites are fully industrial and do not involve activities that could affect habitats or wildlife. While the direct biodiversity risk from our operations remains low, we recognise the potential for indirect impacts through raw material sourcing and packaging production.

These risks present opportunities for positive change, particularly through promoting regenerative sourcing and strengthening ecosystem health in communities where we operate.

During the year, our environmental reviews confirmed that our operations did not result in any significant biodiversity loss, species disruption, or habitat degradation. No restoration activities were required across our sites, reflecting our sustained focus on prevention. No species listed in the International Union for Conservation of Nature (IUCN) Red List of Threatened Species or nationally listed species were identified as affected by our operations. Going forward, we will continue to assess and improve our biodiversity management practices, ensuring that our growth supports healthy and thriving ecosystems for future generations.



# Water Management

At Unilever Nigeria, responsible water management is not only an operational necessity it is a commitment to preserving a shared natural resource across our value chain. Across our Agbara and Oregun sites, water is primarily used for production processes, cleaning, cooling, and facility operations. We continuously monitor our consumption patterns, identify efficiency opportunities, and invest in technologies that support long-term water stewardship in line with our global sustainability ambition.

Our reliance on groundwater presents potential exposure to future water scarcity, increased operating costs, and regulatory constraints if local water tables decline. Inefficient water systems could also increase production

costs due to higher pumping, treatment, or operational expenses. While our 2025 water risk assessment confirmed no material water-related risks, continuous monitoring remains essential as climatic variability and rapid urbanisation could intensify long-term water stress in host communities.

During the year, our total water usage across our manufacturing sites stood at **70,299m<sup>3</sup>**, of which 100% was derived from groundwater used in manufacturing sites. This excluded surface water from rivers, lakes, etc, rainwater, and dams for manufacturing sites.

Water in manufacturing (m <sup>3</sup> )	2025		2024	
	Total Water Consumed	Total water withdrawn	Total Water Consumed	Total water withdrawn
Agbara(m <sup>3</sup> )	66,263	114,968	51,632	94,656
Oregun(m <sup>3</sup> )	4,036	4,580	5,966	5,996
<b>Total</b>	<b>70,299</b>	<b>119,548</b>	<b>57,598</b>	<b>100,652</b>

We ensure none of our manufacturing sites withdraw water from regions under high or extremely high baseline water stress, and no incidents of non-compliance with water withdrawal, water quality, or wastewater discharge regulations occurred.

A major milestone was the installation of a pressure washer machine at the wash bay, designed to significantly reduce water consumption during cleaning operations. This innovation saves approximately 3 cubic metres of water every day, lowering both environmental impact and operating costs.

## Key Strategies for Enhancing Water Efficiency

To further strengthen our water stewardship approach, we are integrating advanced water-efficiency measures across our factories. These strategies reinforce our long-term aim to conserve water resources, reduce operational risks, and improve production efficiency. **These include:**

- + Deploying remotely monitored flow metres to track real-time water use, detect leaks early, and optimise consumption across production processes.

- + Exploring membrane filtration, reverse osmosis, and biological treatment systems to enable reuse of treated water for cleaning, cooling, or irrigation.

- + Implementing efficient cooling tower operations, including hybrid cooling and chemical-free treatment to reduce water loss.

- + Evaluating long-term adoption of Zero-Liquid Discharge (ZLD) systems to ensure no wastewater leaves the facility, supporting circular water use.

- + Transitioning to water-efficient equipment and modifying production lines to minimise rinsing, washing, and chemical dilution.

- + Training staff in water conservation practices and building a culture of responsible water use across all operating units.



# Waste Management

Waste management is a critical part of our environmental strategy and circular economy ambition. As a fast-moving consumer goods manufacturer, waste is generated across our operations, from raw material handling and production processes to packaging and distribution. How we manage this waste directly affects our environmental footprint, regulatory compliance, operational efficiency, and reputation with consumers and communities.

## Waste Generated

We employ a cradle-to-cradle approach to waste management, ensuring all waste is either reused, recycled or disposed. Waste is tracked from source, segregated, and transported to approved recycling facilities or third-party vendors for reuse.

During the year, the total waste generated across all locations was 1,313 metric tonnes of material waste. The breakdown by site and waste type is as follows:

Breakdown of waste generated per location (metric tons)		
	2025	2024
Agbara	765	1,189
Oregon	5488	676
<b>Total</b>	<b>1,313</b>	<b>1,865</b>

## Breakdown of waste generated per location and waste types(kg)

	2025		2024	
	Agbara (kg)	Oregon (kg)	Agbara (kg)	Oregon (kg)
Plastic	262,650	19,275	305120	22179
Cardboard	179,210	17,974	159550	16454
Wood	108,540	198,935	136940	156950
Paper	8,900	20,551	13780	42861
Other Waste	154,530	1,123	570948	18525
Drums	8,520	288,079	2670	418752
Metal	43,030	1,257	0	80
<b>Total</b>	<b>765,380</b>	<b>547,194</b>	<b>1,189,008</b>	<b>675,801</b>

## Waste Disposal, and Recycling

We do not run our own recycling facilities. Instead, we send waste to reputable third-party recyclers and reuse partners for proper treatment, recycling, and recovery. These providers ensure recyclable materials are processed correctly and, when possible, reintroduced into the value chain. We conduct periodic site visits and verify that all recyclers and reuse partners are government-registered to ensure environmental compliance and responsible waste

handling. For waste streams requiring formal disposal, such as medical waste, we work with the Lagos Waste Management Authority (LAWMA), an accredited government agency responsible for waste collection in Lagos State. LAWMA undergoes regular audits and provides official documentation to confirm compliance with government and environmental standards.

#### Breakdown of waste by category (metric tons)

	2025		2024	
	Agbara	Oregun	Agbara	Oregun
Recycled	248	118	262	294
Reused	517	429	927	382
Disposed	0	1	0	1
<b>Total</b>	<b>765.38</b>	<b>548</b>	<b>1,189</b>	<b>671</b>

## Compliance with Waste-Related Regulations

We maintained full compliance with all waste management-related regulatory requirements for National Environmental Standards and Regulations Enforcement Agency (NESREA), Lagos State Environmental Protection Agency (LASEPA), at both Agbara and Oregun sites. There were no recorded incidents of non-compliance, fines, or penalties associated with waste management. As a result, no corrective actions were necessary, reflecting our ongoing commitment to regulatory excellence and responsible operations.

## Waste Reduction Initiatives and Targets

We continue to drive robust waste reduction programmes across all operational sites. In both Agbara and Oregun, waste is tracked from the point of generation, with machine-related issues promptly addressed, and defective materials returned to suppliers. Employees receive regular training on waste management, and there is zero tolerance for single-use plastics on site.

Key initiatives include the digitalisation of paper-based processes, replacing traditional paper use with digital tools, and preventive machine maintenance is also prioritised to minimise waste generation. As of 2025, these efforts have resulted in significant progress, with Agbara achieving 84% and Oregun 85% of their waste reduced.

#### Waste Reduction



# Energy Management

Energy is a critical input across Unilever Nigeria’s manufacturing operations, directly influencing production efficiency, operating costs, and greenhouse gas emissions. As an energy-intensive consumer goods manufacturer, how we source and use energy affects both our environmental footprint and financial performance.

We continue to improve our energy efficiency across our operations, guided by our target of achieving a 2–3% year-on-year (YoY) reduction in energy consumption. During the reporting year, we intensified our focus on energy conservation by deploying targeted efficiency initiatives that both reduce operational costs and contribute to climate resilience. We also implemented several practical measures across our manufacturing sites, including Air leaks are eliminated, Motion sensor installations, Stopping idling conveyors, Lighting optimisation.

## Energy Consumption Goal

# 2–3%

Year-on-year (YoY) reduction in energy consumption

## Energy Consumption within the Organisation

In 2025, our total energy consumption across our two manufacturing locations (Agbara and Oregun) amounted to 95,159 GJ. Energy consumption is predominantly from natural gas, with additional contributions from diesel and grid electricity.

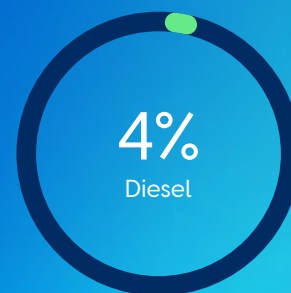
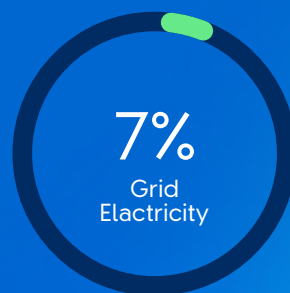
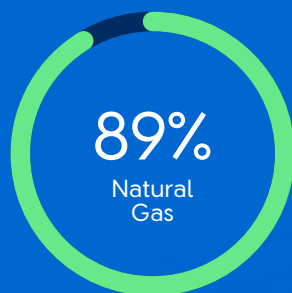
Total Energy Consumption (GJ) per Location				
Location	2025		2024	
	Total Energy Consumption (GJ)	Percentage of Total	Total Energy Consumption (GJ)	Percentage of Total
Agbara	86,207	91%	90,119	90%
Oregun	8,952	9%	9,989	10%
<b>Total</b>	<b>95,159</b>	<b>100%</b>	<b>100,108</b>	<b>100%</b>

Total Energy Consumption (GJ) by Source						
Source	2025			2024		
	Agbara	Oregon	Total 2025 Consumption (GJ)	Agbara	Oregon	Total 2024 Consumption (GJ)
Natural Gas	85,025	0	85,026	82,578	0	82,578
Diesel	57	3,519	3,576	442	4,325	4,766
Electricity (grid)	1,125	5,433	6,557	7,099	5,665	12,764
<b>Total</b>	<b>86,207</b>	<b>8,952</b>	<b>95,159</b>	<b>90,119</b>	<b>9,990</b>	<b>100,108</b>

Natural gas continues to dominate the energy mix, representing 89% of total energy use, underscoring the importance of cleaner combustion fuels in our operations, followed by grid electricity (7%) and diesel (4%). While no

renewable energy projects were commissioned during the year, grid electricity supplied to Oregon contained a minor share of renewable content using a hydro power plant.

Energy Consumption (GJ) by Source





# Our People

Every success begins with people. Behind every thriving business and resilient community are individuals whose talents, ambitions, and well-being shape the future.

We invest in our workforce and the communities we touch, empowering small-scale retailers to build sustainable livelihoods, opening doors for youth through meaningful employment, and ensuring that every employee can work in a safe, healthy, and supportive environment. By embracing diversity, inclusion, and equity, we are not just shaping careers; we are shaping lives.

## Employee Health and Safety

At Unilever, safeguarding the well-being of our people is central to how we operate. We believe that every employee, contractor, and partner deserves to return home safe and healthy at the end of each day. Through onsite clinics, comprehensive health insurance, and dedicated occupational health services, we ensure that access to quality healthcare is readily available across our sites, while upholding strict confidentiality and data privacy standards for every worker.

When incidents do occur, we take them seriously. In 2025, a single work-related incident (medically treated case) was reported at our Oregon site. This was promptly investigated using our incident investigation tool (SHEnet), ensuring that lessons learnt were shared across all sites to prevent recurrence. We believe that transparency in such cases strengthens trust and accountability, while reaffirming our safety-first culture.

Our medical team not only provides clinical care but also supports workplace wellness campaigns and safety awareness drives, including World Safety Day, World Environment Day, and targeted campaigns like "Hand in Machine." These initiatives reinforce our belief that safety is everyone's responsibility. In ensuring equal access, our occupational health services apply a strict non-discrimination policy, where workers' health-related information is never used for favourable or unfavourable treatment.

The following data illustrates the scope and impact of our employee health and safety efforts



## Occupational Safety Performance Overview

The following data illustrates the scope and impact of our employee health and safety effort

Work-Related Injuries by Location						
Indicators	2025			2024		
	Agbara	Oregun	Total	Agbara	Oregun	Total
Fatalities – Employees	0	0	0	0	0	0
Fatalities – Contractors	0	0	0	0	0	0
Lost-Time Injuries Frequency Rate (LTIFR) – Employees	0	0	0	0	0	0
Lost-Time Injuries Frequency Rate (LTIFR) – Contractors	0	0	0	0	0	0
Occupational Illness Frequency Rate (OIFR) - Employees	0	0	0	0	0	0
Occupational Illness Frequency Rate (OIFR) - Contractors	0	0	0	0	0	0
Accident rate: Total Recordable Frequency Rate (TRFR) per 1,000,000 hours worked - Employee	0	0	0	0	0	0
Accident rate: Total Recordable Frequency Rate (TRFR) per 1,000,000 hours worked - Contractors	0	1.80	0.46	0	0	0
Medically treated case (MTC)	0	1	1	0	0	0

## HSE Training

283

Training courses were delivered across the organisation.

HSE Training activities						
Training category	2025			2024		
	Oregun	Agbara	Total	Oregun	Agbara	Total
Total number of physical classroom training	129	89	218	43	94	137
Total number of Virtual (Online) training	60	5	65	5	5	10
Total Number of employees trained on HSE	271	235	506	137	608	745
Total number of hours of training	13,753	57,379	71,132	13,289	97,280	110,569
Average HSE training hours per employee	125.52	244.17	369.69	97	160	257
Cost of HSE training	₦8,150,525	₦3,171,875	₦11,322,400	₦4,500,279	₦11,868,750	₦16,369,029

Across our locations in Oregun and Agbara, hazard and risk identification are part of routine safety processes like site risk assessments, inspections, audits, GEMBA walks, JSA, near-miss reporting, incident reviews, pre-task assessments, and change monitoring. When incidents happen, investigations use the SHE Net tool with methodologies like 5 Whys and root cause analysis to find causes and prevent recurrence. During the year, we prevented occupational health and safety risks through the application of Engineering controls, administrative controls, competency and training, PPE, process safety controls, contractors' management, emergency preparedness, monitoring, review, and continuous improvements.

Our performance in the year reflects our unwavering commitment to creating a workplace where safety is embedded in every action and every decision. While we recorded strong outcomes in risk prevention, training, and health service accessibility, we remain focused on continuous improvement, strengthening our systems, deepening our safety culture, and ensuring that every individual who works with us is protected, supported, and empowered to thrive.

# Employee Practices

Employment Practices encompass everything that touches the lives of our workforce, from fostering a diverse and inclusive culture to developing talent and empowering young people entering the workforce. Our commitment has been to create an environment where everyone, regardless of gender, age, ability, or background, can thrive, contribute meaningfully, and grow their careers with us.

**Our 2025 Employment Practices strategy focuses on four key pillars:**

## People

Ensuring a motivated, engaged, and fairly treated workforce.

## Diversity & Inclusion

Building gender-balanced, multi-generational, and inclusive teams across all levels.

## Culture & Talent Development

Providing learning opportunities, career growth programs, and performance management for continuous improvement.

## Youth Employment

Supporting young talent with internships, entry-level roles, and career transition programs.

**Our policies include Parental Leave, Agile & Flexible Working, Maternity & Paternity Support, and Diversity & Inclusion frameworks to guide every action and decision. The following data illustrates the scope and impact of our employment practices effort:**



## Workforce Overview

Employee Category by gender						
Category	2025			2024		
	Permanent Employees	Temporary Employees	Expatriates	Permanent Employees	Temporary Employees	Expatriates
Female	95	54	0	109	29	0
Male	400	490	3	492	372	3
<b>Total</b>	<b>495</b>	<b>544</b>	<b>3</b>	<b>601</b>	<b>401</b>	<b>3</b>

Employee Category by Location						
Category	2025			2024		
	Permanent Employees	Temporary Employees	Expatriates	Permanent Employees	Temporary Employees	Expatriates
Oregun (Inclusive of Head-Office)	260	157	3	289	154	3
Agbara	235	387	0	312	247	0
<b>Total</b>	<b>495</b>	<b>544</b>	<b>3</b>	<b>601</b>	<b>401</b>	<b>3</b>



Employee Category by Age Group						
Category	2025			2024		
	Permanent Employees	Temporary Employees	Expatriates	Permanent Employees	Temporary Employees	Expatriates
Age 18-29	28	48	0	31		0
Age 30-49	388	473	2	483		1
Age 50+	79	23	1	87		2
<b>Total</b>	<b>495</b>	<b>544</b>	<b>3</b>	<b>601</b>	<b>401</b>	<b>3</b>

Board Category by gender		
	2025	2024
Female	3	4
Male	7	7
<b>Total</b>	<b>10</b>	<b>11</b>

Board Category by Age group		
	2025	2024
Age 18-29	0	0
Age 30-49	4	3
Age 50+	6	8
<b>Total</b>	<b>10</b>	<b>11</b>

Average Hours of training by gender		
Category	2025	
	Female	Male
Average training hours	123	3

Average Hours of training by employee category		
Category	2025	
	Permanent	Temporary
Average training hours	5	N/A

Employee Turnover			
Metric	2025		
	Female	Male	Total
New Starters	9	32	41
Leavers	25	34	59

Parental Leave	
	2025
Total number of employees who were entitled to parental leave	495
Total number of employees who took parental leave	6
Total number of employees who returned to work in the reporting period after parental leave ended	6
Total number of employees who returned to work after parental leave ended, who were still employed 12 months after their return to work	6

We monitor age, gender, disability, and other indicators to ensure fair representation. Gender pay parity is maintained across all employee categories, and there were no discrimination claims or legal actions relating to employment practices.

Full-time employees enjoy comprehensive benefits that differ from temporary staff, including health coverage, retirement contributions, and career development programs. Temporary staff, employed via third-party agencies, receive benefits per agency policy. To support our dedication to upskilling our employees, we implement structured learning and development programs, which include technical training, leadership development initiatives, digital skill training, on-the-job coaching, sustainability training, etc

In 2025, our performance reflects steady progress across employment practices. With a workforce of over 1,000 employees, diverse leadership representation, strong engagement, and proactive talent development, we continue to embed inclusion, growth, and opportunity into every facet of our operations. By prioritising fair treatment, skill development, and youth employment, we reinforce our commitment to people as the foundation of sustainable growth.

# Our Society

**We are committed to earning and maintaining trust with customers and communities through responsible products and practices.**

# Product Labelling & Marketing

Product labelling and marketing are fundamental to how we build trust with consumers and delivers value responsibly. As a consumer goods company whose products are used daily in millions of homes, transparent labelling and responsible marketing practices enable consumers to make informed choices about product use, safety, nutrition, and sustainability.

Our approach to product labelling and marketing is anchored on accuracy, transparency, regulatory compliance, and ethical communication. All product labels and marketing materials are developed in line with applicable Nigerian regulations, including requirements set by regulatory bodies such as the National Agency for Food and Drug Administration and Control (NAFDAC), as well as our global marketing and communication standards.

In 2025, we ensured that all products, including new pack sizes and reformulated items, were submitted to NAFDAC for approval to maintain compliance with relevant health and nutrition regulations. We also achieved full compliance with local labelling regulations across all products, confirmed through regular audits, and there were zero incidents of non-compliance with labelling or marketing codes, resulting in no monetary losses. We continued to promote health and nutrition by using transparent packaging and clear allergy indications, with brands such as Knorr and Royco featuring beneficial nutrient statements.

# Human Rights

Respect for people and dignity supports how we operate across our workforce, supply chain, and communities. Our business activities span sourcing, manufacturing, distribution, and consumer engagement, which means our responsibility extends beyond our own employees to suppliers, contractors, distributors, and the communities impacted by our operations. Managing human rights responsibly supports ethical business conduct, strengthens stakeholder trust, and contributes to long-term value creation.

Our human rights approach focuses on fair and equitable treatment of workers, safe and healthy workplaces, and the early identification of potential risks across our operations and value chain. We continue to strengthen internal capacity through targeted training, enhance supplier engagement and assessment processes, and maintain clear, accessible mechanisms for reporting and resolving grievances. Our long-term objective remains zero tolerance for human rights violations, supported by the progressive integration of human rights due diligence into everyday business practices.

Human rights principles are anchored in globally recognised frameworks, including the UN Guiding Principles on Business and Human Rights, the Universal Declaration of Human Rights, the International Labour Organisation's Declaration on Fundamental Principles and Rights at Work, and the OECD Guidelines for Multinational Enterprises, among others. Where national law and international standards differ, the higher standard is followed; if they conflict, compliance with national law is maintained while seeking to respect international human rights as far as possible.

During the year, we conducted comprehensive human rights due diligence and reported no incidents involving violations of the rights of indigenous peoples during the reporting period, reflecting the effectiveness of our ongoing efforts to uphold these standards.

# Product Quality and Safety

Product quality and safety mean consistently delivering products that consumers can trust to be safe and effective every time they are used. Given the scale of our brands and their everyday presence in Nigerian households, any lapse in quality or safety could have immediate consequences for consumer confidence, regulatory standing, and business continuity.

Product Quality and Safety Performance		
	2025	2024
% Products that underwent quality checks	100%	100%
Facilities that underwent audit using Global Food Safety Initiative (GFSI) - FSSC 22000 surveillance audit	1	1
% of Tier 1 ingredients sourced from GFSI-certified suppliers	75%	36%

Operational processes are managed through scientific tools such as Safety Data Sheets (SDS), Preliminary Hazard Assessments (PHA), Hazard Analysis Critical Control Point (HACCP), and Hazard and Operability Studies (HAZOP), complemented by governance mechanisms including Technical Risk Assessments (TRA) and Holistic Business Risk Assessments (BRA) to ensure continuous improvement in product safety and quality. In addition, none of our products were recalled due to food safety concerns.

# Sustainable Livelihood

Sustainable livelihoods are about expanding economic opportunities and improving income security for small-scale farmers and retailers, particularly in rural communities. Our focus is on enabling farmers to earn a dignified and stable living by improving access to skills, finance, technology, and structured economic opportunities, even where activities do not directly form part of our core supply chain.

Our impact extends beyond the products we sell, reaching into the communities where we operate and the local economies that grow alongside us. We focused on embedding Nigerian farmers, suppliers, and entrepreneurs deeper into our value chain (by sourcing over 60% of our raw materials locally), while maintaining global quality and safety standards. We engaged over 10,000 farmers through various initiatives such as localisation of agro-spices (e.g., onion powder) and our cassava sorbitol initiative. In addition, all our flexible packaging materials are now 100% locally sourced.



# Our Responsibility

**We conduct our business in line with the highest standards of integrity and compliance, ensuring our operations meet legal requirements and reinforce accountability.**

# Business Ethics

We are dedicated to maintaining exemplary ethical standards, recognising that true business integrity is a dynamic process of continual advancement, shaped by global best practices and local regulations.

Our commitment to ethical conduct is embedded throughout the organisation. Every member of our team, from leadership to frontline staff, is entrusted with upholding our Code of Business Principles and Code Policies. This code guides our actions across diverse business areas and ensures our operations remain transparent, responsible, and compliant with Nigerian law.

## Risk Assessment

# 100%

Of our operations were assessed for risks related to corruption.

## Our approach to business integrity is structured around three core pillars:

### Prevention

We proactively foster ethical awareness through regular risk assessments, robust policy frameworks, and continuous learning initiatives, embedding integrity into every facet of our operations.

### Detection

We maintain vigilant oversight by providing accessible channels for reporting concerns, conducting thorough compliance reviews, and undertaking targeted audits to identify and address potential issues.

### Response

When breaches occur, we act decisively, investigating incidents, implementing remediation measures, and refining our processes to prevent recurrence. This commitment to accountability drives ongoing improvement and strengthens our ethical culture.

The Business Integrity Officer (BIO) leads investigations into potential policy violations, ensuring all concerns are handled with care, fairness, and confidentiality. Oversight and strategic guidance are provided by the Business Integrity Committee (BIC), a group made up of senior management and key functional leaders. The Committee meets at least quarterly, and more often if needed, to discuss ongoing cases and address new issues.

We have ensured that our anti-corruption policies and procedures have been communicated to all our stakeholders. This includes 100% of our Board members, 100% of our employees, and 100% of our business partners. Anti-bribery and corruption clauses are a regular part of our third-party contracts, further embedding our expectations of ethical behaviour within our wider network.

Number of cases/ incidents recorded via Unilever Nigeria's reporting channels and breakdown by area, such as:	2025	2024
Physical and Financial assets and IP	1	0
Respect, dignity and fair treatment	2	0
Accurate Records, reporting and accounting	2	3
Occupational Health and Safety	0	0
Non-code related matters	1	2
Conflict of Interest	3	0
Living the code	1	1
Anti-bribery	0	0

## Compliance Monitoring and Speak Up

We maintain a strict zero-tolerance policy towards any form of discrimination or harassment. To support this commitment, we operate a dedicated Speak-Up hotline, available 24/7, which provides a secure and confidential channel for employees, vendors, customers, partners, and all external stakeholders to raise concerns. The whistleblowing hotline ensures the anonymity and protection of all whistleblowers.

Every report received is treated with the utmost seriousness. The Business Integrity Officer conducts prompt and thorough investigations, drawing on expertise from relevant operational units as necessary. Upon conclusion of each investigation, a formal report is submitted to the Business Integrity Committee, which reviews the findings and determines appropriate recommendations or remedial actions.

Incident	2025	2024
Number of Business Integrity Cases (Speak Up) - reported	9	4
Number of Business Integrity Cases (Speak Up) - resolved	9	4



# Registration, Licensing and Permitting Systems

Effective management of registrations, licences, and permits enables Unilever Nigeria to operate lawfully, protect stakeholder trust, and sustain uninterrupted business operations. These regulatory requirements govern how we manufacture, distribute, and market our products and are integral to maintaining operational continuity and regulatory confidence.

Our approach is anchored on strong governance systems, proactive regulatory monitoring, and continuous engagement with relevant authorities to ensure alignment with Nigerian laws and applicable international standards. Compliance with applicable laws and regulations is supported by established governance policies, including adherence to regulatory requirements such as the SEC Code of Corporate Governance and NGX sustainability-related obligations, as disclosed in the Directors' Report in the Annual Report.

During the reporting period, there were no significant instances of non-compliance with applicable laws or regulations across our operations. No fines, penalties, prosecutions, or non-monetary sanctions were incurred, including those relating to environmental or operational permits, and we actively manage regulatory compliance through a structured permits and licences framework. In the year, 24 permits and licences were applicable and in place. This approach supports continued compliance with environmental and operational regulatory requirements.



# Our Purpose

**Our global Unilever Sustainability priorities reflect how we engage with our value chain and develop our products, making sure they are created, sourced, and delivered in ways that promote sustainable living and generate long-term value for people and the planet.**

# Packaging Lifecycle Management

Project lifecycle management remains central to how we design, produce, deliver, and reclaim value across our packaging footprint. As consumers, regulators, and partners increasingly expect responsible product stewardship, Unilever approaches packaging decisions through a complete lifecycle lens from sourcing raw materials to the design of recyclable formats and end-of-life recovery pathways. This approach ensures that every stage of the value chain contributes to a more circular system, reduces environmental burdens, and strengthens brand trust.

To drive consistency and measurable progress, we anchor our strategy on increasing the share of recycled or renewable materials in our packaging and expanding the overall recyclability and reusability of our portfolio. This strategy is supported by recognised verification tools, including ISO 14021, which guides the classification and validation of packaging materials. We also pursue backward integration and localised material sourcing to reduce environmental impact along the supply chain. These actions are reinforced by formal sustainability targets covering packaging weight, circularity performance, and the expansion of materials that meet recyclability standards. High manufacturing standards ensure that increased recycled content does not compromise durability, consumer expectations, or regulatory compliance.

During the reporting period, we tracked packaging performance across the full lifecycle by monitoring the total weight of packaging material used, the units of products sold, and the weight of products sold. In total, 5,126 metric tonnes of packaging materials were used, including 2,327 metric tonnes of paper and 2,799 metric tonnes of plastic. These materials supported the production and distribution of 410.8 million units of finished products weighing 49,296 metric tonnes, with 67% of all packaging designed to be recyclable, reusable, or compostable (100% of paper is recyclable and 38% of plastics is recyclable).





## Environmental & Social Impacts of Ingredient Supply Chain

The sourcing of raw and processed ingredients used in Unilever Nigeria's products has environmental and social implications that extend beyond our direct operations. These impacts can arise across upstream agricultural production, processing, and supplier activities, influencing land use, water resources, labour conditions, and community wellbeing.

Environmental risks from ingredient sourcing include deforestation, soil degradation, water stress, and greenhouse emissions, especially in regions with fragile ecosystems or limited oversight. Social risks involve poor working conditions, weak labor protections, and human rights issues in supply chains. If unmanaged, these risks could cause supply disruptions, regulatory issues, reputation damage, and higher costs. We manage these risks with a risk-based approach, assessing Tier 1 suppliers and water-use practices through strategic sourcing and WRI Aqueduct water-risk data.

During the reporting period, no food ingredients (by cost) were sourced from high-water-stress regions, while approximately 10% of agricultural inputs originated from regions with unknown or unverified water risk data. These areas are prioritised for enhanced supplier engagement and data validation. Environmental and social risks, including climate-related seasonality, are managed through forward buying, supplier monitoring, and audit processes, with findings integrated into sourcing and risk management decisions.

We promote responsible sourcing by prioritising ingredients that meet recognised third-party environmental and social certification standards. During the reporting period, 100% of Tier 1 food ingredients were certified under schemes like sustainable agriculture, forest protection, labour rights, and child labour prevention. Through our responsible partnership policy, we ensure that partners are ethically compliant with laws as part of the onboarding process.

#### Local vs International Procurement

Indicator	2025	2024
Percentage of suppliers sourced locally	67%	56%
Percentage of suppliers sourced outside Nigeria	33%	44%





# Our Brands and Social Impact

At Unilever Nigeria, we recognise that success is defined not only by commercial performance but by the positive difference we make in people's lives.

Sustainability is at the heart of our operations; **strengthening livelihoods, empowering communities,** and **advancing a circular economy** through inclusive business models.

As we move forward, we are committed to transforming with transparency and delivering impact.

# Closeup

In 2025, Closeup retained its position as the market leader. The brand introduced the Closer Is Better campaign, designed to spark culturally relevant conversations with its target audience and the average Nigerian consumer.

Through this campaign, Closeup reinforced its core positioning around connection, confidence, and closeness. It provided the brand with an opportunity to engage in activities and events that seamlessly integrated social experiences with consumer interaction, strengthening its presence and relevance in everyday life.

The campaign was executed in multiple phases to cater to diverse consumer needs and touchpoints.



## 1 Social-First Approach

As part of this strategy, Closeup onboarded 34 influencers from across the country to serve as brand ambassadors and amplify the campaign message. Their primary objective was to convey the campaign's core theme effectively.

This initiative achieved remarkable results, generating over 100 million impressions and 3 million engagements, significantly boosting brand visibility and consumer interaction.

## 2 Media Deployment

Radio and OOH assets were updated and rolled out in five languages: English, Yoruba, Igbo, Pidgin, and Hausa across multiple radio stations and consumer touchpoints to strengthen brand awareness.

## 3 Consumer Engagements - Key Strategic Activities

Throughout the year, Closeup executed several initiatives to reinforce the Closer Is Better campaign message:

## 4 Closer Is Better Party

A unique event in Owerri that brought together 25 couples in the 'talking stage' to celebrate intimacy and genuine connection.



## 5 Strategic Partnerships

Closeup collaborated with notable institutions and cultural events, including the University of Lagos Carnival, BFF Festival (celebrating friendship, diversity, and boldness), Aproko Nation Fiesta, Mavin's Campus Tour, and Cruise Festival, among others.

## 6 Celebrating Local Culture

The brand partnered with the people of Onitsha to honour the Ofala Festival, reinforcing cultural relevance.

## 7 Entertainment Integration

Closeup tapped into the year's trending YouTube movie to amplify the campaign message and connect with pop culture. These consumer-centric and culturally grounded initiatives helped Closeup maintain its leadership position while strengthening its identity as a brand that champions not only oral hygiene but also emotional confidence and social spaces where closeness thrives.







# Rexona

Rexona is the world's No. 1 deodorant brand, pioneering the category globally and setting the standard for sweat and odour protection. Our scientifically designed products deliver expert performance, empowering people everywhere to face life's unpredictable moments with confidence. This is all because with Rexona, we believe sweat and odour should never hold you back.

In Nigeria, Rexona stands out with a diverse portfolio of locally produced roll-ons and aerosols tailored to meet consumer needs. Our key variants include **Rexona Shower Fresh 50ml**, **Bright Bouquet 50ml**, **Sport Defence 50ml**, and **Xtra Cool 50ml**, each crafted to keep Nigerians fresh, no matter the occasion.

Rexona made 2025 a year of action, leading a nationwide push to make deodorant usage a daily habit. Through impactful BTL activations and Social First marketing, we connected with consumers where it matters most:

- **Rexona Schools Sampling Program:** Engaging secondary schools and universities across Nigeria.
- **'Stay Fresh, Get Detty' Campaign:** Bringing freshness to December festivities and passion points.
- **Influencer Partnerships:** Creating localized content to educate and inspire daily deodorant use.



# Vaseline - Expanding Horizons with Multi-Benefit Skincare

With over 150 years of heritage and deep trust in Nigeria, Vaseline continues to lead in skin healing and restoration. Our belief is simple yet powerful: Healthy skin should never be out of reach. We earn trust through truth, support agencies without taking credit for it, and believe skincare should go deeper than the surface, enabling self-care that is true to our consumers.

In 2025, Vaseline took a bold step forward with the strategic launch of a new body lotion range, marking a major milestone in our ambition to grow through portfolio expansion and offer consumers more than great moisturisation. Introduced in October, the range includes six variants designed to meet diverse skin needs: Even Tone, Cocoa Glow, Aloe Soothe, Dry Skin Repair, Advanced Repair, and Men Extra Hydration.



This launch positions Vaseline as a trusted multi-benefit skincare solution for Nigerian consumers. While lotions were previously available through non-Unilever channels, 2025 marked the start of consistent supply, strong in-store visibility, and consumer communication fully driven by Unilever Nigeria. All variants have been registered with NAFDAC, reinforcing our commitment to brand protection and winning against counterfeits.

Building on this momentum, we aim to accelerate Vaseline's growth even further through new innovations that expand our portfolio and deliver more benefits to Nigerian consumers. This commitment positions Vaseline as a multi-benefit, multi-format brand, driving relevance across diverse consumer needs and reinforcing its role as a Power Brand in Unilever's portfolio.



# Pepsodent

**Pepsodent provides complete family protection and encourages everyone to brush twice a day to avoid cavities and oral care problems.**

2,700,885 pupils in 4,028 schools across Lagos, Abuja, Kano, Imo, Enugu, Edo, Oyo, Niger, Plateau & Onitsha were reached during the Pepsodent Schools Program in 2025. 11,000,000 + children have been reached since the initiative's commencement.

Pepsodent celebrated World Oral Health Day in 2025, reaching 350,000 Nigerians with oral health education, sampling, oral screening, and treatment.

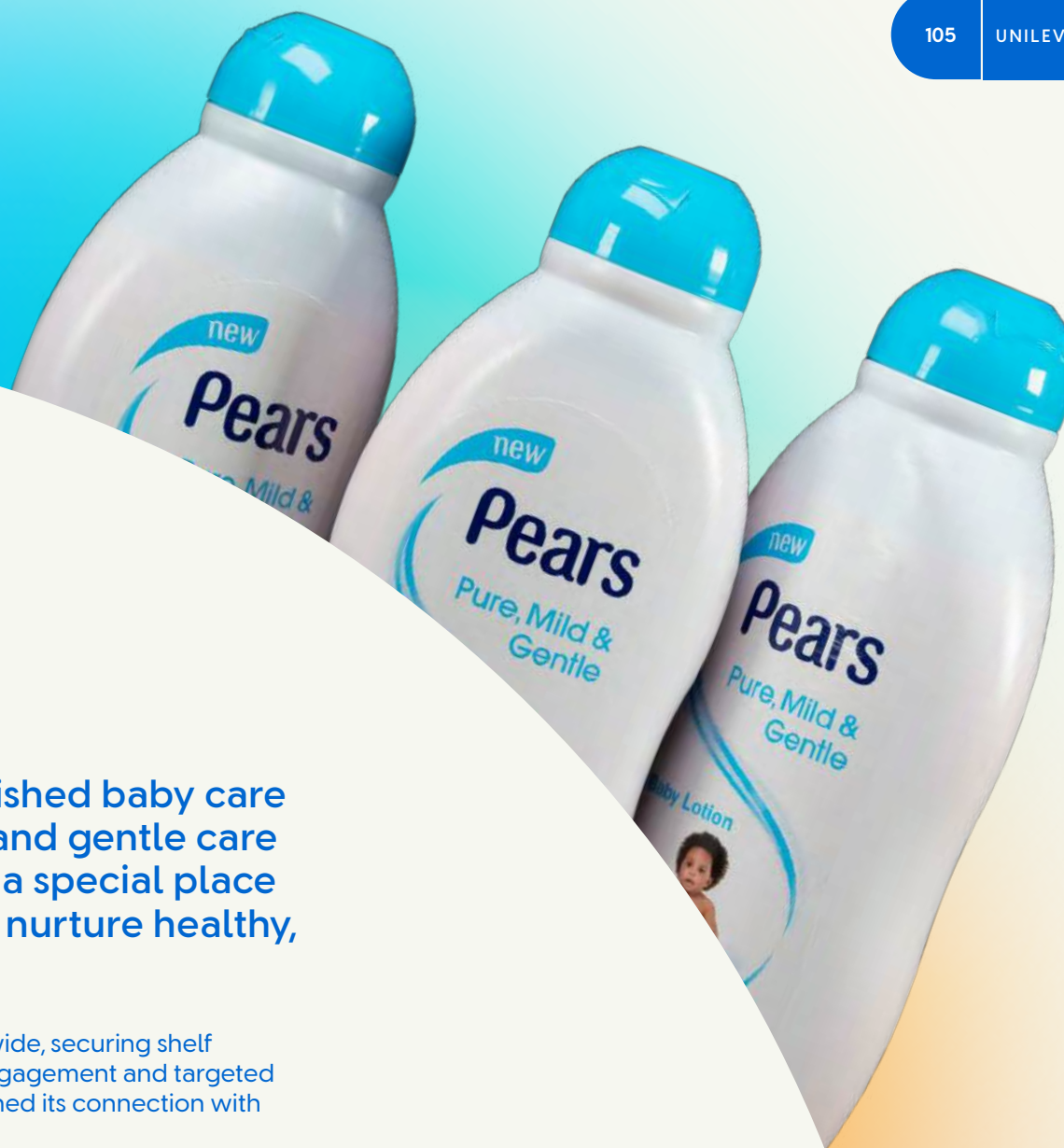


## Pears - A Trusted Local Jewel for Generations

Pears remains one of Nigeria's most cherished baby care brands, built on a promise of pure, mild, and gentle care for delicate skin. For decades, it has held a special place in Nigerian homes, trusted by mothers to nurture healthy, happy babies.

Our focus was on maintaining strong product availability nationwide, securing shelf visibility, and delivering tactical support through social media engagement and targeted partnerships. These actions reinforced Pears' heritage and sustained its connection with families who value safe, gentle care.

As we look ahead, Pears remains a cornerstone of our local portfolio, a brand with deep emotional resonance and historical strength. By safeguarding its presence and nurturing consumer trust, we continue to unlock value for Nigerian families and our business.



# Appendix

# IFRS S1 and S2

Pillar	Paragraph S1; S2	Requirement	Disclosure Section	Page Number
<b>Governance</b>	27; 6	(a) The governance body(s) (which can include a board, committee or equivalent body charged with governance) or individual(s) responsible for oversight of sustainability and climate-related risks and opportunities	Our Governance Framework	26 - 31
		(b) Management's role in the governance processes, controls and procedures used to monitor, manage and oversee sustainability and climate-related risks and opportunities	Our Governance Framework	26 - 31
<b>Strategy</b>	29; 9	(a) The sustainability and climate-related risks and opportunities that could reasonably be expected to affect the entity's prospects.	Strategy	36 - 59
		(b) The current and anticipated effects of those sustainability and climate-related risks and opportunities on the entity's business model and value chain	Strategy	36 - 59
		(c) The effects of those sustainability and climate-related risks and opportunities on the entity's strategy and decision-making	Strategy	36 - 59
		(d) The effects of those sustainability and climate-related risks and opportunities on the entity's financial position, financial performance and cash flows for the reporting period, and their anticipated effects on the entity's financial position, financial performance and cash flows over the short, medium and long term, taking into consideration how those sustainability-related risks and opportunities have been factored into the entity's financial planning	Strategy	36 - 59
		(e) The resilience of the entity's strategy and its business model to those sustainability and climate-related risks	Our Climate Resilience	50

Pillar	Paragraph S1; S2	Requirement	Disclosure Section	Page Number
<b>Risk Management</b>	44; 25	(a) The processes and related policies the entity uses to identify, assess, prioritise, and monitor sustainability and climate-related risks	Risk Management	32
		(b) The processes the entity uses to identify, assess, prioritise, and monitor sustainability and climate-related opportunities; and	Risk Management	32
		(c) The extent to which, and how, the processes for identifying, assessing, prioritising, and monitoring sustainability and climate-related risks and opportunities are integrated into and inform the entity's overall Enterprise Risk Management Policy.	Risk Management	32
<b>Metrics and Target</b>	46; 28	(a) metrics required by an applicable IFRS Sustainability Disclosure Standard; an	Our Planet, Our People, Our Society, Our Responsibility, Our Purpose	62 74 82 86 90
		(b) metrics the entity uses to measure and monitor sustainability-related risk or opportunity; and its performance in relation to that sustainability and climate-related risk or opportunity, including progress towards any targets the entity has set, and any targets it is required to meet by law or regulation	Our Planet, Our People, Our Society, Our Responsibility, Our Purpose	62 74 82 86 90

# SASB Context

Topic	Metric	Code Number	Disclosure Section	Page number
<b>Water Management</b>	(1) Total water withdrawn, (2) total water consumed; percentage of each in regions with High or Extremely High Baseline Water Stress	CG-HP-140a.1	Water Management	68
	Description of water management risks and discussion of strategies and practices to mitigate those risks	CG-HP-140a.2	Water Management	68
<b>Food Safety</b>	Global Food Safety Initiative (GFSI) audit (1) non-conformance rates and (2) associated corrective action rates for (a) major and (b) minor non-conformances	FB-PF-250a.1	Not Available	-
	Percentage of ingredients sourced from Tier 1 supplier facilities certified to a Global Food Safety Initiative (GFSI) recognised food safety certification programme	FB-PF-250a.2	Product Quality and Safety	84
	1) Total number of notices of food safety violation received, (2) percentage corrected	FB-PF-250a.3	Not Available	-
	1) Number of recalls issued and (2) total amount of food product recalled 1	FB-PF-250a.4	Product Quality and Safety	84
<b>Energy Management</b>	(1) Total energy consumed, (2) percentage grid electricity and (3) percentage renewable	FB-PF-130a.1	Energy Management	72
<b>Health &amp; Nutrition</b>	Revenue from products labelled or marketed to promote health and nutrition attributes	FB-PF-260a.1	Not Available	-
	Discussion of the process to identify and manage products and ingredients related to nutritional and health concerns among consumers	FB-PF-260a.2	Product labelling and marketing	83

Topic	Metric	Code Number	Disclosure Section	Page number
<b>Packaging Lifecycle Management</b>	(1) Total weight of packaging, (2) percentage made from recycled or renewable materials, and (3) percentage that is recyclable, reusable, or compostable	FB-PF-410a.1	Packaging Lifecycle Management	83
	Discussion of strategies to reduce the environmental impact of packaging throughout its lifecycle	FB-PF-410a.2	Packaging Lifecycle Management	83
<b>Environmental &amp; Social Impacts of Ingredient Supply Chain</b>	Percentage of food ingredients sourced that are certified to third-party environmental or social standards, and percentages by standard	FB-PF-430a.1	Environmental & Social Impacts of Ingredient Supply Chain	92
	Suppliers' social and environmental responsibility audit (1) non-conformance rate and (2) associated corrective action rate for (a) major and (b) minor non-conformances	FB-PF-430a.2	Not Available	-
<b>Ingredient Sourcing</b>	Percentage of food ingredients sourced from regions with High or Extremely High Baseline Water Stress	FB-PF-440a.1	Environmental & Social Impacts of Ingredient Supply Chain	92
	List of priority food ingredients and discussion of sourcing risks related to environmental and social considerations	FB-PF-440a.2	Not Available	-
<b>Product labelling and marketing</b>	Percentage of advertising impressions made on: (1) children and (2) children promoting products that meet dietary guidelines	FB-PF-270a.1	Not Available	-
	Revenue from products labelled as: (1) containing genetically modified organisms (GMOs) and (2) non-GMO	FB-PF-270a.2	Not Available	-
	Number of incidents of non-compliance with industry or regulatory labelling or marketing code	FB-PF-270a.3	Product labelling and marketing	83
	Total amount of monetary losses because of legal proceedings associated with labelling or marketing practices	FB-PF-270a.4	Product labelling and marketing	83

# GRI Context Index

No	Disclosure	Location	Page Number
<b>General Disclosures</b>			
2-1	Organisational details	Reporting Entity	12
2-2	Entities included in the organisation's sustainability report	Reporting Entity	12
2-3	Reporting period, frequency, and contact point	Executive Summary	9
2-4	Restatements of information	Not Applicable	-
2-5	External Assurance	Not Available	-
2-6	Activities, value chain, and other business relationships	Climate Risk Assessment	41
2-7	Employees	Employment Practice	78
2-8	Workers who are not employees	Not Applicable	-
<b>Governance</b>			
2-9	Governance structure and composition	Governance Framework	26
2-10	Nomination and selection of the highest governance body	Governance Framework	26
2-11	Chair of the highest governance body	Governance Framework	26
2-12	Role of the highest governance body in overseeing the management of impacts	Management Oversight	30
2-13	Delegation of responsibility for managing impacts	Management Oversight	30

Topic	GRI Standard	Location	Page Number
<b>Governance</b>			
2-14	Role of the highest governance body in sustainability reporting	Management Oversight	30
2-15	Conflict of Interest	Code of Business Principles	29
2-16	Communication of critical concerns	Management Oversight	30
2-17	Collective knowledge of the highest governance body	Skills and Training	
2-18	Evaluation of the performance of the highest governance body	Unilever Nigeria PLC Board profile	31
2-19	Remuneration policies	Impact of Sustainability on the remuneration process	31
2-20	Process to determine remuneration	Impact of Sustainability on the remuneration process	31
2-21	Annual total Compensation ratio	Not Available	
<b>Strategy</b>			
2-22	Statement on Sustainable Development Strategy	Message from the Managing Director	7
2-23	Policy Commitments	Annual Financial Report	
2-24	Embedding Policy Commitment	Annual Financial Report	
2-25	Process to remediate negative impacts	Business Ethics, Code of Business Principles	87

Topic	GRI Standard	Location	Page Number
2-26	Mechanisms for seeking advice and raising concerns	Stakeholder Engagement	18
2-27	Compliance with laws and regulations	Business Ethics	87
<b>Stakeholder Engagement</b>			
2- 28	Membership Association	Annual Financial Report	-
2-29	Approach to stakeholder engagement	Stakeholder Engagement	18
2-30	Collective bargaining agreements	Stakeholder Engagement	18
<b>Biodiversity</b>			
304-1	Operational Sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas.	Biodiversity Impact	67
304-2	Significant impacts of activities, products, and services on biodiversity.	Biodiversity Impact	67
304-3	Habitats protected or restored	Biodiversity Impact	67
<b>Material Topics</b>			
3-1	Process to determine material topics	Our Approach to Materiality	15
3-2	List of material topics	Our Approach to Materiality	15

Topic	GRI Standard	Location	Page Number
<b>Materials</b>			
301-1	Total weight or volume of materials used to produce and package Unilever's primary products in 2025	Packaging Lifecycle Management	91
301-2	Total weight of recycled input material used in 2025 packaging (e.g., recycled plastics for packaging)	Packaging Lifecycle Management	91
301-3	Reclaimed products and their packaging materials	Not Applicable	-
<b>Energy</b>			
302-1	Energy consumption within the organisation	Energy Management	72
302-4	Reduction of energy consumption	Energy Management	72
<b>Supply Chain and Procurement</b>			
308	Supplier Environmental Assessment	Environmental & Social Impacts of Ingredient Supply Chain	92
414,204	Percentage of suppliers sourced locally	Environmental & Social Impacts of Ingredient Supply Chain	92
<b>Human Rights</b>			
403-7	Incidents of violations involving the rights of indigenous people	Human Rights	83

Topic	GRI Standard	Location	Page Number
<b>Ethics and Corporate Responsibility</b>			
205-1	Operations assessed for risks related to corruption	Business Ethics	87
205-2	Communication and training about anti-corruption policies and procedures	Business Ethics	87
205-3	Confirmed incidents of corruption and actions taken	Business Ethics	87
<b>Community Investment</b>			
413	Operations with the local community engagement, impact assessments, and development programs	Sustainability Strategy, Our Product, and Corporate Social Responsibility	37 & 94
203	Violations involving the rights of Indigenous Peoples and the indirect economic impact	Human right	83
<b>Diversity and Inclusion</b>			
405-1	Diversity of governance bodies and employees	Employment Practices	78
405-2	Ratio of basic salary and remuneration of women to men	Not Available	-
<b>Waste Management</b>			
306-1	Waste generation and significant waste-related impacts	Waste Management	70
306-2	Management of significant waste-related impacts	Waste Management	70
306-3	Waste generated	Waste Management	70

Topic	GRI Standard	Location	Page Number
306-4	Waste diverted from disposal	Waste Management	70
306-5	Waste directed to disposal	Waste Management	70
306-6	Waste Compliance	Waste Management	70
<b>Marketing and Labelling</b>			
417-1	Requirements for product and service information and labelling	Product Marketing and Labelling	83
417-2	Incidents of non-compliance concerning product and service information and labelling	Product Marketing and Labelling	83
417-3	Incidents of non-compliance concerning marketing communications	Product Marketing and Labelling	83
<b>Culture and Talent Development</b>			
404-1	Average hours of training per year per employee	Employee Practices	81
404-2	Programs for upgrading employee skills and transition assistance programs	Employee Practices	81
404-3	Percentage of employees receiving regular performance and career development reviews	Not Available	-
<b>Employee Health and Safety</b>			
403-1	Occupational Health and Safety	Employee Health and Safety	75
403-2	Hazard and Risk Identification	Employee Health and Safety	75

Topic	GRI Standard	Location	Page Number
403-3	Occupational health services	Employee Health and Safety	75
403-5	Workers training on occupational health and safety	Employee Health and Safety	75
403-7	Prevention and mitigation of occupational health and safety impacts directly linked to business relationships	Employee Health and Safety	75
403-9	Workers related Injuries	Employee Health and Safety	75
403-10	Workers related ill health	Employee Health and Safety	75
<b>Sustainable Livelihoods</b>			
203-1	Infrastructure investments and services supported	Livelihoods	39, 40
203-2	Significant indirect economic impacts	Livelihoods	39, 40

# Glossary of Terms

Abbreviation	Full meaning
<b>BIC</b>	Business Integrity Committee
<b>BIO</b>	Business Integrity Officers
<b>BOPP</b>	Biaxially Oriented Polypropylene
<b>BRA</b>	Business Risk Assessment
<b>CBN</b>	Central Bank of Nigeria
<b>CSR</b>	Corporate Social Responsibility
<b>CTAP</b>	Climate Transition Action Plan.
<b>ECL</b>	Expected Credit Loss
<b>EPR</b>	Extended Producer Responsibility
<b>ERM</b>	Enterprise Risk Management
<b>ESG</b>	Environmental, Social, and Governance
<b>FRCN</b>	Financial Reporting Council of Nigeria
<b>FUCAP</b>	Future-X Unilever Campus Ambassadors Programme
<b>GDPR</b>	General Data Protection Regulations
<b>GFSI</b>	Global Food Safety Initiative

Abbreviation	Full meaning
<b>GHG</b>	Greenhouse Gases
<b>GRI</b>	Global Reporting Initiative
<b>HAZOP</b>	Hazard and Operability Studies
<b>HSE</b>	Health, Safety, and Environment
<b>ICSR</b>	Internal Control over Sustainability Reporting
<b>IFRS S1</b>	General Requirement for Disclosure of Sustainability-Related Financial Information
<b>IFRS S2</b>	Climate-Related Disclosure
<b>IPCC</b>	Intergovernmental Panel on Climate Change
<b>ISO</b>	International Standard Organisations
<b>ISSB</b>	International Sustainability Standard Board
<b>IUCN</b>	International Union for Conservation of Nature
<b>KPI</b>	Key Performance Indicators
<b>MAN</b>	Manufacturers Association of Nigeria
<b>NAFDAC</b>	National Agency for Food and Drug Administration Control
<b>NDC</b>	Nationally Defined Contribution

Abbreviation	Full meaning
NGX	Nigerian Exchange
PCR	Post Consumer Recycled
PHA	Preliminary Hazard Assessment
PPA	Power Purchase Agreement
PWDs	People with disabilities
RSP	Responsible Sourcing Policy
SASB	Sustainability Accounting Standards Board
SDG	Sustainable Development Goals
SDS	Safety Data Sheets
SEC	Securities Exchange Commission
SHE	Safety, Health, and Environment
TCFD	Taskforce on Climate-Related Financial Disclosures
TRA	Technical Risk Assessment
UNICEF	United Nations International Children's Emergency Fund
UNSDG	United Nations Sustainable Development Goals



## Contact Us

This report has been prepared considering the requirements of the Global Reporting Initiative (GRI) Standard, and the IFRS Sustainability Disclosure Standard (IFRS S1 and S2), as part of our planned transition.

All feedback and enquiries should be directed to:

**Zainab Obagun**  
 Head, Corporate Affairs, Communications  
 and Sustainability, Unilever Nigeria  
[zainab.obagun@unilever.com](mailto:zainab.obagun@unilever.com)

Unilever Nigeria Plc  
 1 Billings Way, Oregun,  
 Ikeja, Lagos Nigeria.

*Unilever*