

# UNILEVER NIGERIA PLC CUSTOMER DEVELOPMENT



## SALES OPERATIONS MANUAL V1.0

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## **PREFACE**

The General / Traditional Trade (TT) dominates Nigeria's market with a few large supermarkets starting to evolve in key cities. TT is highly important to the company's growth since it contributes more than 90% of the company's sales.

To ensure that we maximize our management of the TT channel, this manual has been put together as a tool to achieve operational excellence, by outlining Unilever Nigeria's expectations and requirements from a Key Distributor.

This manual will help the CD team to improve its performance in TT so that Unilever Nigeria can sustain its growth development as the best Fast-Moving Consumer Goods Company in Nigeria and remain the most preferred supplier to our customers and consumers.

## DEFINITION OF A CUSTOMER

Unilever Nigeria Limited's (UNL) customers are classified into Primary and Secondary Customers. Primary customers are those to whom UNL sells directly, whereas secondary customers are the ones who get UNL brands through UNL Primary customers (e.g. neighbourhood groceries).

Presently, UNL's primary customers are its

1. General Trade Key Distributors
2. Modern Trade Key Distributor
3. Cash & Carry Category Based Customers

We will focus the definition on key Distributors (General Trade & Modern Trade).

**KEY DISTRIBUTORS:** A key distributor is a legally registered business, which has been appointed by UNL to serve as a **"Route To Market" (RTM)** to enable the exclusive redistribution of UNL brands.

A UNL key distributor is the link between UNL and its secondary customers i.e. the trade. Main functions of UNL distributor is to:

1. Stock UNL brands as per UNL policy, which may be revised periodically.
2. Re-distribute these brands to all POPs (Point Of Purchase) in his assigned geographical area
3. Ensure all Joint Business Plan (JBP) agreements are fully adhered to and executed OTIF.
4. Maintain product availability (width & depth) and displays at POP level as per UNL assortment standards.
5. Provide sales support activities such as trade returns/expired stock handling, maintaining FIFO through proper stock rotation in the warehouse, passing trade promotions and trade activities which are run by UNL from time to time.
6. Ensure Selling to Trade at Unilever recommended Prices; and communicate to Trade the recommended Retail Prices.
7. Enable realization of UNL's "POP visions".
8. Use promotions effectively to achieve growth.
9. Maintain good "relations" with all customers.
10. Facilitate rapid "new product introduction".
11. Ensure real time competitor monitoring and share real time Market Intelligence
12. Finance his distribution operations and have adequate Working Capital to operate.
13. Ensures all UNL policies and agenda are fully implemented within the assigned territory.

**Area of Distribution (Territory):** UNL assigns a particular geographical area to a distributor within which the distributor solely re-distributes UNL brands. A distributor is expected to meet his sales targets by re-distributing within his assigned territory as communicated by UNL managers from time to time.

**Resources:** The distributor will ensure sufficient financial and non-financial resources to meet the minimum requirements of UNL distribution; broadly, these resources are in three main areas:

- Perfect Infrastructure
- Manpower
- Working Capital

## A. PERFECT INFRASTRUCTURE

TYPES	EXAMPLES	DETAILS/DESCRIPTION
INFRASTRUCTURE OF KD	Warehouse Space	a) It must be situated at a place in the territory where products can be conveyed to customers OTIF b) It must be maintained as per the Total Productive Maintenance (TPM) standards
	Office Space	a) There should be a minimum office space of 16 square meters to accommodate all the office staff of the KD. Thus, the KD, TM, DTO, Accountant, OM and a reception / conference area
	Internet Connectivity	a) Good Internet Connectivity must always be available to make sure of the smooth running of the LeverEDGE system
	Electricity	a) This must be present in both the warehouse and office spaces. b) There must also be a backup generator set for unexpected power failure
	Telephone	a) There must be an active telephone line which must always be available and accessible
LOGISTICS OF THE KD	Van	a) The required van must be a 6 or 4-wheeler with a container & shelves. b) It must ideally be a 2 - 6-ton Van depending on the route and its store density. c) There should be a standard Van available to be used and must be in good condition and be able to overcome any terrain
	Lorry; Truck; Motorcycle; Tricycle; Push Carts	a) The choice of any of these logistics is dependent on the density of the route and the road conditions
SYSTEMS OF KD	KD LeverEDGE	a) This is the DMS - Database Management System which must be installed on the PC of the DTO
	Mobility Device (MD)	a) The MD must be one that captures sales e.g.: Samsung series or higher, that runs on an Android Operating System b) Each DSR must be provided with an MD
	Other IT peripherals (Printer, Scanner)	a) There must be a printer, scanner and a photocopier for office use. b) There must also be a mobile printer for each DSR for use together with the MDs.
	Computer	a) There must always be a dedicated workstation or computer on which LeverEDGE will be hosted; and must be used by the DTO only. Note: LeverEDGE runs on Windows XP or higher b) All the other back-office staff must have computers to work with c) It can be in the form of a laptop or Desktop but must have a high data processing speed. All KDs must keep an accounting software to monitor account status. i.e. Quick books, Tally etc.

## B. MANPOWER

- a. Distributor Sales Representatives
  - i. The number is dependent on the number of routes and
  - ii. The frequency of service to the stores
- b. Operations Manager
- c. Sales Coordinator (For KDs with DSRs in large numbers)
- d. Distributor Operator/ DTO
- e. Accountant / Store Clerk
- f. Warehouse Manager
- g. Warehouse Assistants
- h. Drivers

**C. WORKING CAPITAL:** The following are points on working capital the KD must note.

- Three weeks safety stock must be held.
- The KD is encouraged to sell on cash basis, but where necessary, he can give not more than three weeks credit to his credit worthy customers in line with current market trends.
- The trade terms with the KD provides him to earn a Return on Investment (ROI) in working capital after deducting all expenses incurred for the efficient running of the KD operation, from gross earnings. The ROI should be 1.5 - 2 times the prevailing market risk free interest rate i.e. Treasury bill rate.

## NEW CUSTOMER APPOINTMENT PROCEDURE

Conditions necessary to appoint a New KD include.

- Resignation/termination of an existing distributor.
- Re-clustering of an existing territory.
- Right sizing the current distributor.
- Re-clustering of an existing distributor.
- Any other business reasons as deemed fit by the CDLT.

Resources required include but not limited to the below.

- Infrastructure – warehouse, Office space, and others as may be requested.
- Logistics – Sales Vans, Delivery Vans, Tricycle, etc.
- IT Systems – Desktop & Laptops; Handheld Mobile Devices
- Manpower
- Working Capital – 3 weeks of JBP stock or as may be required by Unilever.

Below are the processes with timelines for onboarding a new Customer.

S/N	ACTION	TASKS AND RESPONSIBILITY	PERSON IN CHARGE	No of Days	COMMENTS
1	Corporate Communication for Vacancy	Public advertisement for key distributor recruitment (this would be done via traditional media (like Newspaper) and digital media such as social media or email)	Corporate Comms, CD Ops & Media manager	1	This is the first process-based request to recruit new KD. This process will not be required for existing KD territory expansion.
2	CD Communication/ Customer Care follow up and feedback to interested parties	Call customer to submit the following document: Preferable a bank statement for 12 months- 24 months Trading account (sales and cash ledger) - 12 months- 24 months. Complete set of Audited financial Statements — 12- 24 months Certificate of incorporation with details of Directors Reference letter from Bank and any other Reputable individual or business (Referees with Political influence are not preferred) Business TIN details Preferred Territory All other statutory required documentation for business registration.	CD Comms, Customer Care	1	
3	Customer Documentation Verification	Customers submit the listed document to CD Operations for verification. CDOPs receives complete documentation from the sales team. After validation, the documents are sent to the Legal and Financial Control team for further review	CD Ops & CD Excellence Mgr	3	

4 (a)	Due Diligence	Legal and Finance control team review the documentations provided and perform background verification of customers based to check for both Legal irregularities (misrepresentation of Legal and statutory documentation) and financial irregularities (misrepresentation of financial information)	Legal Manager & Financial Controller	7	This is done in addition to point 4b & 4c. Review conclusion should be approved / signed off via mail or Adobe E-signature
4(b)	Legal Approval Due Diligence	The RBPP, company profile, the Certificate of Incorporation, Memorandum and Articles of Association, Particulars of Directors and any other CAC registration/incorporation documents submitted by the potential customer. (this must be provided by the RSM) shall be scrutinized and approved by the Legal	Legal Manager		
4(c)	Finance Control Due Diligence	Finance Control is also required to confirm the status of the KD's account and get a bank verification letter.	Financial Controller		Customer must provide at least the last 12 — 24 months complete set of Audited Financial Statements, which is required in addition to the mandatory documentation as part of the due diligence review by the Finance Team — Financial Controller
5	Interview 1	Preliminary interview to validate ability to provide required resources and Infrastructure	CD Ops & Legal Manager, Recruiting RSM	1	
6	Group Interview	Organize group selection interview with eligible candidates.		1	Final shortlisted candidates are selected from this interview process
7	Inspection of Infrastructure	RSM, Quality and safety team to inspect infrastructure and enablers to confirm if it is fit for purpose	Recruiting RSM, CD Ops	2	Recruiting RSM visits the shortlisted candidate's premises to inspect the Infrastructure and Enablers.
8	Final Interview - FC/CDD	FC & CDD Interview	CD Director & Financial Controller	1	Final Interview and appointment. Signed off via mail or Adobe Sign.
9	Customer Appointment Confirmation	Appointed customer is written to for acknowledgement of appointment	CD comms, Customer care, RSM	1	closure of Appointment. Signed off letter in Adobe Sign
10	Contract	Signoff Contract with customer. Customer Recruitment Process timing	CD Excellence, RSM	3	

## KEY DISTRIBUTORSHIP AGREEMENT

All Unilever Nigeria Limited's (UNL) customers are required to signoff contracts as part of the onboarding process in order to ensure legality of operations are aligned.

THIS AGREEMENT applies from the Effective Date:

Between:	<div>1) Unilever, as further identified in the Contract Details Sheet; and</div> <div>2) Company, as further described in the Contract Details Sheet.</div>
	Each a Party and together the Parties.
Background:	<div>A. Unilever wishes to appoint the Company for the resale and distribution of the Products in the Territory.</div> <div>B. The distributor has agreed to sell and distribute the Products in the</div>
Contract Details Sheet:	
Effective Date (first page)	[ From the day after last contract expiry date]
Unilever (first page)	Unilever Nigeria Plc. with its registered business address at 1 Billings Way, Oregun, Ikeja, Lagos State, Nigeria;
Company (first page)	[insert legal name of Company signing], with its registered or primary business address at [insert registered address or other primary business address];
Products (first page)	As set out in the attached Pricing Annex
Expiry Date (Contract Details Sheet)	[insert date];
Territory (Clause 1.1)	[insert territory where the distribution will be carried out];
Appointment Term (Clause 1.1)	The period of the Company's appointment as distributor, commencing on the Effective Date and ending on the Expiry Date unless terminated earlier in accordance with this Agreement;
Minimum Purchase Targets (Clause 2.1)	As agreed, and stated in the Joint Business Plan signed by Unilever and Company for the relevant periods and hereby incorporated into this Agreement by reference;
Affiliate (Clause 2.4)	In the case of the Company, any corporation or partnership controlling, controlled by or under common control, directly or indirectly, with the Company. In the case of Unilever, any company or partnership of the Unilever group, where Unilever PLC from time to time directly or indirectly owns or controls the voting rights attached to more than 50% of the issued ordinary share capital, or controls directly or indirectly the appointment of a majority of the board;
Prices (Clause 5.1)	As communicated to the Company from time to time in writing and/or as entered into the LeverEdge system (or any other system so introduced and implemented by Unilever from time to time);
Payment Terms and Method (Clause 6.1)	As stipulated in the relevant invoice;.
Bank Guarantee (Clause 6.4)	As required by Unilever, from time to time;
Delivery Method and Incoterms (Clause 7.1)	Using Unilever approved Transporters;
Distribution Accounts	[insert registered address or other primary business address];



## 1. Appointment of the Company as Distributor

- 1.1 **Appointment Scope.** Unilever appoints the Company for the resale and distribution of the Products in the Territory for the period of the **Appointment Term, notwithstanding the date of execution**. Unless otherwise expressly provided in this Agreement, this appointment is on a non-exclusive basis. Notwithstanding the expiration date stated above, this Agreement shall continue to govern the relationship between Parties until either replaced by a new agreement or terminated in writing.
- i. The Company **must not appoint any sub-distributor without the prior written** consent of Unilever and in such permitted cases the Company must ensure the compliance of those sub-distributors with the terms of this Agreement.
- ii. Unilever **reserves the right to appoint any number of distributors of the Products** for the territory as it deems fit and to sell at its discretion the Products to any other person or persons directly.
- iii. Unilever may in its sole discretion add to or withdraw from the list of the Products supplied by Unilever to the Company for distribution.
- 1.2 **Product Availability.** Unilever is not under any obligation to continue the manufacture or supply of all or any of the Products throughout the Appointment Term. Unilever may, from time to time and without liability, **alter the specifications of the Products and/or discontinue** the Products (Unilever remains obliged to fulfil outstanding orders which it has accepted).
- 1.3 **Trade Terms Structure.** In furtherance of the appointment of the Company as a distributor of Unilever Products within the territory and for the period of the appointment, the Company shall in the ordinary course of its distribution activities be entitled to such rebate as shall be advised in writing to its from time to time in form of Trade Terms Structure ("TTS").
- 1.4 **Competitor.** The Company shall duly disclose to Unilever its association with **similar products** manufactured and marketed by Unilever's competitors.

## 2. Sale of Products by the Company

- 2.1 **Minimum Purchase Targets.** The Company must use its best endeavours to meet **in each year of the Appointment Term** its Minimum Purchase Target for the Products.
- 2.2 **Standards.** The **Company must ensure that it performs** its activities under this Agreement:
- a. to meet the express requirements of this Agreement.
- b. with all due skill, care and diligence; and
- c. in compliance with applicable laws, permits and regulations, except that the Company is not responsible for any failure caused by Unilever's own breach of its responsibilities under this Agreement.
- 2.3 **Performance Review.** Unilever shall have the right to review the progress and conduct of the Company on a periodic basis and may convey its assessment, comments and suggestions thereof to the Company, and require compliance thereof.
- 2.4 **Permits.** The Company is responsible for obtaining all **necessary licenses, permits and approvals** required to perform its activities under this Agreement.
- 2.5 *Unilever's reputation. The Company must not do anything which; or fail to take action to prevent a situation which:*
- a. causes Unilever and/or its Affiliates (including any of their products or brands) to be brought into disrepute, contempt, scandal or ridicule; or
- b. is otherwise prejudicial to the interests of Unilever and/or Unilever's Affiliates (including where harmful to reputation or sales).
- 2.6 **Representations. The Company must:**
- a. sell and distribute the Products as sole principal and not as an agent or employee of Unilever; and
- b. not create any liability between Unilever and any third party purchaser of the Products and, in particular (but without limitation), must not give or appear to give any guarantee, promise,

representation or warranty in relation to the Products binding upon Unilever or Unilever's Affiliates.

- 2.7 Products Appearance.** The Company must **not in any way alter the packaging, labelling or appearance** of the Products without the prior written approval of Unilever. The Company shall distribute the Products in the same manner and condition as they were received from the Unilever. Should the Company tamper with the Goods in any way, Unilever shall be at liberty to terminate the Distribution Agreement immediately and may seek legal address as it deems appropriate. Should Unilever incur any resultant liability, the Company shall hold Unilever harmless.
- 2.8 Office Space, Storage and Care.** The Company must take all due and reasonable care of the Products, including providing for **safe, clean, protective and otherwise appropriate storage, handling and transportation**. The Company shall also provide adequate and necessary office space and work tools such as electronic systems, Sales Vans, Computers, software and other necessary equipment in line with the Joint Business Plan and as may be agreed by Parties from time to time.
- 2.8.1** Without limiting the requirement in **Clause 2.7** above, the Company will adhere to any Unilever written specifications and guidelines in respect of storage, handling and transportation as issued from time to time (refer to **Unilever Warehousing and Product Handling Policies as communicated to the Company from time to time**).
- 2.8.2** Provided that where any facility is provided by Unilever and/or has any Unilever sign written (e.g., branding) the Company shall use such facility exclusively for the distribution of Unilever Products.
- 2.8.3** The Company shall not store or allow to be stored any other goods in or near the premises where the Products are stored by it which would affect the quality of the Products, and shall further ensure that no inflammable, explosive or toxic substances/goods which may damage or be injurious to the Products are stored at such premises.
- 2.9 Reports. The Company must provide** to Unilever
- a. Sales & Expenses:** Reports in the advised format regarding receipts, distribution, sales, sales forecasts and inventory levels, advertising and promotion plans, details of manpower numbers, vehicle numbers, various costs and expenses and general market conditions.
- i. Unilever may also obtain such information through the installation of manual or electronic systems at the Company's premises.
- ii. The Company warrants that it shall maintain complete confidentiality with regard to such system or reporting/information and shall use them only for the intended purpose.
- iii. The Company shall not divulge any information in respect of the system to any third party and shall maintain and operate such systems regularly as per the instructions of Unilever and shall not amend or tamper with any software forming part of such system, and shall unconditionally return all software to Unilever when required by Unilever;
- b. Forecasts:** An updated 12-month rolling forecast of SKU-wise volumes; and
- c. Complaints:** Details of all complaints relating to the Products and any failure of a Product to meet relevant specifications (including quality and appearance) that come to the Company's attention.
- 2.10 Company Records.** The Company must:
- a.** maintain comprehensive, accurate and reliable books, accounts, documents and information ("Records") showing all transactions relating to the Products, including purchases and sales of the Products, customs duties, advertisement and promotion expenses and other associated costs of the purchase, sale and distribution as prescribed by Unilever.
- b.** retain and properly store such Records as required under the laws of The Federal Republic of Nigeria – 7 years for financial records and 3 years for non-financial records; and
- c.** on request, provide copies of the Records to Unilever. Unilever shall be at liberty at all reasonable times to depute its authorized representative or representatives to enter the Company's offices and warehouses for the purpose of inspecting Products' stocks and inspecting such records as are related to the Products, and the Company shall permit such inspection and furnish such information regarding the stocks, receipts sales and records maintained by the Company as the Unilever's representative or representatives may require.
- d. Capital Requirements.** The Company shall maintain optimal level of capital to enable it to carry on uninterrupted distribution of the Company's products hereunder. Unilever reserves the right

to split or divide the Territory assigned to the Company or terminate this Agreement in the event that the Company falls short of the capital requirement for uninterrupted distribution of its Products within the assigned Territory.

- e. As part of its working capital requirement, the Company shall always have, at a minimum, four (4 weeks of the assigned average weekly sales target" ("Minimum Working Capital Requirement") communicated to it by Unilever. In any event that the Company's working capital requirement falls below the Minimum Working Capital Requirement contained in this Agreement; Unilever shall be at liberty to terminate this Distribution Agreement as provided herein.
- f. Under no circumstances shall the Company loan monies or Products to any of Unilever's employees or their assignees without prior written approval from **Unilever's Vice President, Customer Development and/or the Customer Development Director**. The Company hereby agrees that Unilever shall not be responsible for any such loans made in contravention of this Agreement.

**2.11 Company Personnel.** The **Company is responsible for the lawful employment of its personnel** (including all agent and sub-contractor personnel) employed or engaged in the performance of distribution and/or sales activities in relation to this Agreement, including all related: (i) payments of salaries and other contracted compensation; and (ii) contributions to tax or other statutory deductions and or remittances. **The Company must indemnify and defend Unilever against any claims by those personnel** (including those formerly employed or engaged) for redundancy, unfair dismissal, wrongful dismissal, discrimination, breach of contract or non-compliance with employment law, in relation to the performance, termination or expiry of the distribution and/or sales activities.

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### 3. Advertising and Promotion

- 3.1 Increasing Sales.** The Company must use its **best endeavours to increase sales** of the Products in the Territory, including:
- a. maintaining a comprehensive sales network in the Territory and employing staff with suitable experience, training and technical expertise;
  - b. developing and maintaining good relations with customers and potential customers within the Territory in accordance with best commercial practice (including providing reasonable customer 'after-care').
- 3.2 Promotional Programmes.** Where Unilever agrees to provide promotional materials for promotional activities, the Company will only use those materials to support the distribution and sales of the Products in the Territory. If the Company wishes to use promotional materials **other than materials which have been provided by Unilever**, then the Company must seek written approval from Unilever in advance.
- 3.3 Promotional Expenses.** Unilever will reimburse the Company for expenses incurred in connection with Product promotion activities only where this has been **agreed in writing in advance** with Unilever and approved by Unilever's Vice President (VP) Customer Development and/or Customer Development Director. Reimbursement will only be made upon submission of proof of such expenses, to the satisfaction of Unilever, within any agreed limits and where submitted to Unilever within 3 months of the expenses being incurred.
- 3.4 Other Promotional Activities.** Any advertising, marketing and promotion of the Products by the Company, must: (i) be **consistent with the brand image** for the Products, as well as the **marketing strategies** employed by Unilever and its Affiliates for those Products, and (ii) **comply with brand guidelines** issued to the Company by Unilever or its Affiliates (iii) consistent with the terms and conditions of the promotional activities carried on by Unilever and in particular, the Company shall ensure it passes to Wholesalers, Retailers and Shoppers the benefit of any such promotional activity as directed by Unilever.

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## 4.



### Orders

#### Order Placement:

- 4.1** To effectively carry on the distribution of the Products, the Company agrees that it is expected to hold a certain level of stock in line with Stock norm communicated to it by Unilever from time to time. Accordingly, Unilever operates a **Demand-based Replenishment System (DBR)** whereby orders are automatically generated and invoiced to the Company in line with the ruling stock norm already built into the LeverEdge (or any other system so introduced and implemented by Unilever from time to time). Subject to prior approval of the authorized signatories of Unilever, additional orders may be manually generated if the physical stock situation of the Company so demands.

- 4.2** Unilever may utilize the information obtained through the systems/mechanisms herein provided, and thereby determine the quantities required to be sent to the Company periodically as **replenishment of product stock**; and the despatch by Unilever and receipt by the Company of such quantities shall constitute a firm order by the Company to Unilever and an unconditional undertaking by the Company to pay for such deliveries/despatches.
- 4.3** Each lot of Products despatched to the Company under the replenishment system shall be at Unilever's prices and terms ruling as at the date the order is invoiced. This shall, once it is invoiced, be binding on the Company without any previous notice in that regard. Unilever shall be entitled to vary the prices of the Products at any time without any liability attaching thereto provided **such variation shall not have retrospective effect**. Despatch of each lot of Products against an order shall on the part of the Unilever be considered complete when the Company physically receives the stock. The Company or its authorized representative shall acknowledge receipt of all such deliveries.
- 4.4** Unilever may seek full payment for deliveries/despatches to the Company, in advance or otherwise in the form of retaining pre-signed cheques, demand drafts, or via Direct Debit of the Company's Unilever dedicated account with designated financing bank or any other convenient mode of payment. **The Company hereby agrees that it shall give full cooperation to the financing bank as necessary to facilitate prompt payment.** Unilever reserves the right at all times to switch from one mode of payment to the other as and when required upon notification to the Company. The mode of payment shall not affect or prejudice in any manner the rights of the Unilever to recover its claims against the Company.
- 4.5** In line with the Next Generation Financing Scheme, **the Company shall source credit facility (where required) from designated banks approved by Unilever** for the purchase of the Unilever's Products, subject to the Company's voluntary acceptance and negotiation of terms with the designated bank. Under the Next Generation Financing Scheme, the funding cycle shall be as follows:
- i. The Company's orders are generated via DBR (generated order);**
  - ii. The Company is allocated stock by Unilever based on availability (serviceable order);**
  - iii. Unilever notifies the Warehouse Management Company of allocated orders for the purpose of product delivery.**
  - iv. The Warehouse Management Company delivers allocated stock to the Company with evidence of delivery sent to Unilever.**
  - v. Unilever pulls required funds (based on delivered goods) via electronic access to the Company's Unilever dedicated account in the Financing bank. For Banks without electronic access to pull fund, list of invoices are sent to Banks for payment; and**
  - vi. The Company sells stock, and deposits sales proceeds into dedicated account with the Bank on a daily basis.**
- 4.6** On receipt of notification from the financing bank of default by the Company, Unilever **reserves the right to use the Company's accrued rebate or seizure of stocks in the Company's warehouse** (where necessary and after reconciliation and settlement of the Company's account/indebtedness with Unilever) in settlement of the Company's credit obligations to the Bank.
- 4.7** The Company shall ensure compliance with the above funding cycle and shall not divert funds used for **the distribution of Unilever's Products to any other activity or business whatsoever**. Non-compliance with this clause shall be a fundamental breach of this Agreement by the Company.

**Changes:** Unilever can revise or change order procedures (e.g., minimum order quantities). Changes are **effective when issued by Unilever** and will supersede any contrary procedures.

## 5.



### Prices

- 5.1 **Prices.** Unilever will provide **price lists or other written quotations** for the Products. Unilever may at its sole discretion review and change the Prices.
- 5.2 **Taxes.** The Company must pay all applicable tax and levies due to it and imposed by Tax laws, unless stated otherwise in the Contract Details Sheet. If such taxes, duties or levies are paid by Unilever, they must be **reimbursed to Unilever** by the Company.
- 5.3 **Currency.** Products will be invoiced in the currency **specified in the price list** or quotation.
- 5.4 **Recommended Price.** Unilever may from time-to-time **advise the Company on the recommended prices** for the Products. Unethical financial practices which are detrimental to the working capital of the Company, is a fundamental breach of this Agreement which shall lead to a summary termination of this Agreement.
- 5.5 In line with Unilever's route to market strategy (country wide distribution agenda), the Company shall endeavour to distribute the Products evenly within its territory.
- 5.6 **Operating Expenses.** The Company is responsible for its operating expenses, including all costs and expenses incurred in the performance of obligations under this Agreement. **No cost or expense is chargeable to Unilever**, except as agreed in writing by Unilever. The Company shall at its own cost and risk (with no liability attaching to Unilever whatsoever) make adequate arrangements for financing the purchase, sale, warehousing and distribution of the Products and for facilitating the distribution of same.

## 6.

### Payment

- 6.1 **Payment Terms and Method.** The Payment Terms and Method are **set out in the Contract Details Sheet**.
- 6.2 **Late Payment.** If Unilever does not receive payment in accordance with the agreed method on the due date, without prejudice to any other rights or remedies, **Unilever is entitled to:**
  - a. suspend all further deliveries;
  - b. apply, at Unilever's discretion, any payments already received towards Products delivered; and charge interest on outstanding amounts - accrued and calculated on a daily basis at applicable Central Bank of Nigeria's Monetary Policy rate for the period from the day after the due date for its payment until the date on which it is actually paid, inclusive. Interest will be compounded quarterly and payable on demand.
  - c.
- 6.3 **Payment failure.** Failure to pay any amount due to Unilever constitutes a breach giving Unilever a **right of immediate termination** of this Agreement (no notice period required).
- 6.4 **Pledges & Bank Guarantee.** All customers are required to provide at a minimum cash or bank guarantee equivalent to 35% of their credit limit or any other amount advised by Unilever and in a format issued by Unilever's approved banks.
- 6.5 **Personal Guarantees.** Unilever shall have **the right to seek, at the time of signing of this Agreement or any time thereafter, from the Company, adequate amounts by way of security deposit, personal guarantees of the proprietor/partners/directors of the Company**, promissory notes, indemnity bonds, security by way of mortgage, or any other adequate form of security on the basis of Unilever's claims towards the Company or claims likely to arise as a result of dealings / transactions under this Agreement.
- 6.6 **Operating more than one Customer Account:** Where a distributor operates more than one (1) customer account and any of the accounts has an outstanding (overdue payment) for more than 30 days without any cash payment made to offset such, Unilever shall have the right to recover the outstanding from any other funded customer account operated by the distributor without recourse to the distributors. This would be applicable in situations where the accounts have one or more common directors.

## 7.



### Delivery and Transfer of Risk and Title

- 7.1 **Delivery.** Unilever will deliver the Products **in accordance with the Delivery Method and Incoterms** specified in the Contract Details Sheet. The express terms of this Agreement take precedence over any conflicting provisions in the Incoterms.
- 7.2 **Title and Risk.** Title and risk of loss and damage in Products **passes to the Company upon delivery** of Products from Unilever's warehouse into the Company's (or its carrier's) control. Products will be **deemed**



- to have been inspected and accepted** at that point of delivery. Title and property in the Products shall pass to the Company on receipt by Unilever of full payment of the purchase price for the Products.
- 7.3 The Company shall not pledge or in any way charge by way of security for any indebtedness any of the Products in respect of which property has not passed to it, but if the Company shall do so all monies owing to Unilever from the Company shall become due and payable forthwith.** Unilever shall be entitled to demand payments of such amounts within fourteen (14) days of the same becoming due and should the Company fail to pay. Unilever may terminate this Agreement by issuing a 14 days' notice of termination, which termination shall become effective on the 15<sup>th</sup> day following the notice (notice period inclusive)
- 7.4 Inadequate Instructions.** If the Company **fails to take delivery of the Products** or gives inadequate delivery instructions then, without prejudice to any other Unilever right or remedy, Unilever may store the Products until actual delivery and charge the Company the costs (including insurance) of storage, and/or sell the Products.
- 7.5** *The Company shall ensure that any vehicle delivering Unilever Products shall be offloaded and released within a maximum of forty-eight (48) hours of arrival.*
- 7.6** **Upon taking delivery of the Products from Unilever, the Company shall be deemed to have inspected them and shall be obliged to confirm to Unilever that the Products delivered, the time of delivery, the time of offloading and that the Products delivered match those indicated on the delivery note by signing against the delivery note.**
- 7.7** *The Company shall indicate any shortfalls in delivery or damaged goods on delivery against the delivery note and Unilever shall not be responsible under any circumstances for any shortfalls or damages not so indicated as goods once delivered shall not be returnable to Unilever.*
- 7.8** On failure of the Company to take delivery within a reasonable period and/or pay for Products despatched or delivered by the Company upon the terms and conditions of contract of sale, Unilever shall be entitled to withdraw the Products from the Company and debit the Company's account with the cost of such withdrawal. **If the Products withdrawn are not up to the value of Products delivered,** the Company's account shall be debited with any shortfall. Unilever shall be entitled to attach any of the Company's assets that it has access to including movable and immovable assets to realise this shortfall. Upon confirmation that the Company deliberately delayed taking delivery of Products and thereby delayed the settlement of invoices, the Company shall not qualify for the Prompt Payment Incentive under the TTS.
- 7.9 Partial Deliveries.** In the event of any partial deliveries by Unilever:
- Unilever has the right to invoice for those deliveries where the Products are accepted by the Company; and
  - the other rights, obligations and remedies under this Agreement (including Unilever's right to charge interest on late invoice payments) also still apply to those partial deliveries.
- 7.10** The Company shall indemnify Unilever against all losses (including but not limited to payment for any demurrage incurred) that it may suffer **because of any negligence, mishandling, or misappropriation on the part of the Company or its employees or** because of delaying or refusing to take delivery of the Products invoiced to the Company by Unilever. The Company further indemnifies and agrees to hold Unilever harmless and indemnified against all claims, expenses, damages, and losses claimed by any person as direct or indirect consequence of the Company's acts and omissions or the acts and omissions of its employees and agents.

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## 8 Damaged and Obsolete Products and Shortfall

- 8.1 Damaged or Obsolete Products.** The Company shall at all times maintain a First in First out (FIFO) system of stock outflow from its warehouses to minimize damages and expiries. The Company must **not knowingly sell or allow the sale** to their customers or consumers of any Products which are damaged, obsolete, defective or past their best-before or expiry date or otherwise not fit for sale.
- 8.2 Detection Period.** The Company is **responsible for inspecting the Products** upon delivery and any damaged, obsolete Products or shortfall must be reported to Unilever immediately on or before acceptance of the Products.
- 8.3 Fitness of Products.** the Company shall not be entitled to make **any claim in regard to the quality, state, conditions or fitness of the Products as prevailing on the date of receipt,** unless notice in writing of the Company's intention to make such a claim shall have been given to Unilever **immediately** the Products

are received by it into its warehouse. Such notice must be endorsed on the Company's copy of the Delivery note and both the Company and Unilever's duly authorized representative must duly sign it. The Company must **update the LeverEdge system** via the Return Advice (RA) screen (or any applicable system as may be advised by Unilever from time to time) with details of rejected Products. In default of both the written notice **and** the LeverEdge update, the Products shall be deemed to have been fully received in good condition and in all respects in accordance with the Agreement and no claim shall be entertained in respect of same by Unilever subsequently except for Products returned from trade to Unilever due to **quality defects**. The Company shall immediately inform Unilever in writing of such returned Products and shall consequently follow Unilever's directions or instructions on such returns from the trade. Unilever shall not be responsible for non-quality defects such as pilfered/short packed Products, transport and handling induced defects, etc.

- 8.4 Destruction of Damaged or Obsolete Products.** The Company must, at its own cost, destroy and dispose of Products which are found to be: (i) obsolete; or (ii) otherwise not fit for sale in line with Unilever's guidelines Products will **not be returned to Unilever unless this is clearly agreed in writing** by the Parties.

## 9



### Product Recall

- 9.1 Systems and Controls.** The Company must maintain **adequate control procedures to enable Product recalls**, including:

- a. the implementation of a traceability system, allowing data to be retrieved within 24 hours;
- b. immediately notifying Unilever and providing copies of any communications with regulatory authorities relating to Product specification (including quality) concerns; and
- c. during the recall operation, assisting Unilever in locating and recovering relevant Products.

**9.2 Recall Procedures.**

- a. If Unilever considers that any Products do not meet their specifications (including applicable standards of safety, quality and appearance required by Unilever or applicable laws), then Unilever **may by notice require the Company to immediately recall** those Products and suspend or cease further sales. The Company must ensure those Products are: (i) clearly marked and kept separate from other stock; and (ii) handled and disposed of in accordance with Unilever's instructions.
- b. The recall process must be conducted **in accordance with Unilever's guidelines** and/or instructions.
- c. The Company must **not voluntarily initiate** any recall without the prior written consent of Unilever.
- d. The Company must **not make any announcement** of any kind in respect of the recall unless requested in writing by Unilever.

**Recall Costs.** Unilever will **pay all reasonable costs** incurred by the Company in providing assistance for a Product recall instructed in accordance with this clause, except where the circumstances of the recall directly or indirectly arise from the Company's breach, fault or neglect.

## 10



### Warranties and Indemnities

- 10.1** Unilever warrants to the Company that **the Products will on delivery conform to Unilever's written specifications** for those Products, as such specifications are provided or made available to the Company by Unilever prior to the corresponding order for Products being placed by the Company.
- 10.2** **All warranties, representations, guarantees, conditions and terms**, other than those expressly set out or referred to in this Agreement, whether express or implied by statute, common law, trade usage or otherwise are **excluded to the fullest extent permissible by law**.
- 10.3** The Company must indemnify and defend Unilever in respect of all **claims, losses, costs and liabilities** which relate to or arise from: (i) the Company's breach of this Agreement; or (ii) damaged, unfit for sale or deteriorated Products where that is attributable to an act, omission, fault or neglect of the Company. Unilever will have the right to conduct or participate in any related litigation and the Company will not enter into any settlement that would impose obligations or restrictions on Unilever without Unilever's prior written consent.

## 11



### Policies and Inspection

- 11.1 The Company must read and ensure compliance with the policies set out or referred to in the **Schedule 1 (Policies - Unilever Responsible Partner Policy and others)** by itself, its staff, agents, Affiliates and permitted sub-contractors, both during the Appointment Term and thereafter to the extent still applicable to this Agreement. Unilever may amend these policies. If Unilever does so, then Unilever will inform the Company and provide a reasonable period in which to align performance.
- 11.2 Any failure to comply with clause 11.1 above shall constitute **a material breach of this Agreement**, which shall be a **ground for the immediate termination by Unilever**, without prejudice to the Unilever's legal rights and remedies in connection with such termination. The Company shall not be entitled to claim compensation for such termination.
- 11.3 The Company **shall promptly notify the Unilever in the event that**, at any time during the term of this Agreement, there is any breach of clause 11.2 or becomes aware or suspects any such breach.
- 11.4 The Company must, upon reasonable notice from Unilever, provide **access to the Company's applicable offices, facilities, personnel and records** (during normal business hours) to allow Unilever and/or its agents **to verify that the Company is in compliance** with the terms of this Agreement. Unilever must take appropriate steps to ensure those verification audits or inspections do not unreasonably disrupt the Company's business. The Company must reasonably cooperate with Unilever and its agents in respect of any such audit or inspection.

## 12.



### Insurance

- 12.1 The Company must ensure it has, **in respect of the Appointment Term and thereafter until expiry of the corresponding limitation period for such claim-types in respect of this Agreement**, insurance (with an insurance company of good repute) of the types and amounts consistent with good business practice for the activities being conducted, including:
- a. general liability insurance;
  - b. third party liability insurance;
  - c. employee liability insurance/workers compensation insurance; and
  - d. other legally mandated insurances.
- The Insurance shall cover product, warehouse & Hand Held Terminal (HHT), vehicles, equipment, other assets and other risk of the Company.
- 12.2 The policies must **name Unilever as an additional insured party** unless Unilever agrees in writing otherwise. The policies must include waiver of subrogation rights against Unilever group companies and their contractors, agents, officers, directors and employees. The Company is responsible for the costs of that insurance, including bearing any deductibles and excess sums. If Unilever requests, the Company must provide Unilever with evidence of what insurance is in place.
- 12.3 The Company may opt to have Unilever insure the Products on its behalf and Unilever shall thereafter issue debit note to the Company

## 13. Limitation of Liability

- 13.1 Except as provided in the provisions below, **neither Party is liable to the other under or in connection with this Agreement in respect of** any:
- a. loss of profit, revenue, anticipated savings, business or contract; or
  - b. special, indirect or consequential loss.
- 13.2 Nothing in the Agreement limits or excludes a Party's liability with respect to:
- a. death or personal injury resulting from negligence.
  - b. any fraud or any other sort of liability which, under applicable law, cannot be limited or excluded.
  - c. failure to comply with applicable laws, breach of confidentiality obligations or the application of the intellectual property rights protections.



- d. Product recall caused by the negligence, breach or other fault of the Company; and
- e. damage to tangible property.

**13.3** In respect of any liability for losses and costs except for those falling within the above provisions, Unilever's **total liability to the Company** arising out of or in connection with this Agreement is capped:

- a. in respect of **any supply of Products** under this Agreement, at the aggregate sum paid by the Company to Unilever in respect of such supply of Products under the relevant invoice; and
- b. in respect of **all other matters**, at an aggregate of 100% of the payments due from the Company to Unilever for Products in the twelve-month period from the Effective Date (or its anniversary) in which the liability arose.



## 14 Intellectual Property

**14.1** **Intellectual property rights (IP) ownership** is allocated as follows:

Background IP <i>IP existing before this Agreement commences or created independently from this Agreement</i>	
Ownership of Background IP Ownership of Background IP remains <b>unaffected by this Agreement</b> , i.e., no change in ownership under this Agreement.	Usage of Background IP Use of the other Party's Background IP is permitted <b>only for the fulfillment of this Agreement and in accordance with the provisions below.</b>

Arising IP <i>New IP created through performing this Agreement</i>	
i) Arising IP <b>relating to Unilever Products and branding</b> and the distribution, sale and marketing of the Products in the Territory	<input type="checkbox"/> <b>Unilever will own</b> this type of Arising IP
ii) Arising IP <b>relating to Company branding</b> and other Company proprietary assets	<input type="checkbox"/> <b>The Company will own</b> this type of Arising IP

**14.2** **Protections:**

	The Company must ensure that its selected manner of performing activities under this Agreement does <b>not infringe the intellectual property rights of any third party.</b>
	The Company must indemnify and defend Unilever and Unilever's Affiliates in respect of all losses, costs and liabilities where a third party <b>claims that the Company's activities under this Agreement infringe the third party's intellectual property rights</b> , except to the extent due to the Products or materials provided by Unilever.

**14.3** **Use of IP.** The Company must **not use, in the sale and distribution of the Products**, any IP other than that made available by Unilever for the purposes of this Agreement, without the prior written consent of Unilever.

**14.4** **Counterfeit and Look-alike Products.** The Company must **not deal in counterfeit or look-alike products which are likely to confuse** end customers. The Company must immediately notify Unilever if it becomes aware of such counterfeit or look-alike products in the Territory.

**14.5** **Protection of Rights.** The Company must not seek to register or use any **trade marks or trade names that resemble the Product related trade marks or trade names of Unilever and/or Unilever's Affiliates** and

which are likely to cause confusion or deception. The Company must **not conduct any act or make any omission** which may affect the validity of Unilever's or Unilever's Affiliates' intellectual property rights or goodwill relating to the Products.

- 14.6 Support for Rights.** The Company must take all reasonable steps to assist Unilever in **maintaining the validity and enforceability of intellectual property rights** relating to the Products, including notifying Unilever of any suspected intellectual property right infringement which comes to its attention and providing support to Unilever and its Affiliates in protecting their related interests.

## 15. Confidentiality

- 15.1 Confidential Information means all** information received from the other Party, in any form, including:

Confidential Information	Non-Confidential Information
Product and service information	Information independently obtained or developed
Business information	Information in public knowledge, or the recipient already knew it or had it
Transaction information	

- 15.2** Each Party agrees:



**a. To keep all Confidential Information it receives confidential** and only use it to fulfil this Agreement.



**b. Not to disclose Confidential Information to any third party**, except where:

- necessary for performance of this Agreement – the Party disclosing Confidential Information to any third party is responsible for ensuring that third party maintains confidentiality of the disclosed information; or
- required by applicable law or stock market rule, although the other Party must be given reasonable prior notice (where lawful).

- 15.3** When this Agreement expires or terminates, or at any time upon the written request of the other Party, each Party must **return, or if clearly requested destroy, the other's corresponding Confidential Information**. However, Confidential Information may be retained if required under applicable laws or if it is still needed for a Party to complete its obligations under this Agreement.

### 15.4 Data Protection and Privacy

- a.** When processing personal data, each Party must comply with applicable Data Protection Legislation (including, but not limited to the Nigerian Data Protection Regulation and European Data Protection Legislation) at all times during the term of this Agreement.
- b.** Where the Company processes personal data, the Company shall comply with the mandatory terms set out below:
  - (i)** It shall use the personal data provided only as strictly necessary to perform the obligations as required under this Agreement and maintain written records of all categories of processing of personal data, including the subject matter, duration, nature and purpose of the processing together with the categories of data subject and types of personal data processed by the Company on behalf of Unilever;
  - (ii)** It shall assess the need for a Data Protection officer and have in place arrangements to ensure it protects data subjects' rights, including providing assistance to Unilever in the event of Unilever receiving a request to provide a data subject with access to their personal data;
  - (iii)** Where it appoints sub-processors, it will ensure that any such appointment is done under written contract and that the obligations and processing carried out are consistent with the specific processing set out in this Agreement;
  - (iv)** It shall not disclose or transfer Unilever personal data to third parties without the prior written consent of Unilever (such consent not to be unreasonably withheld) and subject to the entity

receiving the Unilever personal data being located in a territory which is subject to a requirement to provide adequate protection for personal data under applicable Data Protection Legislation; or where Company and/ or the entity has entered into the Standard Contractual Clauses or is subject to an equivalent mechanism approved by relevant authorities pursuant to applicable Data Protection Legislation, prior to receiving the Unilever personal data;

- (v) It shall ensure it does not knowingly or negligently do or omit to do anything which places it or Unilever in breach of its obligations under the Data Protection Legislation; and

It shall immediately inform Unilever of any accidental, unauthorized or unlawful access, loss, destruction, theft, use, disclosure or alteration of personal data or any other non-compliance with the Agreement (a "Data Breach") giving detailed reasons for the Data Breach and at no additional cost to Unilever, take steps to mitigate the risk and provide any assistance that may reasonably be required by Unilever.

## 16.



### Term and Termination

**16.1** This Agreement (including Company's appointment as distributor) **expires on the Expiry Date**, subject to earlier termination.

**16.2** This Agreement **may be terminated**, in whole or in part, without any penalty or further liability for the Party exercising that termination right on the basis set out below:

Basis for termination	Minimum notice period
a. Without cause.	90 days
b. Breach by the other Party of a requirement in this Agreement not cured within 30 days following notice of breach.	None (following expiration of 30 day period)
c. A Force Majeure Event, which prevents performance of this Agreement for more than 60 continuous days.	None (following expiration of 60 day period)
d. The other Party become bankrupt/insolvent or enters into administration or is unable to pay its debts as they fall due or threatens to do any of those acts or events.	None
e. Only by Unilever, for any change in the ownership, control or management of the Company.	30 days
f. Only by Unilever, for Company's failure to meet Minimum Purchase Targets.	60 days
g. In the event of the sole proprietor dying or in the case of partnership, where the partnership alters its constitution or where new partners are appointed.	30 days
h. In the event of the Company being, in the opinion of the Company (whose opinion shall be final) incapable of carrying out this Agreement and the duties thereunder.	30 days
i. In the case of fraud by the Company, its officers and or employees.	None
j. In the event of a lawful authority ordering Unilever to terminate the Agreement.	30 days

k. In the event of the Company assigning the Agreement.	30 days
l. Where the Company fails, neglects or refuses to pay due invoices in full for two (2) consecutive week, or fails or neglects or refuses to pay due invoices in full more than three times during the year.	30 days
m. Where the Company engages in price cutting schemes.	30 days
n. Pledge of Unilever Products in line with clause 7.3.	14 days

**16.3** The terminating Party is, following termination, still entitled to seek **all other legally or contractually available remedies**, including recovery of damages.

**16.4** **Company's Obligations on Termination.** Upon termination of this Agreement for any cause whatsoever, at the request of Unilever, the Company must:

- a. **cease to act as a Unilever authorized distributor** - the Company may still sell any Products owned by the Company and not repurchased by Unilever under the terms of this Agreement;
- b. **cease to sell, promote, market or advertise Products or to make any use of Unilever's intellectual property save as then agreed between the Parties.**
- c. **promptly return to Unilever all tangible materials** in any form, including samples, catalogues, advertising materials, specifications and other materials, documents and papers whatsoever, relating to Unilever and/or the Products which the Company or the Company's Affiliates possess or control under this Agreement; and
- d. **take such action and execute and deliver** such documentation as may be reasonably necessary to permit or facilitate the importation, sale and distribution of the Products in the Territory by Unilever or its nominees without interruption to the business.

**16.5** **Unfulfilled Orders.** Upon expiration or termination of this Agreement, unless otherwise agreed by the Parties in writing, **all unfulfilled orders will be cancelled** automatically without notice.

**16.6** **No Obligation to Repurchase.** Unilever may upon expiry or termination of this Agreement, at its discretion, repurchase from the Company, at the net price paid by the Company (being the relevant invoiced prices less any applicable discounts) any or all inventory of Products originally purchased by the Company from Unilever and remaining unsold. Unilever will have **no obligation to repurchase or to credit** the Company for such inventory of Products upon termination of this Agreement.

**16.7** **All sums due under this Agreement in respect of the Products shall become immediately payable and the Company shall make payments within 30 days of termination of all outstanding payments to Unilever.** All sums due to the Company under this Agreement in respect of incentives, bonuses and discounts shall become payable to the Company and Unilever shall make payment within 60 days of the Party's reconciliation of the Company's Distribution Account and amounts due. The Parties may set off the value of costs due to each other.

**16.8** The Company shall have no claim against Unilever for compensation for loss of distribution rights, loss of goodwill or any similar loss.

**16.9** **Survival.** Expiry or termination of this Agreement does not affect any clause expressed or which should reasonably be construed to **survive expiry or termination**, including its confidentiality provisions.

## 17. Force Majeure

**17.1** A "**Force Majeure Event**" means riot, war, rebellion, fire, flood, act of God, terrorism, act of governmental authorities or any other event similarly beyond the control of a Party to this Agreement, which makes it impossible for the affected Party to comply with the terms of this Agreement, **but excluding any:**

- a. equipment or sub-contractor (including sub-supplier) failure, not itself caused by such an event;

- b. change in economic conditions, exchange rates, inflation or costs; and
- c. labour disruption.

17.2 A Party impacted by a Force Majeure Event will **not be liable for any non-compliance** with this Agreement to the extent caused by the Force Majeure Event, provided that the impacted Party:



## 18. Administrative

### 18.1 *Relationship of the Parties*

The Parties are independently contracting under this Agreement. Nothing in this Agreement should be interpreted as creating a **partnership, joint venture or agency relationship** between the Parties or as granting authority for one Party to bind the other Party. The Company shall be entitled to describe itself as an **Authorised Distributor of the Unilever** but shall not describe itself as an Agent or Employee of the Company neither shall it use words implying the existence of such a relationship of agency or employer/employee between the Parties.

### 18.2 *Notices*

Notices provided under this Agreement **must be in writing and treated as delivered**:

- a. on date of delivery as documented by a pre-paid commercially recognized **courier service**;
- b. on the date of **in-person delivery**; or
- c. immediately if sent by **email**.

Notices shall be addressed to the usual place of business of the addressee as follows:

#### UNILEVER

THE CUSTOMER DEVELOPMENT DIRECTOR

UNILEVER NIGERIA PLC.

1 BILLINGSWAY OREGUN  
IKEJA, LAGOS STATE.

#### COMPANY

xxxxxxxxxxxxx (KD Name)

EMAIL ID: xxxxxxxxxxx (KD email)

XXXXXXXXXXXXXXXXXXXXX (KD Adress)  
XXXXXXXXXXXXXXXXXXXXX

### 18.3 *Amendments and Waivers*

Amendments are effective only if **agreed in writing** (excluding email) and waivers need to be clearly expressed and provided in writing by the Party giving the waiver. A delay in the exercise of any right will not be considered a waiver of that right.

### 18.4 *Assignment*

Unilever may assign or transfer this Agreement to a Unilever Affiliate or, in the event of an acquisition of the business or company to which the Products relate, to the purchaser of such business or company (in each case without further requirement of consent from the Company). **The Company may not assign or transfer** any right or obligation under this Agreement without Unilever's prior consent.

### 18.5 *Sub-contracting*

The **Company must not sub-contract its obligations under this Agreement without the prior written consent of Unilever** (such consent is not required for use of individual contracted temporary staff). The Company must ensure its sub-contractors comply with the Company's obligations under this Agreement.

### 18.6 *Rights of Third Parties*

No third party is intended to directly benefit from or have **any right to enforce this Agreement other than Unilever Affiliates** (the Company cannot rely on any right of set off against one Unilever Affiliate to defeat or reduce any amount owed to another Unilever Affiliate).

### 18.7 *Severability*

Each provision in this Agreement is severable. If any provision or identifiable part of this Agreement is held to be **invalid or unenforceable** by any court or competent jurisdiction, then such invalidity or unenforceability will not affect the remainder of this Agreement.

#### 18.8 *Interpretation*

The word "**including**" when used in this Agreement has the general meaning of "**including without limitation**".

#### 18.9 *Entire Agreement*

This Agreement sets out the entire understanding of the Parties regarding its subject matter. In entering into this Agreement, **neither Party has relied upon related statements or representations** of the other Party except as set out in this Agreement. Nothing in this Agreement obliges a Party to enter into any further business relationship or commitment.

#### 18.10 *Irreparable Harm*

Each Party acknowledges that any breach of this Agreement could cause irreparable damage and that financial compensation alone may be an insufficient remedy. Accordingly, each Party accepts that the other Party is **entitled to seek injunctions** in addition to all other remedies available under applicable laws.

#### 18.11 *Claims*

The Company shall not be entitled to make any claim in regard to the quality, state, conditions or fitness of the Products as prevailing on the date of receipt, unless notice in writing of the Company's intention to make such a claim shall have been given to the Unilever immediately the Products are received by it into its warehouse. Such notice must be endorsed on the Company's copy of the Delivery note and both the Company and the Unilever's duly authorised representative must duly sign it. **The Company must update the LeverEDGE system (or any other system so introduced and implemented by Unilever from time to time) via the Return Advice (RA) screen with details of rejected Products. In default of both the written notice and the LeverEDGE update, the Products shall be deemed to have been fully received in good condition and in all respects in accordance with the Agreement and no claim shall be entertained in respect of same by Unilever subsequently except for Products returned from trade to Unilever due to quality defects.** The Company shall immediately inform Unilever in writing of such returned Products and shall consequently follow Unilever's directions or instructions on such returns from the trade. Unilever shall not be responsible for non-quality defects such as pilfered/short packed Products, transport and handling induced defects, etc.

18.12 The Company hereby agrees to confirm to Unilever on a quarterly basis, the existence or otherwise of any outstanding claims against Unilever from the previous quarter and execute a '**Nil Claims**' Certificate in favour Unilever in the absence of any outstanding claims. The Company further agrees that this is a **material element of this Distribution Agreement and non-compliance shall constitute a fundamental breach of this Agreement** upon which this Agreement shall be liable to summary termination at Unilever's instance.

18.13 Further to **clause 18.12** above, in any quarter that the Company fails to submit any outstanding claim or fails to submit a '**Nil Claims**' Certificate, it is agreed that this will be treated by Unilever that there are no outstanding claims from the Company in respect of the **relevant quarter and preclude any future claim relating to the quarter**.

#### 18.14 *Other Distribution Accounts*

Where the Company operates more than one account with Unilever, Unilever shall have the right to terminate and close out all other accounts where there is a default in any of the other accounts operated by the Company. **The Company hereby authorises Unilever to apply any TTS accruing to its other accounts to the settlement of any indebtedness on the other Distribution Accounts.**

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## 19.



## Governing Law and Jurisdiction

This Agreement (including any dispute relating to it) is to be **governed by and interpreted according to** Nigerian law.



- 20.1** The Parties will attempt in good faith to resolve any controversy, claim or dispute arising in connection with the interpretation, implementation or operation of this Agreement or its subject matter by negotiations between senior executives of the Parties.
- 20.2** Where the Parties are unable to resolve any dispute amicably within thirty (30) days from the date of the first consultation between Parties, then upon notice by either Party to the other, such dispute shall be referred to a mediator appointed by mutual consent of Parties, or in the default of agreement by them, the Lagos State Multi-door Courthouse on application of either Party shall appoint a mediator for Parties.
- 20.3** Where Parties are unable to resolve the dispute with 60 (sixty) days of holding consultation with the mediator, the matter shall be referred to a single arbitrator appointed by the Lagos State Multi-Door Court house and such arbitration shall be conducted in Lagos under and in accordance with the Arbitration and Conciliation Act Laws of the Federation of Nigeria 2004 or any statutory modification or re-enactment thereto.
- 20.4** The seat of mediation and arbitration shall at all times be Lagos State. The expense of the arbitration shall be borne by the Parties in such manner as the arbitrator may determine, provided, however, that each Party shall pay for and bear the cost of its own experts, evidence and legal counsel. Any award of the arbitrators shall be final and binding on the Parties.
- 20.5** All provisions of this clause 20 shall take effect after the termination of this Agreement and shall be distinct from day-to-day operational disputes/disagreements/claims/controversy between Unilever and the Company. All operational disputes/disagreements/claims/controversy may be resolved by negotiations between representatives of Parties.
- 20.6** The dispute resolution provisions on mediation and arbitration shall be activated upon termination of the Agreement.

This Agreement may be **signed in counterparts**, each of which when taken together are one and the same instrument.

Sign Here

**For Unilever**

Print name: .....

Job Title: .....

Place:.....

Date:.....

Sign Here

**For Unilever**

Print name: .....

Job Title: .....

Place: .....

Date: .....

**Address for Notices: See Contract Details Sheet**

Witnessed by:

Name:

Designation:

Address:

Date:

Signature

UL Initials

UL Initials

Sign Here

**For Company**

Print name:

Job Title:

Place:

Date:

Sign here

**For Company**

Print name:

Job Title:

Place:

Date:

**Address for Notices: See Contract Details Sheet**

Witnessed by:

Name:

Designation:

Address:

Date:

Signature:



## Schedule 1 (Policies)

### 1. Responsible Business Partner Policy and USQS

a. The Company confirms that it has read Unilever's Responsible Partner Policy ("**RPP**") as found at <http://www.unilever.com/responsible-partner-policy> and understand that it replaces all previous versions of the Responsible Sourcing Policy, Supplier Code or Responsible Business Partner Policy. The Company represents that it has its own codes of conduct and associated policies and procedures that are consistent with the requirements of the RPP. The Company therefore agrees that it shall ensure that, by the implementation of its own codes of conduct and associated policies and procedures, the Company and each of its affiliated group companies, each can and that they shall meet or exceed all of the requirements of the RPP, inclusive of:

- i. Mandatory Requirements;
- ii. related Mandatory Management Systems; and
- iii. as they become binding under the terms of the RPP, the Future Mandatory Requirements.

These three types of requirements are each set- out in the RPP (and are individually and together "**RPP Requirements**").

b. The Company must on request by Unilever register with the supplier assurance and compliance system, referred to as the Unilever Supplier Qualification System ("**USQS**") or other applicable onboarding platform for downstream partners and any other non-supplier third parties, and complete any steps required to achieve compliance under such platform, including re- registering and updating information related to its organisation and (at its own cost) any third-party audits as or when required by Unilever and to rectify any non-compliance identified in such audits within a timeframe stipulated by Unilever

### 2. ABC Requirements

- a. Without limiting any of the RPP Requirements, the Company represents and undertakes that:
  - i. At the date of the entering into force of this Agreement, the Company, its directors, officers or employees have not offered, promised, given, authorized, solicited or accepted any undue pecuniary or other undue advantage of any kind (or implied that they will or might do any such thing at any time in the future) in any way connected with this Agreement and that the Company has taken reasonable measures to prevent subcontractors, agents or any other third parties subject to its control or determining influence, from doing so.
  - ii. At all times in connection with and throughout the course of this Agreement and thereafter, the Company will comply with and that it will take reasonable measures to ensure that its subcontractors, agents or other third parties subject to its control or determining influence, will comply with Part I of the ICC Rules on Combating Corruption 2011, which is hereby incorporated by reference into this Agreement, as if written out in the Agreement in full.
  - iii. No payment shall be made by the Company, its group affiliated companies, by subcontractors, agents or other third parties to anyone for any reason on behalf of or for the benefit of a Unilever group company which is not properly and accurately recorded in the Company's books and records, including the amount, purpose and recipient, all of which shall be maintained with supporting documentation.

### 3. Economic Sanctions Compliance Requirements.

The requirements within a., b. and c. here below are the "**Economic Sanctions Requirements**":

a. The Company represents and warrants on the date of this Agreement, on the date of any invoice issued under this Agreement or a related PO, on each date on which each shipment or delivery of products, services and/or materials is dispatched and on each date on which any invoice is settled, that the Company is:

(1) not named on a governmental asset freezing or restricted list, including but not limited to: the United Kingdom Consolidated List of Sanctions Targets, the European Union Consolidated List of Persons, Groups, and Entities subject to EU financial sanctions and the United States Specially Designated Nationals and Blocked Persons List;

(2) not organized under the laws of, or providing services or goods from, a jurisdiction subject to comprehensive sanctions; and

(3) not controlled, or owned (directly or indirectly) 50% or more in the aggregate, by one or more of any of the foregoing (together, "**Restricted Party**"), and

(4) has not breached any Trade Control Laws.



b. The Company agrees to comply with all applicable Trade Control Laws, including those relating to the direct or indirect use, diversion, trade, export or re-export of products, services and/or materials (including any regulations prohibiting drugs and weapons manufacture). **"Trade Control Laws"** means all applicable trade or economic sanctions or embargoes, controls on the imports, export, re-export, use, sale, transfer, trade, or otherwise disposal of goods, services or technology, anti-boycott legislation or similar laws or regulations, rules, restrictions, licenses, orders or requirements in force from time to time, or applicable to the use of a currency or a method or route of payment, as the same may be applicable directly or indirectly to the Company or its value chain. Such laws shall be deemed always to include such laws or regulations in force at the time within the European Union, the United Kingdom, the United States of America. Without limiting the foregoing, in connection with the Company's performance of the contract documents, the Company shall:

(1) not transact (directly or indirectly) with a Restricted Party; and

(2) not source (directly or indirectly) any goods or services from a jurisdiction subject to comprehensive sanctions. For territories regarded by Unilever as medium or higher risk territories, as the same are listed from time to time on <https://www.unilever.com/suppliers/terms-and-conditions/>, the Company agrees to promptly disclose for medium or higher-risk territories all information requested reasonably by Unilever in order to verify its compliance with this paragraph along the entire value chain, so as to verify that no breach of Trade Control Laws has occurred or is occurring.

c. Without limiting other requirements, the Company must (at its own cost) maintain comprehensive, accurate and reliable records of all activities undertaken to comply with the foregoing Economic Sanctions Requirements, evidencing in particular its screening of counterparties and their paying and remitting banks at each stage of the value chain for the involvement of Restricted Parties. The Company shall promptly alert Unilever to any known potential or apparent violations of any of the Economic Sanctions Requirements and cooperate in any investigation or remedial action.

#### **4. Breach of RPP, ABC, or Economic Sanctions Requirements**

(a) The Company shall promptly alert Unilever:

- i. regarding any known potential or apparent violations of any of the RPP, ABC, or Economic Sanctions Requirements, and cooperate in any investigation thereof and remedial action;
- ii. if a public official (or a person who has been a public official within the previous two years) becomes a significant shareholder (>25% shareholding), a member of the senior management team, member of the Board of Director, or key individual in the Company group or is an associated person, including subcontractors who will be responsible for the provision of goods / services to Unilever; and
- iii. if, at any point, the Company is unable to meet or comply with one or more of the requirements of the RPP, ABC or Economic Sanctions Requirements.

(b) If any member of the Company group fails to meet or comply with one or more of the requirements of the RPP, ABC or Economic Sanctions Requirements, then where Unilever considers that such a breach can be remediated, the Company shall take all further steps as reasonably stipulated by Unilever to remedy the breach, including the implementation of adequate procedures so that no such breach will occur again.

(c) If Unilever has a reasonable basis to believe that a member of the Company group or any subcontractor of the same is not in compliance with or does not meet one or more of the requirements of the RPP, ABC or Economic Sanctions Requirements, or where concerns arising out of a confirmed breach are material and the breach cannot be or is not remedied in accordance with the requirements set out above, then Unilever shall have the right, exercisable at Unilever's sole discretion:

- (i) to suspend by notice, without Unilever group company liability arising, immediately any and all services and payments under any purchase order and/or this Agreement; and/or
- (ii) to terminate without Unilever group company liability arising, immediately on notice any purchase order and/or this Agreement.

(d) Without limiting the rights under this clause, any breach of the RPP, ABC, or Economic Sanctions Requirements shall be rectified by the Company at its own cost within the timeframe stipulated by Unilever and shall be prevented from re- occurrence.

(e) The Company agrees to indemnify and hold each Unilever group company and their officers harmless against all costs, claims, damages and expenses which Unilever group companies or

their contractors may be liable for or suffer, including fines and costs of defence, and settlements payable to an entity or person, due to any alleged or actual failure by the Company or its company group to comply with or failure to meet one or more of the RPP, ABC or Economic Sanctions Requirements.

## **5. Update of RPP, ABC, or Economic Sanctions Requirements**

Unilever may from time to time amend and update the RPP, ABC and Economic Sanctions Requirements, and shall inform the Company of such amendments and updates, at no cost to Unilever. If the Company is not then able to meet one or more of the requirements imposed by the amendments or updates, then the Company must contact Unilever within 8-weeks of Unilever informing of such amendment or update in order to agree with Unilever an implementation plan and schedule for such requirements. Where any failure to meet or failure to comply with RPP, ABC, and Economic Sanctions Requirements leads to a breach of applicable law by the Company, the Company must inform Unilever and comply with the requirement and the applicable law immediately.

## **6. Company Validation Process**

**6.1** The Company shall register with Unilever's customer compliance system (as directed and informed) and complete the necessary risk assessment process and any audit required to achieve compliance as specified by Unilever.

**6.2** The Company shall maintain their compliance status throughout the term of the Agreement.

**6.3** All costs associated with registering and obtaining compliance including audits shall be at the sole cost of the relevant Company.

**6.4** Any failure to register and undertake the required risk assessment and required audit(s) shall be treated as a breach of this Agreement and of Unilever Policies by the Company and entitles Unilever to terminate this Agreement.

**6.5** The Company acknowledges that Unilever may appoint a third party agency from time to time to host, maintain, operate and / or support the Company compliance system and that all data collected relating to the Company through Unilever's customer compliance system may be migrated from Unilever or an existing third party agency to another third party agency.

## **7. Reporting, Records Maintenance**

**7.1** The Company must: maintain all books, accounts, records and quality control information required by the Agreement or applicable laws and these must be comprehensive, accurate and reliable.

(a) retain and properly store during the term of the Agreement and following termination or expiry for at least seven years all financial information and three years for all other information relating to this Agreement and its compliance with the Agreement (the "**Records**");

(b) at all times during the term of the Agreement and for seven years after termination or expiry upon reasonable notice allow Unilever and their representatives to enter any Company site at which the records are maintained to access, inspect, audit and copy the Records; and

conduct an audit of its Records on an annual basis, and the scope of such audit shall be approved by Unilever or the Seller, such approval not to be unreasonably withheld, conditioned or delayed. Upon completion, the final audit report shall be made available to Unilever. The Company agrees to use commercially reasonable efforts to remove any deficiencies identified by such report.

## **8. Disaster Recovery**

The Company will at all times have in place suitable incident management systems and/or disaster recovery systems to reasonably ensure the continuation of its performance without interruption. The Company must notify Unilever of any material incident that could reasonably impact its ability to perform (whether or not actually impacting the ability to perform the contractual obligations) as soon as possible and in any event within 24 hours of such event.

## KD FLOOR MEETINGS - ATTENDANCE & AGENDA

KD floor meetings are the primary platforms for DSR review, communication of business strategy to the KD team. It is the start point of performance management and governance/control checks.

<b>KD</b>				
<b>Territory Manager</b>			<b>KD / KD Manager</b>	
<b>Date</b>				
<b>Start Time</b>			<b>End Time</b>	
<b>ATTENDANCE</b>				
<b>S/N</b>	<b>NAME OF INDIVIDUAL</b>	<b>DESIGNATION</b>	<b>TIME IN</b>	<b>SIGNATURE</b>

### SPOT SELLER

TIME	ACTIVITY	DURATION	RESPONSIBILITY	KEY FOCUS AREA	ATTENDANCE
8:00am-8:10am	SAFETY	10MINS	TM	SAFE DRIVING/SECURITY/CHECK-IN	UL/KD TEAM
8:10am-8:40am	REVIEW MEETING	30MINS	TM	PJP COMPLIANCE, BP, LPPC, TIME IN STORE, TIME IN TRADE, AND SALES BY VOLUME, PROMOTION UPDATE AND COMPETITIVE ACTIVITY-MINIMUM 3 DSRs TO BE REVIEWED, 10MINS PER DSR	UL/KD TEAM
8:40am-9:40am	LOADING/ACCOUNTS	60MINS	TM/KD TEAM	LOADING ACROSS SKUS	ALL
9:40am-10:30am	DSR DEPARTURE	50MINS	TM/KD TEAM	FIRST DSR LEAVES AT 9:40AM, LAST AT 10:30AM	ALL

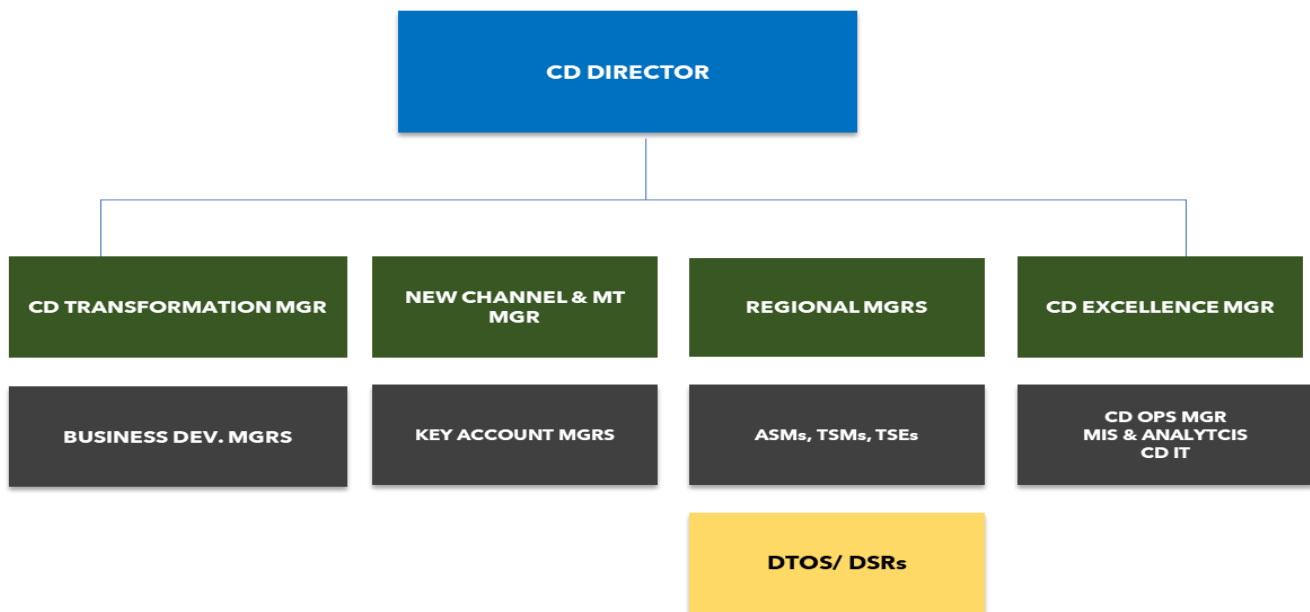
### DIGITAL SALES AGENT

8:45am-9:15am	REVIEW MEETING	30MINS	TM	CALL RATE, ORDER RATE, ORDER TO CALL RATIO(STRIKE RATE) DELIVERY RATE VS DELIVERY TIME, ABV,LPPC,% OF DROPPED ORDERS	TM/ DIGITAL SALES AGENTS
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### SANITATION DAYS

8:00-8:20am	SAFETY TALK	20MINS	TM	SAFE DRIVING/SECURITY/CHECK-IN	ALL
8:20-8:40AM	VEHICLE INSPECTION	20MINS	ALL	BRAKES, SIDE MIRRORS, SEATBELTS, HORN, HEADLAMPS, TRAFFICATORS, DOCUMENTATION, FIRE EXTINGUISHERS, C-CAUTION, DASHBOARD, HYGIENE	ALL
8:40-9:10AM	PCMS	30MINS	TM	TRAINING MANUALS	ALL
9:10-9:40AM	REVIEW MEETING	30MINS	TM	PJP COMPLIANCE, BP, LPPC, TIME IN STORE, TIME IN TRADE, AND SALES BY VOLUME, PROMOTION UPDATE AND COMPETITIVE ACTIVITY, BI MOMENTS(LEVEREGDE HYGIENE)-MINIMUM 2 DSRs TO BE REVIEWED,	UL/KD TEAM
9:40-11:00AM	DSR DEPARTURE	80MINS	TM/KD TEAM	FIRST DSR LEAVES AT 10:00AM, LAST AT 11:00AM	ALL

## ORGANIZATIONAL STRUCTURE – CD FIELD TEAM



## LEVEREDGE KEY PERFORMANCE INDICATORS – DEFINITION & MEASUREMENT

The following are KPIs measured in LeverEDGE. The targets may vary from time to time as set by Customer Development in a particular year.

LeverEDGE reports are available at OSDP & CSDP Levels. The following are the key reports which help us in ensuring day to day business tracking and information analysis.

### List of commonly used reports

- Sales Reports
- Coverage Reports
- iQ reports
- FCS reports
- Assortment reports
- eFOS reports

### Sales Reports

This section is used to help generate sales reports for specified periods. These periods could be Daily, Weekly, Monthly, Quarterly, etc.

### Coverage Reports

Coverage can also be called Effective Coverage (ECO) and is measured primarily at POP (outlet) level. ECO is achieved if an outlet makes at least one purchase in the period under consideration (monthly, weekly, quarterly, yearly, etc). Coverage reports are also called Distribution reports as they measure distribution and penetration within the Distributors' territories.

### FCS Reports

FCS is an acronym for Field Capability Score. It is a combination of three KPIs: ECO (Effective Coverage), BP or PC (Bill Productivity or Productive Call) and LPPC (Lines per productive call).

## Definition of Terms

**Bill Productivity or Productive Calls:** Are list of outlets that have bought within a particular period of time (Day, Week, Month, Quarter, Year, etc).

**Lines Per Productive Call:** Average number of SKUs sold in the stores.

✍ **Thresholds for all FCS KPIs are defined based on Business objectives and communicated to the team periodically.**

✍ **The KPIs can also be measured individually to track progress of each KPI vs thresholds required.**

### iQ Reports

These reports measure iQ KPIs such as Red Line (RL), Everbilled (EB), New Product Distribution (NPD) & Width Pack (WP) basically at outlet level. The various iQ KPIs help to drive increased Assortment in the various outlets.

Definition of Terms

**Everbilled (EB):** Are products (SKUs) which has been sold at least once in the last six months in an outlet.

**Red Lines (RL):** Redline are the list of base-packs that have high probability of being out of stock at the given outlet. Redlines are aimed at reducing out of stock

**New Production Distribution (NPD):** Innovation SKU for the outlet type.

**Width Pack (WP):** Recommended pack that has high probability to sell in an outlet where substitute or alternative SKUs are selling. (eg: Omo 900g where SL 900g is selling).

The targets for RL & EB are derived using the sales history of the stores over a period. Maximum period is 12 months of sales while minimum period is 3 months, and the stores are expected to achieve a specific threshold of these targets. NPD (Innovation) & Width pack (CotC) are country specific input given on need basis.

✍ **Thresholds for all iQ KPIs are defined based on Business objectives and communicated to the team periodically.**

✍ **The iQ KPIs can also be measured individually to track progress of each KPI vs thresholds required.**

### Assortment Reports

Assortment reports measure the efficiency of our in-store execution, which is primarily driven by the 4 iQ KPIs (RL, EB, NPD & WP). Currently, we measure Perfect Assortment and Assortment Growth.

**Perfect Assortment** is measured as shown below

$$\text{Perfect Assortment} = \frac{\text{No of outlets achieving Assortment Target}}{\text{No of outlets having Assortment Target}}$$

**Assortment Growth** report is measure of current year Assortment vs last year's Assortment. The calculations are as shown.

$$\text{Assortment Growth} = \frac{\text{Current Year Assortment}}{\text{Previous Year}} - 1$$

✍ **Targets for Perfect Assortment & Assortment growth are defined based on the Business objectives and communicated to the team periodically.**

### eFOS Reports

eFOS is an acronym for Effective Feet On Street, measured on Daily basis. It provides a measure of the market working hygiene of the Distributor Salesmen. EFOS is a composite measure of the time

spent by the salesman in the market and the number of outlets he has visited for the day, based on PJP. The calculation is as below

$$eFOS \text{ Salesman} = \frac{\text{Effective Days}}{\text{Total Working Days}}$$

The elements of 'EFFECTIVE DAY' are:

- **Effective outlet time** (Time spent in taking orders in the stores – from first to Last store)
- **PJP Compliance:** No. of outlets where orders are taken / Active outlets within a PJP of the day
- **Geo Match:** No. of outlets visited & Geo Code matched / Actual outlets within a PJP of the day

Any of these 3 KPIs can be turn on/off. If it is turned on, it will be included in compliance and vice versa.

✍️ Thresholds for all eFOS KPIs are defined based on Business objectives and communicated periodically.

✍️ **The KPIs can also be measured individually to track progress of each KPI vs thresholds required.**

### Important to Note: Guidelines for Reports

- All key reports are expected to be used by the Field Teams for performance reviews and measurements.
- Some reports or KPIs that make up the reports may also form part of the payment criteria for Distributors' TTS, Unilever Sales Managers Incentives, KDSRs Incentives and other business-based incentives where applicable.
- For reports to be visible at the back office, monthly processes MUST be run on all Distributors systems by the DTOs. TSMs to ensure this happens and report back to the LeverEDGE support team if they have any issues.
- Review of these reports are mainly to be done at Distributor & Regional levels, by the TSMs, ASMs and RSMs.
- The LeverEDGE Lead & the CD Excellence Lead will hold periodic reviews at least once every Quarter. Quarterly Reviews will also happen with the non-Performing teams to understand their concerns and proffer solutions.

✍️ **There are no set timings for the frequency of territory and regional review of reports as these will be at the TSMs', ASMs' or RSMs' discretion.**

## CD KPIs & Targets

The below table shows our CD KPIs and targets for each

Segment	KPI Name	Target
iQ Compliance	Red Line	50%
iQ Compliance	Ever billed	50%
iQ compliance	New Product Distribution (NPD)	50%
iQ Compliance	Width Pack	50%
iQ Compliance	Perfect Store	50%
Feet on street	PJP Compliance	90%
Feet on street	Time Spent in Outlet	10 mins

Feet on street	Time spent in Market	5hrs
Feet on street	Geomatch	90%
Field Capability Execution	Lines Per productive Call (LPPC)	10 Lines
Field Capability Execution	Bill Productivity	65%

## SHOP SALES OR COUNTER SALES

We experience challenges with data capture for the following class of sales.

- Walk-in sales at the KD
- Sales to POPs seen along DSR route but not yet created.
- Random sales to random POP along DSR route.
- Third party Consumer promotion and related activations
- Challenges with existing PJP
- Temporal servicing of vacant territory pending appointment of a substantive KD.

To address this, we have a mechanism where the sales can be done directly to the walk-in customer or specific outlet impacted.

### MECHANICS & ROLES/ RESPONSIBILITIES

1. Each DT will have one Counter Sales or Shop Sales outlet for the objectives specified above. If there is a need for creating or input into Counter Sales or Shop Sales outlet beyond the above stated objectives, approval will be sought from the CD Ops Mgr or CD Excellence manager before proceeding.
2. Apart from 1<sup>st</sup> 3 challenges listed above, all other entries into the Counter Sales or Shop Sales outlet should be backed by relevant briefs, documentations, or approvals.
3. In the case of use of a Counter Sales or Shop Sales outlet for temporal servicing of vacant territory, approvals must be obtained from the CD Ops Mgr, RTM Mgr, CD Excellence Manager and the CD Director. All relevant briefs and documentation filed accordingly. TTS payment must be signed off prior to servicing the vacant territory.
4. The territory manager is responsible for auditing the sales recorded into these accounts. TM must ensure that the usage of the Counter Sales is in line with defined objectives. All required commentaries should be duly captured, and issues related for Counter sales promptly resolved when reported.
5. TM must access periodic reports on sales hitting the Counter Sales or Shop Sales outlet for reconciliation with DSRs and LeverEDGE team.
6. TM is also to ensure that DT always maintain one Counter Sales or Shop Sales outlet under a specified DSR. All briefs and approvals pertaining to the creation and usage of the Counter Sales or Shop Sales outlet must be properly filed and accounted for.
7. The RSM must ensure monthly reconciliation of sundry outlets sales is carried out and the results discussed and filed.
8. The CD Ops manager will ensure reconciliation happens at the DT level between the TM, DSRs and RSMs. Also, he will ensure full support is rendered by members of his team in ensuring proper management and reconciliation of Counter Sales.



9. The MIS manager must at end of each month share sales hitting the Counter Sales with the CD Ops manager & CD Excellence Mgr for accountability and reconciliation with the RSMs and TMs.
10. The RTM manager will be responsible to ensure outlet verification is carried out periodically. The manager will also drive compliance and ensure each DT enforces Counter Sales or Shop Sales outlet management.
11. The CDIT team must ensure that Counter Sales are excluded from monthly IQ churns and recommendations by sharing periodic details on Counter Sales with the IQ team.

## LEVEREDGE SUMMARY GOVERNANCE FRAMEWORK

Responsibility	Stage 1 – (First month)	Stage 2 – (Second month)	Stage 3 – (Third month)
TM	IQ / EFOS KPIs daily discussion with field highlighting achievers and non-achievers	TMs will accompany with low performing KDSRs / KDs once a week	TM has to make a call on low performing KDSRs
RSM	Weekly discussion with TM on non - achievers Review the report agree actions for the week on non - performers by KD / TM	RSM will ensure to visit low performing TM and KD once a week. RSM has to visit the KD of low performers fortnightly.	RSM has to identify the reason and propose actions like refresher, attachment with good performing TM
RTM & BDM	Ensure weekly tracker on the visibility of input / output KPIs by KD, TM, RSM, CM & Region	Drill down the reason of non - performers and create the visibility to CDLT	CD Excellence will ensure bonding budget for top performing KDs, Areas and Region once a quarter
CD Ops & CD Excellence	Ensure weekly tracker on the visibility of input / output KPIs by KD, TM, RSM & Region	Visit low performing TM/RSM & agree corrective measures and timelines to reverse trend.	CD Excellence will ensure bonding budget for top performing KDs, Areas and Region once a quarter
CDD	Fortnight discussion on KPIs focusing on non-performing RSMs / regions	CDD will write email to all non-performers and agree time on improvements	CDD has to visit the KD and have 1:1 session with low performers TM & RSM
MD	Monthly discussion on KPIs focusing on non-performing RSMs / Regions	MD will write email to all non-performers and agree time on improvements	MD has to visit the KD and have 1:1 session with low performers TM & RSM

## DISTRIBUTOR HEALTH CHECK CONTROL & GOVERNANCE FRAMEWORK

Action	Stage 1 – (First month)	Stage 2 – (Second month)	Frequency	Responsibility
Stock Management	Difference Between System (LeverEDGE) & Physical Stocks	Distributor to do physical stock check per defined frequency. Identify any anomaly to TM.	Weekly	Distributor/ Business manager
		Territory Manager to run stock reconciliation after stocking taking between Physical and LeverEDGE stocks. All variances should be flagged and reasons reported to CD Excellence team.	Monthly	TM
	Unilever's Quarterly stock taking	Representative from head office and Finance to supervise stock taking exercise and reconciliation of variances	Quarterly	Finance/ Supply Chain, TM, RSM, Distributor
	Non-Compliance with Warehousing Policy	Warehouse audit checklist should be implemented and documented at all locations. To ensure good warehouse practices	Once a Quarter	TM/ RSM



Quality of Secondary sales	LeverEDGE to be used for recording of all Primary and Secondary Sales invoices.	Distributor to enforce the use of LeverEDGE with operating staff.	Immediate	Distributor/ Business Manager
		TMs/ ASMs / RSM are responsible to ensuring that the distributor is using LeverEDGE as the single DMS.	Immediate/ Daily	TM / ASM / RSM
	Discrepancies in manual Invoices	No Sales Invoice will be cancelled/edited without prior approval of TM/Supervisor.	Immediate	Distributor/TM/ASM/BD M/RSM/RTM
	Discrepancies in cancelled Invoices	All Invoices (Pre-Sales & van Sales) must be traced back with all the descriptions in LeverEDGE.	Weekly	
Distribution Operations	Discrepancies in recording of daily sales	Cancelled Invoices report will be monitored to ensure the zero cancellation.	Quarterly.	
	Mismatch of Sales as per LeverEDGE DSR statement with Cash/Credit and sales summary report.	Top 10 Sales Invoices of any month from LeverEDGE will be taken to check Outlet Name, Address, Bonus & Promotions and the evidence will be maintained.  One DSR Statement will be matched with invoices, Value & Volume and record will be maintained.	Weekly	
	Non- Compliance to Company Policy (Distributor Agreement)	Distributor Agreements copy should be available at Distribution premises.	Immediate	Distributor/TM/ASM
		Distributor must have proper record of Sales Invoices of last 2 years for audit purpose.	Immediate	
	Discrepancies in Dispatch Advice (DA) & Credit / Debit Notes	Distributor is required to maintain proper record of stocks, sales & purchases.	Immediate	Distributor
		All manual DAs must be posted in LeverEDGE on same day.	Immediate	DTO/ Storekeeper/ Distributor/ TM/ RSM
		All posted DAs must be signed by Distributor & Store In charge to avoid from duplicate entry.	Once in QTR	
		DA / Primary (DA numbers, Qty) of any month will be verified.  RSM will verify findings / work of TMs of his area	Once in QTR	
	LeverEDGE KPIs	Regular monitoring of KPIs to ensure quality compliance and that all records are maintained.	Weekly/ Monthly	Distributor/TM/ASM/RSM/ CD-Ops/ CD Finance
	Process control for incentive & Other claims preparation	All requirements are as per guidelines provided by Policy manual must be fulfilled before processing the claims.  GIN & GRN Module must be in practice at all locations.	Immediate	
	Weak Control on GRN, GIN, RA and SAN.	RA & SAN must be entered in LeverEDGE through TM only and record with comments will be maintained.	Immediate	
	Financial Module	ROWC Working should be carried out using the System module.	Monthly	

General Observations	Use of IT System & applications by Employees	Keep IDs and passwords used to access the equipment's, applications and / or Unilever Networks Confidential	Immediate	TM/A S M / B D M / RSM/ Distributor
	100% mobility usage in the Market.	100% mobility utilization in Market will be ensured.	Immediate	
	100% availability of Mobility Instruments	100% mobility availability along with more store addition will be ensured on all Distributions.	Immediate	
	Compliance of Local Laws	Child Labour is strictly prohibited on all Distributions to ensure the compliance of Labour Law.	Immediate	
	TMs/AMs Market Visit	TMs/RSMs will ensure quality Market visit and reports will be documented.	Immediate	
	Correct name of Outlets on all Invoices.	TM's must ensure that all the outlets are getting the bills in their names. POP validation must be done where this issue exist.	Every Month/Qtr	

## REASONABILITY OF SALES – PROCESS FLOW

Reasonability of sales will be prepared by the CD Operations using the following parameters. Distributor reasonability of sales needs to fall within a range of +/-5% on stock volume.

### Data from BW

- Closing Stocks of the previous month (cases and value)
- Primary Sales of current month (cases and value)
- Secondary sales of current month (cases and value)
- Closing Stock of current month (cases and value)

### Data from Supply Chain

- Closing GIT of the previous month (cases and value)

### Data from LeverEDGE

- Pending ASNs of the current month (cases and value)
- Accepted ASNs within the current month.
- Return advises within the current month.

### **Documents from BW Needed to Update the Report**

- **Documents from BW will be extracted at region, distributor, category brand and SKU level**

## Reasonability of sales will be calculated using the formula below

Total Stocks	(Opening Stock Volume +Primary sales volume +opening GIT)- Returns
Projected Stocks	Total Stocks volume-'Sec Sales Volume
Variance	Projected Stock volume- KD closing stock volume
Deviation	Variance Stock Volume/ Projected Stock volume
KD closing stock	Closing stock volume+ Unapplied ASNs

**NOTE: Reasonability of sales will be run monthly at a minimum.**

## PROCESS FOR ACCEPTING ASNs BY DTO

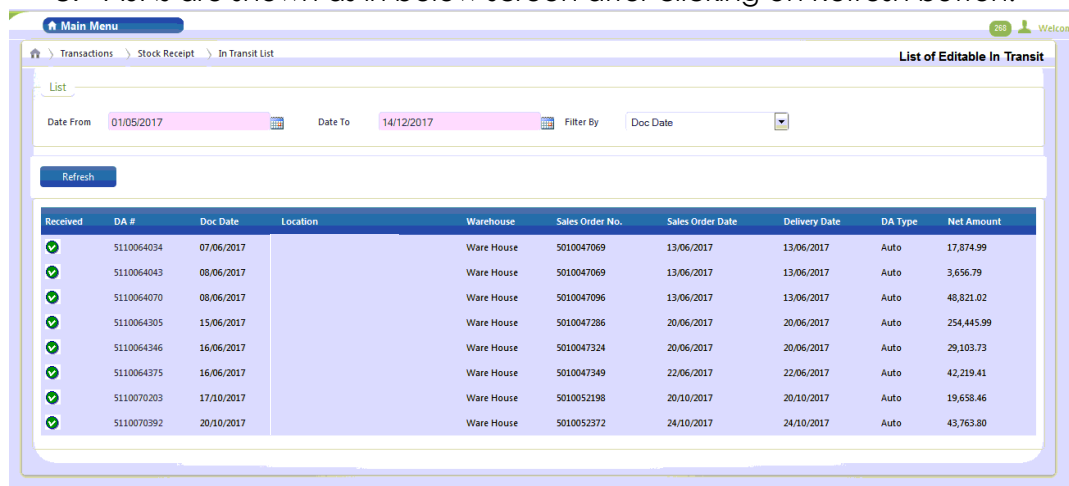
Upon truck's arrival at DT point, Warehouse Manager and DTO must do the following:

### WAREHOUSE MANAGER

1. Warehouse manager receives invoices to cross check all SKUs when loaded off the truck to making sure every bit each quantity per SKU, color and Description matches physical stocks.

### STEPS TO PERFORM BY DTO

1. DTO must receive invoices from warehouse manager to check with corresponding ASNs in SNDFPro to making sure each quantity per SKU, color and Description are matching both on invoice and ASN.
2. DTO must print the main warehouse stocks before accepting ASN.
3. **Pathway: Transactions>>Stock Receipt>> In Transit List**
4. Pick Date From and To (e.g. From: 01/05/2023 and To: 14/12/2023) and Click on the Refresh button.
5. ASNs are shown as in below screen after clicking on Refresh button.

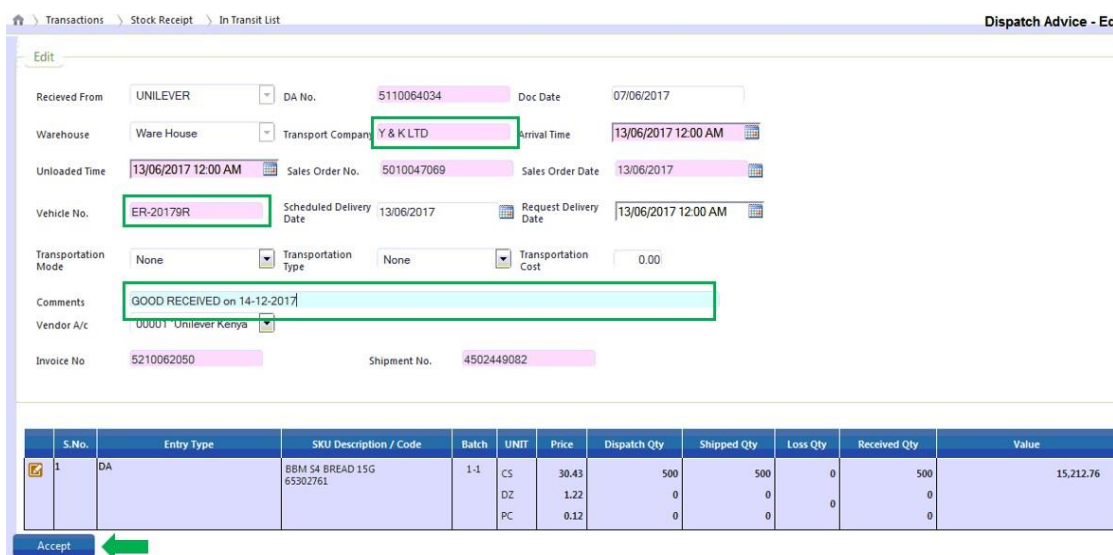


Received	DA #	Doc Date	Location	Warehouse	Sales Order No.	Sales Order Date	Delivery Date	DA Type	Net Amount
✓	5110064034	07/06/2017		Ware House	5010047069	13/06/2017	13/06/2017	Auto	17,874.99
✓	5110064043	08/06/2017		Ware House	5010047069	13/06/2017	13/06/2017	Auto	3,656.79
✓	5110064070	08/06/2017		Ware House	5010047096	13/06/2017	13/06/2017	Auto	48,821.02
✓	5110064305	15/06/2017		Ware House	5010047286	20/06/2017	20/06/2017	Auto	254,445.99
✓	5110064346	16/06/2017		Ware House	5010047324	20/06/2017	20/06/2017	Auto	29,103.73
✓	5110064375	16/06/2017		Ware House	5010047349	22/06/2017	22/06/2017	Auto	42,219.41
✓	5110070203	17/10/2017		Ware House	5010052198	20/10/2017	20/10/2017	Auto	19,658.46
✓	5110070392	20/10/2017		Ware House	5010052372	24/10/2017	24/10/2017	Auto	43,763.80

6. Click on the specific number in the DA# column to open to view details of ASN. The Detailed ASN view is as shown below.

7. DTO must populate the mandatory fields, Transport Company, Vehicle No and Comments

**Note: Mandatory Fields populated as shown below. The details in below are just examples.**



Dispatch Advice - Edit

Received From: UNILEVER DA No.: 5110064034 Doc Date: 07/06/2017

Warehouse: Ware House Transport Company: Y & K LTD Arrival Time: 13/06/2017 12:00 AM

Unloaded Time: 13/06/2017 12:00 AM Sales Order No.: 5010047069 Sales Order Date: 13/06/2017

Vehicle No.: ER-20179R Scheduled Delivery Date: 13/06/2017 Request Delivery Date: 13/06/2017 12:00 AM

Transportation Mode: None Transportation Type: None Transportation Cost: 0.00

Comments: GOOD RECEIVED on 14-12-2017

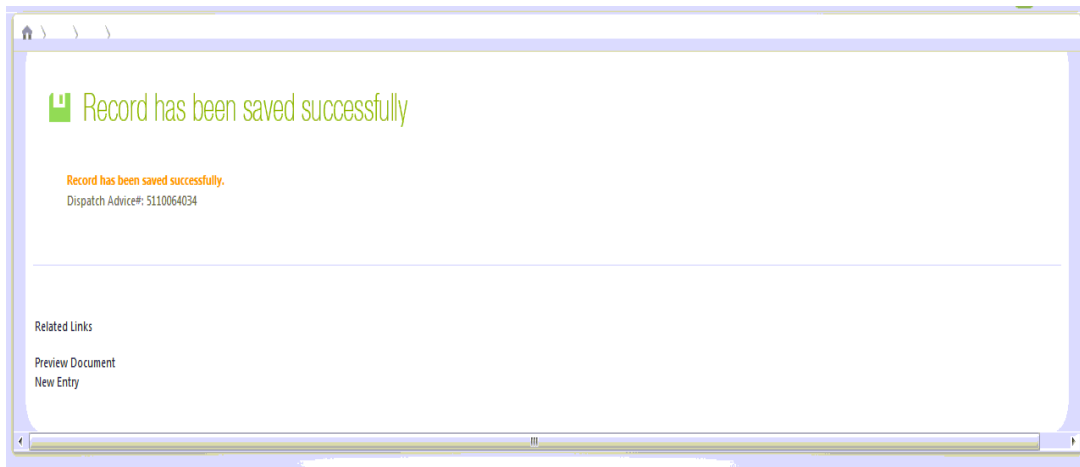
Vendor A/c: 00001 Unilever Kenya

Invoice No.: 5210062050 Shipment No.: 4502449082

S.No.	Entry Type	SKU Description / Code	Batch	UNIT	Price	Dispatch Qty	Shipped Qty	Loss Qty	Received Qty	Value
1	DA	BBM S4 BREAD 15G 65302761	1-1	CS	30.43	500	500	0	500	15,212.76
				DZ	1.22	0	0	0	0	
				PC	0.12	0	0	0	0	

Accept

- Click on Accept button for ASN to be saved. Message "Record has been saved successfully" is show on below screen. Finally, after ASN received, DTO must cross-check to see if quantities from ASN are added successfully.



## PHYSICAL STOCK SHEET DOWNLOAD & UPLOAD PROCEDURE

This option helps to perform an activity of physically tallying up the stock with the system stock. Physical quantity of stock that is placed in the warehouses is counted and recorded in the system through this section, and then it will help to compare with system stock on some specific date. To view this option, follow the path: **All>>Transactions>>Physical Stock**

### Download Physical Stock Sheet

Pathway: **Transactions>>Physical Stock>> Download physical stock sheet**

User can download an entire stock worksheet in excel or CSV for stock take process. Afterwards the filled sheet can be uploaded into the system. User can select the criteria in the screen below and download the worksheet based on the selected criteria, only stock that falls within the selected criteria will be populated in the worksheet.

**S&D Pro™** Main Menu

Transactions > Physical Stock > Download Physical Stock Sheet

**Physical Stock Download**

Entry Mode

Warehouse: BABA GANA MAFONI~MAIN W/A

SKU Type: Normal

Add Current Stock? ☒ Yes ☐ No

Batch: ☒ Active ☐ All

Include Zero Stock? ☒ Yes ☐ No

Download Format: CSV

Product Level: SKU

SKU

- ☒ (Select All)
- ☒ 20012965 - LIPTON (BT) YELLOW LABEL 16X20X2G
- ☒ 20012973 - LIPTON ENVELOPE ENGLISH BREAKF 16X(20X2G)
- ☒ 20013018 - LIPTON ENVELOPE RUSSIAN EARLG 16X20X1.5G
- ☒ 20014766 - LPT(FBT)FFT1.6G
- ☒ 20014767 - LPT(FBT)LT 1.6G
- ☒ 20014770 - LPT(FBT)VT 1.6G
- ☒ 20014857 - LIPTON ENVELOPE CAMOMILE 16X20X1.19G
- ☒ 20015043 - LPT(FGT)TM 1.3G

**Click here to download CSV file**

Download

Developed By: Centegy Retail Solutions (Pvt.) Limited Subsidiary of Centegy Technologies (Private) Limited (Formerly Sidat Hyder Morshed Technologies (Private) Limited).

📎 All KDs are expected to use the Physical stock sheet for their monthly stock count exercise.

## Upload Filled Physical Stock Sheet

The user will upload the filled worksheet here along with any comments.

To access this, go to Transactions>>Physical Stock>> Upload filled physical stock sheet.



## Stock View All

Once the Stock is uploaded, the stock adjustment will be available for review here. The user can select the uploaded file and review the stock impact before choosing to finalize reconciliation.

To view, go to: **Transactions>>Physical Stock>>Stock View All**. Once you click on any entry, you will get below screen:

S&D Pro™

Main Menu

8

Welcome admin!

Logout

TransactionsPhysical StockStock Reconcile

Physical Stock Process

Document No2021000002

							System Stock			Physical Stock			Difference Stock				
SKU Description	SKU	SKU Type	Case Config.	Unit Price	Batch	CS	DZN	PCS	CS	DZN	PCS	CS	DZN	PCS	Diff. Amount	Reason	
LPT(FBT)FFT1.6G	20014766	Normal	16	250.60	1-1	0	0	0	3	0	0	3	0	0	12,028.80	Robber	
LPT(FGT)TM 1.3G	20015043	Normal	16	250.60	1-1	0	0	0	2	0	0	2	0	0	8,019.20	Robber	
LPT(HB) HL 2G	20015718	Normal	16	250.60	1-1	0	0	0	8	0	0	8	0	0	32,076.80	Robber	

Process

Discard

Developed By: Centegy Retail Solutions (Pvt.) Limited Subsidiary of Centegy Technologies (Private) Limited (Formerly Sidat Hyder Morshed Technologies (Private) Limited).

## Stock Reconcile

This function facilitates user to reconcile the difference between uploaded physical stock sheets with the system generated stock sheets. If there has been any mismatch in the stock or stock is not updated, this utility is used. The pathway is: **Transactions>>Physical Stock>>Stock Reconcile**

### Important to Note: Physical & System stock reconciliation..

- All mobility devices must have ended day for the previous day by the DSRs.
- All outstanding cash memos must have been delivered by the DTO.
- The DTO should ensure that the Back-office system should have day ended the previous day's sales and the working date should be the same as the date of the stock take.

## OTHER TASKS

- Cross check the Physical Stock Report generated after successful reconciliation with the Counted Stocks Report to make sure everything is tallying.
- Respective teams must append your signatures on the printed documents for submission.

## LEVEREDGE USER ACCESS MANAGEMENT

The purpose of this policy is to prevent unauthorized access to the LeverEDGE system. It defines the policy for the registration and de-registration of accounts. This policy applies to new starters, leavers and those moving job, responsibility or Distributor.

### USER ACCOUNT CREATION

Access to the LeverEDGE system begins with a formal request from HR or from a line manager. Each user is given a unique user ID for transaction ownership and auditing purposes. The use of multi-user ID will only be permitted where they are suitable for a defined work (ie. Training or technical users). For field / Distributor accounts, a valid email will be sent by the requestor's Line Manager to have account created. Confirmation will then be sought from the CD Ops Mgr, CD Excellence Mgr & HR BP.

A request for access from either a Line Manager or Regional Manager must entail the following:

- Name of new user
- Job title of the new user
- Start date.
- Distributor assigned (if applicable)

### USER ID DEFINITION

Each user ID will be created with the first letter of the first name and surname. In cases where the same ID exists, the first letter of the middle name will be added to ensure each account is unique (i.e. for new user John Doe, user ID will be JDoe. For different user John Smith Doe, the user ID will be JSDoe).

### LEVEREDGE TRAINING

Training will be provided for all new users by a member of the CD IT team as soon as account creation process is completed. The user will confirm via email that he has received the necessary training required and is well equipped to use LeverEDGE.

### PASSWORD MANAGEMENT

- A default password is given to the new user directly by the CD IT person in charge of account creation. The user is expected to immediately change this password after receiving it.
- A user can contact CD IT for a change of password when required. Password must be changed every 90 days. Any account left idle beyond 180 days will be deactivated due to inactivity.
- Under no circumstances should a user account be passed on to another user for access. This will be treated as a serious offense and Unilever's policy on password management will be applied.

### DEACTIVATION OF USERS

For audit purposes, no user account will be deleted. For users exiting the business, a formal email should be shared by Line Manager or HR. The account of the user will then be deactivated.

**Under no circumstances will a deactivated account be given to any user for use.**

### ADMINISTRATOR PRIVILEGE AND SPECIAL MANAGEMENT

Administrator privileges are those given to the CD IT team and technical users allowing access to sensitive areas of LeverEDGE. The unnecessary allocation and use of special privileges will come with sanctions as defined by the Business code of ethics.

All requests for access to OSDP and CSDP must be supported by a completed and authorized Privilege Access form. Approval for authorization will be granted by either the CD Ops Manager or the CD

Excellence manager. CD IT department will maintain a master list of privileged accesses, which are in use, and will assign different Admin accounts to different technical user groups.

## 1. REVIEW OF USER ACCESS RIGHTS

Any lapsed or unwanted logons, which are identified, will be disabled immediately. CD IT will conduct a review of all system accounts annually to positively re-confirm all users. All inactive accounts beyond 6 months will be deactivated.

### User Profile Definitions

Below are the user profile definitions available in LeverEDGE for Nigeria. Most of the USER\_ID are child records in the Database hence there is need to maintain the convention while creating new Users

USER_ID	NAME	EMPLOYEE CLASS	ROLES ASSIGNED
ACT	DT Accountant / Finance	KD	KD Financial (Stock, Fin. Module, etc)
ADMIN	Administrator	UNILEVER	All modules (Master Data, setup, etc)
TSM	Territory Sales Manager	UNILEVER	Basic reports and POP approvals
ASM	Area Sales Manager	UNILEVER	Basic reports and POP approvals
RSM	Regional Sales Manager	UNILEVER	Basic reports and POP approvals
KDM	Distributor Manager	KD	Transactional/KD Financial
DTO	Distributor Operator	KD	All roles in the KD (Excluding Admin roles)
OPS	LE Support / LSM	UNILEVER	All Roles for assigned KDs
DT Supervisor	DT Supervisor	DT	Same as KDM
Promo Sales Ops	Promo Sales Ops	UNILEVER	Scheme & Promo roles
CD Master Data	CD Master Data	UNILEVER	Master Data, System Setup roles
Claims View	Claims View	UNILEVER	Scheme, Promo & Fin Modules, Claims
DT Owner	DT Owner	DT	Basic reports, KD Financial roles.

✍ All IDs for Unilever employees cannot have access to the KD system.

✍ They must either sit on the system or request control from the DTO using Team Viewer or Any Desk Application.

✍ Only the DTO's system has authorization to sync data to H/O as it has other support applications to enable this.

✍ Every other employee under KD class has READ ACCESS to SNDPro.

✍ To have a WRITE ACCESS, approval has to be given by the RSM, CD Ops Mgr. & CD Excellence Mgr.

### Important to Note – Users (Unilever Employees)

1. Users' rights are only given to Field Employees. Active Head office Users are either part of CD Excellence Team or have a responsibility on the system for certain rights. (e.g Geography IT)
2. Field employee rights are mainly for POP approvals.
3. Users (Filed employees) Must be Mapped to KD(s) where they can approve POPs for.
4. A User can be mapped to 2 or more KDs depending on the designation. RSMs can be mapped to more than 1 KD in their regions.
5. All Users managing KDs also have profiles on each of the KD system apart from the right to approving POPs. These profiles give them access based on modules assigned to them.
6. All Users on the system will be reviewed on Monthly basis. This is to help clean up ACTIVE users' account.
7. In the event of a Field Employee being redeployed to the Head Office, his or her account will be made INACTIVE except there is need for him/her to continue having access to the system.



8. For Users who have left the Business, a confirmation email from the CD HRBP will be enough to deactivate the account.
9. All Deactivated accounts will remain deactivated and cannot be given to another employee.
10. For New Users, an email approval from the User's Line Manager and the LeverEDGE lead will be required after which a New User form will have to be completed online by the prospective user.

#### Important to Note: Users (KD employees)

1. KD Users are limited to only the positions listed above. In the need for any additional user creation, this MUST be approved by the CD Excellence Mgr.
2. Usernames are different from USER ID hence 1 person is permitted to have 2 USER ID with same name. E.g if the KDM doubles as the accountant, the person will be created as both KDM and Accountant on the system.
3. It is also possible for 1 Username to reflect in 2 KDs. This is only applicable to KDs that run more than 1 account with Unilever and have central employees who oversee these businesses. E.g an Accountant in Renuzi Ketu could be the same Accountant for Renuzi Lekki. This means the user will have same Username in different KDs.
4. Same usernames but different roles are also possible for these users in point 3 above.
5. Users' review will happen monthly with TSM or DTO sharing with the LeverEDGE Team the list of Active users by KD so constant cleanup can happen.

*Usernames of Users who have exited KDs will be replaced with the new ones. The process of replacement will be done based on the confirmations in point 5 above.*

All Accounts above will be managed centrally by the CD IT support lead and rights given will be as approved by the CD Ops Mgr. Examples of the user screen shots (ASM, TSM & DTO) are as shown below.

Designation: CD ASM

**Apply Authorities**

Main:  Setups:  Yes ☐

Sub:  Outlet:  Yes ☐

Short Desc	Authority
POP Discount	No <input type="checkbox"/>
POP Credit Multiple	No <input type="checkbox"/>
Locality	No <input type="checkbox"/>
Sub Locality	No <input type="checkbox"/>
Outlet	No <input type="checkbox"/>
View Outlet	No <input type="checkbox"/>
Utilities	No <input type="checkbox"/>
POP Active Requisition	No <input type="checkbox"/>
POP Active Approval	No <input type="checkbox"/>
POP Active Approval Status	No <input type="checkbox"/>
Key Customer	No <input type="checkbox"/>
Outlet Bulk Update	No <input type="checkbox"/>
POP Attribute Approval	Yes <input type="checkbox"/>

Designation: CD TSM

**Apply Authorities**

Main:  Setups:  Yes ☐

Sub:  Outlet:  Yes ☐

Short Desc	Authority
POP Discount	No <input type="checkbox"/>
POP Credit Multiple	No <input type="checkbox"/>
Locality	No <input type="checkbox"/>
Sub Locality	No <input type="checkbox"/>
Outlet	No <input type="checkbox"/>
View Outlet	No <input type="checkbox"/>
Utilities	No <input type="checkbox"/>
POP Active Requisition	No <input type="checkbox"/>
POP Active Approval	No <input type="checkbox"/>
POP Active Approval Status	No <input type="checkbox"/>
Key Customer	No <input type="checkbox"/>
Outlet Bulk Update	No <input type="checkbox"/>
POP Attribute Approval	Yes <input type="checkbox"/>

CD Users > Security > User Rights

Search: Short Desc

**Select Designations**

Designation:  Click Operator:

**Apply Authorities**

Main:  Transactions:  Yes ☐

Sub:  Requisitions:  Yes ☐

Short Desc	Authority
Entry	Yes <input type="checkbox"/>
Exit	No <input type="checkbox"/>
View	Yes <input type="checkbox"/>
Process	No <input type="checkbox"/>
Entry/Exit	No <input type="checkbox"/>

**Save**

**Select & Change Designations**

Designation:  Click Operator:

**Apply Authorities**

Main:  Transactions:  Yes ☐

Sub:  Cash Advances:  Yes ☐

Short Desc	Authority
Utilities	No <input type="checkbox"/>
Print List	Yes <input type="checkbox"/>
Advanced Fee Number Generation	No <input type="checkbox"/>
Bank Office	No <input type="checkbox"/>
Customer	No <input type="checkbox"/>
Substitution	No <input type="checkbox"/>
Sub List	No <input type="checkbox"/>
View List	Yes <input type="checkbox"/>
Status Change	Yes <input type="checkbox"/>
Status Change POP	No <input type="checkbox"/>



## APPENDIX

### Request for Privileged Access

Name of applicant: \_\_\_\_\_

Job Title: \_\_\_\_\_ Access requested for:

System	Login Name	Access Level	Reason

Access required:      From date: \_\_\_\_\_      To date: \_\_\_\_\_

Applicant signature: \_\_\_\_\_

CD IT: \_\_\_\_\_

CD Ops Manager: \_\_\_\_\_

CD Excellence Manager: \_\_\_\_\_

## PROMOTION EXECUTION POLICY

**Purpose** - This is to cover areas of promotion/activity execution through the KDs in the trade.

**Applicable to:** This is applicable to all CSP promotions/activities carried out through the KDs in the retail and wholesale trade.

### Definitions

Premiums – refers to product offers, branded bowls, bucket, Pens, Aprons, T-Shirts exercise books, airtime, electronic appliances, Cash, Shopping Vouchers, etc.

**Scope of document** - The scope of this structure covers all CSP promotions/activities being executed through KDs in the trade.

**Introduction** - This process has been born out of a weakness in the execution of all promotions/activities through the KDs to the outlets due to a non-structured process to monitor and efficiently ensure premiums are disbursed to the trade.

**Objectives of Process/Sub Process** - The objective of this process is to ensure that proper procedures are in place for execution of all CSP promotions/activities through the KDs and proper documentations adhered to for future reference.

1. **Coverage of this Process/Sub Process** - This process covers all CSP promotions/activities executed through the KDs.

#### 2. Internal Controls

- All TMs to ensure every DSR goes out to the trade with the disbursement template.
- TMs to ensure all promotions/activity premiums are disbursed when template is fully completed and signed off.
- RSMs to ensure TMs share audit findings every month.

### 3. Process Narrative

S/N	Description of activity	Responsibility	Expected Timeframe
1	- All promo premiums split shipped to the TMs should be acknowledged by the TM in writing to the CCD manager with RSMs on copy with the quantities received and stating the intended purpose.	TMs	Monthly (When there is an activity)
2	-Share out promo premiums based on targets and allocate to each selling unit with a sign off template to be completed by each of them to acknowledge the exact premiums given at any time.	TMs	Monthly (When there is an activity)
3	-Share a disbursement template which captures, activity/promo name, retailers Name, Signature, Type of premium given, quantity given, phone numbers and Date.	TMs	Weekly (When there is an activity)
4	- Share the hardcopy populated selling units' rewards sheets with RSM for regional collation.	TMs	Weekly
5	- A random weekly check of the disbursed premiums in a minimum of 10 retail outlets per visit in the territory in the course of the promo to ascertain whether premiums have been duly disbursed as populated on the Sheet.	TMs	Weekly
6	- Visit all Wholesalers in the Territory to establish whether all promo/activity premiums have been given to them.	TMs	Weekly
7	- Share an email end of every month detailing summary of the promo/activity audit findings(retailers/wholesalers) with the RSMs as evidence for future reference.	TMs	Monthly
8	- Carryout out a sample-based audit in top 10 wholesalers' outlets in the course of the promo to verify the execution final audit findings from their team. -Share any relevant corrective actions based on the findings with CDLT monthly.	RSMs	Monthly

#### 4. Appendix Template for manual capturing of the promo premiums disbursement.

Name of customer	Location	Phone number	Promotion/Activity	Type of premium given	Qty of Premiums given	Signature	Date

DSR's Signature .....

TM's Signature .....

## UNILEVER POLICY NETWORK – CODE OF BUSINESS PRINCIPLES

Introduction - Unilever has earned a reputation for conducting its business with integrity and with respect for the interests of those our activities can affect. This reputation is an asset, just as real as our people and brands. Our first priority is to be a successful business and that means investing for growth and balancing short term and long-term interests. It also means caring about our consumers, employees and shareholders, our business partners and the world in which we live.

To succeed requires the highest standards of behaviour from all of us. The general principles contained in this Code set out those standards. More detailed guidance tailored to the needs of different countries and companies will build on these principles as appropriate but will not include any standards less rigorous than those contained in this Code.

We want this Code to be more than a collection of high-sounding statements. It must have practical value in our day-to-day business and each one of us must follow these principles in the spirit as well as the letter.

## **Standard of Conduct**

- We conduct our operations with honesty, integrity, and openness, and with respect for the human rights and interests of our employees.
- We shall similarly respect the legitimate interests of those with whom we have relationships. Obeying the Law
- Unilever companies and our employees are required to comply with the laws and regulations of the countries in which we operate.

## **Employees**

- Unilever is committed to diversity in a working environment where there is mutual trust and respect and where everyone feels responsible for the performance and reputation of our company.
- We will recruit, employ and promote employees on the sole basis of the qualifications and abilities needed for the work to be performed.
- We are committed to safe and healthy working conditions for all employees. We will not use any form of forced, compulsory or child labour.
- We are committed to working with employees to develop and enhance everyone's skills and capabilities. We respect the dignity of the individual and the right of employees to freedom of association.
- We will maintain good communications with employees through company-based information and consultation procedures.

## **Consumers**

- Unilever is committed to providing branded products and services which consistently offer value in terms of price and quality, and which are safe for their intended use. Products and services will be accurately and properly labelled, advertised and communicated.

## **Shareholders**

- Unilever will conduct its operations in accordance with internationally accepted principles of good corporate governance. We will provide timely, regular and reliable information on our activities, structure, financial situation and performance to all shareholders.

## **Business Partners**

- Unilever is committed to establishing mutually beneficial relations with our suppliers, customers and business partners.
- In our business dealings we expect our business partners to adhere to business principles consistent with our own. Community Involvement
- Unilever strives to be a trusted corporate citizen and, as an integral part of society, to fulfil our responsibilities to the societies and communities in which we operate.

## **Public Activities**

- Unilever companies are encouraged to promote and defend their legitimate business interests.
- Unilever will co-operate with governments and other organisations, both directly and through bodies such as trade associations, in the development of proposed legislation and other regulations which may affect legitimate business interests.
- Unilever neither supports political parties nor contributes to the funds of groups whose activities are calculated to promote party interests.

## **The Environment**

- Unilever is committed to making continuous improvements in the management of our environmental impact and to the longer-term goal of developing a sustainable business.
- Unilever will work in partnership with others to promote environmental care, increase understanding of environmental issues and disseminate good practice.

## **Innovation**

- In our scientific innovation to meet consumer needs we will respect the concerns of our consumers and of society. We will work on the basis of sound science applying rigorous standards of product safety.

## **Competition**

- Unilever believes in vigorous yet fair competition and supports the development of appropriate competition laws. Unilever companies and employees will conduct their operations in accordance with the principles of fair competition and all applicable regulations.

## **Business Integrity**

- Unilever does not give or receive whether directly or indirectly bribes or other improper advantages for business or financial gain. No employee may offer give or receive any gift or payment which is, or may be construed as being, a bribe. Any demand for, or offer of, a bribe must be rejected immediately and reported to management.
- Unilever accounting records and supporting documents must accurately describe and reflect the nature of the underlying transactions. No undisclosed or unrecorded account, fund or asset will be established or maintained.

## **Conflicts of Interests**

- All Unilever employees are expected to avoid personal activities and financial interests which could conflict with their responsibilities to the company.
- Unilever employees must not seek gain for themselves or others through misuse of their positions. Compliance – Monitoring – Reporting
- Compliance with these principles is an essential element in our business success. The Unilever Board is responsible for ensuring these principles are applied throughout Unilever.

The Group Chief Executive is responsible for implementing these principles and is supported in this by the Corporate Code Committee comprising the General Counsel, the Joint Secretaries, the Chief Auditor, the SVP HR, the SVP Communications, and the Corporate Code Officer, who presents quarterly reports to the Unilever Executive.

Day to day responsibility is delegated to all senior management of the regions, categories, functions, and operating companies. They are responsible for implementing these principles, if necessary, through more detailed guidance tailored to local needs, and are supported in this by Regional Code Committees comprising the Regional General Counsel together with representatives from all relevant functions and categories.

Assurance of compliance is given and monitored each year. Compliance with the Code is subject to review by the Board supported by the Corporate Responsibility and Reputation Committee and for financial and accounting issues the Audit Committee.

Any breaches of the Code must be reported in accordance with the procedures specified by the General Counsel. The Board of Unilever will not criticize management for any loss of business resulting from adherence to these principles and other mandatory policies and instructions. The Board of Unilever expects employees to bring to their attention, or to that of senior management, any breach or suspected breach of these principles. Provision has been made for employees to be able to report in confidence and no employee will suffer as a consequence of doing so.

	Name	Designation	Signature & Date
Document owner	Reuben Ekong	CD Operations & Performance Mgr.	<i>Reuben Ekoi</i> 28/02/24
Aligned by	Jonathan Okeke	CD Excellence Manager	<i>Jonathan</i> 29/02/24
Aligned by	Augusta Ehighebolo	CD Transformation Manager	<i>AE</i> 29/02/24
Aligned by	Halima Mustapha	Finance Business Partner	<i>Hal</i> 01/03/24
Reviewed by	Ukagbor, Isioma	Assistant controls and process Improvement Manager	<i>Ukagbor</i> 03/03/24
Approved by	Michael Ubeh	CD Director	<i>M</i> 03/03/24

