THE IPMC
ESG RATINGS REPORT 2025

IPMC

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Executive Summary

The Nigeria Companies ESG Ratings Report 2025 provides a consolidated assessment of ESG performance for the fiscal year 2024 (1 January – 31 December), with forward-looking insights into 2025. The analysis covers listed Nigerian companies across five sectors, *Financial Services, Manufacturing, Oil & Gas, Telecommunications & ICT,* and *Services*, offering a comprehensive view of the country's ESG maturity, disclosure reliability, and readiness for global sustainable finance.

Anchored in international frameworks such as GRI, SASB, TCFD, IFRS S1/S2, and the UN SDGs, and benchmarked against peer markets in Africa and beyond, the assessment translates corporate disclosures into measurable indicators of accountability and transparency.

The findings underline both the visible progress made and the persistent structural gaps that continue to constrain Nigeria's competitiveness in ESG-aligned capital markets.

Across the ratings, several themes stand out.

- Fewer than fifteen percent of Nigerian listed companies disclose Scope 3 emissions, leaving significant blind spots in understanding value-chain climate impacts — a vulnerability given the rising influence of carbon border adjustment mechanisms in global trade.
- Board diversity remains below twenty percent on average, far behind regional peers such as South Africa and Kenya, underscoring governance rigidity and limited strategic adaptability.
- Only a handful of issuers link executive remuneration to ESG performance metrics, revealing weak alignment between management incentives and sustainability outcomes.
- Within the financial sector, financed emissions remain almost entirely unreported, obscuring systemic climate-risk exposure.
- While governance disclosures continue to strengthen, the depth, assurance, and comparability of those disclosures still trail global expectations.

Taken together, these findings reflect a landscape that is framework-rich but execution-poor. Policy structures are in place, but meaningful integration into business strategy is inconsistent. Governance remains the relative strength of the Nigerian market, providing the foundation on which environmental and social progress can be built.

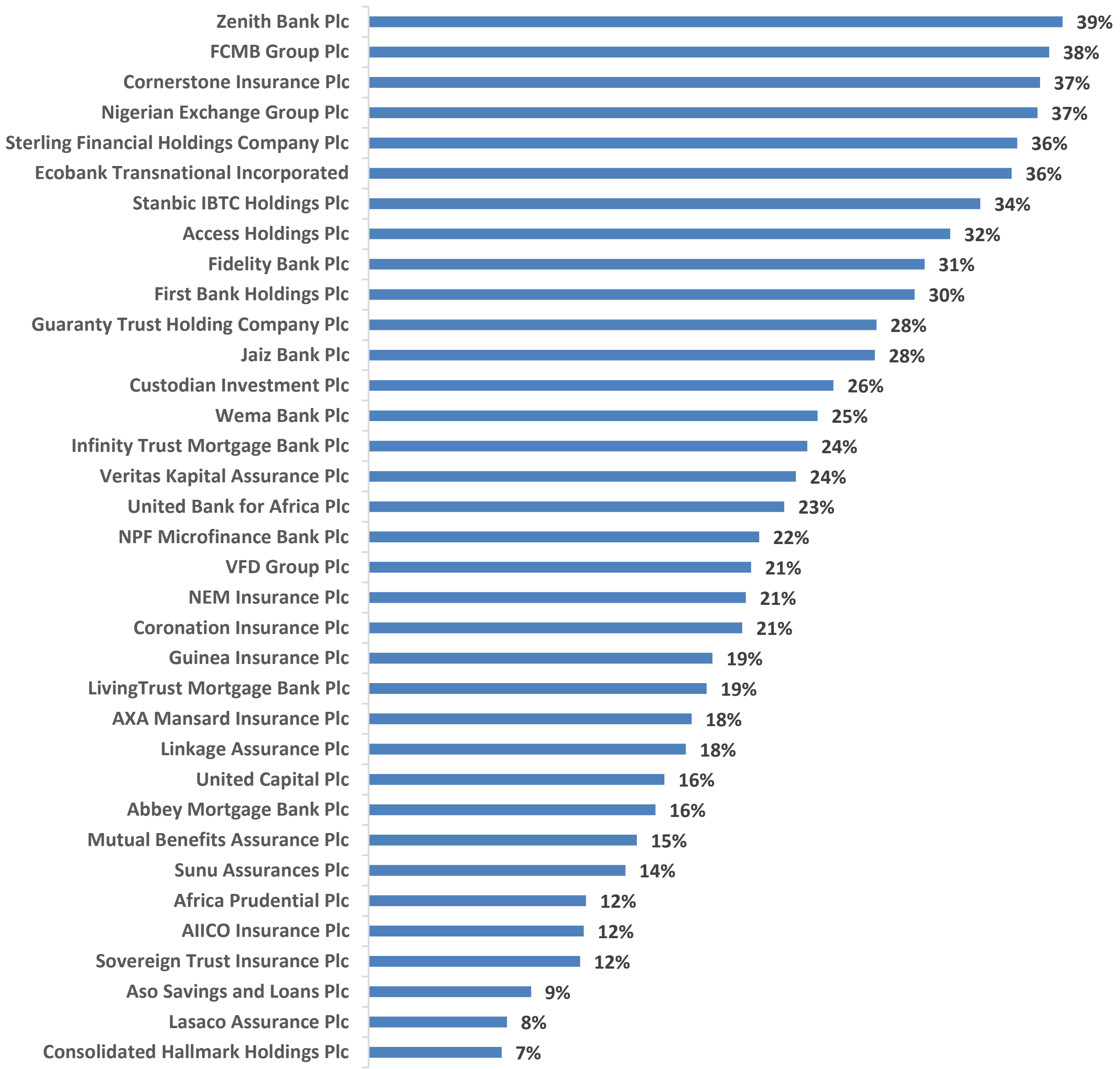
Social performance, meanwhile, shows early signs of evolution, particularly in workforce development and community initiatives, but gaps persist in diversity, human rights, and financed emissions.
Environmental reporting continues to lag; beyond a few leaders in the Oil & Gas and Manufacturing sectors, comprehensive carbon strategies and value-chain emission disclosures remain limited.

The overall message is clear: Nigeria's ESG transition is underway but uneven. Future credibility in global capital markets will depend on transforming policies and frameworks into verifiable outcomes supported by independent assurance.

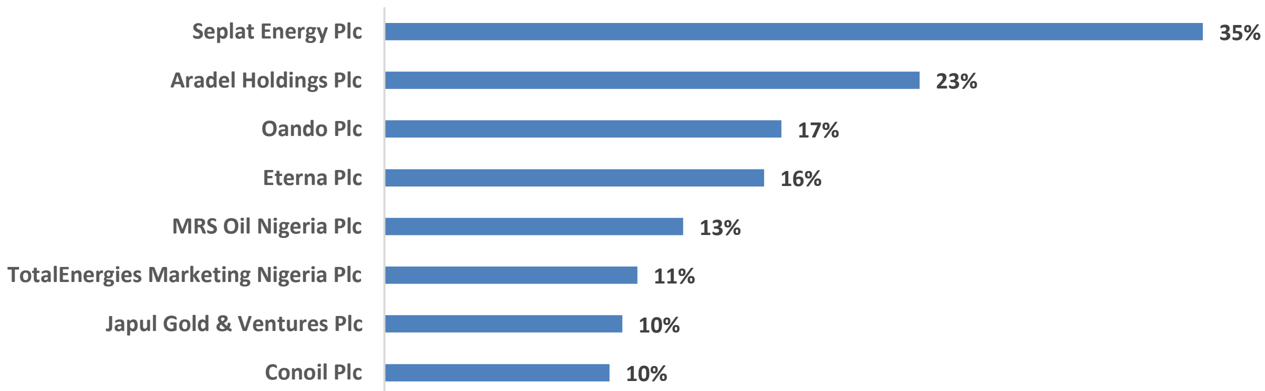
A shift toward full value-chain transparency, measurable environmental targets, and clear accountability at board level is essential if Nigerian issuers are to maintain competitiveness. Unless reforms accelerate, the gap with international best practice will widen, restricting capital access and diminishing the country's positioning in sustainable investment flows.

Ultimately, ESG in Nigeria must move beyond compliance to evidence, data that is assured, comparable, and capable of standing up to global scrutiny. Progress will not be defined by how many companies report, but by how reliably they prove what they report.

Nigeria Financial Services Sector ESG Rating Results



Nigeria Oil and Gas Sector ESG Ratings Result



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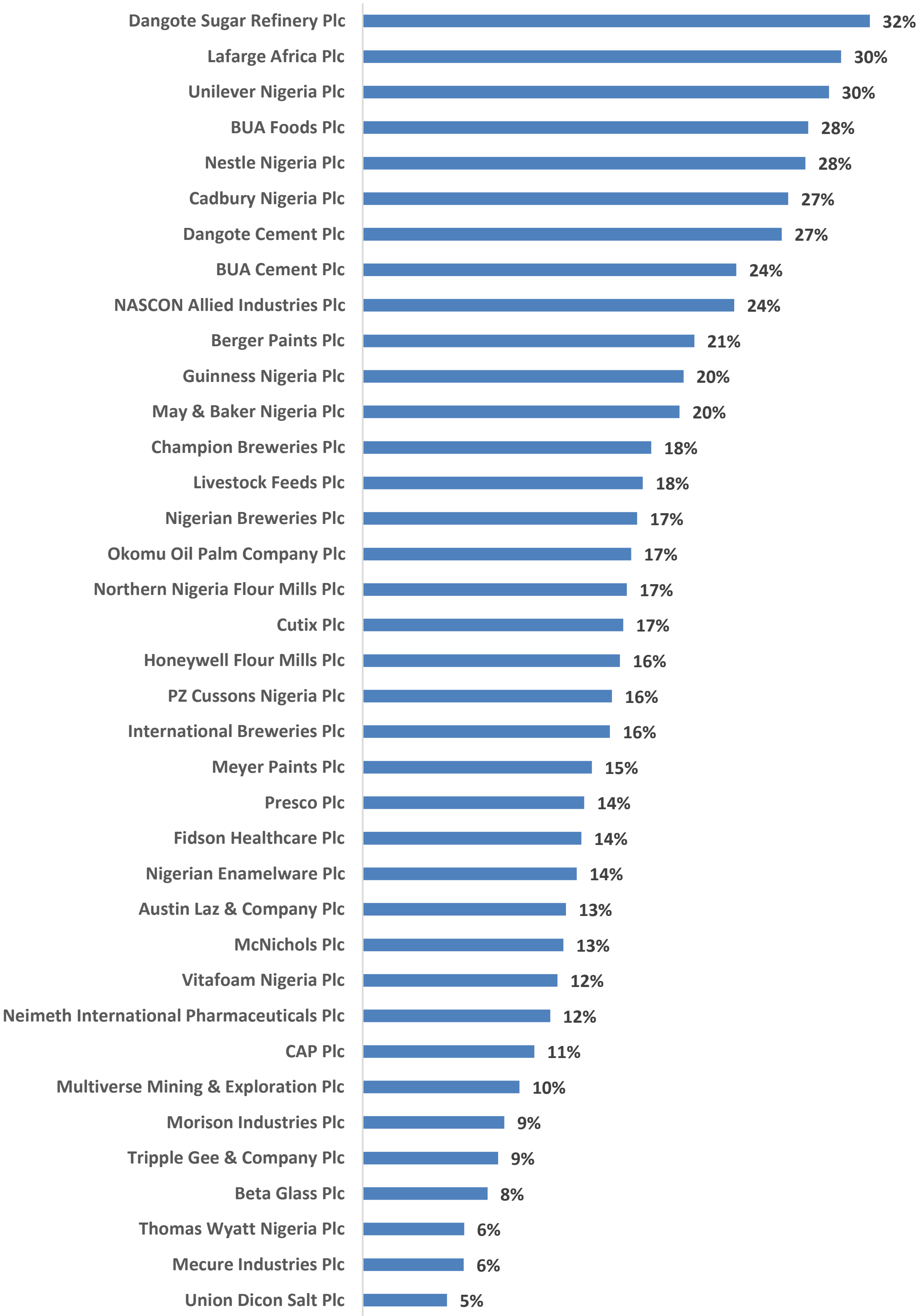
Explore more at: https://esg.ipmc-ng.com/

Nigeria Manufacturing Sector ESG Ratings Result



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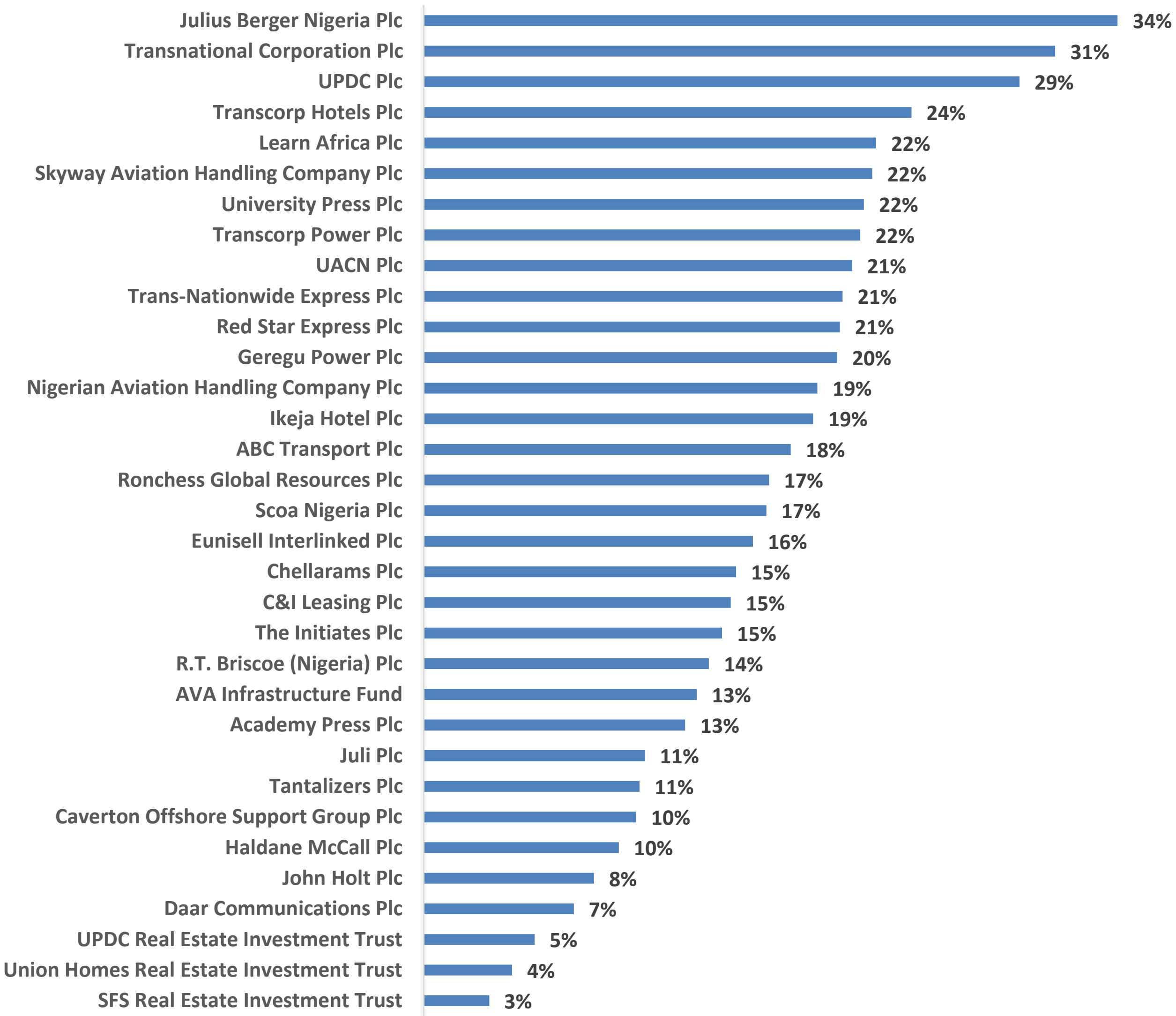
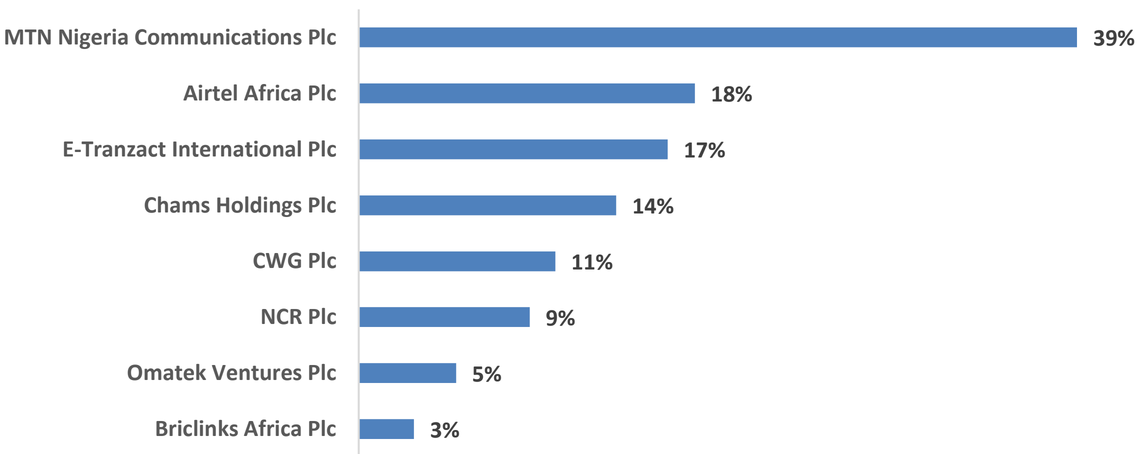
Nigeria Services Sector ESG Ratings Result



Nigeria Telecommunication Sector ESG Ratings Result



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Why This Matters

Nigeria's pathway to sustainable growth depends on credible, transparent, and decision-useful ESG data. The country's financial system is increasingly influenced by global disclosure standards, particularly IFRS S1 and S2, which now define how investors evaluate environmental, social, and governance performance.
Investor sentiment is shifting from narrative-based sustainability claims to measurable outcomes. This means that Nigerian corporates must demonstrate quantifiable progress in emissions reduction, governance accountability, workforce management, and supply-chain resilience. Weak or inconsistent ESG disclosure now carries a cost: reduced access to international credit lines, exclusion from sustainable-finance products, and lower valuation multiples.

By contrast, companies with consistent ESG reporting, third-party assurance, and data-backed performance are gaining faster access to concessional funding, sustainability-linked bonds, and blended finance mechanisms. These investors sovereign wealth funds, DFIs, and asset managers prioritize issuers that meet standardized ESG and climate-disclosure expectations.
For policymakers, improved ESG data enhances regulatory oversight and strengthens Nigeria's attractiveness for green investment flows. It allows agencies such as the SEC, CBN, and NESREA to identify disclosure gaps, align national reporting frameworks, and set clear expectations for corporate accountability.

For corporates, transparent ESG metrics reduce risk exposure and signal operational maturity. For investors, they improve comparability and confidence in capital allocation. And for regulators, they create a foundation for evidence-based policymaking that aligns national economic goals with sustainability imperatives.

This is why ESG ratings matter: they bridge information gaps between companies, investors, and regulators. When standardized and independently validated, they elevate Nigeria's position in the global sustainability market and help channel capital toward businesses that contribute to inclusive and low-carbon development.

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Message from the Chief Executive Officer

The world of corporate reporting is undergoing a profound transformation. Investors, regulators, and consumers now look beyond financial results to assess how responsibly and transparently companies operate. Within this global shift, Nigeria's capital market stands at an inflection point, where sustainability performance is rapidly becoming a determinant of competitiveness and access to capital.

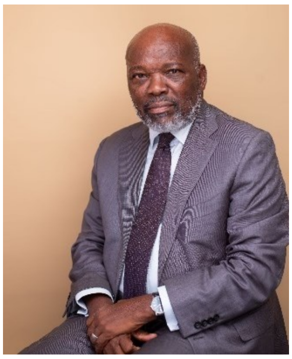
The *Nigeria Companies ESG Ratings Report 2025* represents IPMC's commitment to advancing this transition through data-driven transparency. It is more than a ranking; it is an instrument for accountability, enabling both local and international stakeholders to evaluate how Nigerian companies are positioning themselves in an evolving ESG landscape.

This year's edition introduces enhanced analytical rigor, refined methodologies, and deeper alignment with international frameworks and standards. These improvements strengthen IPMC's dedication to producing ratings that are globally comparable yet locally relevant. Our intent is not to merely measure progress but to accelerate it. Through this report, IPMC aims to stimulate dialogue between corporations, investors, and regulators; to identify where progress is evident and where structural support remains essential. We believe that sustainable transformation requires collaboration, and we are proud to play a role in shaping that journey.

I extend my appreciation to our research team, sector analysts, and partners who contributed to this effort. Their commitment ensures that the IPMC ESG Ratings will continue to evolve as the reference point for credible, independent sustainability intelligence in Nigeria and beyond.

Robert Ade-Odiachi

Chief Executive Officer
IPMC



Acronyms

Acronym	Full Form
CBAM	Carbon Border Adjustment Mechanism
CDP	Carbon Disclosure Project
CEO	Chief Executive Officer
CSA	Corporate Sustainability Assessment
CSR	Corporate Social Responsibility
DFI	Development Finance Institution
ESG	Environmental, Social, and Governance
FMEnv	Federal Ministry of Environment
FY	Fiscal Year
GHG	Greenhouse Gas
GRI	Global Reporting Initiative
IFRS	International Financial Reporting Standards
IPMC	Institute for Policy and Market Competitiveness
ISSB	International Sustainability Standards Board
JSE	Johannesburg Stock Exchange
KPI	Key Performance Indicator
MSCI	Morgan Stanley Capital International
NCCG	Nigerian Code of Corporate Governance
NESREA	National Environmental Standards and Regulations Enforcement Agency
NGX	Nigerian Exchange Limited
NUPRC	Nigerian Upstream Petroleum Regulatory Commission
OECD	Organization for Economic Co-operation and Development
SASB	Sustainability Accounting Standards Board
SDGs	Sustainable Development Goals
SEC	Securities and Exchange Commission (Nigeria)
S&P	Standard & Poor's
TCFD	Task Force on Climate-related Financial Disclosures
UNGC	United Nations Global Compact

1.0 Introduction

ESG has emerged as a defining factor in shaping the competitiveness, resilience, and credibility of corporations across Africa. For Nigeria, where capital markets are undergoing structural reform and increasing scrutiny from domestic and international investors, ESG performance is no longer peripheral, it directly influences access to financing, global supply chains, and trade opportunities.

The Nigeria Companies ESG Ratings Report 2025, developed by IPMC, provides an independent, evidence-based assessment of listed Nigerian companies. It is designed not as a ceremonial publication but as a diagnostic tool that reflects both the progress and the persistent weaknesses in Nigeria's ESG journey.

The 2025 cycle captures a transitionary moment. Nigerian companies are now required to balance local regulatory compliance, guided by frameworks such as the Nigerian Code of Corporate Governance (NCCG 2018), NGX ESG Disclosure Guidelines, and National Environmental Standards and Regulations Enforcement Agency (NESREA) policies, with growing expectations from international stakeholders shaped by IFRS S1 and S2, GRI, SASB, and TCFD standards. This dual pressure highlights a gap: while frameworks are increasingly comprehensive, execution and verification remain inconsistent.

Across sectors, governance frameworks are visible in policy statements, but the degree of integration into business strategy remains uneven. Environmental reporting is still selective; most companies disclose Scope 1 and 2 emissions, but fewer than 15% report Scope 3, even as instruments like the EU Carbon Border Adjustment Mechanism (CBAM) threaten trade competitiveness. On the social front, diversity remains a structural weakness, with women occupying less than 20% of board positions, and community investment is still perceived more as philanthropy than shared value creation.

The purpose of this report is to bridge perception with performance, to present ESG ratings that are transparent, verifiable, and comparable across sectors. By benchmarking Nigerian issuers against both African and global peers, the report enables policymakers, investors, and companies themselves to see not only where progress has been made but where reform must accelerate.

At IPMC, the goal is not simply to report ESG data, but to interpret its implications. This report therefore serves three roles:

- An analytical tool – providing objective evidence of corporate ESG maturity and transparency;
- A reform instrument – identifying structural weaknesses that limit Nigeria's competitiveness in sustainable finance; and
- An advocacy platform – nurturing accountability and constructive dialogue among regulators, companies, and investors.

Nigeria's ESG transition will not be defined by how many companies publish sustainability reports, but by how reliably those disclosures withstand scrutiny. The findings presented in this report are intended to spark informed debate and guide measurable change, moving Nigeria's ESG practice from compliance to credibility, and from policy to proof.

2.0 Methodology

The ESG Rating Methodology serves as the foundation of this report, defining how companies were evaluated, scored, and compared across Nigeria's key sectors. Developed by IPMC Nigeria, the framework ensures a consistent, transparent, and evidence-based approach that integrates both local regulatory requirements and global sustainability benchmarks.

2.1 Rating Framework

The 2025 ESG Ratings are based on FY2024 audited disclosures and verified sustainability reports of Nigerian listed companies. The assessment applies a structured and transparent ESG (Environmental, Social, and Governance) evaluation model designed to balance global best practices with local regulatory realities.

The model integrates three complementary layers:

1. ESG Framework – defining boundaries, principles, and sectoral weighting structures.
2. Corporate Sustainability Assessment (CSA) – translating ESG pillars into measurable indicators across 180+ disclosure metrics.
3. Rating Conversion Model – converting normalized ESG scores into standardized rating bands (AAA to D), ensuring comparability across companies and sectors.

The framework aligns with internationally recognized standards, GRI, SASB, TCFD, UN SDGs, and IFRS S1/S2, and integrates Nigeria's CBN Sustainable Banking Principles, SEC ESG Guidelines, NCCG 2018, NESREA environmental directives, and NUPRC disclosure requirements.

By merging these two lenses, international rigor and national relevance, the model ensures that Nigerian issuers are assessed not only by domestic benchmarks but also by investor-grade criteria comparable with S&P Global, MSCI, and Refinitiv methodologies.

2.2 Data Assurance and Quality Control

All company data were sourced exclusively from audited annual reports, integrated reports, and sustainability disclosures to ensure reliability and traceability.

Each data point undergoes a three-tier validation process:

1. Tier 1: Documentary Presence – verifies the existence of relevant disclosures or references.
2. Tier 2: Evidence Strength – evaluates whether the disclosure is supported by independent assurance, regulatory filings, or certifications.
3. Tier 3: Cross-Sector Consistency – applies automated and manual checks for alignment across comparable peers.

This process mirrors the assurance principles outlined under ISAE 3000 (Revised) and AA1000AS v3, ensuring that only verifiable data influence the scoring model.

Where external assurance is explicitly reported, scores are adjusted to reflect higher confidence levels. A full digital audit trail has been maintained for transparency and future revalidation.

2.3 Sectoral Weightage

To ensure relevance, ESG pillar weightings were adjusted according to sector materiality, a best practice followed by global rating agencies.

Table 2-1: Sectoral Weightage (%)

Sector	Environmental (E)	Social (S)	Governance (G)
Oil & Gas	41%	26%	34%
Manufacturing	37%	32%	31%
Financial Services	17%	33%	50%
Telecommunications	25%	40%	35%
Services	13%	46%	41%

These proportions reflect each sector's inherent exposure to sustainability risks and opportunities. The model is recalibrated annually to align with emerging national priorities and international frameworks such as ISSB and the EU Taxonomy.

2.4 Global and Domestic Framework Alignment

The methodology draws on globally recognized frameworks and Nigeria's regulatory architecture to ensure both comparability and policy alignment.

Global Benchmarks:

- GRI Standards (2021)
- SASB Industry Standards
- TCFD and IFRS S1/S2 Disclosure Requirements
- UN Sustainable Development Goals (SDGs)
- ISO 14001, ISO 45001, and ISO 26000 management principles

National and Sector-Specific Guidelines:

- CBN Sustainable Banking Principles and SEC ESG Guidelines (Financial Services)
- NUPRC, NESREA, and Federal Ministry of Environment (Oil & Gas)
- SON and NESREA (Manufacturing)
- NCC and NITDA (Telecoms)
- FRCN and ICAN (Professional and Service Sectors)

This dual-lens approach strengthens Nigeria's integration into the global ESG discourse, positioning IPMC's ratings as both credible internationally and actionable domestically.

A detailed rating-conversion matrix and evidence-validation logic are presented in Annex A–D.

2.5 Supply Chain Readiness and Transition Risk

The methodology also evaluates companies' preparedness for emerging global sustainability regulations. Nigerian issuers are increasingly exposed to cross-border compliance expectations such as:

- EU Carbon Border Adjustment Mechanism (CBAM) — with tariffs effective from 2026 on carbon-intensive exports.
- EU Corporate Sustainability Due Diligence Directive (CSDDD) — requiring evidence of supply chain human rights and environmental compliance.
- Energy Transition Obligations — particularly for Oil & Gas and Manufacturing sectors facing community and reskilling expectations.

Each company's ESG maturity is therefore assessed not only by internal performance but also by its supply-chain resilience and global market readiness.

2.6 Scope and Coverage

The assessment covers 146 Nigerian Exchange (NGX)–listed entities across five key sectors: Financial Services, Oil & Gas, Manufacturing, Telecommunications & ICT, and Services.

Of these, 121 companies met the minimum disclosure threshold, defined as:

- Availability of audited financial statements, and
- At least one sustainability or integrated report with verifiable ESG data.

25 companies did not meet these criteria and were excluded from scoring but retained in the dataset for longitudinal comparability. One company (MRS Oil Nigeria Plc) remained in the analysis despite delisting, to preserve year-on-year integrity.

2.7 Rating Model and Scoring Conversion

Each company's ESG disclosure is scored across 180+ indicators, normalized to a 0–100 scale. Scores are aggregated across pillars and converted into rating bands as follows:

Table 2-2: Sectoral Weightage (%)

Score Range	Rating Band	Interpretation
85–100	AAA	Leader: Robust ESG integration, global peer alignment
75–84	AA	Strong: Structured ESG practices with measurable outcomes
65–74	A	Emerging: Material ESG disclosures, improving governance
50–64	BBB	Moderate: Foundational ESG structures, weak reporting depth
35–49	BB	Lagging: Partial alignment, high exposure to ESG risks
20–34	B	Weak: Minimal reporting, limited strategic integration
0–19	D	Deficient: No evidence of ESG management or disclosure

This rating matrix ensures transparency, comparability, and reproducibility — the hallmarks of credible ESG ratings.

2.8 Limitations and Transparency Statement

IPMC acknowledges that ESG reporting in Nigeria remains at an early stage of maturity. While this methodology emphasizes objectivity, it is constrained by:

- The uneven quality of company disclosures,
- Limited third-party assurance coverage, and
- Sectoral gaps in Scope 3 and financed emissions data.

Accordingly, ratings should be interpreted as a disclosure-based performance index, not as an absolute measure of impact.

All data used were current as of 30 June 2025, and the methodology will undergo a full recalibration every three years or when material regulatory changes occur.

3.0 Sector Overview

The sectoral overview provides a comparative lens on how Nigeria's leading industries perform across the Environmental, Social, and Governance (ESG) dimensions.

The assessment covers five priority sectors, Financial Services, Oil & Gas, Manufacturing, Telecommunications, and Professional Services, representing over 90 percent of the market capitalization of listed Nigerian companies.

The sectoral findings are derived from IPMC's ESG Rating Model (see Section 2), which aggregates evidence-based disclosures and assigns sector-weighted scores normalized on a 0–5 scale.

3.1 Sectoral Performance Summary

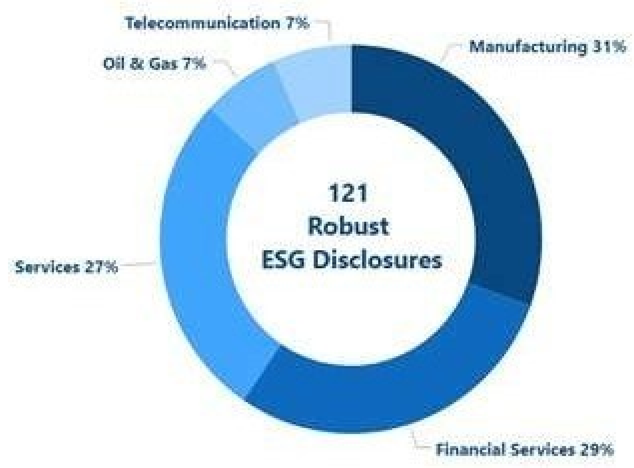


Figure 3-1: Sectoral Performance

The overall pattern shows Governance as Nigeria's relative strength, while Environmental and Social dimensions remain under-developed.

- Environment: Environmental performance lags due to fragmented emissions reporting and minimal external assurance. Only a few companies in Oil & Gas and Manufacturing sectors have publicly verifiable climate strategies, while Financial and Services sectors continue to lack standardized data on energy, water, and waste management.
- Social: Social performance is transitional. Companies have started reporting workforce and training indicators, but quantitative diversity and inclusion disclosures remain sporadic. Community investment still operates largely under CSR optics rather than measurable impact frameworks.
- Governance: Governance scores are supported by visible board structures, policy frameworks, and audit disclosures. However, these strengths are undermined by limited assurance, inconsistent diversity metrics, and low independence verification.

3.2 Sectoral Weighting and Comparative Emphasis

Sector weightings in the IPMC model reflect both financial relevance and ESG exposure intensity within Nigeria's economy.

Oil & Gas carries the highest weight on the Environmental pillar given its direct emission profile, while Financial Services is weighted heavily on Governance due to its systemic role in capital allocation.

Telecoms and Services sectors are increasingly judged on data privacy, inclusiveness, and digital ethics, aligning with global ESG trends.

Sector	Environmental Weight	Social Weight	Governance Weight
Oil & Gas	41 %	26 %	34 %
Manufacturing	37 %	32 %	31 %
Financial Services	17 %	33 %	50 %
Telecommunications & ICT	25 %	40 %	35 %
Services	13 %	46 %	41 %

These allocations ensure that ratings capture material risks and opportunities intrinsic to each sector rather than applying uniform ESG weights across industries.

3.3 Sectoral Insights

Figure 3-2: Sectoral Overview

Financial Services

The sector demonstrates the strongest governance maturity, with near-universal disclosure of board composition, risk management policies, and audit procedures. However, only 12 percent of institutions disclose financed emissions or climate-related credit exposures, creating a major blind spot under TCFD and IFRS S2 principles. Progressive banks are beginning to adopt green-lending frameworks, but without harmonized taxonomy or verification.

Best Practice Spotlight: Financial Services Sector

Sector Overview

The Financial Services sector demonstrates Nigeria's highest ESG integration maturity, with clear evidence of governance discipline and structured sustainability reporting. Leading institutions such as **Zenith Bank Plc**, **Stanbic IBTC Holdings Plc**, and **Access Holdings Plc** show measurable progress in embedding ESG principles into corporate strategy, risk oversight, and disclosure.

Top Performers

- **Zenith Bank Plc – Overall ESG Score: 39%**
  Zenith Bank leads the sector with a balanced Environmental (14%), Social (18%), and Governance (39%) performance. The bank maintains robust governance structures, strong board oversight on sustainability, and consistent environmental disclosures aligned with global frameworks.
  Key Strengths: ESG-linked lending policies, climate risk disclosure, ISO 14001-aligned environmental systems.

- **Stanbic IBTC Holdings Plc – Overall ESG Score: 34%**
  Stanbic shows strong alignment with the ISSB principles through sustainability-linked finance and transparent governance reporting.
  Key Strengths: Employee well-being programs, board diversity, and high transparency in risk management.

- **Access Holdings Plc – Overall ESG Score: 32%**
  Access Holdings integrates ESG at the enterprise level, linking it to lending criteria and customer engagement.
  Key Strengths: Gender equity targets, green-bond issuance, and annual sustainability reporting audited by third parties.

Best Practice Themes

1. **Integrated Governance:**
   All three institutions have board-level ESG oversight committees ensuring accountability and strategy alignment.

2. **Sustainability Reporting:**
   Annual disclosures reference **IFRS S1/S2**, **GRI**, and **TCFD**, improving comparability with global peers.

3. **Sustainable Finance:**
   Expansion of green and social bond portfolios is driving sector leadership and investor confidence.

4. **Human Capital & Social Impact:**
   Employee inclusion, community investment, and SME-focused programs remain strong differentiators.

Key Takeaway for Peers
The top three banks demonstrate that transparent governance, measurable ESG goals, and verified disclosure directly strengthen access to capital and investor trust. Mid-tier banks and insurers can close the gap by adopting structured ESG scorecards, publishing audited sustainability reports, and linking executive KPIs to ESG performance.

Oil & Gas

Environmental disclosure remains selective. About 80 percent of companies report flaring or energy-use data, yet fewer than 25 percent include third-party assurance. Social practices such as local content development and community relations are well established but often narrative-based rather than evidenced through KPIs. Governance standards are improving, though transparency on executive remuneration and ESG-linked incentives is still rare.

Best Practice Spotlight: Oil & Gas Sector

Sector Overview
The Oil & Gas sector remains central to Nigeria's economy but faces persistent ESG disclosure and environmental risk challenges. Despite this, a few operators have begun aligning with international standards through structured sustainability frameworks and emissions management practices. Leaders such as **TotalEnergies Nigeria Plc**, **Seplat Energy Plc**, and **NNPC Ltd** are setting examples for the wider sector.

Top Performers

- **TotalEnergies Nigeria Plc – Overall ESG Score: 35%**
  TotalEnergies maintains the highest environmental disclosure maturity among local peers. It integrates global climate reporting frameworks, such as **TCFD** and **GRI Standards**, and publicly reports on carbon intensity and energy efficiency programs.
  Key Strengths: Transparent GHG accounting, environmental investment tracking, and strong occupational safety programs.

- **Seplat Energy Plc – Overall ESG Score: 33%**
  Seplat demonstrates advanced governance and sustainability integration across operations. Its annual sustainability reports include third-party assurance, making it one of the few Nigerian upstream firms with verified disclosures.
  Key Strengths: Independent ESG assurance, local community investment, and workforce diversity targets.

- **NNPC Ltd – Overall ESG Score: 29%**
  NNPC Ltd shows ongoing improvement in governance transparency and operational accountability following its restructuring under the Petroleum Industry Act (PIA).
  Key Strengths: Governance reforms, publication of audited accounts, and commitment to methane reduction initiatives.

Best Practice Themes

1. **Climate Accountability:**
   Leading operators track and report emissions data aligned with **IFRS S2** and are building internal GHG monitoring frameworks.

2. **Governance Reform:**
   NNPC's transition to a commercial entity and Seplat's board independence policies set precedents for governance modernization.

3. **Community and Social License:**
   Local content promotion, host community development trusts, and safety culture programs strengthen the social pillar of performance.

4. **Assurance and Verification:**
   Independent assurance of ESG reports is emerging as a differentiator for credibility with investors and regulators.

Key Takeaway for Peers

Oil & Gas companies that establish clear emission baselines, assure ESG disclosures, and link community investment outcomes to measurable KPIs are better positioned to attract green financing and maintain regulatory trust. Sector laggards should prioritize transparent data systems and policy alignment to maintain relevance in the global transition economy.

Manufacturing

Mid-tier manufacturers have made progress in energy efficiency and waste-reduction reporting, particularly those aligned with international supply chains. Nonetheless, few disclose life-cycle assessments or product-stewardship metrics required under GRI 301–306. Board independence varies significantly across listed entities, with many boards still dominated by founding members.

Best Practice Spotlight: Manufacturing Sector
Sector Overview

The Manufacturing sector remains one of Nigeria's largest employers and contributors to GDP, yet its ESG performance is uneven. A few firms are improving operational transparency, resource efficiency, and occupational safety standards. Companies such as **Dangote Cement Plc**, **Nestlé Nigeria Plc**, and **BUA Cement Plc** demonstrate structured ESG integration and disclosure consistency.

Top Performers

- **Dangote Cement Plc – Overall ESG Score: 36%**
  Dangote Cement leads the sector in governance maturity and environmental management. Its sustainability strategy includes detailed carbon-emission targets and energy-efficiency initiatives across production plants.
  Key Strengths: GHG reduction roadmap, waste heat recovery systems, and transparent sustainability reporting aligned with GRI and TCFD frameworks.
- **Nestlé Nigeria Plc – Overall ESG Score: 33%**
  Nestlé focuses on social and environmental sustainability embedded in product lifecycle management. Its "Creating Shared Value" model links ESG objectives with core business performance.
  Key Strengths: Responsible sourcing, circular economy programs, and third-party verified water and waste metrics.
- **BUA Cement Plc – Overall ESG Score: 31%**
  BUA Cement shows strong governance alignment and community engagement, publishing structured ESG data in annual reports.
  Key Strengths: Occupational health and safety compliance, emissions tracking, and employee inclusion programs.

Best Practice Themes

1. **Sustainable Production:**
   Industry leaders have invested in alternative fuels, renewable energy sources, and circular waste systems to reduce emissions and costs.
2. **Transparency and Assurance:**
   Top firms publish annual sustainability reports with third-party assurance, improving data credibility and investor trust.
3. **Human Capital Development:**
   Continuous safety training, fair labor practices, and gender inclusion are embedded in workforce programs.
4. **Community Engagement:**
   Local infrastructure and education investments build stronger relationships with host communities and regulators.

Key Takeaway for Peers

Manufacturers that link efficiency gains to measurable ESG outcomes and disclose verified data attract more favorable financing and supply chain partnerships. Firms should prioritize emissions transparency, energy management, and independent assurance to remain competitive in regional and global markets.

Telecommunications

This sector performs relatively well on the social dimension — high employee training ratios, health and safety policies, and growing attention to data privacy following NITDA 2023 regulations. However, environmental performance is limited by energy-intensive operations and minimal renewable integration. Governance disclosures are strong but often non-quantitative, lacking metrics on cybersecurity resilience and board-level oversight of digital ethics.

Best Practice Spotlight: Telecommunications Sector

Sector Overview

The Telecommunications sector is a key driver of Nigeria's digital economy and social inclusion. ESG performance in the sector is improving, especially in governance and social responsibility. Leading operators such as **MTN Nigeria Plc**, **Airtel Africa Plc**, and **Globacom Ltd** have integrated sustainability into their business models, emphasizing connectivity, data security, and inclusive growth.

Top Performers

- **MTN Nigeria Plc – Overall ESG Score: 38%**
  MTN Nigeria remains the most transparent telecom operator in ESG reporting. The company discloses detailed data on carbon footprint, data privacy, and community impact.
  Key Strengths: Strong governance structure, renewable energy rollout for towers, and active digital inclusion programs for underserved areas.
- **Airtel Africa Plc – Overall ESG Score: 34%**
  Airtel Africa integrates ESG metrics into its business strategy and investor communication, aligning disclosures with global frameworks.
  Key Strengths: Employee development programs, network energy efficiency, and gender balance in management.
- **Globacom Ltd – Overall ESG Score: 29%**
  Globacom demonstrates improvement in governance and operational efficiency, with focus on social impact and data protection.
  Key Strengths: Affordable access initiatives, cybersecurity policy improvements, and local community engagement.

Best Practice Themes

1. **Digital Inclusion:**
   Expansion of broadband access and financial inclusion initiatives connects millions and drives economic participation.
2. **Energy Efficiency:**
   Use of solar-powered base stations and energy audits supports emission reduction commitments under IFRS S2.
3. **Governance and Data Ethics:**
   Strengthened data protection, cybersecurity frameworks, and board-level ESG oversight improve stakeholder trust.
4. **Social Impact:**
   CSR programs in education, youth empowerment, and rural connectivity reinforce the sector's social responsibility.

Key Takeaway for Peers

Telecom firms that integrate ESG into operational strategy and transparency frameworks build stronger investor confidence and brand credibility. Continuous disclosure on data privacy, energy efficiency, and inclusion metrics will define long-term competitiveness in Nigeria's digital economy.

Services

The Services sector, comprising logistics, hospitality, and professional services, shows gradual improvement in governance and transparency. Yet, ESG disclosures are inconsistent due to limited capacity and absence of standardized templates. Environmental indicators are mostly qualitative, and workforce diversity reporting remains anecdotal.

Best Practice Spotlight: Services Sector

Sector Overview

The Services sector shows wide variation in ESG performance across industries. Real Estate, Power, and Construction segments lead in disclosure and governance maturity. Average ESG performance across the sector is **19%**, indicating an early stage of ESG integration compared to financial and industrial sectors.

Top Performers

- **Julius Berger Nigeria Plc – Overall ESG Score: 34%**
  Julius Berger leads the Services sector with a strong Governance (14%) and Social (15%) profile. The company's robust HSE management, employee welfare systems, and transparent governance structure stand out.
  Key Strengths: Structured ESG reporting, worker safety policies, community investment, and environmental management systems.

- **Transnational Corporation Plc – Overall ESG Score: 31%**
  Transcorp's diversified operations in hospitality and power reflect consistent governance oversight and increasing ESG transparency.
  Key Strengths: Climate strategy alignment, board-level ESG committee, and public sustainability reporting.

- **UPDC Plc – Overall ESG Score: 29%**
  UPDC demonstrates leadership in Real Estate with notable environmental reporting and strong human capital practices.
  Key Strengths: Building energy efficiency standards, risk management framework, and employee development initiatives.

Best Practice Themes

1. **Governance Integration:**
   ESG oversight embedded in corporate boards ensures accountability and risk visibility. Julius Berger and Transcorp both disclose sustainability governance structures.

2. **Occupational Health and Safety:**
   Leading firms show clear commitment to safety training, reporting, and performance monitoring. This contributes significantly to their Social scores.

3. **Climate and Environmental Management:**
   UPDC and Transcorp are adopting frameworks for energy tracking and emissions management, an emerging differentiator in Nigeria's service industries.

4. **Human Capital and Community Impact:**
   Employee development programs and CSR initiatives form a key driver of ESG differentiation within the Services sector.

Key Takeaway for Peers

Performance leaders in the Services sector succeed through governance discipline, verified safety standards, and employee-focused sustainability programs. Firms in logistics, hospitality, and aviation services can close the gap by formalizing ESG reporting, adopting risk and safety scorecards, and integrating climate disclosures into annual reports.

3.4 Cross-Sectoral Observations

Across all sectors, three themes emerge:

1. Assurance deficit: less than 20 percent of disclosures carry third-party verification, reducing reliability for investors.
2. Scope 3 gap: most companies fail to capture downstream or value-chain emissions, limiting readiness for future carbon-pricing regimes.
3. Governance fragmentation: while policy frameworks exist, few companies integrate ESG targets into performance management or board oversight structures.

The materiality analysis confirms that climate risk, governance accountability, and social inclusion remain the most under-addressed yet financially material themes across sectors.

3.5 Nigeria's Position in Regional Context

Relative to African peers, Nigeria's ESG maturity ranks below South Africa and slightly behind Kenya, but ahead of several frontier markets.

The key differentiator remains assurance and disclosure depth rather than policy adoption.
South African issuers benefit from mandatory assurance frameworks under the JSE, while Nigerian entities still operate largely under voluntary reporting guidance.

Closing this assurance gap will be essential for Nigeria's competitiveness as global capital flows increasingly reward verified ESG data.

4.0 Material ESG Issues

Materiality is at the heart of ESG reporting.

In this report, IPMC defines materiality as the intersection of issues that are financially relevant, strategically significant, and socially impactful within the Nigerian context.

The process combines international frameworks, GRI Standards (3-1 to 3-3), IFRS S1/S2, and TCFD, with Nigeria-specific governance and environmental regulations to ensure both global comparability and local applicability.

4.1 Methodology for Materiality Determination

Material ESG issues were identified through a structured four-step process:

1. Topic Identification – Reviewing more than 200 ESG indicators across GRI, SASB, and TCFD frameworks and narrowing them to issues most relevant to Nigeria's regulatory and market context.
2. Evidence Screening – Mapping these issues against actual disclosures by companies across the five sectors (Oil & Gas, Manufacturing, Financial Services, Telecommunications, and Services).
3. Stakeholder Relevance Assessment – Evaluating which issues are emphasized by Nigerian regulators, investors, DFIs, and civil society.
4. Impact Scoring and Heat-Mapping – Each issue was scored on Disclosure Frequency, Financial Materiality, and Stakeholder Priority, resulting in a weighted materiality heat map.

4.2 Sector-Specific Material ESG Issues

Table 4-1: Sector specific material issues

Sector	Top Material Issues	Strategic Interpretation
Oil & Gas	Climate risk and flaring; community relations; worker safety; energy transition strategy	Transition risk management remains nascent; disclosure improving but assurance weak. Scope 3 emissions absent in nearly all reports.
Manufacturing	Energy efficiency; waste management; product safety; supply-chain labour standards	Most firms disclose qualitative policies; few provide quantitative metrics or life-cycle data required under GRI 301–306.
Financial Services	Responsible lending; financed emissions; governance independence; data privacy	Financed-emission reporting < 15 %; need for climate-risk integration under IFRS S2 and NGX guidelines.
Telecommunications	Data protection; e-waste; digital inclusion; occupational safety	Data-privacy compliance improving post-NITDA 2023, but environmental footprint still under-reported.
Services	Employee welfare; diversity and inclusion; waste and energy management; ethical conduct	ESG disclosures fragmented; diversity policies often unverified and confined to large corporates.

Table 4.2 Services Sector

Rank	Issue	Count
1	Occupational health & safety	23
2	Inclusive employment / disability	17
3	Employee training & engagement	16
4	Community engagement	3
5	Other (misc)	1

*Other(mics)-Material issues that did **not** match any of the merge categories*

Table 4.3 Financial services Sector

Rank	Issue	Count
1	Occupational health & safety	15
2	Employee training & engagement	15
3	Inclusive employment / disability	13
4	Research & development	3
5	Sustainable finance / investment	1

Table 4.4 Telecommunication Sector

Rank	Issue	Count
1	Occupational health & safety	4
2	Employee training & engagement	4
3	Inclusive employment / disability	3
4	Other (macro)	1
5	Employment policy	1

Table 4.5 Oil & Gas Sector

Rank	Issue	Count
1	Occupational health & safety	5
2	Employee training & engagement	3
3	Inclusive employment / disability	2
4	Environmental responsibility (GHG etc.)	1
5	Gender equality	1

Table 4.6 Manufacturing Sector

Rank	Issue (merged category)	Count
1	Occupational health & safety	20
2	Employee training & engagement	10
3	Inclusive employment / disability	9
4	Community engagement	3
5	Research & development	2

4.3 Cross-Sectoral Themes and Emerging Priorities

Three material themes cut across all industries:

1. **Climate and Energy Transition** – Nigeria's dependence on hydrocarbons and imported energy technologies amplifies exposure to global transition risk. Only a handful of companies have set science-based emission targets.
2. **Social Equity and Inclusion** – Workforce diversity, fair pay, and gender balance continue to be under-measured, limiting alignment with SDG 5 (Gender Equality) and SDG 8 (Decent Work and Economic Growth).
3. **Governance Integrity and Board Accountability** – Despite visible frameworks, true independence and gender diversity remain below regional norms. ESG-linked remuneration is rare.

These themes are not only material in a sustainability sense but increasingly financially consequential, influencing cost of capital, export competitiveness, and stakeholder trust.

4.4 Nigeria's ESG Maturity Curve

Nigeria's materiality profile suggests that ESG maturity is policy-rich but implementation-shallow. While companies acknowledge climate and governance risks, few translate them into measurable financial metrics or board-level oversight structures.

When benchmarked against South Africa's JSE and Kenya's CMA Governance Code, Nigeria's maturity level sits roughly between "Formative" and "Emerging" on the continental ESG curve.

Progress will depend on three accelerators:

- Mandatory disclosure of Scope 3 and financed emissions;
- Integration of ESG KPIs into executive scorecards;
- Introduction of independent assurance requirements under the NGX or SEC.

Global Peer Positioning: Nigeria in Context

Nigeria's overall ESG maturity remains in the early consolidation phase when compared with peer markets in sub-Saharan Africa.

Based on weighted averages of publicly available ESG ratings and disclosure depth:

Table 4-2: Global Peer Positioning

Country	Average ESG Score (100)	Typical Rating Band	Primary Strength	Primary Gaps
South Africa	72	A–	Board governance & assurance depth	Scope 3 transparency gaps
Kenya	64	BBB+	Policy integration & financial inclusion metrics	Weak assurance ecosystem
Nigeria	58	BBB	Governance maturity improving; policy structure strong	Limited assurance & Scope 3 coverage
Ghana	51	BB+	Energy transition policies emerging	Limited data disclosure

Nigeria's performance indicates a growing regulatory base and increasing investor engagement but limited progress in external assurance and value-chain emissions reporting.

Bridging this gap will require closer alignment between the Nigerian Exchange (NGX), Securities and Exchange Commission (SEC), and the Financial Reporting Council to establish unified disclosure verification standards.

4.5 Implications for the Nigerian ESG Ecosystem

The materiality outcomes carry several policy and market implications:

- Companies must shift from broad CSR narratives to data-driven impact disclosures.
- Regulators should integrate materiality testing into listing and reporting templates.
- Investors will increasingly differentiate between policy-compliant and impact-verified issuers.

In essence, Nigeria's future ESG credibility will rest on the ability of its corporate sector to prove material impact — not just recognize it.

The next rating cycle (FY 2025–26) will evaluate whether identified material issues have translated into targeted actions, measurable KPIs, and verified outcomes.

National Context and Forward Priorities

Nigeria's ESG maturity reflects both progress and systemic inertia. Most listed firms report selectively due to limited assurance infrastructure, absence of mandatory Scope 3 requirements, and evolving data-governance norms. However, the policy environment, anchored in the SEC Code (2018), NCCG (2018), and NGX ESG Guidelines, provides a workable foundation.

The next advancement will depend on:

- embedding ISSB S1/S2 compliance in corporate reporting cycles;
- strengthening assurance capacity through accredited local verifiers; and
- linking ESG results to fiscal or financing incentives.

With these reforms, Nigerian corporates can close the 10- to 12-point disclosure gap versus African peers within three reporting cycles.

5.0 Sectoral Ratings and Performance Insights

This section presents the consolidated ESG rating outcomes for the five sectors assessed under the IPMC ESG Rating Framework. Each rating reflects a company's performance across environmental, social, and governance dimensions using verified public disclosures for FY 2024.

Scores were normalized on a 0–5 scale and converted into letter grades (D – AAA) as described in Section 2.

The findings highlight considerable sectoral variation, shaped largely by regulatory maturity, disclosure culture, and business-model exposure to ESG risks. While Governance continues to be the relative strength across industries, environmental disclosure and assurance remain the weakest link, with limited verification and incomplete coverage of Scope 3 emissions.

Rating Distribution and Overall Sector Averages

The sectoral distribution of ESG performance indicates a widening maturity gap between companies with established international reporting experience and those new to disclosure.

As shown in the aggregated results (based on the 2024 dataset):

Table 5-1: Sectoral Rating Distribution

Sector	Average ESG Score (0–5)	Corresponding Rating	Sector Observation
Financial Services	3.8	**A–**	High governance maturity; emerging environmental focus
Oil & Gas	3.4	**BBB +**	Strong policies; limited third-party assurance
Manufacturing	3.1	**BBB**	Improvement in energy efficiency; weak product life-cycle data
Telecommunications & ICT	3.5	**A–**	Data protection robust; environmental footprint lagging
Services	2.9	**BB +**	Fragmented disclosures; minimal external assurance

Governance indicators lifted overall scores, but the absence of verified environmental data prevented most sectors from reaching the **AA tier** benchmark.

5.1 Financial Services Sector

Banks and financial institutions exhibit the highest governance disclosure levels among Nigerian corporates. Board independence and audit transparency align closely with NGX and SEC guidelines. However, financed emissions, a critical component under IFRS S2, are disclosed by only two institutions (≈ 12 %), and none have external assurance of climate-risk data.

Social disclosures (employee training, customer protection, and financial inclusion) are improving, while gender diversity at senior management level remains below 25 %.

Environmental aspects are emerging mainly through green-lending frameworks and participation in climate-finance initiatives.

Interpretation:
The sector is policy-strong but evidence-light, reporting frameworks exist, but assurance and Scope 3

accounting must evolve for Nigeria's financial sector to achieve regional parity with Kenya and South Africa.

Investor Implications:
- ESG-linked lending and green bonds remain nascent, representing near-term growth opportunities.
- Financed-emission disclosure is absent, creating blind spots for climate-risk pricing.
- Institutions aligning early with ISSB S1/S2 and CBN Sustainable Banking updates are likely to enjoy lower borrowing costs and stronger international credibility.

5.2 Oil & Gas Sector

The Oil & Gas sector shows strong policy articulation and growing transparency on flaring, energy consumption, and community engagement.

Companies such as Aradel Holding Plc, Seplat Energy Plc, and TotalEnergies Marketing Nigeria Plc have begun aligning disclosures with TCFD and IFRS S2 expectations. However, assurance coverage remains below 25 %, and Scope 3 emissions are almost universally absent.

Governance performance is steady, driven by mandatory local-content and safety-compliance reporting, but executive compensation and ESG-linked incentive structures remain rare.

Interpretation:
The sector's transition risk exposure is material but under-quantified.
To progress toward an A rating, companies must integrate independent assurance, publish full carbon baselines, and link board oversight to decarbonization outcomes.

Investor Implications:
- ESG readiness is improving in HSE performance but lagging in community transition plans.
- Investors should focus on methane-management disclosure and decommissioning strategies.
- Early transition planning will determine access to international funding post-2026.

5.3 Manufacturing Sector

Manufacturers show gradual but genuine progress, particularly mid-sized exporters compelled by international buyers to improve supply-chain traceability.

Approximately 60 % disclose energy or waste data, yet few present year-on-year reduction metrics. Product stewardship and life-cycle assessments remain limited to multinational subsidiaries. Governance remains a differentiator, firms with an established management systems (E.g. ISO certifications) and structured sustainability committees perform substantially higher.

Interpretation:
The sector is evolving from compliance to competitiveness, but gaps in assurance, Scope 3 disclosure, and gender diversity keep most firms in the BBB range.

Investor Implications:
- Companies with ISO 14001 or energy-efficiency certification show lower exposure to carbon-border adjustments.
- Absence of Scope 3 reporting limits long-term export competitiveness.
- Green-process financing (EE loans, blended finance) will increasingly become a differentiator in cost of capital.

5.4 Telecommunications Sector

Telecom and ICT companies perform above average on the social pillar - strong records in training, occupational health, and data protection compliance following NITDA 2023.

However, the sector's environmental footprint (energy consumption, e-waste, and carbon intensity of data centres) remains under-reported.

Governance disclosures are detailed but often narrative-based, lacking measurable KPIs.

Interpretation:
With digitalization accelerating, the next frontier for this sector is quantified energy and emissions reporting tied to renewable-energy integration. Potential for AA-level performance exists if environmental transparency catches up with social leadership.

Investor Implications:

- Strong data-protection frameworks can attract sustainability-linked digital-infrastructure finance.
- Weak e-waste reporting may deter ESG-screened funds.
- Investment prospects improve for operators integrating renewable-energy usage in data centers.

5.5 Services Sector

Comprising logistics, hospitality, and professional services, this sector shows **the widest variance** in ESG performance.

Larger listed firms disclose governance and CSR data, while SMEs provide minimal information beyond workforce size and philanthropy.

Environmental indicators are mostly qualitative; social and diversity data rarely exceed one-page narratives.

Interpretation:
The Services sector remains in the disclosure infancy stage, requiring both regulatory guidance and capacity-building to mainstream ESG. A transition from ad-hoc reporting to standardized templates is essential to lift scores beyond the BB range.

Investor Implications:

- Human-capital development and DEI disclosure quality are major drivers of employer-brand value.
- Service-sector firms with verified governance frameworks tend to outperform peers on stakeholder trust indices.

5.6 Cross-Sectoral Rating Insights

Three structural insights emerge from the analysis:

1. Verification deficit: Only one in five companies provided any form of third-party assurance, highlighting systemic reliability gaps.
2. Scope 3 and financed-emission void: Material environmental and transition risks remain off-balance-sheet for most sectors.
3. Governance consistency: Nigeria's corporate-governance codes have succeeded in setting minimum expectations, creating a stable baseline for ESG maturity.

While overall ESG literacy has improved markedly since 2022, Nigeria's listed companies must now move from reporting to substantiation — ensuring that disclosures are measurable, comparable, and externally validated.

5.7 Positioning Against Global and Regional Peers

When mapped against peer markets:

- South Africa (JSE) averages in the AA band, owing to mandatory assurance and integrated reporting.
- Kenya (NSE) averages A / A–, driven by regulator-led ESG adoption.
- Nigeria presently averages BBB + / A–, signifying a maturing but unverified disclosure ecosystem.

The difference is not one of intent but of execution and audit depth.

Bridging this gap will be central to Nigeria's competitiveness in attracting sustainable capital and meeting investor due-diligence expectations under the EU CSRD and similar frameworks.

6. Stakeholder and Regulatory Landscape

ESG performance in Nigeria is shaped as much by the regulatory architecture as by corporate intent. While Nigeria has adopted several forward-looking governance and sustainability codes, their **implementation depth and enforcement consistency** remain uneven.

Understanding this landscape is critical to interpreting corporate ratings and identifying the systemic enablers of credible ESG disclosure.

6.1 Current ESG Regulatory Instruments

The Nigerian ESG-regulatory architecture has evolved rapidly since 2021, with the introduction of the National Climate Change Act, the Data Protection Act, and draft SEC ESG Guidelines. These instruments collectively mark a transition from voluntary disclosure toward regulated sustainability reporting. However, coordination across agencies remains nascent, requiring harmonization under IFRS S1/S2 and ISSB implementation frameworks.

Table 6-1: ESG Regulatory Instruments

Institution / Instrument	Core Mandate / Coverage	IPMC Observations
Nigerian Exchange Group (NGX) – *Sustainability Disclosure Guidelines* (2019; Revision pending 2025)	Encourages listed issuers to publish sustainability reports referencing GRI, UN SDGs, and ISSB S1/S2.	Still voluntary, but NGX is reviewing the 2019 Guidelines to integrate ISSB-aligned disclosure formats and assurance references. Adoption remains uneven across sectors.
Securities and Exchange Commission (SEC) – *Code of Corporate Governance* (2018) & *Proposed ESG Guidelines* (Draft 2024)	Establishes governance oversight, risk disclosure, and reporting requirements for listed entities.	Serves as ESG baseline, but the draft 2024 ESG Guidelines are expected to introduce mandatory ESG reporting and link to capital-market filings.
Financial Reporting Council of Nigeria (FRCN) – *Nigerian Code of Corporate Governance (NCCG 2018)*	Promotes transparency, board independence, accountability, and sustainability integration.	Widely adopted; however, the FRCN is expected to harmonize NCCG with IFRS S1/S2 and integrate sustainability metrics into board performance evaluation by 2026.
National Environmental Standards and Regulations Enforcement Agency (NESREA) – *Environmental Compliance & Permitting Regulations (2011–2023 updates)*	Regulates industrial emissions, waste management, and biodiversity protection.	Enforcement improving through digital permit systems and joint inspections with state EPAs, but sector coverage for services & finance remains limited.
Central Bank of Nigeria (CBN) – *Sustainable Banking Principles (2012; Implementation Guideline 2023)*	Embeds environmental and social risk assessment into credit and investment decisions.	The 2023 Implementation Guideline now requires periodic reporting to CBN on sustainability metrics. Tier-1 banks are compliant; smaller institutions lag.
National Information Technology Development Agency (NITDA) – *Data Protection Act 2023*	Ensures data privacy, cybersecurity, and digital ethics within ESG-governance scope.	Now linked to ESG 'G' pillar (governance and data integrity); relevance expanding to financial and telecom sectors.
Federal Ministry of Environment (FMEnv) – *National Climate*	Establishes legal framework for climate-	Provides statutory basis for Nigeria's Net-Zero 2050 pathway;

Change Act 2021 & National Carbon Market Strategy 2024	change governance and carbon-market participation.	carbon-market strategy (2024) introduces MRV standards and Article 6 alignment.
Nigeria Climate Change Council (NCCC) – *Presidential Council & Secretariat (2022 onward)*	Coordinates national climate policies and oversee sectoral GHG targets.	Operational since 2023; leading coordination of MRV systems and just-transition planning. Integration with corporate ESG reporting is still developing.
Corporate Affairs Commission (CAC) – *Annual Return & Disclosure Requirements (Amended 2023)*	Mandates inclusion of sustainability disclosures in statutory annual returns for large entities.	First legal step toward mainstreaming ESG reporting into corporate compliance filings; enforcement at pilot stage.
Standards **Organization** of Nigeria (SON) – *Energy Management and ISO 50001 Adoption Program (2023)*	Promotes energy-efficiency standards and ISO-based management systems.	Gains relevance for industrial ESG metrics; voluntary but linked to CBN green-finance incentives.

Note: Please refer Annexure "H" for further details.

Collectively, these frameworks create a **regulatory mosaic** that is conceptually sound but fragmented in enforcement, leading to uneven ESG maturity across sectors.

6.2 Roles of Regulators and Market Enablers

Regulators and development-finance institutions (DFIs) have begun aligning their mandates with global ESG expectations.

- **NGX** acts as the principal market advocate for sustainability disclosure, conducting awareness sessions and award programs.
- **SEC** focuses on strengthening investor-protection mechanisms through transparency and governance.
- **CBN** encourages integration of climate risk into lending portfolios, although taxonomy and verification remain voluntary.
- **NESREA** and the **Federal Ministry of Environment** serve as enforcement anchors for environmental compliance.
- **DFIs and multilateral partners** (IFC, AfDB, UNDP) increasingly condition funding on verified ESG metrics, indirectly incentivizing disclosure improvements.

Despite these positive trends, **coordination gaps** persist. The absence of a unified national ESG framework results in overlaps and reporting fatigue for corporates, with multiple agencies requesting similar data in different formats.

6.3 Identified Gaps and Opportunities

Three systemic gaps define Nigeria's current ESG regulatory environment:

1. **Voluntary Disclosure Dependence** – Most ESG reporting frameworks remain non-mandatory; assurance is optional.
2. **Fragmented Oversight** – Limited inter-agency coordination between NGX, SEC, and NESREA weakens holistic accountability.
3. **Capacity and Incentive Deficit** – Many companies lack internal expertise or financial incentives to implement robust ESG systems.

However, these gaps also represent strategic opportunities. **Developing an integrated National ESG and Sustainability Reporting Framework, harmonized with IFRS S1/S2, could create alignment, reduce duplication, and improve Nigeria's comparability within global markets.**

6.4 Advancing the Ecosystem: Constructive Path Forward

To mature Nigeria's ESG landscape:

- Clarify accountabilities: Define clear roles among NGX, SEC, CBN, and NESREA to avoid overlap and reporting fatigue.
- Mandate assurance: Introduce third-party verification requirements for listed companies by FY 2026.
- Digitalize reporting: Deploy a unified ESG submission portal managed by NGX/FRCN to ensure traceability.
- Promote capacity building: Institutionalize training programs for corporates and auditors on IFRS S1/S2 and GRI standards.
- Strengthen investor confidence: Encourage publication of assured ESG data in annual reports and bond prospectuses.

A coordinated regulatory approach will move Nigeria from policy aspiration to performance verification, ensuring that ESG reporting becomes a credible basis for sustainable-finance decisions rather than a compliance exercise.

6.5 Regulatory Roles and Accountability Matrix (Excerpt)

Effective ESG transformation requires defined accountability among policy institutions. The following summary delineates primary responsibilities:

- SEC Nigeria: Mandates disclosure and oversees ESG assurance frameworks.
- CBN: Implements Sustainable Banking Principles, enforces green-finance guidelines.
- NUPRC / NMDPRA: Drives decarbonization compliance in upstream oil & gas.
- NESREA: Monitors environmental performance and issues compliance directives.
- FRCN / ICAN: Advances assurance and audit quality for ESG disclosures.

Joint enforcement mechanisms remain weak, particularly between financial and environmental regulators. IPMC's dataset evidence fragmented oversight, underscoring the need for cross-agency ESG reporting coordination.

Table 6-2Regulatory Heat Map 2025 – ESG Coverage & Enforcement

Institution / Instrument	Core Mandate / Coverage	IPMC Observations (as you gave)	Proposed Policy Coverage Grade	Proposed Enforcement Strength Grade	Proposed Readiness Level	Key Evidence / Commentary
NGX – Sustainability Disclosure Guidelines (2019; pending revision)	Encourages listed issuers to publish ESG disclosures referencing GRI, UN SDGs, etc.	Still voluntary; revision planned to integrate ISSB and assurance references	High	Moderate	Developing	NGX Sustainability Disclosure Guidelines publicly available (Nigerian Exchange Group)
SEC – Code of Corporate Governance (2018) & Draft ESG Guidelines (2024)	Mandates governance, risk disclosure, and reporting oversight	The draft ESG Guidelines expected to introduce mandatory ESG reporting	High	Moderate	Developing	SEC sustainable finance / NSFP guidelines exist (SEC Nigeria)
FRCN – NCCG 2018	Promotes transparency, board accountability, sustainability integration	Widely adopted; expected alignment with IFRS S1/S2 by 2026	Medium to High	Low to Moderate	Developing	FRCN issued adoption roadmap documents (frcnigeria.gov.ng)
NESREA – Environmental Compliance / Permitting	Enforces environment law, emissions, biodiversity, etc.	Enforcement improving via digital systems; limited in finance/services	High	Moderate	Developing	NESREA statutes and regulation coverage public; regulatory enforcement track record (state EPAs cooperation)
CBN – Sustainable Banking Principles (2012; 2023 Guideline)	Embeds E&S risk in banking & credit decisions	2023 guideline now requires periodic reporting; large banks largely compliant	Medium	Low to Moderate	Developing	CBN published the original NSBP (Central Bank of Nigeria)
NITDA – Data Protection Act 2023	Protects data privacy, cybersecurity, digital ethics	Now relevant to ESG "G" pillar; impact in financial/telecom sectors	Medium	Moderate	Developing	NITDA's SRAP and the new Data Protection Act strengthen enforcement over digital practices
FMEnv – National Climate Framework / Acts	Sets broad climate & environmental law basis	Provides statutory basis for Net-Zero 2050; climate policy architecture	Medium	Low to Moderate	Early / Developing	Nigeria climate change acts, framework documents from FMEnv (National Climate Change Act)

The table shows NGX and SEC leading in ESG coverage, though enforcement remains moderate. Agencies like NESREA and NITDA show strengths in domain-specific enforcement, but their readiness is still evolving. There is need for inter-agency coordination and legal backing to elevate weaker mandates.

7.0 Conclusions and Recommendations

7.1 Synthesis of Findings

The 2025 ESG assessment underscores a defining reality: Nigeria's ESG ecosystem is policy-rich but verification-poor.

Most companies have adopted the language of sustainability but not yet the discipline of accountability.

Governance frameworks are visible, yet ESG integration into core business strategy remains inconsistent.

Environmental disclosure continues to lag, particularly on Scope 3 and financed emissions, while social indicators are still largely narrative-based rather than quantitatively measured.

Across sectors, the analysis reveals three consistent insights:

- Environmental reporting, though improving, suffers from weak assurance and limited comparability.
- Social disclosures show early progress, particularly in training and inclusion, but lack measurable KPIs or external validation.
- Governance remains the most structured and reliable pillar, supported by the NGX, SEC, and NCCG frameworks.

Collectively, these patterns reflect an ESG landscape at the "evolutionary" stage - one moving from awareness to early institutionalization but not yet achieving maturity in evidence and assurance.

7.2 Nigeria's Competitive Position in Africa's ESG Transition

Nigeria's corporate ESG trajectory places it behind South Africa (AA) and Kenya (A), but ahead of several frontier economies.

Its regulatory foundation is robust, multiple agencies have issued sustainability-related codes, yet fragmentation limits efficiency and comparability.

The key differentiator between Nigeria and regional peers is not ambition but auditability. Without verifiable assurance mechanisms and standardized disclosure, Nigerian issuers risk losing competitiveness in three critical areas:

- Sustainable finance access: Global investors increasingly demand assured ESG data as part of due diligence.
- Trade competitiveness: CBAM and similar carbon-adjustment policies will penalize exporters without verifiable emissions data.
- Reputation and capital cost: Weak assurance leads to higher perceived risk premiums in global markets.

Closing these credibility gaps requires coordinated reform, combining stronger assurance requirements, digitalized data management, and cross-agency governance.

7.3 Strategic Priorities for 2025–2026

To accelerate Nigeria's ESG transformation, five strategic priorities are proposed:

- **Establish a Unified National ESG Reporting Framework**
  Harmonize NGX, SEC, and NESREA guidelines under a single national standard aligned with IFRS S1/S2 and GRI 2021 updates.

- **Mandate External Assurance for Listed Companies**
  Introduce a phased requirement for third-party ESG assurance by FY 2026, prioritizing high-impact sectors (Oil & Gas, Manufacturing, and **Financial Services).**
- **Institutionalize ESG Capacity Building**
  Launch a national training and certification program for sustainability officers, auditors, and board members — modelled on CBN's Sustainable Banking initiatives.
- **Incentivize Verified Disclosure**
  Link tax credits, listing advantages, or financing benefits to verified ESG data submission, encouraging voluntary transparency before mandates take effect.
- **Promote Technology-Enabled Transparency**
  Develop a centralized digital ESG submission portal under NGX or FRCN supervision to track progress, reduce duplication, and ensure audit trails.

Together, these actions can reposition Nigeria's ESG ecosystem as investor-ready, resilient, and aligned with global disclosure norms.

7.4 Path Forward – From Compliance to Competitiveness

The journey ahead is clear: Nigerian corporates must evolve from disclosure to demonstration - proving through data, assurance, and measurable progress that ESG principles are embedded in governance and strategy.

This transformation will depend on stronger regulatory collaboration, investor pressure, and sustained technical support from institutions like IPMC.

In the next rating cycle, IPMC aims to:

- Integrate automated data validation to reduce manual errors and subjectivity;
- Expand coverage to non-listed entities and SMEs;
- Publish annual ESG Assurance Indices to benchmark verification maturity across sectors.

Through these steps, ESG reporting in Nigeria can transition from compliance exercise to a lever of national competitiveness - a credible narrative of responsibility, resilience, and value creation in the global sustainability economy.

3-Year Action Timeline (FY2025–FY2027)

Purpose:

To guide IPMC, corporates, and regulators in aligning Nigeria's ESG ecosystem with ISSB and IFRS S1/S2 standards.

FY2025 – Foundation and Integration

- Finalize and publish the standalone *ESG Methodology Guide 2025*.
- Begin development of the *Regulatory Heat Map* and *Digital Validation Roadmap*.
- Initiate training sessions for IPMC analysts on ESG assurance and data validation.
- Launch pilot benchmarking of Nigeria's ESG performance against Kenya and South Africa.

FY2026 – Expansion and Standardization

- Embed automated QA and metadata tagging in ESG rating workflows.
- Publish the *Regional Benchmarking Annex* and *Assurance Landscape Snapshot*.
- Conduct annual ESG rating validation reviews with third-party oversight.
- Collaborate with SEC and CBN to integrate ESG rating outputs into sustainable finance policies.

FY2027 – Consolidation and Leadership

- Publish the first *West Africa ESG Composite Index*.
- Position IPMC as a regional ESG data authority recognized by DFIs and investors.
- Establish an *ESG Methodology Governance Charter* ensuring annual review and independence.
- Host an *Africa ESG Forum* to share cross-country findings and harmonization strategies.

Outcome:

This timeline provides a clear path for IPMC to move from methodological development to regional leadership, achieving full alignment with ISSB rollout by FY2027.

ANNEXURE A – ESG Rating Conversion Matrix

A.1 Rating Scale

To enhance transparency and comparability across sectors, all ESG scores are normalized on a 0–100 scale and mapped to the standard **AAA–D** rating bands as follows:

Table A-1 | ESG Rating Scale

Normalized Score Range	Rating Band	Interpretation
85–100	AAA	Leader — globally aligned ESG integration, third-party assurance, advanced strategy and reporting.
75–84	AA	Strong — structured ESG systems with measurable outcomes and partial assurance.
65–74	A	Emerging — improving alignment with ESG frameworks, limited verification.
50–64	BBB	Moderate — foundational ESG structure, moderate disclosure quality.
35–49	BB	Lagging — partial integration, weak governance or selective disclosures.
20–34	B	Weak — limited ESG systems, reactive compliance.
0–19	D	Deficient — no credible ESG policy or disclosure identified.

A.2 Scoring Formula

$$\text{Normalized Score} = \left(\frac{\text{Actual Score}}{\text{Maximum Possible Score}}\right) \times 100$$

Sector scores are aggregated using pillar-specific weightings (see Annexure B) and converted into the overall ESG Rating.

A.3 Rating Methodology Review

All thresholds are reviewed every three years or when material regulatory changes occur (e.g., ISSB updates or national ESG disclosure mandates). Adjustments, if made, are published in the next rating cycle.

ANNEXURE B – Regional Peer Benchmark Summary and Data Sources

B.1 Data Sources

Table G-1 | Typical Data Sources

Market	Primary Source	Nature of Data	Access Status
South Africa	FTSE Russell FTSE/JSE Responsible Investment Index, 2024	ESG composite and sector averages	Public (summary data)
Kenya	Capital Markets Authority (CMA) Kenya Corporate Governance Report 2024	Governance, diversity, ESG policy maturity	Public
Nigeria	IPMC Dataset 2024 (audited disclosures) + NGX ESG Guidelines	ESG disclosure intensity (%) by pillar	Internal + Public
Ghana	Ghana Stock Exchange (SDG Report 2023)	ESG disclosure baseline for listed companies	Public
Global Median	S&P Global CSA 2024 / Refinitiv Country Averages Snapshot	Regional ESG medians for emerging markets	Public summary (Refinitiv ESG Country Snapshot 2024)

B.2 Analytical Method

1. Normalization – All datasets are rebased to a 0–100 scale (Refinitiv standard).
2. Pillar Weighting – 40 % Governance, 35 % Environmental, 25 % Social (to align with Refinitiv method).
3. Averaging Rule – For countries with incomplete pillars, weighted averages are calculated from the latest two years (2023–2024).
4. Validation – Only publicly cited scores or regulator reports are used; where unavailable, the cell is marked "n/a" (not estimated).

B.3 Comparative Insights

Table B-2 | Benchmarking

Country / Market	Approx. ESG Composite (0–100) [1]	Strongest Pillar	Disclosure Assurance Level	Primary Reference
South Africa (JSE)	≈ 72	Governance & Strategy Integration	> 80 % externally assured reports	FTSE Russell FTSE/JSE RI Index 2024 summary
Kenya (NSE)	≈ 63	Board diversity and policy disclosure	60 % partial assurance	CMA Kenya Governance Report 2024
Ghana (GSE)	≈ 59	Community and social investment	45 % assurance or self-verified	GSE SDG Progress Report 2023
Nigeria (NGX)	≈ 57	Governance frameworks and audit transparency	~ 35 % externally assured	IPMC Dataset 2024 + NGX ESG Guidelines
Global EM Median	≈ 68	Governance and decarbonization targets	70 % assurance	Refinitiv ESG Country Snapshot 2024

ANNEXURE C – Evidence and QA Framework

C.1 Evidence Classification

All disclosures are categorized under an evidence-based credibility framework to ensure data reliability.

Table C-1 | Evidence Classification system

Tier	Description	Verification Level
Tier 1 – Documentary Presence	Disclosure exists in public reports, websites, or filings.	Basic validity check (presence only).
Tier 2 – Evidentiary Disclosure	Disclosure supported by verifiable documents (e.g., certifications, policies, or audited data).	Internal verification by IPMC reviewers.
Tier 3 – Independent Assurance	Data verified by accredited third parties (AA1000AS, ISAE 3000, ISO certifications).	High assurance level; eligible for confidence adjustment.

C.2 Quality Assurance Process

1. **Data Validation:** Cross-check between sustainability and annual reports.
2. **Assurance Weighting:** Tier 3 disclosures receive up to +5% adjustment on normalized scores.
3. **Peer Consistency Check:** Ensures comparability across companies within the same sector.
4. **Final Review:** Independent QA team validates sampling and documentation references.

C.3 Transparency Note

IPMC applies a “document-present” approach for objectivity. Where evidence is missing, the score is proportionally reduced. Companies may contest ratings by submitting verifiable documents within the appeal period defined in Annexure D.

Note: *For full methodological details, including rating calibration, sector weightings, and evidence validation protocols, refer to the **“IPMC ESG Rating Methodology Guide***

ANNEXURE D – Rating Review and Dispute Resolution Protocol

D.1 Purpose

To uphold fairness and integrity, IPMC allows rated companies to request a review of their ESG rating if they can demonstrate that material information was:

- Publicly available before the cut-off date but not captured, or
- Incorrectly assessed due to clerical or evidence classification error.

D.2 Review Procedure

Table D-1 | IPMC Review Procedure

Step	Action	Responsibility	Timeframe
1	Submission of written review request with supporting documentation.	Rated company	Within 30 days of rating publication
2	Preliminary screening for eligibility (document date and validity).	IPMC QA team	5 working days
3	Technical re-evaluation of the disputed metrics.	IPMC rating analysts	10 working days
4	Peer and sectoral benchmarking verification.	IPMC review panel	5 working days
5	Issuance of revised or confirmed rating (if applicable).	IPMC Board Secretariat	5 working days

D.3 Transparency and Disclosure

All accepted revisions are published in a quarterly update log to maintain transparency. Disputes not substantiated by verifiable evidence are documented as **"Non-Material for Rating Adjustment."**

ANNEXURE E – ESG Performance Dashboard

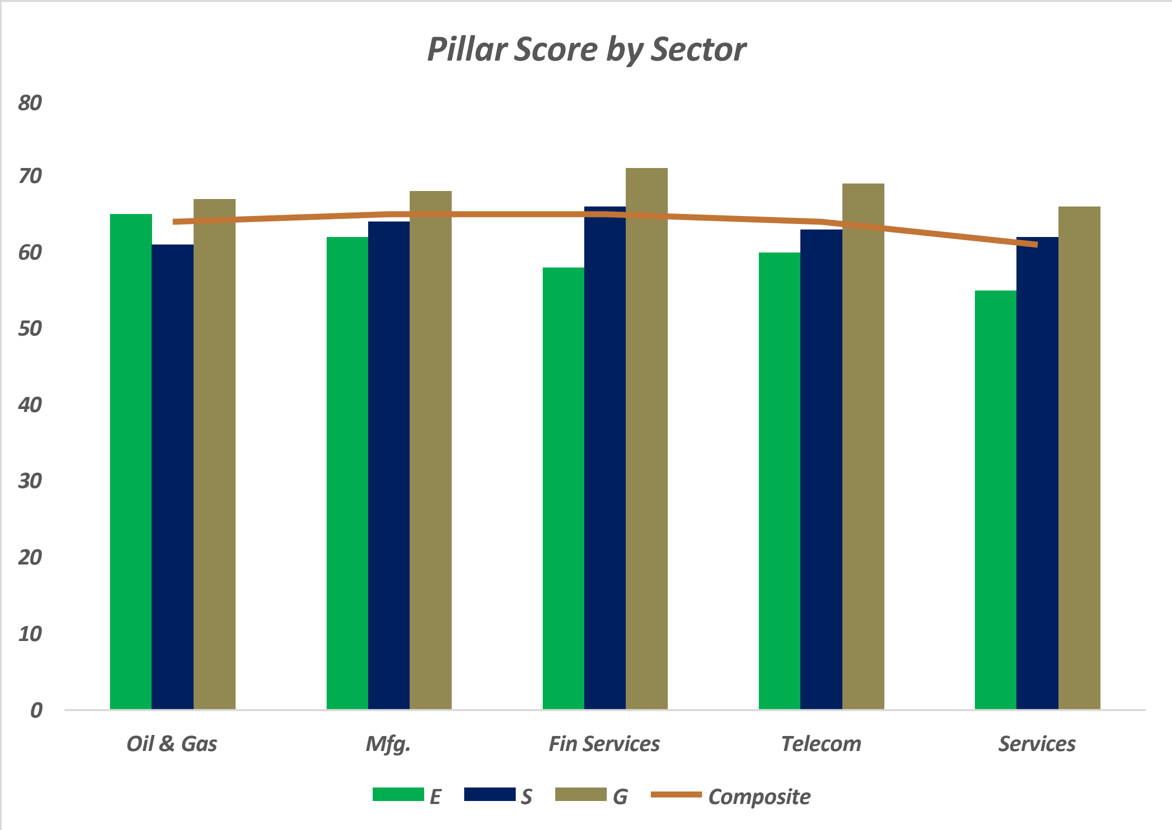


Figure E-1 | ESG Performance Dashboard

Design Instruction:

Green = Environmental B l u e = Social G r a y = Governance

- Canter (0) to Outer (80).
- composite score as a line chart

ANNEXURE F – Sectoral Weighing Matrix

To reflect sector-specific materiality, IPMC applies differentiated ESG pillar weights derived from sectoral exposure to sustainability risks and opportunities.

Table F-1 | Sectoral Weightage

Sector	Environmental (E)	Social (S)	Governance (G)	Rationale
Oil & Gas	41%	26%	34%	High exposure to emissions, biodiversity, and transition risk. Governance remains crucial for safety, transparency, and community relations.
Manufacturing	37%	32%	31%	Balanced exposure to environmental footprint, workforce practices, and compliance systems.
Financial Services	17%	33%	50%	Governance and risk management drive ESG impact through lending and investment portfolios.
Telecommunications & ICT	25%	40%	35%	Data privacy, human capital, and governance of digital assets are key material issues.
Services	13%	46%	41%	Governance and workforce ethics dominate; environmental footprint relatively lower.

F.1 Weighting Review Protocol

Weightings are validated annually against:

- Materiality trends observed in IPMC dataset,
- ISSB/SASB sector guidance, and
- Regulatory expectations (SEC, NGX, NCCG, NESREA).

ANNEXURE G – Materiality Heat Map

This annex summarizes the most material Environmental, Social, and Governance (ESG) issues identified across Nigeria's five priority sectors—Oil & Gas, Manufacturing, Financial Services, Telecommunications, and Services—based on IPMC's 2024 dataset and Teravue's validation analysis.

It visualizes **frequency of disclosure**, **impact on enterprise value**, and **alignment with global reporting standards** (GRI, SASB, ISSB S1/S2).

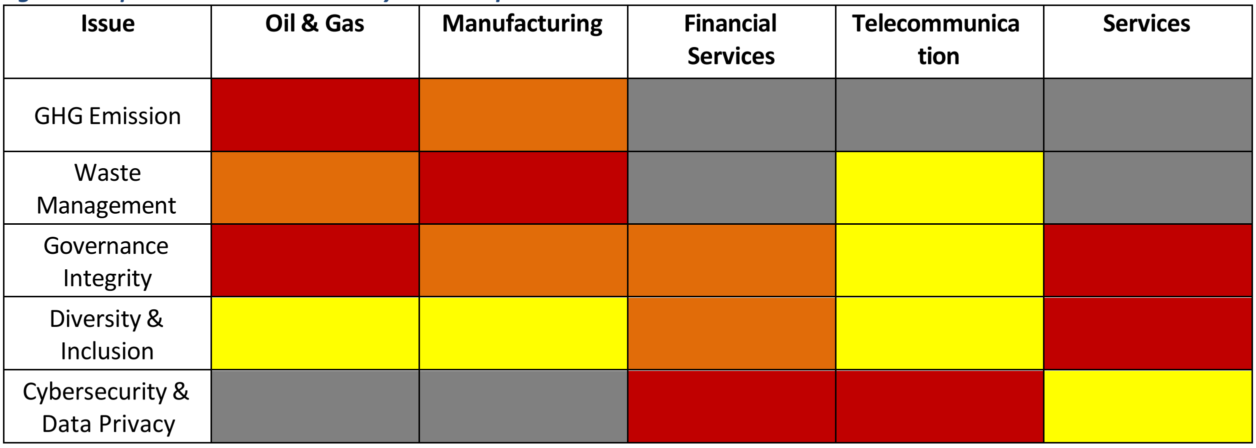
Methodology:

1. **Materiality frequency index:** % of companies referencing an issue in FY 2024 reports.
2. **Impact index:** Weighted average of risk/cost/opportunity relevance (scale 0–100).
3. **Combined score:** 0.6 × Impact + 0.4 × Frequency = Materiality Score.
4. **Data sources:** Audited annual reports, sustainability reports, and public regulatory filings (2023–2024).

Table G-1 | Top Material ESG Issues by Sector

Sector	Top 5 Material Issues	Materiality Score (0–100)	Business Impact Description
Oil & Gas	GHG Emissions (Scope 1–3) Health & Safety Community Relations Oil Spill Management Governance Transparency	88	Highest risk and cost exposure; scope 3 reporting below 15 %. Carbon pricing and CBAM risk imminent.
Manufacturing	Energy Efficiency Waste Management Water Use Occupational Health Supply-Chain Compliance	79	Energy intensity and waste handling dominant; few plants ISO 14001 certified.
Financial Services	Financed Emissions Governance & Board Oversight Data Security Human Capital Diversity Customer Fairness	74	Governance is strong but financed emissions reporting < 10 %. CBN guidelines partially implemented.
Telecommunications	Data Privacy Cybersecurity Energy Use E-Waste Supply-Chain Ethics	70	Data Protection Act 2023 increases ESG 'G' relevance; energy use still unreported in most operators.
Services & Professional Sectors	Governance Integrity Human Rights Policy Gender Diversity Anti-Bribery Compliance Community Investment	65	High governance exposure due to client interface; human rights and DE&I policies often generic.

Figure G-1 | Cross-Sector Materiality Heat Map



Colour gradient:

- ***Dark Red (> 80) =** Critical / High Impact*
- ***Orange (60–79)** = Significant*
- ***Yellow (40–59)** = Moderate*
- ***Grey (< 40)** = Low or Emerging.*

Key Findings:

- **Climate and Energy:** GHG emissions and energy efficiency remain top material drivers in industrial sectors; Scope 3 coverage below 15 %.
- **Governance:** Board independence and audit assurance are the highest scoring themes nationwide.
- **Social:** Gender diversity and human capital policies are expanding but lack quantitative KPIs.
- **Digital:** Cybersecurity and data ethics emerged as priority issues post NITDA 2023 Act.
- **Cross-cutting trend:** Assurance and quantification remain the weakest links across all sectors.

ANNEXURE H – Regulatory Roles & Accountability Matrix

This annex delineates the institutional ecosystem governing ESG, sustainability, and climate-related disclosures in Nigeria.

It clarifies *who does what*, highlights coordination gaps, and indicates potential convergence points toward a unified national ESG-reporting framework.

Table H-1 | Institutional Ecosystems in Nigeria

Institution / Agency	Core Mandate / Legal Basis	Primary ESG Responsibilities	Implementation Status	Observed Gaps / Needs
Securities and Exchange Commission (SEC)	SEC Code of Corporate Governance (2018); Draft ESG Guidelines (2024)	Mandates corporate-governance disclosure; oversees emerging ESG-reporting rules for listed firms.	Draft ESG Guidelines under stakeholder consultation; enforcement unit forming within Market Regulation Dept.	Need for clear link between ESG ratings and listing-rule compliance; limited assurance guidance.
Nigerian Exchange Group (NGX)	Sustainability Disclosure Guidelines (2019; revision pending 2025)	Provides voluntary ESG-reporting framework referencing GRI, UN SDGs, ISSB S1/S2.	60 % of large-cap issuers disclose at least one ESG pillar; assurance uncommon.	Update guidelines to mandatory status; integrate data taxonomy / digital filing.
Financial Reporting Council of Nigeria (FRCN)	NCCG (2018) & FRCN Act 2011 (amended 2020)	Sets governance standards and aligns national codes with IFRS S1/S2.	Developing Sustainability-Reporting Implementation Framework (2025).	Absence of ESG performance metrics within board evaluation templates.
Central Bank of Nigeria (CBN)	Sustainable Banking Principles (2012); Implementation Guideline (2023)	Embeds E&S risk management and climate-risk disclosure in financial supervision.	90 % Tier-1 banks compliant; sector-wide sustainability reports under review.	Weak monitoring of financed-emission data and independent assurance.
National Environmental Standards and Regulations Enforcement Agency (NESREA)	NESREA Act (2007); Environmental Regs 2011–2023	Issues permit, monitors pollution, enforces waste-management / biodiversity rules.	Enforcement expanding via digital compliance platform.	Limited alignment with corporate ESG reporting cycles; data did not standardise.
Federal Ministry of Environment (FMEnv)	National Climate Change Act (2021); National Carbon Market Strategy (2024)	Sets national climate-policy direction, oversees MRV systems, carbon pricing strategy.	NCCC Secretariat operational since 2023; MRV pilot in energy sector.	Corporate integration of MRV metrics into ESG reports still nascent.

Nigeria Climate Change Council (NCCC)	Presidential Decree (2022)	Coordinates sectoral GHG targets and just-transition policies.	Developing cross-sector MRV registry 2025.	Requires data-sharing protocol with FRCN and SEC.
National Information Technology Development Agency (NITDA)	Nigeria Data Protection Act (2023)	Oversees data privacy, cybersecurity and digital ethics within ESG governance.	Act enforced; regulators aligning with EU GDPR.	Need to extend coverage to ESG data storage and assurance providers.
Corporate Affairs Commission (CAC)	Companies and Allied Matters Act (CAMA 2020; Amendment 2023)	Collects annual returns incl. sustainability sections for large entities.	Piloting ESG fields in e-filing portal.	Capacity building for SMEs and auditors on ESG return requirements.
Standards Organisation of Nigeria (SON)	SON Act (2015); ISO Adoption Program (2023)	Promotes ISO 50001 (Energy Mgmt.), ISO 14001 (EMS), and ISO 37000 (Governance).	Active industry training and certification.	Needs link with CBN green-finance criteria and FRCN audit recognition.
Nigerian Investment Promotion Commission (NIPC)	Investment Promotion Act (2004; review ongoing 2025)	Integrates sustainability indicators into investment approval criteria.	Draft Green Incentive Framework under review.	Harmonise with CBN Sustainable Banking and SEC ESG rules.

Table H-2 | Cross-Agency Coordination Map

Coordination Theme	Lead Agency	Supporting Agencies	Coordination Status (2025)	Improvement Actions
ESG Reporting Standards Alignment	FRCN	SEC, NGX, FMEnv	Draft Sustainability Reporting Implementation Framework under development.	Establish single national ESG taxonomy linked to IFRS S1/S2.
Climate Risk Disclosure & Carbon Markets	FMEnv / NCCC	CBN, NESREA, Oil & Gas Regulators	Pilot MRV registry operational.	Integrate corporate GHG data via NCCC portal.
Financial Sector Sustainability Oversight	CBN	SEC, FRCN	Regular joint workshops on green finance.	Create unified ESG risk reporting template for banks & listed firms.
Data Protection and ESG Information Security	NITDA	CBN, NGX	Cross-sector data-sharing MOU drafted.	Expand Act coverage to ESG data assurance providers.
ESG Capacity Building & Training	FMEnv	NCCC, SEC, CBN, SON	Multi-agency programs ongoing.	Institutionalise annual ESG Academy hosted by NCCC + FRCN.

Nigeria’s ESG-governance ecosystem has evolved from voluntary guidelines (2012–2019) to a multi-agency transition phase (2021–2025).

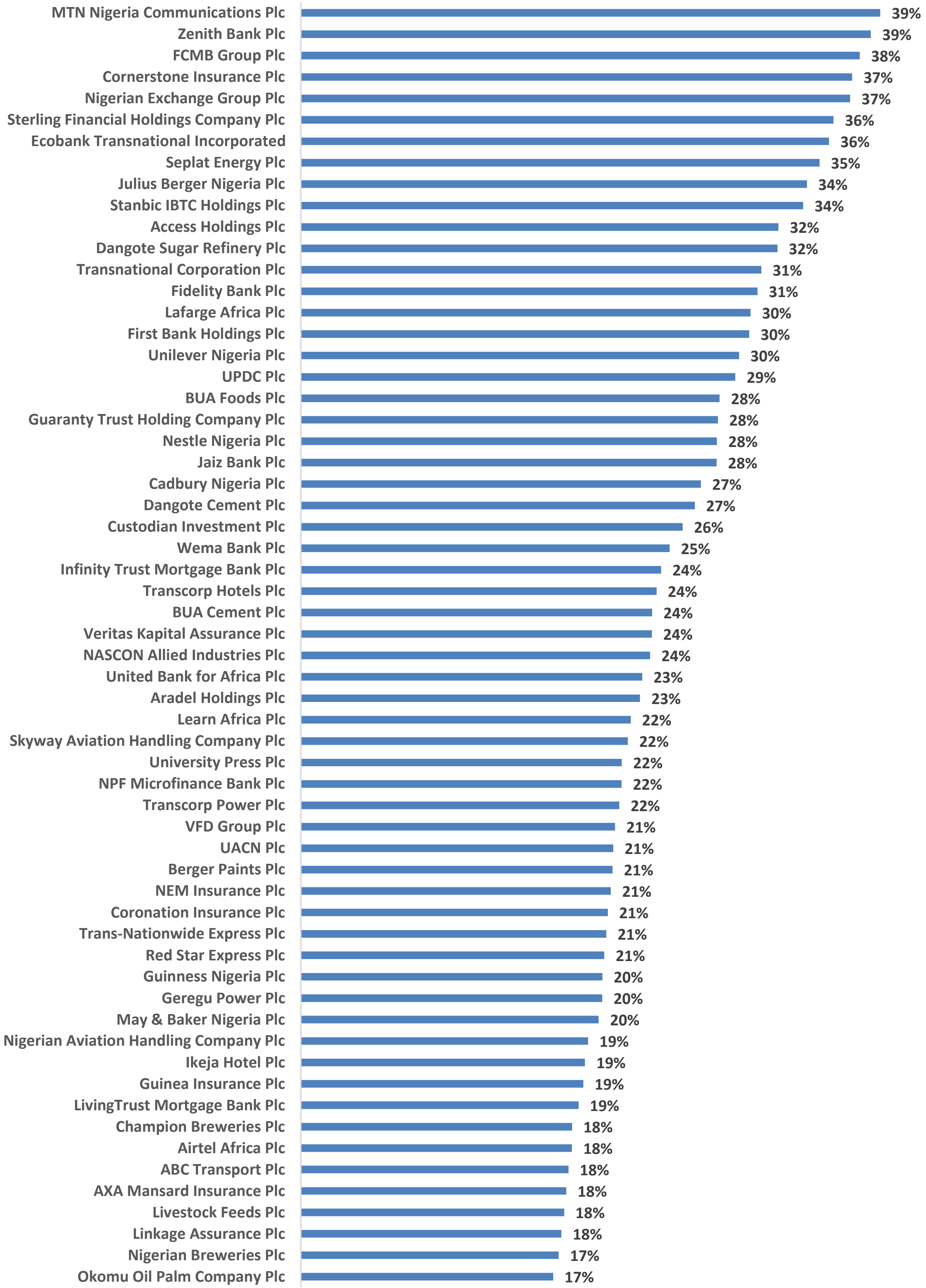
Key shifts include:

- **Regulatory convergence:** SEC, FRCN and NGX are aligning disclosure requirements with ISSB and IFRS S1/S2.
- **Climate mainstreaming:** The National Climate Change Act (2021) and Carbon-Market Strategy (2024) link national targets to corporate emissions reporting.
- **Digital transformation:** NITDA and CAC are introducing ESG data fields in electronic filings, signalling future automation of assurance trails.

Despite this progress, Nigeria still lacks a formal inter-agency ESG Coordination Council, causing overlap between environmental, financial, and governance reporting mandates.

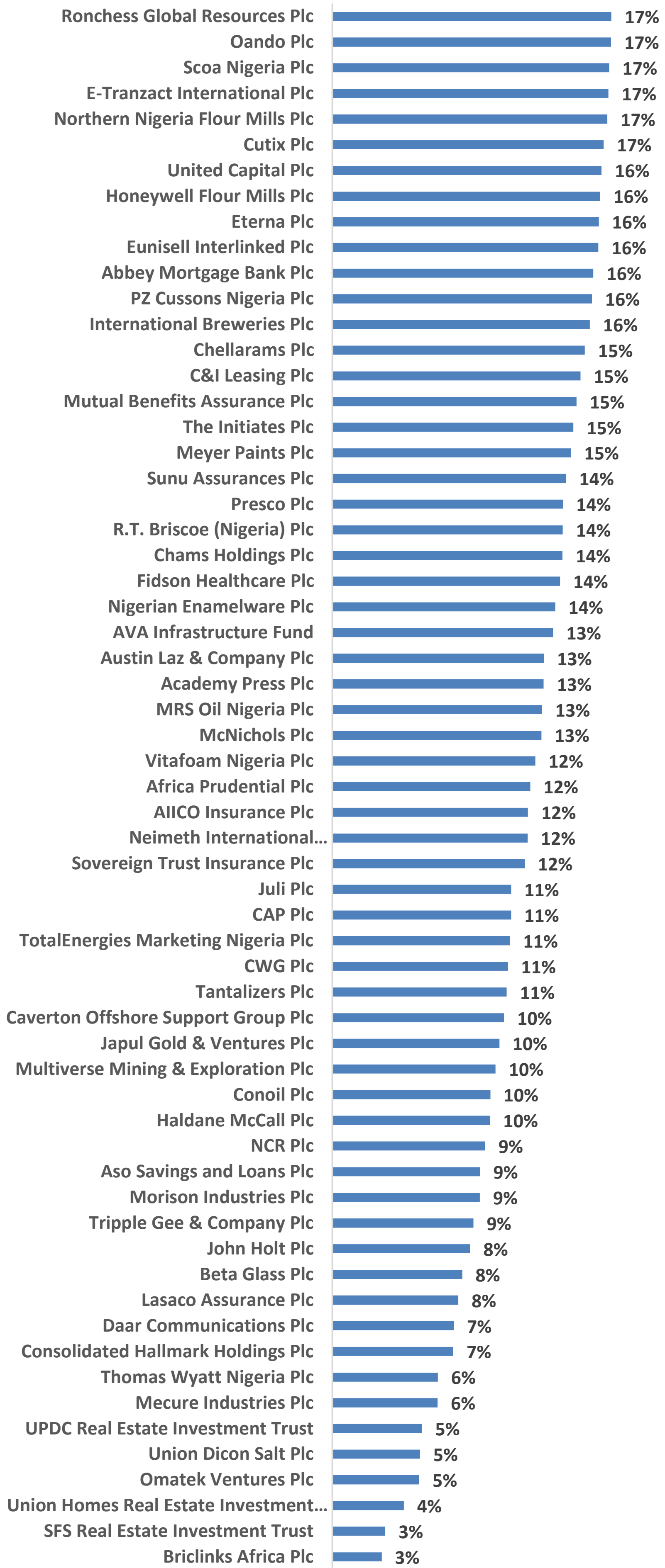
Establishing a unified ESG framework, anchored by FRCN and SEC, would harmonize definitions, enhance assurance consistency, and elevate investor confidence.

Nigeria ESG Ratings Result



Contact us for sector-specific and individual company ESG reports.

Explore more at: https://esg.ipmc-ng.com/


Ronchess Global Resources Plc 17%
Oando Plc 17%
Scoa Nigeria Plc 17%
E-Tranzact International Plc 17%
Northern Nigeria Flour Mills Plc 17%
Cutix Plc 17%
United Capital Plc 16%
Honeywell Flour Mills Plc 16%
Eterna Plc 16%
Eunisell Interlinked Plc 16%
Abbey Mortgage Bank Plc 16%
PZ Cussons Nigeria Plc 16%
International Breweries Plc 16%
Chellarams Plc 15%
C&I Leasing Plc 15%
Mutual Benefits Assurance Plc 15%
The Initiates Plc 15%
Meyer Paints Plc 15%
Sunu Assurances Plc 14%
Presco Plc 14%
R.T. Briscoe (Nigeria) Plc 14%
Chams Holdings Plc 14%
Fidson Healthcare Plc 14%
Nigerian Enamelware Plc 14%
AVA Infrastructure Fund 13%
Austin Laz & Company Plc 13%
Academy Press Plc 13%
MRS Oil Nigeria Plc 13%
McNichols Plc 13%
Vitafoam Nigeria Plc 12%
Africa Prudential Plc 12%
AIICO Insurance Plc 12%
Neimeth International... 12%
Sovereign Trust Insurance Plc 12%
Juli Plc 11%
CAP Plc 11%
TotalEnergies Marketing Nigeria Plc 11%
CWG Plc 11%
Tantalizers Plc 11%
Caverton Offshore Support Group Plc 10%
Japul Gold & Ventures Plc 10%
Multiverse Mining & Exploration Plc 10%
Conoil Plc 10%
Haldane McCall Plc 10%
NCR Plc 9%
Aso Savings and Loans Plc 9%
Morison Industries Plc 9%
Tripple Gee & Company Plc 9%
John Holt Plc 8%
Beta Glass Plc 8%
Lasaco Assurance Plc 8%
Daar Communications Plc 7%
Consolidated Hallmark Holdings Plc 7%
Thomas Wyatt Nigeria Plc 6%
Mecure Industries Plc 6%
UPDC Real Estate Investment Trust 5%
Union Dicon Salt Plc 5%
Omatek Ventures Plc 5%
Union Homes Real Estate Investment... 4%
SFS Real Estate Investment Trust 3%
Briclinks Africa Plc 3%