



*Hindustan Unilever Limited*

# **ESG RISK MATERIALITY MATRIX**

## **FY 2025-26**

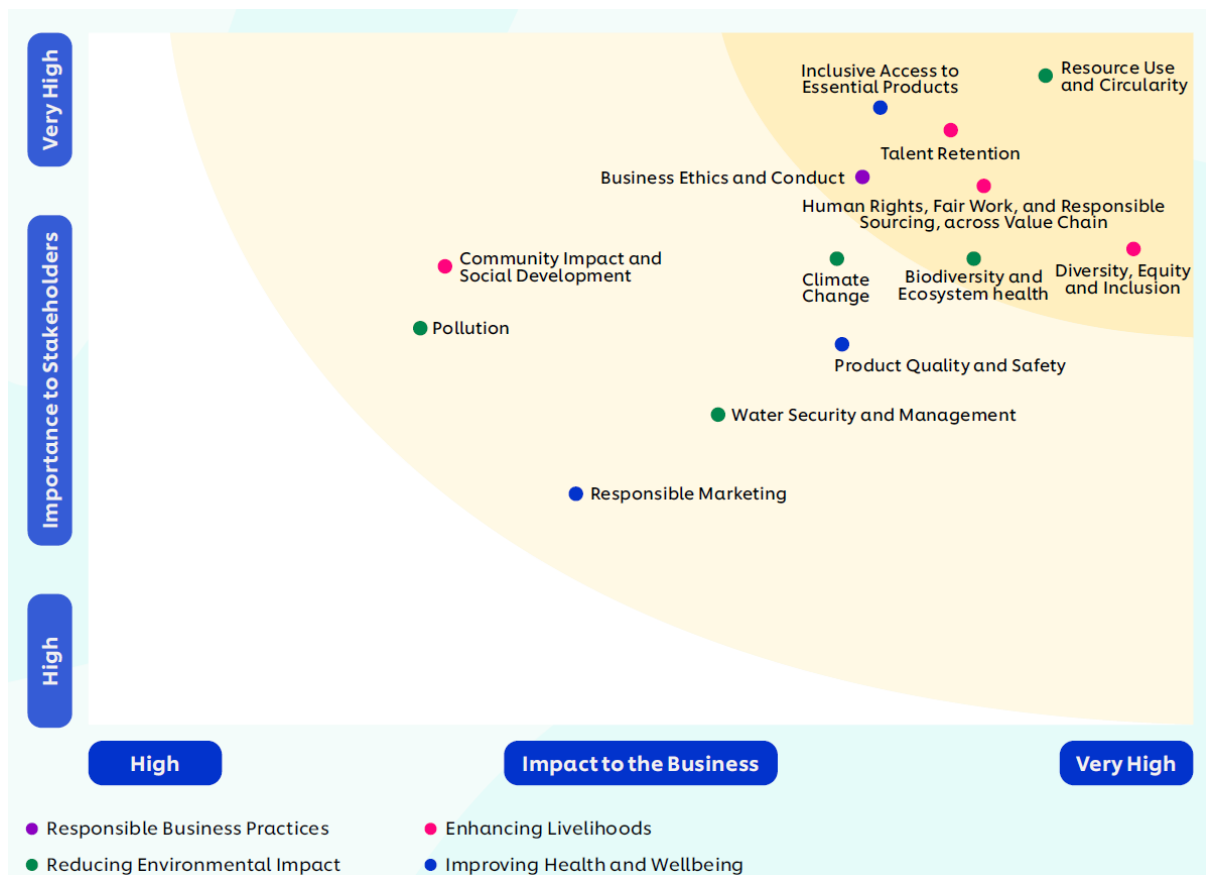
### **Issues and Topics**

## DOUBLE MATERIALITY

Our sustainability materiality process helps us report on the issues that matter most to our business and stakeholders. A sustainability issue is material to HUL if it meets two conditions:

1. Considered a principal risk which could impact our business
2. Deemed as important to our key stakeholders

## DOUBLE MATERIALITY MATRIX



While the matrix offers a comparative visualisation, all 13 topics are considered material and inform our disclosures, risk oversight, and programme design.

## CLIMATE CHANGE

### Material impact, risk or opportunity

<b>GHG Emissions - Own Operations and Value Chain</b>	Negative Impact	Own Operations; Value Chain
<b>Energy Transition (Regulatory and Cost Challenges)</b>	Risk	Own Operations
<b>Land-use Pressure and Regulations</b>	Risk	Own Operations; Value Chain
<b>Extreme weather events</b>	Risk; Negative Impact	Own Operations
<b>Product Composition Regulations related to Climate Change</b>	Risk	Own Operations
<b>Shift in Consumer Patterns</b>	Opportunity	Own Operations
<b>Energy Transition and Renewable Fuel Adoption</b>	Opportunity	Own Operations

## POLLUTION

### Material impact, risk or opportunity

<b>Pollution of Air, Water, and Soil (excluding plastics)</b>	Negative Impact	Own Operations
<b>Pollution due to logistics/Value Chain Activities</b>	Negative Impact	Value Chain

## WATER SECURITY AND MANAGEMENT

### Material impact, risk or opportunity

<b>Shifting Consumer Pattern due to water shortages and downstream water use due to water-intensive products</b>	Risk	Own Operations
<b>Water Withdrawal and Wastewater Discharge from Operations</b>	Negative Impact	Own Operations
<b>Innovation in Low-Water Use Product</b>	Opportunity	Own Operations

## BIODIVERSITY AND ECOSYSTEM HEALTH

### Material impact, risk or opportunity

<b>Biodiversity and Ecosystem Harm from Sourcing and Downstream use</b>	Negative Impact; Risk	Own Operations; Value Chain
<b>Regenerative Agriculture and Ecosystem Restoration</b>	Positive Impact; Opportunity	Own Operations; Value Chain

## RESOURCE USE AND CIRCULARITY

### Material impact, risk or opportunity

<b>Plastic and Packaging</b>	Negative Impact	Own Operations; Value Chain
<b>Plastics and related regulations including Extended Producer Responsibility</b>	Risk	Own Operations

## HUMAN RIGHTS, FAIR WORK AND RESPONSIBLE SOURCING ACROSS VALUE CHAIN

### Material impact, risk or opportunity

<b>Health &amp; Safety in Own Operations and Value Chain</b>	Negative Impact	Own Operations; Value Chain
<b>Fair Working Conditions and Labour Rights</b>	Negative Impact	Own Operations; Value Chain
<b>Responsible Supply Chain Practices &amp; Capability Building</b>	Opportunity	Own Operations; Value Chain

## DIVERSITY, EQUITY AND INCLUSION

### Material impact, risk or opportunity

<b>Diversity, Equity and Inclusion</b>	Positive Impact; Opportunity	Own Operations
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## TALENT RETENTION

### Material impact, risk or opportunity

<b>Talent Retention &amp; Organizational Stability</b>	Risk	Own Operations
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## COMMUNITY IMPACT AND SOCIAL DEVELOPMENT

### Material impact, risk or opportunity

<b>Natural Resource Depletion and Community Impact</b>	Negative Impact	Own Operations; Value Chain
<b>Community Development and Rural Livelihood Enhancement</b>	Positive Impact	Own Operations; Value Chain

## BUSINESS ETHICS AND CONDUCT

### Material impact, risk or opportunity

<b>Ethical Conduct and Anti-Competitive Practices</b>	Risk	Own Operations; Value Chain
<b>Non-Compliance with Regulations and Emerging Regulatory Requirements</b>	Risk	Own Operations
<b>Cybersecurity Breaches and Data Privacy Risks</b>	Risk	Own Operations; Value Chain
<b>Policy Advocacy and Strategic Public Engagement</b>	Positive Impact; Opportunity	Own Operations; Value Chain

**INCLUSIVE ACCESS TO ESSENTIAL PRODUCTS****Material impact, risk or opportunity**

Inclusive Access to Essential Products	Positive Impact; Opportunity	Own Operations; Value Chain
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**RESPONSIBLE MARKETING****Material impact, risk or opportunity**

Responsible Marketing and Advertising Practices	Negative Impact; Risk	Own Operations; Value Chain
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**PRODUCT QUALITY AND SAFETY****Material impact, risk or opportunity**

Product Safety and Nutrition Standards	Negative Impact; Risk	Own Operations; Value Chain
Product Labelling and Claims Compliance	Risk	Own Operations
Innovation for Evolving Consumer Preferences	Opportunity	Own Operations