

**Justrite (50541)**

## Project Basic Information

Country: Nigeria	Region: West Central Africa	Project No.: 50541
Project Legal Name: Justrite	Company Legal Name: Justrite Ltd	
Project Business Sector: Q-BA - Grocery Retail (Supermarkets, Hypermarkets, Convenience Stores etc.)	Owning Department /Division: Regional Industry - MAS Africa	
Environment Category: B		

## IFC’s Disclosure Requirements

Date of initial ESRS disclosure 11/12/2025	Date of revised ESRS disclosure
Date of clearance by client for factual accuracy 10/27/2025	Board Approval Date

## Project Description

The proposed IFC investment is an A-loan of up to US\$15mn equivalent in Nigerian Naira (NGN), supported by IDA PSW Local Currency Facility (“IDA PSW LCF”). The proposed IFC loan is to support an expansion to open 25 new stores (the “Project”). Through its expansion plan, Justrite aims to become the leading supermarket retail brand in Nigeria.

## Overview of IFC’s Scope of Review

The review included (i) physical meetings between the IFC Environment and Social (E&S) specialist and the Company’s Chairman and Chief Executive Officer (CEO), Environmental and Social Governance (ESG) manager, Health Safety Environment & Security (HSES) manager, Head of procurement, Human Resource (HR) manager, Community Liaison Officer at the corporate office in Lagos in March 2025; (ii) a document review of the company’s E&S and HR policies, plans and procedures, and agreements; (iii) tours of three stores, one distribution centre, one warehouse and a meat processing plant under construction in Lagos, two stores in Ibadan and two in Abeokuta, including various store formats; (iv) interviews with randomly selected staff and workers. IFC team conducted pre-appraisal contextual risk screening, including reputational risks specific to the company in preparation of the E&S appraisal.

## Identified Applicable Performance Standards

While all Performance Standards are applicable to this investment, IFC’s environmental and social due diligence indicates that the investment will have impacts which must be managed in a manner consistent with the following Performance Standards.

PS1-Assessment and Management of Environmental and Social Risks and Impacts
PS2- Labor and working conditions
PS3-Resource Efficiency and Pollution Prevention
PS4-Community Health, Safety and Security

## Environmental & Social Categorization and Rationale

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Provisional Category B based on IFC’s 2012 Policy on Environmental and Social Sustainability as E&S risks and impacts associated with this project are limited, site-specific, and can be readily addressed through generally accepted mitigation measures described in this document and the Environmental and Social Action Plan (ESAP).

Key E&S risks and issues associated with the Project include (a) E&S capacity and scope of the E&S management systems to monitor the QHSE aspects of its operations (stores, warehouses, central meat processing unit and expansion to new locations) in compliance with legal requirements as well as IFC Performance Standards and WBG EHS guidelines; (b) E&S screening criteria & assessment procedures for new store locations; (c) assurance of fair, safe and healthy working conditions for its workforce (direct employees, third party workers and construction workers) including gender based violence; (d) resource efficiency, water and waste management including management of expired foodstuff and goods; (e) supply chain management; (f) life and fire safety (LFS), structural stability of the retail buildings and emergency response management for all stores as per relevant WBG EHS guidelines; (g) food safety management system and (h) traffic and security management.

**Environmental & Social Mitigation Measures**

(Observations that are not to be disclosed must be recorded in ESG360)

IFC’s appraisal considered the environmental and social management planning process and documentation for the Project and gaps, if any, between these and IFC’s requirements. Where necessary, corrective measures, intended to close these gaps within a reasonable period of time, are summarized in the paragraphs that follow and (if applicable) in an agreed Environmental and Social Action Plan (ESAP). Through implementation of these measures, the Project is expected to be designed and operated in accordance with Performance Standards objectives.

PS1-Assessment and Management of Environmental and Social Risks and Impacts

Environmental and Social Assessment and Management System

Justrite does not currently have a consolidated Environmental and Social Management System (ESMS) appropriate to the nature and scale of its operations and the associated environmental and social risks and impacts. Action items are included in this section, as well as in the PS3 and PS4 sections, detailing how existing E&S policies, plans and procedures will be consolidated into an overarching ESMS, in line with IFC PS requirements and national legislation, relevant to Justrite’s operations (ESAP#1).

Policies

Justrite has policies on environment and social (E&S), occupational health and safety (OHS), and security risk assessment and management that apply to all its facilities. The policies will be approved and signed by management to demonstrate leadership support and endorsement (ESAP #1).

Identification of Risks and Impacts

Justrite will carry out hazard identification and risk assessments (HIRA), develop and maintain corporate and store-level risk registers that are periodically updated in consultation with the management team. These registers will include key risks such as fire, civil unrest, supply chain disruptions, food safety, OHS, and power outages. The risk register will be included in the consolidated ESMS (ESAP#1). Going forward, once sites are selected and approved from an operations and business perspective and the stores are designed as per Justrite’s specifications (in line with the IFC PS and WBG’s EHS Guidelines), Environmental Management Plans (EMPs) will be developed and submitted to the Environmental Standards and Regulations Enforcement Agency (NESREA) for review and certification (ESAP#2).

Management Programs

Despite the absence of plans and procedures, Justrite implements various E&S management programs and some safe working practices across its operations. These programs include daily and weekly inspections, as well as external audits, addressing OHS, LFS and food safety. An emergency action plan is in place, and an environmental management plan tailored to a specific store. Justrite will need to develop the following documents as part of its ESMS: risk registers; E&S management plans and procedures on energy, water, waste and pollution management; health, safety and environment (HSE); incident investigation and reporting procedure; training plan; contractor management plan, stakeholder engagement plan and grievance management framework, LFS provisions; supplier code of conduct and supply chain due diligence; security management plan; hazardous material management plan; pest control procedures; road traffic management plan; monitoring and reporting procedures (ESAP #1).

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### Organizational Capacity and Competency

At the corporate level, Justrite's has an ESG manager that focuses on sustainability strategy, resource efficiency data collection, monitoring, and reporting; a safety and security manager responsible for OHS performance, manages a centralized accident/incident system and identifies training needs at the facilities; a director for Fresh Foods that provides operational support and oversees food safety for service departments such as meat processing facility and bakery. At the facility level, the respective unit heads are responsible for OHS and E&S performances. Additionally, safety champions have been designated at each facility to actively promote a culture of safety. Fire marshals and first aiders are present on-site for every shift.

### Emergency Preparedness and Response

An emergency action plan is available at the corporate level which is adapted and cascaded to the different facilities and covers emergencies such as medical evacuation, fire, severe weather and natural disaster, bomb threat, chemical spills, extended power outages. The emergency action plan outlines the roles and responsibilities; emergency response team; emergency equipment and procedures. Facilities have either one or two floors with clearly marked emergency exits. Fire prevention and warning systems are in place. Evacuation drills are conducted at each facility at least twice per year and staff are trained in the procedures. As per ESAP#1, the plan should be updated to include emergency drills, monitoring, maintenance and inspection of emergency equipment, reporting and performance assessment.

### Monitoring and Review

As per ESAP #1 Justrite will set up monitoring and reporting procedures on all aspects including E&S and OHS performance, energy efficiency, greenhouse gas (GHG) emissions, water use, and waste. These will be integrated into the ESMS and reported monthly.

## PS2- Labor and working conditions

Justrite has 1,767 employees, of whom 803 (45%) are female and the company has policies in place to encourage the recruitment and retention of women. Contractor workforce (mainly security agencies and construction contractors) consists of 637 males and 344 females. Justrite anticipates employing a total of 5300 personnel once the new facilities and expansion become operational.

### Human Resources Policies and Procedures

While there is no overarching HR Policy, there is a standalone non-discrimination and anti-sexual harassment policy, a code of conduct and an employee handbook which covers employees expected behavior, disciplinary procedures by offence type, internal grievance procedures, rules and regulations of employment, transfer/relocation, company pension scheme, leave and benefits, work hours, company self-development policy, staff training and development. These are implemented across all facilities.

### Working Conditions and Terms of Employment

Employee contracts detail remuneration and pension contributions, the nature and category of employment, start date and duration, annual leave, but do not include information on working hours, overtime, sick leave or maternity leave, health benefits, and employee rights obligations as applicable. However, these aspects are captured in the employee handbook. All employees have access to their pay slips through a mobile app showing their wages and statutory social security deductions.

### Non-discrimination and Equal Opportunity and Prevention of Child and Forced Labor

As mentioned above, there is a standalone non-discrimination and anti-sexual harassment policy with a complaint reporting and resolution procedure. The H&S policy prohibits forced labor and child labor (below 18 years). Justrite keeps identification records on files for all staff, which include the date of birth.

### Workers' Organizations and Grievance Management

Justrite has documented its commitment to freedom of association and collective bargaining in its E&S policy and respects employees' right to join or form a union if they choose. However, none of Justrite employees are currently part of a labor union.

Justrite has an internal grievance procedure in its employee handbook that allows for the redress of grievances, but it's not anonymous. Employees report complaints directly to their line manager. Unresolved issues are escalated to the HR department for a hearing, with possibility for an appeal process up to the managing director. Going forward, Justrite will update the grievance mechanism to include specific provisions for dealing with SEAH cases, provide for confidential and anonymous reporting, system to log and track grievance, and a clear anti-retaliation statement. The updated grievance mechanism should be extended to

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cover workers employed by third parties (ESAP#3).

### Occupational Health and Safety

Justrite has a centralized incident/accident register at the corporate level. There is no incident investigation and reporting procedure in place, however one fatality in 2024 was investigated and reported. Periodic inspections are conducted to monitor compliance versus OHS, LFS and food safety standards by heads of departments and relevant independent state authorities. Justrite will develop an incident investigation and reporting procedures in the consolidated ESMS (ESAP#1). It will include the implementation of heat stress management protocols, alternative work schedules during high temperatures, provision of drinking water, and the provision of shaded/cooled breaks and relevant training and personal protective equipment (PPE) for construction and warehouse workers.

### Contractor Management

All contracted service providers (e.g. construction contractors, security agencies) sign a Service Level Agreement (SLA) requiring them to comply with Justrite's OHS and E&S policies and procedures. Justrite will develop and implement a contractor management manual, in line with IFC PSs, applicable to all contractors working on construction, operation and maintenance activities, including a procedure to maintain oversight and monitor contractors' performance on labor aspects and include in the consolidated ESMS (ESAP#1).

### Supply Chain

Justrite has over 1000 vendors/suppliers and does not have a documented supplier code of conduct but screens to engage only with duly registered companies. Going forward, as part of ESAP #1, Justrite will establish a supplier code of conduct articulating its commitment to prohibit forced, or child labor, SEAH and OHS risks; regular monitoring and verification of compliance, a rating system for suppliers and consequences of non-compliance; and a procedure to assess supply chain E&S risks applicable to the project, such as use of solar panels. Justrite will develop a supply chain monitoring process, to monitor its primary supply chain on an ongoing basis during operations and if risks or incidents of SEAH, child and/or forced labor, conversion of critical natural habitats are identified, Justrite will work with the supplier to develop procedures to prevent and remedy such practices including termination of contracts if risks are not adequately addressed within an agreed period (ESAP#4).

### PS3-Resource Efficiency and Pollution Prevention

**Resource Efficiency:** Water is obtained from boreholes. Justrite will install flow meters to measure consumption. Electricity is supplied from the national grid. Back-up diesel generators are provided at every facility with diesel stored in bunded tanks. Justrite has solar installations at some of its facilities as part of its resource efficiency initiatives. Other initiatives include diverting waste from landfill for recycle/reuse. Justrite will develop resource efficiency targets relevant to its operations and establish monitoring and reporting procedures for all relevant aspects, including, energy, GHG emissions (scope 1 and 2), and general and food waste, incorporating these into the ESMS (ESAP#1).

**Greenhouse Gas Emissions:** Justrite tracks its fuel consumption but does not calculate its greenhouse gas emissions. Justrite still uses R22 refrigerant in some of its AC units. Due to its ozone depleting potential, Justrite is encouraged to put in place a phase out plan for the R22 (ESAP#5).

**Pollution Prevention:** Pollution at construction sites will mainly relate to dust and particulate matter, which can be controlled by watering on a regular basis. At the operational phase sources of pollution include air emissions, noise, waste and wastewater. Air and noise emissions mainly result from the operation of the back-up generator sets, which are fitted with soundproof enclosures to mitigate noise impacts while deploying solar installations to meet power needs and reduce carbon emissions. As per ESAP #1, a wastewater treatment plant (WWTP) will be installed and the effluent quality tested during operation of the meat processing facility.

Solid waste from stores and distribution centers (primarily domestic waste, perishable items, food waste and packaging materials) is disposed through municipal or other external waste management service providers with required authorizations. Justrite processes recyclables such as cans and cardboard and has prohibited the use of plastic carrier bags in stores while actively reducing operational waste through supplier partnerships. Hazardous materials and waste at facilities are limited to cleaning materials, diesel and used oil managed by licensed third party facilities.

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### PS4-Community Health, Safety and Security

**Life and Fire Safety (LFS)/Infrastructure Design and Safety:** Facilities visited were observed to be equipped with fire protection systems, including standpipe/hose systems, fire protection water supplies, fire pumps, fire extinguishing systems, fire detection/alarm systems, etc. Exit routes and muster points are identified with markings. Trained fire marshals are in place at all facilities and conduct evacuation drills twice per year. Regular fire safety checklists are completed by facility heads. External audits covering fire detection and equipment are conducted yearly on every facility and a “means of escape and fire protection certificate” issued by the local state fire and safety service. Justrite’s building specifications meet national standards and include fire safety requirements. However, Justrite should engage local independent consultants of the Federal Fire Service (FFS), to inspect and confirm that L&FS systems are designed and installed based on local code aligned with GIIP per WBG General EHS guidelines and a fire compliance certificate issued for each store prior to occupancy (ESAP#6).

**Food Safety:** External audits conducted bi-annually cover safe food handling, refrigeration, cleaning, waste management, and pest control and a food/drink vendor certificate issued by the local government primary health care department. The meat processing facility is under construction and is designed, with movement patterns to prevent contamination. Senior management is committed to good international industry practices, and a Director of Fresh Foods has been recruited to oversee the facility. Going forward, Justrite will develop a food safety management system (FSMS) to align with the IFC PS and include training schedules, and management review requirements and procedure for food safety complaints and product recalls, although no recalls have been conducted to date (ESAP#7).

**Transport Safety:** Justrite owns a fleet (approximately 59 vehicles) for its transport operations. Drivers are provided with refresher training on defensive driving. Additionally, vehicles are equipped with in-vehicle monitoring systems to track speed limits and driver behavior, thereby mitigating the risk of accidents. As per ESAP#1, Justrite will develop a road safety management plan which include requirements for the training of drivers on road safety, vehicle requirements, maintenance checklists, and incident reporting.

**Security Personnel:** Justrite facilities are protected by unarmed security guards from licensed private security agencies, with signed Service Level Agreements (SLAs). A Justrite safety and security manager oversees compliance with security protocols and ensures that all guards meet industry standards. Going forward as per ESAP#1, Justrite will undertake a security risk assessment and develop a security management plan in line with IFC PSs and provide additional trainings on UN Voluntary Principles on Security and Human Rights, including SEAH; life and fire safety emergency; and engagement practices with surrounding communities and customers.

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## Stakeholder Engagement

Justrite engages with stakeholders through participation in community development association meetings, contributes monthly security fee and supports community projects as deemed appropriate. Each Justrite truck has a contact telephone number, clearly displayed for easy access by community members to call and channel any complaints. Additionally, Justrite’s website includes contact information, allowing for receipt of community complaints: <https://justriteonline.com/contact-us/>. Going forward, Justrite will develop its stakeholder engagement plan and grievance management framework to document these procedures and define a mechanism for periodical engagement; define roles and responsibilities for the implementation; develop a mechanism to record/document complaints, timebound process for resolution of complaints; and develop a mechanism for ongoing reporting to external stakeholders (ESAP#1).

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## Broad Community Support

Not Applicable

BCS Comment :

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## Local Access of Project Documentation

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## Environmental & Social Action Plan (ESAP)

Is there an ESAP to be disclosed for this project?

Yes

## Mitigation Measures / Environmental & Social Action Plan (ESAP)

SNo	Description	Anticipated Completion Date
1	Update environment and social (E&S), occupational health and safety (OHS), and security risk assessment and management policies and have these approved/signed off by management.  Consolidate the Environmental and Social Management System (ESMS) appropriate to the nature and scale of Justrite's operations and associated environmental and social risks and impacts. The ESMS will align with IFC PS requirements and adhere to national legislation relevant to Justrite's operations.	9/30/2026
2	Develop a food safety management system (FSMS) to align with the IFC PS and include training schedules, and management review requirements and procedure for food safety complaints and product recalls, although no recalls have been conducted to date.	12/31/2026
3	Put in place a demonstrated phase out plan for the R22.	12/31/2026
4	Update the grievance mechanism to include specific provisions for dealing with SEAH cases, with options for confidential and anonymous reporting, incorporating a clear anti-retaliation statement and extending coverage to workers employed by third parties, with clear timelines for taking action, system to log, track and report grievances and their status.	9/30/2026
5	(i) Update screening document for site selection in line with local laws and IFC PS requirements; (ii) develop environmental management plans (EMPs) and obtain certification from the National Environmental Standards and Regulations Enforcement Agency (NESREA).	9/30/2026
6	Engage local independent consultants of the Federal Fire Service (FFS), to inspect and confirm that L&FS systems are designed and installed based on local code aligned with GIIP per WBG General EHS guidelines and a fire compliance certificate is issued for each store prior to occupancy.	12/31/2026
7	Monitor primary supply chain on an ongoing basis during operations and if risks or incidents of SEAH, child and/or forced labour, conversion of critical natural habitats are identified, work with the supplier to develop procedures to prevent and remedy such practices including termination of contracts if risks are not adequately addressed within an agreed period.	12/31/2026

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## Activity Log/Comments

**Workflow Initiated by Taku Awa II ( Draft Environmental and Social Review Summary)** Nov 05, 2025 06:00 PM ET

Comments:

**Cleared by Rosa I. Orellana (ESRO Clear)** Nov 07, 2025 06:05 PM ET

Comments:

**CRU Member Approved and Appraisal Disclosure Initiated by Ejura Phoebe Audu** Nov 12, 2025 03:26 PM ET

Comments:

Client clearance received on 10/27/2025.

## Supporting Documents

S.No.	Document Details
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