



# Transformative Innovation

2019 | Sustainability  
Report

[www.sahara-group.com](http://www.sahara-group.com)

# Content



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## INTRODUCTION

- 06 Transformative Innovation  
A MESSAGE FROM THE DIRECTOR OF  
GOVERNANCE AND SUSTAINABILITY
- 10 Leadership and  
Commitment to Sustainability  
EXECUTIVE DIRECTOR  
– A MESSAGE FROM THE BOARD
- 12 Impact Beyond the Sahara  
OUR 5 YEAR JOURNEY
- 14 Embedding Sustainability in Our Business  
Operations  
PROFILE
- 16 Our Corporate Structure
- 17 Fuel for Our Business
- 18 Doing Business Responsibly
- 20 Products and Services  
across our Value Chain
- 22 Growth through Sustainability  
and Innovation
- 23 Being a Responsible Employer
- 24 Key Highlights for 2019
- 26 Managing Sustainability Risks &  
Opportunities

---

## SAHARA FOUNDATION

- 28 Sahara Foundation : Creating value  
in society
- 30 Impacts of Projects / Programmes
- 36 Strengthening our business through  
Transformational Partnerships



---

#### ASHARAMI ENERGY LIMITED

- 41 Letter from the Managing Director
- 40 About Asharami Energy Limited
- 42 Stakeholders Engagement
- 44 Materiality at Asharami Energy
- 46 Our 2019 Performance
- 46 Social Pillar
- 51 Environmental Sustainability

---

#### SAHARA TRADE

- 67 Letter from the Executive Director
- 69 About the Trading Company
- 57 Sustainability at the Trading Company
- 58 Stakeholder Engagement
- 59 Materiality at the Trading Company
- 60 Embarking on our Sustainability Journey



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#### ASHARAMI SYNERGY LIMITED

- 53 Letter from the Managing Director
- 57 About Asharami Synergy
- 58 Sustainability at Asharami Synergy
- 59 Stakeholder Engagement
- 60 Materiality at Asharami Synergy
- 61 Performance Disclosures for 2019
- 63 Social Pillar
- 64 Environmental Pillar

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#### SAHARA POWER GROUP

- 61 Message from the Executive Director

---

#### EGBIN POWER PLC

- 77 Letter from the CEO
- 79 About Egbin Power Plc
- 80 Sustainability at Egbin
- 80 Stakeholder Engagement
- 81 Materiality at Egbin Power
- 82 Our 2019 Performance Disclosures
- 85 Environmental Pillar
- 88 Social Pillar
- 91 An Efficient Health and Safety System Worth Celebrating



---

**FIRST INDEPENDENT POWER LTD (FIPL)**

- 91 Letter from the CEO
- 94 About First Independent Power Limited
- 95 Sustainability at FIPL
- 95 Stakeholder Engagement
- 96 Materiality at FIPL
- 97 Our 2019 Performance
- 99 Social Sustainability
- 104 Environmental Sustainability
- 91 Case Study: Welcome Our Graduate Engineers

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**IKEJA ELECTRIC PLC**

- 107 Letter from the CEO
- 108 About Ikeja Electric
- 109 Sustainability Strategy
- 110 Stakeholder Engagement
- 111 2019 Materiality Matrix
- 112 Our 2019 Performance
- 115 Social Pillar
- 120 Environmental Pillar
- 91 Case Study: Setting the Place through Bilateral Power

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**CENTRUM PROPERTIES LIMITED**

- 124 About Centrum Properties Limited
- 125 Sustainability at Centrum Properties
- 126 Materiality
- 127 Sustainable Infrastructure
- 128 Social Responsibility
- 112 Environmental Sustainability



## About This Report

**S**ahara Group's 2019 Sustainability Report reflects our economic, social and environmental activities from January 1 to December 31, 2019. The report is our fifth sustainability report, and our fourth report written in line with the GRI standard. As it is our practice, the intended audience for this report are our key stakeholders such as our shareholders, customers, employees, suppliers, government and regulatory organisations. These stakeholders directly impact and are also directly impacted by the activities of the organisation.

### GRI CONTENT

The 2019 Sustainability Report has been organized and presented in accordance with the Sustainability Reporting Standards of the Global Reporting Initiative (GRI). The guidelines seek to achieve consistency amongst corporations reporting on their sustainability activities.

### CONTACT US

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INTRODUCTION

# Transformative Innovation



**Pearl Uzokwe**

Director of Governance and Sustainability

**O**ur 2019 Sahara Group Sustainability Report reflects our quest towards aligning the attainment of our corporate purpose which permanently guides our commitment to stakeholders, with our prioritized environmental, social and governance aims through a dynamic and transformative value creation strategy. For this 5th edition, we have presented how we made concerted efforts to leverage technology and innovation in improving our business operations and achieve our aim of bringing energy to life whilst being the provider of choice wherever energy is consumed. We value the opportunity to reflect and highlight our progress over the past year and to critically identify lessons learnt for continuous improvement.

This report highlights our economic, social, environmental and governance performance across seven (7) companies within the Sahara Group. We have aligned our business operations within our entities with the demands and expectations of our changing world – digitization – which in turn increases our competitive advantage for sustainable growth.



“

We have made deliberate decisions within our trading and other affiliated companies to integrate changing consumer demands for environmentally friendly fuels and ensure compliance

**38,000cbm**

LPG VESSEL PURCHASED TO ENHANCE  
OUR FORAY INTO GAS  
a joint venture with NNPC



**480,000MT**

ESTIMATED SUPPLY OF LPG TO THE WEST  
AFRICAN MARKET IN THE NEXT 2 YEARS

## Innovating for Cleaner Energy

As an active player in the energy sector we remain acutely aware of the urgency surrounding climate change, cognisant as well of SDG 7 (access to clean energy) and in line with our mission to be the provider of choice wherever energy is consumed have commenced our role in the transition to cleaner energy as we all must collectively play our part. The immediacy of this need is felt even moreso as an African multinational with a birds eye view of the impact that lack of access to power for over fifty percent of the continent's population poses and of course the economic limitations inherent in the ability to make choices regarding environmentally friendly energy sources.

With that in mind we have aggressively commenced a multi-pronged approach to accelerating the transition and fostering sustained change. We have made deliberate decisions within our trading and other affiliated companies to integrate changing consumer demands for environmentally friendly fuels and ensure compliance with African Refiners & Distributors Association (ARA) standards, (which is the only pan-African organization for the African downstream oil sector) for product supplied across Africa. ARA, via its clean air policy campaigns for cleaner vehicles and fuels (primarily gasoline and diesel) and its influence is seen in the choice of lower-carbon products we offer. Furthermore, we are rapidly expanding our foray into gas particularly LPG. Our purchase of two 38,000cbm LPG vessels and joint venture between NNPC and Sahara Group (West Africa Gas Limited) has emerged a major player in the West African LPG market to aid stability, supplying over 480,000 MT of LPG to WAF over the last 2 years.

Additionally, we have developed strategic alliances with selected partners to support and help build the required technical capabilities to successfully achieve our renewables targets. This year, on the sidelines of the UN General Assembly, Sahara Group has partnered with the United Nations Development Programme (UNDP) to promote access to affordable, reliable, sustainable and modern energy in three focus countries in the first instance- Nigeria, Cote D'Ivoire and the Democratic Republic of Congo (DRC). The overall objective is to build a roadmap and provide catalytic support for how public-private alliances can provide large-scale solutions towards achieving the SDGs, with a focus on SDG 7-access to energy.

CLEAN AIR  
POLICY



LOW CARBON  
PRODUCTS



The Sahara delegation to the UN General Assembly to promote access to affordable, reliable, sustainable energy in Nigeria, Cote D'Ivoire and the Democratic Republic of Congo (DRC)



## Green Life Initiative

Internally we launched our Green Life Initiative in 2019 committed to fostering sustainable environments and promoting holistic wellness both inside and outside of Sahara. To this end we commenced an extensive recycling programme in our various offices with the recycling of paper, plastic and aluminium for the promotion of a circular economy that sees them converted into fibre, tissue paper and PET pellets for continued use. We have also set up a Recycle Exchange Hub in Ijora Oloye community where we operate out of where plastic waste is exchanged for financial benefit and inclusion.



“ We commenced an extensive recycling programme in our various offices to promote sustainable environments and holistic wellness both inside and outside of Sahara



Members of the Green Life Initiative with community members in Ijora Oloye communities during a cleaning operation and launch of the Recycling Exchange Hub



## Fostering Inclusion and Diversity

In 2019, we further demonstrated our commitment towards sustaining our people and our quest towards the attainment of a more gender balanced workforce. We set up two multifunctional nursing and revitalize rooms and onsite gyms in our most populous business locations. We also held our annual **International Women's day** event for the **Sahara Amazons** and launched our inaugural **International Men's Day Forum "Men's Gambit"** in the year all targeting continuous self improvement and overall physical and mental well being.





## Strengthening Governance and Partnerships

We remain dedicated to strengthening our Corporate Governance ethos by fostering intentional partnerships proffering fit for purpose solutions to tackling corruption. To this end we continue to actively participate at the World Economic Forum's Partnering Against Corruption Initiative (PACI) where we lend our voice on anti-corruption and transparency from our unique perspective as an African owned multinational. We have also been actively working with the United Nations Private Sector Advisory Group (PSAG) where we serve as Co-chair on the Board. The PSAG which remains the go to private sector resource for the advancement of the SDGs remains critical in pushing for synergies across various SDG clusters committed to furthering the agenda to "leave no one behind". This year we also became inaugural members of the African Influencers for Development (AI4Dev) of the United Nations Development Programme (UNDP). A powerful coalition of current and future African leaders in business, academia & the arts on one big platform to help Africa steer its own development agenda. Further in Nigeria, following the passage of the National Code of Corporate Governance, key changes have been incorporated. Some of which has been putting in place policies to govern the maintenance of diversity in the composition of the Board leading to 3 new female appointment to the Boards and the inclusion of a corporate governance report in our Annual Reports for all PLCs as required by the Code.



L-R- Pearl, Ms. Ahunna Eziakonwa- UNDP Assistant Secretary-General and Director of UNDP's Regional Bureau for Africa, Tope Shonubi at a UNDP High Level Dialogue "A Future Beyond Aid" held in, Accra Ghana



## Delivering Sustainable Value



Beyond our footprint in Nigeria, we have highlighted our impact across Africa through the dedicated work of the Sahara Foundation across the following pillars of healthcare, the environment, education & capacity building and sustainable community development. Further to the advancement of innovation and transformative impact, Sahara Foundation partnered with Ashesi University to host the Ashesi Innovation Experience in Ghana, a two weeks enrichment boot camp to build knowledge and experience in design, leadership, robotics, engineering, creative arts and entrepreneurship.

Anchoring on Sahara Foundation's Extrapreneurship model of using internal and external partnerships to develop the human capacity on the African continent, the 2019 edition of the program welcomed 132 participants from 70 high schools and 11 countries, including Ghana, Nigeria, Kenya, Liberia, Somalia, Zimbabwe, Sierra Leone, United States, United Kingdom and Ethiopia. For the participants it was described as the "experience of a life time" because of the catalytic mode of learning and sharing geared towards inspiring the participants between the ages of 13 and 19 years to create a new vision for the Africa that they want.



Ashesi University AIX Programme



## Our Focus and Outcomes

In developing this report, Sahara Group applied the principles and disclosures specified in the Global Reporting Initiative (GRI) Standard, the United Nations Sustainable Development Goals and internally defined strategic focus areas for determining sustainability performance.

Our sustainability reporting forces us to introspect as we recognise what we must do to bring about the seismic shifts required of us as corporate citizens on a sustainability journey.

Responsibility and stewardship is required in key areas such as climate change, transparency and accountability. We are committed to putting in the work required whilst recognizing that this is a marathon and not a sprint but start on it we must and have.

Sustainability for us is about attaining continuity and as such this consideration must remain at the heart of our interaction with the environment, society and our business operations.



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onstream”

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l'aval pétrolier af

MESSAGE FROM THE BOARD

# Leadership and Commitment to Sustainability



**Tope Shonubi**

Executive Director, Sahara Group  
On behalf of the Board

**L**adies and Gentlemen,  
It has been 5 years of communicating on how we “add value” with purpose and accountability through our Sustainability Report.

In 2019, the Group has continued to strengthen efforts in the face of more demanding economic, environmental and social context. This necessitated the need to foster partnerships and initiatives that have co-created a desirable future through innovation. We are committed to the continuous improvement of our business operations and to making greater measurable impact within the communities that host us.

Our primary focus has not changed, and we believe in conducting our business ethically thereby creating lasting value for all our stakeholders while preserving the gains for present and future generations.



**Our primary focus has not changed, and we believe in conducting our business ethically thereby creating lasting value for all our stakeholders**

## Sustainable Business Value

Creating a sustainable economic impact is core to us in achieving our overall corporate strategy. In 2019, we improved our business expansion and financial performance with growth in our revenue reaching \$11.29 billion, and our investment in new assets across Sub Saharan Africa. Across our businesses, we have invested in digital technology and artificial intelligence to improve our operational efficiency and customer experience. We are energizing more homes and bringing energy to lives.

We are not oblivious to the fact that there is a growing global demand for safe and clean energy and the shift towards a lower carbon footprint. We entered into an MOU with the United Nations Development Programme in 2019, to bring reliable access to affordable and sustainable energy to over 650 million people in sub-Saharan Africa.

Our numbers are indications of sustainable growth over the years, as we continue to live the vision of the Sahara Group. We have demonstrated our commitment to fostering diversity and inclusion within our workforce by creating equal opportunities for all employ-



ees irrespective of their gender and ethnic identification. As at year end 2019, 19% of our workforce was female. Our revenue grew from N348.52 billion in 2018 to \$11.29 billion in 2019 in line with our corporate strategy across our business operations.

## Our Environmental Footprint

We are working extensively to reduce and offset emissions, create circularity with waste and otherwise minimize the environmental impact of energy use in our operations. We consider the impact of our projects before they are executed. Our focus remains on the planet and its inhabitants.

We have continued to improve our sustainable procurement process to manage environmental and social risks from our suppliers and business partners across our entire value chain. We critically assess our contractors and vendors based on environmental and social risk management criteria that are in line with global best practices and rule of law.

The Health and Safety of our people and communities where we operate remain at the heart of our business. Through our occupational health and safety policies, systems and standards, we continue to ensure healthy and safe working conditions, promotion of employee health and wellbeing and human right dialogues. Our Health and Safety departments have been strengthened across the Group to ensure compliance with required local and global regulations. Within our host communities, we continue to routinely engage with local officials responsible for emergency response, health, safety and environmental protection. We have become proactive to health and safety concerns.

In 2019, we recorded maximum environmental compliance and zero Loss Time Injury (LTI) across our businesses. In our commitment to climate change, we have continued to measure our Greenhouse Gas (GHG) emissions and proactively move towards minimizing and offsetting our carbon footprint.

## Reaching more in our Host Communities

Our commitment to our communities also extends well beyond health and safety as we work to enhance economic development through community participation and partnerships and also local investments. This year, we have exemplified our commitment to creating long-term shareholder value by further contributing positively to society.

In 2019, we identified the concerns of our host communities and customers through extensive stakeholder engagement programmes and have taken robust actions to support them.

We are proud to say we have a strong track record for being a responsible organization and we continuously thrive to be better at all times.

## Partnership for a Sustainable Future

Partnership for global goals is a key avenue towards achieving sustainable development in our world today. We firmly believe in collaborative innovation and action in the private sector in achieving the sustainable development goals within the 10-year timeframe left for the 2030 goals.

In 2019, we have been pivotal to the success of the Private Sector Advisory Group (PSAG) and have continued to play our role in achieving the mission of the African Influencers for Development (AI4Dev) and other institutions in providing a better quality of life to the world. More than ever before, it is evident that Goal 17 of the UN SDGs: Partnership for the goals is critical for the attainment of sustainable development in our world today.

## Continuing Our Legacy

In a time when uncertainty is the only certainty, we remain focused on moving forward. We're embracing change as we prepare our business to meet tomorrow's energy and infrastructure needs.

We understand that being in the energy sector presents us with a two-sided challenge. The growing urbanization and increasing prosperity translate to an increase in demand for energy to fuel the world. On the other hand, the world wants energy provided with less climate impact and ethical issues. This requires that we operate more responsibly and reliably to gain the trust of all our stakeholders and shareholders alike.

We're becoming more efficient, more competitive, and more responsible whilst maintaining our commitment to sustainability as an important factor to our success. Sustainability is a defining characteristic of our future, and we look forward to continuing our legacy of meeting the needs of our stakeholders whilst adhering to best practices and international corporate governance standards.



**We firmly believe in collaborative innovation and action in the private sector in achieving the sustainable development goals within the 10-year timeframe left for the 2030 goals.**



**19%**

Our female staff strength in 2019

**0**

Loss time injury (LTI) in 2019



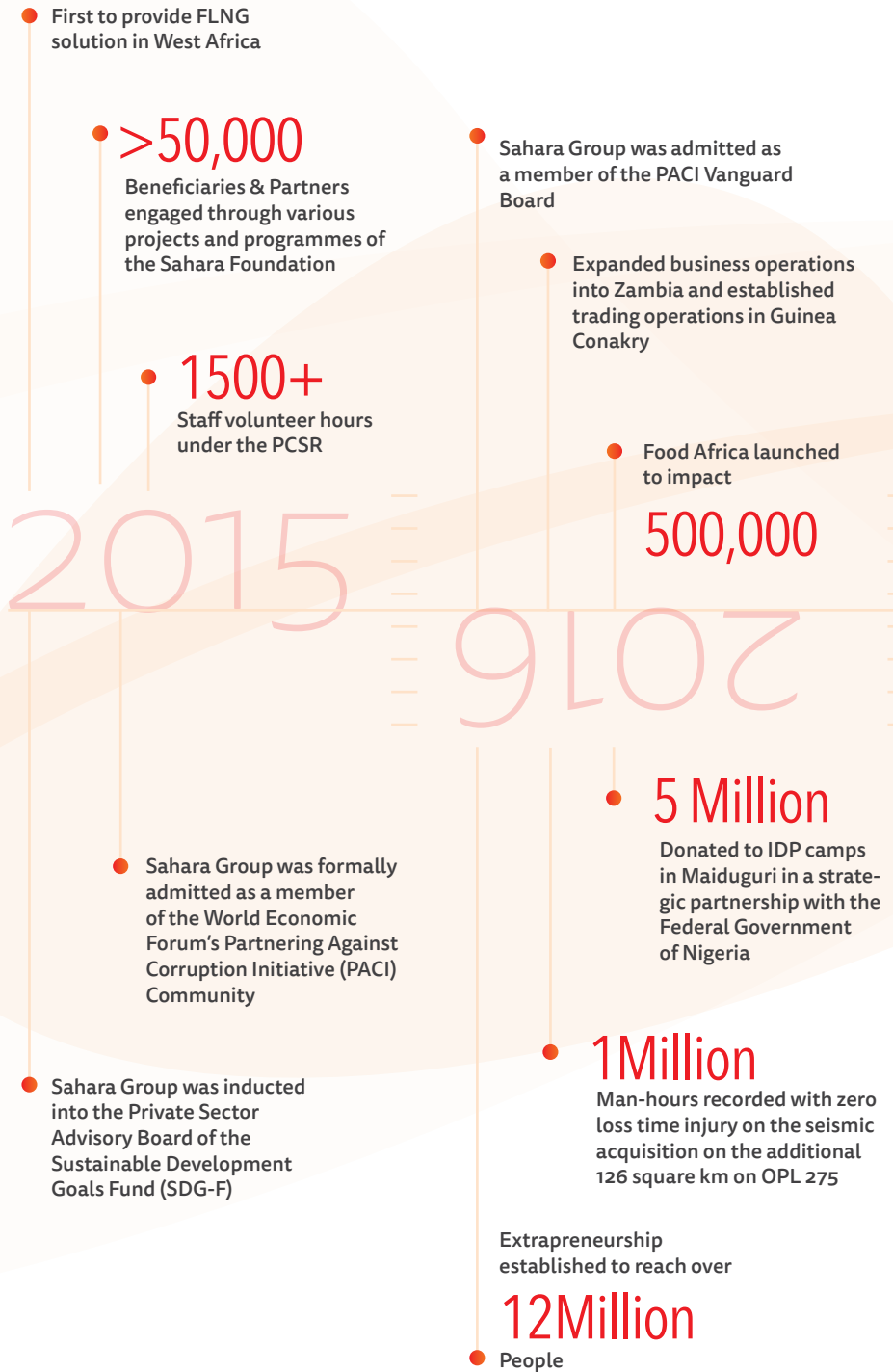
**We have been pivotal to the success of the UN PSAG and have continued to play our role in achieving the mission of the AI4Dev and other institutions in providing a better quality of life to the world**



# Impact Beyond the Sahara: Our 5 Year Journey

**5** years ago, we embarked on a journey to report our sustainability performance and initiatives as a Group. The same year we published our first sustainability report, countries and organizations across the world pledged their commitment to the implementation of the United Nations' Sustainable Development Goals (UN-SDGs). Sustainability is becoming embedded in our business strategy as we integrate prioritised economic, environmental, governance and social aims into the Group's mission, activities, and planning with the aim of creating long-term value for the firm, its stakeholders, and the wider society.

**Our commitment to doing business with purpose has been demonstrated through our impact in the last 5 years**





- A four-kilometre pipeline built to support evacuation of crude from our OML 148 asset, with a berthing facility having a state-of-the-art loading bay

- Asharami Synergy formed

- Graduate Information Technology Program (GITP) and the Sahara Leadership Program (SLP) established

- Zero fatality achieved across all business operations

- Developed a toolkit on the contribution of sports to the achievement of the SDGs. This was launched during a side event at UN's High-Level Political Forum on the 91th of July 2018

**1 Trillion**

Operating Assets attained for the whole group

- Green Life initiative launched

**16,000+**

Staff volunteer hours

- Signed an MOU with UNDP to partner for affordable sustainable energy in Sub Saharan Africa

2017

- Injection substation capacity for Ikeja Electric increased by 45MVA following the commissioning of three (3) 1 x 15MVA injection substations at Amikanle, Abule Taylor and Olowora

**38.7%**

IE achieved an Aggregate Technical and Commercial Losses (ATC&C) loss of 38.7%

- Ikeja Electric build an EBM (Electricity Bill Monitoring) application to estimate bills for unmetered customers

2018

- Gas Master Plan commenced in December 2018, with the view to monetizing the yields from gas flare in Nigeria

2019

- Ikeja Electric launched the E-billing system for improved service delivery to customers across business units

- Asharami Synergy awarded ISO 9001:2015 Certification for its world class quality management

**>1 Million**

Customers reached through power distribution business



# Embedding Sustainability in Our Business Operations

## Profile

### Sahara Group Ltd

Company Name



Head Office:  
7a, Oluwa Rd, Ikoyi, Lagos, Nigeria



**4000+**  
Employees



**\$11.29B**  
Consolidated Group  
Revenue in 2019



**42+**  
Operating Countries



**19.52MMT+**  
Oil and Petroleum Products  
Volumes Traded in 2019s

**1786MW**  
Installed Generation  
Capacity





**S**ahara Group is a leading African-owned multinational energy, power and infrastructure group. Our business operations spread across 42 countries in Africa, the Middle East, Europe and Asia. For over 24 years, we have scaled our provision of quality energy, power and infrastructure products and services, leveraging our deep knowledge and insight of the African market to satisfy customer needs.

Our people have always been our biggest assets. Through their excellent talent and resilience, we have grown our global footprint by 3% in revenue and expanded our business reach to 42 countries in 2019, becoming a fast growing and dynamic African organization.

With the distinct structure of our corporate governance and management across our companies, our Board has set up the Governance and Sustainability unit with responsibility for spearheading sustainability and governance for Sahara Group worldwide and representing Sahara Group's interest to our stakeholders. Through the dedication and focus of this team, we have been able to drive accountability to our stakeholders through our Sustainability reports.

Our sustainability reports have projected our ethos on sustainable development across the Group and has showcased our responsibility and impact in the society to our stakeholders.



## 3%

Increase in our footprints across the world



## 24

Years in operation

## “

For over 24 years, we have scaled our provision of quality energy, power and infrastructure products and services, leveraging our deep knowledge and insight of the African market to satisfy customer needs.





# Our Corporate Structure

Sahara Group is a conglomerate of businesses with independent management leadership. Our companies are governed through sound corporate governance principles as well as experienced and qualified management. We have the Board of Directors who remain committed to maintaining the highest level of corporate governance and business leadership.

Sahara Group Limited is operationally active as well as being the Parent company responsible for providing support services to the entities within the group for effective oversight and efficient operations.

## Our business structure



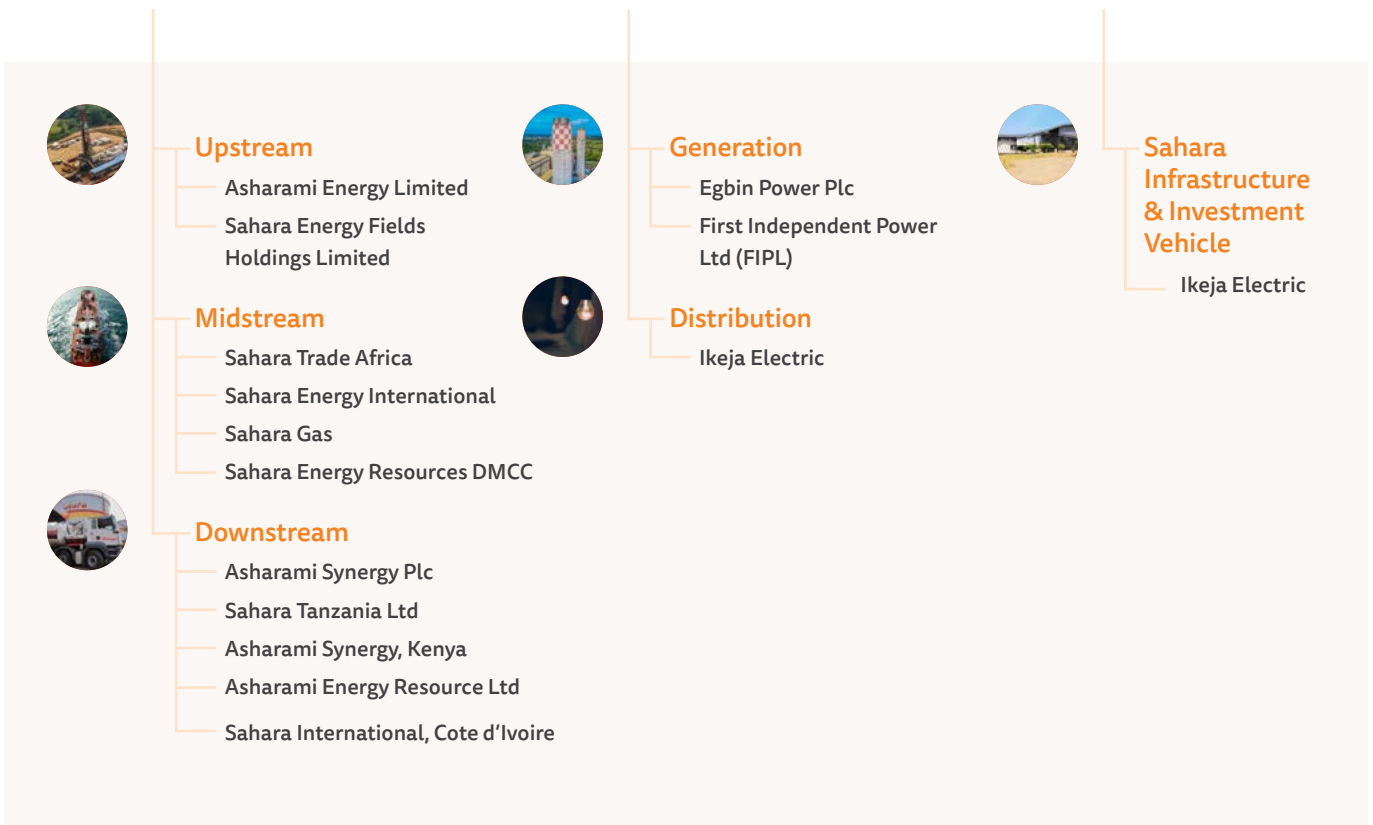
Energy



Power



Infrastructure







## Fuel for Our Business

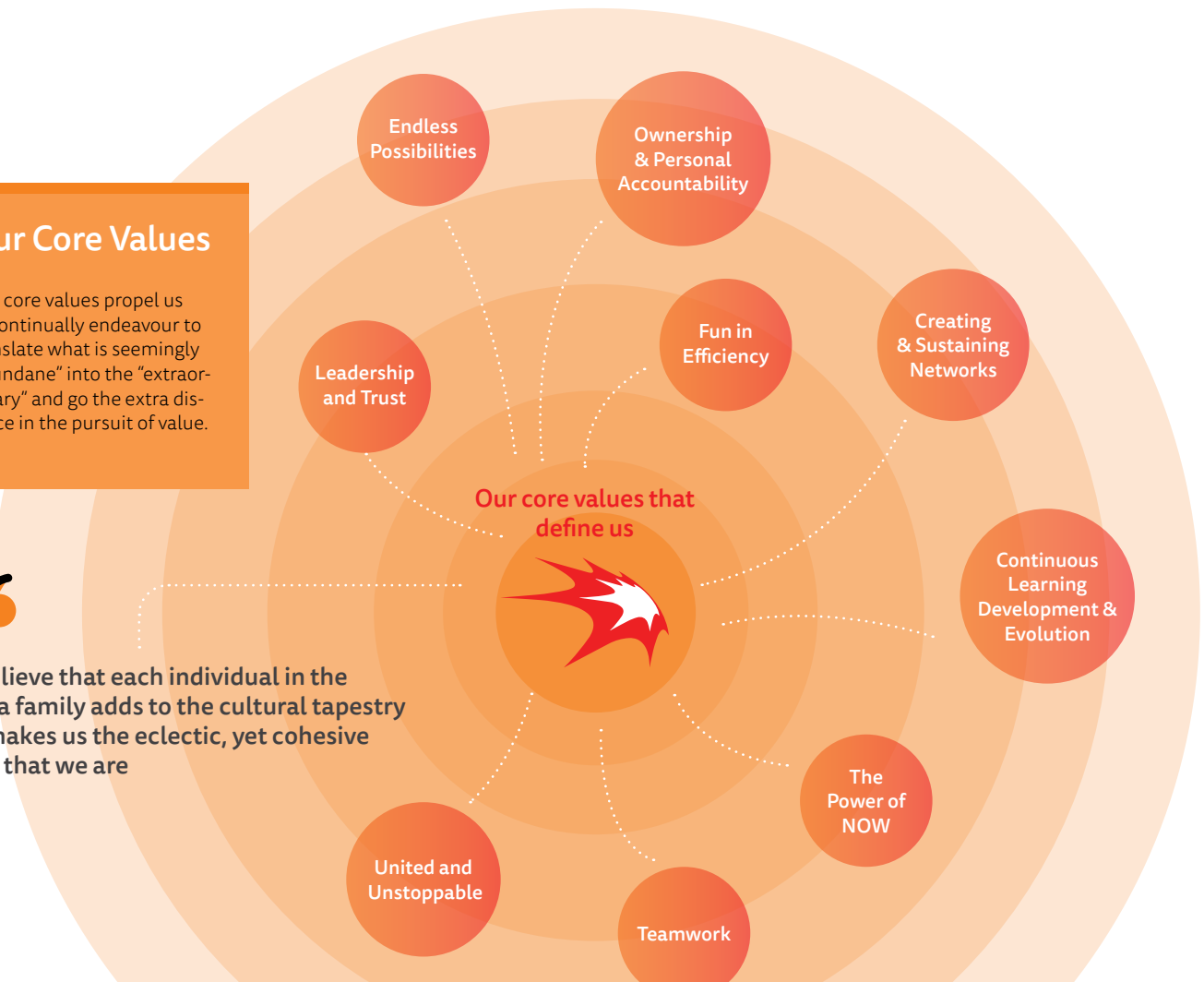
**A**t Sahara Group, we are driven by our vision of being the provider of choice wherever energy is consumed. Our commitment to the communities we operate in inspires our zeal towards achieving our mission to transform through creativity, determination, and relationship building while continually seeking ways to generate value.

### Our Core Values

Our core values propel us to continually endeavour to translate what is seemingly "mundane" into the "extraordinary" and go the extra distance in the pursuit of value.

“

We believe that each individual in the Sahara family adds to the cultural tapestry that makes us the eclectic, yet cohesive entity that we are



### Customer-centric Processes

Sahara Group Limited is committed to providing its customers with an unforgettable and positive service experience to foster repeat business and sustainability. Our earnest effort is to exceed the expectation of our customers and remain the preferred energy company across our market coverage. As an organization, we understand the importance of customer satisfaction as the focal point for business operations, strategy and culture. **In 2019, we launched the "Value for money" campaign** to give all classes of customers and consumers convenient access to safe, reliable, and top-quality diesel.



# Doing Business Responsibly

**A**t Sahara Group, our corporate governance structures and management oversees the effective implementation of our policies, guidelines, processes and business alliances for sustainable growth. Our corporate culture is driven from the top and by our readiness to create value for all stakeholders.

## Corporate Governance and Transparency

In furtherance to our commitment in aligning our corporate governance practices with global best standards of efficient leadership, our Board of Directors oversee the group management of the business. The Directors are saddled with the governing responsibility to ensure a sustainable business through deliberations and ratification on performance of business and management approach to running the operations of the group.

In executing their leadership role, the Board is guided by our Board and Board Committee Charter and Memorandum and Articles of Association which are developed in line with regulatory requirements and global best practices. The Board Charter defines the roles and responsibilities of the Board and the guidelines for its oversight

responsibility over the management and executive leadership of the business. Regular updates on the policies and plans of the Group are presented to the Board for reviews and approvals and resolution for implementation.

Further to our commitment to being active participants in global discussions surrounding fit for purpose solutions to tackling corruption we continued to participate at the World Economic Forum's Partnering Against Corruption Initiative (PACI) where the focus ranged from Integrity by Design through Technology to a 21st century approach to Corporate Governance. PACI remains the leading business voice on anti-corruption and transparency












## Ethics and Compliance

Our Code of Ethics and Professional Conduct in our businesses guides the entrenching of corporate ethics in the way we do business. All employees, management and business vendors are sensitized and given access to the Code to understand the role they play in upholding our values and how to conduct themselves as stakeholders of Sahara Group.

### Our Code of Ethics, built on 10 principles & guidelines

We conduct our business in a highly ethical manner that promotes free enterprise, excellence and competitiveness. We engage our employees through regular training on professional conducts and ethics. Training courses are deployed including on-going communication and interaction via regular emails and strategically positioned posters which specify easy-to-follow procedures and actions for promoting ethics in our workplace.

**we conduct our business in a highly ethical manner that promotes free enterprise, excellence and competitiveness.**

		
Loyalty, Honesty & Integrity	Demonstrate Competence & Quality of Service	Employee Conduct
		
Dealing with Third Parties	Conflict of Interest	Protection and Use of Company Assets, Resources and Information
		
Compliance Laws, Rules, Regulation, Policies, Processes and Charters	Maintaining Accurate Books of Records	Reporting Breach of Compliance with Code
		
	Compliance with Codes	



## Anti-bribery and Corruption

**A**t Sahara Group, we believe in integrity and transparency in our business activities. In ensuring this, we have established an Anti-bribery and Corruption policy, as approved by our Board of Directors which is strictly adhered to by all stakeholders.

We invest in educating our employees, management and Board of Directors on anti-corruption and best practices in protecting our businesses. The policies and procedures are accessible to all our internal stakeholders on the Sahara Portal while external stakeholders have access to them on our website.

In demonstrating our commitment, we have aligned our Anti-bribery and Corruption policy with the regulatory corruption laws and practices such as Nigerian Corrupt Practices and other Crime Related Offences Acts (NCPC Act), US Foreign Corrupt Practices Act (FCPA) and the UK Bribery Act. We have shown a higher level of commitment by joining the World Economic Forum's Partnering Against Corruption Initiatives (PACI). We joined this forum in 2015 and have continued to contribute to the achievement of the strategic agenda of PACI and organizational compliance.

In 2019, we had no case of corruption or litigation for corrupt practices in our business. We are committed to strengthening our system to ensure our business practices and partnerships are free of all forms of corrupt practices.



# 0

Cases of corruption or litigation for corrupt practices in our business

## Whistle Blowing

**I**n our commitment to ethical conduct at Sahara Group, we have developed a Whistle Blowing Policy and Guideline for effective reporting of unethical, illegal or inappropriate conduct in the company. It provides the platform for employees and other stakeholders to report cases of misconducts or any malpractice within or outside the organization, as related to Sahara Group.

This policy is developed in line with the Nigerian Code of Corporate Governance, as defined by the Financial Reporting Council of Nigeria. We have deployed a whistleblowing mechanism that is managed by a designated desk and handled in a confidential manner to protect the identity of a whistle-blower from the point of reporting, through investigation to the close of the case. Our whistleblowing reporting mechanisms is an outsourced platform managed by Deloitte to ensure confidentiality and transparency.

Through our Whistleblowing Policy, our Board is committed to promoting a culture of openness, accountability and integrity in the Company.



**Through our Whistleblowing Policy, our Board is committed to promoting a culture of openness, accountability and integrity in the Company.**



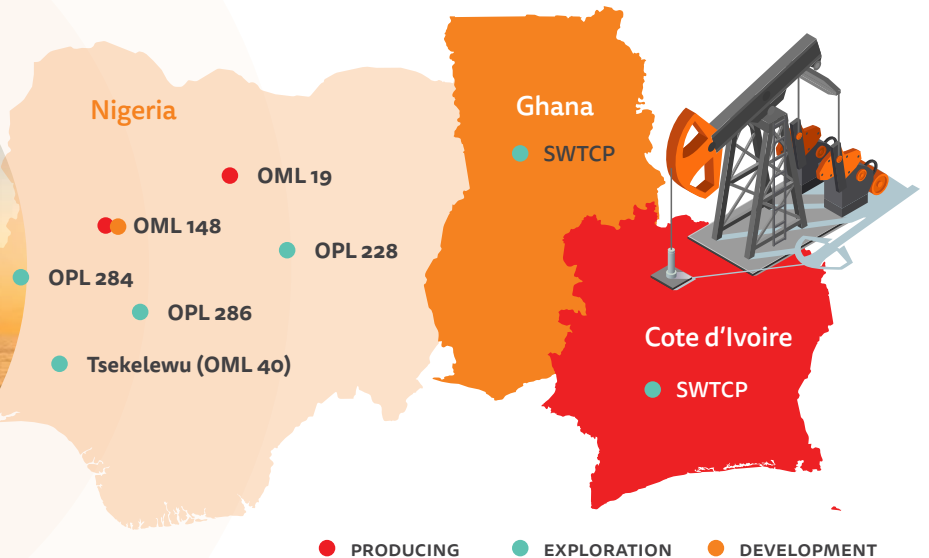
# Products and Services across our Value Chain

Innovation and quality are important to us and we are committed to doing more for our customers, vendors, suppliers and all stakeholders. Through our companies within the Sahara Group, we continue to deliver innovative products and services to our customers across the globe.

## Upstream

### Exploration and production of oil and gas products

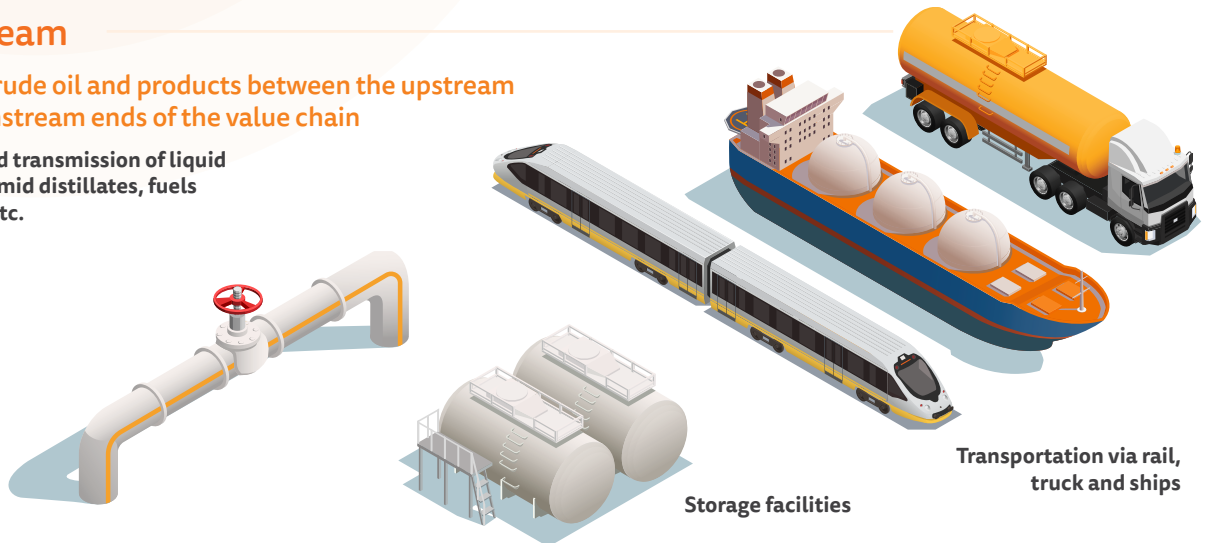
Diversified portfolio of assets at different lifecycle stages at onshore and offshore deep water across the West African region.



## Midstream

### Trading crude oil and products between the upstream and downstream ends of the value chain

Pipeline and transmission of liquid – crude oil, mid distillates, fuels light ends etc.





## Downstream

Vertically integrated fuelling solutions for client satisfaction and safety

Our focus is on the following key commodity areas

Automotive Gas Oil

Aviation Turbine Kerosene

Premium Motor Spirit

Dual Purpose Kerosene

Liquefied Petroleum Gas

Marine Gas Oil

Lubricants

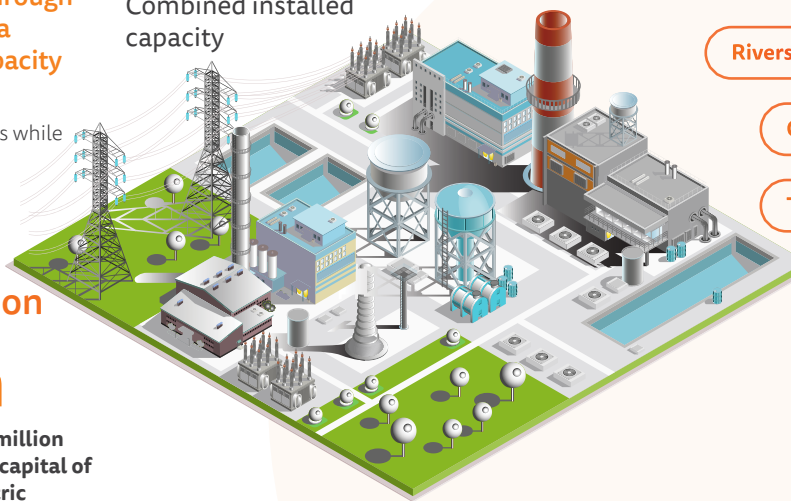
## Power Generation

Generation of power through five power plants with a combined installed capacity of 1,786MW

FIPL is powered by four plants while Egbin has one power plant

# 1,786MW

Combined installed capacity



### Our Power Plants

Rivers IPP (FIPL)

Omoku IPP (FIPL)

Trans-Amadi IPP 1 (FIPL)

Trans-Amadi IPP 2 (FIPL)

Egbin Power Plc

## Power Distribution

# > 1 Million

We deliver power to over 1 million customers in the economic capital of Nigeria, through Ikeja Electric

## Infrastructure

Pursuing multi-sectorial investments in Oil and Gas, Utility Concessions, Industrial Parks, Real Estate, Hospitality, Agriculture, Healthcare and special Government-backed projects.



Egbin Industrial Park



Kidney Island Logistics Development



Radisson Blu, Port Harcourt



Jibike's Abuja



# Growth through Sustainability and Innovation

## Governance in Sustainability

Sustainability is of paramount importance to the Board and is considered in the development and implementation of the overall corporate strategy as it underpins how we do business as a Group. Our sustainability strategy involves the integration of prioritised economic, environmental, governance and social aims into the Group’s mission, activities, and planning, with the aim of creating long-term value for the firm, its stakeholders, and the wider society.

The management of sustainable development issues are embedded across various levels with specific delegated authority from the Board. The Director of Governance and Sustainability, Pearl Uzokwe,

leads the team that provides dedicated functional expertise focused on sustainable development matters across the group.

Working closely with the Sahara Foundation and our entities, the Governance and Sustainability unit coordinates the direction and implementation of our Sustainability strategy and social investment initiatives within our business operations for maximum synergy.

We aim to strengthen alignment between the Group, the entities and the business units through several internal stakeholder engagement activities and forums. Our individual business entities manage their sustainability risks and opportunities with a focus on their sector issues and emerging trends.

## Sustainability at Sahara Group

There is a growing global concern around the risk emerging from the megatrends that are disrupting lives and businesses today. These megatrends of climate change and global warming, risk from accelerating growth in digital technology, transformation in emerging economies, changing societal expectations and the disruption in geopolitical structure have been seen to drive changes in organizational business strategies in order to remain relevant in the future.

We see these concerns as opportunities and are taking an inside-out and outside-in approach for future-proofing our business. This approach is anchored on prioritizing sustainability as it is embedded within our core values.

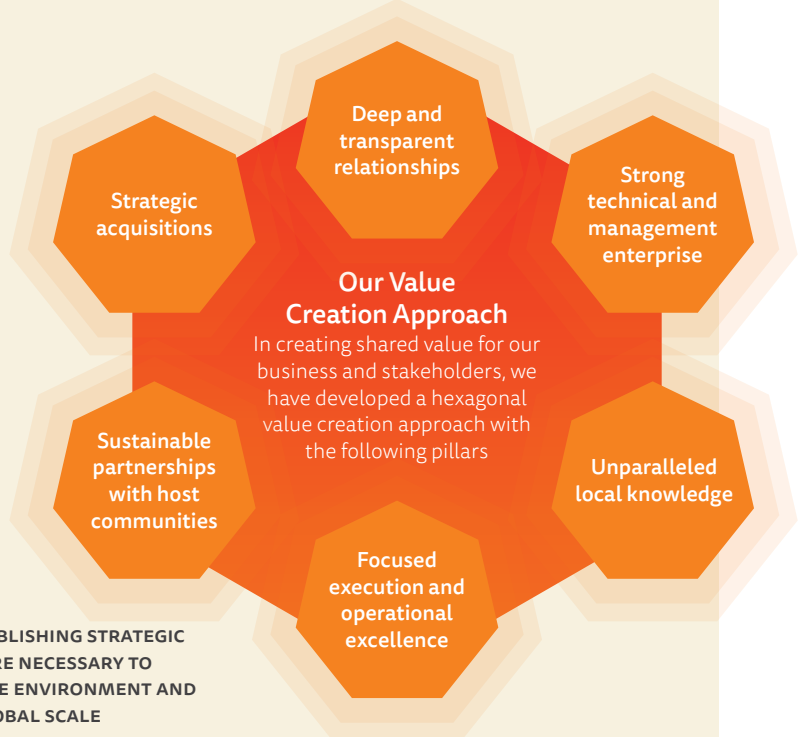
We are focused on taking sustainability beyond our operations evident in our approach to business and through our stakeholder engagement strategies. Across our diverse stakeholder groups and value chain, we create products and services that support economic growth and improvements in quality of life. We want people to benefit from our presence within their communities and as such create shared value and lasting impact that contributes to the sustainable development of the society.

Our activities are aligned to the UN SDGs, thus establishing strategic synergies and strengthening relationships that are necessary to accomplish strong social development, protect the environment and promote economic development on a local and global scale.

We have partnered with several developmental players in driving the achievement of the Sustainable Development Goals across Africa. Our involvement in initiatives, alliances and activities that foster social development and environmental protection have helped us to deliver on our sustainability goals.



OUR ACTIVITIES ARE ALIGNED TO THE UN SDGS, THUS ESTABLISHING STRATEGIC SYNERGIES AND STRENGTHENING RELATIONSHIPS THAT ARE NECESSARY TO ACCOMPLISH STRONG SOCIAL DEVELOPMENT, PROTECT THE ENVIRONMENT AND PROMOTE ECONOMIC DEVELOPMENT ON A LOCAL AND GLOBAL SCALE





# Being a Responsible Employer

## Nursing and Revitalise Corners

In 2019 in line with our drive towards a more gender balanced workforce and in recognition of the young demography in our offices, multifunctional nursing and revitalize rooms were set up in our two most populous office locations as test cases for further replication following their success.

The rooms enable new mother's the privacy and dignity to comfortably return to the workspace confident that there is a safe space to meet the needs of their new-borns demands whilst away from them at the office.

The nursing and revitalize rooms convert to massage spaces after a set hour to also serve the needs of the entire employee population by the provision of masseuse services all targeted towards the improvement of the overall wellbeing of our employees.



## International Women's and Men's Day

In observing the **International Women's day** on 8 March 2019, we held our annual International Women's day event for the Sahara Amazons. In 2019, we launched our **inaugural International Men's Day Forum "Men's Gambit"**. These are geared towards self-improvement and empowerment by organizing speakers and events targeting topics from financial independence, executive presence and psychometric testing targeting increased emotional intelligence and mental wellbeing.



# Key Highlights for 2019

Our commitment to leadership in sustainability is firmly rooted in our values and our sustainability strategic focus which forms an integral part of our culture.

In 2019, our reach expanded to more people and communities through various projects/activities geared towards sustainable development across Africa.

## Some of our 2019 key highlights

Entity	Key Highlights	SDGs
<b>Sahara Foundation</b> 	<p><b>Sahara Foundation strengthened its focus on Extrapreneurship in 2019. With the goal of directly impacting 12 million Nigerian youth by 2021, it has reached more people through its different projects and supported entities under the Sahara Group with their CSR projects.</b></p> <p><b>FOOD AFRICA PROJECT</b> Under the Food Africa Project, building of a processing and storage facility continued in 2019, to integrate the entire food value chain.</p> <p><b>SAHARA HUB</b> In 2019, there was an increase in the number of registered users on the Sahara Hub as membership grew to over 10,500.</p> <p><b>SAHARA SDGs AMBASSADORS PROGRAM</b> In 2019, Sahara Foundation unveiled the inaugural class of Sahara Sustainable Development Goals (SDGs) Ambassadors programme.</p> <p><b>GREEN LIFE INITIATIVE</b> This was launched in June 2019, to foster sustainable environments and promoting holistic wellness both inside and outside of Sahara.</p> <ul style="list-style-type: none"> <li>A Extensive recycling programme commenced in offices for the promotion of circularity</li> <li>A Launch of a Recycle Exchange Hub in the Ijora Oloye community</li> <li>A Upcycling vocational training for the conversion of tyres to furniture</li> </ul>	       
<b>Asharami Energy Limited</b> 	<p><b>OPERATIONS</b> Cost optimization and overall improvement in process efficiency as a result of the Joint Venture Accounting (JVA) and Authorization for Investment (AFE) modules on Oracle.</p> <p><b>SOCIAL INVESTMENTS</b> Women Empowerment through the establishment of a cassava processing facility to assist the women in adding value to cultivated cassava.</p>	   
<b>Sahara Trading Business</b> 	<p><b>TRANSITION TO CLEANER ENERGY</b></p> <ul style="list-style-type: none"> <li>A Purchase of two 38,000cbm LPG vessels</li> <li>A Joint venture between NNPC and Sahara Group (West Africa Gas Limited) has emerged a major player in the West African LPG market to aid stability, supplying over 480,000 MT of LPG to WAF over the last 2 years.</li> <li>A Adoption of Afri 4 specifications</li> </ul>	 





## Asharami Synergy Plc



### TRANSITION TO AUTOMATED PROCESSES

A Investments in Oracle to automate processes that aid reporting and business performance measurements.

A Leveraging technology to improve Vendor Engagement & Management to support the finance and procurement team with data analysis, tracking and reporting.



### OPERATIONS

Asharami Synergy awarded the ISO 9001:2015 Certification for its world class quality management

## Egbin Power Plc



### HEALTH SAFETY & ENVIRONMENT

A Achieved zero Loss Time Injury (LIT) in 2019 with about 3.8 million man-hours recorded

A Earned AfriSAFE Award (Safety Award for Excellence) for Best in the Power Industry



### SOCIAL INVESTMENTS

Maiden edition of our annual community football tournament – 16 teams, 32 matches and prizes awarded to all participant. Guest appearance of Nigerian football star was also included to thrill the players.

## First Independent Power Limited



### OPERATIONS

A Cost Optimization Committee was set up to augment the procurement process with a view to enhance value addition. Through the Committee, FIPL have been able to ensure value for money, cost reduction and quality assurance.



### SOCIAL INVESTMENT

FIPL renovated the U.P.E Model Primary School, Obrikom and provided water closets, boreholes and classroom furniture for the students.



## Ikeja Electric Plc



### OPERATIONS

In 2019, E-billing and Notification System was launched. This improved data management through on site real-time data gathering from meter. This has reduced turnaround time for bill creation.



### IMPROVED POWER SUPPLY

The Bilateral Power initiative was kicked off in 2019 to supply specified locations with 20 hours of power supply minimum daily.



## Centrum Properties Limited



### ENVIRONMENTAL

A Deployed latest technology to conserve energy use and monitor water efficiency and consumption.

A Installation of Solar Panels



# Managing Sustainability Risks & Opportunities

**A**t Sahara Group, we prioritize sustainability in our risk management approach and business model. We have adopted high standards within our supply chain and assess our suppliers and contractors for compliance with best practices including environmental and social criteria.



## Risk and Opportunities

Our business operations are embedded with forward-thinking risk management process and effective internal control systems. Across our investments, rapid identification of the risks and opportunities related to our business activities and managing them through proactive, long approach is our way of ensuring business sustainability.

For each company within the Sahara Group, we have developed a robust risk management framework that helps us in mitigating and managing risks and opportunities within our operations. We continually identify key risks that are material to our business operations and develop practical mitigation measures.

The risk management within our businesses are monitored through the risk registers in the companies. We have also developed a risk management policy to guide every employee of the Group.

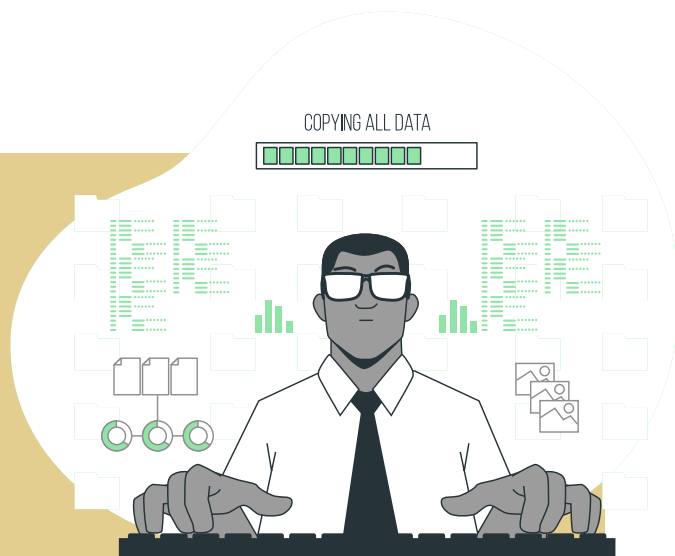
**For each company within the Sahara Group, we have developed a robust risk management framework that helps us in mitigating and managing risks and opportunities within our operations**

## Managing Cyber Risks

**D**ata and information are one of the most valuable resources in an organization. It is important that data is protected as failure to do so can lead to serious loss to the organization. Beyond information technology loss, there could be financial, reputational and regulatory implications from gaps in cybersecurity.

At Sahara Group, we prioritize cybersecurity and invest in educating all our employees on social engineering and the various forms of cyber-attack. We continually communicate cyber protection measures to our employees. We also invest in tools that protect our data and continuously search for vulnerabilities in the system leveraging technology to provide utmost security for all our data and our client information.

We have a team devoted to cybersecurity across our businesses. They continuously monitor our cybersecurity performance and seek opportunities for improvement. The Cybersecurity team ensures compliance with the General Data Protection Regulation and the Nigerian Data Protection Regulations as well as meet International Best Practices standards of cybersecurity, for sustained protection from even the most sophisticated cyber-attacks. Intrusion Detection, Incidence Management, Data Analysis and Risk Mitigation are all key processes we run to help keep our data safe.



**We prioritize cybersecurity and invest in educating all our employees on social engineering and the various forms of cyber-attack**





**Sahara  
Foundation**



## Sahara Foundation: Creating value in society

At Sahara, we believe that community engagement is critical to our business continuity. For our business to remain sustainable, the communities in which we operate must be continuously engaged in decision-making as critical stakeholders. Our activities must ensure that while our current needs are being met, future generations will have the same access to these resources.

### Executing the Sahara Projects

Sahara Foundation has been the vehicle for the execution of the Sahara Group's Personal and Corporate Social Responsibility (PCSR) initiatives.

In 2019, we continued to focus our activities on Extrapreneurship. Our goal since 2016 has been to directly impact 12 million Nigerian youth and create value by identifying, developing, and engaging relevant stakeholders through which beneficiaries can grow and sustain businesses by 2021. The Sahara Hub, a dedicated online platform – remains the enabler that provides resource materials, inspires networking and collaboration on a mass scale for local, regional, national, and global beneficiaries. We remain optimistic that this relatively new model will have far-reaching effects by exposing young entrepreneurs to boundless opportunities that exist within the various networks. Our dedicated web portal serves as an interactive space where leading businesses – individuals and organizations will be available to guide and support extrapreneurs effectively.



## 12 Million

Our target of youths to impact in Nigeria

### Our Objectives at Sahara Foundation



To promote access to quality healthcare



To create avenues that promote conducive learning



To empower the youth to self-reliance



To provide a platform for emerging talents



To promote the use of alternative sources of energy



Basic social amenities to enhance the wellbeing of our host communities

### Our Key Pillars of Impact



Community engagement played a vital role in our growth and success in 2019, which significantly surpassed that of 2018.

OUR OPERATIONS IMPROVED JUST AS OUR RELATIONSHIP WITH THE COMMUNITIES IMPROVED. WE UNDERSTAND THIS TO BE CRITICAL TO THE BUSINESS GROWTH AND SUCCESS BOTH IN THE PRESENT AND, MORE IMPORTANTLY, FOR THE FUTURE.



# Impact of Projects/ Programmes

## Food Africa Project

The Food Africa Project is a collaborative initiative between Sahara Group, United Nation- Sustainable Development Goals-Fund (SDG-F), Roca Brothers and the Kaduna State Government, directed at empowering the people and alleviating poverty through food security.



In 2019, further progress was made in completing the processing and storage facility. The project is an Agro-based initiative envisaged to integrate the entire food value chain – the farmer, wholesaler, retailer and consumer – providing a sustainable source of food security, poverty alleviation and eradication, skill acquisition and social inclusiveness. This project is aimed at contributing to the achievement of sustainable development goals 1, 2, 8 and 12 – No poverty, zero hunger, decent work and economic growth, and responsible consumption and production respectively. By reason of the collaborative nature of the project, goal 17, partnerships for the goals, is being achieved.



Meeting with the Honourable Commissioner of the Kaduna Ministry of Agriculture- Hajiya Halima, a key partner on the Food Africa Project.

## Sahara Hub

This platform was created to promote the Extrapreneurship framework of Sahara Foundation by leveraging the power of the internet. Through the Sahara hub website, [www.saharahub.com](http://www.saharahub.com), we provide growth and development opportunities to young people (15 to 35 years old). We aim to directly impact the lives of 12 million young people across Africa. This initiative is aligned with goal 8 of the SDGs primarily, with resulting impact in the achievement of other global goals of the United Nations. Saharahub grew its membership to over 10,312 registered users, with over 60 opportunities posted on the hub in 2019. We held 4 Twitter chats/ forum sessions with subject matter experts in 2017. In 2019, we saw a huge addition to registered users on the SaharaHub. Through the platform, we shared weekly posts on the opportunities through scholarships, trainings and mentorship. We also invested in instituting partnerships and alliances that resulted in unique sustainable growth opportunities.



Sahara Hub Volunteers



### 12 Million

Our target of youths to impact in Nigeria

### 10,312

Saharahub membership

### 4

Twitter chats/ forums



## Sahara SDGs Ambassadors Program

In 2019, Sahara Foundation its staff SDGs Ambassadors programme'. The initiative's objective is to encourage our employees to become advocates to end poverty, increase access to energy, combat climate change and recognize exceptional staff who inspire others to work together for a better world especially in Sahara host communities. The Sahara SDGs Ambassadors are responsible for designing and possibly implementing social impact projects alongside Sahara Foundation. The Sahara SDGs Ambassadors were selected from various Sahara Group entities across the world and they work with Sahara Foundation to help create local advocacy within staff members towards achieving the Sustainable Development Goals.



Sahara SDG Ambassadors, Tanzania



## Green Life Initiative

Green Life Initiative, launched in June 2019, aimed at attaining and championing sustainable development goals to foster sustainable environments and promoting holistic wellness both inside and outside of Sahara. The project seeks to galvanise action towards tackling climate change through collaboration, recycling, capacity building, awareness raising as well as investment in clean, affordable and sustainable energy. The Foundation in collaboration with the Lagos Waste Management Authority (LAWMA), identified the environmental concerns in Ijora and took required actions through creation of a recycling hub which ensures the community takes care of the environment and preserve it for future generations in exchange for financial rewards and inclusion.





## Scholarship Programme for Internally Displaced Persons (IDPs)

The all-round scholarship programme was established to improve access to quality education for 100 Internally Displaced Persons in Adamawa, Borno and Yobe State, running from 2019 till 2021. Starting with only primary school beneficiaries in 2018, the project extended to secondary and tertiary school beneficiaries for the 2019/2020 academic session. This was done in partnership with the Murtala Muhammed Foundation. In 2019, we also carried out a monitoring and evaluation visit to review the scholarship programme in Maiduguri, Borno State.



100



IDPs who received all-round scholarship in Adamawa & Borno State

## Youth Development Programme Onne, Rivers State

We provided a skills acquisition programme for youths in Onne & Ikpokiri communities, Rivers State. 205 young people from the communities were trained on vocational and entrepreneurship skills. The training covered skills in bag and shoemaking, mobile phone repairs, catering and laptop repairs. At the end of the empowerment, participants were provided with start-up kits to start their businesses. The entrepreneurs also benefited from group mentoring post-training, as they run their businesses.



205 Young people trained on vocational and entrepreneurial skills



## Ashesi University Innovation Experience Programme for Youth across West Africa



This programme done in partnership with Mastercard Foundation is aimed at educating undergraduates for the development of critical thinking skills, empathy, care, and courage for the transformation of the continent. The flagship programme of the University identified fellows across West Africa to take part in a 2-week innovation boot camp. Through the boot camp, ideas were developed by beneficiaries, working with the Sahara's Business Innovation team, to develop technological solutions to problems in the Sahara business.





## Zuma Agricultural Festival, Niger State

Sahara Foundation in collaboration with the Central Bank of Nigeria supported the 3rd edition of the Zuma Agricultural Harvest Festival (Agrifest) held in December 2019 in Niger State, Nigeria. With the theme Deepening Financial Inclusion for Rural Farmers, 550 farmers from across Northern Nigeria (Niger and Nassarawa) were provided with training and resources to enhance their practice Exhibitions were also held to showcase the farm produce to attendees of the festival.



**500** Farmers provided with training and resources



## Upgrade of ICT Centre at University of Juba, South Sudan



In 2019, we supported the University of Juba, South Sudan with the upgrade and construction of perimeter fencing for its ICT Laboratory. This will improve access to ICT facility in the university and security of the facility within the premises. The construction works of the perimeter fence and installation of computers and server were completed in 2019 and the centre was officially commissioned.



## Library Upgrade at UMC Primary School, Ibadan

Donated in 2015 by Asharami Synergy, Sahara Foundation conducted a book drive to create more awareness and get more book donations across our networks to upgrade the UMC Primary School library. The upgraded school library provides access to all the 600 pupils from the Primary School and three other neighbouring schools. The facility boasts of modern reading materials and comfortable reading spaces. This will impact the literacy skills and improve the reading culture among pupils through the establishment of a Book Club.



Library upgrade at UMC Primary School, Ibadan



## Staff Engagement

Our staff across the Group and Sahara Foundation are committed to the achievement of the vision and objectives of the Foundation

### Some notable achievements in 2019

Recognition of 3 outstanding volunteers for October, November and December 2019

Recognition on outstanding staff volunteers through our 'volunteer of the month' initiative

A donation drive across Nigeria, Ghana Cote d' Ivoire, Tanzania and Zambia championed by Sahara Foundation's SDG Ambassadors

Recruiting of 16 staff volunteer mentors on the I.N.V.E.N.T mentoring programme in Lagos



**14,000**  
Volunteer hours



**2** Charities adopted in line with the focus areas for staff

Staff Volunteer Programmes were implemented in collaboration with reputable partners and social enterprises



Donation Drive





Sahara Staff Volunteers



# Strengthening our business through Transformational Partnerships

**W**e have identified that strategic partnerships and relationships are pertinent to the fulfilment of doing business with purpose and making sustainable impact. In 2019, we have continued to strengthen our partnerships and drive action across different local and global groups, through the support of the business leadership.



## Private Sector Advisory Group (PSAG)

**O**ur commitment to good governance and sustainable development earned us a prestigious seat at the Private Sector Advisory Group in 2016. The Private Sector Advisory Group (PSAG) of the United Nations Sustainable Development Goals Funds (SDGF) was established to facilitate collaboration among private sector organisations for the promotion and achievement of the Agenda for Sustainable Development and its 2030 ambitions set in the 17 global goals. The platform encourages the exchange of best practices and ideas on how to articulate a universal agenda in different private sector industries, contexts and sizes to incorporate and implement the SDGs into the core business activities and operations. A major defining attribute of the SDGs is the inclusion of the role of the private sector in achieving the goals. Following this recognition, the Private Sector Advisory Group (PSAG) was launched in 2016 by the United Nations Sustainable Development Goals Fund.

Taking a cue from the PSAG launch and the inclusion of Sahara Group on the PSAG Global board of 15 companies, a local Private Sector Advisory Group was formed and inaugurated in February 2017. Since its launch in February 2017, PSAG Nigeria now has comprised of over 60 companies all addressing the SDGs in Nigeria and supporting the government in the attainment of the goals. In 2019, one of the key achievements of the group is the advanced use of an SDG Reporting Tool. This tool has enabled private sector companies in Nigeria to report their SDGs related intervention in a central location that will be fed into the national report that is submitted yearly to the United Nations. Sahara Group has been pivotal in the running of the PSAG and its projects in Nigeria.



PRIVATE SECTOR ADVISORY GROUP

**“ Our commitment to good governance and sustainable development earned us a prestigious seat at the Private Sector Advisory Group in 2016 ”**

## Partnership Against Corruption Initiative

**I**n 2015, we joined the World Economic Forum’s Partnering Against Corruption Initiative (PACI) in line with our commitment to being active participants in global discussions surrounding fit for purpose solutions to tackling corruption.

We are part of the signatory alongside other 83 partners. Through this pact, we are driving high levels of good corporate governance, transparency and fairness in the disclosure of information relating to our operations and promotion of anti-corruption initiatives in all aspects of our operations.

We continue to participate at the PACI where the focus ranged from Integrity by Design through Technology to a 21st century approach to Corporate Governance. PACI remains the leading business



voice on anti-corruption and transparency. Driven by identified needs and interests of its member companies, PACI undertakes initiatives to address industry, regional, country or global issues tied to anti-corruption and compliance.



## United Nations Development Programme (UNDP) Access to Clean and Affordable Energy

**W**e have partnered with the United Nations Development Programme (UNDP) in providing access to clean and affordable energy in achieving the Sustainable Development Goal 7 of Affordable and Clean Energy. In April 2019, the Memorandum of Understanding was signed by both parties to achieve this project.

As a strategic player in the industry, we have taken the lead to bridge the energy need gap through this partnership by providing access to clean and affordable energy to over 650 million people short of access to electricity in Africa.

We have continued to work with other partners and stakeholders in Africa to work on best strategies to create sustainable and affordable power solutions to Africans for the success of the SDGs



**“** We have taken the lead to bridge the energy need gap through partnerships by providing access to clean and affordable energy to over 650 million people short of access to electricity in Africa



Achim Steiner Administrator of the UNDP and Tope Shonubi





**Asharami Energy  
Limited**

## LETTER FROM THE MANAGING DIRECTOR

**C**onsolidating on the many firsts attained in 2018, Asharami Energy Limited set out to supersede the accomplishments in 2019. With a much-improved economy in mind, the focus was to create additional value and opportunities for our diverse stakeholders in line with our shared value approach, in which our host communities are the major fragment for delivery. After targeted engagements with our various stakeholder groups, we have developed a matrix reflecting the sustainability issues that are relevant to our business and our stakeholders for 2019; these concerns were highlighted through engagements with our stakeholder groups throughout the year. The issues are prioritized to the level of importance to our stakeholders and how they could affect our ability to deliver on our strategic objectives.

In achieving our sustainability mandate, our host communities as partners are key to the delivery of our purpose, thus, we have leveraged on an inclusive approach to fostering growth, empowerment, and sustainable development within the communities through continuous stakeholder engagement, and prioritization of their needs for larger impact in alignment with the global goals.

In demonstration of our commitment to the Sustainable Development Goals, we have aligned our business strategies with the SDGs particularly at a time when the society increasingly is turning to the private sector and asking that companies respond to broader societal challenges. Undeniably, the public expectations of AEL have never been greater and as such, we lay equal emphasis to financial and social performance with sustainability remaining an integral component of our operations. Thus, we will continue to enhance the process by developing and applying innovative solutions to issues critical to our stakeholders, sustainable development, and climate change.

As we positively look forward to the coming years, I would like to use this medium to appreciate all our stakeholders for having faith in us and making the journey seamless. We are committed to a sustainable world, a better and secure future for us all.



**Olajumoke Ajayi**  
*Managing Director*  
*Asharami Energy Limited*

# About Asharami Energy Limited

**A**sharami Energy Limited is an upstream company within the Sahara Group involved in the acquisition of assets, exploration, drilling and production as well as monetization of its hydrocarbon resources. It was incorporated in Nigeria under the provisions of the Corporate Affairs Commission of Nigeria, with a strategic mandate to deliver sustainable growth through the acquisition and development of viable assets across Sub-Saharan Africa.

## Our Operations

Asharami Energy Limited has a diverse portfolio of 9 oil and gas assets in basins across West Africa including: Nigeria, Ghana & Cote D'Ivoire. These assets are at various stages of development ranging from exploratory fields to mature producing.

All our wells in Nigeria are onshore, and our business management is run from our head office located in Ikoyi, Lagos while our branch office and field operations are in Benin City and Ajoki in Edo State respectively.

### Our Mission



To become the pre-eminent upstream Exploration and Production Company operating in Sub-Saharan Africa; focused on long-term sustainable growth and value creation



**88%**

Sahara equity share in Asharami Energy

**9**  
Oil & Gas assets across West Africa



### OML 148 (Nigeria)

producing /development asset

**871Km<sup>2</sup>**

ACREAGE

**100%**

OWNERSHIP

**6**

EXPLORATION WELLS

**55000 BPD**

PRODUCTION CAPACITY PER DAY

As at 31st December 2019, Oki Oziengbe field, the primary production site, had an 89% reserve at 51.12mmboe.

### OML 18 (Nigeria)

producing asset located at Onshore Nigeria Delta

**1,035Km<sup>2</sup>**

ACREAGE

**16.2%**

OWNERSHIP

**5**

FIELDS

**45000 BPD**

PRODUCTION CAPACITY PER DAY

### OML 228 (Nigeria)

exploration asset with significant hydrocarbon potential, bordered by several licenses with producing field

**1,915Km<sup>2</sup>**

ACREAGE

**100%**

OWNERSHIP

**Head Office:** 7A Oluwa St. Ikoyi, Lagos, Nigeria

**Benin Office:** No 30 Imuentyan Street, GRA Benin City.

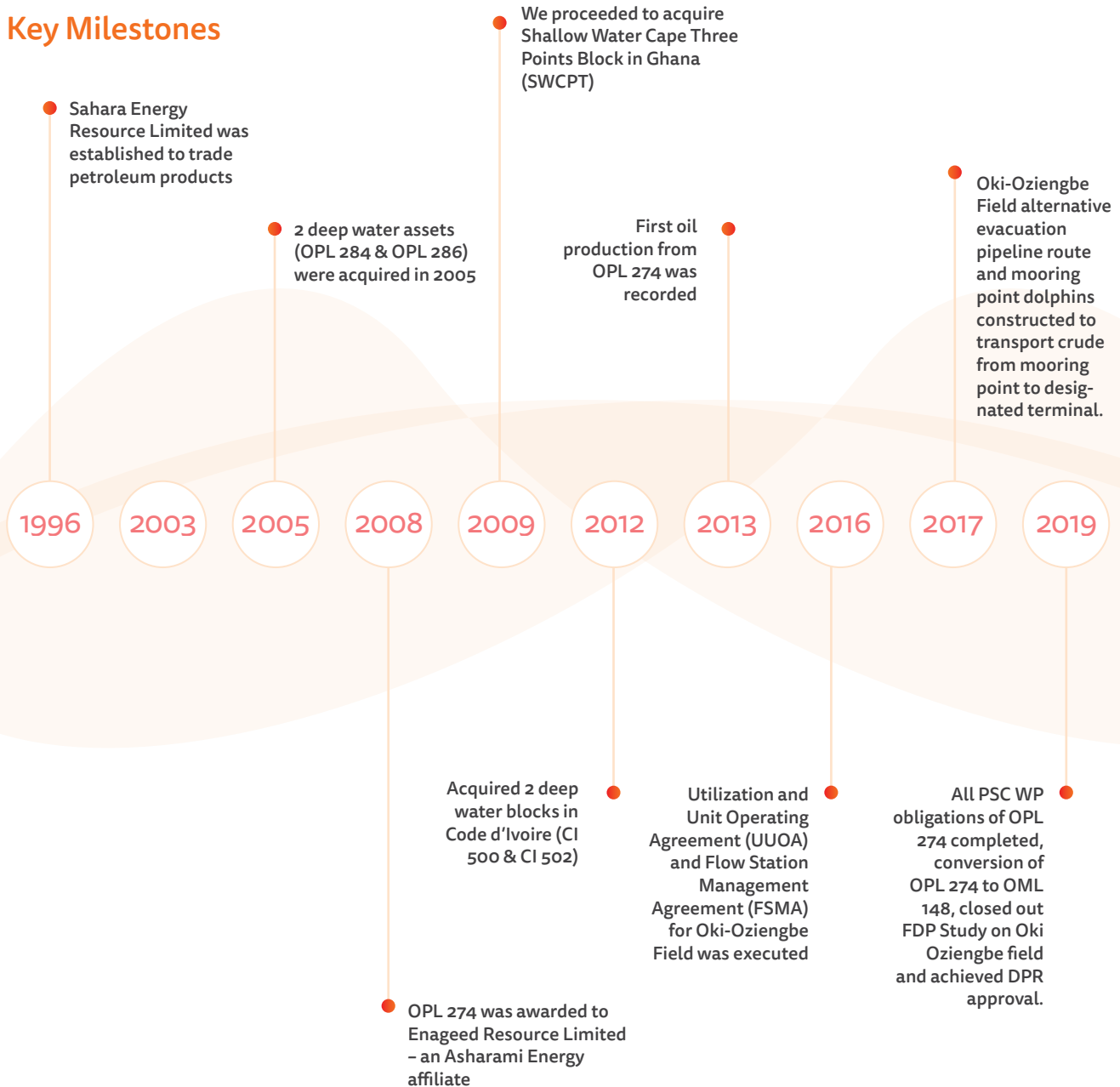
**Field Operations (Drilling and Production):** Ajoki, Edo, Nigeria

Our clients are spread across the oil and gas, power, petrochemical and infrastructure sectors. We have continued to serve Shell West Supply and Trading Limited, the geographical reach of our products spread across different countries including Switzerland, France, South Africa, USA, Netherlands, India, Abidjan, Darussalam and some selected refineries





## Key Milestones



## Risk Management

Risk Management at Asharami Energy is highly cross functional. We have considered that the effectiveness of our risk management is dependent on the collaboration of all stakeholders within the organization. The Health & Safety, Production, Engineering and Management Information Systems (MIS) teams work together to identify risk and put mitigants in place to address these risks.

The identified risks and mitigation measures are developed into our robust risk management framework that is approved by the Board. All employees and management are updated on risk management and progress is communicated in Quarterly Management Information Systems meetings as well as Board meetings.

### Key Risks identified at Asharami Energy Limited

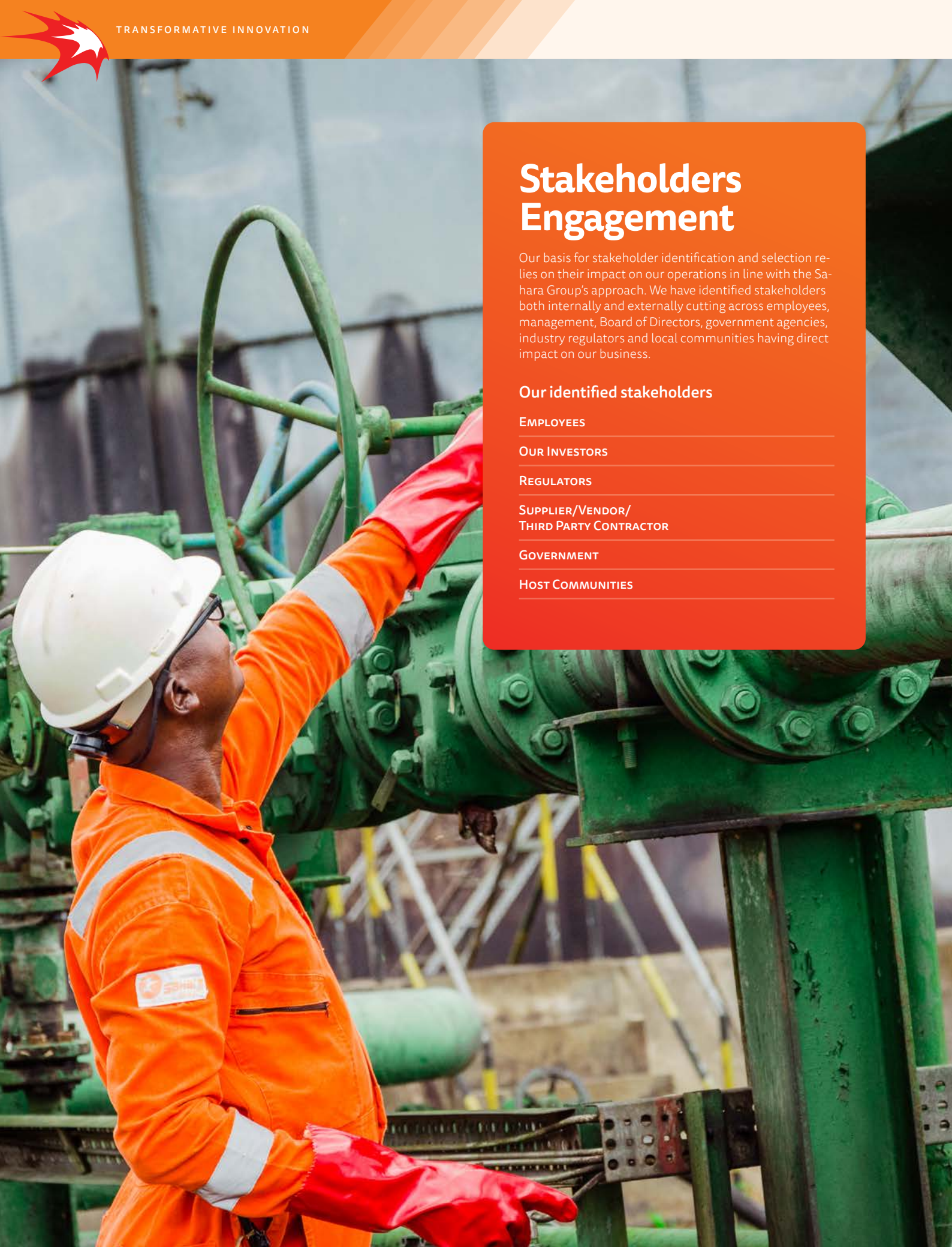
SUPPLY CHAIN RISK

SECURITY RISK

GOVERNANCE RISK

FINANCIAL RISK

OPERATIONAL RISK



# Stakeholders Engagement

Our basis for stakeholder identification and selection relies on their impact on our operations in line with the Sahara Group's approach. We have identified stakeholders both internally and externally cutting across employees, management, Board of Directors, government agencies, industry regulators and local communities having direct impact on our business.

## Our identified stakeholders

---

EMPLOYEES

---

OUR INVESTORS

---

REGULATORS

---

SUPPLIER/VENDOR/  
THIRD PARTY CONTRACTOR

---

GOVERNMENT

---

HOST COMMUNITIES

---



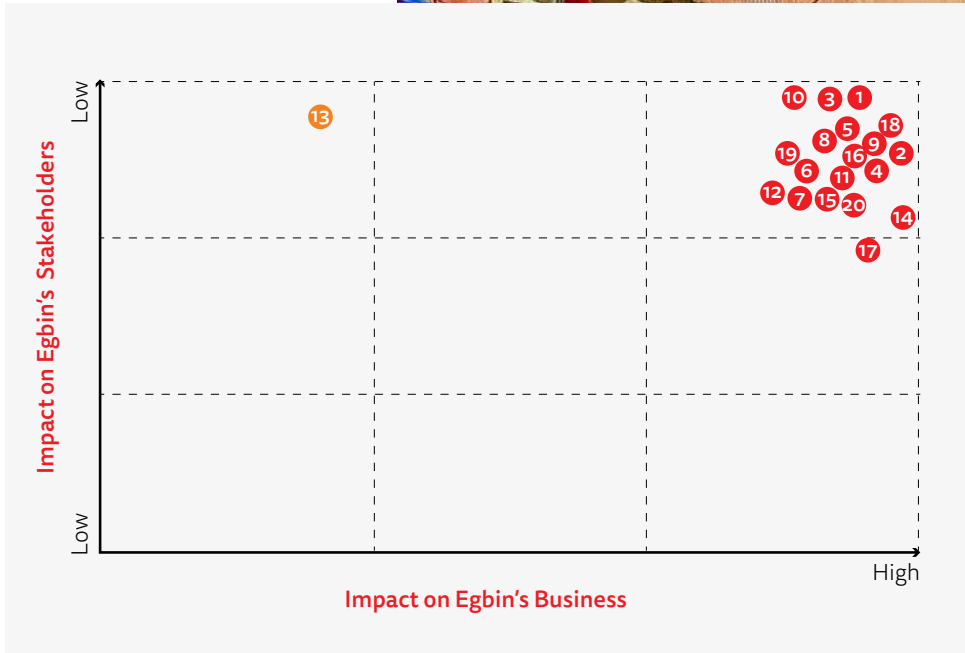
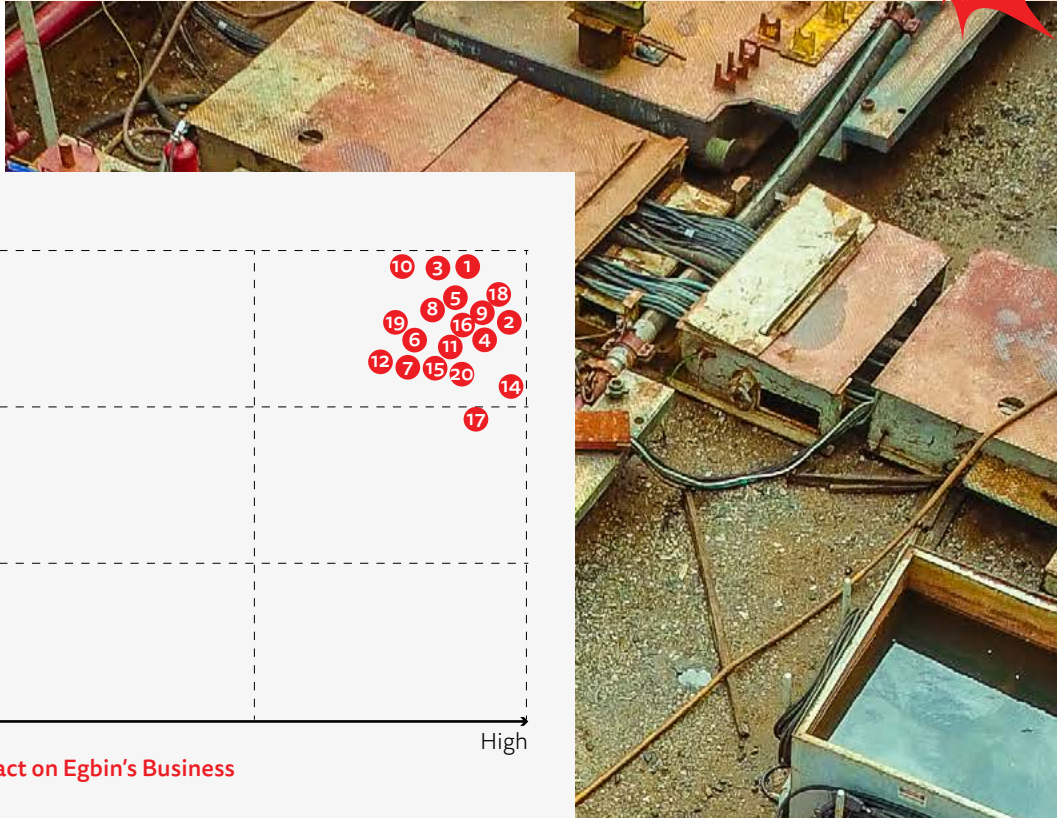
STAKEHOLDER	TYPE OF STAKEHOLDER (INTERNAL OR EXTERNAL)	AREAS OF INTEREST	FREQUENCY OF ENGAGEMENT	ENGAGEMENT CHANNEL
Department of Petroleum Resources (DPR)	External	Regulatory Compliance	On a need basis	One-on-one meetings, emails, phone calls, Industry and Professional association events
National Petroleum Investment Management Services (NAPIMS)	External	Regulatory Compliance	On a need basis	One-on-one meetings, emails, phone calls, Industry and Professional association events
Federal Ministry of Environment (FMEnv)	External	Regulatory Compliance, Greenhouse Gas Emissions, Value Generation	On a need basis	One-on-one meetings, emails, phone calls, Industry and Professional association events
Ministry of Petroleum Resources (MPR)	External	Regulatory Compliance, Value Generation	On a need basis	One-on-one meetings, emails, phone calls, Industry and Professional association events
Edo State Ministry of Solid Minerals, Oil and Gas (EDSG)	External	Regulatory Compliance	On a need basis	One-on-one meetings, emails, phone calls, Industry and Professional association events
National Oil Spill Detection and Response Agency (NOSDRA)	External	Regulatory Compliance	On a need basis	One-on-one meetings, emails, phone calls, Industry and Professional association events
Nigerian Petroleum Development Company Ltd (NPDC)	External	Regulatory Compliance, Value Generation	On a need basis	One-on-one meetings, emails, phone calls, Industry and Professional association events
Nigerian Content Development and Monitoring Board (NCDMB)	External	Regulatory Compliance	On a need basis	One-on-one meetings, emails, phone calls, Industry and Professional association events
Nigerian Petroleum Exchange (NIPEX)	External	Value Generation	On a need basis	One-on-one meetings, phone calls
Community Representative Council (CRC)	External	Socio-economic contribution to the communities,	Monthly and on a need basis	One-on-one meetings, phone calls, focus group sessions,
Employees	Internal	Compensation and Benefits, Employee Welfare, Sustainability, Working Conditions, Occupational Health and Safety	Daily	One-on-one meetings, emails, circular, posters, employee engagement surveys, performance reviews, etc.
Suppliers	External	Product Quality, Responsible business practices	Monthly	One-on-one meetings, phone calls, emails, sub-contractor pre-qualification

# Materiality at Asharami Energy

While there are several issues connected to our business operations, we have prioritized issues that are relevant to our business and significant to our stakeholders.

S/N	SUSTAINABILITY PILLAR	MATERIAL TOPIC	MATERIALITY LEVEL	SDGs ALIGNMENT
1	Economic	Business (Economic) Performance & Value Creation	●	
2		Regulatory Compliance	●	
3		Responsible Procurement (Product Quality, Responsible business practices)	●	
4		Risk Management	●	
5		Supply Chain Efficiency	●	
6		Technology	●	
7		Market Intelligence	●	
8		Customer Centric Process	●	
9		Operational Alignment with the SDGs	●	
10	Social	Governance and Ethics	●	
11		Quality, Health & Safety	●	
12		Human Rights	●	
13		Security (including Cybersecurity)	●	
14		Community Engagement (Socio-economic Contribution to the communities, Adherence to Agreements)	●	
15		Employee Engagement (Compensation and Benefits, Employee Welfare, Sustainability, Working Conditions, Occupational Health and Safety)	●	
16	Environment	Climate Change	●	
17		Greenhouse Gas Emission	●	
18		Regulatory Compliance	●	
19		Responsible Procurement	●	
20		Environmental Management Systems	●	

PRIORITY | ● HIGH ● MEDIUM ● LOW



To identify our material priorities, we conducted a materiality workshop to assess the issues that matter most to our stakeholders and to our people. We consulted both internal and external stakeholders to get a holistic picture of what matters most, then proceeding to analysing the data gathered to develop the materiality matrix below. Some material issues were ranked as important and remain constant from the previous reporting year. We also identified additional issues important to both internal and external stakeholders in 2019.



# Our 2019 Performance

## Economic Pillar

### Business Economic Performance and Value Creation

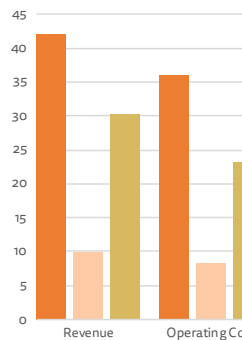
In 2019, there was an increase in our revenue and total asset from 2018, making a total income of N41.99bn. We ensure a system of revenue transparency in our flow from oil and gas activities to our stakeholders.

Asharami Energy operates a contributory pension scheme for the benefit of its staff. Employees contribute 8% while the Company contributes 10% on behalf of the employees

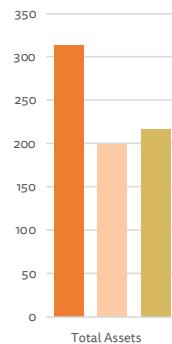
Our social investments in 2019 were focused mainly on education, empowerment and infrastructural development. In empowering the communities in which we operate, we expended a total sum of N518.4m in executing projects focused on the socioeconomic development of the towns, making direct and indirect impact on 10,000 people.

This year, we expanded our production capacity with additional wells to increase our production level. Estimated reserves at our Oki-Oziengbe well increased to 51.12 MMBOE by the end of the year. We have improved our cost optimization activities to ensure business sustainability. In 2019, there has been continuous monitoring of project activities and more efficient management of resources.

Economic value created (N'Billion)



Total Assets N'Billion



#### Our Social Investments



**EDUCATION**



**EMPOWERMENT**



**INFRASTRUCTURE DEVELOPMENT**

**N518.4m**

Expended on community projects

**51.12 MMBOE**

Estimated Reserves at our Oki-Oziengbe well

## Regulatory Compliance

At Asharami Energy, we adhere to policies and procedures regarding compliance with applicable regulatory requirements with respect to our operations, business locations and Nigeria. We have demonstrated our stern commitment to regulatory compliance by following standards set by our regulators (Federal Inland Revenue Service, State tax bodies and other industry regulators). We have a team dedicated to financial reporting and tax processing, reporting to regulators periodically.

We have demonstrated our stern commitment to regulatory compliance by following standards set by our regulators (Federal Inland Revenue Service, State tax bodies and other industry regulators).





## Supply Chain Efficiency

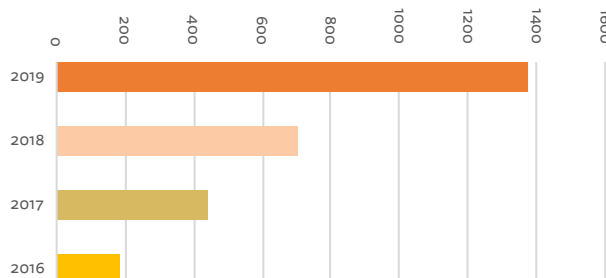
Geographically, we have classified our local coverage into 5 categories captured as: L1, L2, L3, F1 & F2. L1 is defined as the host environment and neighbouring communities where we have our daily operations. L2 refers to the Niger-Delta region which is the operational hub for most Upstream service companies in Nigeria. Our L1 & L2 play a critical role in our operations as most of the service providers are domiciled in that location. Our L3 categorization covers areas outside the Niger Delta and the rest of Nigeria. For our foreign categories, F1 refers to countries within West Africa while F2 covers the rest of Africa.

In 2019, we recorded an increase in our total number of suppliers both local and international. Number of suppliers in our supply chain increased by 95%.



**95%** Increase of suppliers in our supply chain

Supply Chain



**100%**

Percentage of local suppliers in our supply chain since 2016



## Risk Management

Risk management at Asharami Energy encompasses all identified critical risk topics within our operations (financial, operational, strategic, market, political, etc.) and external risks inherent to our business. We have established a contract and procurement risk register for monitoring and managing risks related to our contractors and suppliers. For efficient operations, the Board has approved a Standard Operating Procedure document (SOP) for Materials and Service Requests/ Procurement procedure to guide staff on materials/ services requests.

We also have a Crisis Management Plan that stipulates detailed instructions on how to respond to crisis, manage emergency situations and educates employees on emergency response preparedness. An Incident Management Team is established within the Company and saddled with the responsibility to oversee responses to crises. They are drawn from units across the Company with the Managing Director serving as the Team Leader.

## Market Intelligence

At Asharami Energy, we have developed an approach that enables us to strategically gain deep understanding of our market territories. We aim to grow our presence globally while delivering excellent value based on our industry insight for each area. The geographical reach of our products includes Switzerland, France, South Africa, USA, Netherlands, India. Our products are mainly utilized in the oil and

gas, power, petrochemical and infrastructure sectors respectively. Some of our customers include Mercuria as well as Shell West Supply and Trading Limited, Switzerland and the countries previously listed. With deep insight into the emerging market and understanding of our customers, we are committed to continuous prioritization of customer needs and growth of their business.



**At Asharami Energy, we have developed an approach that enables us to strategically gain deep understanding of our market territories**

# Social Pillar

## Quality, Health & Safety

**S**afety is a critical value for us and creating a healthy workplace is our top priority. At Asharami Energy, our commitment is to protect the health and safety of our employees, contractors, the community and stakeholders within the communities we operate.

In 2019, we recorded zero fatality, zero Lost Time Injury (LTI) and zero restricted workday case. As we improve our health and safety performance, we had one first aid case, one medical treatment case and 4 near miss events in the year. We also recorded 240 unsafe acts/actions in 2019. We are committed to improving our performance at Asharami Energy to achieve zero record across all indicators. Asharami Energy has an HSE Procedures and Standards document which contains the HSE Policy and HSE Management System, setting out necessary arrangements (policies and procedures) which must be followed by employees, contractors and sub-contractors for securing the Health and Safety of all involved in the operations of Asharami Energy.



**0** 

Recorded Fatalities, & Lost Time Injury (LTI) in 2019

We are committed to improving our performance at Asharami Energy to achieve zero record across all indicators.



Fatality	Lost Time injury (LTI)	Restricted Workday Case	Medical Treatment Case	First Aid Case	Near Miss	Unsafe Acts/ Actions
0	0	0	1	1	4	240

Our Occupational Health and Safety is guided by our Health Safety and Environment Management System. This covers 10 of our full-time staff and 4 temporary employees. Between 2017 and 2019, several hazard identifications, risk assessment, and incident investigation forms were completed. Some of the hazards are slip, trip, fall, fire, explosion, collision with vehicle, fall from height, falling object, asphyxiation, entrapment, pinch point, drowning, personnel injury, crushing, noise, chemical burns, radiation etc. We also deploy trainings to employees on health and safety and conduct safety audits to identify improvement areas within our operations.





## Community Engagement

As we identify the need of our host communities, we invest in projects that results in the sustained socioeconomic development of where we operate. We have a well-defined process of identifying the needs of our host communities before embarking on any community development initiative. Amongst the various forms of engagement to strengthen our mutual relationship with the host communities is the quarterly Community Relations Committee (CRC) meetings.

### Some of the our community projects in 2019



#### Rural Electrification of Ajoki Community:

This is a phased rural electrification project started in 2018 and scheduled to be completed over a three-year period.



#### Establishment of a cassava processing facility for women empowerment

This investment is to bridge inequalities and promotes economic growth.



#### Annual provision of scholarships to students

In line with our commitment to promote qualitative education in our host communities, annual scholarships are provided for students at all levels of education (primary, secondary & tertiary) making lifelong learning attainable.



#### Employment opportunities for over 100 local

artisans and contractors during our drilling campaign, improving the wellbeing and standard of living of the indigenes.



#### Construction of Boreholes for 1000 people in Ajoki and Ajamimogha Communities of Edo State

This initiative further reinforces our commitment to aligning with the SDG Goal 6 to ensure access to water and sanitation for all



#### Provision of monthly welfare fund for the aged

to promote social inclusion



#### Local content development

through the provision of contracts to local merchants and contractors leading to over N500 million volume of transactions in 5 years.



#### Mentorship to young business owner to support local

to compete with medium sized businesses outside their communities



Cassava processing facility, provided for women to bridge inequalities and spur economic growth



Borehole constructed for 1000 people in Ajoki and Ajamimogha Communities of Edo State

**N500m**

Local content transaction volumes in 5 years

**100**

Employment opportunities for Locals

**1000**

People reached with borehole project

## Employee Engagement

For us at Asharami Energy, employee engagement is key to ensuring productivity and boost employee morale. Our workers have solved some of history's most complex energy challenges. Today we are equipping and inspiring our workforce to do the same while also anticipating those on the horizon.

**IN 2019, 11 MALE (84.61%) AND 2 FEMALE (15.38%) NEW HIRES WERE WELCOMED AS EMPLOYEES AND SENIOR MANAGEMENT STAFF**



**11 + 2**

Male and Female new hires in 2019

## Learning & Development

We are dedicated to the personal and professional development of all our employees in Asharami Energy Limited. We run multiple training programs and offer coaching & mentorship programs for their career growth and work-life balance. We also encourage our employees to take certification exams in their areas of specialty for improving their competency. We offer regular performance and career development reviews to develop all our employees and encourage them to reach their full potential. In 2019, we recorded 5950 training hours by all our employees with 96.94 average training hours per full time employee. Some of such trainings taken by our staff were offered by: Petroknowledge, Petroskills, Glomacs, Lagos Business School, MDT International, Euromoney, Columbia University, CIPM, NAPE, NEXT.



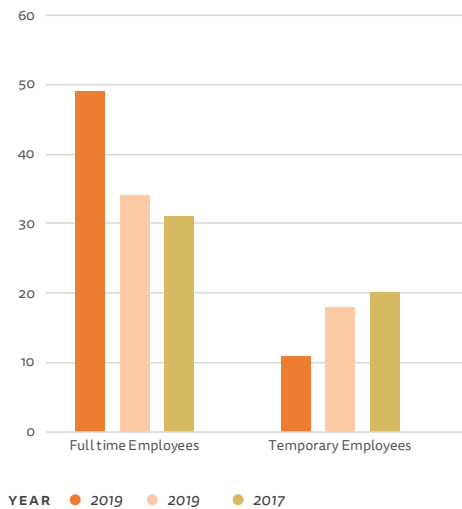
**5950**

Total employees training hours in 2019

**96.94**

Average training hours per full time employee

### Employee distribution by nature of employment



## Compensation & Benefits

We believe hard work and dedication deserves compensation. Asharami Energy provides monetary and non-monetary benefits to our employees, some of which include:



Medical insurance



Bonuses



Maternity leave



Training



## Diversity & Inclusion

We believe in equal opportunity for all regardless of age, gender, religion and background. Our Board at AEL has approved a Diversity and Inclusion Policy to further entrench our efforts at inclusion and diversity in our business. Since we operate in a male-dominated industry, we offer opportunities to females to encourage them to come on-board. Our male and female employees are entitled to parental leave at AEL. In 2019, 100% of our employees (1 male and 2 female) who went on parental leave returned to work.

# Environmental Sustainability

## Regulatory Compliance

**W**e go beyond compliance with local environmental regulation by ensuring we meet internationally accepted best practices. For our business operations, we have aligned with the requirements set out by our regulators such as the Department of Petroleum Resources (DPR), National Oil Spill Detection and Response Agency (NOSDRA) and Environmental Guidelines and Standards for the Petroleum (EGASPIN). Our regular environmental audits and monitoring also covers evaluation of parameters such as air quality, fauna and flora, and groundwater. Regarding high risk and core services such as drilling services (Directional Drilling, Measurement While Drilling, Logging While Drilling), release of heavy metal and emission rate are evaluated.

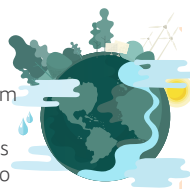
Under the supervision of our operations team, the DPR audits our pipeline and process facility on a quarterly basis. We also conduct annual Health, Safety and Environment (HSE) and Oil Spill Contingency Plan (OSCP) activation audits through the DPR and NOSDRA. Based on the audit outcomes, we ensure implementation of recommendations for improving our operations and further compliance with regulations. In the area of Seismic acquisition, which requires use of explosives, an Environmental Impact Assessment is conducted, and restoration of the environment done.



## Greenhouse Gas Emissions

We are committed to our environmental footprint from a local to global scale. We aim to reduce our Greenhouse Gas emissions through the deployment of a Gas Master Plan in 2018. Upon completion, this will help to harness the flared gas for utilization and reduction of diesel consumption thereby reducing our emission and environmental pollution.

In 2019, our total GHG emissions was 1,228,577 kg CO<sub>2</sub>e. As we work to reduce our diesel usage through a gradual transition to gas powered generator, we seek to reduce our emission level year on year.



## Environmental Management Systems

Our goal is to execute all activities with thorough environmental excellence. We have adopted and implemented an integrated management system at AEL. Our management system covers the requirement of the ISO 14001:2015 Environmental Management System, ISO 9001 (Quality Management System). This guides our workforce in understanding the procedures, responsibilities, and processes required to prevent adverse environmental, economic, and social impacts. Our aim is to obtain the certification of our environmental management systems in the coming years.



**Asharami  
Synergy Limited**

## LETTER FROM THE MANAGING DIRECTOR

Since 2017 Asharami Synergy has committed itself to creating impact and sustaining value across the downstream value chain. This challenging yet rewarding journey is built on corporate strategies that enhance business process optimization, drive innovation and improve supply chain efficiency in order to deliver first rate customer experience. 2019 took an interesting turn for Asharami Synergy as we began to look deeply into making data driven decisions and leveraging technology to drive competition.

In today's business environment, our mission – "To be the market leader in logistics and supply chain management in the Oil & Gas sector, providing efficient fuel solutions across the downstream value chain and beyond" – must leverage technology to accurately interpret and analyse data.

At time of the merger in 2017, we set the tone for our future success. A super-company with business operations covering petroleum product procurement, inbound and outbound logistics, warehousing, marketing and distribution had been created with a rare opportunity for cross pollination in the form of shared experiences and data. That notwithstanding, in 2019, pre-existing challenges brought forward from previous years still posed a threat to our business. Some of those included inadequacy of foreign exchange for trade, entrance of new players to the aviation sector leading to price sensitivity and persistent price wars, changes in government policies and participation of oil regulators in petroleum trading. A major challenge in supply chain efficiency was the deplorable state of major roads en-route our depot in Lagos which led to diminished AGO sales for a period. Despite these difficulties, we remained focused on our strategy, continuously reviewing business models and practices and adapting to the changing environment. We built on the extensive work done in 2018 in the area of Business Process Re-Engineering – ensuring our levels of sales and productivity continued to increase.

As a customer centric organization, we made sure to place high priority on customer relationship management initiatives for customer retention and satisfaction. Through our door-2-door drive, an initiative aimed at delivering petroleum products to our residential and commercial customers, we recorded yet another milestone through the commissioning of our peddler trucks. With this added capacity to our fleet, we were able to increase our customer reach and redefine our commitment to fast and efficient delivery whilst maintaining

### Business Innovation

For our aviation business, our goal was set to develop a system that enables an efficient fuelling process with reduced human interference in capturing and generation of fuelling data. For our distribution operations, our goal was to develop a system that enables real time tracking and resolution of customer order tickets on the newly set up door-to-door ordering platform. The platform was designed by us, built by us and is being used successfully by us. We understand the role technology plays in modern business, and the significance of innovation on continued success. As such, we remain committed to ensuring adequate resource allocation to business innovation.



**Moroti Adedoyin-Adeyinka**  
Managing Director,  
Asharami Synergy Plc



**We were strategic about continuously reviewing business models and practises to reduce the impact of challenges whilst remaining competitive, profitable and sustainable.**

## Supply Chain Management

Due to growth in business and scale of operations, investment in retail infrastructure became necessary for the timely and efficient delivery of products to all categories of customers. We also needed to be intentional about brand awareness and testing of our high-level market research and theories. We went ahead to purchase new Bowsers, factory fitted with the latest technology to further serve our aviation clientele, and purchase peddler trucks to meet our ever-increasing retail diesel requests. These and more, have given us the much-needed competitive advantage and increased customer loyalty in both the local and international markets where we play.

## Operational Efficiency and Customer Experience

Our watchword at Asharami Synergy is Efficiency. Efficiency for us is achieved through business process re-engineering, retail infrastructure investment, mindset shift to technology driven solutions, engagement of experienced and tested professionals to manage our operations and assets, and of course, emphasis on a positive culture and work ethic. Some of the methods adopted to achieve these levels of success across our locations were monitoring and compliance to set/documented policies and standards, preventive maintenance, PPE compliance, good housekeeping, incident reporting, periodic risk assessment and facility upgrades. We maintained our aviation market share of 22% with the aid of our strategically located inland depots and fleet of functional aviation refuellers (bowsers). This last sentence doesn't fit in here.

To further improve our operations, our Kano Depot underwent some expansion works to accommodate the fast growing market in the North, we commissioned a new fuel dump for a customer in Niger State to ensure their access to petroleum products and inventory was managed efficiently and launched a new Retail Station in Oyo State.

Our commitment to operational efficiency also created a platform for the re-launch of our lubricants business. The relaunch was structured to improve all activities across the value chain from production to sales, increase revenues & brand aware. Our relaunch strategy was three pronged – Technical, Distribution and Marketing. Our 4 engine oil variants – Asha Xtra (SAE 40), Asha Crest (SAE 20W/50), Asha HD (SAE 15W/40) Asha Trans (Transmission Fluid) are available in the South – South, South - West and Northern regions of Nigeria.

Business expansion goes hand in hand with increase in customer base. Being operators in the service industry, we have always understood how important and valuable a customer's interaction with our brand and business is. We established a "Delivery – Contact" rule where at least 80% of customers must be contacted within 24 hours of product delivery. With a dedicated team of customer service personnel, multiple communication channels (toll free and non-toll-free phone lines, email, social media), customer centric business processes and technological upgrades, Asharami Synergy is vested in customer relationship management, customer satisfaction, retention and growth.



**We have always emphasized the importance of remaining a step ahead of the competition. We understand the role technology plays in modern business, and the effect of innovation on continued success**

## People and Culture

Our people are our pride. We are an equal opportunity provider and have a dynamic workforce made up of people of all ages and from different ethnic, academic, professional and socio-economic backgrounds. We recruit experienced and inexperienced individuals and take advantage of Sahara Group's Graduate Management Program to ensure that the competence of our workforce grows in line with the business needs. With opportunities across our supply chain, we can be described as a learning organization. Through deliberate investment in training and development, we were able to identify training needs and skill gaps in the workforce.

Our Human Resource Business Partners are aware of changes in the recruitment trends and employee welfare standards; and they work tirelessly to come up with initiatives and incentives that will create an ideal, and happy work environment for staff. In 2019, H.R kickstarted the Asharami Culture Campaign called the Asharami Trybe Era. This was aimed at helping staff understand the importance of the right corporate culture to the long-term success of the company. The Culture Campaign was fun and inclusive, and Culture Ambassadors were selected across the business. Since the launch of the Trybe Era, the culture traits have been embedded in all Corporate Communications, Recruiting & Onboarding Processes, Talent Development Processes and Performance Management Processes.

We have remained committed to having a healthy and happy workforce. Initiatives to promote good health include periodic health fairs and surveillance, annual medical check-ups through health management offices, on-site medical checks, welfare activities, in addition to periodic newsletters on health matters. People remain the biggest contributor to a company's success. We continue to seek out ways to make our people happy, improve their competence and encourage them to be the best that they can be.

## Quality, Health, Safety, Security and Environment (QHSSE)

At Asharami Synergy, our standards are governed by our memberships and affiliations with regulators such as JIG, IATA, ISO and SON to mention a few. The biggest win for us in the year was our 10-year membership certificate from JIG and the 10-year recognition & long service award from IATA at the 2019 IATA Fuel



The launch of Asha Lubes



Our commitment to operational efficiency also created a platform for the re-launch of our lubricants business. The relaunch was structured to improve all activities across the value chain from production to sales, increase revenues & brand awareness and compete favourably with other independent marketers.

Forum held in New Orleans, United States. We are proud to say that our partnership and collaboration with JIG and IATA continues to inspire good governance and top-notch service delivery in the West African Aviation industry.

We intend to keep abreast with industry standards through attendance of relevant workshops, seminars and retain our memberships with governing regulators. We shall continue to prioritize training of our QHSSE personnel across our locations, global standard testing of petroleum products across all our depots and strive to maintain our records of zero fatalities, zero loss of assets and ensure our customers are satisfied with the quality of product we provide.

## Conclusion

As the business environment continues to evolve and competition becomes fiercer, we will not relent in our efforts to ensure we can compete favourably and sustainably, whilst guaranteeing continuous growth and expansion. To attain the levels of success we desire, we will make certain that decisions are assessed for potential risks and mitigating factors as well as integrate prioritised economic, environmental, governance and social aims into Asharami's mission and activities for long-term value. The journey to success begins with a single step, having started, we remain undeterred and committed to the rest of the journey.

Moroti Adedoyin-Adeyinka  
Managing Director, Asharami Synergy Plc



**We have remained committed to having a healthy and happy workforce. Initiatives to promote good health include periodic health fairs and surveillance, annual medical check-ups through health management offices, on-site medical checks, welfare activities, in addition to periodic newsletters on health matters**





# About Asharami Synergy

Asharami Synergy Plc is Sahara Group's downstream company established in 2017 from a merger of nine (9) individual companies within the Sahara Group. It is a leading vertically integrated downstream company with interests in procurement, warehousing, inbound and outbound logistics, marketing, distribution, retailing and sale of petroleum products across Nigeria and Africa.



Over the years, the company has grown into a formidable and leading oil and gas enterprise in the importation of petroleum products, distribution of petroleum products, construction of state of the art bulk liquid storage facilities, design, construction and management of retail fuel stations, sale of aviation fuel, provision of third party delivery and logistics services across the oil and gas supply chain. With 81 million litres combined storage capacity, Asharami Synergy currently holds 24% of Nigeria's aviation jet fuel market demand, as well as a significant share of Nigeria's Premium Motor Spirit (PMS) and AGO demand.

## Our Vision



To be the leading fuel solutions provider in Africa

## Our Mission



To create a sustainable business centred on adding value in the oil & gas sector by redefining the downstream supply chain

With the head office in Ijora, Lagos, and seven Depots strategically located across several states in the country, Asharami Synergy, serves customers in Nigeria and West Africa, spread across oil and energy, manufacturing, hospitality, residential, companies, construction, ICT & telecoms, quarry, poultry, FMCG, shopping malls, financial institutions and health care.



Benin



Ghana



Tanzania



Zambia



**81 million litres**

Combined storage capacity

**24%**

Current share of the Nigerian aviation fuel market

WITH SIGNIFICANT SHARE OF NIGERIA'S PREMIUM MOTOR SPIRIT (PMS) AND AGO DEMAND.



# Sustainability at Asharami Synergy

**A**sharami Synergy aims to meet the energy demand in Sub-Saharan Africa through our innovative products and services with a consciousness of our impact on the environment, economy and society. With a strong commitment to promoting good governance and positive social impact, we operate safely, and deal ethically with our communities and partners. Sustainability for us is our responsibility to our people and local communities.

## Our core sustainability focus areas



### Health

Health is wealth and Asharami Synergy is committed to promoting sustainable healthcare delivery across our locations in line with SDG 3.



### Environment

In demonstrating our commitment to the preservation and protection of the environment, we improve our environment by adopting global best practices and standards into our operation and execute different environmental sustainability initiatives.



### Education & Capacity Building

Education and improved human capacity play a critical role in enhancing economic development and prosperity. We provide platforms that promote capacity building through infrastructural upgrades in educational and vocational institutions and by increasing the access of youths – especially the indigent and underserved, to education through various scholarship programmes.



### Sustainable Community Development:

At Asharami Synergy, our interventions are aligned towards the need of our host communities. We consistently hold periodic engagements with our stakeholders to ascertain critical areas of need. Through these activities, we collaborate to identify responsible parties for ensuring seamless delivery of the interventions, with emphasis on sustainability.



**we operate safely, and deal ethically with our communities and partners. Sustainability for us is our responsibility to our people and local communities.**



# Stakeholder Engagement

Our basis for stakeholder identification and selection is solely based on their impact on our operations in line with the Sahara Group's approach. We have identified the stakeholders internally and externally, across employees, management, Board of Directors, government agencies, industry regulators and local communities having direct impact on our business.

## Our identified stakeholders and our mode of interaction

STAKEHOLDER	TYPE OF STAKEHOLDER (INTERNAL OR EXTERNAL)	NEEDS/ EXPECTATIONS	PRIORITY	ENGAGEMENT CHANNEL
Customers	External	<ul style="list-style-type: none"> <li>» Quality of product &amp; Service</li> <li>» Delivery of product on time</li> <li>» Response to complaint</li> <li>» Proper Communication channel</li> </ul>	●	One-on-one meetings, emails, phone calls, town hall meetings, media engagement etc
Bankers / Financiers	External	<ul style="list-style-type: none"> <li>» Effective communication</li> <li>» Resolution of complaints</li> </ul>	●	One-on-one meetings, emails, phone calls and other correspondences
Statutory & Regulatory Body (DPR, NOSDRA)	External	<ul style="list-style-type: none"> <li>» Complying with the statutory and regulatory requirements as defined from time to time</li> </ul>	●	One-on-one meetings, emails, phone calls, Industry and Professional association events
Pipelines and product marketing company (PPMC)	External	<ul style="list-style-type: none"> <li>» Consistent allocation of products from this body</li> </ul>	●	One-on-one meetings, emails, phone calls, Industry and Professional association events
Executive Board/Owners	Internal	<ul style="list-style-type: none"> <li>» Good financial performance, legal compliance/avoidance of fines, sustainable, corporate and socially responsible with a suitable governance framework</li> </ul>	●	One-on-one meetings, emails, phone calls, Annual General Meetings
Media	External	<ul style="list-style-type: none"> <li>» Brand recognition and reputation profile</li> </ul>	●	One-on-one meetings, emails, phone calls, Industry, professional association and general public events
External providers	External	<ul style="list-style-type: none"> <li>» Specification communication</li> <li>» Payment as agreed</li> <li>» On time Supply of Input material (if any)</li> <li>» Technology support</li> </ul>	●	One-on-one meetings, phone calls, emails, sub-contractor prequalification etc
Shareholders & Investors	External	<ul style="list-style-type: none"> <li>» Return on Investment</li> </ul>	●	One-on-one meetings, emails, phone calls, Industry and Professional association events
Security and Exchange Commission (SEC)	External	<ul style="list-style-type: none"> <li>» Compliance with terms of Investor funding and its management.</li> <li>» Return on Investment</li> </ul>	●	One-on-one meetings, emails, phone calls and other correspondences
Insurers	External	<ul style="list-style-type: none"> <li>» No claims/prompt payment</li> <li>» Sound risk management process</li> </ul>	●	One-on-one meetings, emails, phone calls and other correspondences
Employees	Internal	<ul style="list-style-type: none"> <li>» Payment of salaries</li> <li>» Provide adequate conditions of service</li> <li>» Provide adequate welfare</li> </ul>	●	One-on-one meetings, emails, circular, posters, employee engagement surveys, performance reviews, etc.
Trade Unions (NARTO, Nigeria Union of Petroleum and Natural Gas Workers (NUPENG), Depot and Petroleum Products Marketers Association (DAPMAN))	External	<ul style="list-style-type: none"> <li>» Establish smooth transporters and organizational relationship</li> <li>» Adherence to conditions of contracts</li> <li>» Protect the common interest of Independent Petroleum Marketers</li> </ul>	●	One-on-one meetings, emails, phone calls, Industry and Professional association events
Health Management Organisation (HMO)	External	<ul style="list-style-type: none"> <li>» Sound Health Maintenance Process</li> <li>» Staff Wellbeing</li> </ul>	●	One-on-one meetings, emails, phone calls and other correspondences
National Pension Commission (PENCOM)	External	<ul style="list-style-type: none"> <li>» Compliance with provisions</li> </ul>	●	One-on-one meetings, emails, phone calls and other correspondences
Federal Inland Revenue Service (FIRS)	External	<ul style="list-style-type: none"> <li>» Compliance with provisions</li> </ul>	●	One-on-one meetings, emails, phone calls and other correspondences

### PRIORITY

● HIGH ● MEDIUM ● LOW

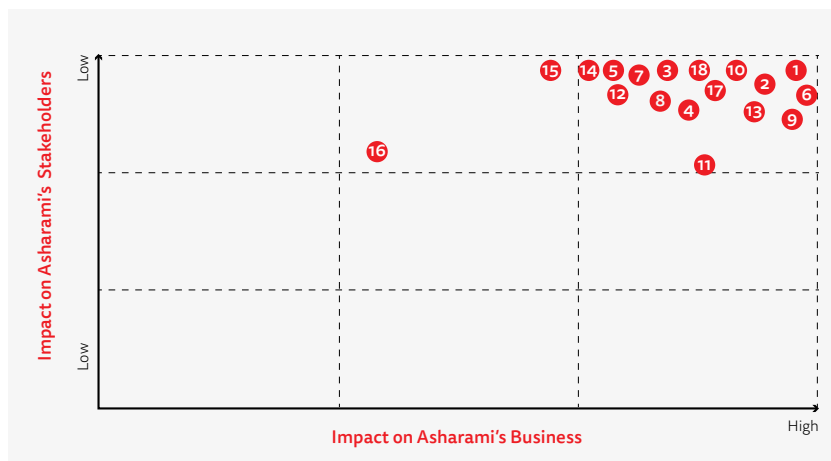
# Materiality at Asharami Synergy

While there are several issues connected to our business operations, we have prioritized topics that are relevant to our business and significant to our stakeholders.

S/N	SUSTAINABILITY PILLAR	MATERIAL TOPIC	MATERIALITY LEVEL	SDGs ALIGNMENT
1	Economic	Product Quality	●	8, 9, 12
2		Regulatory Compliance	●	8, 12
3		Finance	●	8
4		Supply Chain Efficiency	●	8, 9, 12
5		Technology	●	8
6		Market Intelligence	●	8
7		Customer Centric Process	●	8, 9, 12
8	Social	Governance and Ethics	●	5, 8, 10, 16
9		Employee Health & Safety	●	3, 8
10		Our People	●	1, 3, 5, 8, 10, 16
11		Human Rights	●	5, 8
12		Community Relations	●	1, 3, 4, 5, 8, 10, 16
13		Stakeholder Engagement	●	8, 9, 12
14		Operational Safety	●	8
15	Environment	Climate Change	●	13
16		Emissions	●	7, 13, 17
17		Regulatory Compliance	●	13, 14, 15, 17
18		Oil Spills and Leakages	●	11, 12, 13

**PRIORITY** | ● HIGH ● MEDIUM ● LOW

To identify our material priorities, we conducted a materiality workshop to assess the issues that matter most to our stakeholders and to our people. We consulted both internal and external stakeholders to get a holistic picture of what matters most, and we analysed the data gathered to develop the materiality matrix below. Some material issues were ranked important and constant from the previous reporting year. However, we have identified additional issues important to both internal and external stakeholders for the reporting year 2019.



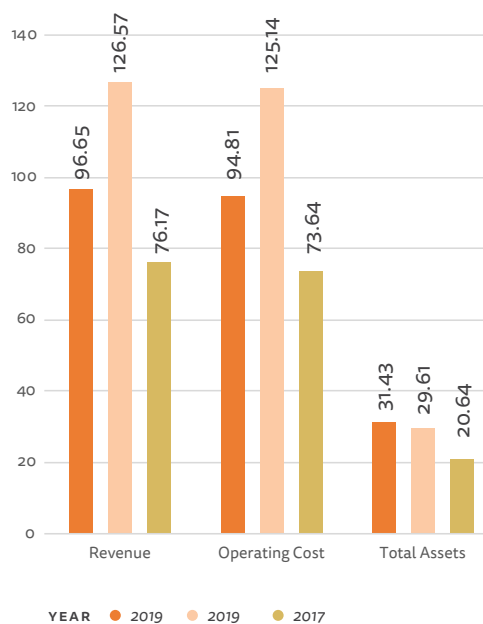


# Performance Disclosure for 2019

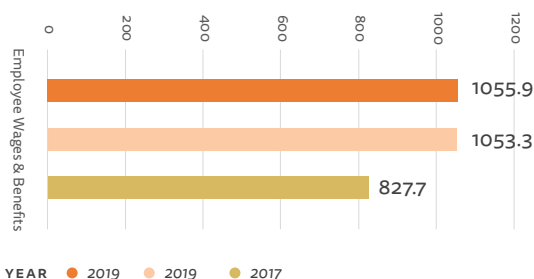
## Economic Pillar

Our revenue is from distribution and sales of petroleum products such as AGO, ATK and PMS. Despite the tough market performance in 2019, we maintained our market position and invested in assets that will catalyse our goal of leveraging digitisation and digitalisation. Our financial performance indicated a decline in our revenue from N126,567,362,000 in 2018 to N96,650,710,000 in 2019. Our total assets stood at N31,433,167,000 as at the end of 2019, a 6% increase from N29,607,732,000 in 2018. This was as a result of our strategic investment in technology and digital tools to improve our distribution channel and enhance our service delivery. In terms of sustainable value creation, our operating cost in the year was N94,806,662,000, a decline from N125,137,060,000 in 2018. We distributed an economic value of N1,055,943,000 to our employees through wages and benefits. In 2019, we did not benefit from any financial assistance in the form of tax relief, subsidy or any form of credit from the government. Our social investment in the year was through the Sahara Foundation, our group arm for implementing our corporate social responsibility projects. In 2019, Asharami Synergy fulfilled its pension obligation by contributing 10% of the pension liability while our employees contributed 8% of their income, in line with requirement of the pensions commission.

Financial Performance in 2019 (N'Billion)



Economic value distributed in 2019 (N'Million)



## Regulatory Compliance

Asharami Synergy Plc has been in full compliance with regulatory requirements. Our business operations are done with all relevant legal requirements within in our industry and location. In 2019, we recorded zero cases of non-compliance or payment of fines due to non-compliance with standards. We remitted all taxes and statutory payments in the year under review



## Product Quality

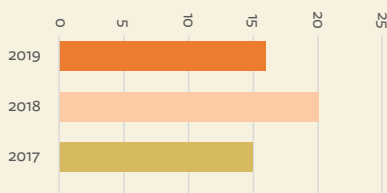
Since establishment, we have built a formidable presence in the downstream sector, providing best-in-class fuel procurement and distribution solutions by utilizing innovative technology and improved efficiency across the downstream supply chain. Asharami Synergy transitioned from ISO 9001:2008 to ISO 9001:2015 in 2018, and successfully retained the ISO QMS certification in 2019. ISO, and internationally recognized standard for organizations whose services and products meet the needs of customers through an effective quality management system. Through a detailed audit procedure, the Company met the requirements of the ISO 9001 Quality Management Systems based on industry best practice.



## Supply Chain Efficiency

At Asharami Synergy, we are continually building a resilient and competitive business in driving and delivering sustainable value for our stakeholders. We provide warehousing and logistics terminals across Nigeria and other areas within the African region. In living to our promise and commitment, our business relations with vendors and contractors are guided by our Vendor Procurement Policy. This provides procedures and governance of our business relationship with vendors, suppliers, contractors and other related business partners. Asharami Synergy operates an open bidding process and all vendors are assessed for environmental and social criteria before their selection. With suppliers in Nigeria and the United Kingdom, we had a total of 16 suppliers in our supply chain at the end of 2019, a 20% decline from the number in 2018.

Total number of suppliers



**16** Total Suppliers in 2019

In 2019, we upgraded our supply chain management system from a manual process to a digital platform, Oracle database management, for improved supply chain process and business relations. This has led to better planning and decision making with quick issue resolution. We are committed to deploying innovation in our operations for better supply chain management and business performance.



**In 2019, we upgraded our supply chain management system from a manual process to a digital platform**



## Market Intelligence

Our quest for sustainability is demonstrated in our proactive the current trends in the market and the perceived government actions in the industry. We have experienced efficiency in the areas of cost management by ensuring best prices from product suppliers as well as managing the volatility posed by the fluctuations in exchange rates. Operating across the Sub-Saharan Africa, we tailor our business strategy to the macroeconomic environment as well as market trends and needs for building competitive advantage.

We also value the importance of market intelligence in proffering solutions to challenging questions about current and potential customers and competitors while strengthening long-term goals for the company. As we build business resilience, we are growing an Asharami Synergy with efficient management of economic and financial risks in our business.

## Technology

Our competitive advantage is in the innovation we adopt for our business strategy. In 2019, we invested in some technological infrastructure to improve operational efficiency and service delivery. With our work primarily in the distribution of petroleum products, we started a journey of digitising and digitalising our process. Our focus in 2019 was digitising our process as we implemented the Oracle management system. This improved our Business to Business channel and automation of our process. We also kick-started the use of smart meters for data capture and cloud storage. In 2020, we would be installing 3600 cameras to our bowsers for auditing, safety, security and ensuring we meet best standards in our fleets. We are committed to more innovation by digitalising our processes. This will bring about disruptive revamp and transition from traditional system for best in class performance in our market.



**3600** Cameras to be installed in our bowsers in 2020

**FOR AUDITING, SAFETY, SECURITY AND ENSURING WE MEET BEST STANDARDS IN OUR FLEETS**



# Social Pillar

## Employee Health and Safety

**A**sharami Synergy acknowledges the management of Health, Safety and Environmental (HS&E) as an integral part of our business. We work to assure the integrity of our processes and facilities in ensuring the health and safety of our employees, contractors and visitors in our business locations. We have developed an HSE Policy to guide communications, compliance, continuous improvement and risk management within our work environment.

The safety of our employees is paramount to us as we are constantly seeking new opportunities within the limits of our compliance requirements, for ensuring the safety of our people, prevention of work-related injury and ill health, reducing risk to human health and the environment by effective control on pollution, waste and emission. We conduct period trainings and awareness programmes for our employees on their responsibilities for safety in the workspace.

In 2019, we recorded zero fatality with 1 loss time incident (LTI), 1 medical treatment, and minor 2 fire incidents. We have put up mitigation measures in response to the incidents to protect our employees and workers on site. We held monthly HSE meetings, appointed risk champions, communicated regular tips through our QHSSE newsletter and organised regular fire drills to equip our employees for emergency response.



LOCATION	FIRST AID	MEDICAL TREATMENT	RESTRICTED WORK	LOSS TIME INCIDENT	FATALITY	SECURITY INCIDENT REPORTED	ENVIRONMENTAL INCIDENT REPORTED	OCCUPATIONAL ILLNESS REPORTED	ROAD TRAFFIC INCIDENT REPORTED	FIRE INCIDENT REPORTED	OTHER INCIDENTS REPORTED	NUMBER OF INCIDENT INVESTIGATION CONDUCTED	% OF ACTION ITEMS CLOSED
MMA	3	0	0	0	0	0	0	0	0	1	6	7	100%
Ibafon	1	0	0	0	0	0	3	0	0	1	1	5	100%
Onne	9	1	0	0	0	2	0	4	0	0	0	2	100%
AAT	3	0	0	1	0	0	0	0	1	0	0	1	100%
Omag-wa	0	0	0	0	0	1	0	0	1	0	1	3	100%
KAT	0	0	0	0	0	0	0	0	0	0	1	1	100%
<b>Total</b>	<b>16</b>	<b>1</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>3</b>	<b>3</b>	<b>4</b>	<b>2</b>	<b>2</b>	<b>9</b>	<b>19</b>	<b>100%</b>

We also have an Emergency Response Plan which was created to prepare employees for dealing with emergency situations. This plan outlines the procedures for responding to emergency to minimize injury, loss of human life and company resources by training employees, procuring and maintaining necessary equipment, and assigning responsibilities.



Recorded Fatalities  
in 2019

# Environmental Pillar

## Regulatory Compliance

Asharami Synergy is committed to reducing its environmental footprint and the protection of the environment. We ensure compliance with local and international environmental regulations that are applicable to our business. We have also adopted internationally accepted best practices into our operations for efficient management. We are in compliance with the requirements of the Department of Petroleum Resources (DPR), Federal Ministry of Environment (FMEnv), States Ministry of Environment, National Environmental Standards and Regulations Enforcement Agency (NESREA) and National Oil Spill Detection and Response Agency (NOSDRA).

In 2019, we engaged DPR accredited consultants to conducted annual environmental management review of our facilities. Guided by our Terminal Operations and Maintenance Procedures, we conduct weekly maintenance assessment in our depots to ensure operational efficiency. We have an Oil Spill Contingency Plan which guides our commitment to the protection of the environment and availability of equipment in line relevant laws, regulations and codes of practice at both National and International level. We also seek to improve environmental performance through appropriate and feasible initiatives, controls, provision of resources for employees.

We have put in place an Environmental Management System (EMS), in order to stimulate healthy environmental practices which are focused on protecting natural resources, minimizing waste and conducting spill management, with a commitment to continuous improvement of our environmental performance.



## Climate change

Asharami Synergy leverages the Sahara Group's approach to climate change. In alignment with the Goal 13 of the United Nations Sustainable Development Goals, we are committed to reducing our environmental footprint to help mitigate our impact on climate change. Through working with our Group, we started the Sahara Green Life Initiative in 2019, with an aim of ensuring the attainment of the Sustainable Development Goals by fostering sustainable environments and promoting holistic wellness within and outside Sahara Group. The project adopts the use of recycling to reduce GHG emissions, decrease pollution and protect the environment. In the year, we established a waste segregation hub at our Ijora office for collection and sorting of wastes before they are recycled. The Green Life Project will leverage the partnerships and collaborations of the Sahara Group in achieving the 2030 goals.



Through working with our Group, we started the Sahara Green Life Initiative in 2019, with an aim of ensuring the attainment of the Sustainable Development Goals by fostering sustainable environments and promoting holistic wellness within and outside Sahara Group

## Regulatory Compliance

At Asharami Synergy, we are majorly an energy distribution company as we connect our products to our customers across the Sub-Saharan Africa. Reducing our energy consumption is significant for us to become more sustainable and cost effective. Our GHG emissions are related to energy consumption across our plants and offices as well as transportation of our logistics fleet.

Our primary source of power at our facilities and offices are electricity from the national grid and diesel-powered generators. In 2019, our estimated consumption from the national grid was 500,966 kWh while energy from diesel powered generators was 1,140,442 kWh.

Our direct GHG emissions from our national grid consumption is estimated as

399,462 kgCO<sub>2</sub>e while indirect emissions from our diesel consumption was recorded as 4,077,962 kgCO<sub>2</sub>e.

We are committed to reduce our emissions through the adoption of safer and cleaner energy. In the coming year, we are adopting smart and intelligent logistics to manage our energy consumption and reduce our negative environmental impact across Africa.

### Energy Consumption



**500,966 kWh**

FROM THE NATIONAL GRID

**1,140,442 kWh**

FROM DIESEL-POWERED GENERATORS

### GHG Emissions



**399,462 kgCO<sub>2</sub>e**

FROM THE NATIONAL GRID

**4,077,962 kgCO<sub>2</sub>e**

FROM DIESEL-POWERED GENERATORS





## Dual Honour of Excellence and Quality: Certified ISO 9001:2015 and Recognised by IATA

**A**sharami Synergy retained her ISO 9001:2015 Quality Management Systems Certification in 2019. This certification attests to our commitment to quality management systems, efficiency and customer satisfaction with our products and services.

In retaining this certification, Asharami Synergy was audited based on the required of the quality management systems and industry best practices. The evaluation process included a gap analysis, quality management system development, management system documentation review, internal pre-audits and external audits, and clearance of non-conformances. These steps were to identify corrective actions that eliminate non-conformity to the quality management system.

In addition to our reputation for excellence and high-quality standard in our operations, this certifies us as having the requisite and apt competencies, processes and equipment to meet customer and applicable statutory and regulatory requirements. It also validates our culture of professionalism and efficient service delivery.

Asharami Synergy was recognised by the International Air Transport Association (IATA) for a milestone of being an IATA Strategic Partner for 10 years. The award was presented to the Managing Director at the IATA Fuel Forum in honour of our partnership for good governance and superior service delivery in the aviation industry across West Africa. Through this collaboration, we seek to harness more opportunities in redefining supply chain in the downstream sector in Africa.

JIG was pleased to recognize Sahara Group (through Asharami Synergy) with a 10 years' membership certificate, thanking us for supporting JIG's activities and its mission to improving operating standards worldwide





# Sahara Trade

AFRICA GAS  
RAJURO  
IMO 9744129

## LETTER FROM THE EXECUTIVE DIRECTOR

Dear Stakeholders,

**T**his report is designed to be a snapshot of how we create sustainable value through our business activities for our stakeholders. Sustainability is a core value for our group as well as for each of the member companies across the value chains.

Serving the midstream sector, we are building a global trading business that aligns with the principles of sustainability. Our core business model applies across various commodities and geographies creating a diversified portfolio with more than 80 counter-parties across 5 continents.

As the global demand for energy increases, and more importantly, green energy, we are working to meet the needs of the people we serve, guided by our core values whilst actively participating in the transition to cleaner energy. Sahara as a key player in the entire oil and gas value chain is acutely aware of the urgency being shown all over the world by the general population and Governments in curbing climate change and the need for a steady and sustained transition from a total reliance on fossil fuels to other more sustainable and environmentally friendly fuels.

With the consciousness of these trends, Sahara believes that to remain relevant in the medium to long term and still be a viable business, we must also follow these trends as an organization in our trading and other business activity.

In pursuing our sustainability agenda as a trading company we have taken a two-pronged approach. With due consideration for changing consumer demands for environmentally friendly fuels, we comply with the African Refiners & Distributors Association (ARA) petroleum product standards, which is the only pan-African organization for the African downstream oil sector. The organization, via its clean air policy campaigns for cleaner vehicles and fuels and its influence, regionally has resulted in the choice of lower-carbon products we offer in various locations. This has been combined with our aggressive and rapidly expanding emphasis on the supply of cleaner energy in the form of gas particularly LPG. Our purchase of two 38,000cbm LPG vessels and attendant joint venture between NNPC and Sahara Group (West Africa Gas Limited) has emerged a major player in the West African LPG market to aid stability, supplying over 480,000 MT of LPG to West Africa over the last 2 years with another purchase of two additional 23,000cbm LPG vessels to be delivered in Q2 2022. We have invested USD 450 million dollars since 2014 in Ivory Coast through Sapet Energy S.A (a Joint Venture with Société Nationale d'Opérations Pétrolières de la Cote d'Ivoire (The National Oil Company of Cote d'Ivoire, Petroci Holding) to facilitate the construction of a 12,000 Metric Tonnes Liquefied Petroleum Gas (LPG) storage facility to guarantee LPG supply security in the nation.



**Wale Ajibade**  
*Executive Director,  
Sahara Group*



We have developed strategic alliances with deliberately selected partners to support and help build the required operational and technical capabilities to successfully achieve our renewables targets.

Further, we have developed strategic alliances with deliberately selected partners to support and help build the required operational and technical capabilities to successfully achieve our renewables targets. Sahara Group has partnered with the United Nations Development Programme (UNDP) to promote access to affordable, reliable, sustainable and modern energy in three focus countries in the first instance- Nigeria, Cote D'Ivoire and the Democratic Republic of Congo (DRC). The overall objective is to build a roadmap and provide catalytic support for how public-private alliances can provide large-scale solutions towards achieving the Sustainable Development Goals (SDGs), with a focus on SDG 7-access to energy. Finally, we commenced our recycling initiative within all our offices in promotion of circularity and to create a culture focused on reducing, re-using and recycling our waste as it is converted to fibre, tissue paper and PET pellets.

Further to our pledge to close the gender gap and encourage continued diversity we set up a nursing and revive corner in our head office and have so far had 100 percent employee return rate from maternity leave for employees who proceeded on maternity leave in the year. Additionally, we have onsite gyms at some of our locations encouraging overall holistic well-being and a work-life balance for our employees.

In our quest to support an enabling environment for transparency and good governance we have lent our time and voice to the important cross sectoral work being done by the OECD Programme of work on Illicit Financial Flows and Commodity Trading over the course of the year. We look forward to continued work as partners with the OECD in support of the critical work that they do in sharing information, data and measuring progress on poverty eradication, inequality and bringing to the forefront solutions pertinent for the betterment of humanity and children.

It is our aim to be trusted by society and valued by our stakeholders while remaining an inspiring place to work for our employees. We will need your support and challenge to get there.

While we publish our first report in this year, it forms the foundation for our sustainability journey. I believe we are set to make more impact across our society, create a better work culture within our business and reduce our environmental footprint for a sustainable planet, people and prosperity.

Thank you.

**Wale Ajibade**  
Executive Director  
Sahara Group



In our quest to support an enabling environment for transparency and good governance we have lent our time and voice to the important cross sectoral work being done by the OECD Programme of work on Illicit Financial Flows and Commodity Trading over the course of the year



## About the Trade Company

The Trade Company is Sahara Group's midstream division which also acts as an intermediary between our upstream and downstream companies. Our main activities include trading physical crude oil, refined petroleum products and other energy commodities, transportation and paper derivatives. Our customer base is diverse and includes National oil companies, oil Majors and International and independent Trading firms.

### Entities under the Sahara Group trading cluster

Sahara Energy Resource Limited



DOUGLAS, ISLE OF MAN

Sahara Energy International PTE Limited



SINGAPORE (WITH A BRANCH IN GENEVA, SWITZERLAND)

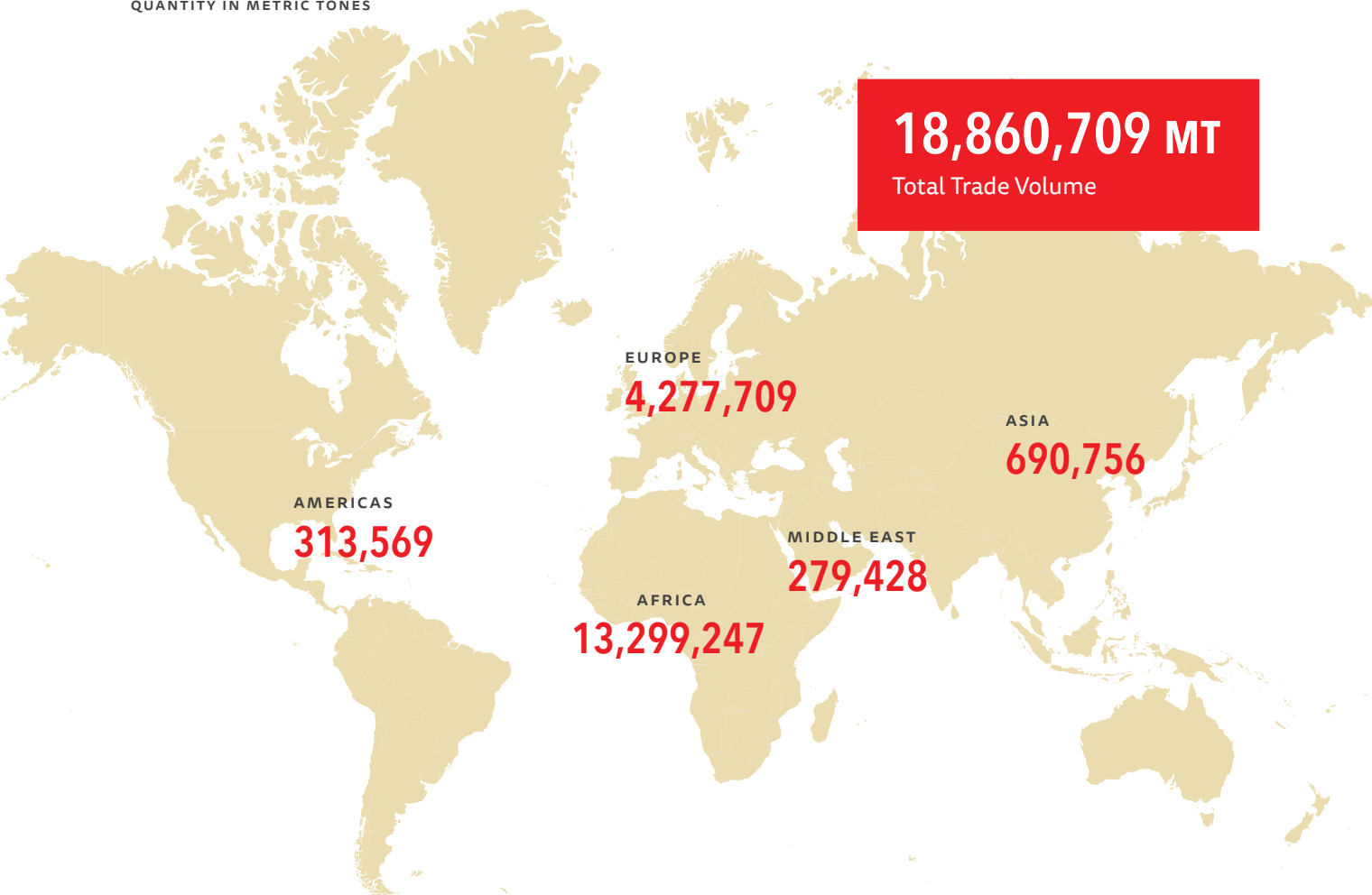
Sahara Energy Resources DMCC



UAE

### Volume analysis of trading in regions of operation

QUANTITY IN METRIC TONES



# Sustainability at the Trading Company

Sahara, as a key player in the entire oil and gas value chain, is acutely aware of the urgency being shown all over the world by the general population and Governments in curbing climate change and the need for a steady and sustained transition from a total reliance on fossil fuels to other more sustainable and environmentally friendly fuels. With the consciousness of these trends, Sahara believes that to remain relevant in the medium to long term and still be in business as a viable business, we must also follow these trends as an organization in our trading and other business activity. We also believe that as a reasonably large organization, we need to be socially responsible and contribute our quota to these inevitable changes across the world.

Our commitment to sustainability is entrenched in our core values and our standards for the quality of work we do. We aim to be a leading global energy logistics company of choice.

Sustainability is vital to our decision-making and business performance as it directly supports the delivery of our business strategy by helping us meet customer needs, manage risk, attract, motivates, and retain a talented workforce, as well as bring value to the communities we serve for the long term.

## Sustainability at the Trading Company means:



Safeguarding the environment for future generations and the safety of people



Carrying out business in a socially responsible and ethical manner— acting with integrity and modelling best practices



Protecting human rights & advocating diversity and inclusion—embracing an environment where all our employees feel valued and inspired and can be successful in their careers



Building win-win relationships in the communities where we operate and live

Our approach to sustainability in our trading activities for more environmentally friendly fuel sources and in trying to foster change is in two directions:



Developing strategic alliances with deliberately selected partners to support and help build the required technical capabilities to successfully achieve our renewables targets



Our commitment to sustainability is entrenched in our core values and our standards for the quality of work we do. We aim to be a leading global energy logistics company of choice



Deliberate decisions within our trading and other affiliated companies consistent with our sustainability goals

## Stakeholder Engagement

We engage with our stakeholders on a continuous basis and in various ways tailored to meet the needs and interests of a wide array of stakeholder groups. Our executive and investor relations team frequently engage with various stakeholders at company-hosted events, industry meetings, and one-on-one consultations. We remain committed to enhancing transparency and full disclosure across our business value chain. Our sustainability team keeps the Board regularly updated on the views of shareholders which are received through robust feedback platforms.



Our commitment to sustainability is entrenched in our core values, our standards for the quality of work we do, and aim to be a leading global energy logistics company of choice.



# Materiality at the Trading Company

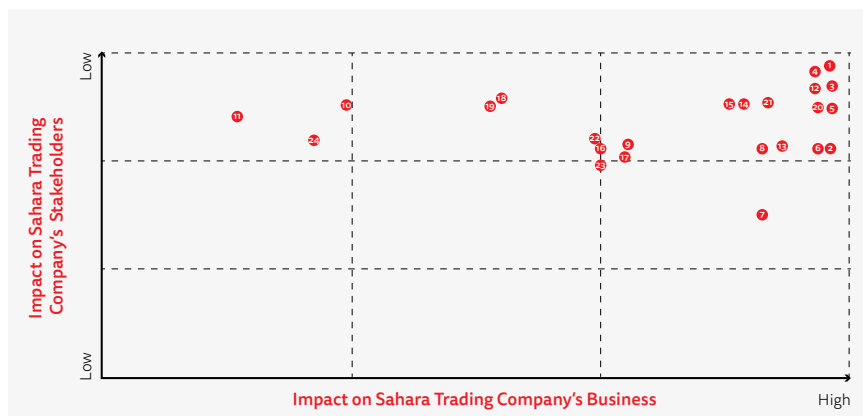
For us across the Sahara Trading Company, we consider topics based on what it means in the context of our own business and our industry. We understand that to advance sustainability, we must be aware of societal expectations from the company, while

looking into our business impact.

To identify our material topics and their prioritization for 2019, we conducted a materiality session with our stakeholders. Our material topics for 2019 are outlined below:

S/N	SUSTAINABILITY PILLAR	MATERIAL TOPIC	MATERIALITY LEVEL	SDGs ALIGNMENT
1	Economic	Corporate Governance	●	17, 8
2		Economic performance	●	8
3		Anti-corruption and Bribery	●	17, 8
4		Ethics and Compliance	●	17, 8
5		Regulatory Compliance	●	8
6		Trade Agreement	●	17, 8
7		Business Continuity and Technology Risk	●	8, 9
8		Supply Chain Management	●	8, 9, 12
9		Facilities and Infrastructure	●	9, 11
10		Logistics and Warehouse Management	●	9, 11
11		Fair Marketing and Advertising	●	17, 8
12	Social	Customer Satisfaction	●	8, 9
13		Employee Engagement	●	8
14		Occupational Health and Safety	●	3, 8
15		Human Rights	●	8, 10, 17
16		Contractors and Subcontractors	●	8, 9, 17
17		Impacts on Local Communities	●	1, 8, 10, 11, 12, 13, 14, 15, 16, 17
18		Community Engagement	●	8
19		Enabling Global Initiatives	●	17
20	Environment	Energy Use and GHG Emissions	●	7, 13
21		Environmental Management	●	11, 13, 15
22		Environmental Stewardship	●	11, 13
23		Emergency Preparedness	●	11
24		Water Management	●	6

PRIORITY | ● HIGH ● MEDIUM ● LOW



# Embarking on our Sustainability Journey

Sustainability is key to us at Sahara Trading in all our business decisions and actions. The effectiveness of our environmental, social and governance oversight as well as our economic performance are indicative of our business sustainability and growth. We have set our vision and developed the strategy to grow our business and increase our profitability in the mid and long term.

Sahara acknowledges that with the change to more environmentally and sustainable fuel sources in developing countries, we must all play our part in trying to effect the positive change and any journey of 1000 miles begins with one footstep. As we begin our sustainability measurement and disclosures, we are positive of making significant impact across the three pillars of sustainability and creating shared value for our shareholders.



As we begin our sustainability measurement and disclosures, we are positive of making significant impact across the three pillars of sustainability and creating shared value for our shareholders

## Economic Performance

We manage our economic performance as part of our business strategy. As an energy trading company, our revenue is from the trading and logistics of dealing with petroleum products. Our direct economic impact cuts across the value we have delivered for our shareholders, employees, suppliers and creditors, customers, government and local communities. In 2019, we achieved almost \$11.29 Billion US Dollars in revenue, cutting across all geographical areas in which we trade. This signifies the distribution and quantum of economic value to our employees, suppliers, creditors and other business partners across our value chain and geographical reach.

# \$11.29Billion

Revenue in 2019  
ACROSS ALL  
TRADING LOCATIONS

## Supply Chain Management

Globalisation is changing the world of logistics across industries. Supply chains are becoming more complex and there are often few opportunities for influencing players in the downstream sector or their supplier and counterparts. We understand that the sustainability of our business relies on the effectiveness of our supply chain system. We are committed to running an operation with a reliable, efficient and ethical supply chain. In managing our procurement processes, we assess our business partners based on financial, governance, social and environmental criteria. We conduct a due diligence on all our business partners before signing business contracts with them.

## Contractors and Subcontractors

We understand that as an international trading company, we are susceptible to the risk of bribery and money laundering. In addressing this, our management has provided a robust Know Your Customer (KYC) Procedure document that guides our assessment of our contractors and sub-contractors. This is part of our Client Due Diligence procedure, an integral part of our Anti Money Laundering (AML) program.

These processes enable us to establish a scale of counterparty risks, based on various criteria and ensure sustainable supply chain process and risk management.





## Our People

Within our Trading Company, we have a diverse workforce, which we seek to develop and motivate through competency management, employee engagement, career development, and leadership training. At the end of 2019, we had a total of 54 employees, 17 of which are female and 37 male. We welcomed 12 new joiners in the year with 33.33% being female. Our employee turnover rate was low as we had 2 exits in 2019.



**54**  
Total employees

**12**  
New joiners

**33.33%**  
Percentage of female new joiners

### Benefits we provide our employees



Medical Insurance



Discretionary Bonus



Pension Plan



Compulsory Paid annual leave holidays



Personal Accident Benefit Insurance



Maternity/Military leave

## Environmental Stewardship

One key subject that has remained on global trends among business and government is Climate change. It has remained a defining challenge in this period. It posed a big threat to the global economy, geopolitical stability, as well as life on Earth, going beyond other issues faced by humans. Being one of the world's biggest challenges, the protection of the climate is a collective effort that we have pledged to support. Through our operations, logistics, investments and social investments, we are committed to supporting the cause of mitigating the effect of climate change.

We ensure our waste across our offices are disposed properly and we encourage our employees to use renewable energy. We aim at reducing our waste to landfill and ensure waste generated within our operations are recycled.

As a trading company, we acknowledge that our logistics fleet and products contribute to GHG emissions. We already have dual powered petrol and LPG vehicles within our fleet as a gradual transition to cleaner energy but we are cognisant of the need to work harder on further reducing our emissions, and offsetting them in the interim.

In pursuing our environmental sustainability agenda, we have taken a short and a mid/long term approach. With due

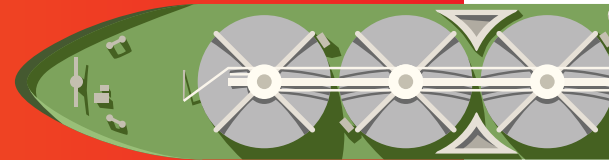
consideration for changing consumer demands for environmentally friendly fuels, we comply with African Refiners & Distributors Association (ARA) specification for products. The organization, via its clean air policy campaigns for cleaner vehicles and fuels (primarily gasoline and diesel) and its influence, is seen in the choice of lower-carbon products we offer in various locations. This has been combined with our aggressive and rapidly expanding foray into the supply of cleaner energy in the form of gas particularly LPG. In addition to our rapidly expanding LPG trading business; last year we traded approx. 480,000 mt of LPG. We are also investing in a Liquefied Petroleum Gas (LPG) facility in Cote d'Ivoire in partnership with Petroci

Further we have purchased two 23,000cbm LPG vessels with 2 more on order to be delivered by the by Q2 2022 and entered into a joint venture between NNPC and Sahara Group (West Africa Gas Limited) which has emerged a major player in the West African LPG market to aid stability, supplying over 480,000 MT of LPG to WAF over the last two years.

**480,000mt**

LPG traded in 2019

WE ARE ALSO INVESTING IN A LIQUEFIED PETROLEUM GAS (LPG) FACILITY IN COTE D'IVOIRE IN PARTNERSHIP WITH PETROCI



**2 x 23,000cbm**

LPG vessels to be delivered by the end of 2022



# Sahara Power Group

# Message from the Executive Director

The year 2019 marked the sixth year since the privatisation of Nigeria's power sector and in that period, tremendous change has taken place. We have passed through volatile macro-economic markets and we have worked through a vastly changed market structure. For Sahara Power, 2019 was a year in which significant strides were made. We signed industry leading agreements with major residential and commercial areas in Lagos State and in so doing placed ourselves at the forefront of sector innovation. We reduced the Aggregate Technical Commercial and Collection Losses (ATC&C) at Ikeja Electric from 32% in 2018 to 26% at the end of 2019, a remarkable feat in such a short period of time especially given testing market conditions.

## Changing Landscape

Sahara Power's commitment to its customers, staff, core investors, business partners, regulators, the Federal and State Government and local communities remains unwavering and the single mindedness, effort and dedication of employees within the Sahara Power Family is second to none. Your individual and team contributions can stand against any participant in Africa's growing power sector. I cannot applaud you enough. You are change makers that will lead Africa's future business leaders to new paths.

At Sahara Power, we place immense importance in customer satisfaction. Our customers are the bedrock of all that we do. The orientation of our staff to a customer centric mindset has been a key theme over the past year and the improvement in service delivery, not only operationally and technically but also commercially via customer feedback has been marked. I am proud to say that we continue to build deep partnerships with all key stakeholders. And that is because Our People put our customers first. We have established a reputation as providers of unrivalled service quality that is both affordable and reliable.

Our employees are the foundation of our success. As such, we are focused on seeking out and attracting the best talent, supporting their development and creating a work culture that consistently brings out the very best in our people's abilities.



**Kola Adesina**  
Executive Director,  
Sahara Power Group



**We place immense importance in customer satisfaction. Our customers are the bedrock of all that we do**

## Business Environment

As we look beyond 2019, we must remember that we are at the vanguard of the growth of a nascent sector and, despite the many challenges faced, we must continue to pursue our long-term vision of being the recognised performance leader in Africa's electricity generation and utilities industry. That means we will make new investments in new businesses going forward but also continue to upgrade existing infrastructure to boost energy output efficiently and sustainably.

## Sustainability

We are aware of the need to answer fundamental sustainability questions which are driving dramatic shifts in our social and economic areas of practice. As such, we have a strong commitment to ensuring that sustainable growth is at the heart of all internal and external initiatives. It is our overriding commitment to play our role in identifying, minimizing and mitigating the impact of our operations on the environment. It is a generational commitment that defines who

we are and the legacy we pass on. It is for this reason that we advocate for reducing and recycling our waste; this is why we strive to provide electricity safely, efficiently and in ways that conserve energy and other natural resources and this is why we continuously search for ways to provide safer, cleaner and a healthier environment for our customers and the communities in which we operate.

## Concluding Remarks

I would like to thank all our customers for their support over the last year. You are the most valued part of our business and all that we do is dedicated to you! I would like to appreciate Sahara Power staff. The business we operate today is a success because of your unparalleled work ethic, because of your dedication and because of your constant efforts to challenge yourselves every day to do better than yesterday. To excel to new levels and to innovate where others tread carefully is an attribute in the DNA of Sahara Power and one you must always cherish.

**God bless you all!**



**Egbin**

*Egbin Power Plc*

**Egbin Power Plc**

## LETTER FROM THE CEO

In 2016, Egbin Power Plc became the first company in the power sector to publish a sustainability report. Since then, we have continued our journey in ensuring sustainability through the company's strategic outlook. At this moment in time, we are pleased to unveil our 2019 Sustainability Report, which is the fifth edition since we commenced our annual sustainability reporting. This year's report has captured the significant achievements and the existing concerns in our business. The rationale behind this is to ensure that we operate responsibly and sustainably despite the challenges we encounter.

Throughout the year under review, we strived to maintain our corporate objective of attaining "85% Plant Availability". In order to achieve and sustain this, we focused on building a robust human capital, carried out comprehensive equipment overhauls and incorporated asset management best practices in our daily operations.

### Strategic Priorities

Staff welfare remains paramount and has helped to make our Plant a preferred professional destination for great talent. This is evident in our increased staff strength that is poised to keep up the good work that our employees have been doing over the last 35 years. Our strategic success extends to the achievement of full compliance with regulatory authorities without sanctions. This is a testament to the corporate drive of Egbin to maintain sustainable operations as well as a successful business.

Also, important to us is the occupational, health, safety and environmental management which has yielded positive results which can be seen from our attainment of 3 million man-hours without lost time injury towards the end of the reporting year. We are striving to meet international standards in this regard, especially with respect to ISO 45000:2018 and ISO 14001:2015. In conducting our core business of power generation, we have set the bar high based on the availability of our generation capacity, and the efficiency of our plant and processes. The target for us is to maintain 85% of our installed capacity at all times and strive to do even better.

The very well documented challenges in the industry have limited the evacuation of generated energy. Particularly, transmission grid limitations are a continuous concern that causes us to operate at a reduced capacity which impacts our efficiency and ultimately the profitability of our business. Our strategy is to focus on collaborating with our stakeholders, to find immediate and lasting solutions to the issues that are critical to the power generation business in Nigeria.

Paramount in our long-term objectives is to expand our installed capacity at Egbin when the proposed 1,800MW Phase II becomes a reality. For now, we have continued to maintain and overhaul the existing plant to fulfil our power supply obligations to the national grid and as best as we can minimise our emissions in that regard by regularly carrying out process audits to maintain heat recovery and reduce CO2 emissions.



**Paul Harriman**  
*Acting Chief Executive Officer,  
Egbin Power Plc*



In conducting our core business of power generation, we have set the bar high based on the availability of our generation capacity, and the efficiency of our plant and processes

## Key Events, Achievements and Failures In 2019

As mentioned above, Egbin achieved a major milestone of recording 3 million man-hours without lost time injury. This was a remarkable feat and a testament to the concerted efforts to maintain health, safety and environment standards across all functions in our facility.

The Asset Management Initiatives introduced in 2019 led to improvement in plant availability to 76% in 2019 from 69% in 2018. Plant reliability also increased to 84% in 2019 from 78% in 2018. Overall electrical energy generated in 2019 was 3,786,239MWh. Significant and sustainable improvements in the plant's commercial and technical performance is expected in 2020 and beyond, when the aforementioned Asset Management initiatives are deepened and further consolidated.

As in previous years, we still experienced grid and gas constraints which affected our core business and generated revenue. Nevertheless, we have strived to achieve optimal operations and maintained our investments in our human capital and infrastructure. Also, it important to note that the plethora of challenges we face in the industry has greatly discouraged the debt markets from injecting financial capital into power projects. That said, Egbin has maintained capacity availability despite the operational and financial challenges.

## Our Commitment Towards Building a Sustainable Organisation

In 2019, there was a deliberate effort to build up the human capital capacity of our employees, being our most valuable resource. We spared no expense in ensuring that relevant trainings were conducted. Identified knowledge and skill gaps were filled with the required training. Every investment in our remarkable team pays dividends in the improved expertise and continued productivity. Our drive towards building and enhancing our highly skilled workforce includes the employment and training of young technicians on a rotational basis across departments.

In addition to building up our personnel, we committed the required resources to ensure we have the needed tools, spares and consumables required to equip our team perform the yeoman task of operating, maintaining our generating units. This ensures that we continue to carry out our primary function and meet our power supply commitments as stipulated under our power purchase agreements.



In 2019, there was a deliberate effort to build up the human capital capacity of our employees, being our most valuable resource. We spared no expense in ensuring that relevant trainings were conducted

## Corporate Social Responsibility

Every year we continue to support our host communities by providing free medicine, uninterrupted power and treatment to local hospitals, infrastructure improvements and scholarships. More than 20 fully paid scholarships are given to exceptional indigenous students in the neighbouring communities to enable them to attend our schools. The year under review was no different, as can be seen in the Investment and Expenditure section of this report.

We remain aware of the challenges ahead but are undeterred in our quest to seek innovative ways and approaches to integrate prioritised economic, environmental, governance and social aims into Egbin's corporate strategy and plans in a manner that seeks to create long-term value for our stakeholders.

**Paul Harriman**  
Acting Chief Executive Officer, Egbin Power Plc.



# About Egbin Power Plc

**E**gbin Power Plc is West Africa's largest power generation station and the largest provider of electricity to West Africa's largest economy – Nigeria. We are located at the heart of Egbin in Ikorodu Local Government Area of Lagos State, Nigeria.

The Company contributes over 13% of the total electricity generated to the Nigerian National Grid. Power generated from our plant is utilized in all sectors. Through the Nigeria Bulk Electricity Trading Company (NBET), we supply power to all distribution companies in Nigeria and export to Benin Republic through the National grid system. We also supply to Lagos State through a Bilateral arrangement with Ikeja Electric.



**403**

Employees



**1320MW**

Installed Capacity



**6**

Turbines



**13%**

Contribution to  
National Grid



# Sustainability at Egbin

Sustainability at Egbin Power goes from sustainable and reliable innovation in energy generation to doing business with purpose. Our corporate culture and sustainability efforts involve our responsibility for our people, the environment and society. We know the importance of environment, occupational health and safety, social responsibility and business ethics in our day-to-day activities and long-term strategic planning. We aim to make our impact by creating a better environment, reducing our climate impact, meeting society's requirements and expectations and generating business opportunities. We build on 3 core strategic sustainability priorities: Health, Safety, Environmental and Regulatory Compliance, Employee Welfare and Sustainable Power Generation.

## Our core strategic sustainability priorities



Health & Safety



Environmental & Regulatory Compliance



Employee Welfare & Sustainable Power Generation

# Stakeholder Engagement

We constantly engage all our relevant stakeholders such as Transmission Company of Nigeria, Nigerian Bulk Electricity Trading Plc, Gas Suppliers and Distribution Companies, on a regular basis, as we need to effectively collaborate in achieving our overall goals and set objectives. In our daily operations as an organization, we interact with various groups of individuals and organizations.

## Our key stakeholders

### Shareholders



### Regulators

### Partners



ORBIS



### Suppliers



Nigeria Gas Company



Chevron Nigeria Limited



Nigeria Petroleum Development Company (NPDC)



Pan Ocean Oil Corporation Nigeria



Drury Nigeria Limited



Brightest Hope Company Limited



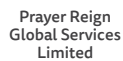
Rohluck Nigeria Limited



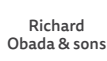
Hygeia HMO Limited



Express Cleaners



Prayer Reign Global Services Limited



Richard Obada & sons



KEPCO Korea



Prime & Hills Energy



Polyfirm Nigeria Limited



Denee Global Nigeria Ltd



Bara Energy Limited



African Hydro Agric Chemicals Limited



Denot Engineering Service Ltd



Halogen Security Company Ltd



KPS



ORBIS

### Customers



Nigeria Bulk Electricity Trading Company Limited (NBET)



Ikeja Electric



Eko Electricity Distribution Company

### Host Communities

Egbin

Ipanan

Ijede











































# Materiality at Egbin Power

We conducted a comprehensive review of our material issues through a validation/revalidation process. The approach considered the input of both internal and external stakeholders on the most relevant and impactful topics to them. The results have shown Egbin Power Plc's drive towards sustainable innovation and growth in power generation.

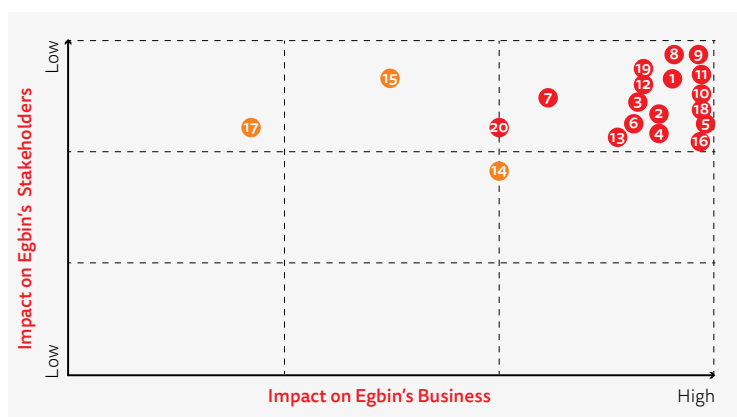
The material topics are grouped under 3 pillars which are as follows:

1. Economic pillar
2. Social pillar
3. Environmental pillar

S/N	SUSTAINABILITY PILLAR	MATERIAL TOPIC	MATERIALITY LEVEL	SDGS ALIGNMENT
1	Economic	Finance	●	 
2		Supply Chain Management	●	 
3		Digitization	●	
4		Job Creation	●	
5		Research and Development/Operating Efficiency	●	
6		Energy Affordability	●	
7		Human Resources	●	 
8		Regulatory Compliance	●	
9	Social	Employee Health & Safety	●	 
10		Employee Engagement and Welfare	●	 
11		Corporate Governance and Conduct	●	
12		Customer Service and Satisfaction	●	 
13		Community Relations	●	   
14		Land Use Right	●	   
15		Crisis Response	●	  
16		Security	●	 
17		Political Risk	●	 
18	Environment	Climate Action and Environmental Compliance	●	
19		Energy Conservation and Efficiency	●	 
20		Greenhouse Gas Emission	●	 

**PRIORITY** ● HIGH ● MEDIUM ● LOW

From the approach utilized and the results, there is a clear indication of Egbin Power Plc's focus and strategy towards providing sustainable power generation in Sub-Saharan Africa.



# Our 2019 Performance Disclosures

## Economic Pillar

### Finance

**E**gbin Power Plc contributes directly through our operating costs and wages and benefits to employees. At Egbin Power, our financial performance is hinged on our power generation capacity as we serve the national grid through the NBET and a bilateral agreement with Ikeja Electric.

Our revenue in 2019 was N78,899,186,000, reducing from N91,713,176,000 in 2018, while our total assets worth stood at N375,600,303,000 in 2019. The decline in our revenue can be attributed to our focus on restoration and maintenance of plant machines in 2019. After operating for long years and having 2 of our machines out of operations in 2018, we invested in restoring the equipment and strengthening them for optimum productivity. Our total capitalization in equity increased to N190,459,222,000 in 2019.

In terms of economic value, we distributed a total of N73,212,783,000 while N5,686,403,000 was retained in economic value

## N78.9Billion

Revenue in 2019

## N375.6Billion

Total Assets

## N190.46Billion

Total Capitalization in 2019

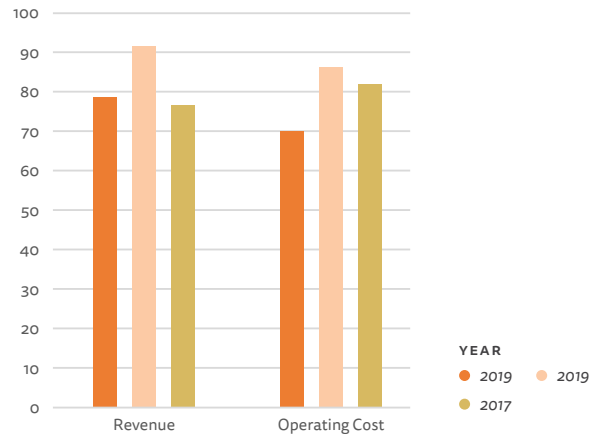
## N73.21Billion

Economic Value Distributed

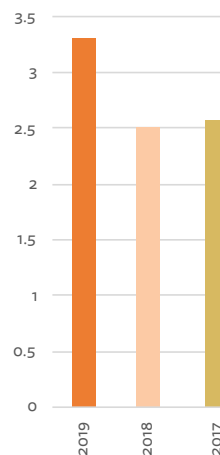
## N5.69Billion

Economic Value Retained

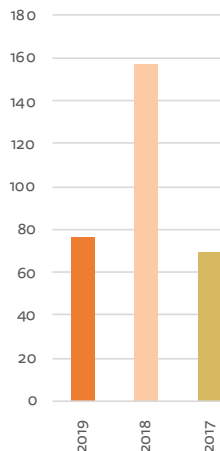
Economic value created (N' Billion)



Economic value distributed (employee wages and benefits) N'Billion



Economic value distributed (community investments) N'Million





## Supply Chain Management

We support and empower a wide range of local enterprises and contractors within our supply chain through our community empowerment programmes. We also establish relationships with global technical experts for the maintenance of our procurement process.

In 2019, our supply chain grew to 270 suppliers spread across Nigeria, Japan, South Korea, Canada, USA, and the United Kingdom.

Egbin Power Plc has an approved Procurement Procedure Policy which provides clear guidelines for our procurement processes and business interactions with suppliers and service providers. In 2019, we increased the number of new suppliers screened for environmental criteria to 27. As we grow in our business, we are committed to building and running an effective supply chain management while mitigating environmental and social risks.

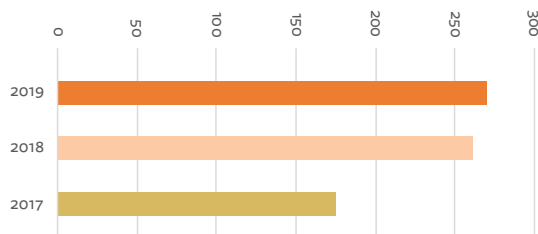


# 270

### Suppliers

SPREAD ACROSS  
NIGERIA, JAPAN,  
SOUTH KOREA,  
CANADA, USA, AND  
THE UK

Total number of Suppliers



# 27

Number of new suppliers added in 2019

## Digitization

As we improve our operational efficiency, we are adopting new technological tools to enable our operations. We have developed an electronic system for our data collection and operations management. As we continue to upgrade our system and management platforms, we are upskilling our employees on using the new tools and interacting better on the new platforms. We seek to build a world class operation providing sustainable power supply in Sub-Saharan Africa.



## Energy Affordability

Our goal is to make energy inexpensive and attainable to all Nigerian homes and factories. We are improving our current thermal facility to generate power at the most cost-effective rate achievable within optimal levels of efficiency and global standards in HSE compliance. In playing our role in the power value chain for affordable energy, we are committed to increasing our power generation capacity and upgrading our plant for optimized productivity.

Our approach to ensuring short and long-term electricity availability and reliability practices include



Reliability-centred maintenance



Capacity development of personnel



Continuous engagement with stakeholders to improve relationship for availability of gas and power evacuation.



Deployment of performance management solutions

*This has led to steady power supply and will ultimately translate to cost-effective power for the consumers.*



## Human Resources

**A**t Egbin Power, we acknowledge that our employees are pivotal to our business sustainability and growth. We understand that people are our most valuable resource and we make conscious effort towards improving our employee's performance. All our employees undergo regular performance & career development review to measure their progress and improve their performance and be prepared for higher leadership opportunities.

In 2019, our workforce grew to 403, with 357 (88.59%) male and 46 (11.41%) female employees. Total new hire grew from 22 in 2018 to 56 in 2019. We onboarded 48 male and 8 female employees (an increase from previous year) within the year while we continue to strive for diversity and inclusion within our sector.

In empowering our employees for their day-to-day work, we provide trainings and resources needed for their responsibilities. In 2019, we recorded 20,770 hours of training at Egbin Power, indicating an average of 51.54 hours of training per employee. This is an increase from 16,520 total hours and 44.05 average hours in 2018.

### SOME OF THE TRAININGS PROVIDED TO OUR EMPLOYEES IN THE YEAR INCLUDED:

TRAINING ON FINANCIAL STATEMENTS, MICROSOFT EXCHANGE (MODULE 1), TRAINING ON TAX PRACTICES, MAINTENANCE AND RELIABILITY BEST PRACTICES: LOWERING LIFE CYCLE OF EQUIPMENT, COMPREHENSIVE FINANCIAL MODELLING AND FINANCIAL PLANNING, TRAINING ON ENGAGEMENT AND EMPLOYEE RELATIONS, WORKSHOP ON IFRS AND FINANCIAL REPORTING FOR SAHARA GROUP, TRAINING ON PRE-RETIREMENT, TRAINING ON HR METRICS AND ANALYTICS, TRAINING ON VENDOR AND CONTRACT MANAGEMENT, TRAINING ON TREASURY AND RISK MANAGEMENT.



**403**  
Our workforce in 2019

**357** | **46**  
Male | Female

**56**  
Total new hires in 2019



**20,770**  
Hours of training at Egbin Power

**51.54**  
Average training hours per employee



## Regulatory Compliance

Egbin Power remains committed to operating within the boundaries of relevant regulations (including environmental laws and regulations) and has no tolerance for losses incurred by penalty, reputational damage or business closure.

We strive to ensure that we comply with the relevant laws and regulations relating to its business activities and operations. Our regulators include the Federal Ministry of Power (FMP), Federal Inland Revenue Service (FIRS), Lagos Inland Revenue Service (FIRS), Transmission Company of Nigeria (TCN), Financial Reporting Council of Nigeria (FRCN), Lagos State Fire Service, Lagos State Environmental Protection Agency (LASEPA), Federal Ministry of Environment, National Environmental Standards and Regulations Enforcement Agency (NESREA) amongst many others. In 2019, there was no recorded sanction or fine incurred as a result of non-compliance with regulatory requirements.



**Egbin Power remains committed to operating within the boundaries of relevant regulations and has no tolerance for losses incurred by penalty, reputational damage or business closure.**



# Environmental Pillar

## Energy Consumption and Greenhouse Gas Emissions

**E**gbin Power consumes gas in its power generation process and utilizes the electricity imported from the national grid for internal consumption. In 2019, electricity imported from the grid stood at 37,633,400 kWh. This indicated an increase from 30,350,600 kWh in 2018. Our estimated indirect GHG emission (Scope 2) for the year was 15,542,594 kgCO<sub>2</sub>e which is less than 1% of our total emission in 2019. In a bid to reduce our emission level, we continued with our energy reduction initiatives such as utilization of energy saving bulbs, reduced bulb lighting during the day, etc. This might not have translated to a significant reduction as a result of huge consumption by machines in the plants.

Other significant emissions like ozone-depleting substances (ODS), NO<sub>x</sub>, SO<sub>x</sub>, and H<sub>2</sub>S are measured and monitored by the facility quarterly. Based on the calibration of the instrument used, insignificant emissions below the calibration scale are often not detected. We, however, have plans to acquire and install emission measuring devices on each turbine for real-time and accurate data capture.

Our scope 1 emission covers our direct consumption from natural gas, diesel and petrol generators in the plant. We recorded 12,294,989,917 kWh as direct energy consumption in 2019. We estimated our GHG emissions using a direct conversion of natural gas supplied to the engines and energy generated. Our direct GHG emissions in 2019 was 2,262,340,349 kgCO<sub>2</sub>e. This indicated an increase from the 2018 emission level of 811,737,079 kgCO<sub>2</sub>e.

### 2017

Energy Imported from the Grid (KWh)



**46,201,900**



Scope 1 Emissions (KgCO<sub>2</sub>e)

**647,512,626**

Scope 2 Emissions (KgCO<sub>2</sub>e)

**19,081,385**

### 2018

Energy Imported from the Grid (KWh)



**30,350,600**



Scope 1 Emissions (KgCO<sub>2</sub>e)

**811,737,079**

Scope 2 Emissions (KgCO<sub>2</sub>e)

**12,534,798**

### 2019

Energy Imported from the Grid (KWh)



**37,633,400**



Scope 1 Emissions (KgCO<sub>2</sub>e)

**2,262,340,349**

Scope 2 Emissions (KgCO<sub>2</sub>e)

**15,542,594**

## Biodiversity Management

Within our plant premises, there is a 2km range vegetation that surrounds our facility as well as within the facility compound which is mainly Modified Habitats composed of garden and farmlands. This indicates the absence of IUCN Red List category species. We have not identified any protected areas or high conservation value (HCV) areas as classified by the World Bank International Finance Corporation (IFC) Performance Standards 6 within the proximity of our plant. However, our Environmental Management Plan covers the monitoring of the current biodiversity within and around the power plant.



## Climate Action and Environmental Compliance

Climate change is no more a myth in the corporate environment. The impact of climate change on the environment, people and business performance is evident across the globe. Egbin Power Plc is not left out in its role by creating awareness about climate change and its impacts on the environment, health and livelihoods, promoting the adoption and implementation of policies, legislation and practices that improve air quality, as well as reducing energy use and limit greenhouse gas emissions, including short-lived climate pollutants. At Egbin Power Plc, we promote the sustainability of project outcomes and protect the people and environment by identifying and adhering to environmental and related safeguards. This is demonstrated through the establishment of an Environmental Impact Assessment for all proposed projects to assess the potential impact on the environment. In line with regulatory requirement, we

also conduct an Environmental Audit on our facility once every three years. We have identified all environmental laws, regulations and standards set by NESREA, FMEV, LASMOE, and National Oil Spill Detection and Response Agency (NOSDRA) and other regulatory agencies both at the International, National and State Levels and are in compliance with them.

As permitted by the regulators, our environmental audits are conducted by accredited third party auditors. We also conduct quarterly Environmental Compliance Monitoring (ECM) reports required by regulators. In 2019, we engaged an accredited consultant to conduct an Environmental Audit on our facility. Observations and recommendations from the audit have informed an improvement in our management system and practice to protect the environment and our people.

**IN THE REPORTING YEAR, THERE WAS NO IDENTIFIED CASE OF NON-COMPLIANCE WITH ALL RELEVANT STANDARDS AND REGULATIONS AND WE HAVE PUT IN PLACE SYSTEMS TO ENSURE CONTINUOUS COMPLIANCE**

## Waste Management

In protecting the environment, every action count. We are conscious of the waste generated within our operations and committed to reducing our waste to landfill. Waste generated at Egbin Power are categorized into hazardous e-wastes and non-hazardous solid waste. Our waste management system for each category of wastes complies with the applicable regulations spelt out by the State and Federal environmental protection agencies. In 2019, we disposed a total of 923 tons of waste. Our total hazardous e-waste was 50 tons and was disposed by a LASEPA accredited e-waste vendor. Our non-hazardous solid waste record for 2019 was 873 tons. This was disposed using a LAWMA accredited waste vendor (PSP operator).

In reducing our waste, we have developed and operate reduction measures such as 3Rs Initiatives (reduce, reuse & recycle), waste segregation procedures, paper usage reduction initiatives (paperless initiatives). These plans are communicated to our employees regularly and waste segregation points are put in place.



WASTE TYPE	QUANTITY	DISPOSAL METHOD
Hazardous E-Waste	873 tons	Disposed by LAWMA Accredited Waste Vendor (PSP Operator)
Non-Hazardous Solid Waste	50 tons	Disposed by LASEPA Accredited E-Waste Vendor



## Energy Conservation and Efficiency

Just as we protect the environment in which we carry on business, we are keen on conserving our energy use and improving our operational efficiency. In 2019, we recorded 744.97 hours of planned outage and 3069.55 hours of forced outage. However, our plant was operational for 4945.49 hours leading to 56% average availability factor. This indicates a decline from 61% in 2018 due to the restoration and maintenance done on our facility in 2019. Power generation in 2019 stood at 11,016,005MWh, an increase from 4.4 million MWh in 2018.



Average Availability Factor

2019

56%

2018

61%

2017

43%

**To ensure continuous generation and availability we have adopted the following approach**

- » Reliability Centred Maintenance
- » Capacity development of personnel
- » Continuous engagement with stakeholder to improve relationship for availability of gas and power evacuation.
- » Deployment of performance management solutions

**Our research and development for operational improvement in 2019 was focused on**

- » Development of electronic data collection system
- » Research on the drivers of power generation.
- » Installation of energy meters to drive energy management strategies



11,016,005 MWH

Power generation in 2019



3069.55

Plant operational hours in 2019



# Social Pillar

## Employee Health & Safety

**E**gbin Power Plc recognizes that sound Health, Safety & Environmental protection culture is pivotal to our overall management strategy. Identifying the place of employee safety and a secured workplace, we have put in place an Occupational Health & Safety Management System (OHS MS) to identify all operational health hazards associated with employees' workplaces and to initiate control measures to avoid occupational injuries and deaths.

At Egbin Power, we provide a comprehensive health insurance for our employees through various Health Management Organizations (HMO). Employees can access medical care at will at any of the HMO retained hospitals nationwide. They are also entitled to comprehensive medical checks. For the personal health-related information of our workers, we maintain confidentiality of their data as such information is solely between the employee and his/her doctor. In some cases, only the Head HR and Head, HR Operations are privy to such information on request.

We also understand that occupational health and safety is the responsibility of all of us. Therefore, we engaged our workers through regular training and awareness on safety actions and measures put in place for their protection.

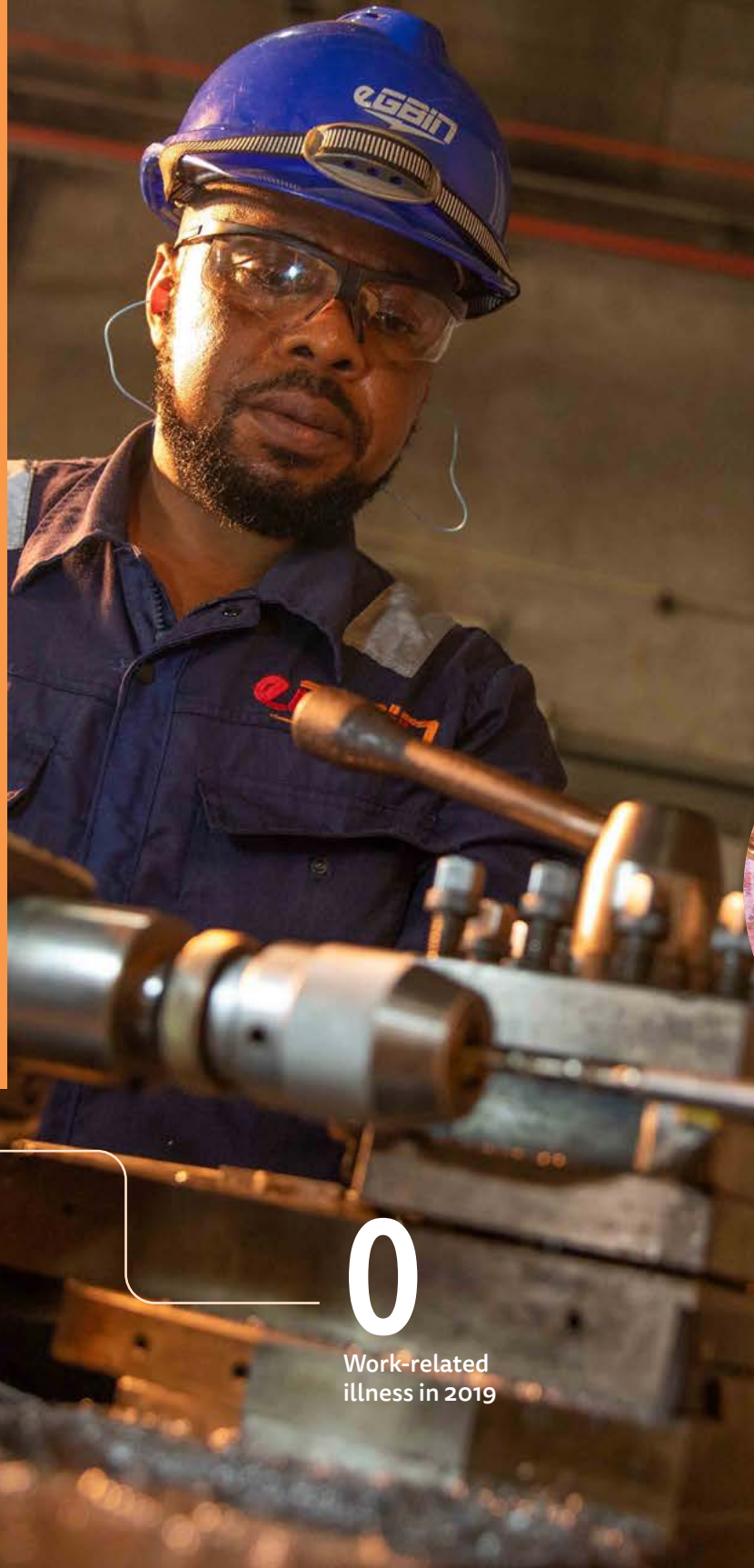
We have identified some work-related ill health and put in place measures to mitigate them. Within our facility, conjunctivitis, back pain and eye strain are the identified ill health issues. In response to these, we have provided special PPE for condenser cleaning. We also create awareness and training on safe work practices. For the back pain, we provide ergonomic chairs for workers sitting comfortably and improve lightening system to protect the eye. In 2019, there was no record of any work-related ill health and we remain committed to maintaining this performance in 2020.

“

We engaged our workers through regular training and awareness on safety actions and measures put in place for their protection.

0

Work-related  
illness in 2019







## Community Relations

In our daily operations as a Company, we interact with various groups of individuals and organizations. We have grouped our stakeholders into multiple categories based on the type of relationship with the organization

We relate with our host communities through regular meetings and interface between the company's community relations desk and the local communities, including quarterly stakeholder's community forums where representatives from the communities meet with management to resolve disputes and grievances.

**Through our Personal and Corporate Social Responsibility (PCSR) initiatives, we executed the following projects in 2019**

### Our Stakeholders

Regulators

Suppliers

Customers

Shareholders

Partners

Host-Communities



### 2-Day Medical Outreach

In May 2019, we conducted a 2-day medical outreach in our host communities. We provided eye screening for 156 persons, provided free eyeglasses for those with eye issues, conducted free eye surgeries, and gave general consultation with over 500 beneficiaries from the host communities. 300 mosquito nets and treatment packs were distributed to children with sickle cells in the host communities



### Quarterly Donation of Medications to Ijede General Hospital

In each quarter, we supplied anti-malaria medicines to the General Hospital in Ijede. This is valued at about 3 million naira for 2019



### Annual Scholarship Programme

In demonstrating our commitment to increase the standard and quality of education in our host communities, we developed a scholarship scheme to cover the cost of educating brilliant, indigent students from host communities. In 2019, we gave a total of N30 million scholarships to 18 beneficiaries across the 3 communities around us



### Maiden Community Football Competition

In 2019, we commenced our annual Egbin Power Community Football Competition. The competition is aimed at promoting youth development and engagement



### Egbin Village Market Initiative

This initiative is aimed at improving the social-economic wellbeing of the host communities. The market which is located within the Estate premises of the plant provides the residents of the host communities sell their fresh farm produce at ease



### Excursion visit to our Power Plant

At Egbin, we recognize that supporting the career decision of young people through visit to our facility will improve their understanding of the corporate world and commitment to excellence in their academics. We therefore hosted students in excursion/visit twice in a week to enable them to have practical knowledge about energy generation and engineering.



### Metering and provision of Un-interrupted Electricity supply to General Hospital, Ijede

To improve healthcare facility and accessibility in Ijede community, we conducted the metering of the General Hospital in Ijede Community and provided the hospital with 25,000 units of electricity monthly, amounting to about N14.4 million annually



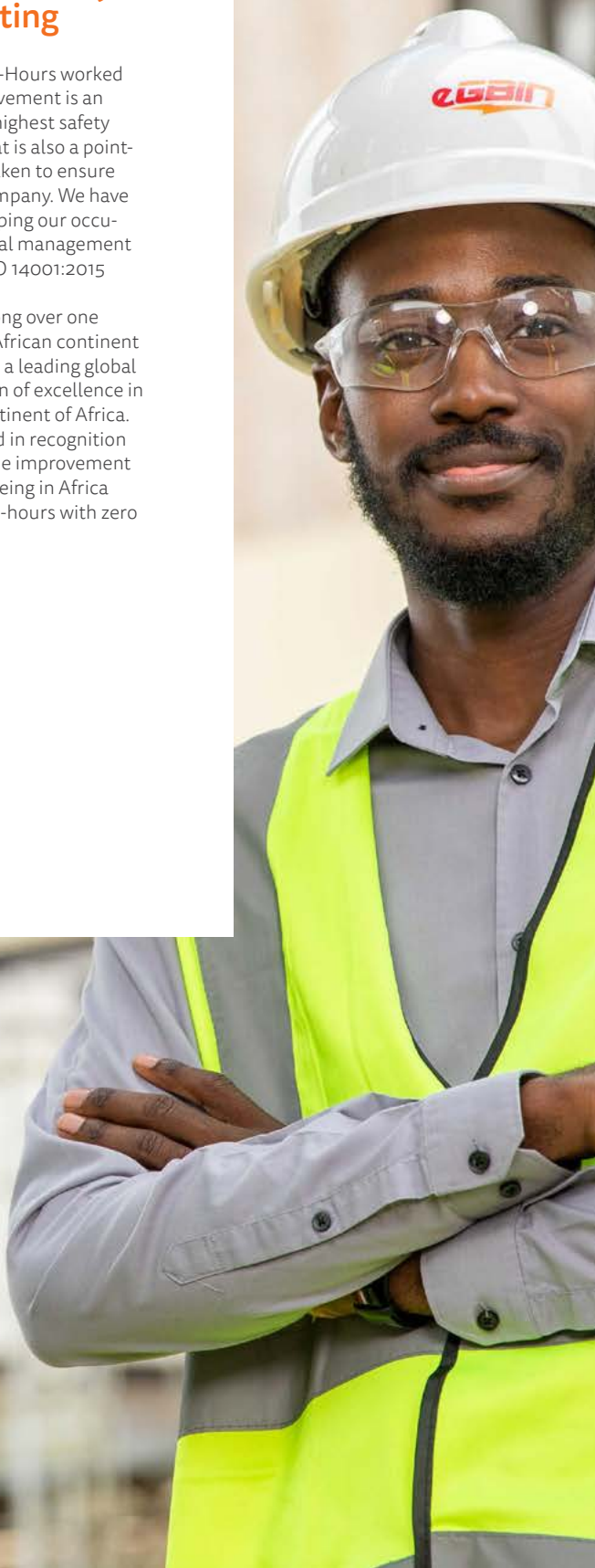
Egbin Power Plc, Lagos

## Crisis Response

**F**or business continuity and emergency preparedness, we have identified the corresponding risks and established mitigation plans while staying proactive. In addition to our emergency response procedures, we have put in place several emergency responses plan to manage crisis and reduce negative impacts on both the company and the environment. Such plans include our Medical Emergency Response Plan, Fire Emergency Response Plan, Oil Spill Emergency Response Plan, Work at Height & Rescue Plan, Flood Emergency Response Plan. In 2019, 121 full time employees were trained on the Emergency preparedness response plan (EPRP).

**121**

Full time staff trained on  
Emergency preparedness  
response plan (EPRP)



**CASE STUDY:**

## An Efficient Health and Safety System Worth Celebrating

In 2019, we celebrated a '3 Million Man-Hours worked with Zero Loss Time Injury'. This achievement is an indication of our commitment to the highest safety standards within our workplace. This feat is also a pointer to the fact that the right steps were taken to ensure the sustainability and success of the Company. We have also made significant progress in developing our occupational safety, health and environmental management systems to meet ISO 45001:2018 and ISO 14001:2015 standards respectively.

This translated to our selection among over one thousand power companies across the African continent for the AfriSAFE 2019 award. AfriSAFE is a leading global brand for the recognition and celebration of excellence in Health, Safety and Wellbeing on the continent of Africa.

Egbin Power Plc was given the award in recognition of its exemplary contribution towards the improvement of health, safety, environment and wellbeing in Africa and on its attainment of 3.8 million man-hours with zero Lost Time Injury (LTI).

# 3.8 Million

Man-Hours worked with zero Loss time Injury (LTI)





# First Independent Power Ltd (FIPL)

## LETTER FROM THE CEO

Dear Stakeholders,

It gives me great pleasure to present FIPL's 2019 sustainability report. This report outlines approach to sustainability, our material subjects, and illustrates the wide range of activities we are carrying out in our day-to-day work to meet our strategic goals.

At FIPL, our day to day work is to support the transformation of lives through sustainable and reliable innovation in energy generation, hence making positive impact across the nation. On our journey to becoming the largest and most innovative power generation company in the South-South Nigeria, we at FIPL recognize our responsibility to maximize positive value creation and minimize our negative impacts in our environment and society.

Human progress and sustainable development are powered by affordable, reliable and accessible electricity. Our activities in the last 5 years have been geared towards creation of healthier lives, influencing better education, and catalysing of economic opportunities for all. The year 2020 has been a challenging year for the world as the Corona virus (COVID-19) has disrupted the health of millions of people as well as impacted the global economy. In response to this global challenge, there is a call to action which we have responded to by working with our group and business partners in mitigating and managing the effect of this pandemic. In prioritizing the health and safety of our employees and stakeholders, we have put in place measures to support business continuity and delivered the energy needed to power homes, health care facilities and businesses while navigating the disruption and current realities.

We have continued to create shared values for our shareholders and all other stakeholders through our business and impact. We demonstrate this through our supply of electricity to the national power grid to ensure energy security, investing in our employees, and contributing to the socioeconomic development of our host communities. Just as importantly, we manage our sustainability risks within our business, protect the environment and ensure the safety of every stakeholder who contributes to our success.

In 2019, we have raised our performance through revenue growth and profitability. We recorded over N30 billion in revenue with over N400 million as our profit after tax. Through our business, we have distributed values to our customers, shareholders, employees, contractors, government and host communities. This is a testament to our investment in improving our operational efficiency and adoption of a cost optimization approach in our supply chain. We had an improvement in our power generation in the year, recording 71% plant availability factor and 1664 GigaWatt Hours of generation in the year.

As we work towards maximizing our total capacity in meeting the current demands and market needs, we are dedicated to completing construction and installation works in our Eleme and Afam plants. Across all our plants, we have put in place measures to protect the environment and carry out monthly site audits and quarterly environmental monitoring. 92 of our staff were trained on Occupational Health and Safety



**Godwin Emmanuel**  
*Chief Executive Officer,*  
*First Independent Power Ltd (FIPL)*

Management Systems with zero loss time injury (LTI) and fatality recorded in the year. We will continue to improve in our environmental stewardship while still meeting the energy needs of our stakeholders.

Our employees play a significant role in our success. We remain committed to a diverse and inclusive work environment as we uphold human rights and sustainable development. In 2019, FIPL invested N24 million in training and development of our employees, which demonstrates our obligation to our invaluable assets- our people. We continued to provide our employees with other health and socioeconomic benefits.

We are proud of our people, and we embrace the opportunity to be the provider of choice wherever energy is consumed. As we navigate and overcome challenges, we know that together we can achieve a powered future for Nigeria.

# About First Independent Power Limited

**F**irst Independent Power Limited (FIPL) Company is a power generation company incorporated in 2006 by the Rivers State Government in Rivers State, Nigeria. With an initial capacity of 36MW in Trans Amadi, the Company has grown into ownership and operation of 4 gas turbine power plants in Trans-Amadi Port-Harcourt, Afam, Omoku and Eleme, with combined installed capacity of 541MW.

Under the Special Purpose Vehicle (SPV) 'NG Power' in partnership with Hankuk Plant Service (our technical partners), Sahara Group own 70% of FIPL while the Rivers State Government owns 30%.

With a goal to be the largest and most stable power generation company in the South-South region of Nigeria, FIPL leverages the power of its people, a formidable team of intelligent, driven and innovative young men and women committed to the realisation of the corporate vision of the business.

 **IPL has its corporate headquarters at No. 12 Circular Road, Presidential Estate, GRA, Port Harcourt, Rivers State**



**1664**  
Gigawatts Hours generated in 2019



**4**  
Gas turbine plants



**541MW**  
Generation Capacity

Our operations consist of four simple cycle gas turbine power plants with different capacities.

## Omoku Plant

The Eleme Plant consist of three units of 25MW GE Nuovo Pignone heavy duty gas turbines. The plant is under construction and is estimated to be commissioned in May 2021. In 2019, we generated 1,664 Gigawatts Hour across our plants. Power generated from our plants are supplied to the National Grid for nationwide distribution, through the NBET Nigeria and the Port Harcourt Electricity Distribution Company.

## Omoku Plant

Located in Obrikom Rivers State, the Omoku Plant has an installed capacity of 150MW with six units of 25MW GE Nuovo Pignone heavy duty gas turbines, supplied with natural gas from Nigerian Agip Oil Company. Power generated from the plant is transmitted to the national grid via its on-Site 132KV switching facility through Rumuosi Transmission Substation

## Trans-Amadi Plant

The Trans-Amadi Plant consists of two phases of operations. Under the 4 hectares coverage, the Phase I consists of a 3 x 12MW solar mars gas turbines, while Phase II consists of 4 x 25 MW Nuovo Pignone heavy duty gas turbines. The Trans-Amadi Plant is supplied with natural gas by Shell Nigeria.

## Afam Power Plant

The Afam Power Plant is FIPL's newest and biggest project, located in Afam, Oyigbo Local Government Area of Rivers State. It is made up of 2 phases, but only the Phase 1 is operational with an installed Alstom GT13E2 gas turbine of 180MW capacity, with a potential to export 3840MWH per day into the national grid. Phase 2 of the Plant, with 180MW capacity, is still under construction. Natural gas for the operation of the Afam turbine is supplied from Shell Nigeria.





## Sustainability at FIPL

**S**ustainability for us at FIPL is the way we conduct our business while considering society's expectations, our social responsibilities, our impact on our environment as we devote ourselves to the development of a sustainable society by aiming for sustainable growth of our business.

In ensuring sustainable power generation from sustainable source, our approach to sustainability is in conducting business in line with best practice, provision of a safe and secure working environment for our employees and ensuring a strong corporate governance system. We have also ensured that we manage our impact on the environment and communities we operate in and set appropriate and consistent standards for dealing with stakeholders.

We have identified and aligned our business with local and international frameworks for sustainable development. We have aligned our sustainability approach and business operations with the United Nation's Sustainable Development Goals (UN SDGs) and have prioritised the goals that are key to our business.

In achieving our corporate goals, we have prioritised a key asset in our strategy – our people. Our people are our most valued asset in our business as they are the vehicle for getting our strategies executed. Leveraging their strength, we have unlocked new business opportunities and improved existing systems in providing best in class service to our customers.

## Stakeholder Engagement

At FIPL, we understand that creating the ideal conditions for understanding growth involves continuous dialogue with our stakeholders within and outside our business operations. By sharing experiences and setting priorities in the area of corporate social responsibility, we set the stage for an inclusive, continuous process for growth and learning. We consult and collaborate with a wide range of stakeholders, such as governments, government agencies,

our host communities, our suppliers and our employees amongst others to identify areas of concern and to keep up to date with their expectations of us.

We also engage with them during the development of our plans and strategies in planning, executing, and delivering our projects; and through the economic, environmental, and social initiatives FIPL undertakes in relation to our operations and organizational activities.

### Our key stakeholders

#### Shareholders



NG Power

Rivers State Government

#### Host Communities

Trans Amadi – Rebisi  
Omoku – Obrikom  
Afam – Mirinwayi  
Okoloma  
Ban Ogoi

#### Government, regulatory & related agencies



Federal, State and Local Governments



Nigerian Electricity Regulatory Commission (NERC)



Nigeria Bulk Electricity Trading Company Limited (NBET)



Transmission Company of Nigeria (TCN)



National Environmental Standards and Regulatory Enforcement Agency (NESREA)



Federal Inland Revenue Services (FIRS)



Rivers State Internal Revenue Service (RIRS)

#### Our consultants, contractors, service providers and other suppliers

##### Gas Supply Companies

Original Equipment Manufacturers (OEMs)



SPDC, NAOC JV

Local contractors in our operational communities

#### Our employees

#### Grid customers



Nigeria Bulk Electricity Trading Company Limited (NBET)



Port Harcourt Electricity Distribution Company (PHED)

#### Transmission Company



Transmission Company of Nigeria (TCN) which include the System Operators, Transmission Service Provider (TSP) and Market Operators

We ensure continuous communications and with the respective stakeholders for a sustainable impact across the three pillars of sustainability – environmental, social and economic.

# Materiality at FIPL

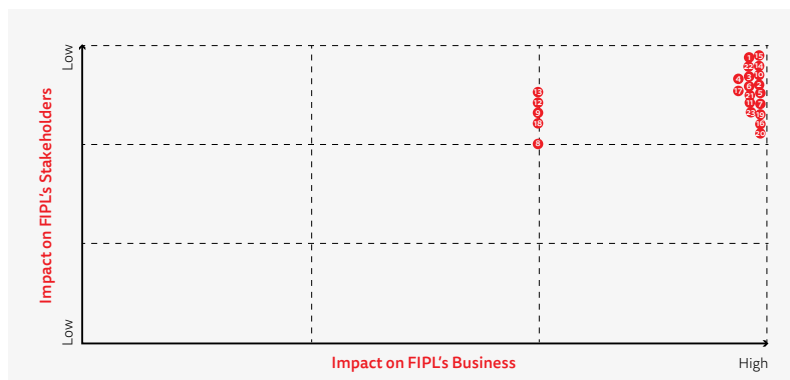
From our stakeholder engagement in 2019, we have identified priority topics to our operations and our interactions with our stakeholders. We engaged with our stakeholders to understand specific concerns about our business and its impact in our operational area, with specificity to its operational environment and the society. Our

priority topics are categorised into economic, social and environmental pillars.

We have mapped the responses from our stakeholders into our materiality matrix for 2019. Throughout the year, we engage with the various groups and individuals. Our Materiality Matrix for 2019 is shown below.

S/N	SUSTAINABILITY PILLAR	MATERIAL TOPIC	MATERIALITY LEVEL	SDGs ALIGNMENT
1	Economic	Optimal Operations	●	
2		Improved Revenue Generation	●	
3		Sufficient Cash Flow	●	
4		Adequate Gas Supply	●	
5		Technology & Infrastructure	●	
6		Regulatory Compliance (Economic)	●	
7		Availability of Spare Parts	●	
8		Bribery, Corruption & Fraud	●	
9		Asset Damage & Theft	●	
10		Adequate Maintenance Capability	●	
11		Supplier Delays	●	
12		Digitization	●	
13		Research and Development	●	
14	Social	Occupational Health and Safety	●	
15		Stakeholder Management	●	
16		Human Rights	●	
17		Customer Service and Satisfaction	●	
18		Improving the Local Communities through Supply Chain	●	
19		Employee Value Chain Creation and Satisfaction	●	
20	Political Risks	●		
21	Environment	Regulatory Compliance	●	
22		Community Safety	●	
23		Emission	●	Goals 11 and 13

PRIORITY | ● HIGH ● MEDIUM ● LOW







# Our 2019 Performance

## Economic Pillar

### Optimal Operations

With growing industrialization and urbanization is increasing demand for power consumption. At FIPL, we are optimising our plants and increasing our power generation output to meet market needs and reduce forced outage. In 2019, we invested in completing our non-operational plants (Afam and Eleme). We recorded an increase in our power generation from 1365 GigaWatt Hour in 2018 to 1664 GigaWatt Hour in 2019. This is as a result of our operational upgrades and strategy to maximize the generating capacity across our plants.

The average plant availability factor across our plants increased from 65% in 2018 to 71% in 2019. This reflects reduction in forced outage hours and an increase in the total number of hours our plants were operational.

We also consume the power generated from our plants and office buildings. Where our plants are not generating electricity, we import power from the national grid to take care of the station load. Our operational plants in Trans-Amadi, Afam and Omoku are powered using natural gas. In 2019, our total energy consumption was 772,980 kWh.

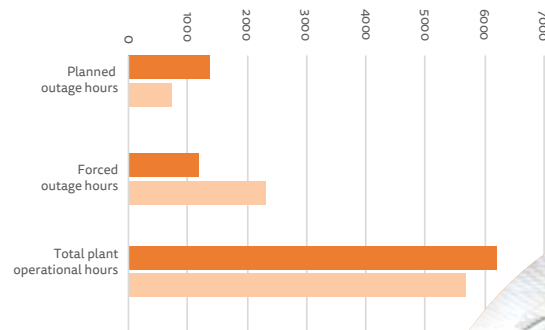
In furtherance to our commitment of ensuring long- and short-term electricity availability, we have rolled out the following initiatives across our plants

Implementation of CMMS in the Plants

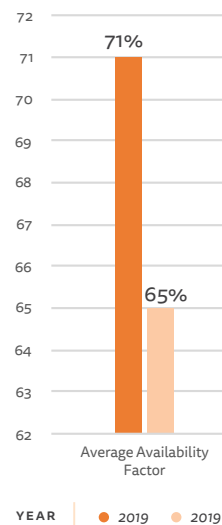
Ensure recommended OEM inspections are carried as at when due

Carry out predictive and routine maintenance on site

Plant Operational Efficiency



Average Availability Factor



## 1664 GigaWatt Hour

Power generation in 2019



## 71%

Availability Factor in 2019



## 772,980kWh

Our Total Energy Consumption

## Improved Revenue Generation

Our primary activity is to generate power and sell to the Nigerian Bulk Electricity Trading Plc (NBET) and the Port-Harcourt Electricity Distribution Company.

In 2019, the total revenue of N34.04 billion recorded shows an increase from 2018. Our total assets increased to N120.33 billion while our operating cost stood at N31.30 billion at the end of the reporting year. In terms of economic value distributed, we remitted a total of N43,469,718.94 as PAYE to the Rivers State Government which shows our revenue transparency and regulatory compliance. Total Withholding Tax remittance for the year was N55,750,119.70 while a sum of 2,709,046.83 was paid into the National Housing Fund.

This year, we have achieved profitable growth which strengthens our competitiveness, thus ensuring a future-proofed business for FIPL and maintain competitive profitability. Our profit for the year 2019 was N428,628,000.

**N34.04Billion**

Revenue in 2019

**N120.33Billion**

Total Assets in 2019

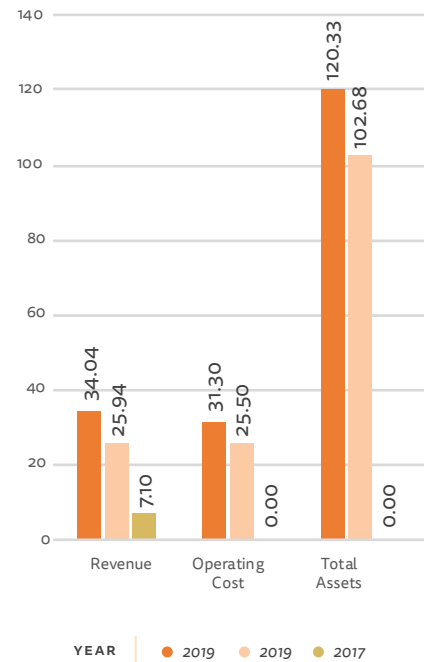
**N31.30Billion**

Operating cost in 2019

**N428.63Million**

Profit in 2019

Financial Performance (N billion)



In the year, we had revenue shortfall in energy sales from some communities. We are working well to close the gap in addressing this identified issue in subsequent years.

### List of Communities with revenue shortfall from sales in 2019

S/N	LOCAL GOVERNMENT AREA	COMMUNITY
1	Ogba/Ndoni/Egbema	Okposi
2		Aligu
3		Kreigene
4		Okasu
5		Obigwe
6		Osiakpu
7		Elieta
8		Ikiri
9		Egbada
10		Ohiga
11		Elehia
12	Ikwerre	Ubimini
13		Egbeda
14		Omudioga

## Improved Revenue Generation

All our plants are equipped with gas powered turbines supplied and maintained by General Electric (GE). For sustained operations, we have gas suppliers who provide us natural gas for the plants. Natural gas for the operation of the Afam and Trans Amadi turbines is supplied from Shell Petroleum Development Company (SPDC) while Omoku plant is supplied from Nigerian Agip Oil Company (NAOC) gas Processing Plant. We are committed to ensuring adequate supply of gas for the smooth running of the turbines, thus increasing our power generation output while meeting the needs of stakeholders across our value chain.



# Social Sustainability

## Occupational Health and Safety

**A**t FIPL, we are committed to the safety of our employees, contractors, third party, and visitors within our facilities. We prioritize the health, safety and welfare of our employees as they carry out the business activities and operations of the company. We promote safety culture through our health and safety initiatives. This includes training sessions, monthly HSE meetings, house-keeping, regular employee newsletters with health and safety tips, daily toolbox meetings and awareness.

In our commitment to a safe and healthy workplace and environment for our employees and third parties, we have a series of policies/ guidelines that defines our approach to health and safety. The policies include Health, Safety and Environmental

policy, No Smoking policy, Drug, Narcotics and Alcohol policy, Host Community policy, Seat Belt policy, Safe Driving policy, Security policy, Food Safety policy and Environmental Protection Policy. All our employees and business partners are expected to adhere by the policies and follow established safety protocols within our premises.

In terms of our Occupational Health and Safety Management Systems, all elements of our Occupational Health and Safety Management Systems are operational. However, we are developing our unified ISO 45001 OHSMS policy. In 2019, 92 full-time employees were trained on Occupational Health and Safety protocols. We recorded 390 hazard identifications, conducted 332 risk assessments and completed 25 incident investigation.



### 92

Full-time employees trained on Occupational Health & Safety protocols

### 390

Hazard identifications

### 332

Risk Assessments

### 25

Incident Investigations

### 0

Recorded Loss Time Injury (LTI)

This year, we recorded zero Loss Time Injury (LTI) and fatality across our plants. We however experienced a fire outbreak at Trans Amadi Guest House with zero loss time injury. The following mitigants are being enforced for action

Personnel are to switch off all electrical appliance when leaving their apartment/Office

Provision of electrical power surges for all AC's at all FIPL facilities

Extension cords should not be overloaded but quality extension cords should be used

All faulty electrical appliance(s) should be taken out of use

Scheduled routine maintenance for all AC's at all FIPL facilities

Installation of smoke detectors at all FIPL facilities



## Stakeholder Management

At FIPL, we acknowledge that our relationships within and outside the company plays a significant role in our business sustainability. Over the past years, we have developed our external stakeholder engagement program to reflect the importance of community and government support. Our approach to engaging stakeholders is through proactive communication and collaboration in prioritising the need of our host community and government stakeholders.

### Our key stakeholders

Our key stakeholders are grouped into three



#### Government

Federal and State Ministry of Power, Ministry of Chieftaincy & Community Affairs



#### Host Communities

Omoku, Trans Amadi and Afam



#### Value Chain

Nigerian Agip Oil Company (NAOC), Shell Petroleum Development Company (SPDC), Nigerian Bulk Electricity Trading (NBET) Plc and Transmission Company of Nigeria (TCN)

We have a cordial relationship with our host communities, and we recognize their place in FIPL's operations. In 2019, we executed some projects as our Corporate Social Responsibility. We continued with our social investment and impact in Omoku community and we employed five engineering graduates from our host communities.

S/N	PROJECT	IMPACT
1	Renovation of the UPE Model Primary School	In 2019, we delivered the renovated UPE Model Primary School to the Omoku community. The project was planned in 2017 to provide for a borehole, toilets and furniture for the school. The construction works were done in 2018 and upon completion, the project was handed over to the community to provide better learning environment and enhance education in the community.
2	Scholarship for 30 post-primary Children in the community	At FIPL, we believe in education as a key element towards national sustainable development. In 2019, we offered scholarship to 30 post-primary children from Obikom. This is the second year of the annual scholarship. The sponsorship covers fees for the year, books, uniforms, extra-curricular activities and lessons where needed.
3	Youth Empowerment/Skill Acquisition for 10 persons	We gave 10 youths skill acquisition scholarship in Desktop Publishing and Fashion Designing. This scheme lasted for 12 months and starter packs were given to the graduands at the end of the training year.
4	Youth Football Tournament at Obrikom, Omoku	We hosted a Youth Football Tournament as part of the End of Year activities in Obrikom.. Youths from the various communities within the town came together to compete for the grand title. FIPL sponsored the event and provided prizes for participants of the tournament.
5	Employment of 5 Graduate Engineers from Omoku, Afam and Trans Amadi	As part of our CSR activities, the Sahara Group recruited graduate engineers as part of the succession plan for the Power Group. We employed five engineering graduates from Omoku, Afam and Trans Amadi in 2019.



30

Scholarship awarded to post-primary school students



10

Youths awarded scholarship in Desktop Publishing & Fashion Designing



5

Graduate engineers employed from the local communities



The renovated UBE Model Primary School



Donated borehole to the community



Youth Football tournament hosted by FIPL as part of the End of Year activities in Obrikom



Some beneficiaries of the Youths skill acquisition scholarship programme in Desktop Publishing & Fashion Designing

## Employee Value Chain Creation and Satisfaction

Our commitment to our people is embedded in our core values: we are committed to their safety, ensure professionalism, uphold integrity and discipline, committed to them as stakeholders and ensure overall sustainability for all. We have established policies to guide our human resource activities and entrench our commitments within our operations, including creating a fair and equal-opportunity workplace.

At FIPL, our training and development philosophy is to continually provide training to our employees for the purpose of improving their performance and contribution to the Organization. We regard training as a value adding activity and an investment with an expected return.

We have a Human Resources Policy that guides our approach to Learning and Development. The key goals for our training and development programmes are to support the business strategy through tailored training and induction programmes, and progressively develop the knowledge, skills and competencies of all employees in order to meet overall corporate objectives. All our employees are provided with regular internal and external training for their professional development and performance improvement.

In 2019, we invested over N24 million in providing training on 21 courses for all our employees. **Some of the training programmes are; Winning Skills and Tools for Negotiation; Team Building & Team Leadership; Fundamentals of Commercial Risk Management; Plant Reliability, Improvement and Maintenance; Business Analytics, First Aid/ Fire Fighting (HSE); Abiosh- Project Safety Management; Effective Maintenance Planning & Management; Budgeting, Forecasting & Control; and Mastering Project Planning.**

In line with our learning and development philosophy, 92 (86%) of our total employees received regular performance and career development review in the year, an improvement from our performance in 2018.

In 2019, the strength of our workforce increased by 37.18% with 84.11% (90) male and 15.89% (17) female. 36 new hires joined our team across our locations in the year while 7 employees exited the Company.

All our full-time employees are provided with HMO, pension, group life insurance and employee compensation. As part of the benefits available for our employees, we have a structured parental leave system for

our male and female employees. All our employees are entitled to parental leaves based on local laws, regulations and practices. See below a breakdown of our records from 2017 to 2019.



Our commitment to our people is embedded in our core values: we are committed to their safety, ensure professionalism, uphold integrity and discipline, committed to them as stakeholders and ensure overall sustainability for all



### Employees Performance Review

	2019		2018		2017	
	♂	♀	♂	♀	♂	♀
Employees that received performance and career development review	75	17	51	10	44	6
Percentage of total employees	83%	100%	76%	91%	83%	75%

### Employees Parental Leave Utilisation

	2019		2018		2017	
	♂	♀	♂	♀	♂	♀
Employees taking parental leave	10	1	3	2	1	4
Return rate from parental leave	100%	100%	100%	100%	100%	100%



86%

Staff who received performance review



24 Million

Invested in training programmes for employees



100%

Staff provided with HMO, pension, group life insurance and compensation



107

Total employees

90  
Male

17  
Female

36

New hires in 2019



# Environmental Sustainability

## Regulatory Compliance

**A**t FIPL, we are not oblivious of the impact of our business on the environment, and the effect the changes in the environment have on the communities we operate in. As a responsible corporate citizen, the management of environmental performance is of high priority to us. We have identified our environmental risks and put in place plans to ensure compliance with regulatory requirements from the Federal Ministry of Environment (FMEnv), Department of Petroleum Resources (DPR) National Environmental Standards and Regulations Enforcement Agency (NESREA), Rivers State Ministry of Environment and Mineral Resources as well as other regulators.

In 2019, we engaged the services of Mataspec Consult Limited, an accredited consultant, to conduct our quarterly environmental compliance monitoring exercise. The exercise covered measurement of parameters including air quality and other meteorological characteristics. Recommendation from the compliance report are used in improving our environmental monitoring system and mitigation measures in terms of environmental protection within our operations.

### Emission

With the growing energy demand, there is urgent and proactive work to be done to reduce Greenhouse Gas (GHG) emission and create a sustainable and low-carbon environment for human existence. FIPL is committed to the 2015 Paris Agreement, the Sustainable Development Goals and other frameworks in protecting the environment. With the recommendation from the 2017 IPCC report, we are playing our role in keeping the global warming within 1.5°C above pre-industrial levels, hence reducing our emissions.

Emissions from direct consumption of natural gas to run our turbines are classified as Scope 1 emissions. Our Scope 2 emissions are from the energy we consume from the power we generate. Our consumption of electricity from the national grid was 772,980 kWh in 2019. Our Scope 2 emissions for the year is estimated as 319,241 kgCO<sub>2</sub>e. We also measured other emissions such as NO<sub>x</sub>, SO<sub>x</sub>, Volatile Organic Carbon and Particulate Matter (PM).

We also ensure regular measurement of our gaseous emission and noise level, through our quarterly environmental compliance monitoring.



Energy Imported from the Grid (KWh)

**772,980 kWh**



Scope 2 Emissions (KgCO<sub>2</sub>e)

**319,241kgCO<sub>2</sub>e**

### Our captured gaseous emission characteristics in 2019

	FMENV LIMITS	EIA 2010	AVERAGE FOR 2019
SOX (ppm)	0.10	<0.1	<0.1
NOX (ppm)	0.06	<0.1	<0.1
Carbon Monoxide, CO (ppm)	20.0	43.3	1.3
Particulate matter, (µg/m <sup>3</sup> )	250	23.0	14.6
Noise Level (dBA)	90	48.9	67.0

We remain committed to ensuring our environmental impact is minimized as we support in creating a sustainable future in line with global goals.





#### CASE STUDY:

### Welcome Our Graduate Engineers

**B**efore this time, the last Recruitment for Graduate Engineers was done in 2014. With the attrition of many engineers, it became imperative to repeat the exercise. Due to the peculiarity of our industry, the engineers would need to spend one year in training before being put on the field.

In 2018, the recruitment process started. We selected the applicants based on their course disciplines, basic understanding of engineering concepts and ability to work as team members. Out of the over 100 engineers that were short listed 19 were successful to work with FIPL. They concluded their training in NAPTIN (National Power Training Institute of Nigeria) and were formally welcomed to FIPL in November 2019.

They have since been exposed considerably to FIPL's work and training processes. Given FIPL's (relatively slim) staff number, they have been very hands on with the operations and maintenance of the turbines under the supervision of the senior engineers, proffering of ideas or solutions that would help FIPL get better.



# Ikeja Electric Plc

## LETTER FROM THE CEO

**F**ive years have passed since Ikeja Electric embarked on a formal sustainability journey. It is a concrete commitment that has implications for our values and on a social, environmental, and business level, we seek to generate long-term added value not only for our customers but for all the communities we operate.

Our business, by default, is serving a social need of society – electricity. We know that creating the most values is achieved by meeting a societal need in a meaningful way. This is evident in our business as we acknowledge that our actions are crucial to contributing to the development of a more sustainable and smarter community, stemming from an in-depth understanding of present risks and challenges, and the adoption of the most suitable tools to face them is necessary.

At Ikeja Electric (IE), we continued to factor our non-financial risks in our business in 2019, as well as monitoring the adequacy of our strategy to allow us further refine our activities, specifically aligning them with the local and global situation. The central challenges faced by all humanity include climate change, major natural disasters, extreme weather events, the loss of biodiversity, the environmental damage caused by humans, and risks associated with cybersecurity. IE sees these challenges as new opportunities for responsible development.

### Commitment to the local economy

Supporting the economy of West Africa has always been one of our priorities, so much so IE continued its initiatives in Personal and Corporate Social Responsibilities (PCSR) into the year 2019 and engaged in several activities creating added value locally to the tune of ₦13.9 million; including donations. Supporting the communities within network also entails limiting the environmental impact of our activities as much as possible, as Ikeja Electric is committed to an Environmental Health & Safety system that promotes a safe environment for all employees, customers, contractors, and other stakeholders within its network. As a responsible organization, we implemented innovative solutions through the “Mission Zero – Take Ownership” Strategy so that all staff take responsibility for their safety and that of the collective interest of Ikeja Electric in 2019.

In addition to our existing proactive measures to curb accidents, we introduced the Technical Safety Village Meeting which convenes all Technical Staff and Leadership Team company-wide and acts as a platform for sharing lessons learned from accidents and as a

forum for workers' consultation and participation on issues bordering on Occupational Health, Safety, and Environment.

We have continued to engage our internal and external stakeholders and create shared value for all. Through our work, we aim to contribute to the achievement of the United Nations' Sustainable Development Goals.



**Anthony Youdeowei**  
*Chief Executive Officer,  
Ikeja Electric*

# About Ikeja Electric

**A**s Nigeria's largest electricity distribution network, Ikeja Electric powers lives and businesses with innovation and unwavering drive for excellence, serving selected areas in Lagos and Ogun States. Its services include the supply of electricity from the national grid to consumers, billing, metering, maintenance of electricity distribution infrastructure, and all other related services within its franchise area.

Ikeja Electric serves over 1 million customers spread across six (6) business units in Abule-Egba, Akowonjo, Ikeja, Ikorodu, Oshodi, and Shomolu in Lagos State and some parts of Ogun State. Under these business units, we serve our customers through our chain of 48 undertaking offices. Our customers are divided into six classes – residential, commercial, industrial, special (government, religious institutions), and street light. Ikeja Electric provides services to customers in all sectors of the Nigerian economy within our service coverage area.



## Distribution of customers per tariff class from 2017 to 2019

BUSINESS UNIT	2017	2018	2019
Abule-Egba	136,115	145,309	153,380
Akowonjo	182,938	194,662	202,374
Ikeja	75,874	78,686	80,086
Ikorodu	193,136	212,786	223,762
Oshodi	198,378	211,189	218,309
Shomolu	130,068	133,680	138,011
<b>Total</b>	<b>916,509</b>	<b>976,312</b>	<b>1,015,922</b>

## Distribution of customers per tariff class from 2017 to 2019

CUSTOMER CLASS	2017	2018	2019
Residential	720,835	732,981	<b>760,305</b>
Commercial	179,283	222,310	<b>232,966</b>
Industrial	3,811	5,051	<b>5,422</b>
Special (Government and religious institutions)	12,427	15,791	<b>17,035</b>
Street light	153	179	<b>194</b>
<b>Total</b>	<b>916,509</b>	<b>976,312</b>	<b>1,015,922</b>



Running of administrative and management activities is from the headquarters at **Obafemi Awolowo Way, Alausa, Ikeja Lagos** while technical and commercial operations occur at the business units and undertakings. We serve customers within our distribution network through seventy-four (74) injection substations and over 17,000 distribution substations across our coverage area.





**1 Million**  
Customers served



**6**  
Business Units



**48**  
Undertaking Offices



**74**  
Injection Substations



**17,000**  
Distribution Substations

## Sustainability Strategy

At IE, sustainability for us is embedded in our culture and woven in the fabric of how we do business. Our sustainability efforts closely align with our business and are organized with strong governance. In our bid to create a sustainable future of power, we have defined our sustainability commitment under four key pillars;

### Our core sustainability focus areas



#### Our People

We provide healthy, safe and secure work environment

We treat people with fairness, respect and decency

We help employees to develop their potential



#### Our Conduct

We act with integrity, accountability and transparency

We comply with legal, regulatory and license requirements



#### Our Environment

We make a positive contribution to the protection of the environment

We go beyond compliance with local environmental regulations to meet internationally acceptable best practice



#### Our Society

We work to ensure that neighbouring communities benefit from our presence on an enduring basis

We support human rights within our areas of influence



# Stakeholder Engagement





Keja Electric believes that successful businesses are built on trust and long-term relationships with stakeholders. As a result, we heed the opinions of our key stakeholders when setting our strategies in economic, social, and environmental aspects. Accordingly, we consider these in defining our annual objectives as we endeavour to create our future in conjunction with our stakeholders. In 2019, we engaged our stakeholders through several media and events based on our Stakeholder Communication Plan. We have obtained the opinion and feedback of our stakeholders and employees through interviews, workshops, and questionnaires.

STAKEHOLDER GROUP	AREA OF INTEREST	FREQUENCY OF ENGAGEMENT	RESPONSES
Shareholders & Investors	<ul style="list-style-type: none"> <li>» Return-on-investment</li> <li>» Remittance obligations to the market</li> <li>» Adherence to regulatory rules</li> <li>» Meeting performance targets</li> </ul>	Quarterly through Board Meetings	We always strive to ensure sustainable business operations
Local communities & Advocacy Groups	<ul style="list-style-type: none"> <li>» Estimated Billing</li> <li>» Metering</li> <li>» Improved Power Supply</li> <li>» Failed transformers</li> <li>» Outstanding debts</li> <li>» Community development programmes</li> </ul>	Quarterly CDC meetings Weekly CDA meetings Ad-hoc meetings Community programmes	We regularly engage with all stakeholders in the power supply chain to address power supply, metering and estimated billing issues  Our customer-centric approach has improved Improved turnaround in the repair of network infrastructure like transformers, distribution cables, etc.  Debt recovery is done in line with international best practices
Government	<ul style="list-style-type: none"> <li>» Adherence to regulations</li> <li>» Provision of power infrastructure</li> <li>» Estimated Billing</li> <li>» Remittance obligations to the market</li> <li>» Meeting performance agreement targets</li> <li>» Safety standards</li> <li>» Metering</li> </ul>	Monthly meetings Ad-hoc and Scheduled audits Daily engagements	We ensure compliance with all regulatory standards
Security	<ul style="list-style-type: none"> <li>» Meetings</li> <li>» Enforcement</li> <li>» Energy theft</li> <li>» Vandalism</li> <li>» Assault of staff</li> </ul>	Daily	We hold continuous engagement with security and law enforcement agencies to provide support in the curbing the perpetration of criminal offences against the company.
Employees	<ul style="list-style-type: none"> <li>» Welfare &amp; decent labour practices</li> <li>» Health &amp; Safety</li> <li>» Career progressions</li> <li>» Participation in company activities</li> </ul>	Always	We ensure employees have great working conditions and safety based on good international industry standards.
Trade Unions	<ul style="list-style-type: none"> <li>» Workers welfare</li> </ul>	Periodic dialogues	In ensuring the concerns of trade unions are met, we ensure employees have great working conditions and safety based on good international industry standards
Customers	<ul style="list-style-type: none"> <li>» Estimated Billing</li> <li>» Metering</li> <li>» Improved Power Supply</li> <li>» Failed transformers and other facilities</li> <li>» Outstanding debts</li> <li>» End-user tariffs</li> </ul>	Always	We engage with all stakeholders in the power supply chain to address improved power supply, metering and estimated billing.  Our customer-centric approach has improved response time for the repair of assets like transformers, distribution cables, etc.



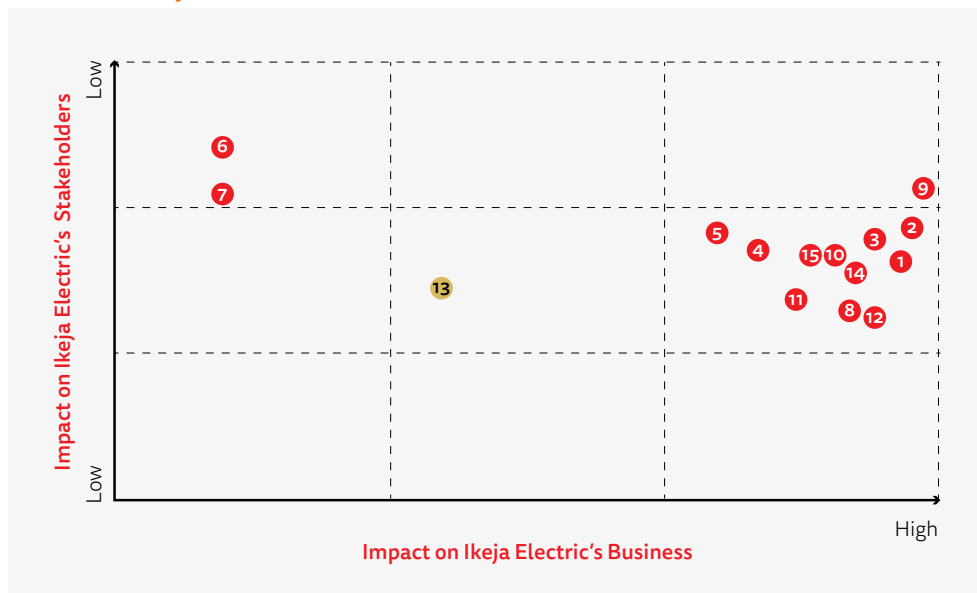
# 2019 Materiality Matrix

The sustainability priorities matrix provided hereunder illustrates the high priority issues with respect to both the stakeholders and IE.

S/N	SUSTAINABILITY PILLAR	MATERIAL TOPIC	MATERIALITY LEVEL	SDGs ALIGNMENT
1	Economic	Economic Performance	●	 
2		Improving Electricity Distribution	●	 
3		Digitization	●	
4		Responsible Procurement Practices	●	 
5		Innovation and Impact on Operations Efficiency	●	 
6		Technology to drive Efficiency	●	  
7		Government Policies	●	
8		Governance and Business Ethics	●	 
9	Social	Employee Health & Safety	●	 
10		Customer Relations	●	 
11		Community Engagement	●	    
12		Human Rights	●	 
13	Environment	Climate Change	●	
14		Regulatory Compliance	●	  
15		Environmental Protection	●	 

PRIORITY | ● HIGH ● MEDIUM ● LOW

## Materiality Matrix



# Our 2019 Performance

## Economic Pillar

### Economic Performance

Over time, Ikeja Electric has significantly improved its performance in providing best-in-class services to its customers and is constantly working on improving its services through automation, digital interventions, technological support and new business models, while growing its presence in the market. This has translated into improved economic performance in our business.

Revenue at Ikeja Electric represents the value of the sale of electricity and other related energy services supplied to customers during the year. Our revenue is dependent on energy received from the Transmission Company of Nigeria (TCN) through the Nigerian Bulk Electricity Trader (NBET). Our performance in 2019 indicated that our revenue increased from N89.2 billion in 2018 to N100 billion in 2019.



## N100 Billion

Revenue in 2019



## N60.5

Operating cost

THE MASSIVE REDUCTION IN OPERATING COST WAS A RESULT OF OUR COST OPTIMIZATION AND COST-CONTAINMENT INITIATIVES

## 48.6%

Reduction in operating cost

ECONOMIC PERFORMANCE	2017 (NAIRA)	2018 (NAIRA)	2019 (NAIRA)
Revenue	68.2 billion	89.2 billion	100.5 billion
Assets	176.1 billion	168.3 billion	154.5 billion
Operating Cost (Economic value distributed)	94.5 billion	117.9 billion	60.5 billion
Community investment	19.3 million	17.1 million	13.9 million
Value created for employees (salaries, wages and allowances)	7.7 billion	9.8 billion	12.4 billion

Our operating cost reduced in 2019 by 48.69%. We closed the year with operating cost of N60.5 billion compared to N117.9 billion in 2018. This is as a result of our cost optimization and other cost-containment strategic initiatives implemented in 2019. We improved in the use of budget monitoring, conducted cost-benefit analysis on new projects, performed data analysis to aid in strategic decision-making, among other actions. Our total assets declined in value from 168.3 billion in 2018 to 154.5 billion in 2019.



In our commitment to community development, IE invested over N13.9 million in several projects for creating shared values in our host communities.



## N154.5 Billion

Total assets value



## N13.9 Million

Community investment





## Improving Electricity Distribution

At Ikeja Electric, we are investing in a better transmission and distribution system to ensure an efficient distribution of electricity to meet customers' expectation for stable and safe electricity supply.



# 16

Installed substations with an installed capacity of 2375MVA

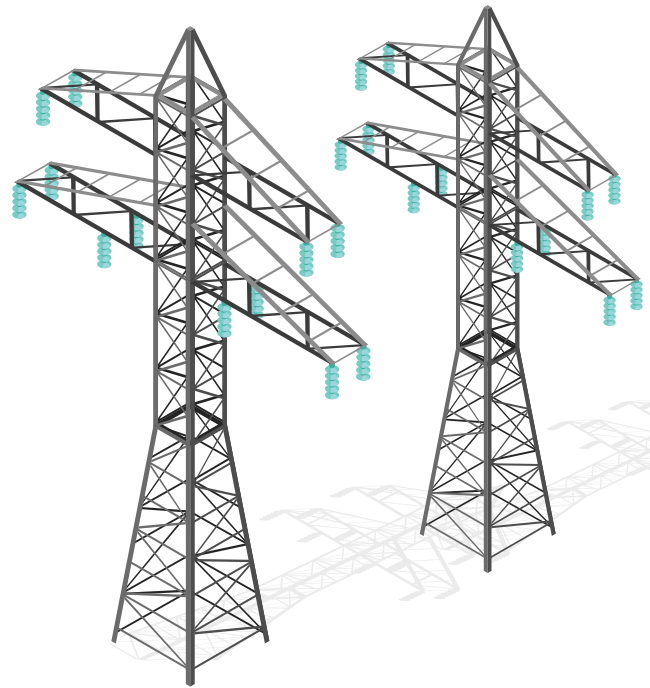
# 17000

Distribution substations with a capacity of over 6000MVA



# >10,000km

Our distribution route coverage



ROUTE LENGTH		INSTALLED TRANSFORMER CAPACITY	
33 kV Feeders	901.32 km	33/11kV	2092.565MVA
11 kV Feeders	2445.05 km	33/0.415kV	526.135MVA
0.415 kV Feeders	7233.23 km	11/0.415kV	3426.652MVA
	10.583.60 km		6045.352 MVA
<b>Total distribution substations</b>			
Transmission substations	16	33/11 kV	160
		33/0.415 kV	1257
		11/0.415 kV	15960
Installed transmission capacity	2375 MVA		17377

In 2019, we launched the willing buyer, willing seller initiative, the Bilateral Power Scheme, to provide up to 24 hours power supply to our customers and improved premium services in exchange for cost reflective tariffs. Customers who sign up to this scheme also have 24-hours customer service team and control centre support available to them. The Bilateral Power Scheme kicked-off in August 2019 with Magodo and has continued to grow to other parts of our network with residents of Ikeja GRA, and Onigbongbo benefiting from the initiative and several more estates scheduled to go live in 2020.



### Bilateral Power Scheme

UP TO

# 24/7

Power supply  
WITH IMPROVED PREMIUM  
SERVICE & BETTER COST  
REFLECTIVE TARIFFS



# 24/7

Prioritised  
Customer Service

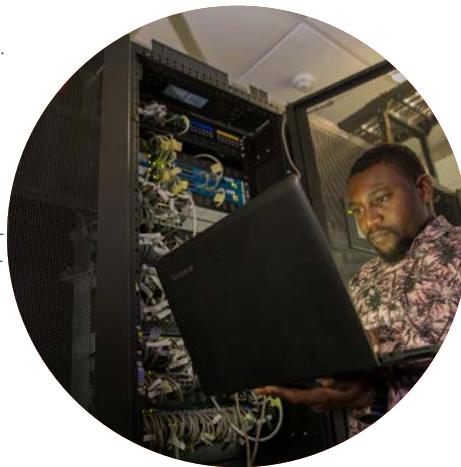


## Digitization

IE has made innovation and digitization key elements of its corporate strategy, to grow in a rapidly changing environment, ensuring high safety standards, business continuity and operational efficiency. In 2019, we introduced the E-Billing System that allows customers receive their bills via SMS and/ or e-mail notification. This has improved our service delivery to customers and improved our billing and revenue collection operations. We have also improved the portals on our website for our customers to reach out to us for seamless and contact-less services. This has led to fast service delivery and quicker responses to customer complaints and enquiries.

We also introduced the use of geo-coordinates to our customer mapping and data capturing project, which has led to accurate and real time data capturing, near zero error level and tracking of activities of the commercial team. In the same year, in line with the plan of the government through the electricity sector regulator, NERC, we automated our MAP (Meter Asset Provider) process so our customers can request for meters and track

the process through the platform. We also enhanced the Estimated Billing Methodology (EBM) for all unmetered customers, reducing the timeline for the processing of energy bills from about a week to less than 2 hours. This has improved the efficiency of our operations and service delivery.



### Our Digitization Efforts

#### E-billing system

allows customer notification by sms and / email



#### Improved Web Portal

led to faster service delivery and quicker responses to complaints and enquiries



#### Geo Coordinates Mapping

led to accurate and real time data capture and near zero tracking of the commercial team's efforts



#### Automated MAP

Improved the tracking of meter request and fulfilment

## Responsible Procurement Practices

Our procurement practices at Ikeja Electric is governed by our Supply Chain Management Policy approved by the Board. We have adopted a Supply Chain Management System (SCMS) for our procurement-related functions to ensure the acquisition of goods and services are at optimum prices, service delivery efficiencies and minimal waste. As a responsible company, we have articulated the procedures and processes to guide the implementation of our supply chain management system in the policy.

In evaluating our vendors and suppliers within our supply chain in 2019, we signed a service agreement with a third-party contractor, CPA Partners. We monitor the process and documentation through the third-party due diligence for transparency and accountability. In addition to submitting documents to assess their technical and financial capacity, competency and compliance practices, vendors are also required to provide evidence of their Corporate Social Responsibility (CSR) and Corporate Environmental and Governance Policy for screening. This is to assess them for social and environmental risks we have identified within our supply chain management.

In 2019, we upgraded our procurement process platform from using Legend Applica-

tion to Actura. This is in our bid to automate our operations and improve service delivery. Our supply chain team also worked with all departments in ensuring materials procured for are actually used for that purpose and not wasted.

Ikeja Electric reinforced its commitment to local content development and the adherence to the Regulations on National Content Development for the Power Sector 2014 by ensuring 99% of suppliers of good and services were local. This commitment was also recognized by the electricity sector regulator, NERC, in the appointment of our Governance and Compliance Manager, Ms. Abisola Oshinusi, to the NESI Nigerian Content Consultative Forum to serve as an advisor to the Commission on matters relating to availability of local capabilities and local content development in the Nigerian Electricity Supply Industry (NESI).



**99%**

Percentage of our suppliers that were local



**Ikeja Electric reinforced its commitment to local content development and the adherence to the Regulations on National Content Development for the Power Sector 2014**



# Social Pillar

## Our People

At Ikeja Electric, our people are pivotal to the success of our business. We encourage a diversified workforce with professionals from varied backgrounds and gender diversity, collaborating to achieve our vision. We continually develop our people and provide them with the requisite resources for their improved performance and wellbeing.

In 2019, our people are pivotal to the success of our business. We encourage a diversified workforce with professionals from varied backgrounds and gender diversity, collaborating to achieve our vision. We continually develop our people and provide them with the requisite resources for their improved performance and wellbeing.

In 2019, our, we had a total of 228 new employees including senior management personnel. The total number of employees increased from 3110 in 2018 to 3163 in 2019. Our recruitment process is done with fairness and equal opportunity, by ensuring we thoroughly screen all employment applications and ensure that 18 years of age is the minimum age for employment and no forced/child labour practices are involved. By the end of 2019, we had 2538 male and 625 female employees at Ikeja Electric. The proportion of our female employees increased to 19.76% in 2019, from 19.32% in 2018.

Our employees at Ikeja Electric are provided with several benefits for their socio-economic wellbeing. Some of them include health insurance, life insurance, accident insurance. We also have Employee Compensation Scheme, Long Service Awards for people that have stayed with us for a long time, end of service payout, company-assisted vehicle lease, allowance for employees above manager level, and professional membership subscription for professional associations. In 2019, we provided 10% employer pension contribution in line with regulatory requirement.

Both male and female employees of Ikeja Electric are entitled to parental leave. In 2019, 52 female and 94 male employees went on parental leave. We recorded 51 (98%) return to work for our female employees while all male employees (100%) returned to work in the year.

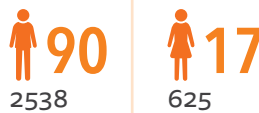
We have a Diversity and Inclusion Policy that guides our commitment to diversity from the Board to the staff across all cadres within the company. The development of our employees is paramount to us at Ikeja Electric. In 2019, a total of 44,752 hours was spent by our employees in training, giving an average of 14.2 training hours per employee in the year, which is an improvement from 12.82 in 2018. Our staff were equipped with soft skills and technical skills through internal and external training in the year.

All employees at Ikeja Electric received monthly performance reviews and regular career development reviews in 2019. Our Learning and Development team provides guidance on the responsibilities of the Company to the training and development of the workforce, and outlines the responsibilities of management and employees, training delivery process and other procedures.



### 3163

Total employees



2538

625

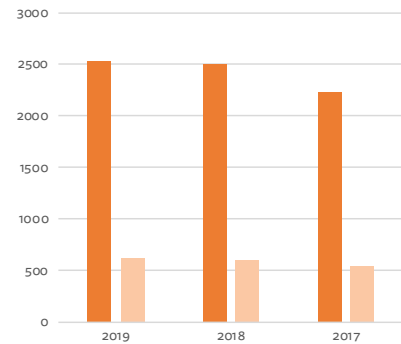
### 228

New hires in 2019

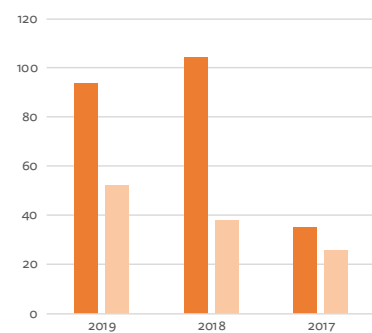
### 10%

Our employees pension contribution

Total number of employees



Parental leave records



### 44,752

Hours spent in training by IE Staff

### 14.2

Average training hours per employee



We encourage a diversified workforce with professionals from varied backgrounds and gender diversity

THIS CAN BE SEEN IN THE PERCENTAGE INCREASE IN OUR FEMALE EMPLOYEES

## Employee Health and Safety

**A**t Ikeja Electric, we work actively to create a working environment that is enjoyable, rewarding and open, where adverse risks are under control and all work activities are within safe conditions. Our operations are subject to several laws and regulations, and most of the crucial ones pertain to health and safety. We undergo regular audits and monitoring exercises as required by applicable regulatory authorities to ensure that our current systems and operations are compliant and are improved where necessary. We have implemented an Integrated Management System that

incorporates the requirements of Quality Management Systems ISO 9001:2015, Occupational Health and Safety Management Systems ISO 45001:2018 and Environmental Management Systems ISO 14001:2015 international standards, duly certified by IQNet Partners. IE's Integrated Management System Manual defines matters relating to the quality of processes, the environmental impact of our activities, occupational health and safety of all personnel and details the responsibilities of those accountable for implementing and monitoring its continual improvement.

In 2019, we implemented the 'Mission Zero - Take Ownership' Strategy, having adopted the "Target Zero-Go Home Safely" strategy in 2018. Achieving the "ZEROS" covers four (4) elements:

### Mission Zero

Zero injuries to our people, contractors, visitors and customers;

Zero tolerance to unsafe behaviour and acts

Zero compromise on safety

Zero impact on our families and communities to ensure all staff take responsibility for their personal safety and the collective interest of Ikeja Electric



In achieving these targets, we implemented several safety initiatives at Ikeja Electric in 2019 - We held monthly Technical Safety Village meetings, improved our safe equipment and awareness approach, and started our CARE (Compliance Awareness Responsibility Enforcement) Initiative.

As part of our drive for Quality Health Safety and Environment (QHSE) excellence with the aid of technology, the **I-Safe Mobile App** was immensely utilized for **Hazard Spotting and Reporting (HSR)** and was designed to serve as a key performance metric for responsible parties through resolution of reported hazards by customers and staff. This resulted in a commendable 84.6% resolution index of reported network anomalies and a total of 1,973 resolved unsafe network conditions identified by our field technical team and Nigerian Electricity Management Services Agency (NEMSA).

In 2019, we recorded 15 incidents, including injuries, across our business units and field operations. We also deployed various mitigation measures to avoid the reoccurrence of these incidents.



15

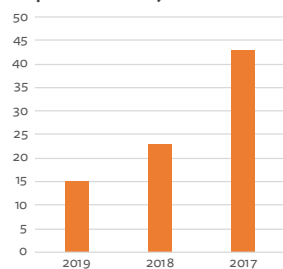
Incidents recorded in 2019, including injuries



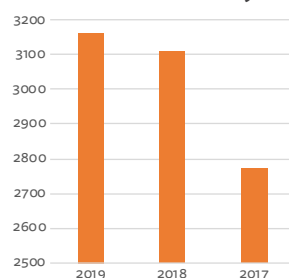
84.6%

Resolution of reported network anomalies

Incidence investigations reported at Ikeja Electric



Employees trained in Occupational Health and Safety





## Community Engagement

Community engagement is pivotal to the service we provide to our customers. Community engagements serve as a mode of interaction with our host communities to find ways in which we can enhance the standard of living of the people around us. Each business unit is mandated to meet the representatives of the local communities within their network and identify key areas of need within those communities and provide support towards combating the issues identified.

In 2019, we held monthly Community Development Committee (CDC) meetings and weekly Community Development Association (CDA) engagements as part of our communication campaign programmes. The monthly CDC programmes are held at local government levels across our business units and scheduled by the CDCs. We also held biannual meetings with the Association of Welders, youth leaders in the communities, quarterly meetings with Licenced Electrical Contractors Association (LECAN). Other engagement media adopted in the year were daily WhatsApp communications, press releases, social media posts and interactions, radio shows and townhall meetings.

We seek to promote good health in the communities we operate, investing in the education and capacity-building of young people to improve the skills and employability of young people, including people living with disabilities, and we strategically align our programmes with the United Nations' Sustainable Development Goals.

S/N	STAKEHOLDERS GROUP	FREQUENCY OF MEETING	VENUE	MEDIUM
1	Association of Welders	Biannual	Different locations	Direct engagement
	LECAN	Quarterly Per BU	Different locations	Direct engagement
	Monarchs	Quarterly Per BU	Oba's palace	Direct engagement
2	CDC	Monthly meeting	Local Governments	Direct engagement
3	CDA	Weekly engagement	Local communities	Direct engagement during meeting
4	Customers' complaints/SMS	Daily/Weekly	Follow up through the appropriate quarters	Direct calls, SMS
5	Press Releases/IE News Update	Bimonthly per Business Unit	On events, Interview and other activities	IE activities/Events
6	Customer Forum	Biannual	Business Unit	Direct engagement
7	Townhall meetings	Biannual (May/ October)	Excellence Hotel	Customers
8	Central CDC Meeting	Biannual (March/ Sept.)	Location to be determined	Meeting
9	Association of Youth leaders	Biannual		Direct engagement
10	WhatsApp Group for All Associations	Daily	Online	WhatsApp
11	Payment Agent	Biannual per Business Unit	Business Unit	Direct engagement
12	Security Agencies- NAF, ARMY	Biannual per Business Unit	NAF base / Ikeja Cantonment	Direct engagement



# Personal and Corporate Social Responsibility (PCSR) 2019 (The 10 Fingers Reach)

## Ikeja Electric embarked on the following PCSR initiatives in 2019

- 1 Ikeja Electric celebrated Valentine's day with kids at National Orthopaedic Hospital, Igbobi

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- 2 Ikeja Electric partnered with Slot Foundation to train 40 youths

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- 3 Ikeja Electric donated free mosquito nets to women, children to commemorate World Malaria Day 2019

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- 4 The IE Giveback Team mentored youths on the Young Engineers Program (YEP)

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- 5 Children's Day Visit to orphanages

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- 6 Back-to-School Campaign at Anglican Primary School Ijede and Community Primary School Olambe

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- 7 Global Hand Washing Day

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- 8 International Charity Day

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- 9 Market Clean-Up Exercise at Alhaja Abibatu Mogaji Market in Ogba, and Savage Market in Fagba

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- 10 Season to Share annual end of year campaign



Back-to-School Campaign at Anglican Primary School Ijede and Community Primary School Olambe



Valentine's day with kids at National Orthopaedic Hospital, Igbobi

The IE Giveback Team mentored youths on the Young Engineers Program (YEP)





Free mosquito nets to women and children to commemorate World Malaria Day 2019



Market Clean-Up Exercise at Alhaja Abibatu Mogaji Market in Ogba, and Savage Market in Fagba



Global Hand Washing Day

# Environmental Pillar

## Regulatory Compliance

Our business is built on a strong legal and regulatory foundation and we strive to ensure strict compliance with the relevant laws and regulations governing the sector in which we operate. We have put in place best practices and policies that meet the letter and the spirit of these laws and regulations in locations where we do business where we aim to improve our environmental, economic and social impacts. Our regulatory stakeholders include the National Environmental Standards and Regulations Enforcement Agency (NESREA), Federal Ministry of Housing and Urban Development and the Nigerian Electricity Management Services Agency (NEMSA),

Federal Ministry of Finance (FMF), Bureau of Public Enterprises (BPE), Federal Ministry of Works Power & Housing (FMWPH), Federal Inland Revenue Service (FIRS), Lagos Inland Revenue Service (LIRS), Nigerian Electricity Regulatory Commission (NERC) and the Financial Reporting Council of Nigerian (FRCN).

The last environmental audit performed across all our injection substations was done in 2017. As stated in Section 3b, Part 1, of the National Environmental (Energy Sector) Regulations, 2014 (a subset of NESREA Act, 2007), the audit is valid for 3 years and due for another audit in 2020.

## Environmental Protection

Minimizing our environmental impacts and complying with applicable environmental laws, regulations and policies is of crucial importance to our culture and is reflected in the development and application of best practices and innovative technologies throughout our operations.

The last environmental audit performed across all our injection substations was done in 2017. As stated in Section 3b, Part 1, of the National Environmental (Energy Sector) Regulations, 2014 (a subset of NESREA Act, 2007), the audit is valid for 3 years and due for another audit in 2020.

In reducing our environmental footprints, we deployed several awareness programs and materials to staff on sustainable energy usage within our offices. We transitioned to the use of energy saving bulbs, laptops and other office appliances to reduce our energy consumption, and also use environmentally-friendly refrigerators in our offices.

In 2019, we commenced our E-billing operations and transitioned to an automated billing system across our business operations for unmetered customers. This has drastically reduced our paper usage thereby saving trees for the protection of the environment. For our generated waste, we provided colour-coded waste bins for segregation of waste and preference for energy star labelled/standard ICT gadgets to reduce our e-waste generation. We also conduct lifecycle management for our electronic waste, and categorize our wastes into paper waste, sewage, plastics, cans and metal cuts, food waste, construction waste, electronic waste and general waste, which are disposed through Lagos State Waste Management Authority (LASWMA), LASWMB or through auctions.



## Emergency preparedness

The Management of Ikeja Electric is committed to environmental protection, the safety and wellbeing of its staff, customers and stakeholders (including visitors, regulators and the community). Upholding this commitment requires planning and practice with respect to emergency in our facilities and the management of Ikeja Electric has developed and approved the Emergency Preparedness and Response Procedures. The process document defines the roles and responsibilities of every stakeholder in Ikeja Electric in times of emergencies or crisis.

In 2019, there was an emergency incident which occurred on May 1st, 2019 where an 11kV feeder in Akesan snapped and fell on a forklift which was directly under the powerlines. This led to a fire which burnt some parts of the forklift. To avoid subsequent occurrence, we intensified our public safety sensitization on dangers of trading or carrying out any activity under powerlines.

Ikeja Electric has a Disaster Recovery Plan that has identified all likely disaster events that can affect our business continuity. The plan has a strategy for action and oversight responsibility from the management to the employees for the administration of the plan. The plan covers all Business Units with backup offices put in place in the event of a disaster that affects physical business continuity.





#### CASE STUDY:

## Setting the Pace through Bilateral Power

In August 2019, we launched the “willing buyer, willing seller” initiative, the Bilateral Power Scheme to provide our customers with a minimum of 20 hours steady power supply daily, with a dedicated customer service help desk and technical resolution team

Piloted at Magodo Phase II, customers are assured a minimum of 20 hours uninterrupted power supply at cost-reflective tariffs. Before the end of 2019, we enrolled some other residential areas such as Ogudu GRA, Ikeja GRA and Abule Onigbagbo; with dozens more scheduled to be connected in 2020.

This special scheme comes with unique metering and meter maintenance services. Should there be any fault with a customer’s meter, there is an assured instant replacement of the meter. The Bilateral Power Agreement also comes with dedicated 24/7 payment channels for ease of transactions and communication on pre-planned maintenance activities



# Centrum Properties Limited

## LETTER FROM THE CEO

**W**e are pleased to present to you the 2019 Sustainability Report for Centrum Properties Limited (CPL). Over the last few years, like many Companies, we have dealt with a lot of changes within our industry. These changes have made us more efficient as well as improved our operational dynamics. However, one thing that has stayed constant for us throughout is our determination to do our business in a sustainable manner and to support our customers in their quest for lasting success.

At CPL, we aspire to generate long-term yields for our shareholders through responsible property development that brings clear benefits for local communities and tenants. To achieve this goal, we identify and invest in properties with significant upside potential. Our philosophy is rooted in the understanding that firmly embedding environmental, social, and governance (ESG) criteria in our structures and business approach is fundamental to our success.

Our emphasis is to continue to strive to lead in providing sustainable infrastructure by continuously innovate in building sustainable structures and delivering a wide range of environmental, social & community-based sustainability programs that contributes not only to improving our financial performance but also towards tracking global impact.

We are now pleased to present to you our 2019 sustainability report. This report communicates measures we have implemented and our performance in 2019 as an entity and with the Sahara Group.

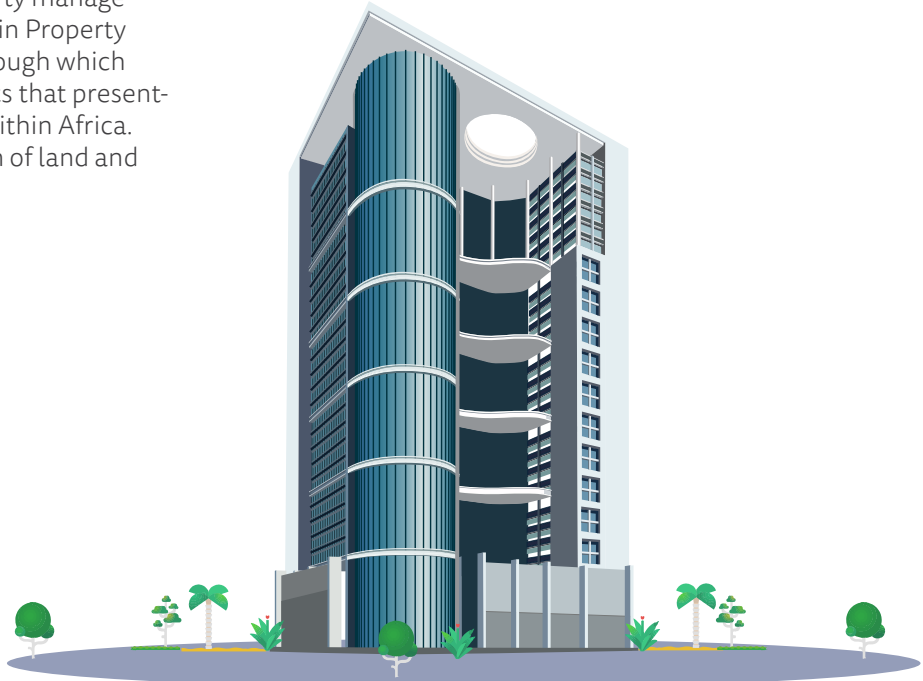
**Adebayo Adeniran**  
*Chief Executive Officer,  
Centrum Properties Limited*



At CPL, We aspire to generate long-term yields for our shareholders through responsible property development that brings clear benefits for local communities and tenants. To achieve this goal, we identify and invest in properties with significant upside potential

# About Centrum Properties Limited

Centrum Properties Limited (CPL) is a fully integrated Africa leading facility management company. It was formed out of Casablanca Ventures Limited (CVL), a property management company; that specializes in Property & Integrated Facilities Management, through which Sahara Group has investments in projects that presently address the infrastructural shortage within Africa. CPL, mainly, is involved in the acquisition of land and equipment and lease of properties.



**HEAD OFFICE**

7A, Oluwa Street, Ikoyi, Lagos State

**BUSINESS OFFICES**

7A, Oluwa Street, Ikoyi, Lagos State ●●

**Abuja:** Capital Centrum, 45, Aguiyi Ironsi Street, Maitama ●●●

**Lagos:** Port Centrum, Block 5, Ijora GRA, Ijora Causeway ●●

**Lagos:** L'Air Centrum, Murtala Mohammed Airport ●●


**Abuja:** A'Air Centrum; Nnamdi Azikiwe Airport ●

**Abuja:** Peggy's Pointe Apartments, Maitama ●


**Lagos:** Marcell's Meadows, Ikoyi ●

**Lagos:** Olubukola Court, Ikoyi ●


**Our property portfolio**



**Office Buildings**



**Residential Spaces**



**Parks & Estates**

ACROSS LAGOS, ABUJA, PORT HARCOURT, AND ABIDJAN – IN AFRICA

**DESIGNATION**

- FACILITY MANAGEMENT
- PRINT MANAGEMENT
- FLEET MANAGEMENT

With over N3 trillion asset value, we have a diverse portfolio, consisting of properties ranging from office buildings, residential spaces, parks and estates across major metropolitan areas – Lagos, Abuja, Port Harcourt, and Abidjan – in Africa. We offer fully serviced and prime real estate to commercial and residential customers and support these customers using a seamless integration of people, property, process, and technology. Our facility management functions also cover building maintenance, lease reviews and renewals, tenant management and operation maintenance of facilities.



**N3 Trillion**  
Asset Value



# Sustainability at Centrum Properties

As an infrastructure leader and a purpose driven business, Centrum Property Limited has adopted a triangular model of achieving sustainability. Our sustainability pillars are Employee welfare, Health and safety, and Regulatory compliance.

These have helped us to prioritise our work to improve infrastructural developments under our management, to add value to our assets and those of our clients, and to improve the longevity of their performance.

Our Work Health and Safety (WHS) Management System covers all our employees, tenant customers and suppliers' premises. The WHS management system include policies, procedures and relevant trainings. Compliance with regulations is key for business sustainability



Employee  
Welfare



Healthy  
& Safety



Regulatory  
Compliance

We constantly engage with our stakeholders in ensuring business sustainability. This also include our regulators as we identify and comply with new laws, policies or regulations applicable to our business.



In our corporate decisions and processes, we take economic, environmental and social requirements into account and, where possible, forego the opportunities for short-term gains in favour of the continuous optimisation of our business practices



## Stakeholder Engagement

We define stakeholders as those individuals, groups or organizations who can affect or be affected by CPL's business activities. Our stakeholders Engagement are carried out in line with our organizational policies and Group Charter. We ensure transparency and ethical conduct in our consultation and communication with our stakeholders. Our identified stakeholders are our tenants, clients, business partners (vendors and suppliers), employees, investors as well as government agencies, local communities, the public, regulators, and our Shareholders. Outcome of our engagement with them feeds into our decision making and strategy for business continuity across our locations.

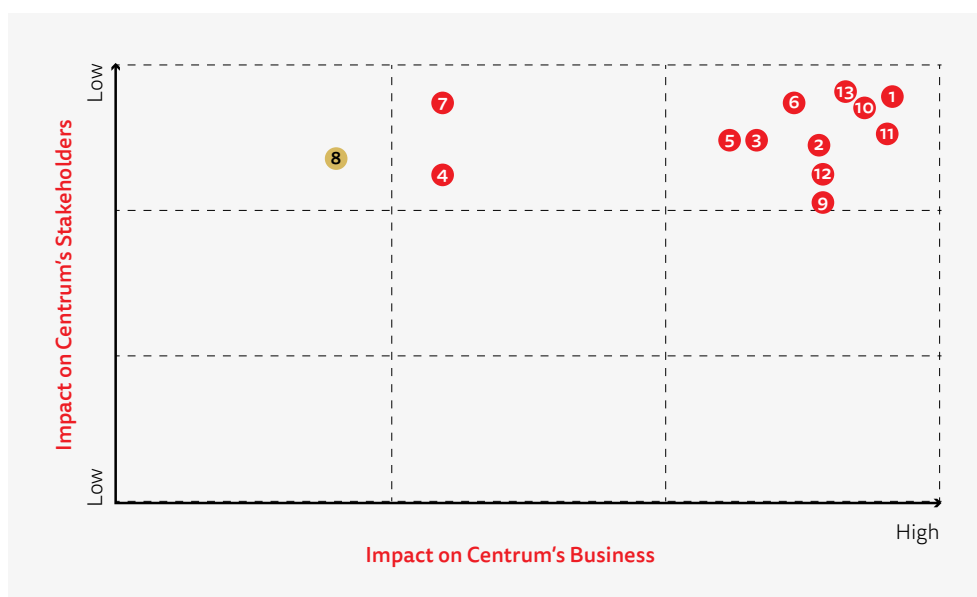
# Materiality

Centrum Property Limited uses the aspect of materiality to identify its most effective orientation regarding sustainability activities, strategy, and communication. We conducted a comprehensive materiality analysis in 2019 in order to gain a more detailed picture of how our stakeholders and internal stakeholders assess various topics. In the assessment, relevant topics were examined for their materiality in terms of both stakeholder decision-making and their economic, environmental, and social impacts.

S/N	CPL SUSTAINABILITY PILLARS	MATERIAL ISSUES	SIGNIFICANT TO CPL	SIGNIFICANT TO STAKEHOLDERS
1	Economic	Regulatory Compliance	●	●
2		Economic Performance	●	●
3		Indirect Economic Impact of the Operation on the Local Community	●	●
4		Land Use Charge & the Community Charges	●	●
5		Supply Chain Management	●	●
6	Environmental	Energy Consumption & Emission	●	●
7		Water Efficiency & Consumption	●	●
8		Emission Reduction	●	●
9	Social	Contribution of the Operation to the Economic Development of Local Community	●	●
10		Human & Labour Right	●	●
11		Health & Safety	●	●
12		Emergency Response	●	●
13		Business Ethics	●	●

● HIGH ● MEDIUM PRIORITY ● LOW

## Our Materiality Matrix





# Sustainable Infrastructure

## Economic Impact

### Economic Performance

**A**t CPL, we ensure our properties provide our investors with capital appreciation and shared value for their investment. Our revenue is primarily from our facility management, print management and fleet management businesses. Our strategy is to invest where we can leverage returns from additional management revenues and create value.

Our investment strategy demonstrates our commitment to the economic prosperity of our community. We carefully examine the impact of our development strategy and seek to create resilient and inclusive communities that will generate value over the long-term.



**we carefully examine the impact of our development strategy and seek to create resilient and inclusive communities that will generate value over the long-term.**

### Supply Chain Management

CPL is committed to good business ethics and the protection of human rights across its supply chain. Our supply chain consists of small, medium and large-scale suppliers who we partner with to help deliver our property development and property and facility management activities. Our Code of Conduct at CPL is also applicable to our suppliers. Furthermore, to mitigate the bribery risk of our suppliers, we conduct a supplier due diligence. Our Code of Conduct requires the respective CPL manager responsible for the engagement to ensure proper due diligence is conducted, including the requirement to report any work which is subcontracted by a supplier.



# Social Responsibility

**A**t CPL we believe that when our communities thrive, we all thrive. We are committed to our role as a contributing partner across Africa. By focusing on the communities in which we operate, we give back to those who need it most by targeting those projects with the biggest potential impact. We acknowledge our people as our strength. We respect the power of the individual to make a difference, and the collective power of our team in driving sustainable, competitive advantage. We invest in the career development and knowledge of our people. We encourage diversity, recognise and reward performance and support our people in achieving their career and community development related goals.

## Health and Safety

A safe and healthy living and working environment is essential to the management of CPL. We strive for continuous improvement in this area, for the well-being of all stakeholders (employees, visitors, clientele, contractors, subcontractors, etc.). CPL staff constitute the company's foundations and their physical and mental health are extremely important. Everyone, irrespective of their position, is thereby expected to help recognise and prevent health and safety risks.

Furthermore, all our staff (including temporary employees) are included in our health plans with Health Management Organisations (HMOs) which is also extended to their immediate families at the Company's expense.

## Contribution of the Operation to the Economic Development of Local Community

CPL supports economic development in the areas where we operate by creating jobs, investing in civic improvements and working with local service providers as well as provide local infrastructure investments tailored to address community-specific needs to show our support and commitment to communities. We identify opportunities to improve local economic development through partnerships with local chambers, economic development groups and public officials. Centrum has a long-standing practice of assessing local talent first for all available job positions. Our efforts to hire locally include career fairs, employee referral programs and hiring bonuses in remote areas. We also support technical schools, colleges and universities through partnerships and scholarships to develop a pool of future candidates.



**100%**

Staff provided with HMO, which is also extended to their immediate family

# Environmental Sustainability

At CPL, we take a holistic approach to environmental sustainability. We actively measure and manage both opportunities and risks to our business associated with environmental issues and trends. By aligning our business practices with the principles of sustainable growth, responsible project development, and high-performance operations, we demonstrate our commitment to the long-term sustainability of our portfolio and our region.



## Environmental Sustainability

**C**PL fully recognizes the decisive role decreasing energy consumption and reducing greenhouse gas emissions will play in safeguarding a sustainable future for our planet and our society. As a company, CPL is committed to doing its part toward achieving reduction targets and taking the energy transition forward as lower energy consumption translates not only to benefit for the environment, but also to reductions in operating costs and service charges. CPL's ability to gradually dampen these costs heightens the attractiveness of the assets in its portfolio, not only for its tenants but from many stakeholder perspectives.

In Centrum Properties Ltd, we import electricity for consumption from the Grid. Therefore, we have reported our energy consumed as energy imported from the Grid while diesel served as the supplementary energy source.





To Be The Provider Of  
Wherever Energy Is

“  
INTER  
COM





# GRI Index



## GRI Economic, Environmental and Social Indicators

This report has been prepared in accordance with the Global Reporting Initiative Standards having satisfied the following criteria

1. Including the statement 'in accordance with' in the report.

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2. Aligning with report content and quality as defined by GRI. In defining the report content, internal and external stakeholders were involved in the identification of material areas where impacts occur and the potential threats to the operations of entities within the Sahara Group. We have also clearly specified the reporting period, boundaries and show completeness. For report quality, although this report has not been externally assured, the accuracy and reliability of this report is not in doubt as all the facts and figures disclosed are subject to audit by our stakeholders. Also, positive and negative (gaps) aspects of each disclosure was reported to ensure balance. Additionally, data in the report has been compared with previous years, and this should enable stakeholders assess change in performance to ensure comparability and timeliness. The report has attempted to present the activities of entities within the Sahara Group in the wider context of sustainability whilst covering material topics that specifically describe impact on the economy, environment and society to ensure clarity.

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3. We have used GRI 103: Management Approach to report the management approach and the topic Boundary for all material topics and provided omissions as well as reasons if any.

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4. We have used the topic specific GRI Standards (series 200, 300, 400) to report on material topics providing response to core disclosures and indicating reasons for omissions or non-applicability.

## GRI 102: General Disclosures

### - AEL, Asharami Synergy, Sahara Trading Companies, CPL, Egbin Power, FIPL and Ikeja Electric

DISCLOSURE NUMBER	DISCLOSURE DESCRIPTION	ASHARAMI ENERGY		ASHARAMI SYNERGY		TRADING COMPANIES		CENTRUM PROPERTIES		EGBIN POWER		FIPL		IKEJA ELECTRIC	
		Disclosure location (Section)	Page	Disclosure location (Section)	Page	Disclosure location (Section)	Page	Disclosure location (Section)	Page	Disclosure location (Section)	Page	Disclosure location (Section)	Page	Disclosure location (Section)	Page
<b>ORGANISATIONAL PROFILE</b>															
102-1	Name of the Organization	About AEL	28	About ASP	38	About the TC	48	About CPL	86	About Egbin Power	54	About FIPL	65	About Ikeja Electric	75
102-2	Activities, brands, products, and services	About AEL	28	About ASP	38	About the TC	48	About CPL	86	About Egbin Power	54	About FIPL	65	About Ikeja Electric	75
102-3	Location of headquarters	About AEL	28	About ASP	38	About the TC	48	About CPL	86	About Egbin Power	54	About FIPL	65	About Ikeja Electric	75
102-4	Location of operations	About AEL	28	About ASP	38	About the TC	48	About CPL	86	About Egbin Power	54	About FIPL	65	About Ikeja Electric	75
102-5	Ownership and legal form	About AEL	28	About ASP	38	About the TC	48	About CPL	86	About Egbin Power	54	About FIPL	65	About Ikeja Electric	75
102-6	Markets served	About AEL	28	About ASP	38	About the TC	48	About CPL	86	About Egbin Power	54	About FIPL	65	About Ikeja Electric	75
102-7	Scale of the organization	Business Economic Performance and Value Creation	32	Finance	42	About the TC	48	Economic Performance	88	Finance	57	Improved Revenue Generation	68	Economic Performance	78
102-8	Information on employees and other workers	About AEL	28	About ASP	38	Our People	51	Information not provided	N/A	Human Resources	58	Employee Value Chain Creation and Satisfaction	70	Our People	79
102-9	Supply chain	Supply Chain Efficiency	32	Supply Chain Efficiency	None	Supply Chain Management	51	Supply Chain Management	88	Supply Chain Management	57	GRI Index	N/A	Responsible Procurement Practices	79
102-10	Significant changes to the organization and its supply chain	Supply Chain Efficiency	32	Supply Chain Efficiency	42	Supply Chain Management	51	Supply chain Management	88	Supply chain Management	57	GRI Index	N/A	Responsible Procurement Practices	79
102-11	Precautionary Principle or approach	Risk Management	29	Managing Sustainability Risks & Opportunities	21	Managing Sustainability Risks & Opportunities	21	Managing Sustainability Risks & Opportunities	21	Managing Sustainability Risks & Opportunities	21	Managing Sustainability Risks & Opportunities	21	Managing Sustainability Risks & Opportunities	21
102-12	External initiatives	Community engagement	33	Handled by the Sahara Foundation	N/A	Information not provided	N/A	Information not provided	N/A	Community Relations	61	Stakeholder Management	69	Stakeholder Engagement	76
102-13	Membership of associations	Stakeholder Engagement	29	Depot and Petroleum Marketing Association of Nigeria (DAPMAN)	N/A	Information not provided	N/A	Information not provided	N/A	1. Association of Power Generation Companies 2. Operators of Electricity Industry 3. Council for the Regulation of Engineering in Nigeria	N/A	Information not provided	N/A	Stakeholder Engagement	76







## GRI 200 Series: Economic Disclosures

### - AEL, Asharami Synergy, Sahara Trading Companies, CPL, Egbin Power, FIPL and Ikeja Electric

DISCLOSURE NUMBER	DISCLOSURE DESCRIPTION	ASHARAMI ENERGY		ASHARAMI SYNERGY		TRADING COMPANIES		CENTRUM PROPERTIES		EGBIN POWER		FIPL		IKEJA ELECTRIC	
		Disclosure location (Section)	Page	Disclosure location (Section)	Page	Disclosure location (Section)	Page	Disclosure location (Section)	Page	Disclosure location (Section)	Page	Disclosure location (Section)	Page	Disclosure location (Section)	Page
<b>GRI 201: ECONOMIC PERFORMANCE</b>															
201-1	Direct economic value generated and distributed	Business Economic Performance and Value Creation	32	Finance	41	Economic Performance	50	Economic Performance	88	Finance	57	Improved Revenue Generation	68	Economic Performance	77
201-2	Financial implications and other risks and opportunities due to climate change	This has been identified as a gap	N/A	This has been identified as a gap	N/A	This has been identified as a gap	N/A	This has been identified as a gap	N/A	This has been identified as a gap	N/A	This has been identified as a gap	N/A	This has been identified as a gap	N/A
201-3	Defined benefit plan obligations and other retirement plans	Employee Engagement	34	No information provided	N/A	Our People	51	Not disclosed	N/A	Human Resources	58	Employee Value Chain Creation and Satisfaction	70	Our People	79
201-4	Financial assistance received from government	Business Economic Performance and Value Creation	32	Finance	41	Economic Performance	50	Economic Performance	88	Finance	57	Improved Revenue Generation	68	Economic Performance	77
<b>GRI 202: MARKET PRESENCE</b>															
202-1	Ratios of standard entry level wage by gender compared to local minimum wage	Not Disclosed	N/A	Not Disclosed	N/A	Not Disclosed	N/A	Not Disclosed	N/A	Not Disclosed	N/A	Not Disclosed	N/A	Not Disclosed	N/A
202-2	Proportion of senior management hired from the local community	1 (10%) of senior management from local community	N/A	Not Disclosed	N/A	Not Disclosed	N/A	Not Disclosed	N/A	None in employment	N/A	None in employment	N/A	14 (13%) of senior management from local community	N/A
<b>GRI 203: INDIRECT ECONOMIC IMPACTS</b>															
203-1	Infrastructure investments and services supported	Community Engagement	33	Green Life Initiative	22	Not Disclosed	N/A	Not Disclosed	N/A	Community Relations	61	Stakeholder Management	69	Community Engagement	81
203-2	Significant indirect economic impacts	Community Engagement	33	Finance	42	Not Disclosed	N/A	Not Disclosed	N/A	Finance	57	Stakeholder Management	69	Economic Performance	78
<b>GRI 204: PROCUREMENT PRACTICES</b>															
204-1	Proportion of spending on local suppliers	Not disclosed	N/A	Not disclosed	N/A	Not disclosed	N/A	Not disclosed	N/A	Not disclosed	N/A	Not disclosed	N/A	Responsible Procurement Practices	79





DISCLOSURE NUMBER	DISCLOSURE DESCRIPTION	ASHARAMI ENERGY		ASHARAMI SYNERGY		TRADING COMPANIES		CENTRUM PROPERTIES		EGBIN POWER		FIPL		IKEJA ELECTRIC	
		Disclosure location (Section)	Page	Disclosure location (Section)	Page	Disclosure location (Section)	Page	Disclosure location (Section)	Page	Disclosure location (Section)	Page	Disclosure location (Section)	Page	Disclosure location (Section)	Page
<b>GRI 205: ANTI-CORRUPTION</b>															
205-1	Operations assessed for risks related to corruption	Not disclosed	N/A	Not disclosed	N/A	Not disclosed	N/A	Not disclosed	N/A	Not disclosed	N/A	Not disclosed	N/A	Not disclosed	N/A
205-2	Communication and training about anti-corruption policies and procedures	Anti-bribery and Corruption	15	Anti-bribery and Corruption	15	Anti-bribery and Corruption	15	Anti-bribery and Corruption	15	Anti-bribery and Corruption	15	Anti-bribery and Corruption	15	Anti-bribery and Corruption	15
205-3	Confirmed incidents of corruption and actions taken	No case in the year	N/A	No case in the year	N/A	No case in the year	N/A	No case in the year	N/A	No case in the year	N/A	No case in the year	N/A	No case in the year	N/A
<b>GRI 206: ANTI-COMPETITIVE BEHAVIOUR</b>															
206-1	Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices	Not disclosed	N/A	Not disclosed	N/A	Not disclosed	N/A	Not disclosed	N/A	Not disclosed	N/A	Not disclosed	N/A	Not disclosed	N/A

## GRI 300 Series: Environmental Disclosures – AEL, Asharami Synergy, Sahara Trading Companies, CPL, Egbin Power, FIPL and Ikeja Electric

DISCLOSURE NUMBER	DISCLOSURE DESCRIPTION	ASHARAMI ENERGY		ASHARAMI SYNERGY		TRADING COMPANIES		CENTRUM PROPERTIES		EGBIN POWER		FIPL		IKEJA ELECTRIC	
		Disclosure location (Section)	Page	Disclosure location (Section)	Page	Disclosure location (Section)	Page	Disclosure location (Section)	Page	Disclosure location (Section)	Page	Disclosure location (Section)	Page	Disclosure location (Section)	Page
<b>GRI 301: MATERIALS</b>															
301-1	Materials used by weight or volume	Not Applicable	N/A	Not Applicable	N/A	Not Applicable	N/A	Not Applicable	N/A	Not Applicable	N/A	Not Applicable	N/A	Not Applicable	N/A
301-2	Recycled input materials used	Not Applicable	N/A	Not Applicable	N/A	Not Applicable	N/A	Not Applicable	N/A	Not Applicable	N/A	Not Applicable	N/A	Not Applicable	N/A
301-3	Reclaimed products and their packaging materials	Not Applicable	N/A	Not Applicable	N/A	Not Applicable	N/A	Not Applicable	N/A	Not Applicable	N/A	Not Applicable	N/A	Not Applicable	N/A
<b>GRI 302: ENERGY</b>															
302-1	Energy consumption within the organization	Greenhouse Gas Emissions	35	Emissions	44	Not disclosed	N/A	Energy Consumption and Emissions	89	Energy Consumption and Greenhouse Gas Emissions	59	Emission	71	Not disclosed	N/A
302-2	Energy consumption outside of the organization	Not disclosed	N/A	Not disclosed	N/A	Not disclosed	N/A	Not disclosed	N/A	Energy Conservation and Efficiency	60	Emission	71	Not disclosed	N/A

DISCLOSURE NUMBER	DISCLOSURE DESCRIPTION	ASHARAMI ENERGY		ASHARAMI SYNERGY		TRADING COMPANIES		CENTRUM PROPERTIES		EGBIN POWER		FIPL		IKEJA ELECTRIC	
		Disclosure location (Section)	Page	Disclosure location (Section)	Page	Disclosure location (Section)	Page	Disclosure location (Section)	Page	Disclosure location (Section)	Page	Disclosure location (Section)	Page	Disclosure location (Section)	Page
302-3	Energy intensity	Not applicable	N/A	Not applicable	N/A	Not disclosed	N/A	Not disclosed	N/A	Energy Conservation and Efficiency	60	Not disclosed	N/A	Not disclosed	N/A
302-4	Reduction of energy consumption	Greenhouse Gas Emissions	35	Emissions	44	Not disclosed	N/A	Energy Consumption and Emissions	89	Energy Consumption and Greenhouse Gas Emissions	59	Emission	71	Not disclosed	N/A
302-5	Reductions in energy requirements of products and services	Not applicable	N/A	Not applicable	N/A	Not disclosed	N/A	Not applicable	N/A	Not applicable	N/A	Not applicable	N/A	Not applicable	N/A
<b>GRI 303: WATER</b>															
303-3	Water withdrawal by source	Not disclosed	N/A	Not disclosed	N/A	Not disclosed	N/A	Not disclosed	N/A	Not disclosed	N/A	Not disclosed	N/A	Not disclosed	N/A
303-4	Water sources significantly affected by withdrawal of water	Not disclosed	N/A	Not disclosed	N/A	Not disclosed	N/A	Not disclosed	N/A	Not disclosed	N/A	Not disclosed	N/A	Not disclosed	N/A
303-5	Water recycled and reused	Not disclosed	N/A	Not disclosed	N/A	Not disclosed	N/A	Not disclosed	N/A	Not disclosed	N/A	Not disclosed	N/A	Not disclosed	N/A
<b>GRI 304: BIODIVERSITY</b>															
304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Not disclosed	N/A	Not disclosed	N/A	Not disclosed	N/A	Not disclosed	N/A	Biodiversity Management	59	Not disclosed	N/A	Not disclosed	N/A
304-2	Significant impacts of activities, products, and services on biodiversity	Regulatory Compliance	35	Regulatory Compliance	44	Not disclosed	N/A	Not disclosed	N/A	Biodiversity Management	59	Not disclosed	N/A	Not disclosed	N/A
304-3	Habitats protected or restored	Not disclosed	N/A	Not disclosed	N/A	Not disclosed	N/A	Not disclosed	N/A	Biodiversity Management	59	Not disclosed	N/A	Not disclosed	N/A
304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	Not disclosed	N/A	Not disclosed	N/A	Not disclosed	N/A	Not disclosed	N/A	Biodiversity Management	59	Not disclosed	N/A	Not disclosed	N/A
<b>GRI 305: EMISSIONS</b>															
305-1	Direct (Scope 1) GHG emissions	Greenhouse Gas Emissions	35	Emissions	44	Not disclosed	N/A	Not disclosed	N/A	Energy Consumption and Greenhouse Gas Emissions	59	Emission	71	Not disclosed	N/A
305-2	Energy indirect (Scope 2) GHG emissions	Greenhouse Gas Emissions	35	Emissions	44	Not disclosed	N/A	Not disclosed	N/A	Energy Consumption and Greenhouse Gas Emissions	59	Emission	71	Not disclosed	N/A



DISCLOSURE NUMBER	DISCLOSURE DESCRIPTION	ASHARAMI ENERGY		ASHARAMI SYNERGY		TRADING COMPANIES		CENTRUM PROPERTIES		EGBIN POWER		FIPL		IKEJA ELECTRIC	
		Disclosure location (Section)	Page	Disclosure location (Section)	Page	Disclosure location (Section)	Page	Disclosure location (Section)	Page	Disclosure location (Section)	Page	Disclosure location (Section)	Page	Disclosure location (Section)	Page
305-3	Other indirect (Scope 3) GHG emissions	Greenhouse Gas Emissions	35	Emissions	44	Not disclosed	N/A	Not disclosed	N/A	Energy Consumption and Greenhouse Gas Emissions	59	Emission	71	Not disclosed	N/A
305-4	GHG emissions intensity	Greenhouse Gas Emissions	35	Emissions	44	Not disclosed	N/A	Not disclosed	N/A	Energy Consumption and Greenhouse Gas Emissions	59	Emission	71	Not disclosed	N/A
305-5	Reduction of GHG emissions	Greenhouse Gas Emissions	35	Climate Change	44	Environmental Stewardship	51	Not disclosed	N/A	Energy Consumption and Greenhouse Gas Emissions	59	Emission	71	Not disclosed	N/A
305-6	Emissions of ozone-depleting substances (ODS)	Greenhouse Gas Emissions	35	Emissions	44	Not disclosed	N/A	Not disclosed	N/A	Energy Consumption and Greenhouse Gas Emissions	59	Emission	71	Not disclosed	N/A
305-7	Nitrogen oxides (NOx), sulphur oxides (SOx), and other significant air emissions	Greenhouse Gas Emissions	35	Emissions	44	Not disclosed	N/A	Not disclosed	N/A	Energy Consumption and Greenhouse Gas Emissions	59	Emission	71	Not disclosed	N/A
<b>GRI 306: EFFLUENTS AND WASTE</b>															
306-1	Water discharge by quality and destination	Not disclosed	N/A	Not disclosed	N/A	Not disclosed	N/A	Not disclosed	N/A	Waste Management	60	Not disclosed	N/A	Not disclosed	N/A
306-2	Waste by type and disposal method	Not disclosed	N/A	Not disclosed	N/A	Not disclosed	N/A	Not disclosed	N/A	Waste Management	60	Not disclosed	N/A	Not disclosed	N/A
306-3	Significant spills	Not disclosed	N/A	Not disclosed	N/A	Not disclosed	N/A	Not disclosed	N/A	Waste Management	60	Not disclosed	N/A	Not disclosed	N/A
306-4	Transport of hazardous waste	Not disclosed	N/A	Not disclosed	N/A	Not disclosed	N/A	Not disclosed	N/A	Waste Management	60	Not disclosed	N/A	Not disclosed	N/A
306-5	Water bodies affected by water discharges and/or runoff	Not disclosed	N/A	Not disclosed	N/A	Not disclosed	N/A	Not disclosed	N/A	Waste Management	60	Not disclosed	N/A	Not disclosed	N/A
<b>GRI 307: ENVIRONMENTAL COMPLIANCE</b>															
307-1	Non-compliance with environmental laws and regulations	Regulatory Compliance	35	Regulatory Compliance	44	Not disclosed	N/A	Not disclosed	N/A	Climate Action and Environmental Compliance	60	Regulatory Compliance	71	Regulatory Compliance	82
<b>GRI 308: SUPPLIERS ENVIRONMENTAL ASSESSMENT</b>															
308-1	New suppliers that were screened using environmental criteria	Not disclosed	N/A	Not disclosed	N/A	Not disclosed	N/A	Not disclosed	N/A	Supply Chain Management	57	Not disclosed	N/A	Responsible Procurement Practices	79

DISCLOSURE NUMBER	DISCLOSURE DESCRIPTION	ASHARAMI ENERGY		ASHARAMI SYNERGY		TRADING COMPANIES		CENTRUM PROPERTIES		EGBIN POWER		FIPL		IKEJA ELECTRIC	
		Disclosure location (Section)	Page	Disclosure location (Section)	Page	Disclosure location (Section)	Page	Disclosure location (Section)	Page	Disclosure location (Section)	Page	Disclosure location (Section)	Page	Disclosure location (Section)	Page
308-2	Negative environmental impacts in the supply chain and actions taken	Not disclosed	N/A	Not disclosed	N/A	Not disclosed	N/A	Not disclosed	N/A	Not disclosed	N/A	Not disclosed	N/A	Responsible Procurement Practices	79

**GRI 400 Series: Social Disclosures**  
**– AEL, Asharami Synergy, Sahara Trading Companies, CPL, Egbin Power, FIPL and Ikeja Electric**

DISCLOSURE NUMBER	DISCLOSURE DESCRIPTION	ASHARAMI ENERGY		ASHARAMI SYNERGY		TRADING COMPANIES		CENTRUM PROPERTIES		EGBIN POWER		FIPL		IKEJA ELECTRIC	
		Disclosure location (Section)	Page	Disclosure location (Section)	Page	Disclosure location (Section)	Page	Disclosure location (Section)	Page	Disclosure location (Section)	Page	Disclosure location (Section)	Page	Disclosure location (Section)	Page
<b>GRI 401: EMPLOYMENT</b>															
401-1	New employee hires and employee turnover	Employee Engagement	34	No information provided	N/A	No information provided	N/A	No information provided	N/A	Human Resources	58	Employee Value Chain Creation and Satisfaction	70	Our People	79
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Employee Engagement	34	No information provided	N/A	Our People	51	No information provided	N/A	Human Resources	58	Employee Value Chain Creation and Satisfaction	70	Our People	79
										Employee Health & Safety	61				
401-3	Parental leave	Employee Engagement	34	No information provided	N/A	Our People	51	No information provided	N/A	Human Resources	58	Employee Value Chain Creation and Satisfaction	70	Our People	79
<b>GRI 402: LABOUR MANAGEMENT RELATIONS</b>															
402-1	Minimum notice periods regarding operational changes	One month	N/A	One month	N/A	One month	N/A	One month	N/A	One month	N/A	One month	N/A	One month	N/A
<b>GRI 403: OCCUPATIONAL HEALTH AND SAFETY</b>															
403-1	Workers representation in formal joint management-worker health and safety committees	Quality, Health & Safety	33	Employee Health and Safety	44	No information provided	N/A	Health and Safety	88	Employee Health & Safety	61	Occupational Health and Safety	69	Employee Health and Safety	80
403-2	Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	Quality, Health & Safety	33	Employee Health and Safety	44	No information provided	N/A	Health and Safety	88	Employee Health & Safety	61	Occupational Health and Safety	69	Employee Health and Safety	80
403-3	Workers with high incidence or high risk of diseases related to their occupation	Quality, Health & Safety	33	Employee Health and Safety	44	No information provided	N/A	Health and Safety	88	Employee Health & Safety	61	Occupational Health and Safety	69	Employee Health and Safety	80



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		Disclosure location (Section)	Page	Disclosure location (Section)	Page	Disclosure location (Section)	Page	Disclosure location (Section)	Page	Disclosure location (Section)	Page	Disclosure location (Section)	Page	Disclosure location (Section)	Page
403-4	Health and safety topics covered in formal agreements with trade unions	Not disclosed	N/A	Not disclosed	N/A	No information provided	N/A	No information provided	N/A	No information provided	N/A	Occupational Health and Safety	69	Employee Health and Safety	80
<b>GRI 404: TRAINING AND EDUCATION</b>															
404-1	Average hours of training per year per employee	Employee Engagement	34	No information provided	N/A	No information provided	N/A	No information provided	N/A	Human Resources	58	Employee Value Chain Creation and Satisfaction	70	Our People	79
404-2	Programs for upgrading employee skills and transition assistance programs	Employee Engagement	34	No information provided	N/A	No information provided	N/A	No information provided	N/A	Human Resources	58	Employee Value Chain Creation and Satisfaction	70	Our People	79
404-3	Percentage of employees receiving regular performance and career development reviews	Employee Engagement	34	No information provided	N/A	No information provided	N/A	No information provided	N/A	Human Resources	58	Employee Value Chain Creation and Satisfaction	70	Our People	79
<b>GRI 405: DIVERSITY AND EQUAL OPPORTUNITY</b>															
405-1	Diversity of governance bodies and employees	Employee Engagement	34	Not Disclosed	N/A	No information provided	N/A	No information provided	N/A	Human Resources	58	Employee Value Chain Creation and Satisfaction	70	Our People	79
405-2	Ratio of basic salary and remuneration of women to men	Not disclosed	N/A	No information provided	N/A	No information provided	N/A	No information provided	N/A	Not disclosed	N/A	Not disclosed	N/A	Not disclosed	N/A
<b>GRI 406: NON-DISCRIMINATION</b>															
406-1	Incidents of discrimination and corrective actions taken	None	N/A	None	N/A	No information provided	N/A	No information provided	N/A	None	N/A	Not disclosed	N/A	None	N/A
<b>GRI 407: FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING</b>															
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Not disclosed	N/A	Not Disclosed	N/A	No information provided	N/A	No information provided	N/A	Not Disclosed	N/A	Not Disclosed	N/A	Not Disclosed	N/A
<b>GRI 408: CHILD LABOUR</b>															
408-1	Operations and suppliers at significant risk for incidents of child labour	Not disclosed	N/A	Not Disclosed	N/A	No information provided	N/A	No information provided	N/A	Not Disclosed	N/A	Not Disclosed	N/A	Not Disclosed	N/A
<b>GRI 409: FORCED OR COMPULSORY LABOR</b>															
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labour	Not disclosed	N/A	Not Disclosed	N/A	No information provided	N/A	No information provided	N/A	Not Disclosed	N/A	Not Disclosed	N/A	Not Disclosed	N/A

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<b>GRI 410: SECURITY PRACTICES</b>															
410-1	Security personnel trained in human rights policies or procedures	Not disclosed	N/A	Not Disclosed	N/A	Not Disclosed	N/A	No information provided	N/A	Not Disclosed	N/A	Not Disclosed	N/A	Not Disclosed	N/A
<b>GRI 411: RIGHTS OF INDIGENOUS PEOPLES</b>															
411-1	Incidents of violations involving rights of indigenous peoples	None	N/A	None	N/A	None	N/A	No information provided	N/A	None	N/A	None	N/A	None	N/A
<b>GRI 412: HUMAN RIGHTS ASSESSMENT</b>															
412-1	Operations that have been subject to human rights reviews or impact assessments	Risk management	32	Not Disclosed	N/A	No information provided	N/A	No information provided	N/A	Not Disclosed	N/A	Not Disclosed	N/A	Not Disclosed	N/A
412-2	Employee training on human rights policies or procedures	Not disclosed	N/A	Not Disclosed	N/A	No information provided	N/A	No information provided	N/A	Not Disclosed	N/A	Not Disclosed	N/A	Not Disclosed	N/A
412-3	Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	Not disclosed	N/A	Not Disclosed	N/A	No information provided	N/A	No information provided	N/A	Not Disclosed	N/A	Not Disclosed	N/A	Not Disclosed	N/A
<b>GRI 413: LOCAL COMMUNITIES</b>															
413-1	Operations with local community engagement, impact assessments, and development programs	Community Engagement	33	Not Disclosed	N/A	No information provided	N/A	Contribution of the Operation to the Economic Development of Local Community	88	Community Relations	61	Stakeholder Management	69	Community Engagement	81
413-2	Operations with significant actual and potential negative impacts on local communities	Community Engagement	33	Not Disclosed	N/A	No information provided	N/A	No information provided	N/A	Community Relations	61	Stakeholder Management	69	Community Engagement	81
<b>GRI 414: SUPPLIER SOCIAL ASSESSMENT</b>															
414-1	New suppliers that were screened using social criteria	Supply Chain Efficiency	32	Not Disclosed	N/A	No information provided	N/A	No information provided	N/A	Supply Chain Management	57	Not Disclosed	N/A	Responsible Procurement Practices	79
414-2	Negative social impacts in the supply chain and actions taken	Supply Chain Efficiency	32	Not Disclosed	N/A	No information provided	N/A	No information provided	N/A	Supply Chain Management	57	Not Disclosed	N/A	Responsible Procurement Practices	79



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<b>GRI 415: PUBLIC POLICY</b>															
415-1	Political Contributions	Not Disclosed	N/A	Not Disclosed	N/A	No information provided	N/A	No information provided	N/A	Not Disclosed	N/A	Not Disclosed	N/A	Not Disclosed	N/A
<b>GRI 416: CUSTOMER HEALTH AND SAFETY</b>															
416-1	Assessment of the health and safety impacts of product and service categories	Quality, Health & Safety	33	Employee Health and Safety	43	No information provided	N/A	No information provided	N/A	Employee Health & Safety	61	Occupational Health and Safety	69	Employee Health and Safety	80
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	Quality, Health & Safety	33	Employee Health and Safety	43	No information provided	N/A	No information provided	N/A	Employee Health & Safety	61	Occupational Health and Safety	69	Employee Health and Safety	80
<b>GRI 417: MANUFACTURING AND LABELLING</b>															
417-1	Requirements for product and service information and labelling	Not Applicable	N/A	Not Applicable	N/A	Not Applicable	N/A	Not Applicable	N/A	Not Applicable	N/A	Not Applicable	N/A	Not Applicable	N/A
417-2	Incidents of non-compliance concerning product and service information and labelling	Not Applicable	N/A	Not Applicable	N/A	Not Applicable	N/A	Not Applicable	N/A	Not Applicable	N/A	Not Applicable	N/A	Not Applicable	N/A
417-3	Incidents of non-compliance concerning marketing communications	Not Applicable	N/A	Not Applicable	N/A	Not Applicable	N/A	Not Applicable	N/A	Not Applicable	N/A	Not Applicable	N/A	Not Applicable	N/A
<b>GRI 418: CUSTOMER PRIVACY</b>															
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Not Applicable	N/A	Not Applicable	N/A	Not Applicable	N/A	Not Applicable	N/A	Not Applicable	N/A	Not Applicable	N/A	Not Applicable	N/A
<b>GRI 419: SOCIO-ECONOMIC COMPLIANCE</b>															
419-1	Non-compliance with laws and regulations in the social and economic area	Regulatory Compliance	32	Regulatory Compliance	41	No information provided	N/A	No information provided	N/A	Regulatory Compliance	59	Not Disclosed	N/A	Not Disclosed	N/A
OG-21	Contingency planning measures, disaster /emergency management plan and training programs, and recovery/ restoration plans	Quality, Health & Safety	33	Employee Health and Safety	43	No information provided	N/A	No information provided	N/A	Crisis Response	62	Not Disclosed	N/A	Emergency preparedness	82

