

# 2018

## Sustainability Report

**Championing Impact &  
Sustainable Development**



**DANGOTE  
SUGAR**

“Building prosperity & self-sufficiency across Africa”

# Sustainability Report

<b>Our Approach to Sustainability</b>	<b>3 - 4</b>
<b>Dangote 7 Sustainability Pillars</b>	<b>5</b>
<b>Our Sustainability Road Map</b>	<b>6</b>
<b>Financial</b>	<b>7 - 9</b>
<b>Institutional</b>	<b>10 - 11</b>
<b>Operational</b>	<b>12 - 14</b>
<b>Environmental</b>	<b>15 - 16</b>
<b>Economic</b>	<b>17 - 19</b>
<b>Social</b>	<b>20 - 22</b>
<b>Cultural</b>	<b>23 - 25</b>



# Our Approach to Sustainability

Dangote Sugar Refinery Plc (DSR) sustainability approach is driven by a desire to contribute and impact positively on the development of the immediate communities and markets where we operate and the society at large. It is also about creating shared value for all our stakeholders – The Dangote Way.

We are guided by a group wide sustainability agenda as envisioned by the Sustainability & Governance function of our parent company, Dangote Industries Limited, (DIL), working in collaboration with Sustainability Champions at Dangote Sugar Refinery Plc. We ensure that policies and standards are developed and implemented in line with the

specific requirements of each business function.

Over the past decade, Dangote Sugar has played a key role in the development of the Nigerian Sugar Industry. We are the clear market leader in the industry by refinery size, sugar production volume, market share, strong cash generation and profitability. Dangote Sugar initiated a Backward Integration Project (BIP) plan to refine 1.5 – 2.0 million metric tonnes of sugar within the next 10 years from locally grown sugarcane. This supports the goal of the Nigerian Government to achieve sugar self-sufficiency.

Dangote Sugar has invested in land and equipment acquisition for both sugarcane fields and

factory development, as well as the recruitment of professionals in sugar production under its skills transfer scheme. This scheme is helping to develop and grow local expertise in sugar production.

The BIP will create over 75,000 new jobs in the country, not only in the sugar production but also in sales, distribution, logistics and other support services across the value chain.

Dangote Sugar Refinery Plc is committed to promoting health and safety standards within its operations as well as supporting socioeconomic development in host communities through social investment programs.

The DSR sustainability agenda is

**Our Approach to Sustainability** *Cont'd*

anchored on the Dangote Group's 7 Sustainability Pillars, which embody our corporate values as a group, developed through an extensive stakeholder engagement process led by the Sustainability & Governance function. The Pillars constitute the framework around which our

sustainability implementation and reporting are anchored.

From 2019, we plan to adopt a more systematic and structured approach to identifying material issues in our business operations, designing and developing sustainability initiatives and reporting our

economic, social and environmental impact in alignment with the Global Reporting Initiative (GRI) against which the report is benchmarked.



*Ms Ngozi Ngene, Head, Corporate Affairs, Dangote Sugar Refinery Plc and Dr. Ndidi Nnoli, Dangote Group Chief, Sustainability & Governance with Reps. of the United Nations and Lagos State Employment Trust Fund at a Widows empowerment event as part of the Sustainable Development Goals Implementation.*

# Dangote 7 Sustainability Pillars



## FINANCIAL

Achieve sustainable financial health through a business model that delivers strong returns to shareholders, whilst creating value in the economies in which we operate by selling high quality products at affordable prices, supported by excellent customer service.



## INSTITUTIONAL

Build a world-class institution centered around corporate governance best practices and sustainability principles that promote legal and regulatory compliance, transparency and business continuity.



## ECONOMIC

Promote inclusive, sustainable economic growth, self reliance, self-sufficiency and industrialisation across Africa, by establishing efficient production facilities and developing resilient local economies in strategic locations and key markets.



## CULTURAL

Embody our core values in the way we do business, including a respect for cultural diversity and giving back to the societies in which we operate. To achieve this, we actively encourage teamwork, empowerment, inclusion, respect, integrity and meritocracy within our organisation



## OPERATIONAL

Serve and satisfy our markets by working together with partners to deliver the best products and services to our valued customers and stakeholders through continuous product improvement, new business development, employing state-of-the-art technologies and systems to constantly optimise cost-efficiencies.



## ENVIRONMENTAL

Create sustainable environmental management practices, through a proactive approach to addressing the challenges and opportunities of climate change, while optimising our performance in energy efficiency, water usage and emissions.



## SOCIAL

Create a learning environment and platform for our employees to grow and achieve their fullest potential, whilst adhering to the highest standards of health and safety. In our host communities, we strive to develop resilient and sustainable prosperity through direct and indirect employment, skills transfer and local entrepreneurial development.

# Our Sustainability Road Map

## Entrenching our sustainability vision

- Benchmark our set KPIs with requirements of relevant national and global standards
- Set up a sustainability data collection system
- Carry out more extensive sustainability trainings
- Develop GRI compliant sustainability report

2020

## Solidifying our sustainability vision

- Begin engagement with internal stakeholders to understand their concerns and expectations
- Engage key stakeholders on our sustainability vision and reporting
- Identify material topics and set KPIs
- Develop our first GRI-Standards referenced sustainability report
- Develop and implement strategic CSR and sustainability initiatives

2019

2018

## Setting up the building blocks for our sustainability vision

- Preliminary selection of material issues
- Preliminary identification of applicable reporting standards that meet our needs
- Develop our first sustainability report as part of our 2018 Annual Financial Report



## Financial Management approach

### OUR COMMITMENT TO SUSTAINABILITY REPORTING

We understand that to thrive in our sustainability implementation and reporting, there is a need to engage and involve stakeholders on our journey. Therefore, it is our priority to develop our sustainability goals and objectives with relevant stakeholders, to ensure that they are part of our policies and programmes. In the coming years, we would adopt the Global Reporting Initiative (GRI),

which is the leading sustainability reporting framework, to disclose our economic, social and environmental impact.

### CREATING VALUE

Dangote Sugar is driving positive change and sustainable growth in Nigeria. Our goal is to put the country on the global map of sugar production. This will be achieved through the Dangote Sugar BIP that will produce about 1.5 to 2.0 million metric tonnes of refined sugar annually from own homegrown sugar

cane. We are committed to supporting the Federal Government of Nigeria to achieve its sugar self-sufficiency objectives. We also plan to support employment generation across the country. In line with our circular economy long term goals, we will maximise the extended sugarcane value chain for the production of sugar, ethanol, power, animal feeds, etc. This supports our commitment to the UN Sustainable Development Goals and The Dangote Way.

**THE UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS**

At DSR, we understand the relevance of the UN Sustainable Development Goals (SDGs) and the role of businesses in sub-national, national and global development. We therefore strive to address important economic, social and environmental challenges in every way we can.



We have mapped the Dangote Group's 7 sustainability pillars against the 17 SDGs and envision stronger contribution to the realisation of the 2030 agenda.

**THE GLOBAL REPORTING INITIATIVE (GRI)**

We have commenced our sustainability reporting journey by embedding this year's report as part of our annual financial report. We will take the journey a step further in 2019 by developing a GRI-referenced report, with the goal of achieving full GRI compliance from 2020.

We also understand the importance of data integrity in reporting. We will therefore develop an effective data collection framework going forward. Our goal is to hold ourselves accountable for our footprints; be transparent to our stakeholders; and pursue our ambition to build a truly sustainable business.





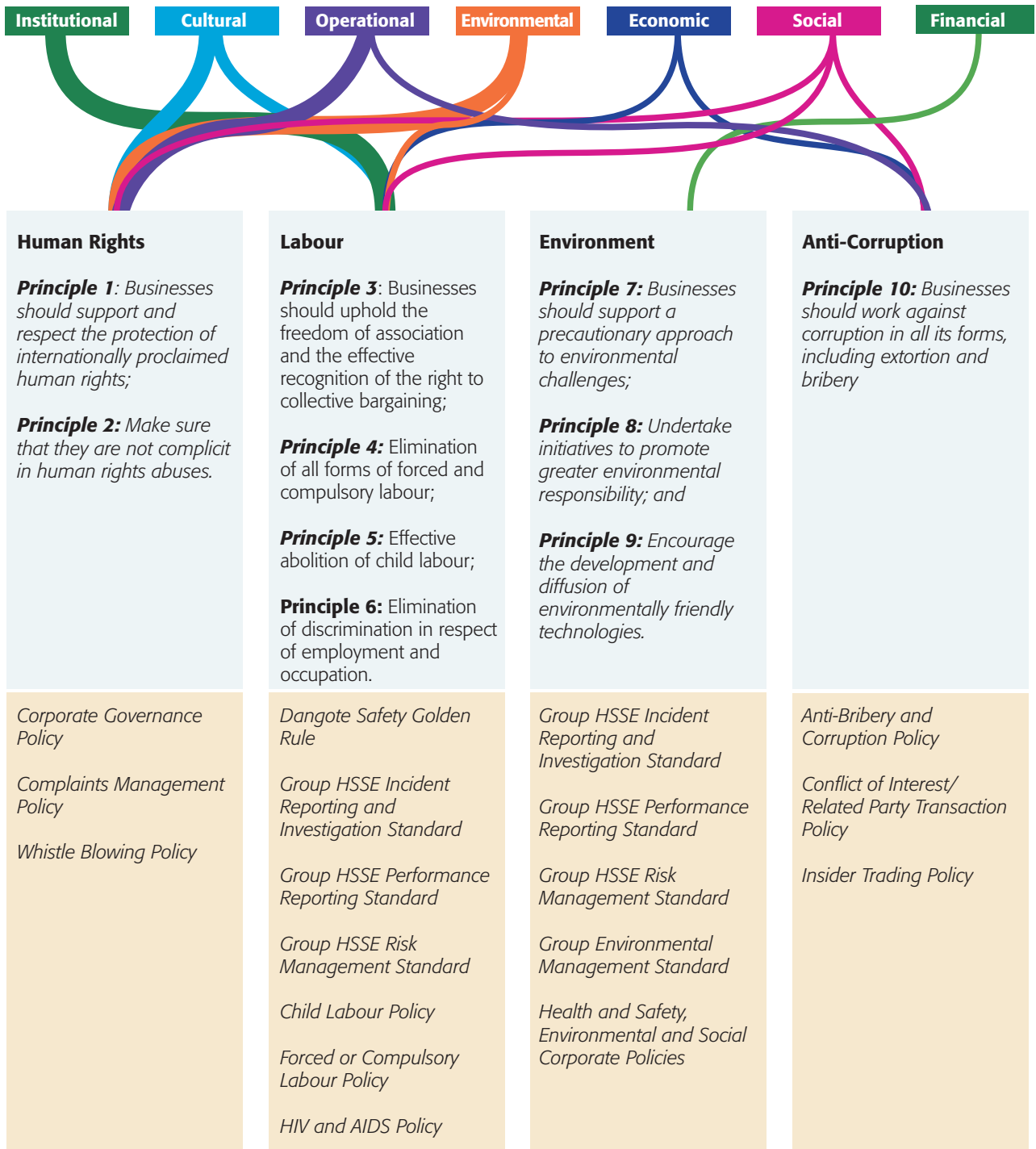
**UNITED NATIONS GLOBAL COMPACT**

Based on the commitment made by our Founder and Chairman, Alhaji Aliko Dangote by signing the United Nations Global Compact (UNGC) Charter, we are dedicated to doing business responsibly in

line with the Global Compact's 10 principles. Our 7 Sustainability Pillars ensure that our corporate values and culture integrate with best practices advocated for by the UNGC Charter.



United Nations  
Global Compact







## Institutional Management approach

Governance, risk and compliance are the three broad facets of our institutional pillar. Our business activities are governed by integrity and ethical business behaviour. These conducts are defined by policies such as Anti Bribery and Corruption Policy, Directors’

Code of Conduct Policy, Insider Trading Policy, Crisis Management Policy, Board Appointment Policy, Shareholders Complaints Policy, Credit Management Policy, Internal Audit Charter, and Whistle Blowing Policy. These guide the way we do business

and engage with stakeholders. The policies also ensure that we comply with relevant statutory and regulatory provisions in our host country. We have broadened our risk management scope to include environmental and social risk assessment.

SDGs	DSR ACTION/IMPACT
 <p><b>16</b> PEACE, JUSTICE AND STRONG INSTITUTIONS</p>	<ul style="list-style-type: none"> <li>• Supports cordial/peaceful industrial relations in all our facilities</li> <li>• Supports the provision of relief materials for internally displaced persons (IDPs)</li> <li>• Stands against any form of child labour in our value chain</li> <li>• Adopts responsible, fair and transparent procurement policies and practices</li> <li>• Promotes diversity and inclusiveness in our business activities</li> <li>• Implements a recognition, reward and sanction scheme to promote best practices in ESG and health and safety across our value chain</li> </ul>
 <p><b>17</b> PARTNERSHIPS FOR THE GOALS</p>	<ul style="list-style-type: none"> <li>• Collaborates with organizations, governments and other private sector players to achieve the SDGs</li> <li>• Supports vocational and skills acquisition programmes for youth and women, in conjunction with NGOs and associations</li> <li>• Partners with Government agencies and regulators for the promotion of food safety initiatives and campaign against influx of substandard food products into the market.</li> <li>• Collaborates with relevant agencies locally and internationally for the promotion of skills acquisition in the sugar industry</li> <li>• Partners with the Nigeria Sugar Development Council for the achievement of sugar self-sufficiency in Nigeria</li> </ul>

Relevant GRI Benchmark	Institutional Pillar disclosures that are assessed to be material to DSR
GRI 102	102-16: Values, principles, standards, and norms of behavior 102-17: Mechanisms for advice and concerns about ethics 102-19: Delegating authority 102-20: Executive-level responsibility for economic, environmental, and social topics 102-21: Consulting stakeholders on economic, environmental, and social topics 102-26: Role of highest governance body in setting purpose, values, and strategy 102-29: Identifying and managing economic, environmental, and social impacts 102-30: Effectiveness of risk management processes 102-31: Review of economic, environmental, and social topics 102-32: Highest governance body's role in sustainability reporting 102-33: Communicating critical concerns 102-34: Nature and total number of critical concerns 102-35: Remuneration policies 102-36: Process for determining remuneration 102-37: Stakeholders' involvement in remuneration 102-38: Annual total compensation ratio 102-39: Percentage increase in annual total compensation ratio
<b>Instrumental Pillar disclosures that are reported in 2018</b>	
Corporate governance Risk management Whistle blowing Board membership and appointment Board remuneration Delegation of authority Board performance evaluation Code of business conduct Sustainability governance	

### Board commitment to sustainability

At DSR, the tone and agenda for sustainability are defined by top Management and implemented across the various units of the Company. We are committed to the continuous improvement of transparency and accountability in all our business operations.





## Operational Management approach

Operational sustainability to us includes optimising raw materials and other resources required in our production processes. It also includes the responsible sourcing of raw

materials from various vendors, ensuring best practices in our operations in compliance with the health and safety standard. We have placed Nigeria in the global map of sugar refining and

are looking to support food self-sufficiency, innovative product development and operational efficiency.

SDGs	DSR ACTION/IMPACT
	<ul style="list-style-type: none"> <li>• Concerted efforts are being made to actualize our Sugar Backward Integration Projects</li> <li>• Refinery process improvements are ongoing to reduce energy usage</li> <li>• Construction and repair of roads to improve access to and connectivity with host communities</li> </ul>
	<ul style="list-style-type: none"> <li>• Our operations are guided by various ISO Standards (QMS) ISO 9001:2015, Food Safety (FSMS) ISO 22000:2005, (OHSAS) ISO 18001:2007, (FSC) ISO 22000 and above all, by the Materials Safety Data Sheets (MSDS)</li> <li>• We ensure best quality in our inputs and world class processing of raw sugar, chemicals and packaging of products</li> <li>• We ensure Critical Control Points within the process line to monitor quality and detect any particles in the final product.</li> </ul>

Relevant GRI Benchmark	Operational Pillar disclosures that are assessed to be material to DSR
GRI 102 GRI 200 GRI 300 GRI 400	102-9: Supply chain 204: Procurement practices 301: Materials 308: Supplier environmental assessment 403: Occupational Health and Safety 414: Supplier social assessment

**Operational Pillar disclosures that are reported in 2018**

Compliance with labour laws  
 Labour practices and benefits  
 Employee training and capacity development  
 Diversity  
 Industrial relations  
 Non-discrimination  
 Staff welfare  
 Retirement benefits

**Food Safety**

The Dangote Sugar Refinery (DSR) Plc Food Safety Policy ensures that its operations in refining, sales and distribution of granulated white sugar meet regulatory and consumer food safety requirements. We achieve this by using the most appropriate food grade production facilities, under hygienic conditions, whilst also maintaining effective communication with stakeholders on food safety issues.

The Company's Food Safety Policy is supported by measurable objectives that are monitored, maintained and continually reviewed with the following objectives:

- a. To provide wholesome and nutritious sugar that supports healthy living
- b. To achieve 100% compliance with all relevant regulatory food safety and consumer protection requirements.
- c. To ensure that all relevant parties in the food production chain are aware of, and comply with the Company's food safety policies and standards.

DSR process is FSSC 22000 (Food Safety System Certification) certified by SGS. The FSSC 22000 system is based on ISO Standards recognised by the Global Food Safety Initiative (GFSI). The FSSC

22000 integrates with other management systems already achieved by the Company as part of the strategic initiative to meet the teeming needs of its customers. This also sustains the DSR frontline position in the Food and Beverage industry, and in line with internationally accepted practices and standards.

After three years of successful surveillance audits, DSR has been recertified for the Food Safety System Certification (ISO 22000:2013), with the latest version 4.1.



**Operational** *Cont'd***Health and Safety**

We are committed to complying with global best health and safety practices, to ensure the wellbeing of our workers, visitors, consumers and host communities. We have a robust group HSSE framework that outlines our health and safety policies, risk management procedures, rules of engagement and performance monitoring and reporting. In recent years, we made giant strides in ensuring consumer safety and responsible

production through the certification of our products. In the coming years, we intend to consolidate our efforts to achieve zero lost time injuries at our site, and improve compliance with all applicable health and safety laws and regulations.

**Operational targets**

We are committed to driving continuous improvement in our production processes, including enhanced yields, use of alternative yet

environmental friendly materials and recycling of by-products.







## Environmental Management Approach

As a player in the agricultural sector, protection of the natural environment is critical for our business and we remain committed to promoting eco-friendliness across our value chain and in our operations. To pre-empt environmental challenges that may stem from unsustainable farming practices

and the potential attendant impact on business growth. We seek to source and distribute quality inputs, including fertilizers to farmers through initiatives such as our outgrower scheme, leveraging our suppliers, partners, aggregators and agents. We are committed to enhancing water efficiency and

management, while driving up the yield and quality of produce. These commitments are borne out of our interest in supporting the emergence of a cleaner global environment.

SDGs	DSR ACTION/IMPACT
 <p><b>7</b> AFFORDABLE AND CLEAN ENERGY</p>	<ul style="list-style-type: none"> <li>• Our goal is to drive power generation using waste to fuel and natural gas which are cleaner and with little or no flue gas that may pollute the atmosphere.</li> <li>• Use of high-quality LPFO as an alternative when gas supply becomes unreliable.</li> <li>• Refinery operation noise level within the acceptable threshold of 85Db, with installation of silencers</li> <li>• Implementation of energy saving practices, including saving steam and increasing condensate return to the boiler house, thus reducing energy consumption.</li> <li>• Giving host communities access to free electricity generated in the sugar factory</li> </ul>
 <p><b>13</b> CLIMATE ACTION</p>	<ul style="list-style-type: none"> <li>• Committed to reducing our wastes and emissions</li> <li>• Responsible production process that reduces emissions to globally acceptable levels</li> <li>• Recovery of process effluent through use of the brine recovery system to recover and recycle common salt, acid and water</li> <li>• Converting waste to fuel (Circular Economy)</li> </ul>
 <p><b>14</b> LIFE BELOW WATER</p>	<ul style="list-style-type: none"> <li>• Process effluents are recycled</li> <li>• Minimal water consumption in the sugar production process at the Apapa Refinery</li> <li>• Use of rain water for cooling in the sugar production process at Savannah Sugar</li> </ul>
 <p><b>15</b> LIFE ON LAND</p>	<ul style="list-style-type: none"> <li>• Minimising adverse impact on the natural environment as much as possible</li> <li>• Adopting policies and procedures that enable us monitor and curtail soot emission, noise pollution, waste water discharge and deforestation in our operations</li> </ul>

<b>Relevant GRI Benchmark</b>	<b>Environmental Pillar disclosures that are assessed to be material to DSR</b>
GRI 300	301: Materials 302: Energy 303: Water 304: Biodiversity 305: Emissions 306: Effluents and waste 307: Environmental compliance 308: Supplier environmental assessment
<b>Environmental Pillar disclosures that are reported in 2018</b>	
Environmental responsibility Pollution management Climate action	

## Environmental Responsibility

Our parent company is signatory to the United Nations Global Compact (UNGC). We are therefore committed to complying with its environmental principles. As an environmentally responsible business, we always endeavour to consider the impact that our business operations could have on the physical environment.

### Pollution Management

We proactively manage the various type of pollutions that may result from our operations. At the refinery operation, we have installed silencers to manage noise pollution. We also minimise our soot emission, waste water discharge and acts capable of resulting in deforestation. We have a brine recovery system in place to process and recover effluent.

### Climate Action

We use alternative energy sources such as natural gas which is cleaner and therefore reduces our greenhouse gas (GHG) emissions. We plan to implement enhanced environmental management system to ensure that our impacts are within regulatory limits.







## Economic Management Approach

The Dangote Economic Pillar guides how we approach value creation for our stakeholders and the larger society and economy. This focus strengthens our economic viability and our

commitment to sustainable growth. We drive inclusiveness in our business by creating jobs in the communities where we operate and service quality inputs for our production from

local vendors. We fulfil our civic responsibilities by duly paying our taxes and other remittances to support the actualisation of our host country's developmental objectives.

SDGs	DSR ACTION/IMPACT
<p><b>1 NO POVERTY</b></p>	<ul style="list-style-type: none"> <li>• Job creation (over 900 permanent and 6,000 seasonal workers with plans to generate about 75,000 from the Backward Integration Projects)</li> <li>• Competitive wage that far exceeds national minimum wage</li> <li>• Support for Small businesses and individual towards developing their businesses; we support the growth of SMEs and expand their markets</li> <li>• Distributing wealth through consistent delivery of returns to stakeholders</li> </ul>
<p><b>2 ZERO HUNGER</b></p>	<ul style="list-style-type: none"> <li>• Providing jobs and enhanced income opportunities for indigenes of communities where the Backward Integration Projects are located.</li> <li>• Support for local farmers through our Outgrowers Scheme</li> </ul>
<p><b>10 REDUCED INEQUALITIES</b></p>	<ul style="list-style-type: none"> <li>• Implementation of direct economic empowerment initiatives with focus on women and other vulnerable groups</li> <li>• Improved economic activities in host communities due to our operations</li> <li>• Economic empowerment through employment and skills upgrade in host communities</li> <li>• Provision of clean water by sinking boreholes in host communities</li> </ul>

Relevant GRI Benchmark	Economic Pillar disclosures that are assessed to be material to DSR
GRI 200	201: Economic performance 202: Market presence 203: Indirect economic impacts 204: Procurement practices 205: Anti-corruption 206: Anti-competitive behaviour
<b>Economic Pillar disclosures that are reported in 2018</b>	
Job creation Sustainable livelihoods	

### Job creation

At DSR, we are impacting lives by creating jobs to close the gross unemployment gaps in the country. These jobs have ripple effects on the economy through the spending power of our employees.

### Sustainable livelihoods

Wealth is generated for our stakeholders from profits made from our transactions with them. We also support the socioeconomic wellbeing of local communities by providing sustainable investments, infrastructures and social projects. We provide local communities with potable water, electricity and other amenities.



### Outgrowers Scheme

The provisions of the Dangote Sugar Master Plan demonstrate our commitment to employment generation, employee empowerment and the development of a robust Outgrowers scheme for local farmers in the communities where our Backward Integration Projects are located.

At Savannah Sugar, we are working closely with the Nigerian Sugar Development Council (NSDC) and the local farmers through our established sugarcane grower development programmes. Our goal is to build better, and more innovative social impact programs that empower our outgrowers and enhance their participation and income.

Savannah Sugar currently has 313 Outgrowers

and has mapped out about 313 Ha of its land to local farmers, who farm and sell the sugarcane to the Company. The land is in process of being increased to 5,500 hectares through an outreach, the Special Independent Sugarcane Outgrower’s Development Programme, (SIS OGDP), which will see the number of farmers under the scheme increase significantly by year 2023.

The Outgrowers under the scheme are provided with the different types of support that they require for a sustainable scheme that impacts them, the local communities and Dangote Sugar, positively.

TYPE OF SUPPORT	DESCRIPTION
Recruitment	275 outgrowers groups, each with 20 farmers across local communities are to be recruited out of Savannah Owned land holdings within 30 to 40 kms distance from SSCL.
Seed cane incentives	Free seed cane and free transportation by SSCL and NSDC
Training schemes	Weekly in-house and on-the-farm training, with crop monitoring using Good Agricultural Crop Management Practices.
Fertilizers	Provisions of chemicals and fertilizers by SSCL, with costs recoverable from crop proceeds.
Infrastructure	Boreholes to be drilled – 12 inches sedimentary borehole, not less than 100m deep with filtering UPVC slotted screen pipes and packed with pebbles and with water yielding efficiency of 70 – 80M <sup>3</sup> /hr. Energization by diesel 62.5Kva generator driven with 22KW, 6”/8” submersible pump shall be provided
Guaranteed purchases	SSCL guarantees cane purchase from the farmers, and with good take away profit. This ensures that the scheme is viable and attractive to local farmers.
Payments	Payments shall be made to the bank accounts of the farmers after recovering all output costs.
Land development	Financial support (at current costs) is being proposed towards the bush clearance and land development for the 1 plant + 4 ratoons, [5 years crop].
Financial Support	Crop Working Capital Term loan to be provided to farmers at a single digit rate of 7% [either from NSDC, financial institutions or by SSCL].
Technical assistance	All through the crop life cycle, free training and Agric Extension services to be offered to the farmers.









## Social Management Approach

We prioritise the responsibility of continuously ensuring our employees' wellbeing. Beyond our employees, we dedicate substantial resources towards supporting human capital development in our local communities. Through our on-field workers who act as local

community engagement organs, we obtain insights into the needs of our stakeholders and engage them on how these needs could be met. We believe in community empowerment as a way of supporting sustainable development in the markets where we operate. This is why

we also encourage our employees to volunteer their time and resources towards community development initiatives.

SDGs	DSR ACTION/IMPACT
 <p><b>3</b> GOOD HEALTH AND WELL-BEING</p>	<ul style="list-style-type: none"> <li>• Providing fortified products to help address Vitamin A deficiency</li> <li>• Providing healthcare facilities for local communities</li> <li>• Provision of onsite clinics at all our facilities</li> <li>• Provision of above standard Medicare for all employees</li> <li>• Provision of boreholes for clean water</li> <li>• Awareness creation programmes on good housekeeping and healthy habits for employees and the local communities</li> </ul>
 <p><b>4</b> QUALITY EDUCATION</p>	<ul style="list-style-type: none"> <li>• Providing high quality skilled training through our Skills Acquisition and Transfer Scheme</li> <li>• Providing high quality technical and managerial trainings through our Dangote Academy</li> <li>• Promoting quality education by building classrooms, schools and awarding scholarships to qualified individuals</li> </ul>
 <p><b>6</b> CLEAN WATER AND SANITATION</p>	<ul style="list-style-type: none"> <li>• Provision of clean water through boreholes.</li> <li>• Water treatment to ensure availability of clean water through boreholes, demineralized and softened water for processing.</li> <li>• Treating effluent from the refinery in the effluent treatment plant before discharging in the sewer in conformity with regulation.</li> <li>• Practicing the principle of Spill Prevention, Control and Countermeasure (SPCC) in sanitary activities</li> <li>• Daily/Regular cleaning, disinfection and fumigation of environment</li> <li>• Proper waste and scum disposal using government controlled borrow pit</li> <li>• Provision of functional, world class cloak room for staff</li> </ul>
 <p><b>11</b> SUSTAINABLE CITIES AND COMMUNITIES</p>	<ul style="list-style-type: none"> <li>• Our CSR activities are developed and implemented in line with the needs of our host communities</li> <li>• We provide healthcare facilities and free medical services at Savannah Sugar.</li> <li>• We support the provision of quality education for students in host communities</li> </ul>

Relevant GRI Benchmark	Social Pillar disclosures that are assessed to be material to DSR
GRI 102 GRI 400	102-29: Identifying and managing economic, environmental, and social impacts 411: Rights of indigenous peoples
<b>Social Pillar disclosures that are reported in 2018</b>	
Community investments Healthcare Education and skills acquisition	

### Community investments

At Dangote Sugar, we consult a broad range of stakeholder groups on our social responsibility projects, community issues and investment programmes. Insights on the needs of the local communities received are taken into consideration in our CSR planning. The key focus of our impact activities cut across infrastructural development, job creation, healthcare, rehabilitation, educational support, potable water provision, road maintenance and reconstruction, among others. Our projects are aimed at promoting wellbeing, people empowerment and sports development at our BIP locations and the society at large. In three years, we intend to report more extensively on our social impact.



### Healthcare

Free healthcare services are provided at the Savannah Sugar on site clinic that caters for the medical needs of the seven communities within which it operates in Adamawa State. In addition, we also provide programmes focusing on primary and secondary healthcare, occupational health, HIV and AIDS, malaria, Tuberculosis, among others, in conjunction with HMOs and other health focused NGOs and organisations in our business locations. Awareness sessions and control programmes for non-communicable diseases such as high blood pressure, diabetes and healthy living habits amongst others, are also conducted. Arrangements are underway, as part of the Dangote Sugar Backward Integration Master Plan community development scheme, for the establishment of hospitals and refurbishment of existing ones at our greenfield sites.



## Education and skills acquisition

DSR is a strong supporter of education and skills acquisition. We are committed to the development of a skilled workforce in Nigeria. On site and on-the-job trainings on sugarcane husbandry, farm machinery maintenance, among others, are carried out at our BIPs sites. In 2018, we collaborated with the Dangote Academy for the development of skills needed for our operations. The Academy provides trainings for building technical and managerial skills for employees and those wishing to join the Group.

DSR is also a key stakeholder in the newly established Sugar Industry Institute, a National Sugar Development Council initiative to promote skills in the sugar industry in Nigeria.

In addition to the provision of infrastructure and refurbishment of schools in its immediate communities, DSR also supports government and corporate education campaigns in the country. Savannah Sugar is currently renovating three schools. Construction of 12 blocks of classrooms, administrative building, staff rooms among others, are ongoing in the schools. Arrangements have also been finalized to commence the renovation

and construction of the first set of schools and classroom blocks by the Nasarawa Sugar Company Limited, Tunga.

In support of the United Nations World Food Day Celebrations, DSR supported the Lagos State Ministry of Agriculture's Schools Quiz Competition. The competition focused on the promotion of Agriculture in our schools. We also leverage this platform to promote agricultural awareness among young adults, healthy uses of sugar; while also supporting the winning students and schools with educational materials and equipment towards enhanced quality of education in the country.




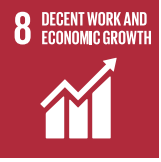


## Cultural Management approach

We are striving to create and imbibe a culture of ethics, product and service excellence, trust and innovation in our workforce. Our aim is to build a workplace that is inclusive,

balanced, non-discriminatory and supportive of sustainable growth. Our people are trained to conform to The Dangote Way of professionalism, innovation and integrity. We are developing

systems that manage staff performance while also supporting their career growth and wellbeing.

SDGs	DSR ACTION/IMPACT
	<ul style="list-style-type: none"> <li>• Equal opportunity for qualified male and female gender in our workforce</li> <li>• Fostering business relationship with female owned enterprises, such as distributors and suppliers</li> <li>• Ensuring all-inclusive gender empowerment via the Dangote Women Network</li> </ul>
	<ul style="list-style-type: none"> <li>• Compliance with labour laws</li> <li>• Providing safe, conducive and healthy work environment for employees</li> <li>• Upscaling the skills and knowledge base of our employees by leveraging the world class trainings offered by our Dangote Academy</li> <li>• Supporting Nigeria's Sugar Institute to build a skilled workforce for the Nigeria Sugar Industry</li> <li>• Continuous contribution to the economic growth of the Nigerian economy through payment of applicable taxes, employment generation, patronising local vendors and creating economic opportunities for sugar outgrowers in our host communities.</li> </ul>
Relevant GRI Benchmark	Cultural Pillar disclosures that are assessed to be material to DSR
GRI 102 GRI 400	102-40: List of stakeholder groups 102-41: Collective bargaining agreements 102-42: Identifying and selecting stakeholders 102-43: Approach to stakeholder engagement 102-44: Key topics and concerns raised 401: Employment 402: Labour/management relations 404: Training and education 405: Diversity and equal opportunity 406: Non-discrimination 407: Freedom of association and collective bargaining 408: Child labour 409: Forced or compulsory labour 412: Human rights assessment 418: Marketing and labeling 419: Socioeconomic compliance

**Cultural Pillar disclosures that are reported in 2018**

- Compliance with labour laws
- Labour practices and benefits
- Employee training and capacity development
- Diversity
- Industrial relations
- Non-discrimination
- Staff welfare
- Retirement benefits

**Compliance with Labour Laws**

Our engagement with DSR employees is guided mainly by the provisions of the Nigerian Labour Law and Federal Factory Act. We also have an Employee Handbook used across the DIL Group which outlines the terms of employment. It provides guidance on the conduct of all

employees in order to ensure conformity with the corporate culture that we are building called The Dangote Way. This handbook is periodically updated to reflect best practices in human capital management.

**Labour Practices and Benefits**

We currently have 933 full time staff. In addition to competitive wages, other benefits that we offer our employees include Group Life Insurance and Health and Pension Schemes. We provide conducive working condition for our employees

and ensure that they are given opportunities to achieve their full career potentials.

**Capacity Building**

From the date of resumption and throughout the time of stay of each employee, a growth path is designed to ensure their continuous development. In 2018, trainings were conducted to enhance the

skills and capacity of our employees across diverse levels.

**Promoting diversity and Women Empowerment**

At DSR, we are making concerted efforts, starting with our internal operations and across our value chain, to encourage and support women to play key roles in our business.

businesses owned by women, particularly in communities where we operate.

Women are represented across all categories of staff, from the Board to key positions in management. Also, in our supply chain the women distributors play a crucial role in ensuring that our products are available to the end users wherever they are needed. Our effort at fostering the growth of women is further enabled by the Dangote Women Network which acts as a support platform for women employed within the Dangote Group.

Dangote Sugar also partners with the Business Growth Initiative to provide support for small





In conjunction with some NGOs, we provided vocational and skills acquisition programmes for women and youth in the year under review. In Nasarawa State, the Aliko Dangote

Foundation supported 13,000 vulnerable women with ₦130 Million cash grants. Our women empowerment initiatives are directly and indirectly in line with goals 1, 2,

3, 5, 8, 10, and 11 of the United Nations Sustainable Development Goals.

