

Sustainability Report **2024**



Dangote Sugar remains one of the largest sugar refineries in sub-Saharan Africa, and the leading player in the Nigerian sugar industry, driven by its combined installed refining capacity of 1.49 million tonnes per annum.



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VISION	MISSION
<p>To be one of the world's leading integrated sugar producers, respected for the quality of our products and the way we conduct our business.</p>	<p>To deliver consistently good returns to our shareholders by selling high-quality products at affordable prices, backed by excellent customer service.</p>
OUR VALUES	OUR DESIRED OUTCOME
<ul style="list-style-type: none"> • Customer Service • Entrepreneurship • Excellence • Leadership 	<p>To consolidate our leadership position locally and become a leading integrated sugar company in Africa, with world class standards.</p>



To deliver consistently, good returns to our shareholders by selling high-quality products at affordable prices, backed by excellent customer service.



To satisfy market demand by producing the very best refined granulated sugar using exceptional resources and processes that comply with international standards and industry best practices.



To help Nigeria towards self-sufficiency in sugar production by moving from importation and refining to creating new plantations with their own refining facilities, close to major centres of demand, with a target to produce 1.5 - 2.0 million tonnes of refined sugar annually, from over 150,000 hectares of locally grown sugar cane.



To provide economic benefits to local communities by way of direct and indirect employment.



To set a good example in areas such as governance, sustainability, health and safety.

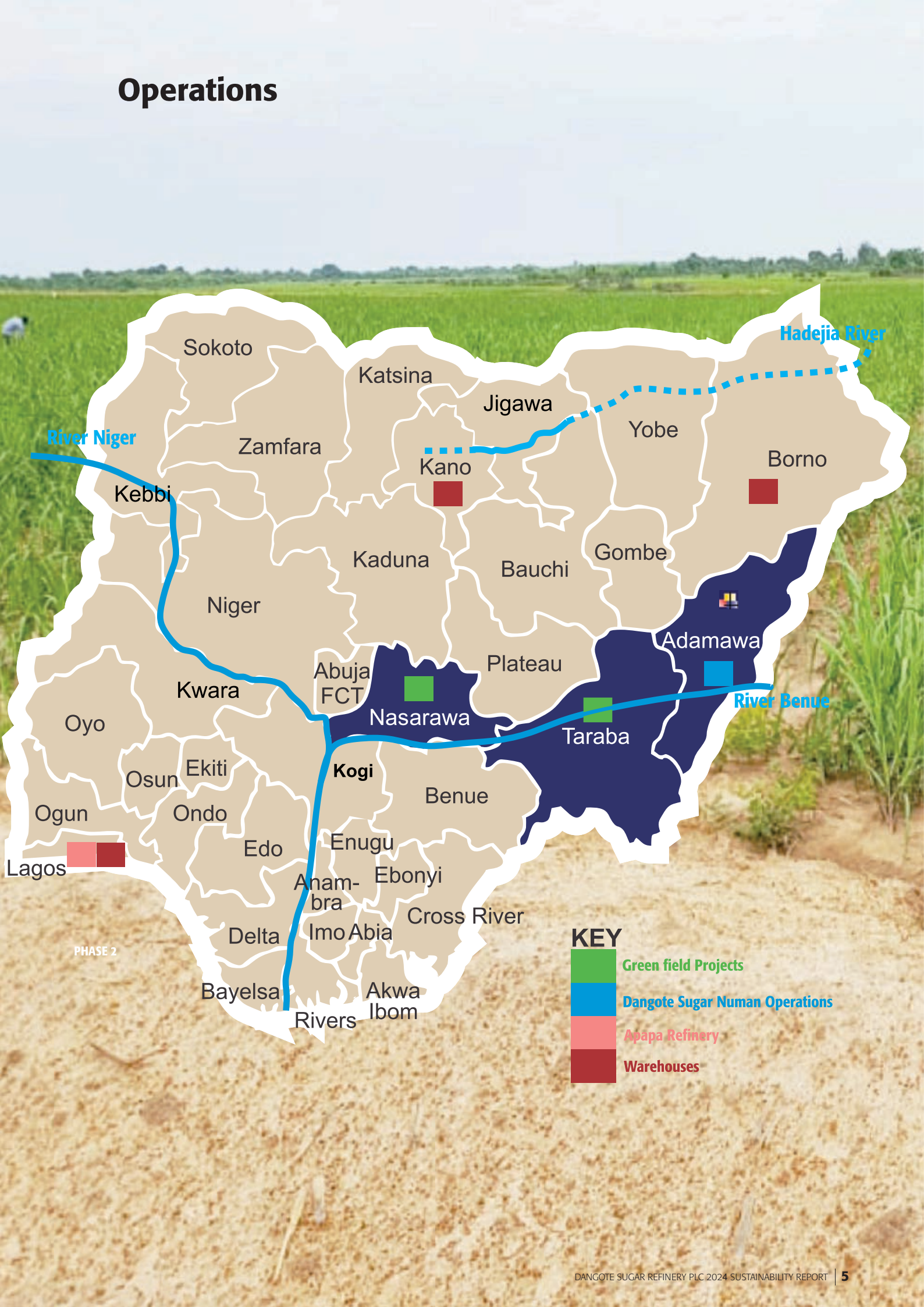
Operations

The map displays the geographical distribution of Dangote Sugar Refinery's operations and projects across Nigeria. The background is a photograph of a lush green sugarcane field under a clear sky. The map of Nigeria is overlaid, with states labeled: Sokoto, Katsina, Jigawa, Yobe, Borno, Zamfara, Kebbi, Kano, Gombe, Kaduna, Bauchi, Adamawa, Niger, Plateau, Taraba, Kwara, Abuja FCT, Nasarawa, Oyo, Osun, Ekiti, Ogun, Lagos, Ono, Edo, Enugu, Kogi, Benue, Anambra, Ebonyi, Cross River, Delta, Imo, Abia, Bayelsa, Rivers, Akwa Ibom, and Ibadan. The River Niger and Hadejia River are shown in blue. The River Benue is shown in blue. The map highlights several key locations: Kano, Borno, Adamawa, Taraba, and Nasarawa are marked with green squares, indicating Green field Projects. Kano, Borno, and Adamawa are marked with red squares, indicating Dangote Sugar Numan Operations. Lagos is marked with a red square, indicating the Apapa Refinery. Kano, Borno, and Adamawa are marked with red squares, indicating Warehouses. The map also shows the River Niger and Hadejia River. The text 'PHASE 2' is visible in the bottom left corner of the map area.

KEY

- Green field Projects
- Dangote Sugar Numan Operations
- Apapa Refinery
- Warehouses

DANGOTE SUGAR REFINERY PLC 2024 SUSTAINABILITY REPORT | 5



Dangote Sugar Refinery Plc is Nigeria's leading sugar refinery with focus on achieving its strategic sugar production Backward Integration Master Plan to produce 1.5 million metric tonnes of refined granulated sugar from locally grown sugar across various sites in Nigeria.

01

Dangote Sugar owns and operates one of the largest sugar refinery in Sub – Saharan Africa, a 1.44million metric tonnes refining capacity at the same location; with focus on regional markets.

02

Listed on the Nigerian Stock Exchange since March 2007 with over 100,000 shareholders

Refining of raw sugar to make high quality Vitamin A fortified and non- fortified granulated white sugar, sold under the brand name "Dangote Sugar".

03

Marketing and distribution of our refined sugar grades in 1000kg, 50kg, 1kg, 500g and 250g packages

04

Cultivation and milling of sugarcane to finished sugar from our integrated sugar production project at Dangote Sugar Numan Operations.

05

Development of Greenfield projects in line with our "Sugar for Nigeria Project," strategic plan

06

Employees over 12,000 direct and indirect staff with a target 75,000 job opportunities from the Sugar Backward Integration.

07

Generates power 16MW power at its Apapa Refinery and 6 MW at DSR Numan Operations from Bio renewable source (cane fibre) – bagasse

08

Administer free Medicare, Nursery, Primary and Secondary schools' education at the DSR Numan Estate

09

Operates the most successful Outgrower Scheme in Nigeria with over 757 small holder farmers

10

Established Dangote Sugar (Ghana) LTD, as a subsidiary to expand the Company's presence and frontiers across Africa.

Sugar for Nigeria Project



As Nigeria's largest sugar producer, Dangote Sugar Refinery Plc has developed and is implementing a "Sugar for Nigeria Project", a Sugar Backward Integration Projects Development Master Plan to produce 1.5 million metric tonnes of sugar per annum from locally grown sugarcane.

The sugar for Nigeria project will consolidate Dangote Sugar's leadership in the sector as a leading integrated sugar company in Africa. Dangote Sugar owns and operates its Sugar Backward Integration Projects sites at Dangote Sugar Numan Operations, a brownfield sugar production estate at Numan, Adamawa State, Dangote Adamawa Limited a new sugar development project, in Numan Adamawa State, Nasarawa Sugar Company Limited, Tunga Nasarawa State Nigeria, and Dangote Taraba Limited, Lau/Tau project in Tabara State, both greenfield sugar production project.



The "Sugar for Nigeria Project" will generate over 75,000 direct and indirect employment opportunities, and other benefits derived from the extended value chain in sugar production.

To achieve this, DSR has made huge investments in land acquisition, machinery, land development, human resources, and community development, amongst others over the last 12 years.

Dangote Sugar has re-evaluated its plans, and we continued our strategic growth plan and accelerate the implementation of our Backward Integration Program (BIP) targeting an annual production of 700,000 tons of refined

sugar by 2031/32 from Dangote Sugar Refinery Operations, Numan in Adamawa State and Nasarawa Sugar Company Limited, Tunga, Nasarawa State.

DANGOTE SUGAR REFINERY OPERATIONS NUMAN (DSR NUMAN)

During the year under review, we have faced community issues at DSR Numan Operations, which brought about delays in land development and planting of over 2,304 hectares of land, though all materials required for the project were procured and delivered to site.

Despite these delays, we continued our efforts to coordinate with the State Government and other stakeholders to find a lasting resolution of the community issues and achieve the set goals for the project.



The 9800 TCD factory expansion is at 75% completion including 32.5 MW power plant to supply the operation and export the excess power, a 6000 TCD mill tandem to add to the existing 3800 TCD mill and a process house capable of processing 150,000 tons of refined sugar annually. Plans are also underway for the expansion of an additional 8,200 TCD factory to meet our annual target of 292,000 tons of refined sugar from DSR Numan operation.

Currently, DSR Numan operations employ over 7,000 staff (permanent, seasonal, and non- permanent), and 757 farmers now under the out growers' scheme. The goal is to ensure creation of sustainable livelihood for persons in the



immediate communities through various activities that arise from the company's operations. This includes development of a robust outgrower scheme for farmers in the communities where the Backward Integration Projects are located.

Dangote Sugar Numan operations also operate the most successful outgrower scheme in the Nigeria Sugar Industry. The outgrower Scheme is part of the Dangote Sugar Master Plan's employment generation, empowerment and enterprise drive aimed at the socio-economic development of its immediate communities.

The out-growers are provided with the support required to achieve a sustainable scheme that positively impacts the community and company, detailed below:



PARTICULAR	DESCRIPTION
Land/Farm Development.	Land preparation & development support is handled by DSR Numan for the support of 1 plant + 4 ratoons, [5 years crop].
Out grower Scheme, no of farmers and area	number of Farmers and Area of Cultivation in the Out Growers Scheme'.
Technical Assistance and Training	All through the crop cycle, free training, and Agric Extension services to be offered to the farmers. In- house training and on the farm training with crop monitoring on the Good Agricultural Crop Management Practices for the targeted productivity of 100 MT/ha for plant crop and a ratoon average of 80 MT/ha.
Target/ Achievement	<p>The target is to grow the scheme beyond the status as stated above. However, the scheme has witnessed the following results:</p> <ul style="list-style-type: none"> • It has become a major source of revenue to the farming communities. • It has helped to improve the harmony and support between the local communities and the factory. • It has become a source of self-employment mostly for those already in the scheme. • It augments the cane to the factory mill. • It helps to reduce the poverty level of the populace
Future Plans	Through negotiation with the local Communities arrangements are ongoing to take the scheme to 1000 ha, and it will be expanded over the years.

NASARAWA SUGAR COMPANY LIMITED



During the year under review, development activities at the site continued to be impacted, due to the economic situation especially the lack of Foreign Exchange which led to the continued delay of equipment required for the project.

However, the project targets were reviewed and the proposed annual production targets revised to 430,000 tons of refined sugar by installing a 24,000 TCD factory and planting 29,000 hectares of sugarcane.

A suitable site for the factory within the 68,000 hectares project land has been identified, and arrangements to secure funding for the project has progressed. The due diligence and necessary documentation have been completed with the African Finance Corporation targeting \$200 million (USD) which is expected to be mobilised starting from the second quarter of this year.

Infrastructural development activities continued at the site with staff housing, clinic, office complex, warehouses completed, as well Landscaping, and Tree Planting.

Nursery Seedlings Development with over 3,178 sugarcane seedlings raised in the nurseries within the Estate respectively. All are adequately being maintained/nursed.

Currently, a 14-hectare seed cane farm is also being developed for commercial farming and sugarcane varietal trial also commenced during the year under review.

The CSR activities of Nasarawa Sugar have started to impact positively on the host communities even without the company commencing operations. Community development projects, scholarships for over 250 students, and some other sustainability programmes are being implemented.





“The Dangote Way”

Our Approach to Sustainability

Our organisation is committed to a sustainable future by implementing innovative business practices that enhance economic, social, and environmental well-being. Our objective is to become the premier sugar manufacturer in Nigeria and to generate substantial value, thereby addressing global challenges such as food insecurity and climate change.

Dangote Sugar Refinery Plc aligns with the Dangote Group Sustainability Strategy, based on seven (7) strategic pillars, aptly termed “The Dangote Way”. The Dangote Way promotes responsible business practices, embedding best practices into all aspects of the value chain.



DANGOTE 7 SUSTAINABILITY PILLARS & THE TRIPLE BOTTOM-LINE



OUR 2024 MILESTONES AT A GLANCE

Pillar	Milestones
Institutional 	<ul style="list-style-type: none"> Executed stakeholders' survey and materiality assessment for Employees, Communities, Investors and Supply Chain Partners We did not incur any fines/penalties for ESG (environment, social and governance) and regulatory non-compliance. Improvement in CDP Scores: From "C" to "B" for Water Security.
Cultural 	<ul style="list-style-type: none"> 1,260% increase in new hires 201 staff training programmes/sessions Average training hours per employee increased to 92.6 hours 92 employees volunteered 188 hours during 2024 Sustainability Week
Social 	<ul style="list-style-type: none"> Spending on social investment projects decreased by 57.6% 102 community engagements (50% decrease) and 37 completed projects (31% decrease) Three (3) whistleblowing cases reported; two (2) resolved; one (1) ongoing investigation Zero cases of discrimination One (1) human rights abuse case and appropriate disciplinary measures taken
Economic 	<ul style="list-style-type: none"> Economic value created increased by 50.8% Employees' wages, benefits, and salaries increase by 21.4% Economic value retained indicated a loss of over N199bn
Operational 	<ul style="list-style-type: none"> Decline in sugar production by 18.7% Increase in local procurement spending from 85% to 99.7% of total procurement Certified to ISO 9001:2015 Quality Management System (QMS), ISO 22000:2018 Food Safety Management Systems (FSMS), ISO 45001:2018 Occupational Health and Safety Management System (OHSMS), and the Food Safety System Certification (FSSC 22000) Completed and passed FSSC 22000 version 6.0 audit 386 (45% decrease) Distributors and 210 (40% increase) Retailers
Environmental 	<ul style="list-style-type: none"> Energy consumption decreased by 26.6%; energy intensity decreased by 12.6% Natural gas accounts for 65% of our fuel mix and bagasse accounts for 19% Scope 1 GHG emission decreased by 14% GHG emission intensity increased by 6% Water intensity increased by 59.2% Zero environmental compliance fines, penalties, or sanctions for non-compliance

Chairman's Statement



**ALIKO
DANGOTE, GCON**
CHAIRMAN



We recorded a Group turnover of ₦665.6 billion, a 51% increase over ₦441.5 billion in the corresponding period in 2023. This was largely due to price adjustments to partly recoup operating input costs.

I am pleased to welcome all our esteemed Shareholders, my Fellow Directors, and Representatives of the Regulatory Institutions, to the 19th Annual General Meeting of Dangote Sugar Refinery Plc, and to present to you the Annual Report and Financial Statements for the year ended December 31, 2024.

It is worthy to mention that despite the lingering volatility and challenges in the operating environment during the year under review, Dangote Sugar remained steadfast in its pursuit of various strategic initiatives to ensure our operations are sustained while upholding the highest standards of corporate governance.

As we reflect on the past year, we recognize both the challenges we have faced and the resilience with which we have navigated them. Therefore, we start with a review of the global and domestic economies in 2024.

OPERATING ENVIRONMENT

The global economy recorded mixed fortunes in 2024 as the world grappled with several geopolitical and economic challenges. The global economy experienced slower growth than anticipated arising from several issues, such as the Russian-Ukrainian war, and high inflation.

The Israeli-Hamas crisis raged all through the year with the Houthis in Yemen attacking and disrupting maritime activities in the Southern Red Sea and Gulf of Aden. The attacks, which the Houthis claim was in support of the Palestinians, deterred major shipping firms from navigating through the Suez Canal which is a major shipping corridor for goods between Asia and Europe. The longer route implied increased costs, which contributed to global inflation. Egypt is said to have reported losses of over \$7 billion in revenue over the diversion of vessels from Suez Canal.

Donald Trump was re-elected as the President of the United States of America on Tuesday, 5 November 2024. As part of his campaign, Trump promised to increase tariffs on products from China and other wide disruptions in American relationships. The U.S. in the year under review grappled with several issues such as the potential debt ceiling crisis, which required a last-ditch consensus to prevent government shutdown. The labour market in the U.S remained relatively strong. Rate of unemployment remained low, but inflation rate was of concern. The financial

authorities tried to moderate inflation through higher interest rates for much of 2024.

Europe has continued to reel from the energy crisis arising from the Russian-Ukraine war. Businesses and households paid higher energy prices in 2024. Inflation was a major challenge as the European Central Bank (ECB) introduced measures to moderate inflation. Major European economies like Germany and France faced stagnating growth rates.

These global economic challenges also had notable impact on the Nigerian business environment with inflation rising to 34.80% as of December 2024, as reported by the National Bureau of Statistics. This marks a marginal rise of 0.20% from November 2024's rate of 34.60%, primarily driven by the increased demand for goods and services during the festive season. On a year-on-year basis, the headline inflation rate was 5.88% higher than the rate recorded in December 2023 (28.92%). This shows that the headline inflation rate (year-on-year basis) increased in December 2024 compared to the same month in the preceding year.

The Central Bank of Nigeria (CBN) made attempts to curb inflation by increasing the Monetary Policy Rate (MPR) six times within the year. Inflation contributed to the rise in cost of production, goods and services. The rise in living costs was impacted by the full removal of subsidy on premium motor spirit (PMS), which led to a spike in transportation rates, and other attendant costs in the economy. However, within the same period, Dangote Petroleum Refinery commenced domestic production of PMS, following over 28 years of non-production from the nation's refineries stopped producing. Supply from Dangote Petroleum Refinery helped to moderate the price of petroleum products and ensured an adequate supply of fuel during the festive season.

In 2024, the Government continued to deepen the economic reforms which it started in 2023, reforms which include the tax bills transmitted by the President to the National Assembly. This tax reform, designed to address the challenges of the present tax system and resolve its multi-layered taxation.

This will consolidate various legal frameworks relating to taxation, thereby expanding the country's tax base, enhancing tax compliance and generating sustainable

revenue streams for national development.

The global economy in 2024 was marked by significant headwinds, with inflationary pressures, supply chain disruptions, and geopolitical uncertainties affecting industries worldwide. For Dangote Sugar, the sharp depreciation of the naira and high foreign exchange rates presented notable challenges, impacting import costs and operational efficiency.

OUR PERFORMANCE

The company's performance in 2024 was impacted by these various macro-economic challenges mainly from sharp depreciation (61%) of the exchange rate of naira to the dollar (affecting cost of imported raw sugar, gas cost for conversion), increased borrowing rate, and low consumer disposable income. As such, we witnessed a surge in our costs. The delays in getting regulatory approvals to open Letters of Credit also affected our business in 2024.

We recorded a Group turnover of N 665.6 billion, a 51 % increase over N441.5 billion in the corresponding period in 2023. This was largely due to price adjustments to partly recoup operating input costs. Operating profit of N12.6 billion, Loss Before Tax of (N271) billion, while Loss After Tax is (N193) billion, incurred mainly due to exchange devaluation and high interest on working capital loans. Exchange loss for the period was N209bn and finance costs was N92bn.

To meet the increasing working capital needs, the company went into the Commercial Paper financing arrangements in the year ended. In all outings, the offers were successfully subscribed to reflecting investors' confidence in our company. Repayment of these and other term loans are being met as and when due.

DANGOTE SUGAR 25 YEARS ANNIVERSARY

This year marks a major milestone—25 years of excellence in the Nigerian sugar industry. From our humble beginnings in March 2000 as a division of Dangote Industries, we have grown into a market leader committed to quality, innovation, and sustainability. To commemorate this achievement, we are introducing a new '25kg' packaging alongside other initiatives to celebrate our journey. This is a testament to our enduring commitment to excellence, and we look forward to even greater achievements ahead.

SUSTAINABLE GROWTH & DEVELOPMENT

Today, sustainability has become one of the key factors for business growth and investments, perhaps the most important. It is in this wise that we deepened our unwavering commitment to a sustainable future for the business with the setup of a Social Performance function on the heels of the Board Technical and Sustainability Committee, established to oversee the Company's operations in areas of Production, Sustainability, Health, Safety, Security and Environment, Transport, Logistics and New Projects.

Despite the challenges in the business environment, we continued to employ the necessary steps and maximise every opportunity in growing our business with focus on impact, environment, corporate governance and ethics. We embodied an ambitious sustainability and environment capacity-building initiative with the employment of top-tier sustainability and environment management experts, initiated full-scale tracking of Scope 1 and 2 GHG emissions, organised a vendors' forum to share our sustainability vision with our supply chain partners and began collaboration with Bonsucro accredited consultants and certification bodies to guide us toward full certification to align DSR with global best practices in sugar production.

Recall that DSR became the first organisation to achieve the Bonsucro membership in Nigeria, which positioned it as the preferred brand for customers, investors, and all stakeholders. Hence, the steps being taken to ensure the full certification status. Bonsucro, is a leading international organisation that verifies sustainable agricultural practices.

In addition, we are fully aligned with international and national sustainability and governance standards, principles, and guidelines that are applicable to our business and reporting requirements.

These efforts are a clear testament to our resolve for the attainment of a sustainable future. Our goal remains the creation of a sustainable business and value for all stakeholders by making sustainable impact through job creation, sports development, quality education, women and youth empowerment, skills acquisition schemes, food security, healthcare, and wellbeing amongst other developmental activities to support the socio-economic development of our communities and the company at large.

We will continue to build expertise required in these areas to sustain and improve on the achievements recorded to date
– The Dangote Way.

THE DANGOTE SUGAR FOR NIGERIA PROJECT

World sugar production is expected to grow albeit at a slower rate compared to previous decades, driven mainly by technological advancement, increased efficiencies, and new investment in limited regions. Sugar market research concluded that, the global deficit will increase reaching 15.5 M tons of sugar in 2030/31 mainly from Equatorial and South Africa region with a projected annual growth of 3% which shall impact availability of raw sugar imports and prices.

Domestically, the sugar sector which relies mainly on raw sugar import faces the challenges of the global balance of sugar, lack of liquidity, domestic inflation and FX fluctuation. With this global, regional, and domestic sugar sector outlook, we continued our strategic growth plan and accelerated the implementation of our Backward Integration Program (BIP), targeting an annual production of 700,000 tons of refined sugar by 2031/32 from Numan Operations and Nasarawa Sugar Company.

It is no longer news that the Dangote Sugar for Nigeria Backward Integration Project Master Plan is the future of the sugar industry in Nigeria. This we will also extend to surrounding countries in the region – The Dangote Way.

Concerted efforts are being made to ensure we surmount the numerous and persistent challenges that keep affecting delivery of the goals of the project, ranging from the onslaught of high foreign exchange rates to the lack of skilled manpower required for sugar production, and the community disturbances over accessing the land we have acquired for these projects.

During the year under review, we have faced community issues in Numan Operation resulting in a delay of the plantation of 2,304 ha, although the irrigation materials were procured and delivered to site. Despite these delays we continued our efforts to coordinate with the State Government and other stakeholders to resolve the community issues and achieve our targets by adopting a crash program in the next 5 years. The 9800 TCD factory expansion has been undergoing, with 75% completion including a 32.5 MW power plant to supply the operation and export the excess power, a 6000 TCD mill in tandem to add to the existing 3800 TCD mill and a process house capable of processing refined 150,000 tons of sugar annually. We are also planning an additional expansion of 8,200 TCD factory to meet our annual target of 292,000 tons of refined sugar from Numan operation. In Nasarawa, we have revisited our targets setting, our annual production targets up to 430,000 tons of refined sugar by installing a 24,000 TCD factory and planting a 29,000 ha of sugarcane. The funding for Nasarawa Sugar Project has progressed and we managed to complete the due diligence documentation with the African Finance Corporation targeting 200 (USD) million which is expected to be mobilized starting 2025-Q2.

The Dangote Sugar (Ghana) Limited feasibility study and a 12,000 TCD factory conceptual design were completed. We have identified an area of 23,000 ha in a prime location as the project area and obtained the water right license for Ghanaian Government to fully irrigate the project area.

The efforts and support of the Federal and State governments, the National Sugar Development Council and other government parastatals to ensure the achievement of the National Sugar Development Master Plan are highly commended, and we reiterate our unwavering commitment to this quest to achieve sugar sufficiency for Nigeria, with the production of 1.5 million MT Sugar per annum from locally grown sugarcane by Dangote Sugar.

BOARD OF DIRECTORS

During the year under review, a new member, Mr. Arnold Ekpe was appointed to the Board of the Company as an Independent Non-Executive Director effective 28th October 2024. Mr. Ekpe's appointment is subject to the ratification of Members at the Annual General Meeting. No Director

retired from the Company during the year under review, while the Directors retiring by rotation, being eligible will offer themselves for re-election at this Annual General Meeting.

OUTLOOK

Distinguished Shareholders, Ladies and Gentlemen, our outlook for 2025 and beyond remains to build a sustainable business through the sugar backward integration projects, driving robust economic impact with the production target of 1.5 million metric tons of refined sugar annually, generation of over 75,000 employment opportunities, power generation etc. amongst other benefits that will be maximised on the sugar production value chain.

We will deploy every strategy possible to ensure we navigate through the high forex rates, escalating costs of raw materials and its impact on our working capital to achieve these deliverables through process optimisation, improved efficiencies, operational excellence, financial performance, superior service delivery to our customers, and a culture which focuses on our people – the employees as the key resource central to the achievement of our set goals and objectives.

The resilience of our employees in the face of all these challenges is highly appreciated and we will continue to reward their hard work and commitment to the company's goals and objectives. In addition, the skills development, and empowerment for optimal performance is priority with focus on a culture of exceptional performance, to continue to attract and retain the best talents, as a preferred employer in the Food & Beverage industry.

Our partners, the distributors and every customer, your support, patronage and vote of confidence has kept us focused on our shared goals. The Board and Management are encouraged by your confidence in us, and we will steer the Dangote Sugar ship to enviable heights against all odds.

Fellow Directors, I say a big thank you for your unalloyed support and immense contributions in your service to the company.

At this juncture, Ladies and Gentlemen, I thank all our other stakeholders for their support and call for the continued contributions towards the realisation of our goals on this journey to greatness as we work towards making Nigeria a global force on the world's sugar production map.

Thank you.



Aliko Dangote, GCON
Chairman

April 2025

Group Managing Director/Chief Executive Officer's Report for the Year Ended December 31, 2024.



RAVINDRA SINGHVI
GROUP MANAGING DIRECTOR/CEO

”
**We recorded a
Group turnover of
₹665.6 billion, a 51%
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corresponding period
in 2023**
”

Dear Shareholders, Distinguished Directors, Gentlemen of the Press, Regulators, All Stakeholders here present, Ladies and Gentlemen. I warmly welcome you to the 19th Annual General Meeting of Dangote Sugar Refinery PLC.

I present to you, the key highlights of the issues that affected the Company's performance during the year ended December 31, 2024.

During the year under review, inflation remained on an increasing trend with major reforms introduced by the government, which led to significant increases in interest and FX rates, and other overwhelming impacts on the economic environment. This affected us as well as most businesses, during the year with increased cost of production and by extension high cost of products and services, as well as liquidity squeeze of consumer income, as well as purchasing power.

However, we remained focused on our strategic initiative to produce a minimum of 1.5MT refined sugar annually from locally produced sugarcane at our integrated sugar production estates, which is expected to alleviate some pressure on costs and our demand for foreign currency. Despite these challenges, over the last few years, Dangote Sugar has been taking major steps to fully optimise its operations and transform its business to become an integrated sugar production business.

Though the outlook remains challenging, we are resolute and will continue to pursue our goals, maximise the opportunities and every growth potential available in the environment to ensure our goals for the business are achieved.

2024 PERFORMANCE

Our 2024 performance clearly reflects the impact of the harsh economic conditions we were faced with during the year. It was indeed very challenging with other macro-economic impact on our operations, which led to delays in meeting our timelines, increased foreign exchange rates, the attendant high cost of our material inputs especially raw sugar and gas, not to mention the increased interest rates and, low consumer disposable income affected our operations. To meet our working capital needs, we embarked on Commercial Paper financing arrangements during the year. Fortunately, the offers were successfully subscribed, reflecting investors' confidence in Dangote Sugar.

As such, we recorded a Group turnover of N665.6 billion, a 51% increase over N441.5 billion in the corresponding period in 2023. This was largely due to price adjustments to

partly recoup operating input costs. Operating profit of N12.6 billion, Loss Before Tax of (N271) billion, while Loss After Tax is (N193) billion, incurred mainly due to exchange devaluation and high interest on working capital loans. Exchange loss for the period was N209 billion and finance costs was N92 billion.

THE BACKWARD INTEGRATION PROJECTS

Domestically, the sugar sector continued to rely on raw sugar importation during the year under review, which supports the Nigeria Sugar Master Plan and our Sugar for Nigeria project in the face of several challenges ranging from lack of liquidity, domestic inflation and FX fluctuations, and community issues amongst others. However, with the global, regional, and domestic sugar sector outlook, we are resilient and committed to the implementation of our strategic growth plans to accelerate the implementation of our Backward Integration Program (BIP) targeting an annual production of 700,000 tons of refined sugar by 2031/32 from Numan Operations and Nasarawa Sugar Company.



During the year under review, several community issues affected our programme at DSR Numan Operations resulting in a delay in our land development activities. However, we continued our efforts to coordinate with the State Government, National Sugar Council and other stakeholders to find a lasting solution to these issues, to ensure we achieve our targets. We have redeveloped our plans and adopted a programme to be implemented over the next 5 years to ensure our sugar backward integration project goals are achieved. Our 9,800 TCD factory expansion is nearing completion with a 32.5 MW power plant to supply the DSR Numan Estate. Also, we have revisited the targets set for the Nasarawa Sugar Company Limited and have now targeted our annual production targets to 430,000 tons of refined sugar. This will be achieved with a 24,000 TCD factory that will be built and planting of 29,000 ha of sugarcane.

The Dangote Sugar (Ghana) Limited also received a boost during the year with the completion of the feasibility studies and design of the 12,000 TCD factory. 23,000 hectares of land was identified in a prime location for the project, with the water right license for Ghanaian Government to fully irrigate the project area.

Despite the challenges, we will continue to engage all stakeholders to work towards the resolution of all outstanding issues and make concerted efforts to ensure the achievement of the goals of the Dangote Sugar "Sugar for Nigeria" Project.

CORPORATE SOCIAL RESPONSIBILITY & SUSTAINABILITY

Despite the challenges we faced in 2024, the essence of our existence as a business remained constant. Managing our impact and social investments in our immediate host communities and environment has always been at the heart of our operations.

Our approach to Corporate Social Responsibility and Social Impact received a boost during the year with a more structured approach supported with the onboarding of a Social Performance function to ensure we are properly aligned to global standards in this regard. Actions and efforts at creating value were further strengthened with the continued implementation of our redeveloped 3-year sustainability road map which cuts across our carbon footprint, environment, safety, sustainable supply chain, responsible production & consumption, water security, quality education, health & wellbeing, zero hunger and food security etc.

It is no longer new that sustainability is embedded within our operations, in pursuit of this goal, recall that during the year, we achieved the Bonsucro membership certification, which supports our journey towards becoming Nigeria's leading sustainable integrated sugar business.



Investments in community projects and social impact activities in line with Dangote Sugar's United Nations Priority Strategic SDGs also continued during the year. These were in education, free medicare, healthcare facilities, empowerment schemes, scholarships, free education, boreholes, portable water, road rehabilitation amongst other infrastructure provided for over 5,000 members of our host communities.

Our employees were not left out of our goal to achieve an "Accident-free workplace". The safety consciousness of staff has increased tremendously, and this helped sustain the perspective from measuring safety as the absence of injury

to the achievement of an incident-free workplace.

Concerted efforts will be made towards delivering our ESG goals, sustainability agenda and the sugar for Nigeria Backward Integration Project, with a more conscious approach to reduce our carbon footprints with initiatives aimed at transforming our operations as a market leader in the industry – **The Dangote Way.**

GOVERNANCE & RISK MANAGEMENT

We understand that operating in Nigeria's dynamic economic landscape requires a resilient and progressive approach to governance and risk management. In 2024, our operations faced economic headwinds that impacted, procurement and pricing strategies, as well as production and distribution timelines. To this end, we deployed a data-driven risk mitigation framework and strategy implemented under the oversight of the Board of Directors.

The Board Governance, Risk & Assurance, and Finance & Strategy Committees continued their responsibility of reviewing the adequacy of the internal control processes, risk framework, policies, and processes defines our risk appetite. Through this and our proactive risk mitigation strategies, we were able to maintain operational continuity, protect stakeholder value, and ensure sustainable growth amid Nigeria's evolving economic challenges.

During the year under review, DSR advanced its comprehensive risk management processes to address the complex and volatile economic environment, by integrating cutting-edge technologies and strategic insights. We have enhanced our ability to effectively identify, assess, and mitigate key risks. Our approach to risk management now incorporates advanced qualitative and quantitative methodologies, including dynamic Risk and Control Self-Assessments (RCSAs), predictive Key Risk Indicator (KRI) analytics, and an upgraded Loss Incident Reporting system. These tools enabled us to maintain a forward-looking view of our risk landscape, ensuring agility and resilience with risk monitoring systems, enhanced on-site incident evaluations, empowering our teams to respond swiftly and effectively to unexpected events.

In the current year and beyond, the Board and Management's commitment to effective enterprise risk management principles and practices remains unwavering.

OUR HUMAN CAPITAL

Dangote Sugar remains one of the best employers in the Nigeria Food and Beverage industry. During the year under review, we embarked on several programmes to ensure our most valued resource were equipped to carry out their day-to-day activities in the right environment.

Employee motivation with several training and manpower development programmes were used to upskill our teams to ensure superior output in every area of our operations. These programmes were targeted at new and existing employees Groupwide with the Dangote Leadership Development Programme (DLDP) with several streams during the year, and the Graduate Trainee Scheme, which trained and offered employment to young people, Dangote

Groupwide. Our skills transfer and acquisition scheme continued across our operations with a strategic goal to build a skilled sugar production workforce to support and sustain the sugar for Nigeria project.



This reflects our culture to attract and retain qualified high calibre employees to fill skills gaps, while instilling a culture for growth and self-development amongst all employees.

FUTURE OUTLOOK

Esteemed Shareholders, Members of the Board of Directors, Ladies and Gentlemen, please accept my hearty congratulations on the 25 years of Dangote Sugar Refinery, it has been a worthwhile experience, and we will continue the pursue our goals despite the current economic realities. This will keep us on our toes, and we have adopted deliberate steps to minimise costs, optimise our process with a strategic plan in place to chart our gradual return to profitability while maintaining our competitive advantage.

In face of the challenges faced by the business during the year under review, we are enhancing our value proposition across all customer segments with a focus on capturing every opportunity in our environment, improving customer experience and satisfaction with a Distributor Management System to enhance values and superior customer satisfaction. We are taking the necessary steps to grow our markets across the West African sub-region through export, and arrangements are underway to introduce new package sizes to meet demand and close the gap in the market.

Our commitment to the achievement of the sugar backward integration project remains unchanged, with the overarching vision Our vision is to be one of the world's leading integrated sugar producers, respected for the quality of our products and the way we conduct our business while creating sustainable value for our stakeholders, in alignment with the broader mission to put Nigeria on the world sugar map with the production of 1.5 million metric tonnes of refined sugar annually at the full realisation of the Sugar for Nigeria project.

Finally, Ladies and gentlemen, my profound appreciation goes to members of the Board, my colleagues on Management, our staff, our esteemed customers, for their partnership and you our shareholders for the continued vote

of confidence in the company.

I am confident that with the exceptional leadership of the Chairman, continued support of the Board, Management and all stakeholders, with the resilience of our people, we will continue to navigate the uncertainties towards sustaining DSR as a clear leader in the face of every uncertainty.

Thank you.



Ravindra Singhvi
Group Managing Director/CEO

April 2025

OUR REPORTING PRACTICE

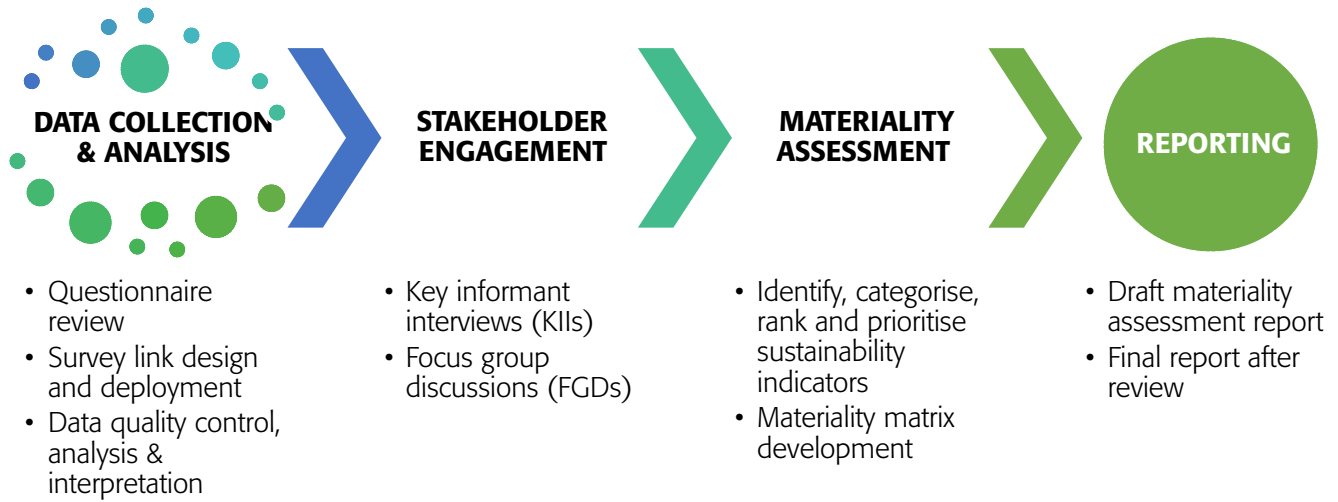
Our 2024 Sustainability Report addresses our significant social, environmental, economic, and governance issues for the 2024 financial year which runs from January 1 to December 31, 2024. The Report covers activities carried out in our headquarters in Apapa, Lagos, including locations of Backward Integration Projects (BIP) in Numan, Adamawa State; and Tunga, Nasarawa State.

This Report:

- is integrated in and supplements our 2024 Annual Report
- has been prepared in accordance with the Global Reporting Initiative (GRI) Sustainability Reporting Standards
- aligns with the International Financial Reporting Standards (IFRS) Sustainability Disclosure Guidelines S1 and S2
- summarises our accomplishments in incorporating the ten (10) sustainability principles of the United Nations Global Compact (UNGC) into our business practices
- meets the requirements of the Nigerian Exchange Group's Sustainability Disclosure Guidelines (NGX-SDGs)
- showcases our contributions to the United Nations Sustainable Development Goals (UN-SDGs)
- abides by the Securities and Exchange Commission (SEC) Code of Corporate Governance
- complies with the Sustainability Principle in the Financial Reporting Council of Nigeria Code of Corporate Governance (NCCG)
- adheres to the SEC's Nigerian Sustainable Finance Principles for the Capital Market

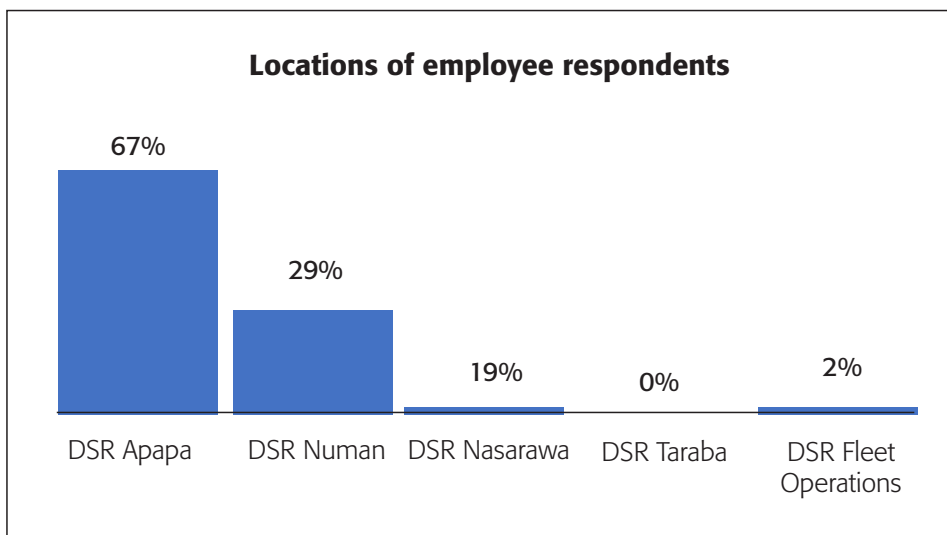
Additionally, working with a third-party sustainability expert (Dupht Consults Limited), we conducted stakeholder engagement activities and materiality assessment surveys with our key stakeholders (employees, host communities, and supply chain) to ascertain their sustainability issues. These, along with our business impact, informed the material topics disclosed in this report.

Materiality Assessment Process



Employees' Survey

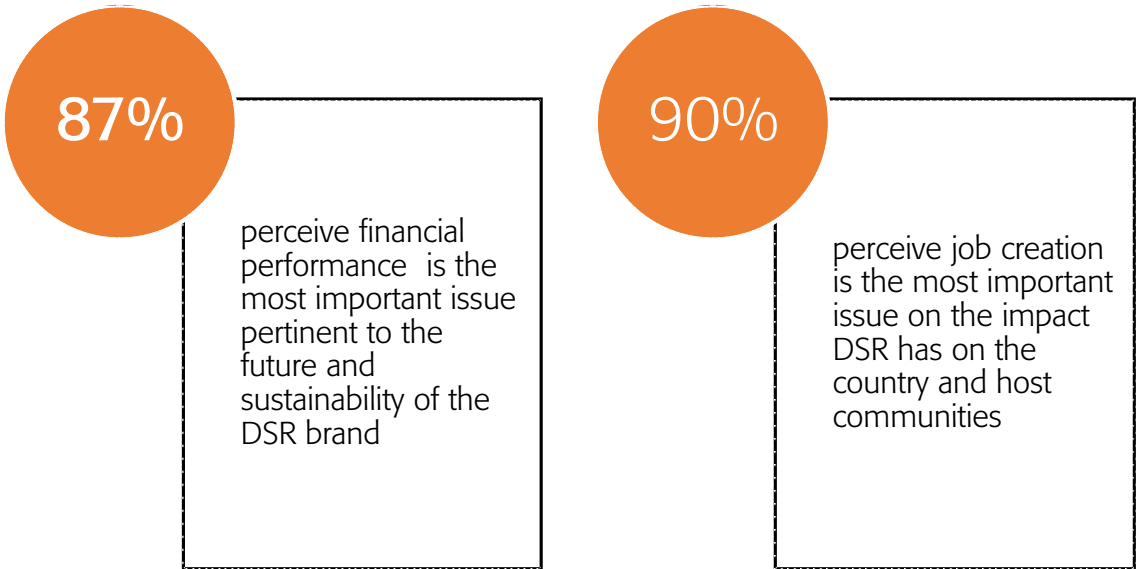
The respondents for the 2024 survey were selected across multiple operations and locations, the highest from DSR Apapa.



The sustainability knowledge of respondents was critical to the materiality assessment; only 2% of respondents had no knowledge of sustainability.



Employees’ sustainability awareness:

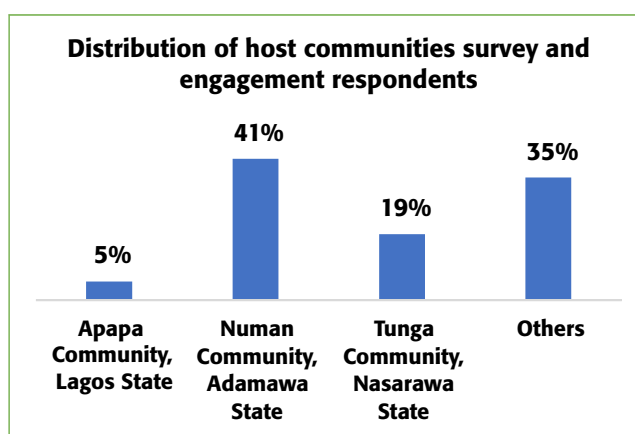
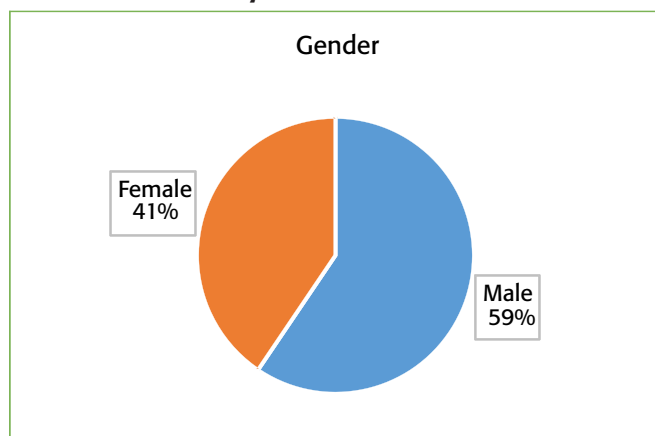


The highest-ranking material topic important to employees is “Company’s reputation and brand perception”.

High ranking material topics important to Dangote Sugar Employees in 2024



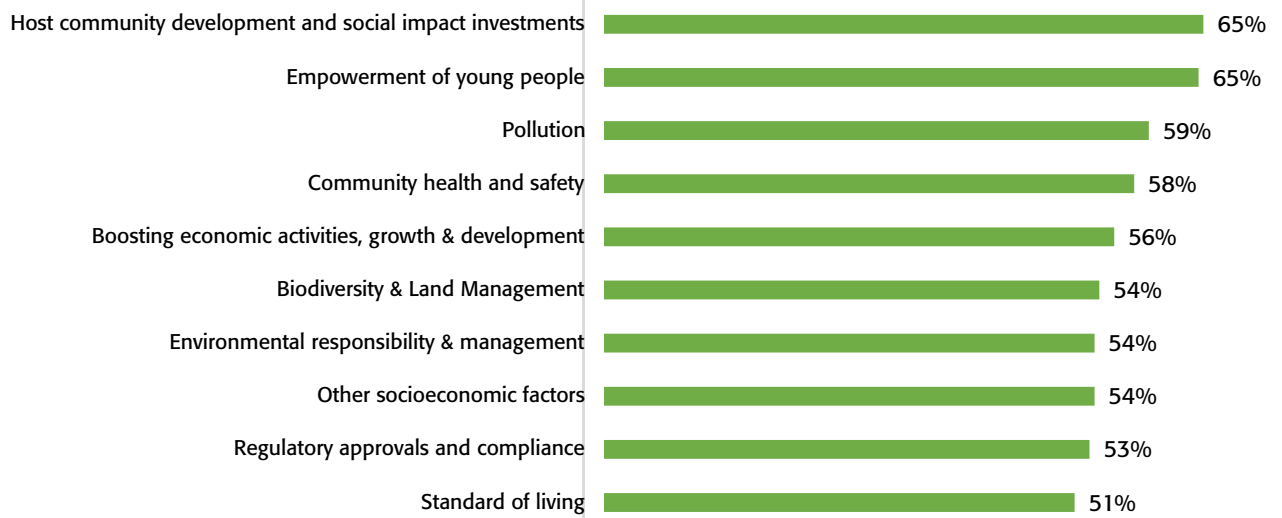
Communities Survey



The highest-ranking material topics important to host communities are “Host Community Development and Social Impact Investments” and “Empowerment of Young People”.



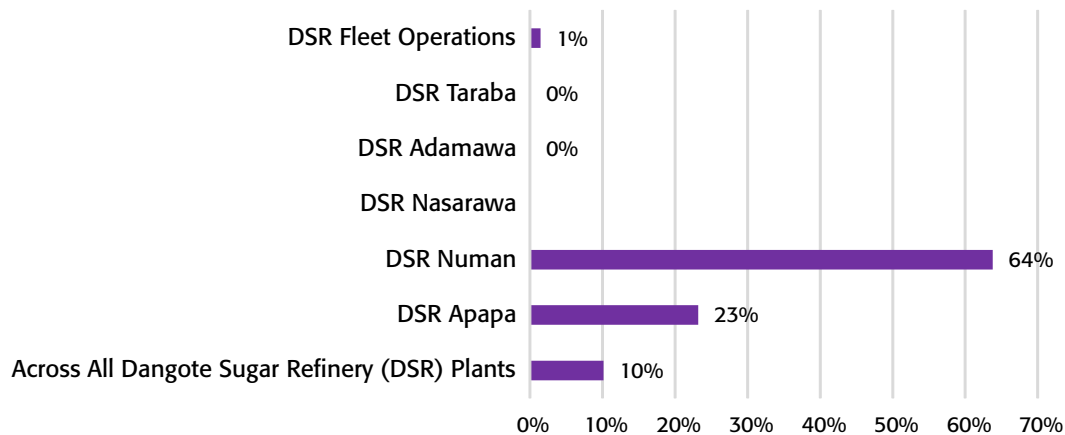
High ranking material topics important to Dangote Sugar Host Communities in 2024



Supply Chain Partners Survey

The respondents for the 2024 survey were selected across multiple operations and locations, the highest from DSR Numan.

Dangote Sugar Locations serviced by suppliers and vendors



The highest-ranking material topic important to suppliers is "Financial Performance".

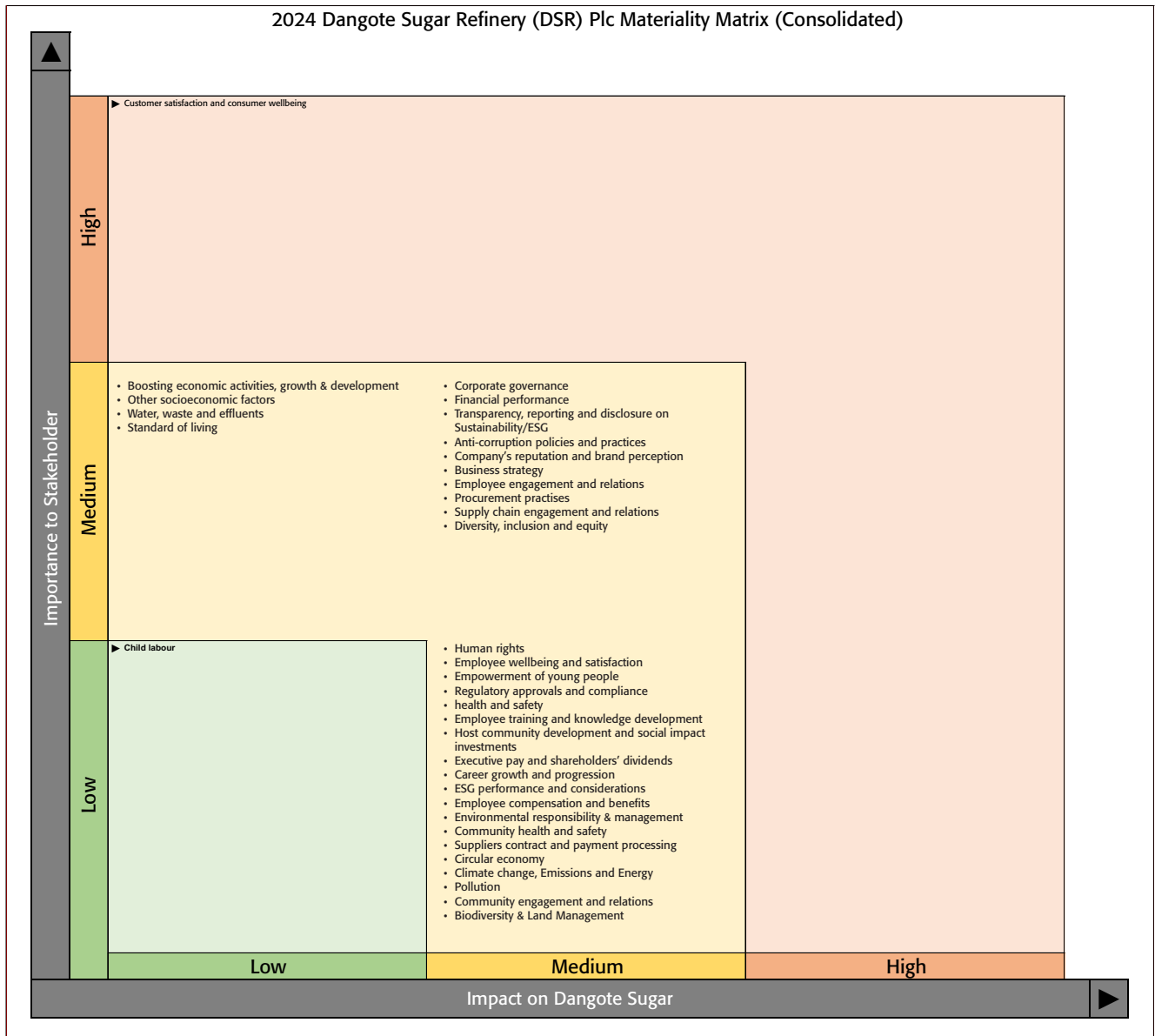
High ranking material topics important to Dangote Sugar Suppliers in 2024



DSR's 2024 Materiality Matrix

Material topics from our stakeholders informed the consolidated matrix for DSR's operations. In line with the GRI Sustainability Reporting Standards reporting requirements, the identified material topics significantly influence the issues that are disclosed in this Report. At the end of the materiality matrix consolidation, a total of 35 material topics were identified, one (1) was least critical (Low rank), 33 were moderately critical (Medium rank), while one (1) was significantly critical (High rank).





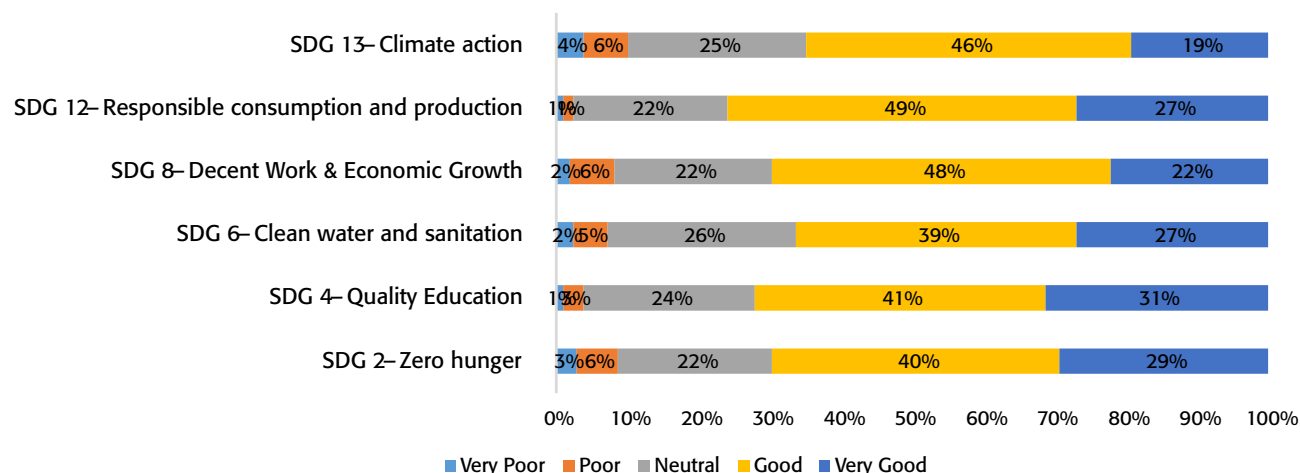
The list of material topics applicable to us as an organisation is carefully discussed and addressed throughout this sustainability report in addition to those identified through the 2024 materiality assessments as indicated in the matrix above.

OUR STRATEGIC PRIORITY SDGS



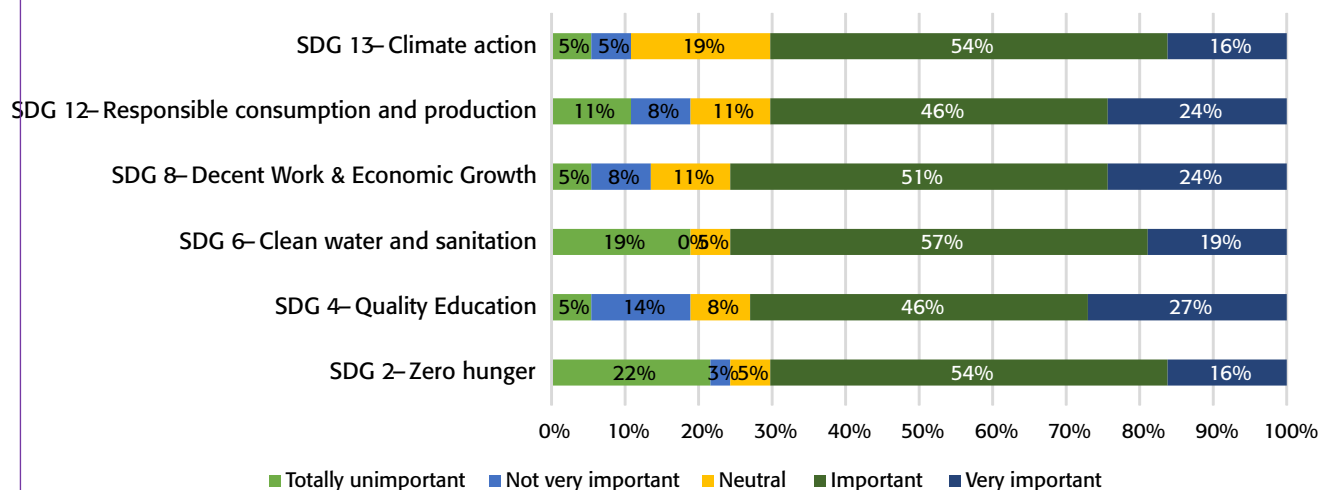
Through surveys and interactions, the Employees and the Host communities provided their opinions regarding the execution, progress, and impact of our Strategic Priority SDGs on them. Most of the employees think DSR has implemented and made the most progress in SDG 12 – Responsible Consumption and Production (76%) according to the ratings recorded from the survey deployed.

Employees rating of Dangote Sugar Priority SDGs implementation and progress in 2024



76% of the host community respondents think DSR should focus more on SDG 6 (Clean water and sanitation) as possible focus areas for 2025. The chart below provides specific details on ratings

Host communities suggested focus for Dangote Sugar Priority SDGs in 2025 and beyond





INSTITUTIONAL PILLAR:

Build a world-class institution centred on corporate governance best practices and sustainability principles that promote legal and regulatory compliance, transparency, effective internal controls, risk management and business continuity.

Sustainability Governance

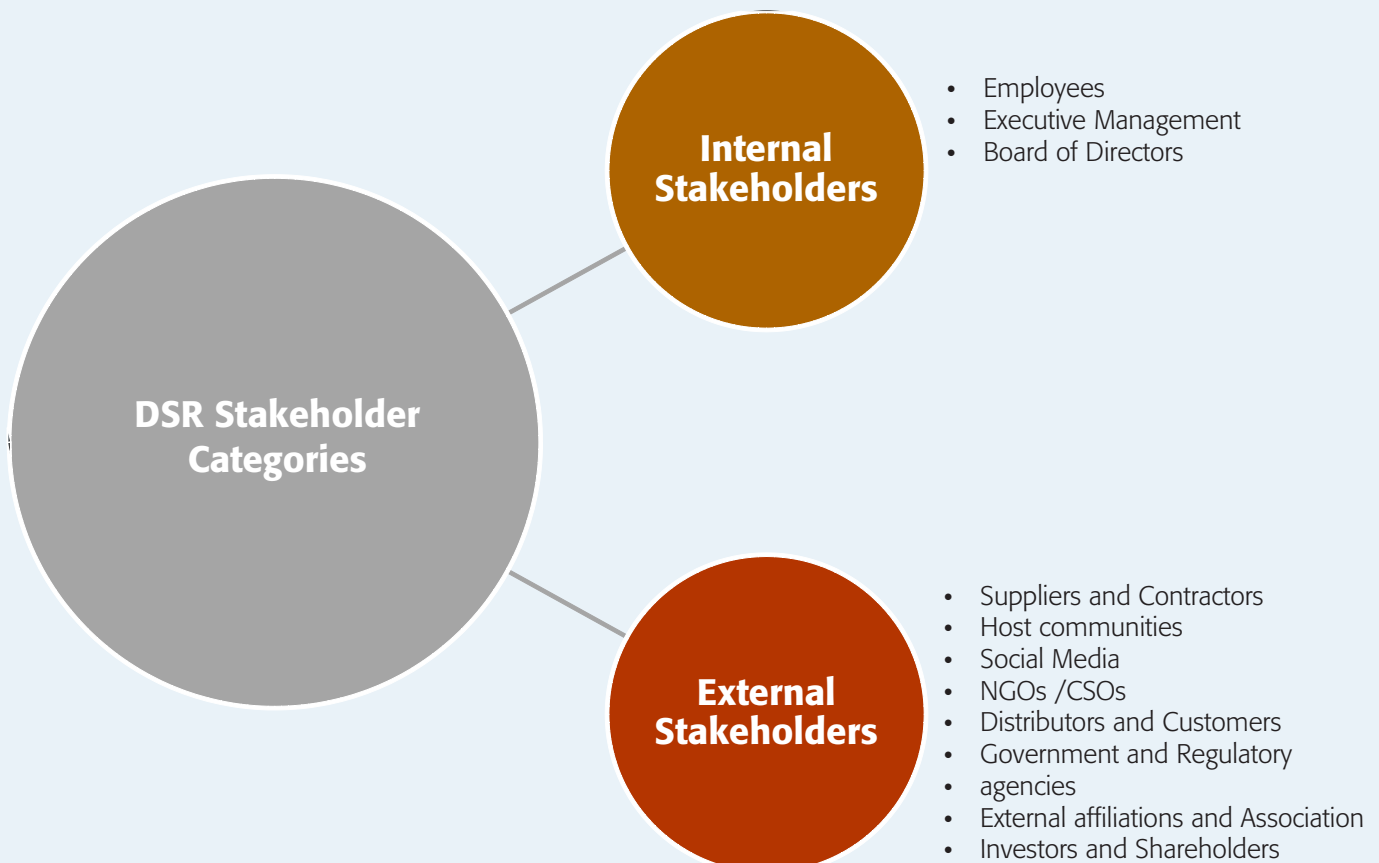
The Board Technical and Sustainability Committee (BTSC) was established in 2023 and commenced operations in February 2024 to oversee the Company's operations in areas of Production, Sustainability, Health, Safety, Security and Environment, Transportation and Logistics and New Projects. The actions of the Committee are guided by a term of reference where the key objective is to oversee the Company's sustainability strategy, programmes and practices with regards to its economic, social and environmental Obligations. Furthermore, the Committee is tasked with overseeing required reporting and disclosure with respect to sustainability including technical, operational, health, safety, environmental and corporate social responsibility matters, including the review of this 2024 Sustainability Report.

To improve the strategic oversight of the Committee and the general Board, the Board subscribed to various sustainability/ESG-related trainings during the year including "Effective Corporate Governance and Oversight for Sustainable Growth" and "Environmental and Social

Compliance in Sugar Refining". The annual Board Retreat, held in December 2024, allowed members to explore developing issues, address concerns, define goals and priorities, and develop a cohesive Board with sustainability at its centre. The objectives included the Strategy for attaining the 2025 Fiscal Year Budget, the BIP Strategy Implementation, and Innovative Measures for Combating Business Losses in a Volatile Economy, as well as the role that sustainability can play in attaining the goals.

Stakeholder Engagement

Drawing from the categorisation of our business stakeholders in our stakeholder matrix, we embarked on a strategic and holistic approach to engaging with our diverse groups of stakeholders in the reporting year. Our one critical goal was to achieve a sense of shared value with our stakeholders in taking the business forward and integrating their input into our corporate decision-making process. The principal groups of stakeholders for DSR are as follows:





Influence	High		Host Communities		Investors & Shareholders		Government & Regulatory Agencies Customers & Distributors
	Medium	Competitors	Employees		Media		
	Low	External Affiliations & Associations	Suppliers & Contractors		Financial Institutions	NGOs/CSOs	
			Low		Medium		
Interest							



Stakeholder	Engagement Method	Frequency	Key Topics Raised
Employees	Meetings in small groups, one-on-one engagement, notice board, emails, newsletters, sustainability reporting, surveys, awards, recognition, HSE site meetings. etc.	Monthly, Quarterly, and as required	<ul style="list-style-type: none"> • Career growth and development, compensation and benefits, Sustainability performance and reporting, • Equal opportunities for all employees, skills/ knowledge development, health and safety, etc. • Other thematic topics include DSR values, corporate goals and objectives; sustainability targets and expected outcomes; strategic Initiative & BIP; DSR Priority SDGs. • Employee volunteerism initiative; brand consistency & compliance; corporate communications & other policies
Suppliers and contractors	Emails, letters, meetings, one-on-one engagements, engagement by proxy via the Procurement Department.	Regular and as required	<ul style="list-style-type: none"> • Requirements, products and service quality, workers' security, pricing, invoices and payments, aftersales support, and efficiency; brand consistency & compliance
Distributors and customers	Emails, letters, visits/one-on-one engagements, meetings, customer service week	As required	<ul style="list-style-type: none"> • Meeting targets, value creation, ensuring production continuity, • Credit line, distributors' award initiatives, customer experience, brand promise & equity
Host communities	One-on-one engagements, town hall meetings, Community engagement exercise, interest groups' communications, surveys, empowerment programs	Weekly and as required	<ul style="list-style-type: none"> • Youth employment, social investments, environmental impacts, safety, scholarships, patronage of local vendors and suppliers. • Impacts on existing infrastructure and skill acquisition, community needs & projects, empowerment scheme, outgrowers schemes, sports, infrastructure development & management, security of life & property
Government/Regulatory agencies	Official letters/emails, periodic assessments, compliance filing and reporting, annual financial report, sustainability report	As required	<ul style="list-style-type: none"> • Formal notices, applications, policies and regulations, compliance, interventions and applications, etc.
Social Media	Press releases, media parley, sustainability report, annual financial report, conferences, notifications, seasonal messages, product information, corporate event	Weekly, Monthly, Quarterly, and as required	<ul style="list-style-type: none"> • Governance restructuring, Advertisement, public service announcements, social and environmental impacts. • Company's strategic initiatives, new package design, product usage, seasonal greetings, corporate updates

Stakeholder	Engagement Method	Frequency	Key Topics Raised
Financiers/Banks	Annual financial report, sustainability report, meetings	As required	<ul style="list-style-type: none"> Investments opportunities, loan financing, credit negotiations, interest rates
Labour Unions	Meetings, emails, letters, sustainability report, courtesy Visits	As required	<ul style="list-style-type: none"> Labour laws and regulations, productivity, employees' rights & obligations, safe working conditions, compensations, and benefits.
External Affiliations/Associations	Letters, meetings, sustainability report, workshops, other forums.	Monthly, biannually, annually and as required	<ul style="list-style-type: none"> Membership subscriptions, partnerships, policy reviews
Investors/Shareholders	Annual General Meetings, investors relations forum, quarterly and annual financial report, sustainability report, newsletters	Continuous	<ul style="list-style-type: none"> Quality of leadership, business strategy and updates, financial performance, dividends, corporate governance, Board composition, external reporting, ESG compliance, company performance
Non-Governmental Organisations/CSOs	Annual financial report, sustainability report, meetings, partnerships, courtesy Visits	As required	<ul style="list-style-type: none"> Community development, environmental impacts, social initiatives, partnership for sustainable development and goals



ESG Compliance

We had no penalties or non-compliance incidents during the year under review as we continue to adhere to the ESG Principles, Guidelines, and Nigerian laws in which we operate such as:

- United Nations Global Compact (UNGC)
- The United Nation's Sustainable Development Goals (UN SDGs)
- Global Reporting Initiative Sustainability Reporting Standards (GRI)
- The Nigerian Exchange Group's (NGX) Sustainability Disclosure Guidelines
- Securities & Exchange Commission Code of Corporate Governance (SEC CCG)
- Nigerian Code of Corporate Governance (NCCG)
- National Environmental Standards and Regulations Enforcement Agency (NESREA)
- Federal & States Ministry of Environment
- Federal & States Ministry of Agriculture and Rural Development
- Federal & States Ministry of Labour and Productivity
- Federal & States Environmental Protection Agencies (e.g., LASEPA)
- Federal Road Safety Corps (FRSC)
- Host Local Government Areas
- Industrial Training Fund (ITF)
- International Financial Reporting Standards (IFRS) on Sustainability
- (S1 – General Disclosures and S2 – Climate-related Disclosures)
- National Agency for Food and Drug Administration and Control (NAFDAC)
- Standards Organisation of Nigeria (SON)
- Manufacturers Association of Nigeria (MAN)
- Nigerian Port Authority (NPA)
- Global Food Safety Initiative (GFSI)
- Nigerian Sugar Master Plan (NSMP) - Nigerian Sugar Development Council (NSDC)



Furthermore, we ensure strict compliance with our internal policies on governance matters such as Anti-Bribery & Corruption Policy, Board Appointment Policy, Board Code of Conduct Policy, Board Succession Policy, Conflict of Interest Related Party Transactions Policy, Dividend Policy, Executive Management Succession Planning Policy, Board Training Policy, Insider Trading Policy, Whistle Blowing Policy, Communication Policy, IT Data Governance Framework, and the Enterprise Risk Management Framework.

Association and Membership

DSR continues to use its alliances and membership in the Manufacturers Association of Nigeria (MAN) and the

National Sugar Development Council (NSDC) to promote modern operational efficiency and operationalisation of sustainability in the sugar manufacturing sector/industry. We also indirectly support the UNGC and the World Economic Forum (WEF), as pledged by our parent firm, Dangote Industries Limited. Our Bonsucro membership offers us access to certifications, best practices, and a network of industry leaders, helping us improve efficiency, reduce environmental impact, and meet ESG commitments, ultimately enhancing DSR's market access and brand reputation.



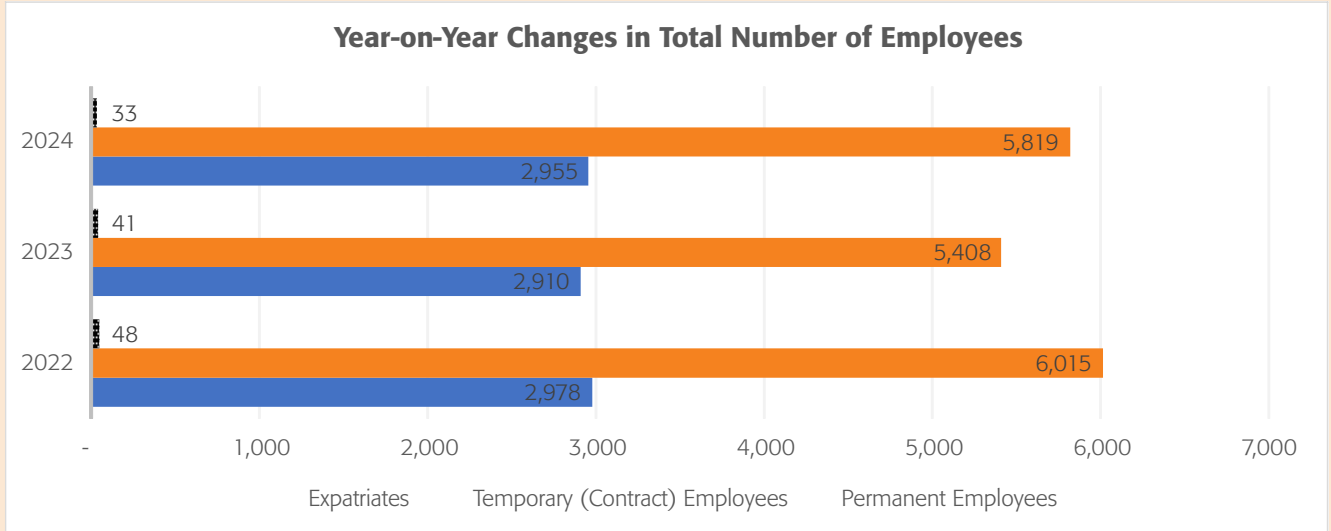
In 2024, DSR was recognised by the Carbon Disclosure Project (CDP) for its improvement in Water Security operations and disclosure, earning a "B" score from a score of "C" in 2023. However, our Climate Change operations and disclosures earned a "D" score from a score of "C" in 2023



CULTURAL PILLAR:

Embody our core values in the way we do business, including fostering respect for cultural diversity both in our internal and external relations. To achieve this, we actively encourage teamwork, empowerment, inclusion, equal opportunities, mutual respect, integrity, and meritocracy in our organisation

DSR Workforce



Our employee categorisation by age and gender per location is shown below:

Location	Permanent Employees					
	Women	Men	Women	Men	Women	Men
	18 - 30 Years		31 - 50 Years		Over 50 Years	
DSR Apapa	10	25	40	514	9	269
DSR Numan	9	94	40	744	8	413
DSR Fleet Operation	2	36	10	615	2	115
TOTAL	21	155	90	1,873	19	797
Expatriates						
DSR Apapa	-	-	-	16	-	17
Senior Management = 139						
DSR Apapa	-	-	7	28	5	48
DSR Numan	-	-	-	3	-	8
DSR Fleet Operations	-	-	1	18	1	20
TOTAL	-	-	8	49	6	76
Executive Management = 17						
DSR HQ (All Operations)	-	-	-	-	4	13

*Three (3) senior management staff (male) working in DSR Numan are from the local communities

Employee Turnover



New Hires: 204



Exits: 93

Year-on-Year Comparison

Year	New Hires		Exits	
2024	204		93	
2023	15		44	
2022	394		210	

Overall, DSR recorded 204 new hires (40 to Apapa and 164 to Numan) in 2024 and 93 staff exits (45 from Apapa and 48 from Numan).

Labour Practices and Benefits

Our wages and salaries are competitive, and all our employee cadres are paid above the local minimum wage.

Despite our staff strength increasing by only 449 employees, our spending on employees' wages, benefits, and salaries increased by 21.4%. Our working conditions and commitment to compliance are based on our human resources policies, which are described below.

<ul style="list-style-type: none">• Child Labour Abolition & Prevention Policy• Compensation and Benefits Policy• Dress Code Policy• Employee Car Advance• Employment of Spouse and Children Policy• Harassment Policy• Leave Policy• Manpower Planning and Recruitment Policy• Travel Policy	<ul style="list-style-type: none">• Anti-bribery and corruption Policy• Anti-slavery Policy• Car Policy• Education and Training Policy• Employee Data Privacy Policy• Generator Policy• Long Service Award Policy• Mandatory Training Hours Policy• Policy for Travels and Related Costs for External Training Partners	<ul style="list-style-type: none">• Data Protection Policy• Health & Safety Environment and Social Corporate Policy• HIV AIDS Policy• HSE Golden Rules & Consequences Management• Human Rights Policy• Malaria Prevention and Control Policy• Policy on our New Work Culture• Whistleblowing Policy
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The policies are primarily governed by and comply with the provisions of the Labor Act (1990), the Pension Reform Act (2004), the Factories Act (1987), the Employee's Compensation Act (2010), the National Policy on Occupational Health and Safety (2020), among others. We comply with the mandatory contributory pension scheme as outlined in the Nigeria Pension Reform Act (2014), contributing 11% of the employee's salary, while the

employee contributes 9% to their pension account. We consistently ensure that our related policies are in harmony with the standards set by the International Labor Organization (ILO) and the International Financial Corporation (IFC) Performance Standard (PS) 2 (Labor and Working Conditions), which we regard as our benchmark for best practices regarding employee responsibility.

Insurance & Health Coverage	Rewards & Recognition	Leave & Time Off	Family & Professional Support
<ul style="list-style-type: none"> •Group Life Insurance •Employee Spouse Group Life Insurance •Workmen's Comprehensive Insurance •Comprehensive Health Care 	<ul style="list-style-type: none"> •Birthday Present •Long Service Awards •Wedding Cash Gifts 	<ul style="list-style-type: none"> •Paid Annual Leave •Parental Leave (Maternity Leave) •Examination Leave •Paid Mourning Leave 	<ul style="list-style-type: none"> •Children Education Support Allowance •Professional Body Subscriptions

Our female employees have a right to maternity leave with the following benefits:

- Paid maternity leave for 90 days
- Working hours reduced to six (6) hours for an additional 90 days

Two (2) female employees benefited from this in DSR Apapa in 2024.

Additionally, we are engaged in facilitating the transition for our retirees. The retirement age for DSR is set at 65 years or

after completing 20 years of service. Following this period, employees may be offered a contract, subject to approval from Executive Management. Retirement may also occur voluntarily prior to a designated age.

We aim to facilitate meaningful interactions between employees and management to serve as a channel for gathering feedback on our labour-related policies and practices.

2024 EMPLOYEE ENGAGEMENTS

- Annual medical check-up exercise for all staff
- Charity Work
- End of Year Gift to all employees
- International Women's Day
- Long Service Award
- Monthly meetings by HODs with Workers' Forum
- Quarterly Motivational Award
- Staff Long Service Award
- Sustainability week
- Team Building





Learning and Development

In 2024, DSR trained 878 employees spending a total of 81,320 training hours which is an average of 92.6 hours per employee. We conducted 201 training programmes (either physical or virtual) at a cost of 92,750,000.

Our overall learning catalogue in 2024 covered a total of 180 different unique training titles, with sessions focused on critical areas including compliance and governance, internal controls, fraud prevention, and financial reporting. We also placed a strong emphasis on leadership and professional development, featuring programs such as the Dangote Leadership Development Programme and workforce planning training. Technical and industry-specific training included workshops on sugar processing, industrial boiler operations, SAP modules, and artificial intelligence applications. Additionally, health and safety

remain a key focus with courses on workplace hygiene, hazardous energy isolation, and mental health awareness. DSR also prioritises sustainability and ESG, with training on greenhouse gas accounting, sustainability in business, and environmental policies. Finally, employee well-being and productivity are reinforced through sessions on wellness, stress management, and effective workplace communication.

We have a career review procedure to ensure that employees' activities align with our overall company strategy as well as their own personal and professional growth goals. Every employee has a career review every year, and we made sure that every employee received a regular performance assessment and career growth in 2024.

22

sessions (69% increase from 13 sessions in 2023)

Sustainability Training

- 12 physical sessions
- 10 virtual sessions
- 562 total attendees (over 200% increase from 180 employees in 2023)
- 72 training hours at an average of 0.13 hours per person
- N4.925m spent

S/N	2024 Sustainability Training Sessions	Categories of Employees Trained
1	NGX Reg Co's 2024 issuers' Engagement forum on IFRS 1,2	Management Team
2	Bonsucro Chain of Custody Standard Session	HSSE Team
3	Workshop on Human Rights and Environmental Due Diligence	All DSR Staff
4	ISO 45001 Lead Auditor Training	HSSE Team
5	Business Support Services-Improving Operational Efficiencies through ISO 26000 certification	HSSE Team
6	GHG Accounting	Management Team
7	Understanding Sustainability in DSR Business Operations	All DSR Staff
8	Sustainable Procurement (Environment and Social Impact)	Suppliers, Vendors, Contractors
9	ESG Master Class	HSSE Team
10	Climate Change and Energy Standards	Management Team
11	Workshop on land restoration, desertification and drought resilience	All DSR Staff
12	Good manufacturing practice	Process, HSSE, Quality teams
13	IFRS S1 and S2 Bootcamp	HSSE, Social, Finance teams

Employee Volunteering: Supporting Our Local Communities – 2024 Sustainability Week



92 Employees Volunteered
45% decrease from 166 in 2024



188 Volunteered Hours
48% decrease from 188 in 2024



₦1,620,000.00 Spent
85% decrease from ₦11.1m in 2023



Beneficiaries: 3 Communities,
4 Schools (c. 545 Pupils)

Sustainability Week Initiatives feedback from host community members

24% indicated that they are unaware of the Sustainability Week Initiatives compared to 13% in 2023

24% indicated that the Sustainability Week did not happen in their communities compared to 22% in 2023

5.4 out of 10 was the average impacts and benefits assessment score for the Sustainability Week compared to 5.7 out of 10 in 2023



SOCIAL PILLAR:

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, local entrepreneurial development, social and corporate social responsibility best practices.

Community and Social Investments

We are constantly evolving and deploying approaches to make our social and community investments more impactful. To this end, we executed some social investment projects in the reporting year to address some critical community needs as identified by our host communities.

We have adopted a participatory approach to executing our community projects in order to put in place competent local governance structures to ensure our projects are sustainable in the long term and our communities institutions have the capacity to harness their local resources in driving their own development

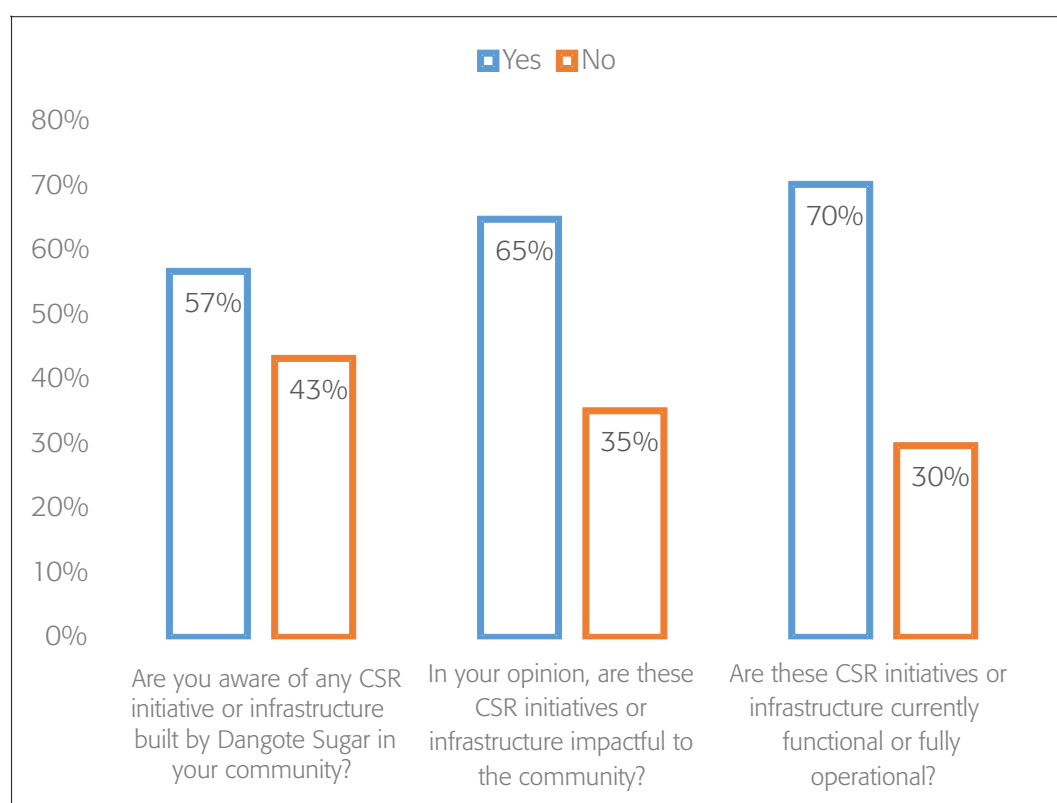


In 2024, we spent over 96.95 million on community investment projects, representing a 57.6% decline in our spending from 2023 mainly due to the loss the Company made in FY2024.

Year	Total community investment spending ('000)	Profit After Tax (PAT) or Loss (-) (N'000)	% of PAT as total community investment spending (Per Year)
2022	344,928	54,742,134	0.59%
2023	228,731	(73,760,308)	-
2024	96,950	(192,616,818)	-

Investment Areas		UNSDGs Alignment	% of Total
Health	9,735	2, 11, 17	10.0
Food and agriculture	3,696	1, 2, 3, 14, 15	3.8
Water/sanitation	1,500	3, 6	1.5
Security and safety	1,030	3, 11	1.1
Economic/SME development	1,645	1, 2, 8, 9	1.7
Education and scholarships	19,652	4, 8, 10, 11, 16	20.3
Donations, support, and grants to host communities	18,993	1, 11, 16, 17	19.6
Donations and grants to government	40,000	11, 16, 17	41.3
Donations and grants to CSOs/NGOs and development bodies	700	17	0.7

Community feedback from CSR initiatives:



Our 2024 host community engagement chart is shown below:



Location	Number of engagements	Number of completed projects	Number of social incidents or disruption	Reported grievances	Grievances closed
DSR Apapa	102	37	0	0	0
DSR Numan	0	0	0	10	6
2024 Total	102	37	0	10	6
2023Numbers	203	54	5	21	19
Comparison	-50%	-31%			

Anti-corruption, Grievance Mechanism and Whistleblowing

DSR maintains a zero-tolerance policy against bribery and corruption, and we are dedicated to adhering to relevant anti-bribery and anti-corruption legislation throughout all our operations, as we take pleasure in our high ethical business standards. We consistently convey this to all our stakeholders via training sessions, webinars, and awareness initiatives. In 2024, we documented no instances of bribery or corruption inside our value chain.

Our publicly accessible whistleblowing policy requires that any detected instances of fraud and corruption be disclosed to the appropriate authority without fear of retaliation. Our whistleblowing policy undergoes frequent review, and all stakeholders recognise the significance and necessity of reporting any sort of misbehaviour against any individual. During the reporting year, three (3) whistleblowing cases were reported, two (2) of which were resolved, while one (1) is still undergoing investigations.

2024 Whistle-blowing Cases					
Location	Number of whistle-blowing cases	Number of cases resolved	Number of cases ongoing	Description of whistle - blowing cases	Actions taken on confirmed cases of whistleblowing
DSR Apapa	2	1	1	i. Theft of AGO (ongoing) ii. In a case involving Leadway HMO, the beneficiary consultant was changed without proper communication	Disciplinary action was taken in line with HR procedure
DSR Numan	1	1	0	i. Bullying	Disciplinary action was taken in line with HR procedure

DSR did not make any political contribution or donations (financial and in-kind) directly or indirectly to any political organisation in all our operations.

Health and Safety

The health and safety of employees is fundamental to every successful organisation; therefore, at DSR, we establish and execute a comprehensive occupational health and safety

management system that adheres to national and international safety requirements, as well as our internal 15 Golden Rules. Continuing to enhance understanding of the 15 Golden Rules in 2024, resulted in better compliance relative to the prior year. Employees are strongly urged to report all incidences and are authorised to halt any harmful actions via the SAF-T Card and other applicable means.

Operational Sites	Fleet
<ol style="list-style-type: none"> 1. Conducted training on various safety topics. 2. Root cause analysis for all critical incidents and high potential near misses. 3. Management review of incidents conducted. 4. Periodic sharing of HSE statistics with employees and management to show trends and justify corrective action plans. 5. Promotion of participation in sustainability initiatives - tit-bit sharing, weekly quizzes, etc. 6. Structured management review of incidents. 7. Tracking, follow up and monthly review of all critical recommended actions from incident investigations. 8. Development of HSE systems and SOPs for critical safety processes. 9. Sharing of learnings within and amongst Group(s). 	<ol style="list-style-type: none"> 1. Appointment of a dedicated Head of HSSE to Fleet Operations to directly manage HSE operations 2. Engagement of vendors to install in-car dual monitoring cameras on trucks to monitor truck activities and ensure accurate information for Root Cause Analysis in event of accidents. 3. Intensification of Pep talks for drivers and motor boys. 4. Structure Journey Management Plans. Improvement in Pre-trip Inspections - acquisition of needed space for truck inspections. 5. Installation of speed limiter and recalibration of speed limits on trucks to control speed. 6. Training of Fleet operators on Incident reporting, response to incidents, and incident investigation 7. Visible and felt safety leadership by the executive via regular meetings and communications on safety 8. Structured incident investigation process to determine root cause of incidents as well as SMART recommendations to prevent recurrence which includes the use of specific Terms of Reference for each incident investigation, and sharing of lessons learned. 9. Application of positive and negative consequence management based on performance and compliance/noncompliance such as speed violation, harsh breaking, driving under the influence of substances etc.

In 2024, 84 training sessions were conducted for 2,203 employees.



S/N	Health and Safety Training and Awareness in 2024	Categories of Employees Trained
1.	Behavioural Safety Observation Process	All staff in DSR and Fleet
2.	Drug and Alcohol Awareness	All staff in DSR and Fleet
3.	Effective Tool Handling	Engineering Team
4.	Emergency Response	All staff in DSR and Fleet
5.	Fall Protection	All Factory workers, Technical Teams
6.	Fire Fighting	Fire and Emergency Response Teams
7.	Good Manufacturing Practice	HSE, Process, Engineering
8.	Hazard Awareness	All Factory workers
9.	Health Awareness - Hepatitis, Hypertension	All Factory workers
10.	Incident/Accident Investigation Techniques and Report Writing	Supervisors, HSE Team
11.	ISO 14001: EMS Lead Auditors' Training and Certification	HSE Team QA, Internal Auditors
12.	Isolation of Hazardous Energy	HSE, Process, Engineering
13.	NEBOSH IGC	HSE Officers
14.	Permit To Work	HSE, Process, Engineering
15.	Risk Assessment Programme	Supervisors, HSE Team
16.	Spill Prevention, Control and Countermeasure Technique	HSE, Supply Chain, Factory staff

Summary of Health and Safety Performance (2022-2024)				
Types of incidents	2022	2023	2024	% Increase (+) or Decrease (-) [2023 vs 2024]
Total Number of Work Hours	15,944,019	18,531,831	18,495,131	
Total Number of Near Misses	30	20	10	-50%
Total Number of First Aid Injuries	16	23	13	-43%
Total Number of Medical Treatment	6	8	7	-13%
Total Number of Lost Time Injuries (LTI)	2	3	3	
Total Number of Fatalities	1	2	1	-50%

Promoting Diversity, Equal Opportunity, and Women Empowerment in DSR

We endeavour to integrate diversity and inclusion into every facet of our company operations, fostering an inclusive workplace that honours employee diversity and rejects harassment or discrimination based on protected characteristics. At DSR, employment decisions, compensation structures, training opportunities, promotions, and employee transfers are determined by

merit, emphasising experience, performance, credentials, and skills. We recognise the gender disparity in the workforce and are dedicated to transforming the existing conditions inside our internal operations and value chain, while promoting women's participation in pivotal roles within the business via a support platform - The Dangote Women Network.



Furthermore, the women distributors in our supply chain are essential to making sure that our products are accessible wherever they are required.

DSR prioritises the care and rehabilitation of personnel who may, unfortunately, become disabled while doing their duties. We ensure that, alongside the benefits and rehabilitation offered by the Company, the Nigeria Social Insurance Trust Fund (NSITF) furnishes workers with equitable compensation in cases of illness, injury, disability, or death arising from or occurring while employment. Currently, we have 11 employees with physical disabilities such as partial stroke, amputated legs, amputated hands, hip dysfunction and speech impairment across our operations with four (4) in DSR Apapa, six (6) in DSR Numan, and one (1) in DSR Fleet Operations. We are always improving our location infrastructure to ensure it is conducive for people living with disabilities (PWDs).

The establishment of a diverse tone originates from leadership; DSR cultivates an inclusive culture by maintaining a balanced composition of seasoned

professionals on our Board. These individuals embody many geographic regions and originate from distinct backgrounds encompassing age, gender, colour, and nations. For 2024, our Board of Directors consisted of four (4) females (36%) and seven (7) males (64%). The average age of our Board is 63 years.

Non-discrimination

We unequivocally denounce any form of discrimination, harassment, bullying, or abuse within our workforce, and we endeavour to collaborate with suppliers who uphold analogous principles. We underscore the significance of equitable and non-discriminatory treatment of individuals in our recruitment processes, operations, and interactions with communities and other essential stakeholders. In 2024, we documented no instances of discrimination regarding hiring, promotion, training, etc., among the workforce and supplier chain.

Freedom of Association and Collective Bargaining



To further support and foster a healthy work environment, we currently have Junior Staff Union (NUBFTE) and Senior Staff (FOBTOb) Associations officially recognised by the Management. In the reporting year, we periodically meet with these associations to discuss staff related issues and NJICs. Additionally, over 2,100 of our employees are covered under collective bargaining agreements.

Child Labour and Forced or Compulsory Labour

We acknowledge the enduring damage that child labour inflicts on our community, thus regarding it as a serious transgression. We do not employ child labour in any of our operations, nor do we engage with vendors or suppliers who do so. We adhere to the International Labour Organization's (ILO) guidelines on child labour and the principles of the United Nations Global Compact (UNGC). DSR closely scrutinises this, particularly in businesses susceptible to child labour, such as fleets and agriculture-based supply chains. We likewise condemn any form of coerced or mandatory employment that results in bonded labour, slavery, or servitude inside our supply chain and activities. We encourage all stakeholders and employees to report any suspicious incidents. No reports of child labour, forced labour, or compelled labour were received during the reviewed year.

Human Rights and Indigenous People's Rights

At DSR, we respect human rights and are committed to the principles set out by the UNGC and other international organisations such as the Universal Declaration of Human Rights, the ILO's Declaration on the Four Fundamental Principles and Rights at Work, the UN Guiding Principles on Business and Human Rights, and the UN-SDGs. To further strengthen the corporate management of human rights

related issues, the company reviewed and updated its Human Rights Policy in line with international frameworks as mentioned above. We have deployed awareness sessions to our local supply chain on the updated policy and our approach to the management of human rights issues. This is aimed at supporting our supply chain to entrench management systems that will ensure a holistic approach to managing the subject matter and reducing exposure for all.

To further fortify oversight of our human rights related issues, there is now a Board Committee with the mandate to oversee human rights related issues for the business. Also, we are working towards undertaking a human rights due diligence to have a comprehensive understanding of our human rights impact on our stakeholders and potential risks and exposure points within our value chain. On reporting, we are aligned with the Dangote Industries Limited 'Whistle Blowing' channel to report all human rights and related issues. This platform is being independently managed by PwC in line with best practices. We recorded one (1) case of human rights abuse in our Numan operations in 2024. The case was addressed in line with our disciplinary policy. Also, we have instituted KPIs to capture and report data on human rights to measure our performance.

To build capacities on the subject matter, we conducted six (6) training sessions on human rights (3 in Apapa and 3 in Numan) involving 1,490 employees across 15 hours. Specific trainings included sessions on the updated Human Rights Policy, DSR staff manual, 'Business & Human Rights: Building a Competitive Advantage', Anti Bullying Policy, and 'Women & Children's Rights'.



ECONOMIC PILLAR:

Embody our core values in the way we do business, including fostering respect for cultural diversity both in our internal and external relations. To achieve this, we actively encourage teamwork, empowerment, inclusion, equal opportunities, mutual respect, integrity, and meritocracy in our organisation.

Contribution to Sustainable Job Creation

We were able to record a 5.4% rise in the number of direct employments generated, which went from 8,359 in 2023 to 8,807 in 2024. This was accomplished despite the difficulties that the Company faced in 2024, which included an increase in inflation, a brain drains caused by emigration,

and volatility in foreign exchange currencies. Furthermore, according to the estimates provided by the Social Accounting Multiplier Matrix, our business operations were responsible for the creation of more than 58,000 jobs in 2024 (direct, indirect, and induced labour).



Contribution to Household Income and Indirect Economic Impact

Increasing cost of imported raw sugar coupled with increasing foreign exchange rates led to increase in input

cost of raw materials for all players in the industry. For DSR, this resulted in the Company making a loss and being unable to pay dividends as outlined below:

Parameters	2024	2023	2022
	₦ '000 (Thousand Naira)		
Direct Contributions			
Employee wages, salaries, and benefits	15,359,263.00	12,649,533.00	10,737,667.00
Dividend paid to shareholders	-	-	12,146,874.00
Indirect contributions			
Tax Payment	(78,277,361.00)	(35,161,798.00)	27,560,686.00
Local Procurements (All operations)	85,531,289.06	54,727,915.86	72,180,299.93
Social/Community Investments	96,950.00	228,731.00	324,928.13

The Outgrowers' Scheme



The creation of a strong out-grower program for farmers in the communities where the Backward Integration Projects are located is a component of the Sugar Master Plan's employment generating, empowerment, and entrepreneurship push. We collaborate closely with the Nigerian Sugar Development Council (NSDC) and the local farmers to enhance the Cane Grower Development Programmes now in place to increase participation, produce

a higher-quality crop, and raise farmers' income. We began with 415 out-growers to assure the success of this effort by 2021, and via the support of the Special Independent Sugarcane Out-growers' Development Programme (SIS OGD), we have currently expanded the land to over 802 hectares, with a total of 757 out-growers.

Year	2024	2023	2022
	₦'000 (Thousand Naira)		
Economic Value Created (EVC)	665,689,763.00	441,452,953.00	403,245,988.00
Revenue	665,689,763.00	441,452,953.00	403,245,988.00
Economic Value Distributed (EVD)	865,424,256	523,969,288	353,329,051.13
Operating costs**	634,580,279.00	355,149,111.00	311,282,950.00
Employee wages, salaries and benefits	15,359,263.00	12,649,533.00	10,737,667.00
Payments to providers of capital	293,665,125.00	191,103,708.00	3,422,820.00
Tax Payment	(78,277,361.00)	(35,161,798.00)	27,560,686.00
Social/Community Investments	96,950.00	228,731.00	324,928.13
Economic Value Retained (EVC-EVD)	(199,734,493.00)	(82,516,335.00)	49,916,936.87
** Excluding administrative expenses			

Dividend Payment History

Since our 2007 debut on the Nigerian Stock Exchange (now part of the Nigerian Exchange Group), we have maintained a history of dividend payments. However, in 2024, as seen from the Economic Value Retained above, DSR made a loss mainly attributed to finance cost (exchange rate loss). Due to this reason, we were not able to pay dividends to shareholders for 2023 and FY2024.

Responsible Tax Payments

DSR is devoted to abiding by all legal specifications pertaining to tax payment and other statutory returns. However, as a result of making a loss in FY2024, we have a

deferred tax payment of 78.3 billion. Our 2024 Audited Financial Statement provides explanations and details on our tax returns.

Anti-competitive Behaviour, Anti-trust, and Monopoly Practices

In 2024, DSR incurred no financial liabilities from related litigations, fines, or penalties arising from anti-competitive conduct, antitrust violations, or monopolistic practices. DSR continues to be a responsible company, contributing its share to national development as an industry leader and innovator.



OPERATIONAL PILLAR:

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, and employing state-of-the-art technologies and systems to constantly optimise our product value and cost-efficiencies.

Our Strategic Value Chain

DSR is a prominent brand in the sugar refining sector of Nigeria's food and beverage industry. The Apapa sugar

refinery, possessing an installed capacity of 1.44 million tonnes per annum, is the largest in Sub-Saharan Africa. Our principal competencies are as follows



Refining of raw sugar to make high quality Vitamin A fortified and non-fortified granulated white sugar



Marketing and distribution of our refined sugar grades in 50kg, 1kg, 500g & 250g packages



Cultivation and milling of sugar cane to finished sugar from our sugar backward integration projects located at Numan, in Adamawa state.



Development of Greenfield projects in line with our "Sugar for Nigeria Project," strategic plan

Our company offers our clients a range of essential value-added support services, such as supply-chain management, sales, merchandising, credit and risk consulting, and logistics. With the help of well-placed warehouses around the nation, more than 500 trucks carry our finished items to the market. Our 1.44 million-ton-per-year refinery is in the Shed 20 NPA Apapa Wharf Complex in Apapa Wharf, Lagos. Commencing operations in 2000, the refinery was the first of its kind in Nigeria. The refinery can generate 16 MW of electricity internally, mostly using gasoline and/or low-pour

fuel oil (LPFO). The refinery produces 45 ICUMSA (International Commission for Uniform Methods of Sugar Analysis) Vitamin A Fortified refined granulated free flowing crystal white sugar (packed in 50kg, 1kg, 500g, and 250g bags) in addition to non-fortified granulated sugar (packaged in 50kg bags).

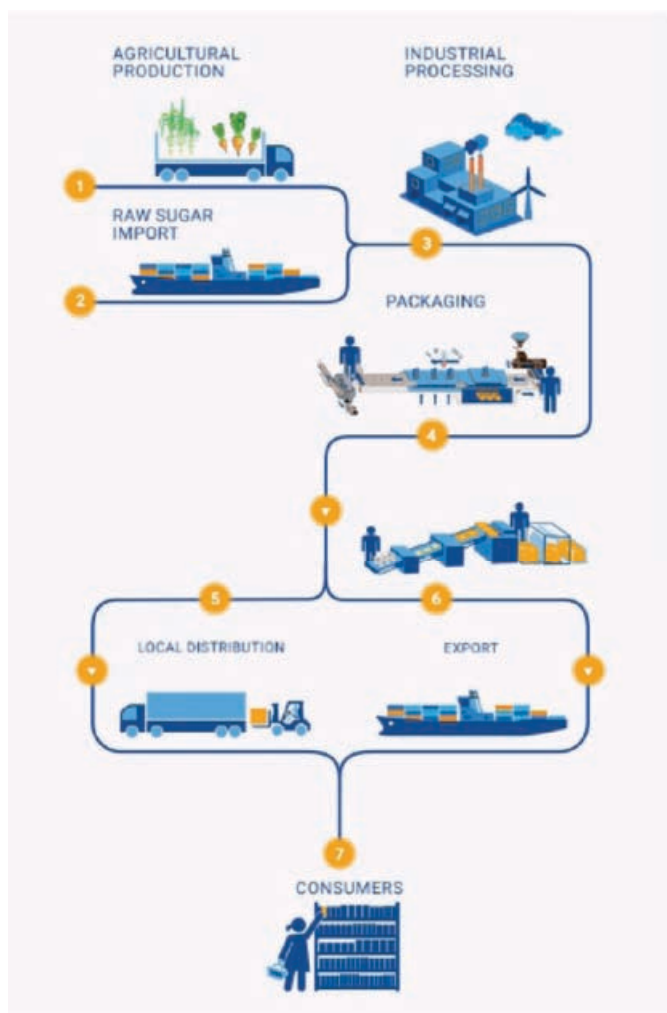


Product Information		
Parameters	Fortified	Non-fortified
Raw sugar origin	Brazil	Brazil, Nigeria
Specification	Vitamin A fortified refined granulated white sugar	Refined granulated white sugar
Polarisation	Not less than 99.9%	Not less than 99.9%
Moisture	0.04% of weight (max.)	0.04% of weight (max.)
Granulation	Fine, 100% soluble dry and free flowing	Fine, 100% soluble, dry, and free flowing
Colour	Sparkling white, less than ICUMSA 45	Sparkling white, less than ICUMSA 45
Odour and taste	Odourless, sweet pure taste	Odourless, sweet pure taste
Packaging	50kg, 1kg, 500g, and 250g	50kg

DSR has obtained certifications for its Quality Management System (QMS - ISO 9001:2015), Food Safety Management System (FSMS - ISO 22000:2018), Occupational Health and Safety Management System (OHSMS (ISO 45001:2018), and the Food Safety System Certification

(FSSC 22000).

The following diagram depicts the value chain for our production:



1. Raw sugar can be purchased from our out growers or other local farmers
2. We import raw sugar from Brazil
3. Our industrial process involves the following steps"
 - a) Storage
 - b) Pre-melting and melting
 - c) Talo-clarification
 - d) Filtration
 - e) Decolourization and More filtration
 - f) Evaporation and crystallization
 - g) Centrifugation and drying
 - h) Blending
 - i) Screening
 - j) Fortification and finished goods storage
4. Packaging is done in 50kg, 1kg, 500grams and 250grams sizes for fortified sugar and 1000kg and 50kg bags for non-fortified sugar
5. Local distribution through distributors, retailers, trade (50kg) customers, and corporate customers
6. Export to other West African countries
7. Our customers enjoy our products

Material Use and Production

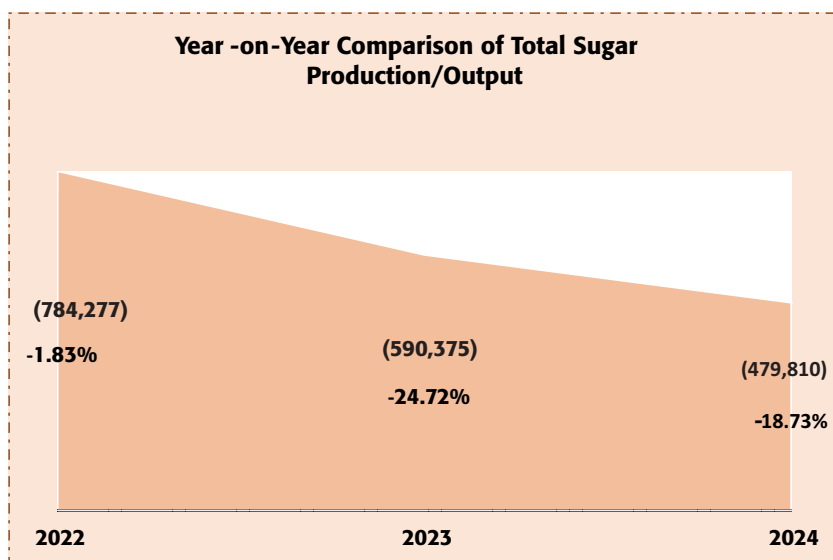
As much as possible, we strive to increase the use of recyclables in our production process especially during packaging. For production, we used about 536,175 tonnes of renewable raw sugar externally sourced while for packaging we used about 9,596,195 internally sourced 50kg recyclable bags. During the production process, we utilised 2,171,448 m³ of water (excluding the water used in

our 32,000-hectare brownfield sugar backward integration estate in Numan).

Non-renewable production materials and quantity used in 2024 include:



Our product output reduced by 16% from 590,385 tonnes in 2023 to 495,669 tonnes in 2024, mainly due to foreign exchange scarcity required to purchase imported raw sugar to meet the factory's operational optimisation requirements.





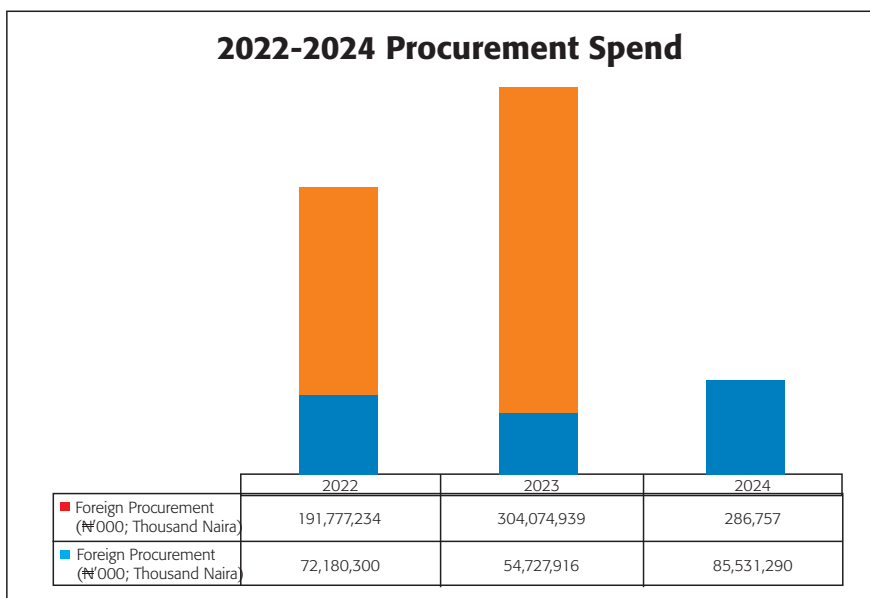
Supply Chain Screening

The DSR procurement process is organised according to our Procure-To-Pay framework to ensure optimal transparency and value enhancement. We do not perform comprehensive environmental and social evaluations of our suppliers. Nevertheless, we have initiated a review of procurement practices to conform to the ISO 20400 Sustainable Procurement Guidelines. Presently, the environmental assessment of our suppliers is conducted using the following criteria: Environmental Policy, HSSE statistics, Certification of registration with relevant agencies pertaining to their specialisation, such as ISO 14001:2015, ISO 9001:2015, and ISO 45001:2018, and Competence level. As part of our on-going sustainable procurement strategies, training was conducted on understanding sustainability (Environmental and Social impact) for suppliers, and the suppliers were notified of DSR

expectations, and their environmental impact assessment screening to commence by 2025.

Promoting Local Procurement

Our spending on local businesses that provide us with goods and services often serves as a significant driver of economic activities in their respective communities' micro-economies. We understand that doing business with them helps the Nigerian economy expand by promoting productivity, reduces inequality, and boosts local purchasing power. One major strategy we employed in year 2024 was indigenization of some of the foreign purchases to increase local content promotion and improve the economy and to reduce foreign exchange exposures. This has resulted in significant increase in local purchases as shown below



Food Safety and Quality Control

We employ the best food-grade production facilities in hygienic settings, and we keep effective lines of communication open with stakeholders regarding food safety issues. The following goals guide the monitoring, evaluation, and measurement of compliance with the Company's Food Safety Policy:

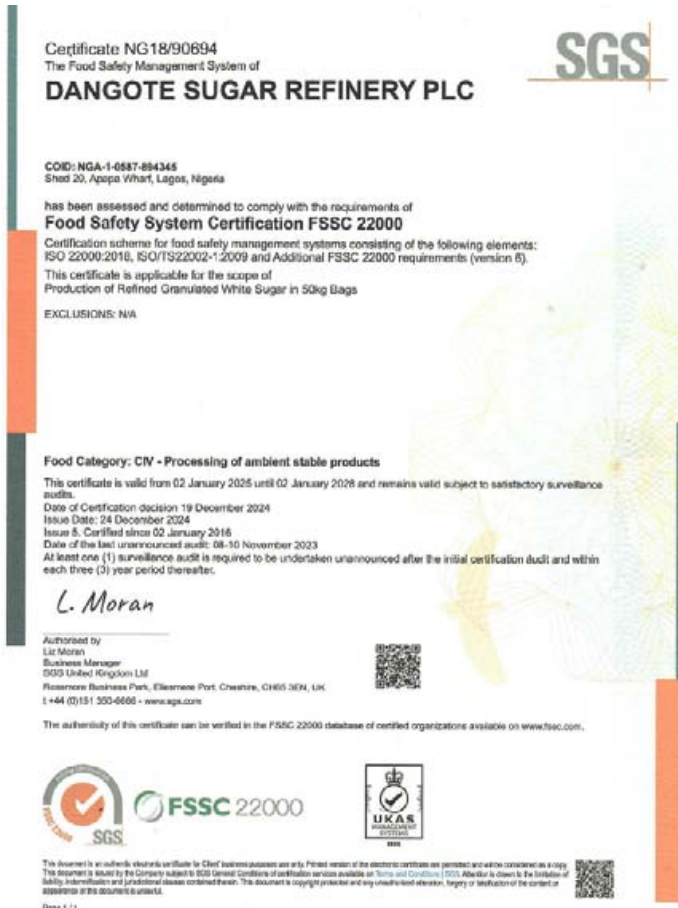
- To provide wholesome and nutritious sugar that supports healthy living.

- To achieve 100% compliance with all relevant customers', statutory and regulatory food safety requirements (NIS ARS 58:2019).
- To ensure that all relevant parties in the food production chain are aware of; and comply with the company's food safety requirement.



The DSR production process is FSSC 22000 (Food Safety System Certification) certified and the FSSC 22000 system is based on ISO Standards recognised by the Global Food Safety Initiative (GFSI). As part of our campaigns and

initiatives deployed during the year to boost product quality control, quality assurance, and food safety, we re-certified our product to FSSC version 6.0, the latest international food safety standard awarded by SGS.



We stepped up our training by conducting training on Continuous Good Manufacturing Practices, Food Safety Lead Auditors and also trained all our staff on best practices on sugar refining. We also trained Quality Assurance staff specifically on best practices in sampling and laboratory analysis. We now have a food safety culture tagged "do it right the first time". Our product did not only supported health of the consumers but also received award from Technoserve as best company in sugar fortification, enhancing the health and wellbeing of the consumers.



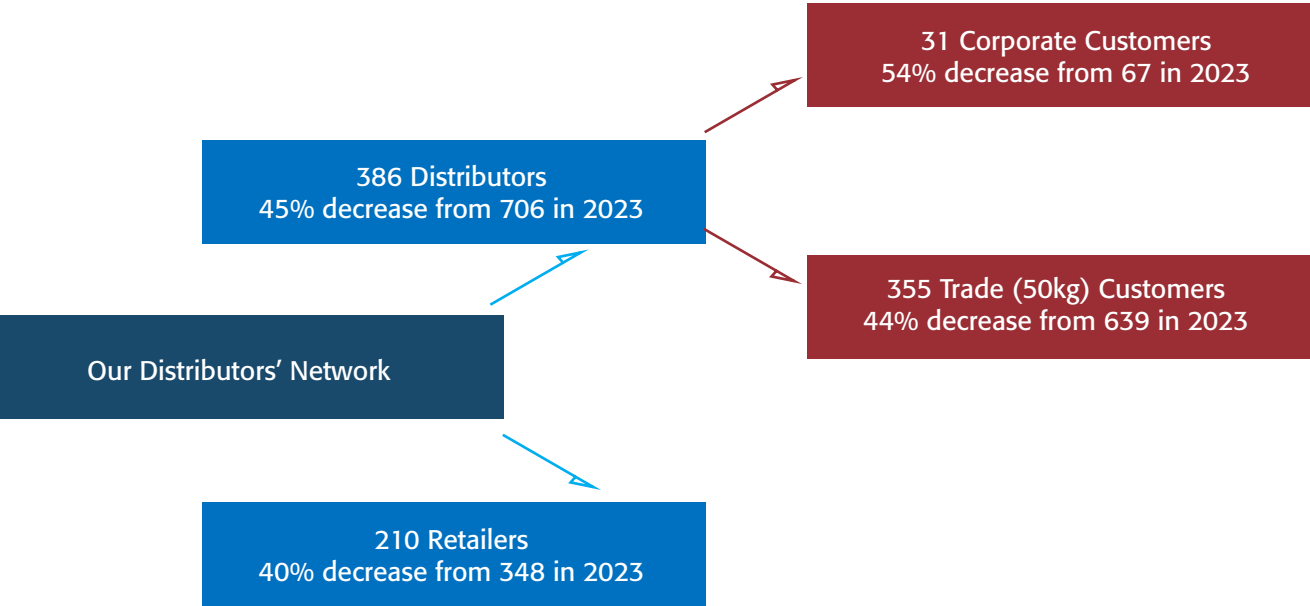
Product Information and Labelling

To enable our consumers to make informed decisions, we give clarity and transparency about the ingredients in our products. All nutritional information is clearly displayed on our packaging in strict compliance with all applicable regulatory labelling formats. We ensure that the fortification logo, indicating that our sugar is fortified, is strategically placed in the label as required by the National Agency for Food and Drug Administration and Control (NAFDAC) Food (labelling) Regulations, 2022 gazetted in 2023. Regarding the promotion, marketing, labelling, and sales of our products, we abide by all applicable rules and regulations. We also make sure that our communication is accurate, true, accurate, balanced, fair, thorough, and does not contain any misleading information. However, we received a report from

the Federal Competition and Consumer Protection Commission (FCCPC) on a one-off incidence where our 250g SKU fell short of declared weight and did not meet labelling requirements. In addressing this, we procured more accurate weighing machines, increased frequency of checks, and imported thermal printers to address issues of legibility of BB Date, Manufacturing Date & Batch number, which have been ordered and to be installed Q1 2025.

Sales and Marketing

In pursuit of our objective to be the most reliable and high-quality supplier of refined sugar products, we want to maintain proximity to our clients. This is facilitated by our robust and client-centric distribution network:



Customer Engagement

We held top management engagement /sessions held with top-tier trade customers in major markets across the country (Lagos, Abuja, Kano, Maiduguri)



To keep current customers and draw in new ones, we execute an annual customer satisfaction survey which helps us gauge how satisfied our customers are. The findings from the annual customer survey help us do better. In 2024, 387 customers were engaged, 235 questionnaires deployed with 65% (153) response rate. We received an average rating of 4.3 out of 5.

Data Privacy

DSR is fully committed to compliance with Nigeria's Data Protection Regulation (NDPR), ensuring the lawful, fair, and transparent processing of personal data. We have implemented robust data protection policies, secure processing systems, and strict access controls to safeguard

customer and employee information. The Business Customer Master Database is stored in our ERP system (SAP) and is regularly updated at the instance of the customer's formal request. Access to the Master Data is restricted to only SAP Administrator. Our data handling practices align with the principles of purpose limitation, data minimisation, accuracy, and accountability, as required by the Regulation. Additionally, we have appointed a Data Protection Officer (DPO) to oversee adherence to NDPR guidelines and ensure that data subjects can exercise their rights to access, rectification, and erasure of personal data. There is no reported incidence of customer and employee data breaches in 2024.



ENVIRONMENTAL PILLAR:

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

Our approach to environmental management is precautionary (in line with the UNGC Principles) and centred on minimising the negative environmental impacts

of our operations and safeguarding natural resources (specifically sugarcane and water) for future generations



Evaluations, audits, compliance monitoring exercises, improving the efficiency of our production process, awareness-raising campaigns, executive management, and board level oversight, are some of the integrated tactics utilised to manage environmental impacts and improvements.

In addition to ongoing initiatives on environmental management and new technologies of 2023, we have made the following improvements in 2024 as follows:

- Improved energy efficiency by continues usage of energy saving bulbs, use of more efficient fuel type e.g. LNG and CNG
- Improved tracking fuel required per distance and

allocated appropriately

- Decrease in the consumption of processed water for industrial cleaning tasks
- Reprocessing of by-products from the de-mineralisation plant
- Fitting of high-pressure water nozzles on washing water hoses
- Extensive plant downtime for the repair of faulty piping to prevent water and steam leaks

Energy Consumption

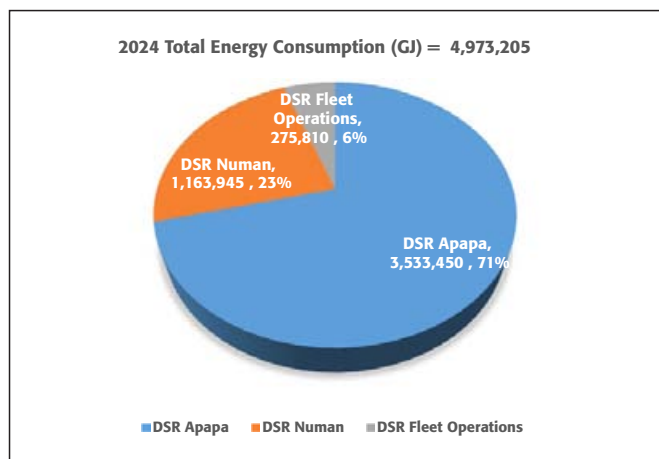
Reducing our carbon footprint has remained a priority and this has been the driving force behind the efforts we continually put into enhancing our operational efficiency

Year-on-year comparison of total energy consumption across the factory locations

Year	Total production (tonnes of product)	Total energy consumption (GJ) across factory locations	% +/- [Year-on-Year]	Energy Intensity (GJ/tonne)	% +/- [Year-on-Year]
2022	784,277	8,594,880	55.00	10.96	60.47
2023	590,375	6,777,387	-21.15	11.48	4.75
2024	479,810	4,973,205	-26.62	10.03	-12.6

Year-on-year comparison of energy consumption by source across the factory locations

Energy Source	2024		2023		2022	
	Energy (GJ)	%	Energy (GJ)	%	Energy (GJ)	%
Steam	-	-	652,063	9.6	-	-
Natural gas	3,230,299	65%	3,499,878	51.6	7,550,513	87.9
Diesel	705,016	14%	682	0.1	767,965	8.9
Electricity	35,059	1%	-	-	63,071	0.7
LFPO	38,059	1%	36,537	0.5	213,330	2.5
Alternative Fuel (Bagasse)	938,142	19%	2,588,226	38.2	-	-



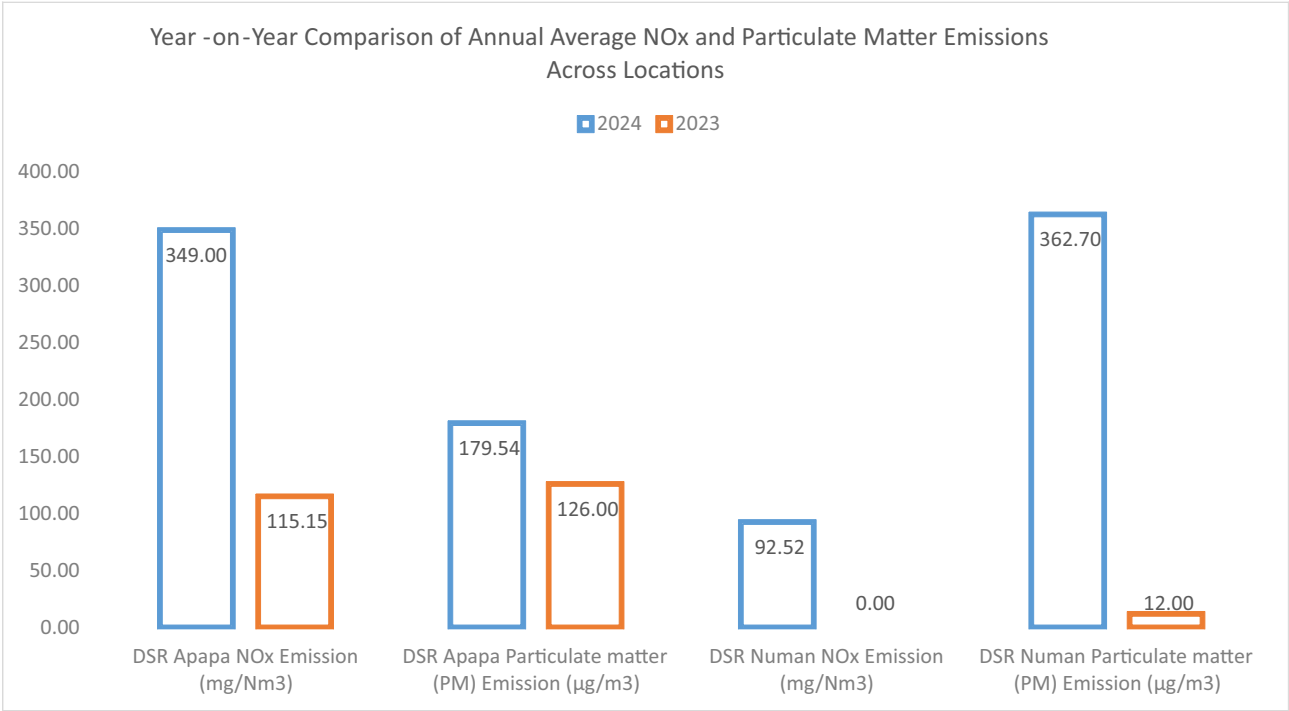
GHG emissions

Our Scope 1 emissions are those produced using fossil fuel-powered generators (natural gas, diesel, and LPFO) while Scope 2 emissions are from electricity purchased from the national grid. In 2024, there was a 11% decrease in our Scope 1 emissions year-on-year which is attributed to reduction in total energy consumption. Similarly, our Scope 2 emissions decreased by 37% from 3,261 tCO₂e in 2023 to 2,061 tCO₂e in 2024.

Location	2022	2023	2024	Percentage of Total (2024) for Each Location
	Scope 1 Emission (tCO ₂ e)			
DSR Apapa	382,143	204,836	182,394	83.0%
DSR Numan	245,431	15,005	12,450	5.7%
DSR Fleet Operations	-	35,772	24,928	11.3%
Scope 1 Emission s (tCO ₂ e)	627,574	255,613	219,772	100%
% increase/decrease	-	-59%	-14%	
	Scope 2 Emission (tCO ₂ e)			
DSR Apapa	27,419	100	30	1.5%
DSR Numan	-	3,159	2,028	98.4%
DSR Fleet Operations	-	3	3	0.1%
Scope 2 Emissions (tCO ₂ e)	27,419	3,261	2,061	100%
% increase/decrease	-	-88%	-37%	
Total Emissions (Scope 1 + 2) (tCO ₂ e)	654,993	258,874	221,833	
Emission Intensity (kgCO ₂ etonnnes of product)	835.16	372.37	393.09	
% increase/decrease	-	-53%	+6%	

In addition to ongoing initiatives of 2023, in 2024, we conducted capacity building on emission tracking and activated GHG tracking and accounting on all facilities to determine DSR's carbon footprint. GHG Protocol calculation tool was used and based on the ISO 14064-1 while 2023

was set as the base year. DSR GHG Data Inventory was developed and emission status of each unit or facility was determined. Decarbonisation plans are ongoing by each facility and this will be contained in our 2025 Sustainability Report.



In DSR Apapa, we recorded over 203% increase in NOx emissions from 2023 to 2024 and 42.5% increase in particulate matter emissions. Similarly, in DSR Numan, we recorded 92.5% increase in NOx emissions from 2023 to 2024 and over 2,900% increase in particulate matter emissions. The SOx levels in both locations were too low to detect. Also, we ensured that our air-conditioning systems and chillers do not run on any ozone depleting substances (ODS) and we do not import, export, or generate ODS as a byproduct of our business. In 2024, we had no instances of violation of the emission restrictions.

Climate Risk: Mitigation and Adaptation

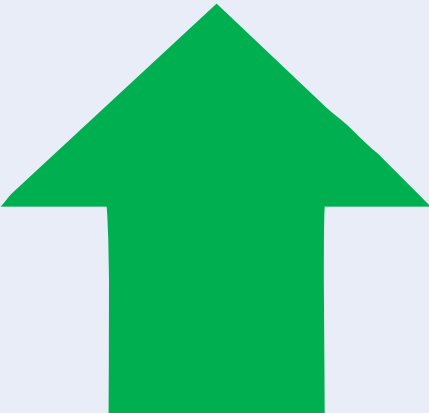
We are aware that carbon dioxide, methane, water vapour (from steam) are GHGs from our operations that can contribute to global warming. In an effort to mitigate this, we

have put initiatives in place to reduce our GHG footprint as much as is practical:

- Natural gas is now used instead of LPFO to power the boilers
- The Apapa Plant is fully disconnected from the national power grid and is instead powered by steam turbines driven by the boilers
- DSR Numan uses bagasse as renewable energy source to power the boilers (which is the reason for the higher particulate matter emissions)
- Planting 120 trees in schools and communities around our facilities to absorb carbon (50 trees planted in Apapa and 70 in Numan), bringing the total number of trees planted since 2021 to 3,184

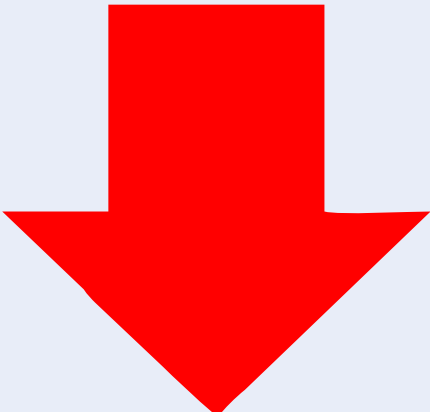


From our climate risk assessment 2021 baseline, the following risk and opportunities on climate change mitigation, adaptation, and resilience are still significant:



Opportunities

Limiting the emissions from the fleet division.
Conversion of the newer trucks from being AGO powered to gas-powered.
Construction of dams to mitigate the effects of heat and drought for farming operations.
Driving public advocacy on polices related to GHG emissions and climate change.



Transition Risks

New government policies that may address climate change or GHG emissions could restrict ours' and suppliers' operations.
Increase in cost of fossil-based natural resources due to transitions to cleaner energy sources.
Cost of transition to lower emissions technology within production and fleet operations.

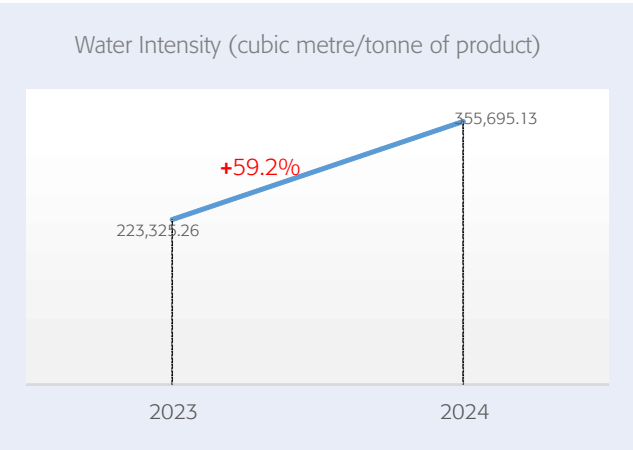
Physical Risks

Extreme heat and drought can have massive effect on our farming operations in DSR Numan increasing cost and reducing yield.
Significant changes to weather patterns within our supply chain markets could negatively impact raw materials and costs, which will lead to increase in production costs.

Sustaining Our Relationship with Water

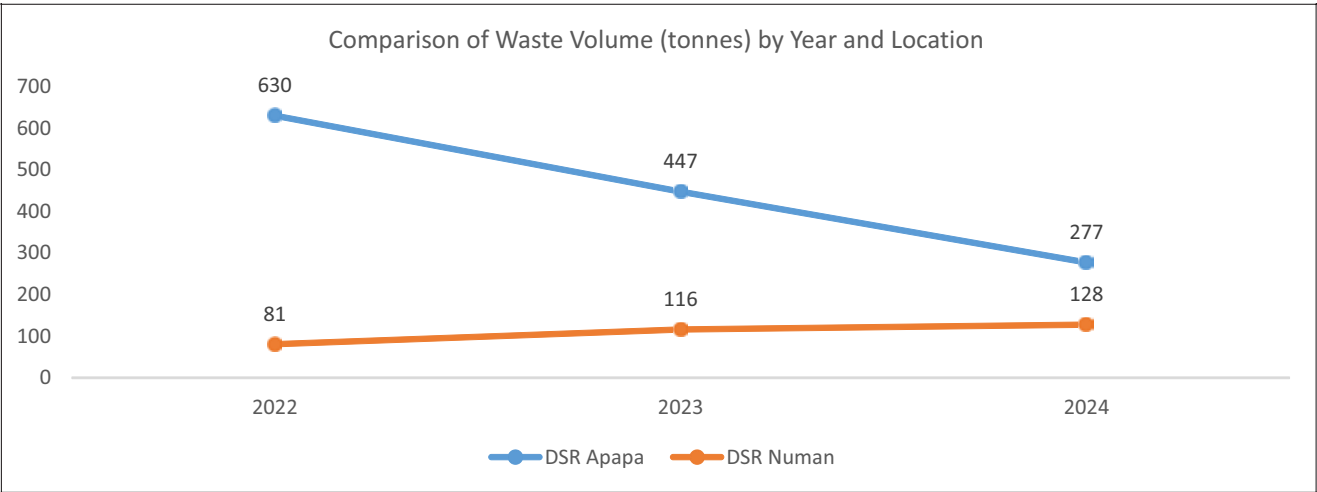
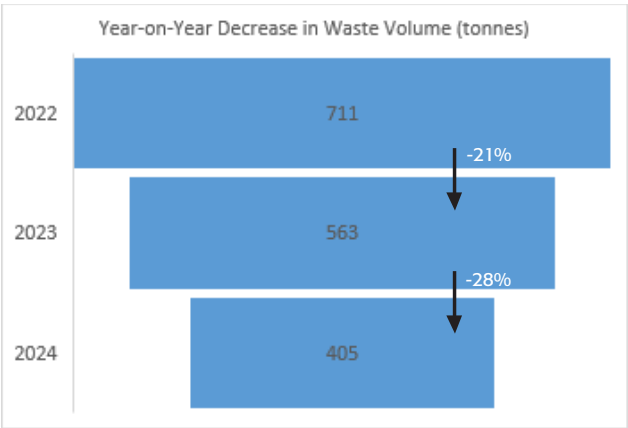
Water is essential to both our production process and supply chain. At DSR Numan, water is used from a dam which now stores 174,135,600 m3 (34% increase) of water compared to 137,301,600 m3 in 2023; at DSR Apapa, we solely use groundwater that is recovered from our industrial boreholes and there was a slight increase (about 1%) in extracted water from 2,131,272 m3 in 2023 to 2,171,448 m3 in 2024. We utilise water for irrigation of our cane field, steam generation, cooling towers, cleaning, and housekeeping tasks. We also recognise that the way we interact with water will have an impact on it, which is why we intensified our water conservation and management initiatives in 2024.

For wastewater management, we have an Effluent treatment plant (ETP). There is an effluent analysis and monitoring carried out monthly and quarterly to monitor and ensure compliance which DSR did not default in 2024



Implementing an Efficient Waste Management System

The kinds of wastes generated by our operations have been categorised as non-hazardous for which we employ the services of waste disposal vendors accredited by the Lagos State Waste Management Authority. We successfully ran a production year free from any non-compliance with the waste management regulations. There is a year-on-year decrease in total waste volume from 711 tonnes in 2022 to 563 tonnes in 2023 and 405 tonnes in 2024; however, based on location, the decrease is attributed to DSR Apapa, while DSR Numan has reported a slight increase year-on-year mainly attributed to increase in farming activities and dredging.



Biodiversity Assessment and Optimisation

Our Apapa facility is located on 7.49 hectares of leased land solely for production purposes. In contrast, the 6,750-hectare Numan complex is exclusively dedicated to production and extractive activities and is situated in a terrestrial habitat. Neither facility is situated on, adjacent to, or in close proximity to protected areas or high conservation values (HCV) as defined in the IFC PS 6 on Biodiversity Conservation and Sustainable Management of Living Natural Resources Guidance Note 2019. Additionally, the marine biodiversity in the areas where our wastewater is discharged is minimally affected.

We acknowledge, however, that the cultivation of sugarcane as a component of our supply chain has the potential to have a substantial impact on our biodiversity. The reason for the heightened emphasis on our Numan facility is that we have discovered that the expansion of the cane field has the potential to displace the local flora and fauna, in addition to contaminating surface water with effluent. Our suppliers are consistently encouraged to adopt ethical business practices

to mitigate their environmental impact. More specifically, channelling of water has played a role in managing surface runoff, helping to reduce flooding. We have ensured controlled irrigation is consistently implemented for community farmlands. Also, for effluent management, the oxidation pond has been dredged to increase the size and depth, and properly channelled.

Environmental Compliance

We had no fines, penalties, or sanctions for environmental compliance in any of our operating areas in 2024. In order to avoid penalties, we also work to guarantee that our environmental and social compliance permits and licenses have been obtained, these are: DPR Fuel Storage Permit, LAWMA Dumpsite Permit, Fumigation and Pest Control Permit, NAFDAC Chemical Import Permit, EIA For both Apapa & Numan, EAR (NESREA)-NUMAN, EAR (NESREA)-Apapa, and FIRE Certificate.



FINANCIAL PILLAR:

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



ISIAKA BELLO, PhD.
CHIEF FINANCE OFFICER

”
The company recorded a higher revenue growth of 50.8% moving from ₦441.5 billion to ₦665.7 billion.

Revenue Growth

The company recorded a higher revenue growth of 50.8% moving from N441.5 billion to N665.7 billion. This was largely influenced by higher prices. The company continued to grow and develop its supply chain footprint in Nigeria complimented by excellent customer care that sustained customer loyalty to sustain the revenue growth. The company's primary focus remains adding value to its customers and growing stakeholders' wealth with high quality sugar.

Chief Finance Officer's Review

Impact of Naira Devaluation

The company continues to depend heavily on imported raw materials, spare parts, and critical chemicals to sustain its sugar production. This also precipitates a major risk to the company because of dearth of foreign exchange to procure imports. The year 2024 witnessed further devaluation of the Naira against the USD and major currencies. The accelerating costs of procuring foreign exchange escalated the inputs and conversion costs for the company, due to dependence on imported critical materials. The exchange loss sustained due to the depreciating currency rose by 21% moving from N172.2 billion in 2023 to N208.9 billion in 2024 arising from re-pricing of dollar denominated obligations. The Naira depreciated against US Dollars by 63% in the year ended. Consequently, to sustain operations, sales price increases were applied when deemed necessary during the year. This has been influenced by the prevailing national macroeconomic factors affecting Nigeria and consequently impacting on manufacturing organisations in the country.

The increased timelines it takes to secure CBN approvals for LCs required to import critical spares and chemicals contribute to additional processing costs and delays that could otherwise be avoidable. These negatively impacted the pace at which DSR can achieve further financial efficiencies.

Strong Reporting Governance Framework

The company maintains a strong internal control environment and continued to increase the usage of its SAP ERP systems to automate critical processes and improve internal controls, that contribute to financial reporting and operational efficiency. In 2022, the company started the implementation of ICFR (Internal Controls Over Financial Reporting) governance project, in order to comply with the directives of the SEC, Investments and Securities Act, 2007 the Sections 60 to 63, for all listed companies in Nigeria which are required to implement relevant internal controls over financial reporting and Auditors are required to review the same and issue a statement on the existence, adequacy and effectiveness. This has been successfully completed by December 31, 2023 and also for year ended December 31, 2024. Consequently, the auditors have issued a clean and satisfactory report on the company's internal control adequacy. The successful implementation and completion

of the ICFR project and sustainability in DSR is a milestone achievement.

The Company was also one of the companies nominated for Best Corporate Reporting Awards in an event organized by the Nigerian Exchange Group (NGX) in August 2024.

Good Relationships with Banking, Financing Partners, and Investors

Our financing and banking partners continue to play a commendable critical role of supporting DSR's financing needs and securing customers' collections. The company entered into the Commercial Papers financing space during the year ended and on all outings, the offers were fully taken.

Profitability and Cashflow

The company's Operating Profit declined by 64% from N86.3 billion in 2023 to N31.1 billion in 2024, majorly due to escalated cost of raw material by 84%. Consequently, there is increasing pressure on DSR's cashflow and working capital emanating from delayed delivery by CBN of foreign exchange required to defray existing FX denominated Payables, despite being backed by Naira Cash collateral. While the CBN delivered some portion of the forwards during the year ended, there are still remained undelivered portion as at year-end. As earlier stated, we also used term loan and commercial papers to meet the increasing working capital requirements of the company.

We also obtained SEC approval in June 2024 for a N200bn Multi-instrument Senior Unsecured Bond Programme. The

Instruments may be issued in Series and each Series may comprise one (1) or more tranches. The company has not made use of this facility in the year ended.

Being the market leader in the industry sector, with 53% market share, DSR will continue to strive for continuous improvements in all areas of its business. DSR Management remain cautiously confident about the company's future financial performance and is ready to face the prospects and challenges that year 2025 presents.

Focus on Nigeria Sugar Master Plan and BIP Performance

DSR's continued to support the development of the Nigerian Sugar Master Plan, DSR's Backward Integration Projects (BIP). Our company remains the leader in the BIP performance. A BIP Unit has been created to accelerate the pace of delivering the BIP on faster pace. However, the significant impediments still need to be surmounted principally, the challenges of securing funds to import capital assets to support BIP development plans, poor infrastructure, for example, the dilapidated conditions of the road networks presents logistical challenges which drive up supply chain costs. Our company remains the leader in the BIP performance. A BIP Unit has been created to accelerate the pace of development in this regards, More financial resources is also being committed to this cause.

Below are the 2024 financial performance summary highlights.

Financial Highlights

Sales Volume

Year ended	31st December 2024	31st December 2023
	000 bags	000 bags
Volume sold		
Lagos	5,309	5,545
North	3,069	4,952
West	788	1,045
East	296	425
Total volume	9,461	11,967

Volume decreased by 21% from 11.97 million bags to 9.46 million bags mainly arising from the 38% dip in the Northern region.

Revenue

Year ended	31st December 2024	31st December 2023
Revenue	N'm	N'm
Lagos	373,531	204,537
North	215,909	182,682
West	55,457	38,564
East	20,793	15,670
Total volume	665,690	441,453

Revenue increased by 51% from N441.5 billion in 2023 to N665.7 billion in 2024 on account of price increases to partly off-set rising costs.

Manufacturing and Operating costs

31st December 2024 31st December 2023

	N'm	N'm
Raw material	546,051	296,028
Direct labour cost	9,132	7,341
Direct overheads	52,023	29,776
Depreciation	9,047	5,908
Freight expenses	18,327	16,096
Total manufacturing costs	634,580	355,149

Manufacturing costs increased by 79% mainly from increased landed cost of materials and increased gas cost due to rate charged.

Administration and Selling Expenses

Year ended	31st December 2024	31st December 2023
	N'm	N'm
Administration and selling expenses		
Administration expenses	18,922	13,281
Selling expenses	822	644
Total Administration and Selling expenses	19,744	13,925

Total Administration and Selling expenses increased by 41.7% from N13.9 billion to N19.7 billion majorly due to increased employee, legal/professional fees and maintenance.

Finance Income and Finance Costs

Year ended	31st December 2024	31st December 2023
Interest and similar income/expense	N'm	N'm
Interest income	7,613	10,560
Exchange loss	(208,903)	(172,198)
Finance cost on Letter of Credit	(53,020)	(29,186)
Interest on lease payments	(476)	(51)
Interest on intercompany loan	0	(118)
Interest on bank loan	(7,256)	(111)
Interest Commercial Paper	(19,585)	–
Interest on Overdraft	(11,282)	–
Issuance Cost Commercial Paper	(756)	–
Net finance income/(cost)	(293,665)	(191,104)

Interest income decreased by 27.9% mainly due to reduced investment in deposit placements.

The increase in finance cost by 49.4% was due to increased negotiation charges due to the longer time it takes to defray LC obligations and the increased rate of borrowing on banks credit facilities, and on commercial papers arising from the CBN monetary policy of continual increase in MRR rate during the year ended.

Profitability

EBITDA by operating region	31st December 2024	31st December 2023
	N'm	N'm
Lagos	37,489	55,981
North	2,463	35,718
West	2,983	8,584
East	47	2,726
Total EBITDA	42,982	103,010

Group earnings before interest, tax, depreciation, and amortization (EBITDA) for the year decreased by 58.27% to N42.98billion because of increased cost of raw material and conversion cost.

Year ended	31st December 2024	31st December 2023
	N'm	N'm
Group EBITDA	42,982	103,010
Depreciation, amortization, and impairment	(12,598)	(10,268)
EBIT	30,384	92,741
EBITDA margin (%)	6.46%	23.33%
Operating profit (N'm)	12,671	72,686
(Loss)/Profit before tax (N'm)*	(270,894)	(108,922)
(Loss)/Profit after tax (N'm)	(192,617)	(73,760)
(LPS)	(1,586)	(607)

*Loss before tax is inclusive of change in fair value of biological asset

10,100

9,496

The Groups Loss after tax increased from a Loss of N73.8 billion to a loss of N192.6 billion majorly because of exchange loss of N209bn arising from revaluation of letters of credit obligations.

Taxation

Taxation comprises corporate income tax, tertiary education fund, police trust fund levy, and deferred tax. The tax charge increased in the year because of the revaluation surplus arising from the revaluation exercise carried out. A surplus of N432bn was booked on certain group of assets of the company. This otherwise turned the loss position to N133bn comprehensive income compared to prior year of N73.8bn.

Financial Position**Year ended****31st December 2024**

31st December 2023	31st December 2024	31st December 2023
	N'm	N'm
Property, Plant and Equipment	616,645	167,083
Other non-current assets	8,231	33,145
Intangible assets	-	-
Total Non-Current Assets	624,876	200,228
Current assets (excluding cash)	317,790	195,799
Cash and bank balances	108,167	204,763
Total Current Assets	425,957	400,562
Total Assets	1,050,833	600,790
Non-current liabilities	39,807	330
Current liabilities	798,798	521,214
Total Liabilities	838,605	521,544
Equity	212,228 *	79,246
Total Equity and Liabilities	1,050,833	600,790

*This includes:

Revaluation Surplus	432,168
Income Tax	(106,569)
Balance	325,599

Capital Expenditure

Year ended	31st December 2024	31st December 2023
	N'm	N'm
Capital expenditure by assets class	—	—
Land & Building	5,203	529
Plant & Machinery	2,417	1,280
Motor Vehicles	8,084	485
Others	624	307
Capital WIP	2,784	16,881
Bearer Plant	10,888	33
Total	30,000	19,515

Capital expenditure comprised of assets procured to sustain and develop the Apapa sugar refinery operations in Lagos for production of refined sugar for sales; while the Land and Building and the Bearer Plant were mainly for the Backward Integration Projects in Numan and Nasarawa.

Recommended Dividend

In view of the loss situation of the company, The Board of Directors have not recommended any dividend to the Annual General Meeting.

Going Concern

The Management continue to apply the Going Concern principle in the preparation of the Financial Statements. Despite current challenges, the Directors are of the opinion that there are no significant threats to the Group's going concern capabilities.

Working Capital

The current working capital is sufficient for the Company's operations and the Directors continue to closely monitor the operations of the company to ensure that sound working capital strategies are applied by Management to generate cashflows to fund the Company's operations; and avail funds needed to support the ongoing BIP.


Isiaka Bello, PhD.

Chief Finance Officer
Dangote Sugar Refinery Plc

At Dangote Sugar Refinery Plc (DSR), we understand that operating in Nigeria's dynamic economic landscape requires a resilient and progressive approach to risk management. In 2024, our operations were tested by specific economic headwinds, including the removal of fuel subsidies, which significantly escalated operational costs; persistent inflation rates exceeding 20%; a steep depreciation of the Naira, impacting both procurement and pricing strategies; and escalating interest rates that constrained liquidity and increased financing costs. Additionally, the lingering effects of global supply chain disruptions continued to challenge production and distribution timelines.

In response, DSR has elevated its risk management maturity by deploying an agile, data-driven framework in its risk mitigation strategy. Under the oversight of the Board, which holds ultimate responsibility for risk management and defines our risk appetite. Through proactive risk mitigation strategies, we are able to maintain operational continuity, protect stakeholder value, and ensure sustainable growth amid Nigeria's evolving economic challenges. By remaining adaptive and forward-looking, we continue to demonstrate the resilience of our people, processes, and strategic direction, positioning DSR as a leader in navigating uncertainty.

Our Approach to Managing Risk

In alignment with the evolving risk management framework of the Dangote Group, DSR has advanced its comprehensive risk management processes to address the complex and volatile economic environment of 2024. By integrating cutting-edge technologies and strategic insights, we have enhanced our ability to effectively identify, assess, and mitigate key risks. Our approach now incorporates advanced qualitative and quantitative methodologies, including dynamic Risk and Control Self-Assessments (RCSAs), predictive Key Risk Indicator (KRI) analytics, and an upgraded Loss Incident Reporting system. These tools enable us to maintain a forward-looking view of our risk landscape, ensuring agility and resilience.

To address high-impact scenarios, DSR has introduced real-time risk monitoring systems and enhanced on-site incident evaluations, empowering teams to respond swiftly and effectively to unexpected events.

Risk Identification: Building on previous practices, we have embedded risk identification deeper into our operational workflows, including advanced scenario planning, digitalized change management processes, and risk assessments for new product lines or market expansions. Identified risks are now classified into an expanded set of categories, incorporating emerging risk types such as cybersecurity, ESG (Environmental, Social, and Governance), and geopolitical risks.

Risk Analysis: Upon identification, thorough analysis is conducted, and relevant stakeholders are promptly informed. The nature of analysis varies depending on the risk type and applicable policies. For example, assessing credit risk involves financial analysis of counterparties,

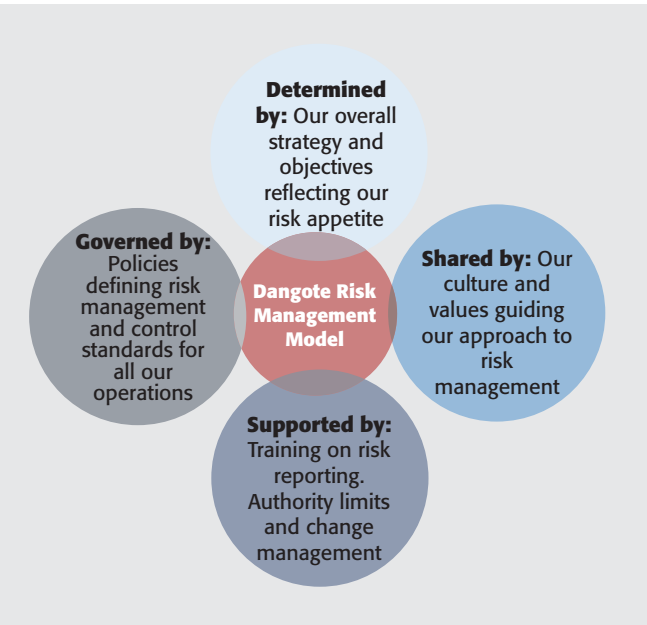
transaction structure analysis, and forecasting exposure movements.

Risk Evaluation: We have refined our evaluation methods to include multidimensional impact assessments that consider severity, likelihood, and velocity of risks. Leveraging upgraded management information systems (MIS), risk data is aggregated and visualized in real-time dashboards for day-to-day use by operational managers and strategic review by senior leadership. These tools have significantly improved our ability to identify risk concentrations and their cross-functional implications across our plants and business units.

Risk Treatment: Upon evaluation of the risks, controls are implemented to ensure that these risks remain within our risk appetite. Controls usually take the form of limits on exposure or to riskier types of business activities.

Risk Monitoring: To ensure effective oversight of our exposures, we utilise various quantitative monitoring tools, including models and Key Risk Indicators (KRIs). These tools are closely monitored alongside associated losses, ensuring the efficacy of implemented controls in mitigating identified risks.

Risk Reporting: Our Risk Management Department has further enhanced its role as an independent and strategic partner to the Executive Management and Board. The department now utilises automated risk reporting systems that consolidate data from plants, business units, and external environments. These systems ensure timely and transparent reporting of risk exposures, allowing leadership to make informed, proactive decisions. Enhanced reporting capabilities also facilitate alignment with regulatory requirements, investor expectations, and internal performance benchmarks.



The DSR Accountability Matrix

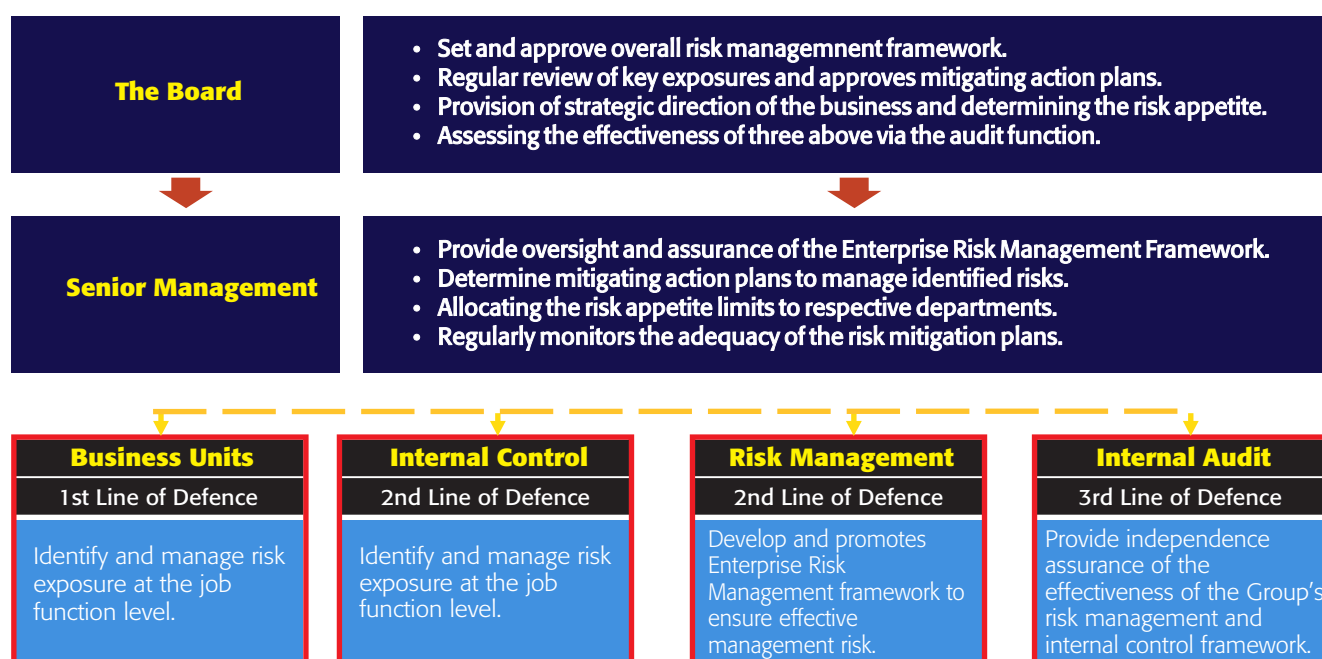
Our approach to ensuring effective risk management accountability is a commonly used methodology for managing risk – “The 3 Lines of Defence”. The objective of the three lines of defence is to ensure that an independent system of checks and balances is in place to minimise unexpected losses (financial or otherwise). This is achieved by clearly defining roles and responsibilities for the management of risk between the Executive Management, Risk Management and Internal Control functions, with each of these working together but ultimately operating independently from each other.

Risk Appetite

At DSR, every decision undergoes a rigorous and data-driven evaluation to balance risks and rewards, ensuring sustained

economic profitability while accounting for potential uncertainties. Our risk appetite framework has evolved to become a cornerstone of strategic decision-making, guiding us in determining the acceptable levels of risk across all operational and strategic activities. This approach enables us to align our risk tolerance with the dynamic economic landscape and the strategic objectives set by the Board.

In 2024, marked by significant macroeconomic challenges such as inflationary pressures, currency devaluation, and elevated borrowing costs, the Board further refined its responsibility for establishing the organization’s risk tolerance. This refinement aligns risk thresholds with current realities, ensuring agility in responding to economic volatility while maintaining alignment with our long-term strategic direction.



Advancements in Risk Appetite Framework

Our updated risk appetite framework incorporates both financial and non-financial stress factors, reflecting a more comprehensive approach to prudent risk management. This enhanced framework has become an integral part of decision-making across the organisation, informing activities such as:

- Strategic Business Planning
- Operational Excellence:
- New Product Development

Key Benefits of Our Evolved Framework

- **Proactive Risk Management:** By leveraging quantifiable metrics, we can proactively address risks before they materialise, reducing operational disruptions.
- **Enhanced Decision-Making:** Our structured approach provides clearer insights for leadership, enabling data-driven decisions aligned with our risk appetite.
- **Stakeholder Confidence:** Transparent and measurable risk management practices reinforce

stakeholder trust and demonstrate our commitment to value creation and sustainability.

Principal Risks

The Risk Management process at DSR is integral to identifying and prioritising risks through collaborative discussions and workshops with Executive Management and business leaders. Significant risks are reviewed annually using both bottom-up and top-down assessments across business units and locations, ensuring comprehensive awareness and prioritisation.

Principal risks, those with the potential to impact the Group’s performance, prospects, or reputation, are aligned with strategic objectives and documented in a detailed risk register for transparency. The Board Audit Compliance and Risk Management Committee conducts quarterly reviews to ensure vigilance and proactive mitigation.

In 2024, nine (9) principal risks, including foreign exchange, interest rates, and liquidity challenges, were identified. Proactive measures have been implemented to address these risks, safeguarding stakeholder interests and reinforcing DSR’s resilience.

	Risks	Risk Description	Potential Impact	Mitigation Plan
1.	Devaluation of The Naira	The downward adjustment in the value of the Naira, relative to other foreign currencies.	Adverse impact on profitability from increased costs of imports and reduced margins.	<ul style="list-style-type: none"> • Implement comprehensive hedging strategies. • Optimise cost structures and operational efficiencies. • Diversify currency exposures. • Closely monitor macroeconomic trends and government policies to anticipate shifts.
2.	Production Shutdown	Risk of disruptions due to foreign exchange (FX) constraints on spare parts procurement.	Loss of market share, reduced operational capacity, and diminished brand reputation.	<ul style="list-style-type: none"> • Strengthen collaboration with financial regulators for FX access. • Partner with banks to ensure Letters of Credit (LC) are secured for critical imports. • Build strategic inventory reserves of critical spare parts
3.	Political Risk Exposures	Threats to the safety and continuity of assets, personnel, and operations due to political instability.	Potential production and distribution disruptions, leading to reduced revenue and operational delays.	<ul style="list-style-type: none"> • Regular review of Business Interruption and GIT (Goods In Transit) Cover. • Regular review of distribution routes.
4.	Macro-Economic Risks	Risks stemming from a potential economic downturn or recession in Nigeria.	Reduced consumer purchasing power, declining sales, and pressure on margins.	<ul style="list-style-type: none"> • Regularly review cost structures to improve resilience against market fluctuations. • Enhance product affordability strategies to retain customer base during economic slowdowns.
5.	Poor Market Growth	New businesses and proposed expansion do not hold their growth prospect or develop as predicted.	Declining revenues, reduced cash flow, and long-term profitability challenges.	<ul style="list-style-type: none"> • Conduct regular financial and portfolio reviews to align investments with market opportunities. • Focus on achieving market leadership in key segments. • Prioritise industries with established strong market reach
6.	Loss of Market Share	Increased competition or market shifts leading to a loss of competitive advantage.	<ul style="list-style-type: none"> • Declines in revenue, inefficiency in resource allocation, and profitability erosion. 	<ul style="list-style-type: none"> • Actively leverage customer feedback for continuous improvement. • Enhance organizational agility and benchmarking processes to respond quickly to market changes. • Implement targeted marketing campaigns to regain market share.
7.	Decline in Product Quality & Service Delivery	Complex technical requirements and heightened customer expectations.	<ul style="list-style-type: none"> • Reputational damage, reduced customer loyalty, and market share loss. 	<ul style="list-style-type: none"> • Continuously monitor and stress-test production processes. • Engage customers consistently to gather and implement actionable feedback. • Invest in quality assurance programs and updated technologies.
8.	Inability to Retain Best Talent	Inability to retain and motivate the best people with the right skills, at all levels of the organisation due to activities of competition.	<ul style="list-style-type: none"> • Inability to attract, develop and retain highly qualified management and suitably skilled employees. • Shortage of appropriately skilled manpower. 	<ul style="list-style-type: none"> • Implement robust talent management programs, including training, development, and reward systems. • Develop and maintain succession plans for senior leadership roles. • Foster a strong, inclusive, and motivating workplace culture.
9.	Health & Safety Risk	Risks arising from unsafe acts or conditions, both internal and external to operational sites.	<ul style="list-style-type: none"> • Increased legal exposure, higher insurance costs, and potential harm to employees or operations. 	<ul style="list-style-type: none"> • Enforce compliance with comprehensive health and safety policies. • Include health and safety updates in all management meetings. • Monitor performance through established health and safety KPIs for all roles.

INTERNAL CONTROL AND OPERATING PROCEDURE

Management of Dangote Sugar Refinery Plc. ("DSR" or the "Firm") is responsible for establishing and maintaining adequate internal control over financial reporting. Internal control over financial reporting is a process designed by, or under the supervision of, the Firm's principal executive and principal financial officers, or persons performing similar functions, and effected by DSR's Board of Directors, management and other personnel, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the Generally Acceptable Accounting Principles (GAAP).

The key parties involved in DSR internal control system are as follows:

The Board of Directors: Primarily define the policies governing the Company's business activities and ensure their application. It strives to examine the accounting and financial documents and to determine the risks in relation with the Company's internal controls. It ensures the efficiency of the mechanisms and procedures applied as part of the internal controls. To this end, it has access to all documents and reports required to perform this task. Each director may independently require additional information from the GMD, who is always available to provide relevant information and explanations to the Board of Directors.

The Group Managing Director/Chief Executive Officer (GMD/CEO): Defines and directs the Group's strategy. He is responsible for establishing the procedures and mechanisms employed to ensure both the functioning and monitoring of the internal control system. He takes charge of the internal control system, more specifically as part of his duties as Chief Executive Officer with the Board of Directors and the assistance of the Internal Control department, the internal and external auditors.

Executive Management: In collaboration with senior management are collectively involved in setting the key accounting, finance, legal, tax, IT, and human resources policies, and supporting the business units with their implementation. Specific visits are made to the business units to carry out audits and training and to make recommendations so as to ensure that the internal control system is sufficient.

CONTROL ACTIVITIES

In addition to the risk management system, the Group has many control processes at all levels of the Company. Functional departments at head office play a critical role by ensuring that business unit's initiatives comply with Group guidelines, and by providing support for risk management, especially when local teams lack sufficient expertise. The centralised organisation of these support functions enables consistent dissemination of the major policies and goals of the senior management:

The financial control unit monitors the Company's

performance, using operational monitoring based on monthly reports from all Group business units. It also coordinates meetings between senior management and the operational and finance departments at which the various reporting indicators are reviewed, the differences between actual performance and budget forecasts are analysed, and the interim and annual budgets can be fine-tuned on the basis of actual figures and the market outlook as received from business units and other operational teams. The financial controllers monitor the whole financial reporting cycle and constantly query subsidiaries on their performance levels, earnings, and business activity

The management accounts unit draws up the Group's monthly consolidated accounts, centralizing all advice on their preparation and analysis. It publishes the accounting procedures applicable within the Group, particularly via the Group's accounting policies manual. It ensures compliance with applicable standards and regulations to provide a true picture of the Group's business activities and position.

The treasury unit arranges foreign-exchange contracts and coordinates cash flow management at corporate and business unit levels, by overseeing the dissemination of cash pooling solutions and cash flow forecasting. It checks the suitability and smooth interaction of exchange-rate and liquidity risk management policies, as well as the publication of financial information, and also manages off-balance sheet commitments (bank guarantees relating to purchase financing or L/Cs, comfort letters, share price guarantees, deposits, etc.). It centralises and verifies the authorisations granted to a limited number of employees, who are exclusively authorised by senior management to handle certain financial transactions – subject to predefined thresholds and authorisation procedures – and helps implement tools to ensure effective control (dual signature procedure, secure payment mechanisms, frequently updated authorization and signature system, controlled IT access, etc.).

The Legal departments, which are specialized in company law, contract law, litigation, and intellectual property, assist and advise the group and business units on legal matters (acquisitions, contracts, leases, stock market regulations, corporate governance, etc.). They coordinate joint studies or those of interest for the Group and support local entities on legislative issues to control the risks in the various fields.

The tax department assists and advises the Group and business units within the companies with the analysis of the tax aspects of their projects and transactions. In coordination with the various internal departments, it ensures the Group's tax security by organising risk prevention, identification, and management. It implements the Group's transfer price policy and ensures that this is applied correctly.

The information systems department is involved in selecting the Group's IT solutions and ensures their technical and functional compatibility. One of its principal aims is integrating those solutions and it oversees changes to the

ERP applications (SAP and other Applications) deployed in all the business units. It also regularly monitors IT projects and ensures that they are in line with the requirements identified by the functional teams and the budgets approved by management. The IT security unit is responsible for ensuring and organising the protection of the company's information system as concerns the security of the various applications, server architecture, the premises, etc.

DSR INTERNAL CONTROL SYSTEM

The DSR internal control system is an ongoing process supported by a programme that ensures the testing, evaluation, and monitoring of key controls across the business units, key processes and functions. Continuous test of design adequacy and operating effectiveness is performed and reported by the internal control department for insights and risk remediation. This is in addition to the test of the internal control environment performed by internal audit during its review of key processes and that of the statutory auditors during their review and annual certification of the company's financial statements. Furthermore, the responses to internal control questionnaires and the risk and control self-assessment questionnaires serve as a basis for picking up useful signals of the group's control environment. Their goal is both to contribute to establishing and updating procedures and, above all, to help managers to pinpoint the fundamental issues regarding the effectiveness of the processes and controls in question.

Limitations:

However, because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. In addition, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate. Management has completed an assessment of the effectiveness of the Firm's internal control over financial reporting as of December 31, 2024. In making the assessment, management used the "Internal Control – Integrated Framework" ("COSO 2013") promulgated by the Committee of Sponsoring Organizations of the Treadway Commission ("COSO").

INTERNAL AUDIT

At Dangote Sugar Refinery Plc., the approach to internal audit is centered on an Enterprise Risk Management (ERM) Framework and a Risk-Based Audit Approach, both of which strengthen and complement how we manage risk. This approach provides an assurance that the processes that manage risks to a level considered acceptable by the Board, are working effectively and efficiently, whilst focusing on key processes, governance, and controls.

The Board of Directors of DSR Plc. recognises the importance of internal auditing and has adopted the definition of internal auditing by the Institute of Internal Auditors. Consequently, the Board documented its operating model for carrying out internal audit activities

within the Company in an Internal Audit Charter.

The Charter describes the objectives, scope, authority, and responsibility of the Internal Audit Function in achieving internal audit objectives within the Company and is adhered to strictly by both the Board Risk Management Assurance Committee, Statutory Audit Committee and the Internal Audit Function.

The Internal Audit department in DSR Plc. has been fully resourced consistent with the agreed manning level as approved by the Board Risk Management and Assurance Committee.



Dangote Sugar Refinery Plc.'s outlook for the future is based on an intentional and entrepreneurial vision for growth, sustainability, and value creation. As it continues to grow and expand its business, a more dynamic methodology would be employed in the management of the company risk profile.

WHISTLE BLOWING

The Company has set up regulations to identify noncompliant events, as well as the implementation of a whistle blowing policy, which allows all employees and business partners to raise genuine concerns, in good faith, without fear of retaliation. Guiding principles over the Whistle-Blowing process include ensuring that the confidentiality of the whistleblower is maintained and not disclosed without his/her formal consent. Furthermore, if the whistleblower raises a concern in good faith, he or she will not be held liable, should the whistleblower be proven to be incorrect thereafter.

To maintain the integrity of the Whistle-blowing process, a consultant was engaged in 2016 to receive whistleblower information or complaints. The consultant has continued to provide whistle blower complaints to identified individuals within the Company based on the category of persons involved in the whistle blowing complaint.

In addition, the company also set up a strong internal reporting process and create awareness to encourage speak - up on non – compliance situations.

The Internal Audit department has developed a process to carry out necessary investigations on relevant items and provide recommendations and reports to the Board Risk

Management & Assurance Committee, Statutory Audit Committee on the results of these investigations. In addition, the Internal Audit department continued to engage with various process owners in a proactive manner to further improve the control environment.

[GRI CONTENT INDEX](#)

Statement of use	Dangote Sugar Refinery (DSR) Plc has reported in accordance with the GRI Standards for the period 1 st January 2024 to 31 st December 2024
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Sector Standard(s)	Not applicable

GRI Standard	Disclosure	Disclosure Title	UN SDGs	UNGC	NGX	IFRS Sustainability Disclosure Standard (S1 & S2)	Page Number(s) and/or Direct Answer(S)
GENERAL STANDARDS							
GRI 2: General Disclosures 2021	2-1	Organizational details					
	2-2	Reporting period, frequency and contact point					35
	2-3	Restatements of information					35
	2-4	External assurance			4.3: Format of Report		No Restatements
	2-5	Activities, value chain and other business relationships					Not applicable
	2-6	Employees					63
	2-7	Workers who are not employees	Goal 8				49
	2-8	Governance structure and composition	Goal 8				49
	2-9				Principles 1 and 2: Governance	IFRS S1 - Governance	94
	2-10	Nomination and selection of the highest governance body			Principles 1 and 2: Governance	IFRS S1 - Governance	94
	2-11	Chair of the highest governance body			Principles 1 and 2: Governance	IFRS S1 - Governance	94
	2-12	Role of the highest governance body in overseeing the management of impacts			Principles 1 and 2: Governance	IFRS S1 - Governance	44
	2-13	Delegation of responsibility for managing impacts			Principles 1 and 2: Governance	IFRS S1 - Strategy IFRS S1 - Risk Management	44
	2-14	Role of the highest governance body in sustainability reporting			Principles 1 and 2: Governance	IFRS S1 - Governance	44
	2-15	Conflicts of interest				IFRS S1 - Governance	None
	2-16	Communication of critical concerns				IFRS S1 - Governance	None
	2-17	Collective knowledge of the highest governance body			Principles 1 and 2: Governance	IFRS S1 - Governance	94
	2-18	Evaluation of the performance of the highest governance body			Principles 1 and 2: Governance	IFRS S1 - Governance	94
	2-19	Remuneration policies				IFRS S1 - Governance	Available
	2-20	Process to determine remuneration				IFRS S1 - Governance	Not applicable
	2-21	Annual total compensation ratio	Goal 10				Not applicable
	2-22	Statement on sustainable development strategy				IFRS S1 - Governance IFRS S1 - Strategy	32
	2-23	Policy commitments				IFRS S1 - Governance IFRS S1 - Strategy IFRS S1 - Risk Management	48 & 50
	2-24	Embedding policy commitments			Principle 3: Governance	IFRS S1 - Governance IFRS S1 - Strategy IFRS S1 - Risk Management	44 & 5
	2-25	Processes to remediate negative impacts		Principle 7: Environment	Principles 8 and 9: Social and Environment	IFRS S1 - Governance IFRS S1 - Strategy IFRS S1 - Risk Management	44 & 5
	2-26	Mechanisms for seeking advice and raising concerns				IFRS S1 - Governance IFRS S1 - Strategy IFRS S1 - Risk Management	56
	2-27	Compliance with laws and regulations	Goal 16				48
	2-28	Memberships/associations	Goal 17				48

2-27	Compliance with laws and regulations	Goal 16			48
2-28	Memberships/associations	Goal 17			48
2-29	Approach to stakeholder engagement				44-47
2-30	Collective bargaining agreements	Goals 8 and 10	Principle 3: Labour		60
3-1	Process to determine material topics				36
3-2	List of material topics				41
ECONOMIC STANDARDS					
Financial performance: Transparency, reporting and disclosure on Sustainability/ESG; International financial risk management; Monetary policy and capital markets; Regulatory approvals and compliance					
GRI 3: Material Topics 2021	Management of material topics	Goals 8 and 9			62
GRI 201: Economic Performance 2016	Direct economic value generated and distributed	Goal 13			73-74
	Financial implications and other risks and opportunities due to climate change				
201-2	Financial implications and other risks and opportunities due to climate change				
201-3	Defined benefit plan obligations and other retirement plans				51
201-4	Financial assistance received from government				None
Market Presence in Community: Community engagement and relations; Host community development					
GRI 3: Material Topics 2021	Management of material topics	Goals 1, 5 and 8			Not disclosed
GRI 202: Market Presence 2016	Ratios of standard entry level wage by gender compared to local minimum wage				
202-1	Management of material topics	Goal 8			49
202-2	Proportion of senior management hired from the local community				
Investor engagement and relations; Sustainable Development Goals: Transparency, reporting and disclosure on Sustainability/ESG; ESG performance and considerations					
GRI 3: Material Topics 2021	Management of material topics	Goal 5, 9, and 11			62
GRI 203: Indirect Economic Impacts 2016	Infrastructure investments and services supported	Goals 1, 3, and 8			61-62
203-2	Significant indirect economic impacts				
Procurement practices: Suppliers contract and payment processing; Supply chain engagement and relations					
GRI 3: Material Topics 2021	Management of material topics	Goal 8			66
GRI 204: Procurement Practices 2016	Proportion of spending on local suppliers				
Anti-corruption policies and practices					
GRI 3: Material Topics 2021	Management of material topics				
GRI 205: Anti-corruption 2016	Operations assessed for risks related to corruption	Goal 16	Principle 10: Anti-corruption	Principles 1 and 2: Governance	56
	Communication and training about anticorruption policies and procedures	Goal 16	Principle 10: Anti-corruption	Principles 1 and 2: Governance	56
205-3	Confirmed incidents of corruption and actions taken	Goal 16	Principle 10: Anti-corruption	Principles 1 and 2: Governance	56
Business strategy: Corporate governance: Transparency, reporting and disclosure on Sustainability/ESG; Company's reputation and brand perception; International financial risk management; Monetary policy and capital markets					
GRI 3: Material Topics 2021	Management of material topics				
GRI 206: Anti-competitive Behavior 2016	Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices	Goal 16		Principles 3 and 4: Economic	62
Financial performance: Business strategy					
GRI 3: Material Topics 2021	Management of material topics				
GRI 207: Tax 2019	Approach to tax	Goals 1, 10 and 17			62
207-1	Tax governance, control, and risk management	Goals 1, 10 and 17		Principles 1 and 2: Governance	122
207-2	Stakeholder engagement and management of concerns related to tax	Goals 1, 10 and 17			122
207-3	Country-by-country reporting	Goals 1, 10 and 17			Single country
ENVIRONMENTAL STANDARDS					
Circular economy and Resource Utilization					
GRI 3: Material Topics 2021	Management of material topics				

IFRS S2 - Governance IFRS S2 - Strategy						64-65
Climate change, Emissions and Energy; Environmental responsibility & management GRI 3: Material Topics 2021 GRI 302: Energy 2016	301-2	Recycled input materials used	Goals 8 and 12	Principle 8: Environment	Principles 3 and 9: Economic and Environment	64
	301-3	Reclaimed products and their packaging materials	Goals 8 and 12			None
	3-3	Management of material topics				
	302-1	Energy consumption within the organization	Goals 7, 8, 12 and 13	Principles 8 and 9: Environment	Principle 9: Environment	71
	302-2	Energy consumption outside of the organization	Goals 7, 8, 12 and 13	Principles 8 and 9: Environment	Principle 9: Environment	71
Water, waste and effluents; Environmental responsibility & management GRI 3: Material Topics 2021 GRI 303: Water and Effluents 2018	302-3	Energy intensity	Goals 7, 8, 12 and 13	Principles 8 and 9: Environment	Principle 9: Environment	71
	302-4	Reduction of energy consumption	Goals 7, 8, 12 and 13	Principles 8 and 9: Environment	Principle 9: Environment	71
	302-5	Reductions in energy requirements of products and services	Goals 7, 8, 12 and 13	Principles 8 and 9: Environment	Principle 9: Environment	71
	3-3	Management of material topics				
	303-1	Interactions with water as a shared resource	Goals 6 and 12	Principles 8 and 9: Environment	Principle 9: Environment	74
Biodiversity & Land Management GRI 3: Material Topics 2021 GRI 304: Biodiversity 2016	303-2	Management of water discharge related impacts	Goal 6	Principles 8 and 9: Environment	Principle 9: Environment	74
	303-3	Water withdrawal	Goal 6	Principles 8 and 9: Environment	Principle 9: Environment	74
	303-4	Water discharge	Goal 6	Principles 8 and 9: Environment	Principle 9: Environment	74
	303-5	Water consumption	Goal 6	Principles 8 and 9: Environment	Principle 9: Environment	74
	3-3	Management of material topics				
Climate change, Emissions and Energy; Pollution; Environmental responsibility & management GRI 3: Material Topics 2021 GRI 305: Emissions 2016	304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Goals 6, 14 and 15	Principle 7: Environment	Principle 9: Environment	75
	304-2	Significant impacts of activities, products and services on biodiversity	Goals 6, 14 and 15	Principles 8 and 9: Environment	Principle 9: Environment	75
	304-3	Habitats protected or restored	Goals 6, 14 and 15	Principle 7: Environment	Principle 9: Environment	Not applicable
	304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	Goals 6, 14 and 15	Principle 7: Environment	Principle 9: Environment	Not applicable
	3-3	Management of material topics				
Climate change, Emissions and Energy; Pollution; Environmental responsibility & management GRI 3: Material Topics 2021 GRI 305: Emissions 2016	305-1	Direct (Scope 1) GHG emissions	Goals 3, 12, 13, 14 and 15	Principles 8 and 9: Environment	Principle 9: Environment	72
	305-2	Energy indirect (Scope 2) GHG emissions	Goals 3, 12, 13, 14 and 15	Principles 8 and 9: Environment	Principle 9: Environment	72
	305-3	Other indirect (Scope 3) GHG emissions	Goals 3, 12, 13, 14 and 15	Principles 8 and 9: Environment	Principle 9: Environment	Not disclosed
	305-4	GHG emissions intensity	Goals 13, 14 and 15	Principles 8 and 9: Environment	Principle 9: Environment	72
	305-5	Reduction of GHG emissions	Goals 13, 14 and 15	Principles 8 and 9: Environment	Principle 9: Environment	72

Principle 9: Environment							73
Water, waste and effluents; Environmental responsibility & management GRI 3: Material Topics 2021 GRI 306: Waste 2020	3057	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Goals 3, 12, 14 and 15	Principles 8 and 9: Environment	Principle 9: Environment	73	
	3-3 3061	Management of material topics Waste generation and significant waste-related impacts	Goals 3, 6, 12 and 14	Principles 8 and 9: Environment	Principle 9: Environment	75	
	3062	Management of significant waste-related impacts	Goals 3, 6 and 12	Principles 8 and 9: Environment	Principle 9: Environment	75	
	3063	Waste generated	Goals 3, 6, 12, 14 and 15	Principles 8 and 9: Environment	Principle 9: Environment	75	
	3064	Waste diverted from disposal	Goals 3 and 12	Principles 8 and 9: Environment	Principle 9: Environment	None	
	3065	Waste directed to disposal	Goals 6, 14 and 15	Principles 8 and 9: Environment	Principle 9: Environment	75	
Procurement practices GRI 3: Material Topics 2021 GRI 308: Supplier Environmental Assessment 2016	3-3 3081	Management of material topics New suppliers that were screened using environmental criteria		Principle 7: Environment	Principles 3 and 9: Economic and Environment	None	
	3082	Negative environmental impacts in the supply chain and actions taken			IFRS S2 - Strategy IFRS S2 - Industry-based Climate-related Metrics & Targets: Supply Chain Management & Food Sourcing IFRS S2 - Strategy IFRS S2 - Industry-based Climate-related Metrics & Targets: Supply Chain Management & Food Sourcing	None	
	SOCIAL STANDARDS						
Career growth and progression; Employee wellbeing and satisfaction GRI 3: Material Topics 2021 GRI 401: Employment 2016	3-3 401-1	Management of material topics New employee hires and employee turnover	Goals 5, 8 and 10	Principles 4, 5 and 6: Labour	Principle 5: Social	50	
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Goals 3, 5 and 8	Principles 4, 5 and 6: Labour	Principle 5: Social	50-51	
	401-3	Parental Leave	Goals 5 and 8	Principles 4, 5 and 6: Labour	Principle 5: Social	51	
	Employee compensation and benefits						
GRI 3: Material Topics 2021 GRI 402: Labor/Management Relations 2016	3-3 402-1	Management of material topics Minimum notice periods regarding operational changes	Goal 8		Principle 5: Social	Not disclosed	
	Occupational health and safety; Community health and safety						
	3-3 403-1	Management of material topics Occupational health and safety management system	Goal 8	Principle 6: Labour	Principle 5: Social	57-58	
Occupational health and safety; Community health and safety GRI 3: Material Topics 2021 GRI 403: Occupational Health and Safety 2018	403-2	Hazard identification, risk assessment, and incident investigation	Goal 8	Principle 6: Labour	Principle 5: Social	57	
	403-3	Occupational health services	Goal 8	Principle 6: Labour	Principle 5: Social	57-58	
	403-4	Worker participation, consultation, and communication on occupational health and safety	Goals 8 and 16	Principle 6: Labour	Principle 5: Social	57-58	
	403-5	Worker training on occupational health and safety	Goal 8	Principle 6: Labour	Principle 5: Social	57-58	
	403-6	Promotion of worker health	Goal 3	Principle 6: Labour	Principle 5: Social	57-58	
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Goal 8	Principle 6: Labour	Principle 5: Social	57-58	
	403-8	Workers covered by an occupational health and safety management system	Goal 8	Principle 6: Labour	Principle 5: Social	57-58	
	403-9	Work-related injuries	Goals 3, 8 and 16	Principle 6: Labour	Principle 5: Social	58	
	403-10	Work-related ill health	Goals 3, 8 and 16	Principle 6: Labour	Principle 5: Social	58	

Employee training and knowledge development; Employee engagement and relations						Goals 3, 8 and 16	Principle 6: Labour	Principle 5: Social	58
GRI 3: Material Topics 2021 GRI 404: Training and Education 2016	3-3	Management of material topics							
	404-1	Average hours of training per year per employee				Goals 4, 5, 8 and 10	Principle 6: Labour	Principle 6: Social	52
	404-2	Programs for upgrading employee skills and transition assistance programs				Goal 8	Principle 6: Labour	Principle 6: Social	52
	404-3	Percentage of employees receiving regular performance and career development reviews				Goals 8 and 10	Principle 6: Labour	Principle 6: Social	52
GRI 3: Material Topics 2021 GRI 405: Diversity and Equal Opportunity 2016	3-3	Management of material topics							
	405-1	Diversity of governance bodies and employees				Goals 5 and 8	Principle 6: Labour	Principles 5 and 6: Social	59
	405-2	Ratio of basic salary and remuneration of women to men				Goals 5, 8 and 10	Principle 6: Labour	Principles 5 and 6: Social	No difference in remuneration
Human rights									
GRI 3: Material Topics 2021 GRI 406: Non-discrimination 2016	3-3	Management of material topics							
	406-1	Incidents of discrimination and corrective actions taken				Goals 5 and 8	Principle 6: Labour	Principle 6: Social	59
	3-3	Employee compensation and benefits							
GRI 3: Material Topics 2021 GRI 407: Freedom of Association and Collective Bargaining 2016	3-3	Management of material topics							
	407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk				Goal 8	Principle 3: Labour	IFRS S1 - Risk Management IFRS S2 - Risk Management IFRS S2 - Industry-based Climate-related Metrics & Targets: Supply Chain Management & Food Sourcing	60
Child labour									
GRI 3: Material Topics 2021 GRI 408: Child Labor 2016	3-3	Management of material topics							
	408-1	Operations and suppliers at significant risk for incidents of child labour				Goals 8 and 16	Principle 5: Labour	Principle 5: Social	60
Child labour: Human rights									
GRI 3: Material Topics 2021 GRI 409: Forced or Compulsory Labor 2016	3-3	Management of material topics							
	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labour				Goal 8	Principle 4: Labour	Principle 5: Social	60
Human rights									
GRI 3: Material Topics 2021 GRI 410: Security Practices 2016	3-3	Management of material topics							
	410-1	Security personnel trained in human rights policies or procedures				Goal 16	Principles 1 and 2: Human rights	Principle 7: Social	Not applicable
Community engagement and relations; Host community development; Social/community impact									
GRI 3: Material Topics 2021 GRI 411: Rights of Indigenous Peoples 2016	3-3	Management of material topics							
	411-1	Incidents of violations involving rights of indigenous peoples				Goal 2			Not applicable
Community engagement and relations; Host community development; Social/community impact									
GRI 3: Material Topics 2021 GRI 413: Local Communities 2016	3-3	Management of material topics							
	413-1	Operations with local community engagement, impact assessments, and development programs						Principle 8: Social	54-56
	413-2	Operations with significant actual and potential negative impacts on local communities				Goals 1 and 2		Principle 8: Social	Not disclosed
Procurement practices; Supply chain engagement and relations									
GRI 3: Material Topics 2021 GRI 414: Supplier Social Assessment 2016	3-3	Management of material topics							
	414-1	New suppliers that were screened using social criteria				Goals 5, 8 and 16	Principles 1 and 2: Human rights	Principles 3 and 7: Economic and Social	Not disclosed

		Negative social impacts in the supply chain and actions taken	Goals 5, 8 and 16	Principles 1 and 2: Human rights	Principles 3 and 7: Economic and Social	IFRS S1 - Risk Management IFRS S2 - Strategy IFRS S2 - Risk Management IFRS S2 - Industry-based Climate-related Metrics & Targets: Supply Chain Management & Food Sourcing	Not disclosed
GRI 3: Material Topics 2021 GRI 415: Public Policy 2016 Customer satisfaction and consumer wellbeing GRI 3: Material Topics 2021 GRI 416: Customer Health and Safety 2016 Company's reputation and brand perception; Customer satisfaction and consumer wellbeing GRI 3: Material Topics 2021 GRI 417: Marketing and Labeling 2016 Customer satisfaction and consumer wellbeing GRI 3: Material Topics 2021 GRI 418: Customer Privacy 2016	414-2	Negative social impacts in the supply chain and actions taken	Goals 5, 8 and 16	Principles 1 and 2: Human rights	Principles 3 and 7: Economic and Social	Not disclosed	Not disclosed
	3-3	Management of material topics					
	415-1	Political contributions	Goal 16				57
	3-3	Management of material topics					
	416-1	Assessment of the health and safety impacts of product and service categories			Principles 3 and 4: Economic		67-68
	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	Goal 16		Principles 3 and 4: Economic		None
	3-3	Management of material topics					
	417-1	Requirements for product and service information and labelling	Goal 12				69
	417-2	Incidents of non-compliance concerning product and service information and labelling	Goal 16				69
	417-3	Incidents of non-compliance concerning marketing communications	Goal 16				None
	3-3	Management of material topics					
	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Goal 16				70



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