



# **Sustainable Futures:** Investing Today for a Better Tomorrow

Asset & Resource Management  
Holding Company (ARM)  
**Inaugural Sustainability Report**



**Invested in  
Your Tomorrow**  
Meeting the needs  
of our clients





# CONTENTS

<b>Purpose of the Report</b>	<b>3</b>	Stakeholder Engagement	45
Approach to Reporting	4	Grievance and Whistleblowing Channels	46
Message from the CEO	5		
<b>About ARM</b>	<b>7</b>	<b>Economic Performance</b>	<b>47</b>
Our Values	7	Financial contribution	48
Snapshot of Our Subsidiaries	9	<b>Social Performance</b>	<b>49</b>
ARM at a Glance	13	Employee and Human Capital Management	51
		Health and Safety	55
<b>Governance and Commitment</b>	<b>15</b>	Community Engagement	55
Board Diversity	17		
Excerpt of ARM's Remuneration Policy	24	<b>Environmental Performance</b>	<b>57</b>
Nomination Approach	25	Water Use	58
		Electricity Use	58
<b>Our Risk Management Approach</b>	<b>25</b>	Climate Change	58
		<b>Our Value Chain</b>	<b>59</b>
<b>Materiality Assessment</b>	<b>29</b>	<b>Future Outlook</b>	<b>61</b>
Identifying Material Issues	29	<b>Appendix</b>	<b>63</b>
Analysing Material Topics	31	GRI ARM Checklist	63
ARM's Material Topics	32	GRI Non-mandatory Disclosures	71
Analysis of the Ratings	35		
ARM's Materiality Ratings	35		
<b>Our Sustainability Strategy</b>	<b>37</b>		
Sustainability Challenges	41		
Our Sustainability Performance	41		
Our Contribution to the UN Sustainable Development Goals	43		

# Purpose of the report



**This report outlines Asset & Resource Management Holding Company Limited's (ARM or ARM Holdings) approach to sustainability and the progress we made in our journey for the financial year 2022.**

ARM is a financial services holding company headquartered in Lagos, Nigeria, with subsidiaries in asset management, pension administration, real estate, stock brokerage, trusteeship, agribusiness and infrastructure financing.

Our sustainability report is intended to provide a comprehensive overview of our sustainability strategy, commitments, and achievements in 2022. Where applicable, the report also refers to notable progress and developments within the first half of 2023.

The report has been prepared in accordance with the Core option of the Global Reporting Initiative (GRI) Standards. This report is however not externally verified and/or assured. This is ARM's inaugural sustainability report, and it will be updated accordingly as may be necessary in subsequent years to capture new initiatives and developments in ESG practice. The report focuses on governance structures, material issues relating to corporate responsibility and sustainability, which have been identified through internal assessments and continuous engagement with a diverse range of stakeholders, including our employees, investors, regulators, and the communities within which our subsidiaries operate, and our outlook. This narrative is framed against our intended contribution to selected United Nations Sustainable Development Goals and our commitment to responsible investing.

## Get in touch with us

1 Mekunwen Rd. Off Oyinkan Abayomi Drive  
PMB 80173, Ikoyi, Lagos, Nigeria

**T:** 0700 ARMENGAGE (0700 276 364 243)

**W:** [www.arm.com.ng](http://www.arm.com.ng)

**E:** [sustainability@arm.com.ng](mailto:sustainability@arm.com.ng)

## Contact Division:

Marketing and Corporate

Communications Department



## APPROACH TO REPORTING

In line with our commitment to transparency and credibility, our sustainability report adheres to industry-leading reporting guidelines. We have followed the Global Reporting Initiative (GRI) Standards, which are widely recognized and respected for their comprehensive framework encompassing economic, environmental, and social impacts. By adhering to these guidelines, we ensured the accuracy, relevance, and comparability of the information disclosed in our report.

While ARM established the principles guiding our Environmental, Social and Governance (ESG) risk management and sustainability approach following consultation with all our stakeholders, we complied with the directives of the Nigerian legislative and regulatory requirements. These elements provide a foundation for our reporting process, enabling us to address the expectations and concerns of our stakeholders while aligning with the relevant regulations in Nigeria.

It is important to note that while this sustainability report has undergone rigorous internal review and verification processes, it has not been externally assured or audited by a third party. Nevertheless, we have taken significant measures to maintain the integrity and reliability of the reported information.

### Our approach to sustainability is based on three fundamental pillars:



#### Responsible Investing

We aim to secure the financial future of our clients and stakeholders through active member engagement, a new focus on embedding ESG principles throughout our operations and ensuring well-governed, fiscally, and ethically sound operations.



#### Stakeholder Engagement

By engaging our stakeholders, we aim to ensure their priorities and concerns are incorporated into our sustainability strategy and objectives. We ensure our activities do not harm the society and communities we operate in and, in fact, contribute to job creation, improvement in standards of living and economic development.



#### Environmental Stewardship

We embrace a resource efficiency and ESG risk management approach not only at the Group level but also across our subsidiaries to foster a healthy and prosperous environment.

## MESSAGE FROM THE CEO



### Jumoke Ogundare

Group Chief Executive  
Officer, Asset & Resource  
Management Holding  
Company (ARM)

***We are driven  
by the belief  
that sustainable  
practices not only  
benefit society and  
the environment but  
also create resilient  
and profitable  
business models.***

**- Jumoke Ogundare**

I am delighted to present to you Asset & Resource Management Holding Company Limited's (ARM or ARM Holdings) inaugural Sustainability Report. As I reflect on ARM's ESG journey over the past year, I am encouraged by the progress made by the Group in advancing the commitment to sustainability and responsible investing. This report serves as a testament to the Group's dedication to creating a positive impact on society, the environment, and the financial well-being of our stakeholders.

At ARM, sustainable growth and responsible investing are not buzzwords, but essential prerequisites for a prosperous and inclusive future. As the CEO of this esteemed organization, I am proud to lead a team of passionate individuals who share a common vision of a world where financial success and sustainability are synchronized. Our journey towards sustainability was built on three fundamental pillars: Responsible Investing, Stakeholder Engagement, and Environmental Stewardship.

This inaugural sustainability report provides an analysis of our practices, challenges, and goals, allowing our stakeholders to evaluate our progress and hold us accountable. We encourage your feedback, as it is through your feedback and support that we will continue to enhance our ESG performance. I would like to express my gratitude to all our stakeholders - our clients, shareholders, employees, partners, and the communities we serve - for their unwavering support and collaboration on this journey towards sustainability. Together, we can build a future that is not only financially prosperous but also environmentally regenerative and socially inclusive.

As we move forward, ARM remains committed to being a catalyst for positive change in Africa and beyond.

Thank you for your continued trust and partnership.

A stylized, handwritten signature in black ink, consisting of a large, sweeping initial 'J' followed by a series of connected loops and a long horizontal stroke.

**Jumoke Ogundare**  
Group Chief Executive Officer,  
Asset & Resource Management Holding Company (ARM)





### Responsible Investing

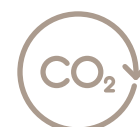
As an asset manager, our management decisions have far-reaching implications. Our Environmental and Social Management System (ESMS) defines our approach to managing environmental, social and governance (ESG) risks within the organization and across the subsidiaries. Each subsidiary is further governed by its own ESMS, peculiar to its industry and addressing specific ESG risks.

We have embraced the principles of responsible investing, integrating ESG considerations into the investment strategies of the subsidiaries. This approach ensures that we allocate capital towards businesses and projects that align with sustainable investment principles, while simultaneously delivering competitive financial returns to our stakeholders. By supporting ventures that champion environmentally friendly products, sustainable agriculture, and human rights, we are fostering the growth of businesses that make a lasting positive impact on society and the planet.



### Stakeholder Engagement

ARM's success is intricately linked to the well-being of all our stakeholders. Our target is to meet and exceed the expectations of our stakeholders and operate within the regulatory requirements guiding our operations. Through understanding our environment and the gaps, we actively strive to satisfy the needs of our clients, address challenges and collaborate with the regulatory agencies for the expansion of the capital market and ease of regulatory oversight.



### Environmental Stewardship

We take the obligation to protect and preserve the environment for future generations seriously. As environmental stewards, we take proactive steps to reduce our carbon footprint and promote sustainable practices within the ARM Group. Our subsidiaries have developed ESMS targeted at ecofriendly practices and procedures which are monitored by a team of professionals and reported accordingly to the Board of Directors.

With selected subsidiaries focused on investments in agricultural production and real estate, environmental impacts need to be closely managed. We are driven by the belief that sustainable practices not only benefit society and the environment but also create resilient and profitable business models.

# ABOUT ARM

## **Our mission**

We seek optimum wealth creation opportunities for those who entrust us with their assets.

## **Our vision**

To be the preferred financial partner in Africa providing access to global wealth creation opportunities.

## **OUR VALUES**

Our subsidiaries are dedicated to offering unparalleled wealth creation opportunities through a unique combination of traditional asset management and alternative investment services. Our comprehensive range of offerings includes pensions, trusteeship, private equity, mutual funds, infrastructural funds, real estate, and agriculture. Our distinct subsidiaries each specialize in specific areas of expertise. Our diversified businesses provide a one stop financial services hub that caters to our clients from the cradle to the grave.

Established in 1994, ARM initially operated as a pure play asset management firm. Subsequently ARM has evolved and expanded its portfolio of services, responding to the dynamic needs of its clientele and growing stakeholder base. Our unwavering vision is to be the preferred financial partner in Africa providing access to global wealth creation opportunities.





### **Ambition**

We are driven by our vision of the future: how things could be.



### **Proximity**

Our success rests on proximity to our clients and the marketplace.



### **Impact**

Our value is measured by the degree of positive change we bring about.



### **Truth**

Honesty, trust and integrity are at the heart of everything we say and do.

At ARM, we believe in the transformative power of financial services and its potential to create positive change. We are committed to driving sustainable growth, fostering economic development, and contributing to the overall prosperity of Africa, while providing a gateway to the world for our clients. Our dedication to sustainability is deeply embedded in our corporate culture and business practices. We recognize the importance of responsible investing, environmental stewardship, and social impact. By integrating sustainability principles into our operations, we aim to generate long-term value for our clients, stakeholders, and the communities in which we operate.

As a responsible financial services provider, we adhere to rigorous ethical standards, regulatory requirements, and best practices. Our experienced team of professionals combines expertise with a passion for delivering exceptional results, ensuring that our beneficiaries' financial goals are met with the utmost integrity and professionalism.

ARM's commitment to innovation is at the forefront of our operations. We continuously invest in technology and research, enabling us to provide innovative solutions that address the evolving needs of our clients. By leveraging advanced analytics and digital platforms, we enhance the efficiency and effectiveness of our services, maximizing value for our stakeholders. We take pride in our strong record of accomplishment and the numerous awards we have received throughout our journey. These recognitions validate our unwavering commitment to excellence and motivate us to constantly raise the bar in the financial services industry.

As we look to the future, ARM remains steadfast in its pursuit of providing world-class financial services that empower individuals, businesses, and communities to thrive. We embrace the opportunities and challenges ahead, and we are confident that with our robust foundation, exceptional talent, and unwavering commitment, we will continue to be at the forefront of the financial services industry, driving sustainable growth and creating lasting value for all.

## SNAPSHOT OF OUR SUBSIDIARIES



**Mr. Gozie Alozieuwa**  
Acting Managing Director

*"We are actively considering ESG factors because we recognize that we are a part of the ongoing journey towards sustainability."*



TRUSTEES



**Mrs. Kai Orga**  
Managing Director

*"We aim to collaborate with like-minded organizations to promote sustainability, address climate challenges, and create impactful investment opportunities in Nigeria and across Africa."*



INVESTMENT MANAGERS

ARM Trustees was incorporated in 1997 and is duly licensed by the Securities and Exchange Commission to provide trusteeship and estate planning services to institutional and private clients. The business offers a wide range of commercial trust services to public and private sector entities such as State Governments, Corporate entities, Issuers of Debt, and other hybrid Instruments and estate planning services to private clients.

ARM Investment Managers is a foremost asset management firm in Nigeria, licensed by the Securities and Exchange Commission (SEC) as a fund and portfolio manager. ARM Investment Managers provides portfolio management and advisory services across a wide range of traditional and alternative investment options, including equities, fixed income securities, cash, and real estate to small savers, high net worth individuals and institutional investors. With over 29 years of investment management expertise, the company has consistently distinguished itself through superior research quality, asset management track record and value-adding financial advisory services.





**Mr. Wale Odutola**  
Managing Director

*“ARM Pensions have consistently ranked in the industry’s top quartile for investment performance. We partner with fund managers to ensure alignment with ESG best practices.”*



ARM Pension Managers is the second largest PFA in Nigeria by pension funds under management. The company offers integrated services including pension fund management and administration, pension advisory as well as retirement planning services. ARM Pensions manages Retirement Savings Accounts (RSA), Retiree pension accounts and Micro-pension accounts on behalf of individual customers, as well as institutional-defined benefit pension accounts on behalf of specific public and private companies in Nigeria.



**Uche Azubuiké**  
Acting Managing Director

*“Fostering sustainable growth, we cultivate not just crops.”*



Riparian Farming Limited (RFL), is an agribusiness company owned by ARM. The company carries out farming operations across the vegetables and cassava agricultural value chains in Nigeria. The company also plans to support local farmers under an out-grower scheme. RFL is essentially a proof of concept that will eventually become an investment under the ARM Agribusiness Fund that is at formation stage. The fund which is the larger vision of ARM to provide funds, mechanized farming support and improved farming practices to the agricultural ecosystem will be under the auspices of ARM Agribusiness Fund Managers Limited, which has already been registered as a limited liability company.

## SNAPSHOT OF OUR SUBSIDIARIES (CONTINUED)



**Mr. Rotimi Olubi**  
Managing Director

*“Empowering sustainable investments, ARM Securities stands as a beacon of integrity and innovation, providing comprehensive securities services that actively drive positive change for investors and the environment.”*



**Mr. Deji Alli**  
CEO

*“We plan to adopt the IFC EDGE certification for all our projects to ensure that all of our buildings are resource efficient, cost effective, high performing, and sustainable.”*



ARM Securities is a full-service brokerage house that offers brokerage services to local and foreign private and institutional investors and corporate financial advisory services. Formerly known as Hamilton Hammer, ARM Securities was acquired by ARM in 2008 to support existing businesses in trading securities and has since evolved to provide stockbroking services to retail and institutional clients and advisory services to institutional clients.

Mixta Africa is a leading infrastructure developer and real estate company focused on building sustainable and affordable housing and innovative real estate solutions across Africa. Mixta was founded in April 2005 and has delivered over 20,000 housing units across 8 countries in Africa, with full operations in Nigeria, Morocco, Senegal, Tunisia and Cote d'Ivoire currently. Mixta's main business operations include land acquisition, housing development and commercialization with a focus on executing developments that cater to different income segments.





**Mrs. Tariye  
Gbadegeshin**

Managing Director

***“We are dedicated to building the foundations of tomorrow, investing in infrastructure that aligns with our vision for a sustainable and resilient world.”***

**ARM Harith**  
INFRASTRUCTURE FUND MANAGERS

ARM-Harith Infrastructure Investment Limited (ARMHIL) is a joint venture between Asset & Resource Management (ARM) Holding Company and Harith General Partners, a leading Pan-African infrastructure fund manager based in South Africa. Set up in 2013, ARM-Harith Infrastructure closed its first fund in 2015 as the first Infrastructure Equity Fund to be registered by the Nigerian Securities & Exchange Commission. ARM-Harith manages capital from Nigerian Pension Funds, Development Finance Institutions, Family Offices, with commitments from ARM and Harith.

## ARM AT A GLANCE

**Our purpose is contingent on our ability to meet the needs of our investors and communities. In doing so, we create value through the following subsidiaries:**

### Investments Services

As Asset Managers we focus on optimising wealth creation opportunities for those who trust us with their assets. We offer investors access to high-quality securities for positive earnings.

### Trustee Services—protecting wealth for future generations

Provide a comprehensive range of trustee services to both public and private sector entities.

### Real Estate Development—providing affordable shelter in communities

Create value by delivering innovative real estate solutions in markets across Nigeria, Morocco, Côte d'Ivoire, Tunisia, and Senegal.

### Pension & Retirement Plan Services—securing the retirement of the working population

Tailored pension and retirement plans to meet the needs of an expanding market. Services cover contributory schemes, micro pension schemes, and more.

### Infrastructure

Through our joint venture with Harith General Partners, we invest in infrastructure to enhance economic returns, generate employment, transform communities, and protect future generations.

### Agribusiness Financing—contributing to food security

Invested in Riparian Farming Limited, encompassing 2000 hectares of farmland located in Tibo, Olorunda, Ogun State, engaged in the cultivation of cassava and vegetables.

### Securities—investing for financial independence

A full-service brokerage company of choice offering a complete spectrum of securities trading services to local and foreign retail and institutional investors.

## ESG Highlights

# NIGERIA

is our home, and we seek optimum wealth creation opportunities for those who entrust us with their assets.



**ESG Policy and ESMS approved** by the board



**Water and resource consumption** monitoring protocols established



**Awareness campaigns** on ESG cascaded throughout the organisation



**Safe storage and targeted** use of fertilisers and chemicals developed for agricultural businesses



**Emergency preparedness** drills completed twice a year



**Workforce diversity:**  
**128** Female



**173** Male



**Investment and supplier ESG screening tools** developed and maintained



**Built an ICT center** for a school in Lakowe



**Waste management strategies** initiated and implemented

**Total value of assets** under management in 2022

**N1.8 trillion**



## Business Unit Highlights

ARM was identified among the Top 3 Rising Stars in Corporate Startup Stars (CSS) in 2022, the worldwide Open Innovation award annually run by ICC (International Chamber of Commerce) and Mind the Bridge (the Organizers).

**Below are a few key highlights we are proud of:**

Business unit	Highlight
<b>Subsidiary Review</b>	
Pensions	ARM Pensions in 2022 made progress in incorporating ESG principles into our operations and reporting to the board on a quarterly basis. We successfully managed the risks associated with the transfer window, where clients have the option to move from one PFA to another. Investing in relationships, understanding customer journeys, and data analytics helped prevent potential risks and crystallize opportunities.
Investment Management	Successfully integrated ESG considerations in investment decision-making.
Securities	Incorporation of ESG ratings into research recommendations.
Trustees (commercial & private)	Recognized as the top trustee with the largest deal size in regulated transactions in Africa at the 2022 Mid Africa awards. Also honored as the Private Trust Advisory & Estate Planning Firm of the Year in Nigeria by Global Advisory Experts in 2019. Additionally, named Private Trust and Estate Planning Trust of the Year in both 2020 and 2021 by BusinessDay BAFI Awards. Received the prestigious Made of Africa Award for Best Trustee in Deal Value in 2022 by NGX.
Infrastructure	The ARMHIF Fund 1, emphasizing infrastructure investment in Africa, particularly in energy, transportation, and utilities, has closed. Efforts are now on raising a successor climate fund targeting resilient infrastructure in West Africa.
Agriculture	We successfully engaged with stakeholders, and expanded our operations by opening over 400 hectares of land.
Real Estate	We developed new products, namely Zuma Plains and Hans Estates, and are currently working on delivering the complete first phase of the Marilla Park and other projects. Most Innovative Housing Developer award (in recognition of DUO Rent-to-Own scheme) by Global Brand Magazine.
<b>Shared Services Review</b>	
HR Department	Successfully integrated sustainability awareness into the on-boarding process, implemented effective employee engagement frameworks, and facilitated internal talent mobility within the organization.
ARM risk management and control	Obtained ISO 27001 Information Security Management System certification.
Procurement & Admin.	Embedded ESG requirements in vendor agreements.

**At ARM, we place utmost importance on effective governance and are committed to upholding the highest standards of integrity and transparency. Our Board of Directors consists of knowledgeable, experienced, and diverse professionals, the majority of whom act in this capacity as non-executive directors.**

**From an ESG and sustainability perspective, the Board is responsible for:**

- **Approving policies and frameworks** related to sustainable development including topics such as environmental management, social impact, and ethical business practices.
- **Ensuring there is sufficient capacity and expertise** at a Board and Senior Management level to manage ESG and sustainability across the business including at subsidiary level.
- **Considering ESG and sustainability risks and opportunities** in a holistic manner and ensuring that business decisions are commensurate with the potential risks identified.
- **Ensuring that there are appropriate resources, processes, systems, and controls** to support the implementation of the ESG and sustainability strategy.
- **Establishing goals and targets** related to ESG and sustainability.



**The board is responsible for overseeing the following functions:**



Strategy & Planning



Overseeing Executive Management



Setting the remuneration of Directors and Senior Management



Establishment and oversight of the Risk Management function



Establishment and oversight of Internal Audit processes and practices



Ensuring strict compliance with the company's compliance framework



Ensuring compliance with the company's succession policy and effective allocation of human and material resources



Monitoring IT processes and services including cyber security



Determination and establishment of accounting principles and policies

**Committee Role and Responsibilities**

**Board Audit and Risk Committee (BARC)**

This committee focuses on identification, assessment, management of risk and adherence to internal risk management policies and procedures including oversight responsibility of ensuring the integrity of the Company's financial statements, risk management, information security, compliance with legal and regulatory requirements, the adequacy of internal controls, the external auditor's qualifications and independence and the performance of the internal audit function and responsibilities of external auditor who are ultimately accountable to the Board Audit & Risk Committee and the Board of Directors .

**Board Investment Committee (BIC)**

The BIC is responsible for reviewing investment-related matters, evaluating investment opportunities, allocation of capital and making recommendations to the Board regarding investment decisions.

**Board Governance, Nomination, and Remuneration Committee (GNRC)**

This committee is responsible for matters related to corporate governance, director nominations, and remuneration policies, both for the Board and senior management.

## BOARD DIVERSITY

**In today's fast-paced and ever-changing business landscape, sustainability has emerged as a critical factor in the success of any financial services business.**

**Among the key components of sustainability is the commitment to diversity and inclusion.**

**Diversity is important to ARM for the following reasons:**

**Enhanced Decision-Making:** Diverse boards bring together individuals with varying perspectives, experiences, and expertise. This diversity of thought results in more robust discussions and ultimately leads to better decision-making, which is crucial for financial stability and growth.

**Market Advantage:** Companies with diverse boards are often better positioned to identify emerging market trends and seize new opportunities, fostering innovation and competitiveness.

**The board is aware that through commitment to diversity, the following challenges can be addressed:**

**The Gender Gap:** The representation of women on boards in Nigerian financial services companies remains disproportionately low. ARM is actively addressing this imbalance to achieving greater diversity.

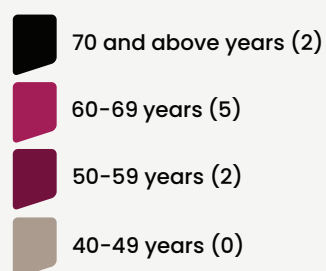
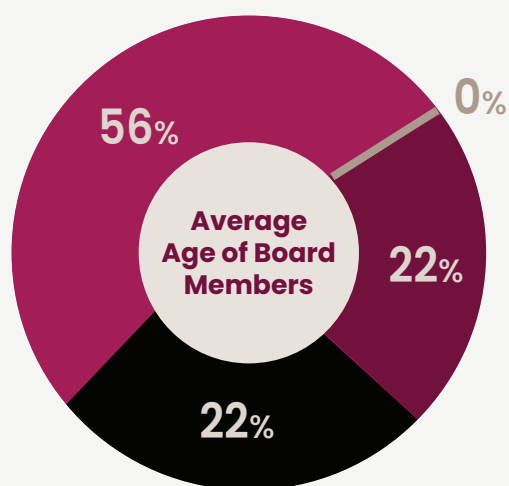
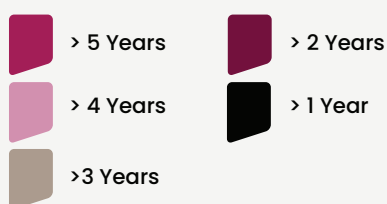
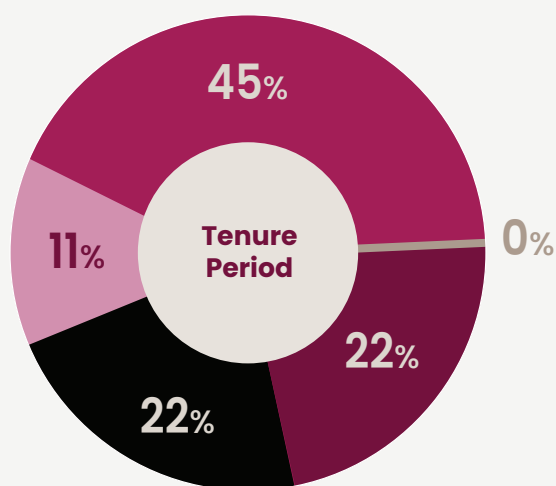
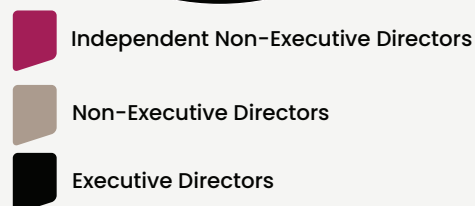
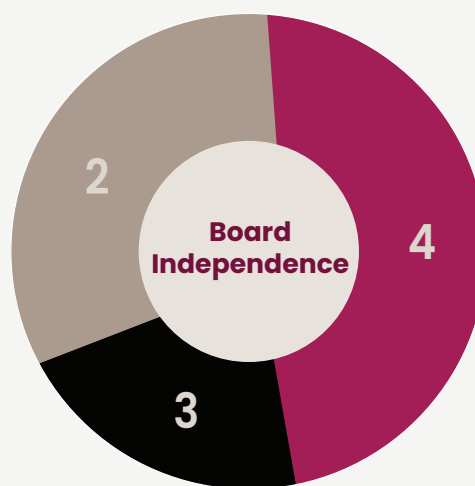
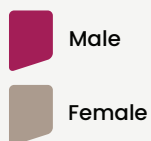
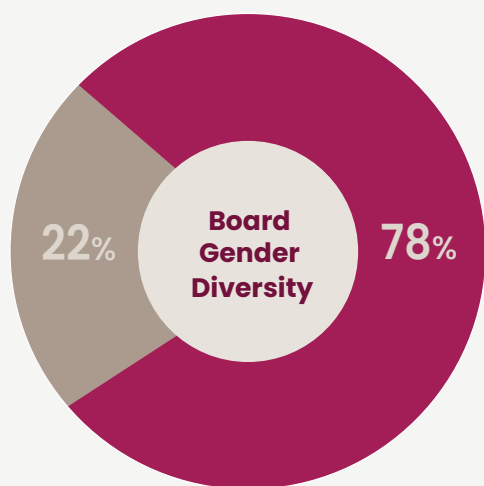
**Inclusive Culture:** Building an inclusive corporate culture that encourages diversity at all levels is essential. We believe that inclusivity assists in creating a talent pipeline for future board members.

By embracing diversity, enhancing transparency, and aligning skills with strategic goals, ARM is ensuring that its board is not only representative but also equipped to navigate the complex challenges of the financial services sector.

Achieving a balance between diversity and skillset relevance is key, while reflecting the rich diversity of Nigeria's society and charting a sustainable path toward success.



## ARM Board Overview



## BOARD DIVERSITY (CONTINUED)

Entity	Male	Female
ARM Holding Company	7	2
ARM Investment Managers Limited	4	2
ARM Securities Limited	5	1
ARM Pension Managers Limited	8	3
Riparian Farming Limited	2	2
Mixta Real Estate PLC	6	2
ARM Trustees Limited	3	2
ARM-Harith Infrastructure Investment Limited	4	3

### Tenure of Directors

Non-Executive Directors shall be appointed for initial terms of three (3) years and thereafter available for re-election save for Independent Non-Executive Directors who shall not serve for more than three (3) terms of three (3) years each. Executive Directors shall be

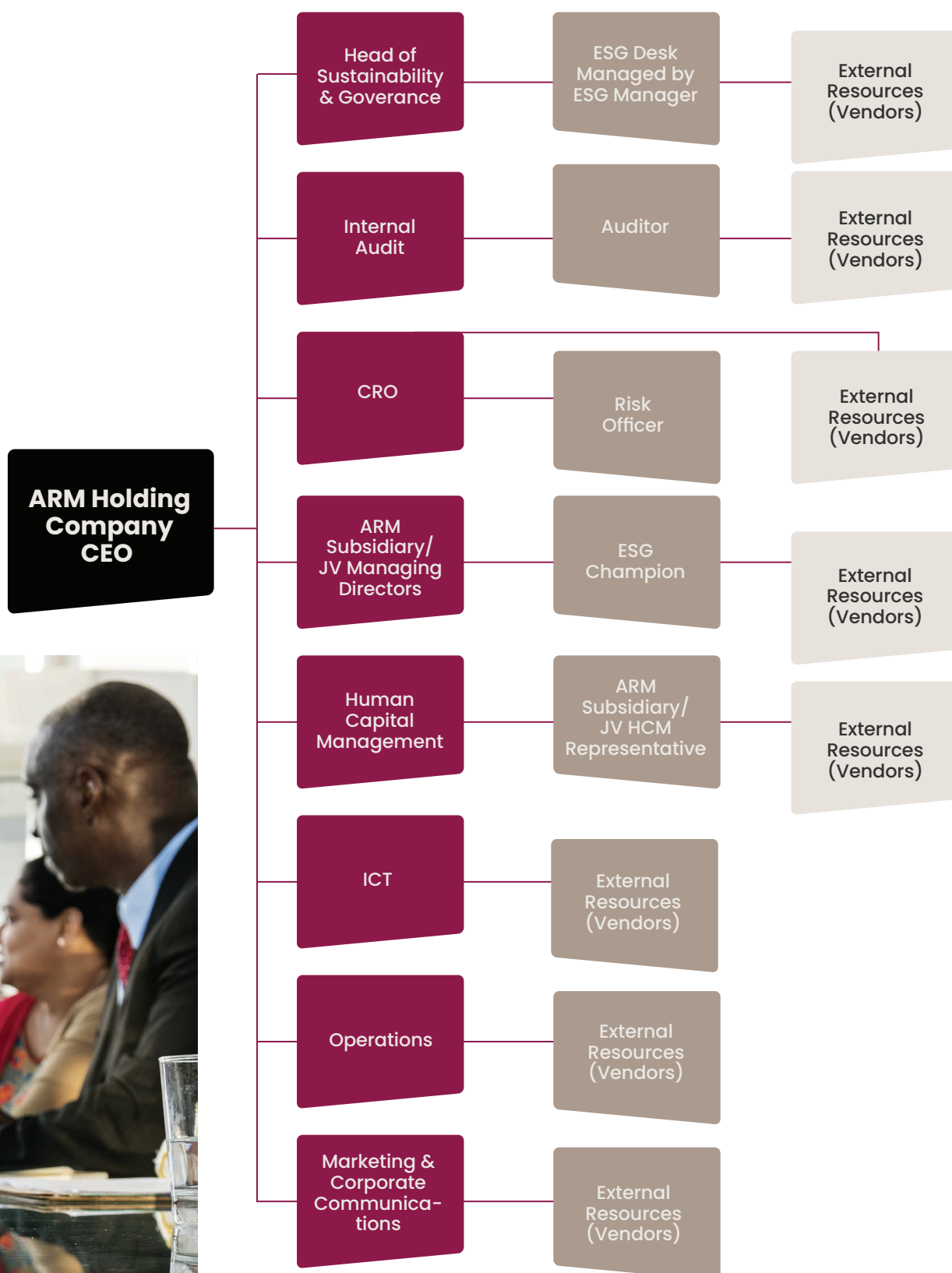
engaged based on the terms of their service or employment contracts.

Continued employment in their role shall be subject to the performance of each Executive Director as indicated in his or her annual performance evaluation.





The following personnel are relevant in terms of implementing the sustainability strategy of ARM.



## BOARD DIVERSITY (CONTINUED)

Position	Responsibility	Accountability
<b>Group CEO</b>	Has overall responsibility for company and subsidiary compliance with the ESG Policy and Environmental Social Management System (ESMS).	Obtains approval from the Board of Directors for any proposed changes.
<b>Head, Governance &amp; Sustainability</b>	Oversees the implementation of ESG policy and ESMS. Engages with managers on behalf of the executive board on ESG matters.	Undertakes regular monitoring through the ESG Manager to ensure adherence to these policies and procedures.
<b>Chief Risk Officer</b>	Develops a Compliance Risk Management Plan which includes ESG risks.	Oversees all risk assessments undertaken at ARM, at subsidiary or on JV level.
<b>Head of Internal Audit</b>	Deploys the ESG Internal Auditor to audit ARM, its subsidiaries or JVs to provide assurance to the Board and executive management on the implementation of ESMS framework and accompanying policies.	Oversee all audits undertaken at ARM and at subsidiary or on JV level.
<b>ESG Manager (Company Level)</b>	Ensures compliance with the ESG Policy and procedures of the ESMS and that ARM staff have been trained (induction and on an annual basis) on these procedures and their obligations to comply with the Policy and ESMS. Additionally, the ESG Manager is also responsible for creating sustainability awareness in our clients/customers and all other stakeholders asides staff.	Ensure that each ARM staff, subsidiary and JV staff have the required skills to track and implement their obligations set out in the Group and Subsidiary/JV ESMS.
<b>ESG Champion (ARM subsidiary or JV Level)</b>	<p>Each of the ARM subsidiaries has an ESG Champion. The ESG Champion's responsibilities include engagement with the Managing Director and other employees to ensure compliance with the ESG Policy and ESMS.</p> <p>Engage with all affected communities via workshops, facilitated stakeholder engagement sessions, questionnaires, or commentary feedback mechanisms.</p>	<p>Develop and maintain a database of qualified consultants and experts that it can use to screen investments or advise on the establishment of products aligned to ESG focus areas.</p> <p>When relevant, review all project related Environmental and Social impact assessments (ESIAs), in conjunction with the ESG Manager.</p>

## Nomination approach

The board nomination process is a crucial aspect of corporate governance, as it ensures that the board is composed of qualified, diverse, and independent directors who can effectively oversee ARM's strategy, performance, and risk management.

ARM's Governance, Nomination, and Remuneration Committee is independent, experienced, and knowledgeable about ARM's business operations and the sectors the businesses operate. The committee has clear roles and responsibilities and reports to the full board regularly.

The committee specifies the required candidate qualifications, such as skills, experience, education, diversity, and levels of independence. The committee also considers the current and future needs of the board and the company, as well as the succession planning for key positions.

Potential candidates are identified from various sources, such as internal referrals, external networks, or professional search firms. The committee conducts a thorough background check and verifies the credentials of each candidate.

The committee screens, selects, and recommends candidates based on their fit with the board's criteria and culture. The committee interviews the candidates and assesses their competence, commitment, and compatibility and solicits feedback from other board members and senior management.

Candidates are nominated to the Board for approval due to the exigencies of the business and the appointment is ratified by the shareholders at the annual general meeting. In doing so, the committee provides sufficient information about each candidate, such as their biography, qualifications, and independence status. The committee ensures that the election process is fair, transparent, and accountable.





## BOARD DIVERSITY (CONTINUED)

### Overcoming conflicts of interest

The ARM board of directors plays a pivotal role in upholding the integrity and ethical standards of our organisation, and one critical aspect of this responsibility is effectively managing conflicts of interest. Conflicts of interest can arise when board members' personal interests intersect with those of ARM.

**To ensure transparency, accountability, and ethical governance, the board employs several key strategies in managing conflicts of interest:**



#### Disclosure

Board members are required to openly disclose any potential conflicts of interest.

This disclosure typically involves a written statement detailing the nature of the conflict, the parties involved, and its potential impact on ARM.



#### Recusal

When a conflict of interest arises, the affected board member is expected to recuse themselves from discussions, decisions, or votes related to the matter. This action ensures that impartial decisions are made in the best interest of the company.



#### Independent Review

If warranted, an independent committee or legal counsel may be involved to assess and provide recommendations regarding the conflict.

This impartial evaluation adds an extra layer of objectivity to the resolution process.



#### Policies and Procedures

ARM has a clear conflict of interest policy that covers the required procedures. These guidelines assist our board members in recognising and addressing conflicts in a consistent and fair manner.



#### Documentation

The board maintains thorough records of all disclosures, recusals, and actions taken to address conflicts of interest.

The board recognises that conflicts of interest are a natural part of any organisation but takes proactive steps to manage them. By adhering to these practices, we ensure that our decisions are made in the best interest of ARM and its subsidiaries while preserving our integrity and society's trust.

## EXCERPT OF ARM'S REMUNERATION POLICY

### Compensation Philosophy

ARM is committed to delivering its objectives as an organization through its people. This is why our people strategy focuses on retention, developing new initiatives aimed at reducing staff attrition and building incentive schemes to consistently reward high performance. The ARM Remuneration policy is designed to be fair as well as internally equitable and ensure that ARM remains competitive, relative to its industry, and capable of retaining its workforce.

### The following is a summary of ARM's remuneration practices:

<b>Internal Equity</b>	ARM ensures that employees on the same grade, with similar experience, and performing similar roles earn similar pay, fostering internal equity. There is no room for pay or gender disparity. ARM also operates a pay-for-performance policy, ensuring that employees are rewarded based on their performance.
<b>Market Positioning</b>	ARM's compensation strategy targets the 75th percentile for all employee grades, ensuring competitive pay across Non-Management, Middle Management, and Senior Management levels. This unified approach is part of ARM's commitment to attract and retain talent, supported by biennial market position remuneration surveys.
<b>Remuneration Reviews</b>	To enhance the Employee Value Proposition and align with market practices, ARM periodically assesses the competitiveness of its pay relative to the market. The frequency of these reviews is determined by Human Capital Management (HCM) and approved by the Executive Management Committee (EMC) and the Board.
<b>Statutory Compliance</b>	The company ensures full compliance with all statutory remittances related to employee compensation.
<b>Comprehensive Compensation Package</b>	Compensation at ARM includes the entire range of salaries and benefits, both current and deferred, that employees receive. This encompasses Total Guaranteed Pay (TGP), Benefits in Kind (BIK), and Variable Pay.

The TGP consists of guaranteed cash pay, typically comprising basic salary and other cash allowances, including monetized benefits.

Benefits in Kind (BIK) includes non-monetary compensation programs such as company cars, medical benefits, and club memberships, provided to supplement cash compensation.

Variable pay includes payments contingent on the achievement of agreed performance conditions. Short-Term Incentives (STIs) are designed to drive and reward short-term performance, while Long-Term Incentives (LTIs) are aimed at retaining and rewarding employees for longer-term performance.

ARM's comprehensive remuneration policy ensures that employees are rewarded fairly and in line with their performance, market standards, and statutory requirements, contributing to motivation, retention, and attraction of top talents.

# Our risk management approach

**Environmental, Social and Governance management is underpinned by ARM's ESG policy, organisational structure, procedures, reporting requirements, and internal review processes utilised to evaluate ESG performance.**

ARM's ESG policy ensures ARM, and all of its subsidiaries adhere to best practice ESG standards.

## **ARM and its subsidiaries:**

- ARM and its subsidiaries/JVs will ensure compliance of all investments with local, regional, and international environmental regulations where applicable.
- ARM and its subsidiaries/JVs will require an environmental and social assessment of investments. For the Private Funds and Mixta, these will be in line with the IFC and EDFI risk categorization, to ensure that the investments are environmentally and socially sound and sustainable.
- ARM and its subsidiaries/JVs will not invest in projects listed in the IFC Exclusion list.
- ARM and its subsidiaries/JVs will take special cognisance of (a) General E&S issues, (b) Labour and working conditions, (c) Worker and community Health and Safety, (d) Pollution Prevention, (e) Resource use efficiency, (d) Sustainable supplier practices, (e) Reducing impacts of global warming and (e) Protection of Human Rights by:
  - Screening investments for ESG fatal flaws, impacts and benefits prior to approving any investment, through a process of Due Diligence.
  - Monitoring and reporting on the sustainability of the investment in a transparent, credible and timeous manner to all relevant stakeholders.
  - ARM and its subsidiaries/JVs will take special cognisance of (a) General E&S issues, (b) Reducing impacts of global warming, (c) Protection of Human

Rights, and (d) promotion of access to affordable capital market products by:

- Monitoring and Reporting on the sustainability of the investment in a transparent, credible and timeous manner to all relevant stakeholders.
- ARM and its subsidiaries/JVs will engage and have open dialogues with their stakeholders on the environmental and social impacts of their business activities.
- ARM and its subsidiaries/JVs will strive for continual improvement within its management of ESG issues.
- ARM and its subsidiaries/JVs shall ensure that opportunities for sustainable community economic involvement in the investments have been considered.
- ARM and its subsidiaries/JVs will encourage and reward the adoption of ESG Standards and Performance by ARM subsidiaries or JV.
- ARM and its subsidiaries/JVs will provide transparent and accountable E&S performance information on investment activities in the asset management, agriculture, infrastructure, real estate and hospitality sectors.
- ARM and its subsidiaries/JVs shall encourage ARM subsidiaries to assess the E&S impacts of their proposed projects and investments.

## **Subsidiaries will comply with:**

- Fair labour practices including adherence to best practice in terms of labour relations, minimum wages, benefits, training, gender equity and human rights (including child labour);
- Sourcing from sustainable sources or compliant means



of production, and which have, where practicable, been assessed for the environmental and social impacts of their means of production;

- Promoting safe working conditions for all employees and contractors and complying with all international guidelines, local country Health and Safety laws (as an absolute minimum);
- Implementing adequate processes for assessing health and safety risks, and for ensuring appropriate protection measures are in place, in line with IFC or in country requirements, whichever is greater;
- Maintaining records and reporting of workplace accidents and establish appropriate processes for the investigation of, and identification of future mitigation measures;
- Develop and maintain an emergency preparedness and response plan appropriate to their business activities;
- Implementing systems and approaches to ensure all employees and contractors are provided with the necessary training and appropriate equipment to carry out their duties safely; and
- Reporting to ARM Holding Company on SDG and Global compact KPIs in terms of their own developmental impact targets.

**The Policy also make specific reference to governance aspects summarized as follows:**

- To conduct all our business dealings with honesty, integrity, fairness and respect, due skill, care and diligence to enhance the good reputation of ARM Holding Company;
- To comply with all applicable laws governing our transactions and investments, and to deal with regulators in an open and cooperative manner;

**The following guidelines are relevant to ARM Holding Company, the ARM subsidiaries, and JVs:**

	Applicable national laws, international conventions, and standards on environment, occupational health, safety, and social issues.
	National Council on Climate Change
	World Bank, General Health and Safety (EHS) Guidelines
	United Nations Sustainable Development Goals (UNSDGs)
	International Finance Corporation (IFC) Performance Standards
	Financial Reporting Council of Nigeria
	Securities and Exchange Commission of Nigeria
	UN Framework and Guiding Principles on Business and Human Rights
	International Labour Organisation Core Labour Standards
	Association of European Development Finance Institutions (“EDFIs”) guidelines


## Our Risk Management Approach

- Prohibit all employees from making or receiving gifts in line with the extant Policy of ARM Holding Company at any material time in the course of business, and to use information received from our partners in the best interests of the business relationship and not for personal financial gain by any employee;
- Prohibit the making of payments as improper inducement to confer preferential treatment on the company, its agents or advisers;
- Properly record, report and review financial and tax information;
- Clearly define responsibilities, procedures and controls, and
- Prohibit contributions to political parties or political candidates.

An Environmental, Social and Governance Management System (ESMS) was developed to outline the ESG requirements and obligations as they relate to ARM. When integrating ESG risks into our risk management frameworks, we adopted a holistic approach. The ESMS outlines key roles, responsibilities, accountability and external specialist requirements. We adjust business policies, procedures and plans to match our changing risk appetite.

The three risks identified as being worthy of vigilance were cyber security breaches, regulatory uncertainties and human capital risk.



A woman with long dark hair and glasses, wearing a light pink blazer over a white top, is sitting at a desk. She is looking down and writing in a notebook with a blue pen. A silver laptop is open to her right. The background is a blurred office setting with a window and some office equipment.

***...screening  
investments  
for ESG fatal flaws,  
impacts and benefits  
prior to approving any  
investment, through  
a process of  
Due Diligence...***



# Materiality Assessment

**To ensure that we identify and prioritize the most significant impacts on the economy, the environment, and people, including human rights, ARM conducts regular materiality assessments.**

These assessments help us understand the actual and potential negative and positive impacts of our activities and business relationships. As part of our commitment to transparency and accountability, we initiate a double materiality assessment in accordance with the GRI reporting recommendations.

Through the materiality assessment, we identify the most relevant sustainability topics and determine their significance to our business.

This process ensures that we have a clear understanding of our impacts and enables us to develop targeted strategies and action plans to address those issues. By regularly updating our materiality assessment, we can adapt to evolving stakeholder expectations and emerging sustainability trends, ensuring that our approach remains relevant and effective.

ARM's double materiality assessment aligns with our commitment to responsible business practices, sustainability reporting, and stakeholder engagement. It allows us to evaluate the economic, environmental, and social impacts of our activities and business relationships comprehensively.

By understanding the risks and opportunities associated with these impacts, we make informed decisions, set meaningful sustainability targets, and drive positive change across our operations.

We strongly believe that integrating sustainability considerations into our business strategy not only reduces risks but also creates value for our stakeholders and contributes to a more sustainable future.

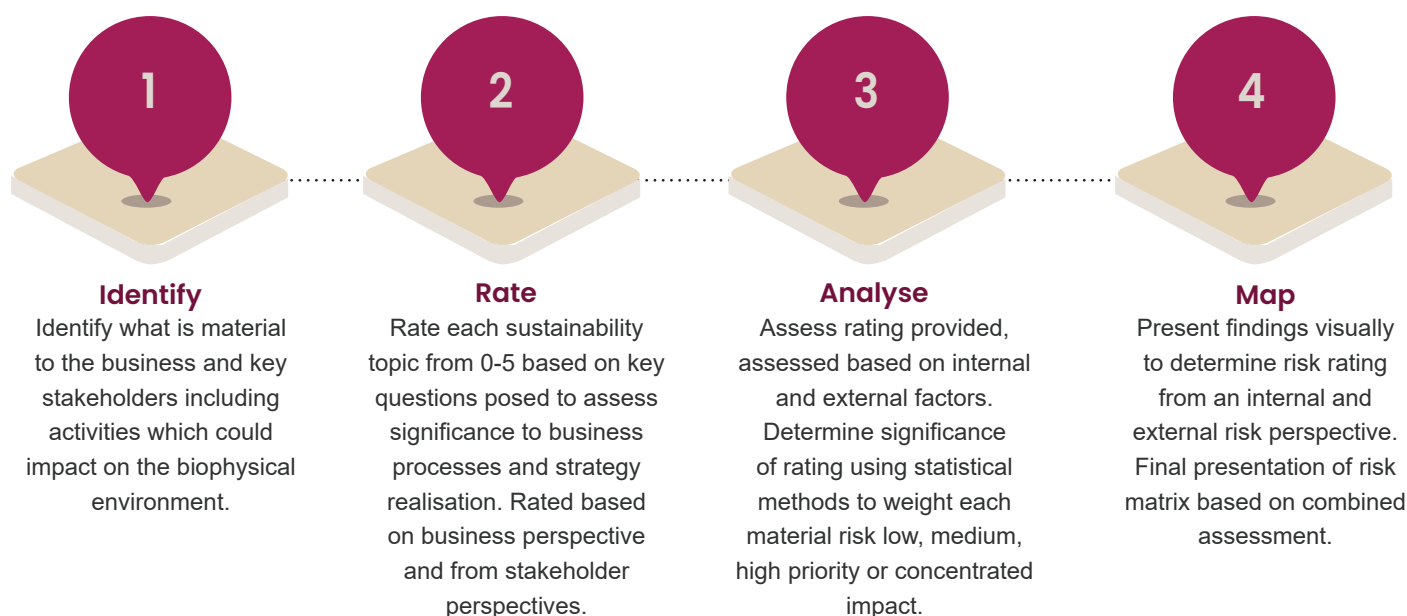
---

## IDENTIFYING MATERIAL ISSUES

Materiality refers to the principle that decision makers should identify, evaluate, and prioritise the sustainability topics that are most influential to both ARM and its stakeholders. The materiality assessment provides ARM with a comprehensive understanding of our sustainability context, which topics are material or not, and to whom these topics are material and why.

The outcomes of our materiality assessment allow ARM to provide more guidance to strategy formulation as it pertains to ESG considerations.

We developed a matrix that assists in prioritising topics to focus on by creating an inherent business case for endeavours.



### Rating materiality topics:

When rating the sustainability topics, a score of 0-5 is utilised based on three sets of four questions posted. The table summarises the ratings assessment utilised.

**Table 1: Scoring methodology for rating of sustainability topics per question posed**

Score:	0	1	2	3	4	5
Question 1	Unrelated	Vaguely related	Somewhat related	Closely related	Directly related	Fundamental
Question 2	None	Impacts one foundation	Impacts two foundations	Impacts three foundations	Impacts four foundations	Impacts all foundations
Question 3	None	Tiny	Small	Medium	Large	Massive
Question 4	None	Completely isolated	A limited range	Somewhere in the middle	Broad range	Entire range

## IDENTIFYING MATERIAL ISSUES (CONTINUED)

These topics were assessed from various perspectives, including how not managing this aspect will impact on business performance, how not managing this impact can result in environmental damage, and how key stakeholders would be impacted.

**For this assessment, the key stakeholders identified whose needs were considered included:**

- Employees,
- Investment recipients,
- Suppliers,
- The Board,
- Partners,
- Community, and
- Regulators

**The four (4) questions assessed vary slightly per stakeholder but address the following four (4) principles:**

<b>Question 1</b>	How the topic being assessed is related to the stakeholder and their relationship with ARM.
<b>Question 2</b>	How the stakeholder can be impacted on (five foundational impacts presented to choose from).
<b>Question 3</b>	If these impacts occur, how they are affected by the risk being assessed.
<b>Question 4</b>	The proportion of the stakeholder group which would be impacted by this risk if not managed correctly.

## ANALYSING MATERIAL TOPICS

A review of the ratings provided is undertaken to focus the businesses assessment of materiality. This is undertaken using percentiles (a measure used in statistics indicating

the value below which a given percentage of observations in a group of observations fall). This was utilised to assign priority to the sustainability topics being assessed.

**These rankings are described in Table 2 as follows:**

**Table 2: Materiality ranking**

<b>Low priority</b>	Sustainability topic which flagged as lower than the 33rd percentile of the scores provided are to be flagged as low priority.
<b>Medium priority</b>	Sustainability topic which flagged as being between the 33rd and 66th percentile of the scores provided are to be flagged as medium priority.
<b>High priority</b>	Sustainability topic which flagged as higher than the 66th percentile of the scores provided are to be flagged as high priority.
<b>Concentrated impact</b>	Sustainability topic rated on average 4 or higher for business impact, by individual stakeholders and which can negatively impact the biophysical environment are flagged as having a concentrated impact.



## ARM'S MATERIAL TOPICS

Table 3: List of selected sustainability topics

Sustainability Topic	Topic Explanation/Context
Local economic stimulus	<ul style="list-style-type: none"> <li>• More opportunities for and development of local businesses</li> <li>• Job creation for local communities</li> <li>• Local procurement</li> <li>• Foster local partnerships</li> </ul>
Employee remuneration	<ul style="list-style-type: none"> <li>• Provide employees with competitive wages</li> <li>• Provide employees with benefits</li> <li>• Focus on equal work for equal pay</li> <li>• Use salary benchmarks to assess remuneration levels and pay market related salaries</li> </ul>
Working conditions	<ul style="list-style-type: none"> <li>• Managing excessive working hours</li> <li>• Employees feel enabled to engage</li> <li>• Access to redress mechanisms</li> <li>• Provided with required training to do the job</li> </ul>
Business culture	<ul style="list-style-type: none"> <li>• Working condition – internal and external</li> </ul>
Employee development	<ul style="list-style-type: none"> <li>• Consistency and quality of training</li> <li>• Succession planning in place</li> <li>• Ongoing employee development</li> <li>• Promotion from within</li> </ul>
Staff retention	Retention of skilled workforce
Governance & compliance	<ul style="list-style-type: none"> <li>• Comply with license conditions and regulations</li> <li>• Combat money laundering and terrorist financing</li> <li>• Adequate screening of investments based on selected criteria</li> <li>• Internal audit</li> <li>• Ongoing improvement measures being implemented</li> <li>• Ongoing engagement with the regulators</li> </ul>
Board capacity	<ul style="list-style-type: none"> <li>• Board composition</li> <li>• Need for sub-committees</li> <li>• Business ethics</li> <li>• Code of conduct</li> <li>• Board training and development</li> <li>• Required policies in place to address key risks - money laundering, climate risk, ESG etc.</li> <li>• Regular reporting and discussions around ESG risk factors on board level</li> </ul>

## ARM'S MATERIAL TOPICS (CONTINUED)

Table 2: List of selected sustainability topics (continued)

Sustainability Topic	Topic Explanation/Context
Financial performance	<ul style="list-style-type: none"> <li>• Return on Investment (ROI)</li> <li>• Return on Equity (ROE)</li> <li>• Debt to liquidity levels</li> <li>• Reduce finance cost</li> </ul>
Product stewardship	<ul style="list-style-type: none"> <li>• Product Innovation</li> <li>• Management of risks and returns</li> <li>• Engagement of funds, and reporting on KPIs to track performance</li> <li>• Customer protection and redress</li> <li>• During construction - community and employee protection (H&amp;S)</li> <li>• Transparency of terms</li> <li>• Pricing</li> <li>• Financial Instruments - Setting requirements for testing products and ongoing monitoring to ensure customers are not being disadvantaged</li> <li>• Financial Instruments - Take steps to help customers understand the products and services so they can make informed choices about whether to participate</li> </ul>
COVID	<ul style="list-style-type: none"> <li>• Repositioning post COVID</li> <li>• Regain financial performance</li> <li>• Implemented protocols to manage risk</li> <li>• Staff protection</li> <li>• Customer protection</li> <li>• Supplier management</li> </ul>
Supplier management	<ul style="list-style-type: none"> <li>• Supplier paid on time</li> <li>• Ease of onboarding process</li> <li>• Transparency of contract terms</li> <li>• Supplier loyalty</li> <li>• Application and monitoring of ESG standards</li> </ul>
Strategic partnerships	<ul style="list-style-type: none"> <li>• Alignment of partnerships to achieve goals</li> <li>• Risk sharing</li> <li>• Stimulating economic development</li> <li>• Leveraging knowhow</li> </ul>

**Table 2: List of selected sustainability topics** (continued)

<b>Sustainability Topic</b>	<b>Topic Explanation/Context</b>
<b>Climate risk</b>	<ul style="list-style-type: none"> <li>• Screening of investments</li> <li>• Implementing adaptation measures</li> <li>• Introducing mitigation measures</li> </ul>
<b>Enhanced productivity</b>	<ul style="list-style-type: none"> <li>• Increased agricultural yields</li> <li>• Growth in the operations, including revenue and profitability</li> <li>• Increased job creation opportunities within the business and broader supply chain</li> <li>• Reduction in environmental pollution</li> <li>• Preservation of natural resources</li> <li>• Use of and protection of ecosystem services</li> </ul>
<b>Empowerment</b>	<ul style="list-style-type: none"> <li>• Access and diversity of the economy to enhance participation by women, the youth, and people with disabilities</li> <li>• Increase economic activity in rural communities</li> <li>• Enhanced access to facilities and resources</li> <li>• Increased access to funding</li> </ul>
<b>Strengthen infrastructure</b>	<ul style="list-style-type: none"> <li>• Institutional capabilities</li> <li>• Ability to move products within the country</li> <li>• Using digital solutions and introduction of innovative technology</li> <li>• Promotion of sustainable cities</li> </ul>

## ANALYSIS OF THE RATINGS

An assessment of business impact scores indicates, when averaging scores provided across all sustainability topics, that all topics were significant to business processes. This indicates the topics selected were relevant to the business and could have an impact on the business being able to realise its strategy.

If not managed correctly, this could also have a significant impact on the business outcomes - strategic intent, financial prosperity, operational capacity, reputational standing, and regulatory/legal compliance.

When assessing if the sustainability topics could impact on the biophysical environment if not properly managed, the average score across all sustainability topics indicated a medium impact on the environment.

Of interest in the sustainability ratings was the fact that topics directly related to employees were scored as having a low impact on any of the environmental concerns.

Business culture, financial performance, and empowerment were scored as having a mid-range impact with most other topics scoring slightly higher than mid-range. ARM assumes responsibility on behalf of our employees for ensuring that natural ecosystems are protected for future sustainability; a result highlighting the responsibility and accountability assumed by ARM.

All the topics of importance to stakeholders are being addressed strategically and appropriately resourced. It is ARM's driving philosophy that we are building a sustainable business that will withstand the tests of time.

---

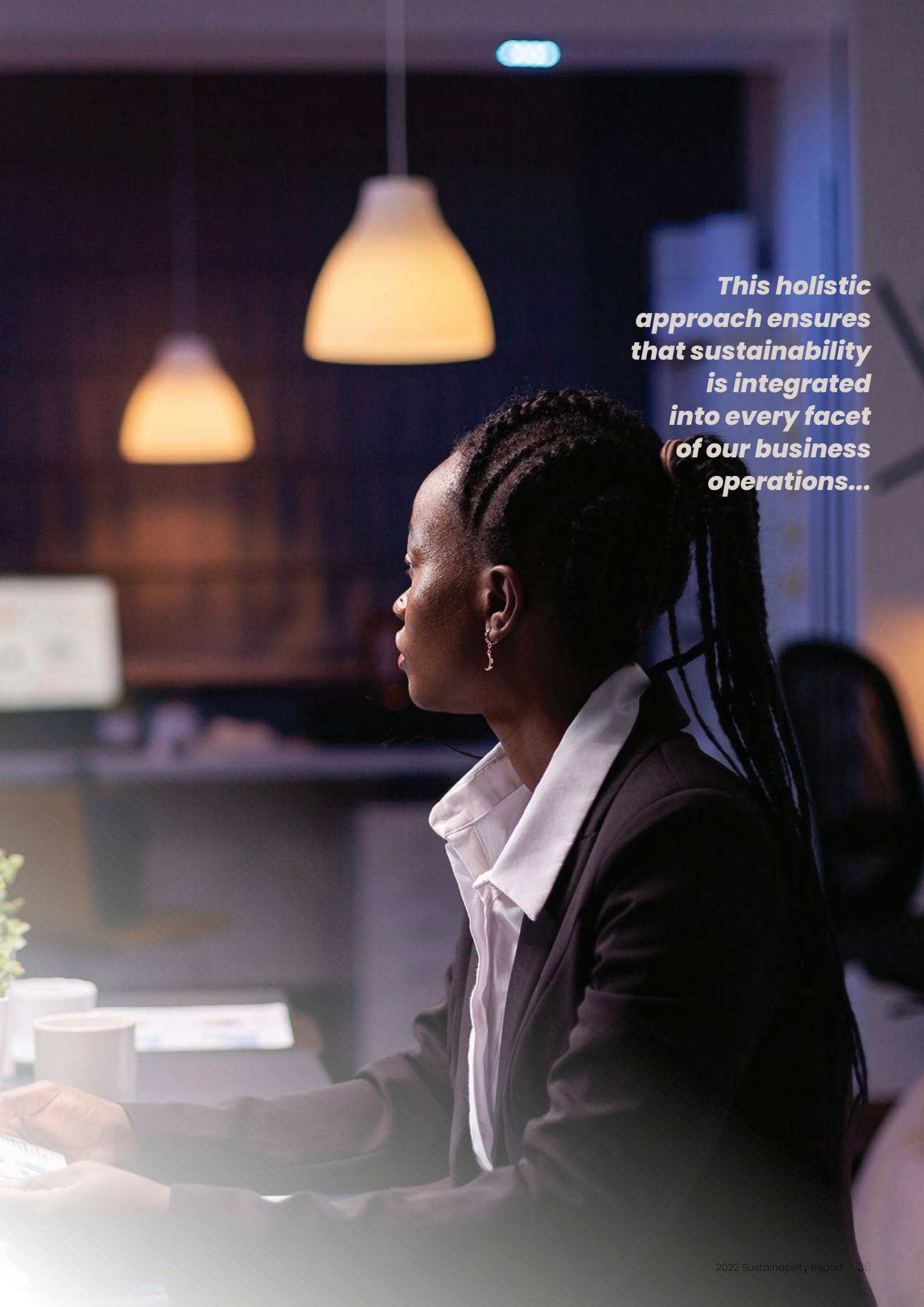
## ARM'S MATERIALITY RATINGS

When mapping the sustainability topics, impacts on the business strategy can be assessed based on how external factors will drive risk management across these topics as well as how internal factors will drive management protocols. This holistic approach ensures that sustainability is integrated into every facet of our business operations, aligning with our core values and strategic objectives. Recognizing the dynamic nature of sustainability issues, we are committed to continuously refining our approach. To further enhance our understanding and management

of sustainability impacts, a comprehensive materiality mapping is planned for the next reporting cycle.

This mapping will enable us to better identify and prioritize sustainability topics that are most significant to our stakeholders and to our business, ensuring that our sustainability efforts are both targeted and effective.





***This holistic approach ensures that sustainability is integrated into every facet of our business operations...***

# Our Sustainability Strategy

**We believe that by adopting a sustainable approach, we not only mitigate risks but also unlock opportunities for long-term value creation and positive impact.**



## Impactful Solutions

By aligning our strategy with global standards and focusing on sectors with significant developmental impact, we believe we can build a sustainable future for our stakeholders and the communities in which we operate.



## Climate Finance

Targeted sectors include infrastructure, real estate, agribusiness, pensions, and asset management, which are among the fastest growing in Africa and play an important role in addressing the needs of Africa's growing population.



## Risk Management

**These investments have meaningful development impact through:**

- supporting innovation and job creation,
- improving workforce skills,
- fostering women empowerment and human rights protection,
- the diversification of value chains,
- promotion of import substitution,
- eradication of hunger and increased food production,
- increasing access to consumer goods, affordable housing and basic services, and
- the promotion of economic development and the improvement in overall quality of life.



## Thought Leadership

These can be achieved particularly through the application of enabling technology, the implementation of robust and transparent corporate governance processes and the provision of support services which we believe is pivotal to the efficiency and development of our subsidiaries and JVs.



## Strategic Partnerships

ARM believes that responsible businesses can create long-term value, particularly in our focus sectors. Integrating ESG factors into our business processes is particularly important in developing countries, which have limited resources to mitigate or adapt to rapid urbanisation, agricultural production swings, food price volatility or the anticipated effects of climate change.

The vision of ARM is to be the preferred financial partner in Africa providing access to global wealth creation opportunities.

In light of the evolving landscape of environmental, social, and governance factors impacting businesses, companies now confront the formidable task of translating sweeping societal megatrends such as population growth and climate change, as well as the scarcity of natural resources, into tangible risks and opportunities for investments. At ARM, our understanding of these shifting megatrends and their far-reaching implications, combined with our unwavering dedication to fostering long-term shareholder value, has significantly shaped our approach to sustainability.

Aware of these societal megatrends and armed with a comprehensive understanding of national and industry-specific economic demographics, we have embraced an integrated ESG risk management approach within our strategy as a business and into the operational strategies of all of our subsidiaries. This approach enables us to direct our efforts more effectively toward creating and delivering tangible value to our stakeholders.

Within our process, we have anchored our ESG framework on principles outlined in our overarching ESG Policy, which encompasses general policy statements and commitments regarding sustainability, corporate governance, anti-money laundering, and more. As stipulated in our ESG Policy, we seamlessly integrate ESG considerations into our operations, gaining insights into how ESG risks and opportunities can influence the financial and strategic value at each of our subsidiaries. These standards, whether formalized as policy statements or organic normative behaviours, have become integral to what we do.

We carefully consider sector-specific risks, including regulatory and legal requirements and material issues, while identifying avenues for value enhancement. In cases of non-conformity, we develop and execute documented

corrective action plans to rectify ESG gaps, implementing structured systems for proactive ESG management within their operations. We demand strict adherence to all relevant local, national laws, and international best practices governing ESG performance from all our subsidiaries and business partners.

At ARM, our unwavering commitment is to act responsibly and seek opportunities for sector-specific ESG-focused value creation. Accordingly, we embrace the concept of materiality, recognizing its strategic significance transcending corporate responsibility or sustainability reporting. Rather than adopting a one-size-fits-all approach, we ensure that the ESG requirements of each subsidiary is tailored to align with the specific operational context and national regulations, thereby fostering a harmonious integration of sustainable practices across our diverse portfolio of business entities.

This customized approach allows us to address the unique environmental, social, and governance challenges and opportunities faced by each subsidiary, facilitating a comprehensive and effective implementation of ESG principles throughout our organization. Our commitment to tailoring ESG requirements demonstrates our dedication to responsible corporate citizenship and the cultivation of long-term value for our stakeholders.

Our internal and external ESG resources work in synergy, seamlessly integrating ESG strategies into our operations and across our subsidiaries. We believe that businesses imbued with strong ESG ethics exhibit greater resilience in volatile markets and are better equipped to navigate unforeseen risks, thereby fostering shared value in the long term.

Stakeholder mapping and analysis occupy a pivotal role in our approach. We recognize our responsibility to adopt

a stakeholder-inclusive approach that balances the needs, interests, and expectations of our material stakeholders. The meticulous process of stakeholder mapping and engagement allows us to identify our key stakeholders, understand their roles, representations, and influence on our business practices, and gain insights into their needs.

We are acutely aware that our success is intrinsically linked to creating shared success for all stakeholders dependent on us and our subsidiaries, including suppliers, investee companies, partners, staff and communities. Therefore, we remain vigilant in monitoring socio-demographic trends that shape the markets driving returns for our investors.


This profound understanding has not only informed but also reinforced our priorities, ensuring that we continue to focus on the most pertinent issues for our stakeholders and our business. In particular, this analysis aids us in identifying the ESG issues most material to our business and the broader ESG trends that matter most to our stakeholders. This approach is one that contemplates the material impacts on various stakeholders, allowing us to embrace the intricacy and interconnectedness of our most material issues and facilitates the establishment of communication channels that foster synergy between us and our stakeholders.

As part of its strategy, ARM implements an Environmental and Social Management System (ESMS) to identify and mitigate Environmental and Social (E&S) risks and impacts in its operations. The supporting policies for ARM's sustainability strategy include policies that aim to align the company with various interest points and foster a positive impact on the company's overall strategy.

### **They include the following:**

- ARM Environmental and Social Management System
- ARM Climate Action Policy
- ARM Responsible Investment Policy
- ARM Gender Policy
- ARM Stakeholder Engagement Policy



A man with short dark hair and glasses, wearing a dark blue suit jacket over a white collared shirt, is shown in profile from the chest up. He is holding a black pen in his right hand and has his index finger resting on his chin, appearing to be in deep thought. He is standing in front of a whiteboard with several colorful sticky notes (yellow, orange, and pink) attached to it. The background is a plain, light-colored wall.

***At ARM, our  
unwavering  
commitment is to  
act responsibly  
and seek  
opportunities for  
sector-specific  
ESG-focused  
value creation.***

## SUSTAINABILITY CHALLENGES

The sustainability challenges ARM faces have to do with the ESG maturity of the markets in which we operate. The companies we invest in may not necessarily have developed their own ESG strategies and performance targets. Our engagement with them through our ESG screening tools encourages companies to begin considering and implementing initiatives such as carbon footprint tracking, resource efficiency monitoring, waste management, introduction of planning around climate risks and making sure that their treatment of workers and communities aligns with global best practice standards.

The individuals we advise are similarly encouraged to carefully consider ESG risk factors that could impact on long term investments geared towards wealth creation and preservation.

The recognition of the importance of ESG initiatives is gaining momentum and fast becoming mandatory from the viewpoint of investors, funders, regulators, employees, and broader society. At ARM, we are committed to leading by example in the adoption and integration of these practices.

---

## OUR SUSTAINABILITY PERFORMANCE

We are dedicated to prioritizing sustainability throughout our operations and investments. We actively manage the operational environmental and social risks inherently associated with our investments. By implementing a robust process of ESG risk identification, categorization, assessment, reporting, and management, we ensure that potential risks are effectively identified and addressed.

This approach allows us to mitigate potential negative impacts, uphold responsible business practices, and safeguard the long-term value of our investments. Through our investments, we aim to create tangible benefits, such as job creation, skills development, import substitution, increased food production, and improved access to consumer goods and affordable housing. These efforts contribute to inclusive growth and the enhanced well-being of communities we serve.

We place a strong emphasis on building skills in ESG risk analysis and improved investment management. By continually enhancing our expertise in assessing and

**Our goal is to improve eco-efficiency and maximize social returns. The common ESG impacts in these sectors are:**

- Labour and working conditions;
- Worker Health and Safety;
- Local Community impacts,
- Robust stakeholder engagement;
- Pollution impact from general and hazardous waste with a focus on minimisation and reuse where possible;
- Reduction of carbon emissions and readiness associated with climate change risks;
- Impacts on resource use and efficiency;
- Promotion of conservation of natural resources;
- Efficiencies of systems in place;
- ESG awareness raising throughout our investment and their supply chains; and
- Management of complaints and grievance mechanisms.

## OUR SUSTAINABILITY PERFORMANCE (CONTINUED)

managing ESG risks, we are better equipped to make informed decisions and embed sustainable practices throughout our investment processes.

Lastly, building resilience within our business is a core focus. We recognize the importance of adaptability and proactive measures in addressing changing environmental, social, and economic circumstances. By fostering a culture of continuous learning, innovation, and forward-thinking, we enhance our ability to respond to challenges, mitigate risks, and seize opportunities. Our goal is to build a resilient business model that can withstand and thrive amidst diverse environmental and social changes. This resilience extends to all aspects

of our operations, including our relationships with stakeholders, our operational practices, and our strategic decision-making processes. By prioritizing resilience, we position ourselves to effectively navigate sustainability issues, emerging trends, and evolving market dynamics, while fostering the long-term success and stability of our business.

Our operations are focused on personal wealth creation, pensions, agribusiness, enabling infrastructure and the real estate sectors across Africa. We recognize the attractive opportunities within these sectors to create value while promoting sustainability.

### Key highlights achieved during the 2022 financial year include:

- Approval of ARM's ESG Policy and ESMS by the Board;
- ESG Awareness campaigns were cascaded throughout ARM and all subsidiaries and JVs;
- Emergency evacuations and fire drills were conducted throughout the entire Group;
- Fire extinguishers installed at strategic locations within the office premises were regularly serviced as part of our risk management protocols;
- Waste management plans were drafted and are being implemented in 2023;
- Employees were encouraged to use electronic communication instead of paper and to reduce printing;
- Hybrid working contributed to reduction in energy usage;
- Energy saving lighting was introduced to the office premises;
- Ensured safe storage and targeted usage of chemicals and fertilizers in the agribusiness;
- At the end December 2022 our workforce diversity was 43% female and 57% male;
- Developed plans for building and ICT centre for a school in Lakowe;
- Work related incidents to be reported in the next reporting cycle.

By setting and working towards these sustainability indicators, we aim to drive positive ESG impacts and create a more sustainable future.






## OUR CONTRIBUTION TO THE SUSTAINABLE DEVELOPMENT GOALS

We recognise our ability to create and support positive impact in the communities we operate in, while creating value for all our stakeholders.

To showcase our commitment, we have aligned ourselves with the UN SDGs.

We are committed to the following:

			
<b>SDG Target</b>	Contribute to ending hunger, promotion of food security, and improved levels of nutrition.	Achieve gender equality and empowering women	Facilitate access to affordable, reliable, sustainable, and modern energy.
<b>Our Commitment</b>	We commit to supporting sustainable agriculture, promoting food security, and improving nutrition through our investments and partnerships in the agribusiness sector.	We are dedicated to promoting gender equality and empowerment within our organization and through our investments, ensuring equal opportunities and inclusion for women at all levels.	We strive to invest in renewable and sustainable energy solutions, supporting access to affordable and clean energy while reducing our carbon footprint.

			
<b>SDG Target</b>	Promote sustainable economic growth, decent work, and economic opportunity.	Build resilient infrastructure, promote inclusive and sustainable industrialization.	Contribute to the reduction in inequality within Nigeria and the communities we serve.
<b>Our Commitment</b>	We commit to creating and supporting job opportunities, promoting inclusive economic growth, and prioritizing decent work in the sectors we invest in.	We aim to invest in projects that promote sustainable industrialization and develop resilient infrastructure, supporting sustainable economic development and technological innovation.	Through our investments and partnerships, we work towards reducing inequalities by promoting inclusive economic growth, supporting marginalized communities, and advocating for fair and just societies



<b>SDG Target</b>	Contribute to making cities and human settlements inclusive, safe, resilient, and sustainable.	Contribute to the development of sustainable consumption and production patterns.	Facilitate the ability to take urgent action to combat climate change and its impacts
<b>Our Commitment</b>	We are committed to investing in projects that enhance urban sustainability, creating inclusive, safe, and resilient communities through our real estate and infrastructure investments.	We actively promote sustainable consumption and production throughout our investments, encouraging resource efficiency, waste reduction, and responsible consumption.	We recognize the urgency of addressing climate change and its impacts. We commit to integrating climate considerations into our investment decisions, supporting renewable energy projects, and implementing sustainable practices across our operations to reduce our greenhouse gas emissions. We also strive to raise awareness and engage in collaborative initiatives to mitigate and adapt to climate change.

# Stakeholder Engagement

An aerial photograph of a city street grid, showing various buildings, streets, and green spaces. A prominent feature is a large white 'H' logo on the roof of a building in the lower right quadrant. The text 'Stakeholder Engagement' is overlaid in large white letters at the top of the image.

**At ARM, stakeholder engagement is viewed as an imperative. We need to understand how we affect our stakeholders and how they may affect our business operations.**

Keeping communication channels constantly open allows us to understand stakeholder concerns and actively work to meet their requirements and prioritise actions that benefit the business and our stakeholders.

ARM has a documented Stakeholder Engagement Policy that focuses on effective engagement with stakeholders including employees, its subsidiaries, and the public. It emphasizes transparent, equitable communication and decision-making, recognizing the impact of stakeholders on the company's existence and operations. The policy outlines objectives such as enhancing stakeholder trust, managing risks, and maintaining positive relationships. It also details engagement principles, approaches, and communication guidelines across different phases of stakeholder interaction. The policy includes responsibilities of the board in stakeholder management and measures for reviewing engagement objectives.

During the 2022 financial year ARM made use of multiple engagement channels including face-to-face meetings, surveys, email, and website applications, press releases and training courses. ARM's openness to active engagement allows us to build trust in our business and improve our social licence to operate.

## GRIEVANCE AND WHISTLEBLOWING CHANNELS

ARM values stakeholder feedback and recognizes the importance of addressing grievances promptly and effectively. We have established a comprehensive grievance process to handle both internal and external grievances. ARM is committed to maintaining a culture of transparency, accountability, and integrity.

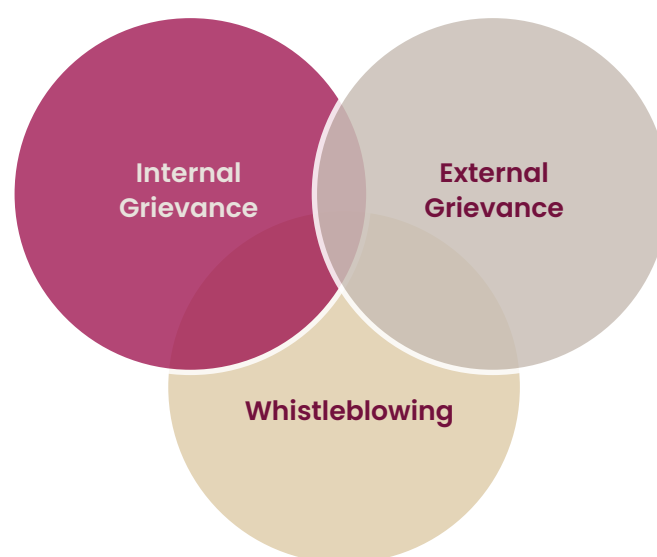
We encourage all stakeholders to provide feedback, raise concerns, or report any violations they may observe. We value their input and recognise that it helps us improve our practices and address any issues that may arise. By addressing grievances and maintaining a robust whistleblowing mechanism, we strive to foster an environment where stakeholders feel empowered to speak up, enabling us to maintain the highest ethical standards and effectively address any concerns that may arise.

For internal grievances, we have a dedicated grievance policy in place. This policy outlines an escalation process to ensure that any grievances raised by employees are addressed appropriately. The steps within the policy are auditable and have set timelines, allowing for transparency and accountability. If necessary, a third party can review the process to ensure fairness. We are committed to creating a safe and inclusive environment for our employees, where their concerns can be heard and resolved.

To handle external grievances, we have designated teams responsible for receiving and addressing these concerns. Our Customer Experience team are responsible for handling customer complaints, while our Human Capital Management (HCM) team handles employee complaints.

These teams are trained and equipped to handle grievances professionally and with empathy, ensuring

### Feedback Channels



that all stakeholders feel heard, and their concerns are appropriately addressed.

In addition to the grievance process, we have a separate whistleblowing policy in place to address any concerns or reports of misconduct. This policy ensures that individuals can report issues anonymously, without fear of reprisal. We actively communicate the modes of filing whistleblowing issues through our company's communication channels, ensuring that stakeholders are aware of the avenues available to them for reporting any wrongdoing or unethical behaviour.



# Economic Performance

**In 2022, the Nigerian economy found itself at a crucial juncture, influenced by both domestic and broader West African economic conditions. Nigeria, the most populous country in Africa, faced a myriad of challenges and opportunities that shaped its economic landscape.**

In 2022, the Nigerian government took steps to address these challenges, including economic diversification efforts, infrastructural development projects, and reforms aimed at improving the ease of doing business. The success of these measures will be critical in shaping the trajectory of Nigeria's economy in the years to come,

not only affecting its own prosperity but also contributing significantly to the broader West African economic landscape. The region's economic prospects depend on collaborative efforts to address shared challenges and harness the potential for growth and development offered by its large and dynamic population.

## Domestic Factors:



### Oil Dependency

Nigeria's economy remains heavily reliant on oil, with crude oil exports accounting for a significant portion of government revenue. Fluctuations in global oil prices continued to impact the nation's fiscal health.



### Security Concerns

Ongoing security challenges, including insurgency in the Northeast, herder-farmer conflicts, and militancy in the Southeast, disrupted economic activities and deterred foreign investment.



### Regional Integration

Nigeria plays a central role in regional economic initiatives, such as the African Continental Free Trade Area (AfCFTA), aiming to boost intra-African trade and economic cooperation within West Africa.



### Inflation

High inflation rates persisted, eroding the purchasing power of the Nigerian Naira. This was exacerbated by factors such as supply chain disruptions and food insecurity.



### Youth Unemployment

Nigeria's young and growing population faced persistent unemployment and under employment issues, presenting both a demographic dividend and a potential source of social instability.



### Energy and Infrastructure

Power shortages and inadequate infrastructure remained major impediments to economic growth in Nigeria and the wider West African region.



## FINANCIAL OVERVIEW

**ARM Holding Company Limited show improved year on year revenue growth to N48bn in 2022. Despite adverse macroeconomic conditions, increased EBITDA growth was recorded in the 2022 financial year. Subsidiaries to the Group continue to show good financial performance and in addition, improved fair value growth compared to previous periods.**

### Revenue Analysis

At the end of the 2022 financial year, ARM Holding Company Limited reported a 27% growth in total revenue compared to 2021, reaching N48bn. This growth is attributable to contributions by the Group's investments in diverse sectors such as Real Estate, Traditional Asset Management and Agri-business. The impressive year on-year revenue growth was contributed by subsidiaries in the Traditional Asset Management team entities and Real Estate sector respectively. The multisector revenue sources and market-friendly products within the Group played a significant role in this achievement.

### EBITDA Performance

The Group reported Earnings Before Interest, Taxes, Depreciation & Amortization (EBITDA) of N7.8bn, 14% year-on-year growth.

### Expense Breakdown

Using efficient expense optimization strategies, the Group's total operating expenses increased by 5% year on year growth with material expenditure in the lines detailed below:

**Advert & Marketing:** N1.75bn – with focus on electronic advertising and marketing activities.

**Professional fees:** N2.05bn – including expenses on start-ups.

**ICT expenses:** N1.13bn – includes cost of creation of paperless environment and other carbon-saving office practices.

### Financial Ratios and Performance Metrics

	2022	2021
Gross Profit Margin	-51%	-38%
Net Profit Marging	-58%	-42%
ROE	-24%	-22%
Debt to Equity	-195%	-206%
EBITDA	7,826,667	6,883,285

Note – The performance is private information so its dissemination should be cautiously done.

### Future Financial and Sustainability Goals: Short-term Goals

**Reduce cost** by focusing on renewable energy (solar power) and continued reduction in paper consumption

**Investment in reduction** in methane emission from the agri-business through eco-friendly agricultural practices.

**Reduction in water consumption** in the agribusiness through eco-friendly agricultural practices

# Social Performance





**Total number of employees** (Permanent /Contract) **and a breakdown of this by Gender** (2022)



**676**  
Male



**396**  
Female



**1,072**  
Total No. of Staff

## EMPLOYEE AND HUMAN CAPITAL MANAGEMENT

The Human Capital Management (HCM) department at ARM services the ARM Holding Company and all its subsidiaries. However, due to regulatory restrictions the ARM Pensions and Mixta have their own human resources teams. Our HCM department manages talent attraction, talent acquisition, onboarding, career management, succession planning, traditional employee rules and responsibility, rewards, and payroll compensation.

Our organization is committed to fostering a balanced gender representation in our senior management. We understand that diversity, including gender diversity, is not just a matter of fairness or compliance, but a strategic imperative. A balanced gender composition in senior management enriches our decision-making process, brings diverse perspectives to the table, and reflects the diversity of our customer base.

Another aspect we look at closely is age demographics since we are a relatively young organization. Overall, we are conscious of analysing and presenting people-related data and trends and remain open to adapting and adjusting reactively and proactively as needed.

### Workforce Profile

	2022
Number of Full-Time Employees (FTE)	1,072
Number of Temporary Employees	92
Employee turnover	20%
% total employees covered by collective bargaining agreements	Nil
Number of sick days taken	132
Number of women who took maternal leave	20
Number of men who took paternal leave	6

*\*FTE indicative of headcount as at 31 December 2022*

### Third-Party Employees

At ARM, we do not have employees outside the organisation whose work we control. Our security services (including security guards) and some drivers are engaged through third-party service providers who take on the responsibility for the management of their employees. In our service level agreements with these service providers, ARM stipulates required adherence to best labour practices and specifically adherence to Nigerian Labour Laws.

**Table 3: Gender Diversity at ARM**

% Women on the board	22%
% Women in senior management	13%
% Women who are permanent employees	37%
% Women who are contract employees	42%

### Promoting Diversity and Inclusion

ARM ensures that there is no bias whatsoever in our talent acquisition process. We are committed to being an equal opportunity employer, with no restrictions on who can join the organisation. ARM recognises and values the various groups and demographics within the company, ensuring fair representation and embracing the diversity which provides wide-ranging viewpoint to inform our business and investment processes.

### Our Culture

ARM prioritises maintaining a respectful and interactive environment across all levels, encouraging everyone to share their thoughts and perspectives in decision-making.

This commitment to openness and inclusivity is evident in our policies and procedures, from the employee handbook to specific people management policies. As



**Total number of employees (Permanent /Contract) and a breakdown of this total by Region (2022)**



Region	No of staff
Lagos	744
Abuja	76
South-East	85
South-West	89
North-West	35
North-Central	26
North-East	17
<b>Total:</b>	<b>1,072</b>

circumstances change, we adapt our practices accordingly, such as implementing our alternative work arrangement framework, employee engagement framework, and talent management strategies.

Everything we do is rooted in our culture, and we constantly evolve our practices to align with the values we collectively define as essential. Regularly measuring employee experience on a monthly basis is one of the exciting touchpoints we employ to ensure a positive work environment. We are conscious of being flexible and agile in our responses to meet the needs of all employees.

**Raising awareness of Sustainability**

We did not conduct a formal sustainability survey in the 2022 financial year. However, our intention going

forward is to work directly with the sustainability unit to drive core activities in this area.

ARM has actively promoted engagement sessions held across the group, reinforcing the importance of our sustainability journey and aligning everyone's expectations.

In addition, an introduction to sustainability forms a key element in our employee onboarding process. ESG basics, such as energy consumption and practices like shutting down lights and computers when not in use are included in our induction programmes.

Continuous communication keeps us updated on the progress, and we have sustainability champions who

## EMPLOYEE AND HUMAN CAPITAL MANAGEMENT (CONTINUED)

undergo deep engagement and training to spread the sustainability message. As we continue our sustainability journey, it is essential to be deliberate and consciously evaluate our position to ensure we are making progress towards our sustainability objectives.

### Rewards and Recognition

ARM's reward and recognition program continues to constantly evolve. In 2022, we improved our existing performance bonus scheme, making necessary adjustments to incentivise employees.

While we can affirm that progress is being made, we also acknowledge the ongoing need for further improvement and innovation in our reward and recognition processes. As we mature in our ESG journey, we will be considering how to include sustainability factors into our key performance indicators (KPIs). Our ultimate goal is to enhance employee engagement, recognising that it plays a crucial role in driving productivity and performance.

### Fair and Equitable Compensation

ARM participates in compensation surveys to evaluate pay competitiveness in the market. Our compensation philosophy is to operate at the 75th percentile of the market. The company aims to pay more than 75% of what the market pays, positioning itself above average compared to its peers in terms of compensation.

ARM can categorically state that the company has no concerns around gender pay parity.

### Employee Benefits

At ARM, we aim to provide our employees with benefits by ensuring legislative requirements are met. We value our employees and believe that taking care of their needs and well-being is essential to leveraging their full potential.

### Access to Opportunities

We recognise the key role employees play in realising our business strategy and we are committed to focusing on the growth and development of our employees. We achieve this through ongoing training and development, career development planning and regular performance appraisals. In 2022, 100% of our employees received regular performance and career development reviews.

### Empowering our people

In 2014, ARM established the ARM Academy as its dedicated training and development division with the purpose of empowering its staff and the broader business community. The Academy collaborates with reputable and accredited partners to offer comprehensive technical and behavioural training programs, enhancing engagement and overall competence.

One notable achievement is the accreditation of CPD



Parental leave



Medical Aid



Wellness Programme



Transport Compensation



Pension



Personal Protective Equipment (PPE)

(Continuing Professional Development) status from the CPD Standards Office. The CPD Standards Office is part of the Professional Development Consortium and is recognised for its expertise and research in the Learning and Development Industry. The rigorous assessment processes conducted by the CPD Standards Office ensures the quality and effectiveness of training programs.

With this accreditation, ARM Academy demonstrates its commitment to delivering high quality training and development programs. The assessment focused on various aspects such as educational authority, collection and utilisation of delegate feedback, and content currency. The achievement of CPD accreditation reflects ARM Academy's dedication to maintaining exceptional standards and continuously surpassing them.

Since its inception, ARM Academy has played a vital role in driving corporate strategies, fostering innovation, developing talent and leadership, and preserving the ARM culture. Through its ongoing efforts, ARM Academy strives to create a learning environment that integrates professional development into the company's overall success and growth.

ARM offered trainings to its employees and those of its subsidiaries. 212 employees were trained during the 2022 financial year. Training expenditure was 143,574,083.86 Naira in the 2022 financial year.

## Training Offered to Employees

- Data Fundamentals
- Leading Change
- Digital Leadership Training
- Lean Six Sigma Certification
- Business Communication and Presentation Skills
- Personal Effectiveness
- Time and Task Management
- Business Data Analysis
- Microsoft Excel: Basic - Intermediate
- Strategic Thinking and Problem Solving
- Effective Business Writing and Presentations
- Effective Interpersonal Skills
- Leadership Masterclass - The Complete Course on Leadership
- Manage Workplace Stress & Strike a Balance
- 2023 Intensive Company Secretaries/Compliance Workshop
- Financial Analyst Training Programme (FATP)
- Become An Expert at Microsoft Dynamics 365 For Sales (CRM)
- Customer Service, Customer Support, And Customer Experience
- Emotional Intelligence at Work
- Excellence in Customer Service
- Financial Planning & Analysis: Building a Company's Budget
- Howard Schultz Business Leadership Masterclass
- Introduction to Digital Marketing
- Management Skills - Team Leadership Skills Masterclass 2022
- Microsoft Azure Solution Architect
- Presentation Skills
- Service Management and Complaint Handling
- Team Leadership & Team Management 2022 Master Class

We pride ourselves in providing training and career-advancement opportunities to our employees.

## HEALTH AND SAFETY

The health and safety of our employees and those of our investee companies is always paramount. ARM has an emergency response plan in place to protect our employees should any disaster – human or natural – occur. We ensure that flexibility is baked into our responses so that we have the ability to quickly deal with issues and adapt as required.

Our response to the Covid-19 pandemic and working quickly to create the remote working option is evidence of that. Regular drills are carried out within our office space to ensure that employees are appropriately trained, and business continuity plans remain fit-for-purpose.

Our infrastructure investment through Mixta and ARM Harith involve construction activities. All regulatory requirements with respect to health and safety officers and processes, health and safety inspections and personal protective equipment are rigorously adhered to.

Health and safety within our investments occupies a prominent place in our ESG screening process. Should any shortcoming be uncovered, our investment managers actively engage with the target executive management to rectify the issue. Investee performance with respect to managing these risks is closely monitored.

---

## STAKEHOLDER ENGAGEMENT

Our commitment to stakeholder engagement is a cornerstone of our corporate ethos. We believe that our success is intertwined with the well-being and prosperity of the communities in which we operate.

Our approach to stakeholder engagement is rooted in creating sustainable impact, fostering partnerships, and enhancing the quality of life for community members.

We collaborate with local organizations, educational institutions, among others to identify areas where our resources and expertise can make the most significant

difference. These partnerships are aimed at addressing critical needs, ensuring that our efforts are aligned with the community's priorities.

Our dedication to stakeholder engagement reflects our belief in the power of collective action to create a more equitable, sustainable, and prosperous world. By working hand in hand with our communities, we are not just fulfilling our corporate social responsibility but are also building a strong foundation for lasting relationships and shared success.





**RFL CSR PROJECTS**  
**Potable water supply  
and toilet facility for  
host communities**

Riparian Farms Limited (RFL), a subsidiary of Asset & Resource Management Holding Company (ARM HoldCo.), implemented the CSR projects for the Baptist School, Tibo, and Baptist School, Olorunda, both in Abeokuta, Ogun State, to improve the learning environment. This initiative was part of ARM's Corporate Social Responsibility (CSR) as an organization committed to building communities and supporting youth empowerment.



# Environmental Performance



**At ARM, we have implemented an E&S assessment process to identify opportunities and alternatives for resource efficiency relating to our operations.**

In doing so, ARM is committed to adopting technically and financially feasible measures. Cost-effective measures are aimed at minimising our consumption and improving efficiency in our operations. This will address energy, water and other resources use including protecting biodiversity across our value chain. Material inputs are being critically assessed as well as the opportunities for recovering and re-utilising waste materials.

ARM is also committed to encouraging all our investee companies to integrate resource efficiency measures and the principles of cleaner production into product design and production processes with the objective of conserving raw materials, energy and water and, at the same time, reducing the release of pollutants into the environment.



## WATER USAGE

At ARM, we are committed to managing, monitoring, and identifying opportunities to reduce water consumption. ARM employees are committed to minimising water usage, and where possible, we have installed restricted flow taps to regulate water use. Our agricultural and

infrastructure operations all have strict protocols in place to minimise water use.

Further details on water use will be reported in the next reporting cycle.

## ELECTRICITY USAGE

Nigeria is the most populous country in Africa and the largest economy on the continent. The country is expected to experience rapid economic growth in the coming decades, leading to a significant increase in energy use. As Nigeria commits to ever more ambitious climate targets, including net-zero commitments, we all have an obligation to contribute as much as we can to the reduction of carbon emissions.

ARM has installed low emission lighting in all office space and restricted the use of generators as far as possible. Employees are required to switch off all electrical appliances including laptops when leaving the office. The hybrid work systems reduce the number of staff onsite and consequently energy usage coupled with eradication of travel time and exposure to road risks. Power is switched

off at an agreed period to minimise energy usage and to encourage staff members to close earlier for work life balance. ARM continues to invest in renewable energy projects.

ARM is committed to contributing to the unique opportunity to develop a sustainable energy system based on renewable energy resources that can support socioeconomic recovery and development while addressing climate change mitigation and adaptation strategies, and accomplishing energy security, universalisation and affordability goals.

The total energy consumption for our operations in 2022 was 273,972.60 Kwh. The energy intensity rate of ARM thus equates to 910.21 Kwh per employee.

## CLIMATE CHANGE

In response to increasing risks and challenges posed by climate change, we are currently in the process of developing a Climate Change Strategy and Policy. This will allow us to set targets and track performance against these targets going forward.

We are actively encouraging all management at all subsidiaries and JVs to assess climate risks in their operation and investments and to begin implementing both adaptation and mitigation initiatives.

# Our Value Chain



We are proud to announce that we have incorporated ESG clauses in our supplier agreements.

ARM is committed to assisting our suppliers in improving their ESG performance. This is particularly important for small, local suppliers who can benefit from our expertise and know-how.



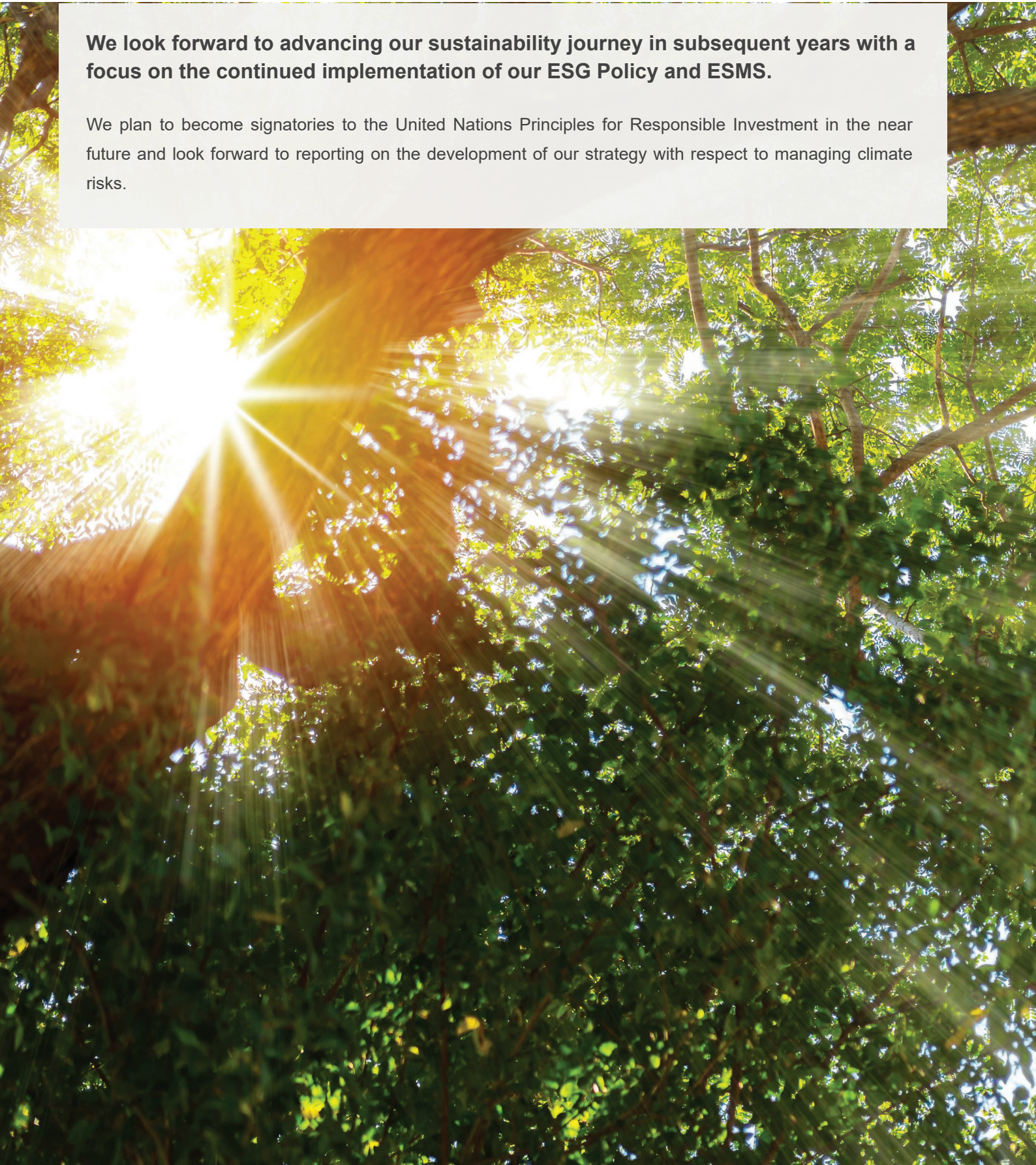




# Future Outlook

**We look forward to advancing our sustainability journey in subsequent years with a focus on the continued implementation of our ESG Policy and ESMS.**

We plan to become signatories to the United Nations Principles for Responsible Investment in the near future and look forward to reporting on the development of our strategy with respect to managing climate risks.









# Appendix

## Appendix A- GRI ARM Checklist:

Disclosure Type		Requirement	Report Section, Disclosure or Other Documentation
<b>The Organization and its reporting practices</b>			
2-1 Organisational details	a	Legal name	Page 4
	b	Nature of ownership and legal form	Page 4
	c	Location of the headquarters	Page 4
	d	Countries of operation	Page 10
2-2 Entities included in the organisation's sustainability report	a	Entities included in its sustainability reporting	Page 16-17
	b	If the organization has audited consolidated financial statements or financial information filed on public record, specifying the differences between entities included in financial reporting	Not Applicable
	C	If the organization consists of multiple entities, explain the approach used for consolidating information, including: <ul style="list-style-type: none"> <li>• If the approach involves adjustments to information for minority interests.</li> <li>• How the approach takes into account mergers, acquisitions, and disposal of entities or parts of entities.</li> <li>• Whether and how the approach differs across the disclosures in this Standard and across material topics.</li> </ul>	The approach used for consolidating information considered various aspects including differences in material topics, consistency across the reporting period and compliance with reporting standards.
2-3 Reporting period, frequency and contact point	a	The reporting period for, and the frequency of sustainability reporting	Page 4
	b	Reporting period for financial reporting and, if not aligned to the sustainability reporting period, explain why.	Sustainability report necessitated a different timeline compared to the financial reporting due to data collection timelines.
	c	Publication date of the report or reported information	Page 4
	d	Contact point for questions about the report or reported information.	Page 4
2-4 Restatements of information	a	Restatements of information made from previous reporting periods explaining reasons for the restatements. The effect of the restatements.	Not Applicable
2.5 External assurance	a	Describe policy and practice for seeking external assurance, including whether and how the highest governance body and senior executives are involved.	Page 4
	b	If the sustainability report is externally assured: <ul style="list-style-type: none"> <li>• provide a link or reference to the external assurance report(s) or assurance statement(s).</li> <li>• describe what has been assured and on what basis, including the assurance standards used, the level of assurance obtained, and any limitations of the assurance process.</li> <li>• describe the relationship between the organization and the assurance provider.</li> </ul>	Not Applicable



## Appendix A– GRI ARM Checklist: (continued)

Disclosure Type		Requirement	Report Section, Disclosure or Other Documentation
<b>Activities and Workers</b>			
2-6 Activities, value chain and other business relationships	a	Report the sector(s) in which the entity is active	Page 16-17
	b	Describe its value chain, including: <ul style="list-style-type: none"> <li>the organization’s activities, products, services, and markets served.</li> <li>the organization’s supply chain.</li> <li>the entities downstream from the organization and their activities.</li> </ul>	Page 9-17
	c	Report other relevant business relationships;	Page 9-15
	d	Describe significant changes in 2-6-a, 2-6-b, and 2-6-c compared to the previous reporting period.	Not Applicable
2-7 Employees	a	Report total number of employees, breakdown of total by gender and by region.	Page 49-50
	b	Report the total number of: <ul style="list-style-type: none"> <li>permanent employees, and a breakdown by gender and by region.</li> <li>temporary employees, and a breakdown by gender and by region.</li> <li>non-guaranteed hours employees, and a breakdown by gender and by region.</li> <li>full-time employees, and a breakdown by gender and by region.</li> <li>part-time employees, and a breakdown by gender and by region</li> </ul>	Page 49-50
	C	<ul style="list-style-type: none"> <li>Describe the methodologies and assumptions used to compile the data, including whether the numbers are reported:</li> <li>In head count, full-time equivalent (FTE), or using another methodology.</li> <li>At the end of the reporting period, as an average across the reporting period, or using another methodology.</li> </ul>	Page 49
	d	Report contextual information necessary to understand the data reported under 2-7-a and 2-7-b.	Page 50-51
	e	Describe significant fluctuations in the number of employees during the reporting period and between reporting periods.	Page 51
2-8 Workers who are not employees	a	Report the total number of workers who are not employees and whose work is controlled by the organization and describe: <ul style="list-style-type: none"> <li>The most common types of worker and their contractual relationship with the organization.</li> <li>The type of work they perform.</li> </ul>	Page 46
	b	Describe the methodologies and assumptions used to compile the data, including whether the number of workers who are not employees is reported: <ul style="list-style-type: none"> <li>In head count, full-time equivalent (FTE), or using another methodology.</li> <li>At the end of the reporting period, as an average across the reporting period, or using another methodology.</li> </ul>	Page 46
	c	Describe significant fluctuations in the number of workers who are not employees during the reporting period and between reporting periods.	Not Applicable

## Appendix A- GRI ARM Checklist: (continued)

Disclosure Type		Requirement	Report Section, Disclosure or Other Documentation
<b>Governance</b>			
2-9 Governance structure and composition	a	Legal name	Page 19-21
	b	Describe the governance structure, including committees of the highest governance body.	Page 20-21
	c	Describe the composition of the highest governance body and its committees by executive and non-executive members: <ul style="list-style-type: none"> <li>• Independence,</li> <li>• tenure of members on the governance body,</li> <li>• number of other significant positions and commitments held by each member, and the nature of the commitments,</li> <li>• gender,</li> <li>• under-represented social groups,</li> <li>• competencies relevant to the impacts of the organization,</li> <li>• stakeholder representation.</li> </ul>	Page 22-23
2-10 Nomination and selection of the highest governance body	a	Describe the nomination and selection processes for the highest governance body and its committees.	Page 26
	b	Describe the criteria used for nominating and selecting highest governance body members, including whether and how the following are taken into consideration: <ul style="list-style-type: none"> <li>• Views of stakeholders (including shareholders),</li> <li>• Diversity,</li> <li>• Independence,</li> <li>• Competencies relevant to the impacts of the organization.</li> </ul>	Page 26-27
2-11 Chair of the highest governance body	a	Is the chair of the highest governance body also a senior executive in the organization.	Not Applicable
	b	If the chair is also a senior executive, explain their function within the organization's management, the reasons for this arrangement, and how conflicts of interest are prevented and mitigated.	Not Applicable
2-12 Role of the highest governance body in overseeing the management of impact	a	Describe the role of the highest governance body and of senior executives in developing, approving, and updating the organization's purpose, value or mission statements, strategies, policies, and goals related to sustainable development.	Page 19-21
	b	Describe the role of the highest governance body in overseeing the organization's due diligence and other processes to identify and manage the organization's impacts on the economy, environment, and people, including: <ul style="list-style-type: none"> <li>• Whether and how the highest governance body engages with stakeholders to support these processes.</li> <li>• How the highest governance body considers the outcomes of these processes.</li> </ul>	Page 19
	c	Describe the role of the highest governance body in reviewing the effectiveness of the organization's processes as described in 2-12-b, and report the frequency of this review.	Page 19-21

## Appendix A- GRI ARM Checklist: (continued)

Disclosure Type		Requirement	Report Section, Disclosure or Other Documentation
<b>Governance</b> (continued)			
2-13 Delegation of responsibility for managing impacts	a	Describe how the highest governance body delegates responsibility for managing the organization's impacts on the economy, environment, and people, including: <ul style="list-style-type: none"> <li>• Whether it has appointed any senior executives with responsibility for the management of impacts.</li> <li>• Whether it has delegated responsibility for the management of impacts to other employees.</li> </ul>	Page 20-21
	b	Describe the process and frequency for senior executives or other employees to report back to the highest governance body on the management of the organization's impacts on the economy, environment, and people.	Page 20
2-14 Role of the highest governance body in sustainability reporting	a	Report whether the highest governance body is responsible for reviewing and approving the reported information, including the organization's material topics, and if so, describe the process for reviewing and approving the information;	Page 20
	b	If the highest governance body is not responsible for reviewing and approving the reported information, including the organization's material topics, explain the reason for this.	Not Applicable
2-15 Conflicts of interest	a	Describe the processes for the highest governance body to ensure that conflicts of interest are prevented and mitigated;	Page 27
		Report whether conflicts of interest are disclosed to stakeholders, including, at a minimum, conflicts of interest relating to: <ul style="list-style-type: none"> <li>• Cross-board membership.</li> <li>• Cross-shareholding with suppliers and other stakeholders.</li> <li>• Existence of controlling shareholders.</li> <li>• Related parties, their relationships, transactions, and outstanding balances.</li> </ul>	Not reported in this cycle
2-16 Communication of critical concerns	a	Describe whether and how critical concerns are communicated to the highest governance body.	Page 47-48
	b	Report the total number and the nature of critical concerns that were communicated to the highest governance body during the reporting period.	Not reported in this cycle
2-17 The collective knowledge of the highest governance body	a	Report measures taken to advance the collective knowledge, skills, and experience of the highest governance body on sustainable development.	Not reported in this cycle
2-18 Evaluation of the performance of the highest governance body	a	Describe the processes for evaluating the performance of the highest governance body in overseeing the management of the organization's impacts on the economy, environment, and people.	Not reported in this cycle
	b	Report whether the evaluations are independent or not, and the frequency of the evaluations.	Not Applicable
	c	Describe actions taken in response to the evaluations, including changes to the composition of the highest governance body and organizational practices.	Not Applicable



## Appendix A- GRI ARM Checklist: (continued)

Disclosure Type		Requirement	Report Section, Disclosure or Other Documentation
<b>Governance</b> (continued)			
2-19 Remuneration policies	a	Describe the remuneration policies for members of the highest governance body and senior executives, including: <ul style="list-style-type: none"> <li>• Fixed pay and variable pay.</li> <li>• Sign-on bonuses or recruitment incentive payments.</li> <li>• Termination payments.</li> <li>• Clawbacks.</li> <li>• Retirement benefits.</li> </ul>	Not reported in this cycle
	b	Describe how the remuneration policies for members of the highest governance body and senior executives relate to their objectives and performance in relation to the management of the organization's impacts on the economy, environment, and people.	Page 20-21
2-20 Process of determining remuneration	a	<ul style="list-style-type: none"> <li>• How the views of stakeholders (including shareholders) regarding remuneration are sought and taken into consideration.</li> <li>• Whether remuneration consultants are involved in determining remuneration and, if so, whether they are independent of the organization, its highest governance body and senior executives.</li> </ul>	Page 26
	b	Report the results of votes of stakeholders (including shareholders) on remuneration policies and proposals, if applicable.	Not Applicable
2-21 Annual total compensation ratio	a	Report the ratio of the annual total compensation for the organization's highest-paid individual to the median annual total compensation for all employees (excluding the highest-paid individual).	ARM has elected to not report on this metric in the 2022 report
	b	Report the ratio of the percentage increase in annual total compensation for the organization's highest-paid individual to the median percentage increase in annual total compensation for all employees (excluding the highest-paid individual).	ARM has elected to not report on this metric in the 2022 report
	c	Report contextual information necessary to understand the data and how the data has been compiled.	Not reported in this cycle

## Appendix A- GRI ARM Checklist: (continued)

Disclosure Type		Requirement	Report Section, Disclosure or Other Documentation
<b>Strategy, Policies and Practices</b>			
2-22 Statement on sustainable development strategy	a	Describe how the highest governance body delegates responsibility for managing the organization's impacts on the economy, environment	Page 20-21
2-23 Policy Commitments	a	Describe its policy commitments for responsible business conduct, including: <ul style="list-style-type: none"> <li>• The authoritative intergovernmental instruments that the commitments reference.</li> <li>• Whether the commitments stipulate conducting due diligence.</li> <li>• Whether the commitments stipulate applying the precautionary principle.</li> <li>• Whether the commitments stipulate respecting human rights.</li> </ul>	Page 28-31
	b	Describe the specific policy commitment to respect human rights, including: <ul style="list-style-type: none"> <li>• The internationally recognized human rights that the commitment covers.</li> <li>• The categories of stakeholders, including at-risk or vulnerable groups, that the organization gives particular attention to in the commitment.</li> </ul>	Page 47
	c	Provide links to the policy commitments if publicly available, or, if the policy commitments are not publicly available, explain the reason for this.	Not available online, planned for the next reporting cycle.
	d	Report the level at which each of the policy commitments was approved within the organization, including whether this is the most senior level.	Page 19
	e	Report the extent to which the policy commitments apply to the organization's activities and to its business relationships.	Page 43
	f	Describe how the policy commitments are communicated to workers, business partners, and other relevant parties.	Page 62
2-24 Embedding policy commitments	a	Describe how it embeds each of its policy commitments for responsible business conduct throughout its activities and business relationships, including: <ul style="list-style-type: none"> <li>• How it allocates responsibility to implement the commitments across different levels within the organization.</li> <li>• How it integrates the commitments into organizational strategies, operational policies, and operational procedures.</li> <li>• How it implements its commitments with and through its business relationships.</li> <li>• Training that the organization provides on implementing the commitments.</li> </ul>	Page 43

## Appendix A- GRI ARM Checklist: (continued)

Disclosure Type		Requirement	Report Section, Disclosure or Other Documentation
<b>Strategy, Policies and Practices</b> (continued)			
2-25 Processes to remediate negative impacts	a	Describe the commitment to provide for or cooperate in the remediation of negative impacts that the organization identifies it has caused or contributed to.	Not Applicable
	b	Describe its approach to identify and address grievances, including the grievance mechanisms that the organization has established or participates in.	Page 47-48
	c	Describe other processes by which the organization provides for or cooperates in the remediation of negative impacts that it identifies it has caused or contributed to.	Page 47-48
	d	Describe how the stakeholders who are the intended users of the grievance mechanisms are involved in the design, review, operation, and improvement of these mechanisms.	Not Applicable
	e	Describe how the organization tracks the effectiveness of the grievance mechanisms and other remediation processes, and report examples of their effectiveness, including stakeholder feedback.	Not Applicable
2-26 Mechanisms for seeking advice and raising concerns	a	Describe the mechanisms for individuals to: <ul style="list-style-type: none"> <li>• Seek advice on implementing the organization's policies and practices for responsible business conduct.</li> <li>• Raise concerns about the organization's business conduct.</li> </ul>	Page 47-48
2-27 Compliance with laws and regulations	a	Report the total number of significant instances of non-compliance with laws and regulations during the reporting period, and a breakdown of this total by: <ul style="list-style-type: none"> <li>• Instances for which fines were incurred.</li> <li>• Instances for which non-monetary sanctions were incurred</li> </ul>	Not reported in this cycle
	b	Report the total number and the monetary value of fines for instances of non-compliance with laws and regulations that were paid during the reporting period, and a breakdown of this total by: <ul style="list-style-type: none"> <li>• Fines for instances of non-compliance with laws and regulations that occurred in the current reporting period.</li> <li>• Fines for instances of non-compliance with laws and regulations that occurred in previous reporting periods.</li> </ul>	Not reported in this cycle
	c	Describe the significant instances of non-compliance.	Not Applicable
	d	Describe how it has determined significant instances of non-compliance.	Not Applicable
2-28 Membership associations	a	Report industry associations, other membership associations, and national or international advocacy organizations in which it participates in a significant role.	Page 28



## Appendix A- GRI ARM Checklist: (continued)

Disclosure Type		Requirement	Report Section, Disclosure or Other Documentation
<b>Stakeholder engagement</b>			
2-29 Approach to stakeholder engagement	a	Describe its approach to engaging with stakeholders, including: <ul style="list-style-type: none"> <li>• The categories of stakeholders it engages with, and how they are identified.</li> <li>• The purpose of the stakeholder engagement.</li> <li>• How the organization seeks to ensure meaningful engagement with stakeholders.</li> </ul>	Page 47
2-30 Collective bargaining arrangements	a	Report the percentage of total employees covered by collective bargaining agreements.	Not reported in this cycle
	b	<ul style="list-style-type: none"> <li>• For employees not covered by collective bargaining agreements, report whether the organization determines their working conditions and terms of employment based on collective bargaining agreements that cover its other employees or based on collective bargaining agreements from other organizations.</li> </ul>	Not reported in this cycle

## GRI Non-mandatory disclosures

Disclosure Type		Requirement	Report Section, Disclosure or Other Documentation
<b>Stakeholder engagement</b>			
2-29 Approach to stakeholder engagement	a	Describe its approach to engaging with stakeholders, including: <ul style="list-style-type: none"> <li>The categories of stakeholders it engages with, and how they are identified.</li> <li>The purpose of the stakeholder engagement.</li> <li>How the organization seeks to ensure meaningful engagement with stakeholders.</li> </ul>	Page 47
2-30 Collective bargaining arrangements	a	Report the percentage of total employees covered by collective bargaining agreements.	Not reported in this cycle
	b	<ul style="list-style-type: none"> <li>For employees not covered by collective bargaining agreements, report whether the organization determines their working conditions and terms of employment based on collective bargaining agreements that cover its other employees or based on collective bargaining agreements from other organizations.</li> </ul>	Not reported in this cycle

Guidance disclosure	Report Section Disclosure of Other Documentation
<b>Economic</b>	
<b>GRI 201: Economic Performance</b>	
1. Management approach disclosures	
2. Topic-specific disclosures	
Disclosure 201-1 Direct economic value generated and distributed	Not reported in this cycle.
Disclosure 201-2 Financial implications and other risks and opportunities due to climate change	Planned to be disclosed in the next reporting cycle.
Disclosure 201-3 Defined benefit plan obligations and other retirement plans	Planned to be disclosed in the next reporting cycle.
Disclosure 201-4 Financial assistance received from the government	Not Applicable
<b>GRI 202: Market Presence</b>	
1. Management approach disclosures	
2. Topic-specific disclosures	
Disclosure 202-1 Ratios of standard entry-level wage by gender compared to local minimum wage	Planned to be disclosed in the next reporting cycle.
Disclosure 202-2 Proportion of senior management hired from the local community	Not Applicable
<b>GRI 203: Indirect Economic Impacts</b>	
1. Management approach disclosures	
2. Topic-specific disclosures	
Disclosure 203-1 Infrastructure investments and services supported	Page 14
Disclosure 203-2 Significant indirect economic impacts	Planned to be disclosed in the next reporting cycle.
<b>GRI 204: Procurement Practices</b>	
1. Management approach disclosures	
2. Topic-specific disclosures	
Disclosure 204-1 Proportion of spending on local suppliers	Not Applicable

Guidance disclosure	Report Section Disclosure of Other Documentation
<b>Economic</b> (continued)	
<b>GRI 205: Anti-corruption</b>	
1. Management approach disclosures	
2. Topic-specific disclosures	
Disclosure 205-1 Operations assessed for risks related to corruption	Planned to be disclosed in the next reporting cycle.
Disclosure 205-2 Communication and training about anti-corruption policies and procedures	Planned to be disclosed in the next reporting cycle.
Disclosure 205-3 Confirmed incidents of corruption and actions taken	Planned to be disclosed in the next reporting cycle.
<b>GRI 206: Anti-competitive Behaviour</b>	
1. Management approach disclosures	
2. Topic-specific disclosures	
Disclosure 206-1 Legal action for anti-competitive behaviour, anti-trust, and monopoly practices	Not Applicable
<b>Environmental</b>	
<b>GRI 301: Materials</b>	
1. Management approach disclosures	
2. Topic-specific disclosures	
Disclosure 301-1 Material used by weight or volume	Not material to the business model
Disclosure 301-2 Recycled input materials used	Not material to the business model
Disclosure 301-3 Reclaimed products and their packaging materials	Not material to the business model
<b>GRI 302: Energy</b>	
1. Management approach disclosures	
2. Topic-specific disclosures	
Disclosure 302-1 Energy consumption within the organization	Page 56
Disclosure 302-2 Energy consumption outside of the organization	Not Applicable
Disclosure 302-3 Energy intensity	Not Applicable
Disclosure 302-4 Reduction of energy consumption	Only to be reported on in the next reporting cycle
Disclosure 302-5 Reductions in energy requirements of products and services	Not material to the business model
<b>GRI 303: Water and Effluents</b>	
1. Management approach disclosures	Not material to the business model
Disclosure 303-1 Interactions with water as a shared resource	Not material to the business model
Disclosure 303-2 Management of water discharge-related impacts	Not material to the business model
2. Topic-specific disclosures	Not material to the business model
Disclosure 303-3 Water withdrawal	Not material to the business model
Disclosure 303-4 Water discharge	Not material to the business model
Disclosure 303-5 Water consumption	Page 54



## GRI Non-mandatory disclosures (continued)

Guidance disclosure	Report Section Disclosure of Other Documentation
<b>Environmental</b> (continued)	
<b>GRI 304: Biodiversity</b>	
1. Management approach disclosures	Not material to the business model
2. Topic-specific disclosures	
Disclosure 304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Not material to the business model
Disclosure 304-2 Significant impacts of activities, products, and services on biodiversity	Not material to the business model
Disclosure 304-3 Habitats protected or restored	Not material to the business model
Disclosure 304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations	Not material to the business model
<b>GRI 305: Emissions</b>	
1. Management approach disclosures	
2. Topic-specific disclosures	
Disclosure 305-1 Direct (Scope 1) GHG emissions	Only to be reported on in the next reporting cycle
Disclosure 305-2 Energy indirect (Scope 2) GHG emissions	Only to be reported on in the next reporting cycle
Disclosure 305-3 Other indirect (Scope 3) GHG emissions	Only to be reported on in the next reporting cycle
Disclosure 305-4 GHG emissions intensity	Not Applicable
Disclosure 305-5 Reduction of GHG emissions	Only to be reported on in the next reporting cycle
Disclosure 305-6 Emissions of ozone-depleting substances (ODS)	Not material to the business model
Disclosure 305-7 Nitrogen oxides (NOX), sulphur oxides (SOX), and other significant air emissions	Not material to the business model
<b>GRI 306: Effluents and Waste 5</b>	
<b>Not material to the business model</b>	
1. Management approach disclosures	
2. Topic-specific disclosures	
Disclosure 306-1 Water discharge by quality and destination	Not material to the business model
Disclosure 306-2 Waste by type and disposal method	Not material to the business model
Disclosure 306-3 Significant spills	Not material to the business model
Disclosure 306-4 Transport of hazardous waste	Not material to the business model
Disclosure 306-5 Water bodies affected by water discharges and/or runoff	Not material to the business model

Guidance disclosure	Report Section Disclosure of Other Documentation
<b>Environmental</b> (continued)	
<b>GRI 308: Supplier Environmental Assessment</b>	
1. Management approach disclosures	
2. Topic-specific disclosures	
Disclosure 308-1 New suppliers that were screened using environmental criteria	Planned to be disclosed in the next reporting cycle.
Disclosure 308-2 Negative environmental impacts in the supply chain and actions taken	Not Applicable
<b>Social</b>	
<b>GRI 401: Employment</b>	
1. Management approach disclosures	
2. Topic-specific disclosures	
Disclosure 401-1 New employee hires and employee turnover	Planned to be disclosed in the next reporting cycle.
Disclosure 401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Page 52
Disclosure 401-3 Parental leave	Page 52
<b>GRI 402: Labour/Management Relations</b>	
1. Management approach disclosures	
2. Topic-specific disclosures	
Disclosure 402-1 Minimum notice periods regarding operational changes	Not disclosed
<b>GRI 403: Occupational Health and Safety</b>	
Scope of 'workers' in this Standard	
1. Management approach disclosures	
Disclosure 403-1 Occupational health and safety management system	Page 54-55
Disclosure 403-2 Hazard identification, risk assessment, and incident investigation	Not Applicable
Disclosure 403-3 Occupational health services	Not Applicable
Disclosure 403-4 Worker participation, consultation, and communication on occupational health and safety	Not Applicable
Disclosure 403-5 Worker training on occupational health and safety	Planned to be disclosed in the next reporting cycle.
Disclosure 403-6 Promotion of worker health	Planned to be disclosed in the next reporting cycle.
Disclosure 403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Planned to be disclosed in the next reporting cycle

## GRI Non-mandatory disclosures (continued)

Guidance disclosure	Report Section Disclosure of Other Documentation
<b>Social</b> (continued)	
<b>GRI 403: Occupational Health and Safety</b> (continued)	
2. Topic-specific disclosures	
Disclosure 403-8 Workers covered by an occupational health and safety management system	Page 43
Disclosure 403-9 Work-related injuries	Planned to be disclosed in the next reporting cycle.
Disclosure 403-10 Work-related ill health	Not Applicable
<b>GRI 404: Training and Education</b>	
1. Management approach disclosures	
2. Topic-specific disclosures	
Disclosure 404-1 Average hours of training per year per employee	Planned to be disclosed in the next reporting cycle.
Disclosure 404-2 Programs for upgrading employee skills and transition assistance programs	Page 54
Disclosure 404-3 Percentage of employees receiving regular performance and career development reviews	Planned to be disclosed in the next reporting cycle.
<b>GRI 405: Diversity and Equal Opportunity</b>	
1. Management approach disclosures	
2. Topic-specific disclosures	
Disclosure 405-1 Diversity of governance bodies and employees	Page 22-23 & 50-51
Disclosure 405-2 Ratio of basic salary and remuneration of women to men	Planned to be disclosed in the next reporting cycle.
<b>GRI 406: Non-discrimination</b>	
1. Management approach disclosures	
2. Topic-specific disclosures	
Disclosure 406-1 Incidents of discrimination and corrective actions taken	Not disclosed
<b>GRI 407: Freedom of Association and Collective Bargaining</b>	
1. Management approach disclosures	
2. Topic-specific disclosures	
Disclosure 407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Not Applicable
<b>GRI 408: Child Labour</b>	
1. Management approach disclosures	
2. Topic-specific disclosures	
Disclosure 408-1 Operations and suppliers at significant risk for incidents of child labour	Not material to the business model



Guidance disclosure	Report Section Disclosure of Other Documentation
<b>Social</b> (continued)	
<b>GRI 409: Forced or Compulsory Labour</b>	
1. Management approach disclosures	
2. Topic-specific disclosures	
Disclosure 409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labour	Not material to the business model
<b>GRI 410: Security Practices</b>	
1. Management approach disclosures	
2. Topic-specific disclosures	
Disclosure 410-1 Security personnel trained in human rights policies or procedures	Not Applicable
<b>GRI 411: Rights of Indigenous Peoples</b>	
1. Management approach disclosures	
2. Topic-specific disclosures	
Disclosure 411-1 Incidents of violations involving rights of indigenous peoples	Not material to the business model
<b>GRI 412: Human Rights Assessment</b>	
1. Management approach disclosures	
2. Topic-specific disclosures	
Disclosure 412-1 Operations that have been subject to human rights reviews or impact assessments	Not Applicable
Disclosure 412-2 Employee training on human rights policies or procedures	Not Applicable
Disclosure 412-3 Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	Not Applicable
<b>GRI 413: Local Communities</b>	
1. Management approach disclosures	
2. Topic-specific disclosures	
Disclosure 413-1 Operations with local community engagement, impact assessments, and development programs	Planned to be disclosed in the next reporting cycle.
Disclosure 413-2 Operations with significant actual and potential negative impacts on local communities	Planned to be disclosed in the next reporting cycle.
<b>GRI 414: Supplier Social Assessment</b>	
1. Management approach disclosures	
2. Topic-specific disclosures	
Disclosure 414-1 New suppliers that were screened using social criteria	Not Applicable
Disclosure 414-2 Negative social impacts in the supply chain and actions taken	Not Applicable

## GRI Non-mandatory disclosures (continued)

Guidance disclosure	Report Section Disclosure of Other Documentation
<b>Social</b> (continued)	
<b>GRI 413: Local Communities</b>	
1. Management approach disclosures	
2. Topic-specific disclosures	
Disclosure 413-1 Operations with local community engagement, impact assessments, and development programs	Planned to be disclosed in the next reporting cycle.
Disclosure 413-2 Operations with significant actual and potential negative impacts on local communities	Planned to be disclosed in the next reporting cycle.
<b>GRI 414: Supplier Social Assessment</b>	
1. Management approach disclosures	
2. Topic-specific disclosures	
Disclosure 414-1 New suppliers that were screened using social criteria	Not Applicable
Disclosure 414-2 Negative social impacts in the supply chain and actions taken	Not Applicable
<b>GRI 415: Public Policy</b>	
1. Management approach disclosures	
2. Topic-specific disclosures	
Disclosure 415-1 Political contributions	Not Applicable
<b>GRI 416: Customer Health and Safety</b>	
1. Management approach disclosures	
2. Topic-specific disclosures	
Disclosure 416-1 Assessment of the health and safety impacts of product and service categories	Not Applicable
Disclosure 416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	Not Applicable
<b>GRI 417: Marketing and Labelling</b>	
1. Management approach disclosures	
2. Topic-specific disclosures	
Disclosure 417-1 Requirements for product and service information and labelling	Not Applicable
Disclosure 417-2 Incidents of non-compliance concerning product and service information and labelling	Not Applicable
Disclosure 417-3 Incidents of non-compliance concerning marketing communications	Not Applicable
<b>GRI 418: Customer Privacy</b>	
1. Management approach disclosures	
2. Topic-specific disclosures	
Disclosure 418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Planned to be disclosed in the next reporting cycle.
<b>GRI 419: Socioeconomic Compliance</b>	
1. Management approach disclosures	
2. Topic-specific disclosures	Not material to the business model
Disclosure 419-1 Non-compliance with laws and regulations in the social and economic area	Not material to the business model





1 Mekunwen Road,  
Off Oyinkan Abayomi Drive, Ikoyi,  
Lagos, Nigeria

[www.arm.com.ng](http://www.arm.com.ng)