Why invest in Dangote Cement

Dangote Cement is supporting Africa’s Transformation, while creating sustainable value for all our stakeholders.

Strong growth in Africa
The World Bank describes Africa as the fastest growing and youngest region globally. As the population continues to expand, Africa urgently needs infrastructure, housing and commercial buildings. This creates a tremendous opportunity for Dangote Cement.

Read more on pages 2 to 3 and 8 to 9

Sustainability growth for all our stakeholders
Our 7 Dangote Sustainability Pillars collectively reflect the ethos behind “The Dangote Way”. These pillars provide the framework in which we have embedded our corporate culture and guide our approach to building a prosperous and sustainable business.

Read more on pages 30 to 35

Financial investment case, shareholder value
Dangote Cement has achieved excellent financial performance and growth over the last decade. Our volumes have grown by a compound annual rate of 13% over the last 11 years, while our EBITDA has increased by a compound annual growth rate of 18% over the same period. In 2021, we achieved another record volume, EBITDA and profit after tax.

Read more on pages 1 to 7

Robust export strategy
Our “export to import” strategy aims to serve West and Central Africa, through regional integration making the region cement self-sufficient. We believe that the African Continental Free Trade Area (AfCFTA) will give Dangote Cement the opportunity to serve African markets effectively and support its self-sufficiency, as we achieved in Nigeria.

Read more on page 6

In 2021, Dangote Cement achieved another record financial performance with double digit growth across board. Profit after tax was ₦364.4 billion, up 32.0%.
Strong growth in Africa

Africa is a major growth market for cement and needs to more than double its cement consumption in the coming decade to close the infrastructure and housing gap.

Africa cement market
Cement demand is driven by an increase in population, urbanisation, infrastructure and housing growth. These are key attributes driving the strong demand for cement in Africa.

Sub-Saharan Africa is home to over 1.1 billion people. The United Nations estimates that by 2050, the region will have a population of more than 2.1 billion. Two-thirds of this growth will be absorbed by urban areas, which will be home to an additional 950 million people. The World Bank describes Africa as the fastest growing and youngest region globally. As the population continues to expand, Africa urgently needs infrastructure, housing and commercial buildings. This creates a tremendous opportunity for Dangote Cement.

Economic outlook
Although the impact of the COVID-19 shock in Sub-Saharan Africa (SSA) has been severe, economic growth emerged from the 2020 recession, with the region expanding by 4.5% in 2021. According to the IMF, SSA is expected to grow by 3.8% in 2022. The recovery is supported by favourable external conditions on trade, elevated commodity prices and the relaxation of stringent pandemic measures. Faster vaccine deployment could accelerate the region’s growth to 5.1% in 2022 and 5.4% in 2023 – as containment measures are lifted faster and spending increases. At Dangote Cement, we have continued our vaccination advocacy and roll-out across all countries of operations, encouraging and advocating that all our staff get vaccinated.

Furthermore, one of the region’s most promising prospects stems from the new African Continental Free Trade Area, a potential market of 1.3 billion people, with a combined GDP of almost $3.5 trillion in 2021. Ensuring the success of this trade-integration framework would not only reduce Africa’s vulnerability to global disruptions but will boost regional competition, attract foreign investment and promote food security.

Per capita consumption
The Global Cement Report estimates 2021 average global per capita consumption at 541kg. Levels are highest in the Gulf region, while China’s per capita consumption remains the third highest in the world at 1,665kg. Sub-Saharan Africa significantly lags average per capita consumption. As a region, per-capita cement consumption is just 130kg, indicating both the huge potential from the region in the future and the low level of cement consumption at present.

Global per-capita cement consumption
541kg

SSA per-capita cement consumption
130kg

Concrete road construction in Nigeria with the dedicated tax scheme
Infrastructure deficit

One of Sub-Saharan Africa’s top developmental challenges continues to be the shortage of physical infrastructure. The role of productive infrastructure facilities cannot be overemphasized in every nation’s economic growth and development. Unfortunately, the current state of Africa’s infrastructure is below what the economy needs to thrive. Thus, private organisations and the government have been making actionable steps towards turning around the state of Africa’s infrastructure. Some of these measures include public-private partnership (PPP), encouraging foreign direct investment (FDI), and other fiscal arrangements.

The African Development Bank (AfDB) estimates that Africa’s infrastructure needs amount to $130–170 billion a year, with a financing gap in the range of $68–$108 billion. The infrastructure deficit dramatically reduces intra-African trade and trade with other regions.

How we are responding

Dangote Cement is the largest cement producer in Sub-Saharan Africa with a capacity of 51.6 Mt across 10 countries. As a Company, we see the infrastructure development efforts as opportunities to expand the market for our product. We are leveraging the Dangote brand, our economies of scale, and efficient production facilities in satisfying the rapidly growing cement demand across all markets. We continue to serve the growing demand through prudent expansion into high growth Sub-Saharan Africa cement markets and growth in existing markets.

Concrete roads

Structural experts have proven the advantages of concrete roads over various other counterpart. Concrete highways are more durable, they can withstand severe rainfall, tropical weather conditions and heavy traffic; they can last at least 25 to 30 years without the need of major construction repairs.

Highways are necessary infrastructural facilities that strengthen the economic activities of every nation as they connect two or more economic locations or markets to engage in viable and legitimate businesses. Building concrete roads, which require less regular maintenance and have higher durability, reduces the negative effect on local economies and communities, thereby enhancing a nation’s gross domestic product (GDP).

Rapid urbanisation

Africa’s urban population in 2015 was 567 million people, compared to 27 million in 1950. Increased urbanisation necessitates more social amenities, housing and developmental projects in Africa. The growing urbanisation rate is exacerbating the housing deficit in Africa. The rapid urbanisation and natural population growth within urban areas will continue to be an essential demographic phenomenon shaping housing needs.

How we are responding

As a producer of basic building material in Africa, we see a strong demand stemming from the housing needs in all our markets. Urbanisation will necessitate the demand for more schools, supermarkets, recreational centres, and more corporate organisations.

Cement remains the most used material for building any type of house, either personal or commercial. As a result, there is no doubt that cement will continue to be a sought-after commodity across all our markets. Dangote Cement is prepared to ensure cement is available and the market is adequately satisfied through expansion and our “export-to-import” strategy. We will continue to focus on quality and delivery of superior products to our markets.

Public-private partnership

Dangote signed the Road Infrastructure Development and Refurbishment Investment Tax Credit Scheme and is leading the way in building concrete roads. For example: Dangote led the Apapa-Oshodi-Oworonsoki-Ojota highway construction project in Lagos State.

Africa’s infrastructure needs amount to $130–170 billion a year

As the population continues to expand, Africa urgently needs infrastructure, housing and commercial buildings. This creates a tremendous opportunity for Dangote Cement.
Our sustainability journey

Our commitment to building a sustainable business for all stakeholders is unwavering.

“The Dangote Way”
The 7 Sustainability Pillars are embedded in our corporate culture and guide our approach to building a prosperous and sustainable business. Our 7 Dangote Sustainability Pillars, collectively reflect the ethos behind “The Dangote Way”.

Our approach is built on the premise that sustainability must be owned and practised at every level of our organisation, especially at the highest levels of institutional governance.

Environmental
Caring for the environment and addressing the challenges of climate change.

Social
Nurturing the growth and wellbeing of our employees and host communities. This also includes social impact on stakeholders and the larger society.

Governance
Building a world-class company based upon strong governance, sustainable growth and transparency.

Sustainability highlights

2.6% Thermal substitution rate is estimated at 2.6% for FY 2021 vs. 1.7% in FY 2020.

89,000 tonnes of waste DCP co-processed 89,000 tonnes of waste in 2021, an increase of 60% over 2020.

Rating upgraded to “B-” by CDP on our carbon disclosure for 2021.

27% female Board representation. Diverse Board with 6 different nationalities.

Energy consumption
849 Kcal/kg
2020: 894 Kcal/kg

CO₂ emission
661kg CO₂/tonne
2020: 648kg CO₂/tonne

Water consumption
285 m³/tonne
2020: 274 m³/tonne

Read more about our stakeholder engagement on pages 50 to 59.
Financial investment case, shareholder value

Superior performance
Another record result with double digit growth across board.

Transparency
First Nigerian listed company to report its financial results using XBRL format with the IFRS taxonomy.

Financial highlights
Strong resilient performance with a record EBITDA and PAT of ₦684.6 billion and ₦364.4 billion; up 43.2% and 32.0%, respectively.

Revenue
₦1,383.6bn +33.84%
- 2021 ₦1,383.6bn
- 2020 ₦1,034.2bn
- 2019 ₦891.7bn

EBITDA
₦684.6bn +43.2%
- 2021 ₦684.6bn
- 2020 ₦478.8bn
- 2019 ₦395.4bn

Cash flow from operations
₦682.9bn +41.2%
- 2021 ₦682.9bn
- 2020 ₦483.5bn
- 2019 ₦392.3bn

Profit after tax
₦364.4bn +32.0%
- 2021 ₦364.4bn
- 2020 ₦276.1bn
- 2019 ₦200.5bn

Net debt/EBITDA
0.33x
- 2021 0.33x
- 2020 0.71x
- 2019 0.58x

Total dividends per share
₦20.00 +25%
- 2021 ₦20.00
- 2020 ₦16.00
- 2019 ₦16.00

Dangote Cement completed tranche II of the buy-back programme on 20th January 2022, buying back 0.74% of its shares outstanding (126,748,153 shares) at an average price of ₦276.89 per share. Following the completion of tranche I and II, the Company has bought back 0.98% (166,948,153 shares) of its shares outstanding.

Over the past 11 years DCP has paid over ₦1.6 trillion in dividends to shareholders.

Outstanding financial performance

Revenue 19% 11-year CAGR
EBITDA 18% 11-year CAGR
Dividend 20% 11-year CAGR
Robust export strategy

Our vision is for West and Central Africa to be cement and clinker self-sufficient. We fulfilled this goal in our home country, Nigeria, which has gone from being one of the largest importers of cement, to become self-sufficient and now an exporter of cement and clinker.

Our export strategy

- Nigeria has a relative abundance of quality limestone especially in key southern regions near to demand centres and export facilities.
- Absence of limestone in much of West Africa, especially coastal states, forces those countries to import bulk cement or its intermediate product, clinker, usually from Asia and Europe.
- Dangote Cement is deploying an “export to import” strategy to serve West and Central Africa from Nigerian factories – making the region cement self-sufficient.
- In May, we recommenced clinker exports from both our Onne and Apapa terminals, in Nigeria. We achieved seven clinker shipments, with a total volume of 197Kt.
- 706Kt of cement was exported by road out of Nigeria.

Long term

In the long term, we believe that the African Continental Free Trade Area (AfCFTA) will give Dangote Cement the opportunity to leverage high-quality limestone reserves and production assets to serve African markets still importing cement and clinker. The financial upside of higher fixed costs absorption is expected to continue driving performance increase in Nigeria and abroad in the coming years.

Cement demand in West and Central Africa – a vast opportunity for Dangote Cement

Our vision is for West and Central Africa to become cement and clinker self-sufficient. This will notably contribute to the improvement of regional trade within the ECOWAS region and beyond with AfCFTA. Nigeria can serve a potential market of 15 countries, 350 million+ people with high-quality and competitively priced clinker. The Global Cement Report estimates that West Africa imported over 20.4 million tonnes of cement and clinker in 2021. Dangote Cement welcomes the strong dynamics driven by the AfCFTA which supports our vision.

Dangote Cement will make the regional and continental free trade agreements a reality.

Cement exported

706Kt
2020: 149Kt

Clinker exported

197Kt
2020: 197Kt
Dangote Cement has production capacity of 51.6 million tonnes per year across 10 countries in Sub-Saharan Africa. We have integrated factories in 7 countries, a clinker grinding plant in Cameroon, and import and distribution facilities for bulk cement in Ghana and Sierra Leone. Together, these operations make us the largest and leading cement producer in Sub-Saharan Africa.

Our values
Our values are Service, Leadership, Entrepreneurship and Excellence which are all linked to “The Dangote Way”.
Read more on pages 14 to 15

Our vision
To be a global leader in cement production, respected for the quality of our products and services and for the way we conduct our business.
Read more on pages 6

Serving our local economies
Based in Nigeria, we operate in many of Sub-Saharan Africa’s key cement markets and through regional integration help the continent become self-sufficient in this basic commodity.
We look for markets that have ample limestone, thriving economies, growing populations and a pressing need for housing and infrastructure.

Types of operations
- Integrated
- Import
- Clinker grinding
Dangote Cement has production capacity of 51.6 million tonnes per year across 10 countries in Sub-Saharan Africa.

<table>
<thead>
<tr>
<th>Country</th>
<th>Estimated market share</th>
<th>Capacity (Mta)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Nigeria</td>
<td>Mid-60s</td>
<td>35.3</td>
</tr>
<tr>
<td>2. Tanzania</td>
<td>28%</td>
<td>3.0</td>
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<tr>
<td>3. South Africa</td>
<td>Cannot be published</td>
<td>2.8</td>
</tr>
<tr>
<td>4. Ethiopia</td>
<td>34%</td>
<td>2.5</td>
</tr>
<tr>
<td>5. Cameroon</td>
<td>34%</td>
<td>1.5</td>
</tr>
<tr>
<td>6. Congo</td>
<td>53%</td>
<td>1.5</td>
</tr>
<tr>
<td>7. Senegal</td>
<td>20%</td>
<td>1.5</td>
</tr>
<tr>
<td>8. Zambia</td>
<td>30%</td>
<td>1.5</td>
</tr>
<tr>
<td>9. Ghana</td>
<td>5%</td>
<td>1.5</td>
</tr>
<tr>
<td>10. Sierra Leone</td>
<td>25%</td>
<td>0.5</td>
</tr>
</tbody>
</table>

Dangote Cement Plc Annual Report 2021
Dear fellow stakeholders

I am pleased to welcome you to the 13th Annual General Meeting of Dangote Cement Plc. It is an honour to be here with you today to present yet another unprecedented result, albeit the challenges brought by the lingering pandemic. 2021 was undoubtedly a transformative year, as the world adjusted to living with COVID-19, economic recovery emerged from the 2020 recession. Sub-Saharan Africa was not left behind, growing at 4.5%, markedly improving from the 1.9% contraction in 2020. This economic rebound, infrastructural deficit and rapid urbanisation drove the double-digit cement demand we experienced in 2021.

Over the last decade, Dangote Cement has recorded exponential growth across all areas. Group volumes are now at almost 30Mta, our capacity has tripled to 51.6Mta and we export cement from five countries across Africa. As the volatile global environment propels us into a new era of uncertainties, we are fortunate that the last two years have taught us resilience, adaptability and grit. These values are what we need to face unpredictable times in the future.

Dangote Cement remains the leading cement company in Africa, well-positioned for a positive and sustainable future. We are resolute in transforming Africa, while creating sustainable value for our stakeholders. I am confident that we are well equipped for our next growth journey.

The year under review

Dangote Cement achieved its highest profit before tax in the Company’s history at ₦538.4 billion. As mentioned earlier, cement demand was robust and we recorded Group volumes of 29.3Mta, up 13.8%. Our exceptional EBITDA of ₦684.6 billion was up 43.2%, owing to our strong cost control measures. Over the last decade, EBITDA has grown by a compound annual growth rate of 18%, implying a fivefold increase and revealing a true growth story.

Due to this robust performance, the Board has recommended a dividend of ₦20.00 per ordinary 50 kobo share for your approval. This represents a 25% increase in dividend compared to the 2020 dividend of ₦16.00 per share, reinforcing our commitment to maximising shareholder value. If approved at the Annual General Meeting on 14th June 2022, it will be payable to shareholders whose names are on the Company’s register at the close of business on 30th May 2022.
Furthermore, in January 2022 the Company completed the second tranche of its buy-back programme. Dangote Cement has now repurchased 0.98% of its outstanding shares. This share buy-back programme reflects the Company’s unwavering commitment to creating value and identifying opportunities to return cash to shareholders.

Operating performance
In 2021, we began operations in our new 3Mta Okpella plant in Edo state, where we are successfully ramping up production and have contributed to creating a new industrial hub. We are actively deploying our alternative fuel strategy across all countries of operations, to optimise energy efficiency, reduce reliance on fossil fuels and ultimately reduce CO₂ emission. Whilst we focused our efforts on meeting the robust demand of our local market in Nigeria, at the expense of our export markets, we still made significant progress in our cement and clinker exports. In 2021, we exported 7 ships of clinker out of Nigeria and exported cement from 5 of our operations. Our vision is for West and Central Africa to be cement and clinker self-sufficient, while making the regional and continental free trade agreements a reality.

Our Nigeria operations sold over 18.6Mta of cement, up 16.8% year on year, growing faster than the market, thus increasing our market share. This strong demand was due to a resilient retail market and rejuvenated growth in housing and infrastructure investments. However, despite the global rise in freight cost and overall international supply chain challenges, Pan-Africa volumes were up 8.7% to 10.9Mta. In addition, our Pan-African operations achieved another record EBITDA of N88.8 billion, up 24.6%, notably supported by strong performances in Ethiopia and Senegal.

Board changes
On 14th November 2021, we sadly lost one of our Board members, my dear brother, Mr Sani Dangote. Mr Sani Dangote had been an active Board member since his appointment on 22nd July 2005. His commitment and contribution to the Board of Dangote Cement over the past 16 years will not be forgotten. Nevertheless, his legacy remains dear to our hearts.

The Board appointed Mr. Philip Mathew as the Deputy Group Managing Director effective from 15th September 2021. The Board welcomes Philip to the Dangote family and wishes him every success in his new role.

Along with our focus on strategy, we have also made progress on the effectiveness and diversity of our Board. Mrs. Halima Aliko-Dangote was appointed to the Board of Dangote Cement as a Non-Executive Director effective 26th February 2022. This brings our female Board representation to 27%, from 20% in 2020 in addition to the six different nationalities and five independent non-executive directors on our Board.

Sustainability journey
As a brand that is built on a vision to create sustainable value for stakeholders, Dangote Cement prioritises its environmental, social and governance responsibilities and understands that these ultimately translate to business sustainability. We continue our sustainability and governance efforts with our 7 Sustainability Pillars – ‘The Dangote Way’. The 7 Pillars: cultural, economic, institutional, financial, environmental, operational and social, provide the appropriate framework in which we have embedded our corporate values and strategic objectives.

Our strategy in 2021 focused on energy transition, which is a crucial enabler of sustainable development and climate resilience on the continent. We have increased our focus on alternative fuels in our energy mix. We are actively investing in installing mechanical multi-fuel systems that can process diverse types of waste. I am pleased to report that Dangote Cement has, for the third time, submitted to the Carbon Disclosure Project (CDP) and, this time, achieved a rating upgrade to B-. This demonstrates our coordinated action on climate issues. To improve our performance on transparency and disclosure, Dangote Cement became the first Nigerian listed company to report its financial results using the eXtensible Business Reporting Language (XBRL) format with the IFRS taxonomy. Our social investment transcends beyond the environment to tackle social issues through the provision of scholarships, the empowerment of SME’s and social amenities for underserved populations in the countries where we operate. We are genuinely delighted to have collaborated with communities, civil societies and the Government during the 2021 Sustainability Week, an impactful employee volunteering initiative of the Company. Through collaboration and commitment, we advanced in production capacity and ensured that this does not come at the cost of people, climate and environment.

COVID-19
We have been pragmatic in our approach to ensure the health and safety of our people. As Africa’s leading cement manufacturer, we have taken deliberate steps to deploy resources to help our communities overcome hardships during these turbulent times. Over the last two years, I have led the CACOVID initiative, a Nigerian private sector coalition against COVID-19 set up at the outset of the pandemic. In 2021, CACOVID focused on supporting the Government on oxygen supply for case management, reopening the economy and supporting the Government in its vaccination drive. We continued regular testing and aftercare for our staff, while encouraging all staff to get vaccinated. Dangote Cement remains committed to keeping its staff and communities safe by being fully compliant with health and safety measures in all our operational regions.

Outlook
I remain very optimistic about the future of Dangote Cement. Our Board is considering all strategic and financial options for the Company. We strive to improve in all areas of our organisation, and I thank all our staff for their commitment and effort toward achieving the vision of our Board and Executive Team.

Our strategy remains steadfast, focused on organic growth in Nigeria and Pan-Africa, while ensuring that Africa’s regional integration becomes a reality. We will continue to contribute to improving regional trade within Africa by building plants across West and Central Africa, therefore eliminating the need for the importation of cement. In addition, we aim to deliver superior profitability and value to our shareholders. Lastly, we remain focused on demonstrating our clear commitment to transparency around environmental impacts and strategies for action while taking coordinated steps on climate issues.

I would like to thank our shareholders, host governments, communities, staff and stakeholders at large, for the support we have received over this transformative but fulfilling year. We are grateful for your continuing faith in our Company and look forward to an exciting and productive 2022.

Aliko Dangote
Chairman
1st March 2022
What have been the main highlights and achievements in 2021?

Over the last two years Dangote Cement has reached tremendous growth in both Nigeria and across Pan-Africa operations. Despite the strong retail demand and housing construction that supported growth, I further attribute this robust performance to the commitment and dedication of all staff and executive management. Dangote Cement has been able to forge on to greater heights, even in these unprecedented times. A noteworthy achievement is our record EBITDA of ₦684.6 billion, up 43.2%; buoyed by disciplined cost control efforts that offset the heightened inflationary pressure experienced in the year. I am delighted to report that Dangote Cement experienced its strongest year across all line items, with a profit after tax of ₦364.4B, up 32.0%. This impressive performance informed the Board to recommend a 25% increase in dividend at ₦20.00 per ordinary 50kobo share.

Several milestones made 2021 a productive year. I am happy to state that in 2021 we started ramping up operations at our 3Mta Okpella plant. In May, we released our 2020 combined annual and sustainability report during our Annual General Meeting and successfully raised series 1 fixed-rate Bonds under a new ₦300 billion Debt Issuance Programme. The Securities and Exchange Commission approved the renewal of our share buy-back programme in June, and we have gone on to complete the

“I am very excited about the future of Dangote Cement. My five strategic priorities for the year ahead include growth, operational excellence, financial strength, people management, and sustainable development.”

The year so far...

May
- Resumed clinker shipment
- Bond issuance
  Successful issuance of Series 1 Fixed Rate Bonds under new ₦300 billion Multi-Instrument Issuance Programme

June
- Tanzania power plant commissioning
  Commissioning of second gas fired power plant in Tanzania
- Commercial paper programme
  Establishment of a new ₦150 billion Commercial Paper Programme

August
- Rating upgrade to B-
  Dangote Cement’s CDP Climate Rating Upgraded to B for the Company’s commitment to climate change

September
- Sustainability Week
  Theme: “Building a Sustainable Future: The Dangote Way”

The year so far...

May
- Virtual AGM
  Released our 2020 combined Annual and Sustainability Report

June
- Share buy-back renewal
  Buy-back programme renewal approved by the Securities and Exchange Commission

June
- Financial results released in XBRL format
  The first Nigerian listed company to report its financial results in XBRL format using IFRS taxonomy

December
The year so far...

with stakeholders.

on health and safety measures in all our engagements.

new variants emerging. We upheld the structures we put in place and cement. Countries importing clinker such as Cameroon and
costs, which resulted in the volatility in the landing cost of clinker.

We experienced supply challenges and increased sea freight
pressures on most of our cost lines.

absorption across the Group enabled the offsetting of inflationary
productivity of the new assets deployed, and better-fixed cost
cost control measures. Our plant efficiency initiatives, high
inflation was at 16.95% in 2021. Nevertheless, we closely monitored
pressure, especially in our domestic market Nigeria where average
2021, while others were due to macro-economic inflationary
these cost pressures were due to the depreciation of the Naira
significant increase in our energy cost and spare parts. Some of
inflationary pressure across our cost lines. We experienced a
One of the biggest challenges we faced in 2021 was the increased
pressures from the abnormal designs, and the increased sea freight
costs, including insurance, significantly increased our landed cost.

Furthermore, we continued testing and aftercare while
encouraging all our staff to get vaccinated. Dangote Cement
remains committed to protecting our team members and
communities by being fully compliant with local laws and
regulations.

How have your sustainability efforts developed over the year?

In 2021, our sustainability agenda remained firmly on track and in line with our strategic priorities. I will highlight our continued sustainability and governance efforts, structured around the ‘The Dangote Way’.

Our institutional pillar defines our strong governance framework with a focus on Board member diversity. We are pleased to announce the appointment of two new board members, Mr. Philip Mathew, the Deputy Group Managing Director, with effect from 15th September 2021, and Ms. Halima Aliko-Dangote as a Non-Executive Director with effect from 26th February 2022. As such, we now have a 27% female Board member representative on our Board. We have made significant improvements to our environmental pillar by strengthening our alternative fuel initiatives. It focuses on leveraging the circular economy business model, optimising costs, and sustainably reducing exposure of our cash cost base to foreign currency fluctuations. So far, our plants are currently procuring and installing alternative fuel equipment that can process diverse types of waste. In 2021, we co-processed waste lubricants, biomass, industrial waste, scrap
tyres, and fly ash. Thanks to various programs deployed across all territories of operations, we have also registered a decline in our energy consumption per tonne compared to the same period last year. Our social pillar shows our social investments in 2021, having spent ₦249 billion on CSR across our operations.

As Africa’s leading cement producer, we are leading the way with our commitment to sustainability and best practices. We are driven by the goal of achieving the highest level of governance and building a sustainable brand for all stakeholders. Transparency and consistency are at the core of every part of our business culture.

What were your biggest challenges in 2021, and how did you manage to overcome them?

One of the biggest challenges we faced in 2021 was the increased inflationary pressure across our cost lines. We experienced a significant increase in our energy cost and spare parts. Some of these cost pressures were due to the depreciation of the Naira from ₦401/US$ at the end of 2020 to ₦424/US$ at the end of 2021, while others were due to macro-economic inflationary pressure, especially in our domestic market Nigeria where average inflation was at 16.95% in 2021. Nevertheless, we closely monitored all our cost lines and working capital needs through our disciplined cost control measures. Our plant efficiency initiatives, high productivity of the new assets deployed, and better-fixed cost absorption across the Group enabled the offsetting of inflationary pressures on most of our cost lines.

We experienced supply challenges and increased sea freight costs, which resulted in the volatility in the landing cost of clinker and cement. Countries importing clinker such as Cameroon and those importing cement such as Ghana and Sierra Leone faced challenges due to freight prices and material price volatility. Lastly, the COVID-19 pandemic persisted into 2021, with various new variants emerging. We upheld the structures we put in place in 2020 to manage the pandemic and maintained a strong focus on health and safety measures in all our engagements with stakeholders.

What is the outlook for Dangote Cement in 2022?

I am very excited about the future of Dangote Cement. My five strategic priorities for the year ahead include growth, operational excellence, financial strength, people management, and sustainable development. I am dedicated and focused on fulfilling this strategy in 2022 and beyond.

As the world faces further uncertainty, inflation and scarcity of raw materials are bringing new challenges. I take pride in our successes and acknowledge our ability to adapt to the fast-changing environment. Our goal to be the partner of choice for those transforming Africa, while creating sustainable value for our stakeholders remains firm and clear. Despite operating in a challenging and fast-moving environment, Dangote Cement consistently delivers superior profitability to the shareholders. The robust demand experienced across the continent despite the COVID-19 related challenges, confirm the powerful potential of these markets. I would like to thank all our investors for your continued trust and support in our business. I look forward to an exciting year ahead.
Sustainability, the Dangote Way

As the global COVID-19 pandemic forces individuals and companies to adapt to the new normal, Environmental, Social & Governance initiatives have gained the business world’s attention as a better way of achieving societal outcomes. Despite these ever-changing circumstances, I am proud to report that 2021 heralded remarkable growth in the sustainability journey of Dangote Cement in Pan-Africa. In 2021, our major thrust was to understand and leverage the ESG factors of the business to drive value.

In continuation of our support of Africa’s urbanisation, we ramped up our investment in infrastructural development in 2021 with several construction projects such as roads in Tombel-Doula, Cameroon, the completion of Nigeria’s longest rigid pavement, the 43km Obajana-Kabba road located in Kogi State and support for the construction of 300,000 homes under the government’s Mass Housing Programme. Our support for industrialisation and entrepreneurship in 2021 was not only demonstrated on a macro scale but also on a micro-scale. We supported the Gateway International Trade Fair, in Ogun state capital, Abeokuta. Similarly, Dangote Cement, Okpella contributed to the creation of the new industrial hub in Edo state, Nigeria. Small and medium scale enterprises in our host communities benefitted through schemes such as the donation of tricycles in Obajana, the Community Youth Empowerment Scheme in Ibesi.

Among the various community interventions implemented were scholarships to members of Mbayion community in Benue State, Obajana Kogi State and Ibesi Ogun State. Access to health was not left out on our lists, as the Iwaa community in the Lokoja local government area of Kogi State gained a new health facility. Other social investments include borehole facilities, education infrastructure were built by the Transport Division of the Dangote Cement plants across Pan-African countries. In 2021 the Dangote Sustainability Week adopted the theme of the 76th Session of the UN General Assembly (UNGA 76), which is “Building resilience through hope to recover from COVID-19, rebuild sustainably, respond to the needs of the planet, respect the rights of people”.

We also marked the United Nations 2021 World Environment Day with the theme “Ecosystem Restoration” by demonstrating our love for the environment through awareness creation and advocacy.

As a member of the Global Cement and Concrete Association (GCCA), we join the collective commitment of the world’s leading cement and concrete companies to fully contribute to building the sustainable world of tomorrow. In confirmation of our commitment to climate action and continuous improvement process for reaching sustainability goals in 2021, the Carbon Disclosure Project (CDP) raised the Company’s rating from C to B-.

We are pleased that our efforts are being recognised locally and globally but we continue to strive to improve on our environmental, social and governance (ESG) processes. My appreciation goes to our employees, customers, investors, suppliers and communities who have contributed to the sustainability outcome presented in this document. The sustainability section of this report is organised in three main sections of Environmental, Social and Governance (ESG) to reflect our actions and the data supporting our 2021 sustainability performance. I am pleased to share these success stories as well as the learning points on our journey to actualising our 7 Sustainability Pillars ... The Dangote Way. I present to you a report of our modest efforts to support sustainable development in Africa.

“As a member of the Global Cement and Concrete Association (GCCA), we join the collective commitment of the world’s leading cement and concrete companies to fully contribute to building the sustainable world of tomorrow.”

Igazeuma Okoroba
Head, Sustainability, Dangote Cement
Dangote Cement is a member of several global initiatives and alliances. The added value of these alliances is integrated into our strategic 7 Sustainability Pillars, creating benefits for our operations, shareholders and communities. Driven by the goal of achieving the highest level of governance, the 7 Sustainability Pillars are embedded in our corporate culture and guide our approach to building a sustainable business.

The Sustainability Pillars include cultural, economic, operational, social, environmental, financial and institutional.

Our sustainability strategy also aligns with the United Nations Sustainable Development Goals (SDGs). The UN SDGs are a call for action to promote prosperity while protecting the planet. Although Dangote Cement pledges commitment to all 17 SDGs, as they all have some degree of connection to our business, the business identifies 7 specific goals which have the greatest potential for lasting impact on our business strategy. Our 7 priority SDGs are aligned with the 7 Sustainability Pillars, also known as “The Dangote Way”.

**Our materiality assessment process**

1. Quantitative data collection, control and analysis
2. Identification of material sustainability indicators
3. Prioritisation and ranking of sustainability indicators
4. Preparation of materiality matrix
5. Final report with recommendations and roadmaps
The 7 Sustainability Pillars

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

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

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

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

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

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

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

Aligned to the UN Goals

<table>
<thead>
<tr>
<th>SDGs x 7</th>
<th>8</th>
<th>11</th>
</tr>
</thead>
<tbody>
<tr>
<td>SDGs x 7</td>
<td>8</td>
<td>16</td>
</tr>
<tr>
<td>SDGs x 7</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>SDGs x 7</td>
<td>4</td>
<td>5</td>
</tr>
</tbody>
</table>

Reporting practice
This report is written in accordance with the requirements of the 2021 GRI Sustainability Reporting Standards disclosures and principles. The Environmental, Social and Governance indicators presented in the report are based on the GRI Sustainability Reporting Standards and the principles of Nigerian Exchange Group’s Sustainability Disclosure Guidelines. It covers our performance for the period of 1st January 2021 to 31st December 2021. Due diligence was exercised on the data presented during collation and analysis.

The report scope and boundary covers all operations of DCP in Nigeria and Pan-Africa including Cameroon, Congo, Ethiopia, Ghana, Senegal, Sierra Leone, South Africa, Tanzania and Zambia. Our approach to Sustainability Reporting is to focus on material issues and activities in line with stakeholder concerns and relevance to our business and society in terms of context, completeness and balance. We strive for optimal accuracy, timeliness, clarity and reliability in the way we communicate.

The sustainability section of the report has been divided into three sections, the Environment, Social and Governance (ESG) sections for easy accessibility to our stakeholders and investors. Though sectionalled, the report underlines the progress of our performance in all of our sustainability strategic pillars which include, Social, Economic, Environment, Operational, Cultural, Financial and Institutional. As in previous years, we have combined our Annual Report and Sustainability Report in furtherance of our integrated reporting approach.

Based on reporting requirements, we conducted materiality assessment surveys and stakeholder engagement exercises to understand key issues of critical concern to our stakeholders. The issues identified as well as our economic, environmental and social impact determined the material topics in this report. Other local and global sustainability standards referenced in this report include Global Cement and Concrete Association (GCCA) Sustainability Principles and Guidelines, United Nations Global Compact (UNGC) Principles, Sustainable Development Goals (SDGs), Securities & Exchange Commission (SEC) Code of Corporate Governance and the Nigerian Exchange Group (NGX) Sustainability Disclosure Guidelines. This further lends credence to the report and showcases our efforts at adhering to best practices. External assurance was carried out by Deloitte on some indicators using the ISAE 3000 Standards to further add a layer of validation and credibility to the report. The report has been presented for the Content Index – essentials service with GRI service mark obtained.
Environment

Environment: Expressing our care

for the environment and how we address the challenges of climate change. We embed sustainable practices in operations to address the challenges of climate change through energy efficiency, water usage and emissions control.

Environmental standards and material issues

Our Environmental Pillar defines our ways of entrenching environmental sustainability by identifying, measuring and mitigating actual and potential environmental impacts of operations. Our goal is continuous improvement of performance on energy efficiency, waste management, water consumption, greenhouse gas emissions. The business leverages opportunities in environmental stewardship, such as efficiencies in alternative fuel, and the circular economy model.

Dangote Cement is a member of the Global Cement & Concrete Association (GCCA) and subscribes to the GCCA Sustainability Guidelines. The GCCA issues performance enhancement guidelines, gathers and publishes data on the industry’s sustainability commitments, and initiates research climate change and energy, social responsibility, environment and nature, circular economy, and health and safety. Alignment with the GCCA supports our plans towards improved business practices and processes for the preservation of air and water quality, as well as efficiency in the utilisation of energy and natural resources. Our business activities are undertaken with conscious thoughts for our natural environment and the need to consistently enhance our environmental stewardship while also leveraging the opportunities that this presents. While there are environmental fallouts from our business operations, including dust pollution, CO₂ emission, and so on, we remain committed to continually improving our environmental stewardship.
Our climate response strategy
Versatile and long-lasting concrete structures are required for climate-resilient construction. The threats of climate change as outlined in the Paris Agreement of the United Nations Framework Convention on Climate Change (UNFCCC) however makes it imperative for the cement industry to set out its plan for decarbonisation. Dangote Cement acknowledges the challenges of reducing its specific CO₂ emissions, owing to heavy dependence on fossil in limestone-based clinker, where the demand for cement is high in the market. Nonetheless, we have adopted a two-pronged response to climate change: laying a foundation for climate action through a climate risk register and the exploration of alternatives for reducing CO₂. The climate risk register supports the management of associated environmental and financial risk, and recommends implementation of control measures. This is supported by an ESG metrics-based system which assesses current and potential future CO₂ emissions of our operations in 14 plants across Africa. The Company increased financial investment in projects, exploring low-carbon fuels, such as biomass as substitutes for fossil fuels in heating limestone and clay, while remaining open to emerging technologies to support our commitment towards CO₂ reduction.

How we performed on environment: energy, emissions, water and wastes
In the past three years we have disclosed our environmental performance through the Climate Disclosure Project (CDP) and a GRI standards framework. Our third CDP report published in 2021 obtained an improved rating from C to B-. This rating reflects our improvement in governance, risk management processes and disclosures, emissions reduction initiatives, and business strategy.

CDP rating upgraded to B-
- Submission to Carbon Disclosure Project (CDP)
- Rated “B-” by CDP on our carbon disclosure for 2021
- One of the highest ratings in Sub-Saharan Africa and the only Nigerian company rated by CDP
- In 2021 DCP became a CDP supporter

“As a mission-based non-profit that runs the global environmental disclosure system, CDP greatly values the support of Dangote Cement. Action this decade is critical to ensuring that we can limit global warming to 1.5°C and safeguard our planet’s natural resources. Quite simply what is measured can be managed. Through its 2021 disclosure to CDP, Dangote Cement has demonstrated its clear commitment to transparency around its environmental impacts and its strategies for action. This benefits the Company as well as its shareholders, customers and employees alike.”

Sonya Bhonsle
Global Head of Value Chains & Regional Director Corporations, CDP

Energy consumption
The manufacturing of cement is an energy-intensive process, with a large proportion of production costs spent on fuel sourcing for kilns operations. Our kilns, like others in the industry, require high energy for the conversion of raw materials such as limestone, laterite and other minerals into clinker in a heat-intensive process known as sintering. Sintering is an energy-intensive process that occurs at about 1450°C. We acknowledge the fact that the amount of energy consumed cannot be outrightly reduced. Hence our corporate strategy and commitment are to enhance our investments in alternative fuel sources and energy-saving initiatives, focusing on cleaner energy.

Across all our locations, total energy consumption in 2021 was 101,355,380 GJ, an increase of 9.55% year on year, relative to 2020. This rise was basically due to a significant increase in total production output compared to 2020, the resumption of production from our Gboko plant, and increased output from Obajana and Tanzania, as detailed in our production output section of this report. With 68.51% of the total, our Nigeria operations which host the larger part of our total cement production was the highest energy consumer in the year under review.
**Energy consumption continued**

Despite the increase in total energy consumption, thermal energy consumed per tonne reduced to 849.18 Kcal/kg in 2021 compared to 894.13 cal/kg in 2020. The energy sources used across DCP’s operations come from a very diverse mix of fuels such as Petroleum Coke/Coal mix, Coal, Natural Gas, Diesel, Petrol, LPFO, Electricity and Alternative Fuels (e.g., waste oil, tyres chips, carbon black, ultra-fine coal, biomass, etc.). In 2021, the use of alternative fuel sources increased by 69% accounting for 151% of the total fuel mix compared to 0.89% in 2020.

Following this, DCP is working towards a gradual transition aimed at reducing energy consumption in operations while increasing the use of alternative fuel sources and reducing dependence on Petroleum Coke/Coal mix and Coal.

<table>
<thead>
<tr>
<th>Year</th>
<th>Total energy consumption (GJ)</th>
<th>Percentage increase (+) or decrease (-)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019</td>
<td>79,976,174</td>
<td>-1.56%</td>
</tr>
<tr>
<td>2020</td>
<td>92,515,735</td>
<td>15.68%</td>
</tr>
<tr>
<td>2021</td>
<td>101,355,380</td>
<td>9.55%</td>
</tr>
</tbody>
</table>

**Efforts on emissions**

It is common knowledge that the cement manufacturing industry is one of the hard-to-abate industries due to the amount of energy utilised and the carbon dioxide emitted. Dangote cement plants are however designed using cutting-edge technology to achieve product quality and energy efficiency.

Dangote Cement recognised the effects of greenhouse gas emissions on the ecosystem. The table below shows the direct CO$_2$ emission per tonne increased slightly in 2021 to 660.57 kg CO$_2$/tonne from 648.38kg CO$_2$/tonne in 2020. As reported previously the Gboko Plant in Nigeria which was previously not operational resumed production in 2021 contributed to increased production output and invariably CO$_2$ emissions (Scope 1).

<table>
<thead>
<tr>
<th>Year</th>
<th>Total direct CO$_2$ emission / tonne</th>
<th>Percentage increase (+) or decrease (-)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2020</td>
<td>648.38</td>
<td></td>
</tr>
<tr>
<td>2021</td>
<td>660.57</td>
<td>1.9%</td>
</tr>
</tbody>
</table>

**Managing our water**

Cement production is generally regarded as a “dry” process because a relatively low amount of water per unit of the finished product is utilised. However, we know that water is fundamentally a vital resource with a significant impact on lives and livelihood. For this reason, Dangote adopts sustainable water resource management in our operations. Total water consumption in 2021 for all operational locations is reported as 8,131,204 cubic metres (m$^3$), 19.8% higher than the consumption of 6,789,816 cubic metres (m$^3$) in 2020. Water consumed per tonne of cement increased slightly by 3.9% to 285 m$^3$/tonne in 2021 compared to 274 m$^3$/tonne in 2020. Of the total water consumed, ground water, dam and quarry water sources account for the largest percentage by sources at 47.4%, 22.92% and 21.73% respectively while other water sources such as Surface water, Rainwater and Municipal water accounts for the remaining 7.97% cumulatively.

Biomass used as alternative fuel
Percentage based on sources – 2021 total water consumption/utilisation

<table>
<thead>
<tr>
<th>Source</th>
<th>Percentage</th>
<th>2021 (m³)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Groundwater</td>
<td>47%</td>
<td>6,181,483</td>
</tr>
<tr>
<td>Dam</td>
<td>23%</td>
<td>5,515,388</td>
</tr>
<tr>
<td>Quarry</td>
<td>22%</td>
<td>1,388,329</td>
</tr>
<tr>
<td>Municipal water</td>
<td>8%</td>
<td>1,200,458</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>8,131,204</td>
</tr>
</tbody>
</table>

Total water consumption/utilisation (m³)

<table>
<thead>
<tr>
<th>Location</th>
<th>2021</th>
<th>2020</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>8,131,204</td>
<td>6,789,816</td>
<td>6,678,752</td>
</tr>
<tr>
<td>Nigeria – Obajana</td>
<td>1,388,329</td>
<td>1,200,458</td>
<td>1,194,117</td>
</tr>
<tr>
<td>Nigeria – Ibese</td>
<td>987,363</td>
<td>890,664</td>
<td>867,101</td>
</tr>
<tr>
<td>Ethiopia</td>
<td>286,878</td>
<td>204,776</td>
<td>192,728</td>
</tr>
<tr>
<td>Senegal</td>
<td>1,183,920</td>
<td>1,139,063</td>
<td>1,132,297</td>
</tr>
<tr>
<td>Tanzania</td>
<td>11,240</td>
<td>3,763</td>
<td>618</td>
</tr>
<tr>
<td>South Africa</td>
<td>975,643</td>
<td>890,664</td>
<td>867,101</td>
</tr>
<tr>
<td>Nigeria – Gboko</td>
<td>1,388,329</td>
<td>1,200,458</td>
<td>1,194,117</td>
</tr>
<tr>
<td>Zambia</td>
<td>890,664</td>
<td>782,536</td>
<td>742,215</td>
</tr>
<tr>
<td>Congo</td>
<td>1,183,920</td>
<td>1,139,063</td>
<td>1,132,297</td>
</tr>
<tr>
<td>Cameroon</td>
<td>11,240</td>
<td>3,763</td>
<td>618</td>
</tr>
<tr>
<td>Ghana</td>
<td>618</td>
<td>618</td>
<td>618</td>
</tr>
<tr>
<td>Sierra Leone</td>
<td>618</td>
<td>618</td>
<td>618</td>
</tr>
</tbody>
</table>

2021 total direct CO₂ emissions (tonnes CO₂) (Scope 1) per location

<table>
<thead>
<tr>
<th>Location</th>
<th>2021 (tonnes CO₂)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nigeria – Obajana</td>
<td>6,181,483</td>
</tr>
<tr>
<td>Nigeria – Ibese</td>
<td>5,515,388</td>
</tr>
<tr>
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<td>3,763</td>
</tr>
<tr>
<td>Sierra Leone</td>
<td>618</td>
</tr>
</tbody>
</table>

Protecting the ecosystem of waste

Our waste management practices include activities and actions geared towards managing waste materials produced along our value chain from its generation to its final disposal. This includes the collection, transportation, treatment and recycling, as required. We view waste management from not just regulatory and monitoring perspectives, in line with applicable laws in the countries where we operate but also as our commitment to preserving the ecosystem.

Effective waste management within our plants helps to mitigate potential adverse effects on human health (employees, host communities), the environment, planetary resources and aesthetics. Some of the waste generated is disposed of through waste disposal organisations duly accredited by government regulatory agencies while some are diverted for use in kilns as alternative fuel sources or raw materials.

In 2021, the total non-hazardous and hazardous waste generated across our plants was 8,669 tonnes and 7,717 tonnes respectively.

Waste summary

<table>
<thead>
<tr>
<th>Waste Type</th>
<th>2021 (tonnes)</th>
</tr>
</thead>
<tbody>
<tr>
<td>All types</td>
<td>16,386</td>
</tr>
<tr>
<td>Non-hazardous waste</td>
<td>8,669</td>
</tr>
<tr>
<td>Hazardous waste</td>
<td>7,717</td>
</tr>
</tbody>
</table>

“Thermal energy consumed per tonne reduced to 849.18 Kcal/kg in 2021 compared to 894.13 cal/kg in 2020.”
From efficiency to operational transformation

Due to rising input costs and growth prospects of the business in 2021, the Company adopted a plant operational transformational approach. This approach aimed to offset the continual increase in input costs and minimise the producing cost through optimised operations. Our strategy for incorporating modern processing techniques to achieve greater operational efficiency relied on improving capacity utilisation, energy savings, improved environment, use of by-products, wastes, alternative raw materials and fuel as well as meeting market requirements in terms of quality.

Achieving improved operational efficiency is one of our key environmental sustainability objectives, aimed at reducing operational costs and consumption of production resources, while also minimising CO₂ emitted from our operational processes. This will systematise the effective management of energy in our operations.

The majority of our plants were built in the last 15 years and designed to be intrinsically efficient by adopting cutting-edge technology in cement production. Innovative technologies in our plants include: (i) vertical roller mills for raw material, coal and cement grinding, which are 40–50% more efficient than traditional ball mills; (ii) pre-heater and pre-calcinate plants which are regarded as the most efficient technology in the cement industry; (iii) mechanical material transport and transfer system equipped only with conveyors and bucket elevators, which are up to 80% more efficient than the traditional pneumatic systems; (iv) major process fans provided with Variable Frequency Drives (VFD) to vary the ventilation rate based on the actual demand/operating conditions, which can reduce the input power by 40-80% (depending on the % flow rate), compared to more traditional dampers; and so on.

Also, at Dangote Cement, we use large, modern rotary kilns equipped with “pre-heaters” that use exhaust gases from the kiln to heat raw materials as they pass down the pre-heater tower to the kiln. Using these modern heat recycling systems helps reduce the time spent in the kiln and the amount of fuel used to convert raw material into clinker, as it guarantees that the raw material is heated to about 900°C before it enters the kiln. This process is good for costs and the environment, resulting in less CO₂ emissions per tonne of clinker and cementitious material produced at Dangote Cement.

Overall, these measures have resulted in operational cost savings and natural resource efficiency in our cement production, compared to traditional and less modern plants.

On guard for continuous improvement

As the largest cement manufacturer in the African continent and due to the geographical spread of our operational plants, we are subject to numerous local, regional and national environmental management and compliance regulations. Aside from being a regulatory requirement, we are committed to maintaining good environmental management standards and compliance with all relevant environmental regulations in the countries where we operate. Our commitment is in line with the principle of continuous improvement and protecting the environment for our collective good, particularly at and around our operation sites.

We are committed to complying with all applicable laws and regulations in countries where we operate and ensuring that our operations align with the Group-wide environmental policies that are designed in line with relevant international best practices on environmental management. In 2021, we obtained a total of 297 environmental related permits, accreditations and approvals to ensure compliance with our operations. In the year we recorded no material incidents of environmental non-compliance (including fines, penalties, or sanctions) reported in our operations.

In addition to achieving compliance with relevant regulations (i.e., permits, accreditations and licences), we obtained for some plants ISO 14001:2015 EMS certification to provide an external assurance for existing environmental management systems. We also obtained approvals for Environmental & Social Impact Assessment (ESIA), Exploration Licences, as well as executed Environmental Compliance Monitoring. We understand the consequences of non-compliance with EMS standards and environmental laws threatens shareholders’ earnings and affects our relationship with host communities.
A precautionary approach to environmental management

As part of our precautionary measures, new projects and/or any significant modification of existing plant, were preceded by a comprehensive Environmental & Social Impact Assessment (ESIA) to identify and mitigate potentially significant environmental impacts and risks that are involved, as required by local regulations and Group policies and international standards.

With regards to the Precautionary Principle in our operations, we are committed to investing in innovative technologies, providing adequate responses and putting in place effective methods for dealing with risks and uncertainties in environmental management.

Structured and independent environmental audits by our Group environmental management team and external parties (such as Control Authorities, Certification Bodies, etc.) are carried out on a routine basis to ascertain the site Environmental Management System (EMS) effectiveness and the necessary improvement actions. We recognise the importance of managing the environmental impacts resulting from our activities and investing in technologies and innovations that would enable us to improve our environmental footprints.

Managing our carbon footprint

Climate change is one of the major challenges of society in the 21st century and Dangote cement has a role to play in meeting this challenge. The Company commits to improving its carbon footprint by following guidelines for monitoring and reporting processes using applicable protocols considered most relevant for the cement industry. In 2021, CO₂ data integrity has improved, evident in improved CDP rating from C to B-.

As part of actions to combat climate change, world leaders, policymakers, stakeholders, climate advocates gathered for COP26 in November 2021. At the event, the GCCA made a start on engagements from the launch of her Concrete Future Roadmap for Net Zero Concrete. Dangote Cement's participation in the GCCA event “From Global Commitment to Local Action” aimed to understand the roadmap, align with other members on the decarbonisation mission and drive local action to secure positive policy support in countries of operation.

Harnessing alternative fuels for circular economy

The co-processing of alternative fuels in cement manufacturing to replace fossil fuels is a long-standing contribution of the business towards a circular economy. In 2021, a permit to co-process alternative fuel in kilns was obtained for all plants except Ethiopia, which is an on-going effort. Following this, full mapping of waste materials was done in Nigeria and Pan-Africa plants. Sensitisation and capacity building for Plant personnel was also critical for improving the uptake of waste for alternative fuel. The Company co-processed 89,000 tonnes of waste in kilns that could have ended up in landfills. As additional feeding equipment was being procured and installed across sites, host communities are targeted in the sourcing of wastes. This provides an important service to communities in making beneficial use of a range of society’s waste and by-products. The Company is well on track to improve thermal substitution rate (TSR) through the installation of equipment as a way of strengthening Plant waste management resources.

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Alternative fuel value chain

<table>
<thead>
<tr>
<th>AFR sourced from Dangote operation</th>
<th>AFR sourced from the communities</th>
</tr>
</thead>
<tbody>
<tr>
<td>AFR transported to the plant</td>
<td></td>
</tr>
<tr>
<td>AFR is off-loaded in designated area</td>
<td></td>
</tr>
<tr>
<td>AFR is fed into the feeding system</td>
<td></td>
</tr>
<tr>
<td>AFR is co-processed in the kiln leaving zero waste</td>
<td></td>
</tr>
</tbody>
</table>
Focus on alternative fuel project

Circular economy model
We have increased corporate focus and strategy by committing to the use of alternative fuel sources in our energy mix.

Alternative Fuel Project
So far this year, DCP’s plants are installing AF equipment (Mechanical Multi-Fuel systems) that can process diverse types of wastes:

- Thermal substitution rate is estimated at 2.6% for FY 2021 vs. 1.7% in FY 2020
- DCP co-processed 89,000 tonnes of waste in 2021, an increase of 60% over 2020

Wastes co-processed include:
1. Waste lubricants
2. Biomass/Agro wastes (Rice Husks, Palm kernel shells, peanuts shell, Cashew Nut shell, Coffee Husk, Sawdust)
3. Industrial wastes (Paper waste, waste plastics)
4. Scrap tires
5. Fly ash

Benefits
- Lower CO₂ emission
- Alternative energy sourced from environment reduces cost and supports local economies
- Lower dependence on foreign currencies
- Sustainable waste management

Dangote Cement Tanzania launches the first CNG trucking station in East Africa
Dangote Cement Tanzania has paved the way by successfully launching its first CNG station on 5th March 2021 at its cement plant in Mtwara. The CNG station, with a capacity of 5,000 standard cubic metres per hour (equivalent to 5,000 litres of AGO) will be used to provide clean, safe and lower cost fuel to its 250 trucks. The trucks were converted to run on two fuels at the same time, AGO and CNG. The station’s capacity will be sufficient to support the Company’s future fuel strategy including the use of 100% CNG for trucks on major dedicated routes.

This station will optimise efficiency through cost-effectiveness and increased sustainability practices. With lengthy cement delivery distances, the implementation of CNG fuel is a critical element to maximising cost-effectiveness. The use of CNG can cut fuel costs up to 40% in addition to a substantial 15% reduction in tail-pipe CO₂ emissions for dual-fuel trucks. This is a profitable and more sustainable practice in the industry.

“We are very proud of our CNG station, it is very reliable.”

Engr. Baba Abdullahi stated during the launch

The first CNG stations has been deployed in Nigeria and the business is expanding the project across the African continent.
Controlling our dust emissions

Dust emanates across the entire production value chain – raw material handling, limestone crushing, kiln processing, clinker production and storage, finished cement grinding and power utilities, cement bagging, and so on. We strive to minimise the release of dust emissions into the atmosphere and ensure compliance with both legal requirements and international standards. Dangote Cement kilns have been provided with state-of-the-art dust abatement equipment, including bag house filters and electrostatic precipitators. The state-of-the-art design combined with routine control and preventive maintenance allows us to effectively control our dust emissions and maintain the average dust emissions at the stacks in a range well below the typical regulatory threshold limits of the countries where we operate.

Compared to 2020, the dust emission in 2021 from some of our plants reduced as a result of improved routine maintenance and installation of a new dust abatement system. The dust emissions from our Ibese, Ethiopia, Senegal and Tanzania plants reduced year on year while other locations emitted more specks of dust in 2021 compared to 2020 owing to faulty bag house and filters issues which are now being addressed.

### 2021 dust emission (mg/Nm³) per location

<table>
<thead>
<tr>
<th>Country</th>
<th>2019 dust emission (mg/Nm³)</th>
<th>2020 dust emission (mg/Nm³)</th>
<th>2021 dust emission (mg/Nm³)</th>
<th>Number of kilns</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nigeria - HQ</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>Corporate Centre</td>
</tr>
<tr>
<td>Nigeria - Gboko</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>2</td>
</tr>
<tr>
<td>Nigeria - Ibese</td>
<td>39</td>
<td>87</td>
<td>60</td>
<td>4</td>
</tr>
<tr>
<td>Nigeria - Obajana</td>
<td>16</td>
<td>16</td>
<td>22</td>
<td>5</td>
</tr>
<tr>
<td>Nigeria - Okpella</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>The new operation, still under construction</td>
</tr>
<tr>
<td>Cameroon</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>No kiln</td>
</tr>
<tr>
<td>Congo</td>
<td>11</td>
<td>17</td>
<td>23</td>
<td>1</td>
</tr>
<tr>
<td>Ethiopia</td>
<td>20</td>
<td>56</td>
<td>23</td>
<td>1</td>
</tr>
<tr>
<td>Ghana</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>No kiln</td>
</tr>
<tr>
<td>Senegal</td>
<td>25</td>
<td>44</td>
<td>39</td>
<td>1</td>
</tr>
<tr>
<td>Sierra Leone</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>No kiln</td>
</tr>
<tr>
<td>South Africa</td>
<td>24</td>
<td>15</td>
<td>30</td>
<td>1</td>
</tr>
<tr>
<td>Tanzania</td>
<td>34</td>
<td>97</td>
<td>96</td>
<td>1</td>
</tr>
<tr>
<td>Zambia</td>
<td>21</td>
<td>26</td>
<td>72</td>
<td>1</td>
</tr>
</tbody>
</table>

Implementing efficient water management system

Water is fundamentally a local resource and its sustainable management requires an understanding of the specific context and drivers in each location. We know that just 2.5% of the earth's water is freshwater and that a significant rise in water demand also accompanies Africa's fast-growing population and urbanisation. Water is gradually running out in several regions around the world due to the scourge of climate change leading to dry up in some regions, rain pattern and frequency distortion, and insufficient rainfall that has resulted in severe water scarcity with heightening socio-economic crisis.

Although our operations do not require large quantities of water in comparison with other sectors, we are committed to reducing the amount of freshwater utilised in our business activities. On an operational basis, our efficient water management system involves periodically measuring our operational water footprint and making effort at reducing freshwater withdrawal and consumption through water recycling and storm water management. We understand that our responsible use of water will ensure more availability for the local communities, especially in those regions that are characterised by endemic water scarcity.

Rehabilitation of quarries and biodiversity

The first step in cement production, the extraction of raw materials from the earth's crust – inevitably has an impact on the surrounding natural and social environment. However, these impacts can be successfully mitigated through the development and implementation of a quarry rehabilitation plan which can contribute to bringing significant environmental and social benefits to the environment around operations. At Dangote Cement, we understand that companies that minimise ecological footprint and ensure the preservation of the natural capital as well as the welfare of host communities are more sustainable and give a competitive advantage.

To minimise impacts of quarry activities in 2021, Dangote developed a quarry rehabilitation plan that would address stakeholder expectations and be aligned with, or leverage from, the stakeholder view, experience, culture and customs. Through the partnerships, resourcing and engagement of stakeholders, a monitoring plan is developed ensuring the documentation and measurement of progress and performance against the objectives.

In 2021, we increased the numbers of trees planted across our operations to reduce our carbon footprints and negative environmental impacts in host communities. Over 510,636 trees were planted across 9 countries of operation, including Nigeria (Gboko, Ibese), Congo, Ethiopia, Ghana, Senegal, South Africa, Tanzania, and Zambia, accounting for an increase of over 41,000 trees from the previous year. The tree planting campaigns are part of our biodiversity restoration and measures towards combatting Climate Change and global warming, leveraging the carbon sink potentials of trees.

A carbon sequestration initiative:
Eucalyptus trees planted around the mines and coal shed of Dangote Zambia.
Social: Committed to social responsibility

At the core of our sustainability practice is our commitment to social responsibility. We are aware of the cost of doing business and the impact our activities generate on our stakeholders.

Our goal is to foster transformational change by minimising negative impacts, proffering solutions to social issues, anticipating risks, creating sustainable value for our stakeholders, strengthening our brand and ensuring operational continuity through the maintenance of our social licence to operate.
Creating sustainable impact in host communities

Our efforts to deliver sustainable and inclusive outcomes have seen us maintain strong partnerships with our different categories of stakeholders including our host communities. Through mutual collaboration, we develop strategic initiatives that align with our business priorities and meet the needs of our host communities. In the year under review, our social investment initiatives cut across education, health, economic empowerment, infrastructural support to host communities, environmental sustainability initiatives among others. We also had employee volunteering initiatives in our host communities. The table below gives a summary of social investment spending per project category. Also, we have left a lasting footprint in our host communities year upon year as reflected in our continuous social investment spending. We had a total social investment spend of ₦2.49 billion.

No political contribution was made.

### 2021 social investment

<table>
<thead>
<tr>
<th>Spending category</th>
<th>Cost of project (million Naira)</th>
<th>2021% of total (for each spending category)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2021</td>
<td>2020</td>
</tr>
<tr>
<td>COVID-19 support and donations</td>
<td>1,500.00</td>
<td>1,912.03</td>
</tr>
<tr>
<td>Health</td>
<td>69.68</td>
<td>42.68</td>
</tr>
<tr>
<td>Food and agriculture</td>
<td>82.50</td>
<td>8.52</td>
</tr>
<tr>
<td>Water/sanitation</td>
<td>24.57</td>
<td>25.40</td>
</tr>
<tr>
<td>Security and safety</td>
<td>12.07</td>
<td>323.57</td>
</tr>
<tr>
<td>Environment/climate change</td>
<td>0.66</td>
<td>5.04</td>
</tr>
<tr>
<td>Economic/SME development</td>
<td>18.88</td>
<td>44.49</td>
</tr>
<tr>
<td>People empowerment</td>
<td>38.00</td>
<td>7.20</td>
</tr>
<tr>
<td>Infrastructure (electricity, road and drainage)</td>
<td>255.31</td>
<td>137.39</td>
</tr>
<tr>
<td>Education and scholarships</td>
<td>185.53</td>
<td>184.02</td>
</tr>
<tr>
<td>Community development levy, compensation &amp; studies</td>
<td>6.81</td>
<td>4.50</td>
</tr>
<tr>
<td>Sports</td>
<td>4.41</td>
<td>4.08</td>
</tr>
<tr>
<td>Donations, support and grants to host communities</td>
<td>149.01</td>
<td>76.96</td>
</tr>
<tr>
<td>Donations and grants to government</td>
<td>54.29</td>
<td>21.16</td>
</tr>
<tr>
<td>Donations and grants to CSOs/NGOs and development bodies</td>
<td>88.41</td>
<td>55.91</td>
</tr>
<tr>
<td>Others</td>
<td>—</td>
<td>0.30</td>
</tr>
<tr>
<td><strong>Total expenditure</strong></td>
<td><strong>2,490</strong></td>
<td><strong>2,852</strong></td>
</tr>
</tbody>
</table>
Tackling COVID-19 in host communities

In 2021, we ramped up our fight against COVID-19 through several initiatives in the host communities of our different plants in Nigeria and Pan-Africa. Activities ranged from supporting host community health centres with COVID-19 PPEs, direct PPE donations to host community members and more importantly, increasing vaccination drive and ensuring that eligible members of our host community are vaccinated. We also held enlightenment campaigns targeted at demystifying the myths, fear and misinformation surrounding vaccination. Our South African plant, for example, partnered their host communities’ Department of Health to drive this campaign. Through a partnership with relevant government health agencies, we ensured that a sizable number of our host community members were vaccinated. A total amount of ₦1.5 billion was spent on COVID-19 in 2021.

Empowering our employees

At Dangote, our employees form the building block of all our accomplishments. Our efforts are channelled towards creating a workforce environment in which they are enabled to work to the best of their abilities and to unleash their full potential for the benefit of all. As such, we have established initiatives that enable them to improve their health and wellbeing both on and off our office premises, build their capacity to empower them to effectively deliver on their duties and maintain a work culture where diversity and inclusion are valued, discrimination strongly discouraged and rights of employees accorded a premium position.

Our employee profile

We have a diverse workforce that comprises professionals of different nationals, races, gender, age grade, educational level, religion, political affiliations, etc. spread across all our locations in Nigeria and Pan-Africa. We believe that our diverse pool of talents comes with an overarching advantage with regards to the diversity of opinion, experiences and knowledge which creates an atmosphere for intellectual stimulation and growth.

For the reporting year 2021, our total staff strength was 9,508 (this figure excludes the transport division). Of this number, 8,726 are males and 782 are females. Also, of the total 9,508 staff, 571 are temporary employees; while 407 are expatriates. Out of the total permanent employees, 714 are females while 7,816 are males, representing 8% and 92% of female and male employees, respectively. Also, in the year under review, our transport division consisted of 10,053 employees, bringing our total staff strength to 19,561. In terms of age categorisation, of the 9,508 staff, [excluding transport] 1,039 were in the 18 to 30 years age group; 6,766 were in the 30 to 50 years category; while 1,703 were above 50 years; representing 10.9%, 71.1%, and 17.9%, respectively. Together, employees between the ages of 18 to 50 constitute a total of 7,805, representing 82.1% of the workforce (excluding the transport division). Of the total number of permanent employees, 7,867 are in Nigerian, South African, Senegal and Ethiopian operations, out of which 608 (7.7%) are female and 7,259 (92.2%) are male of the total population in the four countries.

Educational intervention for Sant Yalla Community Pout – Senegal

Sant Yalla is a close-knit community in the southern part of Pout Senegal. It is a growing demography with an estimated 40,000 inhabitants. The community until October 2021 had no school for elementary school children. The five existing elementary schools are all located in the northern part of the municipality. To get to school, the children in the district had to contend with high-density roads with heavy vehicular traffic thereby exposing the children to the danger of accidents.

Dangote Cement Senegal privy of the situation set out to build the community an elementary school. During the 2021 Sustainability Week, the staff of Dangote Cement unveiled the brand new school which costs 47.5 million FCFA (Approximately $80,000). The school has six classrooms fully equipped with desks, an administrative block and two sanitary blocks. The opening of this school is a real relief for the new district of Sant Yallah, which is facing significant demographic and geographical expansion.

“I am very grateful to Dangote Cement Senegal for this very important achievement. We want quality education. We have to fight against the surplus of students in the classrooms and this requires the construction of new classrooms.”

Moustapha Sarr, the outgoing Mayor of the commune

<table>
<thead>
<tr>
<th>Year</th>
<th>Total social investment spending (=N=M)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2021</td>
<td>2,490,117</td>
</tr>
<tr>
<td>2020</td>
<td>2,852,000</td>
</tr>
<tr>
<td>2019</td>
<td>1,108,81</td>
</tr>
<tr>
<td>2018</td>
<td>1,287,731</td>
</tr>
</tbody>
</table>
Employee growth and turnover rate

In 2021, the total number of new hires was 1,303, compared to 656 in 2020 and 1,066 in 2019, representing a 98.6% increase from 2020.

The total number of exits was 407 compared to 982 in 2020 and 525 in 2019 representing a 58.6% decrease from 2020.

Growth and attrition (by location) – year on year Comparison

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Nigeria – HQ</td>
<td>67</td>
<td>79</td>
<td>49</td>
<td>45</td>
<td>84</td>
<td>33</td>
</tr>
<tr>
<td>Nigeria – Gboko</td>
<td>1</td>
<td>23</td>
<td>402</td>
<td>19</td>
<td>105</td>
<td>11</td>
</tr>
<tr>
<td>Nigeria – Ibese</td>
<td>285</td>
<td>103</td>
<td>338</td>
<td>36</td>
<td>331</td>
<td>60</td>
</tr>
<tr>
<td>Nigeria – Obajana</td>
<td>205</td>
<td>211</td>
<td>255</td>
<td>61</td>
<td>299</td>
<td>67</td>
</tr>
<tr>
<td>Nigeria – Okpella</td>
<td>—</td>
<td>—</td>
<td>17</td>
<td>—</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Cameroon</td>
<td>37</td>
<td>10</td>
<td>21</td>
<td>15</td>
<td>10</td>
<td>10</td>
</tr>
<tr>
<td>Congo</td>
<td>68</td>
<td>30</td>
<td>8</td>
<td>26</td>
<td>9</td>
<td>8</td>
</tr>
<tr>
<td>Ethiopia</td>
<td>31</td>
<td>35</td>
<td>12</td>
<td>21</td>
<td>12</td>
<td>26</td>
</tr>
<tr>
<td>Ghana</td>
<td>7</td>
<td>7</td>
<td>—</td>
<td>137</td>
<td>10</td>
<td>34</td>
</tr>
<tr>
<td>Senegal</td>
<td>31</td>
<td>20</td>
<td>52</td>
<td>19</td>
<td>11</td>
<td>12</td>
</tr>
<tr>
<td>Sierra Leone</td>
<td>6</td>
<td>7</td>
<td>6</td>
<td>8</td>
<td>5</td>
<td>10</td>
</tr>
<tr>
<td>South Africa</td>
<td>51</td>
<td>28</td>
<td>64</td>
<td>37</td>
<td>18</td>
<td>34</td>
</tr>
<tr>
<td>Tanzania</td>
<td>122</td>
<td>64</td>
<td>37</td>
<td>59</td>
<td>58</td>
<td>68</td>
</tr>
<tr>
<td>Zambia</td>
<td>155</td>
<td>39</td>
<td>42</td>
<td>42</td>
<td>30</td>
<td>34</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>1,066</strong></td>
<td><strong>656</strong></td>
<td><strong>1,303</strong></td>
<td><strong>525</strong></td>
<td><strong>982</strong></td>
<td><strong>407</strong></td>
</tr>
</tbody>
</table>

* Excludes transport new hire or exits

<table>
<thead>
<tr>
<th>Year</th>
<th>New hires</th>
<th>Percentage increase (+) or decrease (-) year on year</th>
<th>Exits</th>
<th>Percentage increase (+) or decrease (-) year on year</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019</td>
<td>1,066</td>
<td></td>
<td>525</td>
<td></td>
</tr>
<tr>
<td>2020</td>
<td>656</td>
<td>-38.46%</td>
<td>982</td>
<td>87.05%</td>
</tr>
<tr>
<td>2021</td>
<td>1,303</td>
<td>98.63%</td>
<td>407</td>
<td>-58.55%</td>
</tr>
</tbody>
</table>

Categorisation of employees by contract

1. Permanent 90% (8,530)
2. Temporary 6% (571)
3. Expatriates 4% (407)
A work environment where employees thrive
At DCP, we are committed to creating the right conditions to empower our employees to do their jobs with efficiency and dedication. We are well invested in the general welfare of our employees as we offer them competitive benefits and packages that contribute to their motivation and continuous productivity. Some of the benefits that we offer our employees include:

- Group Life Insurance;
- Employee Spouse Group Life Insurance;
- Workmen’s Comprehensive Insurance;
- Comprehensive Health Care;
- Paid Annual Leave;
- Parental Leave (Maternity and Paternity Leave);
- Examination Leave; and
- Children Education Support Allowance.

Also, we have formulated and enforced policies and guidelines that ensure that all employees are aligned with our expectations, understand our cultures and values, and develop harmonious relationships with their colleagues. This helps to build trust and mutual understanding across the board. Our human resources handbook contains clauses on various aspects of labour relations such as diversity and inclusion, harassment, compensation and benefits, manpower planning and recruitment, education and training, leave, travel, among others.

We also adhere to other local and global sustainability principles and standards such as the NSE Sustainability Disclosure Guidelines and our membership of the UNGC mandates that we adhere to its principles on labour and human rights.

Upholding ethical labour practices
Dangote Cement upholds the fundamental human rights principles in all the ways that we interact with people as employees, consumers, customers, suppliers, contractors, and community members wherever we conduct business. To ensure that we are living up to our commitments, we will conduct appropriate training on this policy and due diligence to identify and remedy any adverse impact that any of our operations may have.

At DCP, we consider diversity and inclusion a crucial component to build innovation, growth, and a long-term sustainable business. As such, we leverage our diversity to deliver on our vision of building a sustainable organisation by actively engaging the different experiences and unique set of competencies of our people. Presently, our Company is diverse across multiple dimensions, including ethnicity, nationality, race, culture, religion, gender, socio-economic background, physical abilities, learning styles, values and viewpoints.

In terms of diversity in age, in 2021, our staff from 18–30 years of age consisted of 10.5% of our total workforce, 72.5% represented employees between the age of 30 and 50 while 16.8% represented 50 years and above. Also, we had a total of 10 physically challenged staff in our operations in Nigeria who enjoy the equal opportunity with other staff and who are accorded the needed support to succeed and thrive in our organisation.

A leadership of diversity
Our Board consists of professionals of different ages, gender, nationality, races and religion – a leadership of diversity. Our Board’s major role is to promote the long-term success of the business for the benefit of stakeholders through sustainable development practices. The Board derives its strength partly from its diverse components, the different experiences and cultural orientation. Our Board currently consists of 15 Directors, 11 males and 4 females representing 73.3% and 26.7% respectively.

At the senior management level, we have a total number of 250 men and 24 women representing 91% and 9% respectively. Also, at the Executive Management level, we have a total of 66 men and 9 women representing 88% and 12% respectively. We remain committed to driving initiatives and creating opportunities that engender more women in strategic positions of the business.

Associating without discriminating
Ours is an environment with zero tolerance for discrimination. Rather, we apply the principle of equal opportunity, valuing diversity regardless of age, gender, disability, creed, ethnicity or origin. At all times, we ensure that merit is the ultimate basis for key human resources decisions. We have a non-discrimination policy that guides our employees in this regard. In the year under review, we had zero cases of discrimination in our operations.

Freedom has many meanings but to us at Dangote, freedom means that in our operations, our staff enjoy the freedom of association and collective bargaining wherever the local labour law permits. We respect the rights of our employees to form and join trade unions and take part in collective bargaining because inclusivity promotes productivity. The business recognises that this freedom helps to regulate social and labour relations, build social capital in the Company and promote mutually beneficial employee-employer relationships.

The Dangote Ethiopia Ladies Club was inaugurated at Skylight Hotel, Addis Ababa in Ethiopia.

The club’s vision is to build self-sufficiency among female staff and provide a support system where women can make a difference in their careers and the community.
Child labour, forced or compulsory labour
We prohibit forced, compulsory and child labour in all forms including modern slavery. Our suppliers and contractors are required to operate within the standards of our operating procedures which upholds ethical practices in sourcing labour. Acts such as the exploitation of children, physical punishment, abuse or any such behaviour are deemed unacceptable. For the year under review, we had zero cases of child and forced labour.

The human rights
At Dangote every individual has the right to basic human identity and dignity. Respecting the human rights of all our stakeholders in our operations and across our value chain is a commitment we keep. Our stance on this is reinforced through training and awareness for employees. This is integrated into our policies and practices to ensure that cases of human rights abuse are adequately attended to. A whistleblowing policy and grievance mechanism process are tools made available to address cases that may arise which can be reported anonymously without fear of retaliation or retribution. Our grievance mechanism process ensures that grievances are reported through the right channel and to the right persons. The process ensures that grievance cases are resolved in a timely and efficient manner to the satisfaction of all stakeholders. In 2021, we had a total number of 124 reported grievances out of which 86 have been closed while the others are at different levels of closure.

Community grievances per category

<table>
<thead>
<tr>
<th>Category</th>
<th>Number reported in 2019</th>
<th>Number reported in 2020</th>
<th>2021 reported community grievances</th>
<th>2021 grievances community closed</th>
<th>% of total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Environmental impact and safety</td>
<td>5</td>
<td>29</td>
<td>14</td>
<td>10</td>
<td>11.3</td>
</tr>
<tr>
<td>Delays in implementing social investment project</td>
<td>5</td>
<td>0</td>
<td>4</td>
<td>3</td>
<td>3.2</td>
</tr>
<tr>
<td>Resettlement issues</td>
<td>6</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0.0</td>
</tr>
<tr>
<td>Land access</td>
<td>9</td>
<td>28</td>
<td>3</td>
<td>2</td>
<td>2.4</td>
</tr>
<tr>
<td>Unresolved commitments</td>
<td>10</td>
<td>1</td>
<td>5</td>
<td>3</td>
<td>4.0</td>
</tr>
<tr>
<td>Local business opportunities</td>
<td>12</td>
<td>15</td>
<td>5</td>
<td>3</td>
<td>4.0</td>
</tr>
<tr>
<td>Compensation</td>
<td>16</td>
<td>10</td>
<td>10</td>
<td>7</td>
<td>8.1</td>
</tr>
<tr>
<td>Employment</td>
<td>31</td>
<td>40</td>
<td>16</td>
<td>11</td>
<td>12.9</td>
</tr>
<tr>
<td>Others</td>
<td>4</td>
<td>34</td>
<td>67</td>
<td>47</td>
<td>54.0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>98</strong></td>
<td><strong>157</strong></td>
<td><strong>124</strong></td>
<td><strong>86</strong></td>
<td><strong>100.0</strong></td>
</tr>
</tbody>
</table>

Whistleblowing policy
We have a formal transparent whistleblower system that provides a framework for reporting suspected breaches of internal policies or laws and regulations regarding labour practices, anti-corruption, human rights, environmental issues, societal impact issues, discrimination, money laundering, competition and antitrust and a whole range of other issues that may pose a threat to our organisation. Our whistleblowing platform is independently managed by a third-party provider to ensure impartiality, fairness and objectivity of the process. Confidentiality of the whistle blower is guaranteed and retaliation is strictly proscribed.

Our whistleblowing (WB) policy was updated and approved by the Board. A new whistleblowing platform and service provider was engaged and the whistleblowing policy and platforms were cascaded to our other Nigerian operations besides the Head Office. In the year under review, we received a total of 34 whistle blowing cases with 15% resolved and 85% ongoing.
### How we engaged our different stakeholders in 2021:

<table>
<thead>
<tr>
<th>Stakeholder</th>
<th>Engagement method</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Employees</strong></td>
<td>Meetings in small groups, one-on-one engagements, notice board, emails, newsletters, combined annual report and sustainability report, surveys, awards and recognition, etc.</td>
</tr>
<tr>
<td><strong>Vendors, suppliers and contractors</strong></td>
<td>Emails, one-on-one engagements, meetings</td>
</tr>
<tr>
<td><strong>Distributors and customers</strong></td>
<td>Emails, one-on-one engagements, meetings, customer service week</td>
</tr>
<tr>
<td><strong>Host communities</strong></td>
<td>One-on-one engagements, town hall meetings, interest group communications, surveys</td>
</tr>
<tr>
<td><strong>Media</strong></td>
<td>Press releases, media parley, combined annual report and sustainability report, quarterly and annual financial reports, conferences</td>
</tr>
<tr>
<td><strong>Government/regulatory agencies</strong></td>
<td>Official letters/mails, periodic assessments, compliance filing and reporting, quarterly and annual financial reports, combined annual report and sustainability report</td>
</tr>
<tr>
<td><strong>Financiers/banks</strong></td>
<td>Quarterly and annual financial reports, combined annual report and sustainability report, meetings</td>
</tr>
<tr>
<td><strong>External affiliations/associations</strong></td>
<td>Letters, meetings, combined annual report and sustainability report, workshops, other fora</td>
</tr>
<tr>
<td><strong>Non-governmental organisations/CSOs</strong></td>
<td>Quarterly and annual financial reports, combined annual report and sustainability report, meetings, partnerships</td>
</tr>
<tr>
<td><strong>Labour unions</strong></td>
<td>Meetings, emails, letters, combined annual report and sustainability report</td>
</tr>
<tr>
<td><strong>Investors/shareholders</strong></td>
<td>Annual General Meeting, Extraordinary General Meeting, investor relations fora, quarterly and annual financial reports, combined annual report and sustainability report</td>
</tr>
</tbody>
</table>
Stakeholder engagement
Engaging our stakeholders is a vital aspect of our sustainability management. By listening to what our stakeholders consider important, we can engage with their key interests proactively, manage risks and opportunities, and set a clear direction to deliver long-term shared value for our Company and communities.

To better understand the expectations and perspectives of our stakeholders and to engage in dialogue that is more targeted and solution-oriented, we conduct materiality assessment surveys. Also, we continuously monitor their opinions at several levels including multi-stakeholder initiatives, direct dialogue and through specific platforms on sustainability-related issues.

This is to help us share best practices, accelerate change and ensure that we are contributing our utmost to a sustainable future. Our stakeholders include our employees, vendors, distributors and customers, host communities, media, shareholders, investors, governments/regulatory agencies among others. The table below represents our stakeholder engagement grid in 2021.

Community engagement
We periodically engage our host communities to build a mutually beneficial relationship and partnership. Also, to understand issues that are of utmost concern to them and bring a timely resolution to such issues. More importantly is the need to sustain our social licence to operate and to ensure they understand our strategy, plan or policy regarding sustainable development. In all our host communities, we had a total number of 675 stakeholder engagement activities, 67 social investment projects have been concluded and handed over to the communities. Also, we have several disruptions in the year in review. However, all issues that led to disruption have been accorded utmost attention.

<table>
<thead>
<tr>
<th>Frequency</th>
<th>Key issues and topics</th>
</tr>
</thead>
<tbody>
<tr>
<td>As required</td>
<td>Career growth and development, compensation and benefits, sustainability performance and reporting, equal opportunities for all employees, skill/knowledge development, health and safety, etc.</td>
</tr>
<tr>
<td>Regular</td>
<td>Invoices and payments, products and service quality, health &amp; safety practices, pricing, after sales support and efficiency, ESG practices, etc.</td>
</tr>
<tr>
<td>As required</td>
<td>Meeting targets, value creation, ensuring production continuity, Credit line, Customer Trucks Empowerment Scheme (CTES), distributors award initiatives</td>
</tr>
<tr>
<td>As required</td>
<td>Youth employment, social investments, environmental impacts, safety, scholarships, patronage of local vendors and suppliers, impacts on existing infrastructure</td>
</tr>
<tr>
<td>As required</td>
<td>Governance restructuring, advertisement, public service announcements, social and environmental impacts</td>
</tr>
<tr>
<td>As required</td>
<td>Formal notices, applications, policies and regulations, compliance, tax</td>
</tr>
<tr>
<td>As required</td>
<td>Investments opportunities, loan financing, credit negotiations, interest rates, ESG compliance</td>
</tr>
<tr>
<td>Monthly, bi-annually annually</td>
<td>Memberships subscriptions, partnerships, policy reviews</td>
</tr>
<tr>
<td>As required</td>
<td>Community development, environmental impacts, social initiatives, partnership for sustainable development</td>
</tr>
<tr>
<td>As required</td>
<td>Labour laws and regulations, productivity, employees’ rights &amp; obligations, safe working conditions, compensations and benefits</td>
</tr>
<tr>
<td>Continuous</td>
<td>Quality of leadership, business strategy, financial performance, dividends, corporate governance, board composition, corporate actions, external reporting, ESG compliance</td>
</tr>
</tbody>
</table>

Total community stakeholder engagement, community projects and disruption

<table>
<thead>
<tr>
<th></th>
<th>2021</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of community stakeholder engagements</td>
<td>675</td>
<td>596</td>
</tr>
<tr>
<td>Number of completed community projects</td>
<td>67</td>
<td>—</td>
</tr>
<tr>
<td>Number of social incidents or disruption</td>
<td>6</td>
<td>30</td>
</tr>
<tr>
<td>Number of hours lost to social incidents (host communities disruption or disturbances)</td>
<td>118</td>
<td>65</td>
</tr>
</tbody>
</table>

As required Community development, environmental impacts, social initiatives, partnership for sustainable development
As required Labour laws and regulations, productivity, employees’ rights & obligations, safe working conditions, compensations and benefits
Continuous Quality of leadership, business strategy, financial performance, dividends, corporate governance, board composition, corporate actions, external reporting, ESG compliance
Anti-corruption

We do not tolerate any form of bribery, corruption and anti-competitive behaviour in our operations. We have an anti-corruption policy that expatiates on DCP’s zero tolerance to all forms of fraud including but not limited to: bribery and corruption, asset misappropriation and financial statements fraud. The policy is binding for all employees regardless of their level and position. We are committed to investigating any fraud or suspected fraud without regard to the career level of the individuals involved. We had 15 confirmed cases of bribery and corruption in the year under review as against 28 cases in 2020. A Board-approved policy on the referral of internal audit investigated cases of bribery and corruption is currently in place.

Anti-corruption training

We conduct periodic training on anti-corruption to scale up knowledge and awareness among employees and to reduce bribery and corruption in our operations. In 2021, we had a total of 36 anti-corruption trainings for 2,791 staff expending a total of 36 training hours in our operations in Nigeria and Pan-Africa.

Bribery and corruption cases in 2021 by location

<table>
<thead>
<tr>
<th>Country</th>
<th>2021</th>
<th>2020</th>
<th>2019</th>
<th>2018</th>
<th>Description of cases</th>
<th>Actions taken on confirmed cases of bribery and corruption</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nigeria – HQ</td>
<td>1</td>
<td>2</td>
<td>0</td>
<td>0</td>
<td>Fraud</td>
<td>Case reported to the law enforcement agency in line with Company policy.</td>
</tr>
<tr>
<td>Cameroon</td>
<td>1</td>
<td>4</td>
<td>2</td>
<td>4</td>
<td>Non-compliance to due diligence in issuance of AGO to a third party contractor.</td>
<td>Disciplinary action taken against the responsible staff in line with Company policy.</td>
</tr>
<tr>
<td>Congo</td>
<td>2</td>
<td>4</td>
<td>3</td>
<td>0</td>
<td>1. Breach of Company policy</td>
<td>1. Disciplinary action taken against the responsible staff in line with Company policy.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>2. Breach of Company policy</td>
<td>2. Disciplinary action taken against the responsible staff in line with Company policy.</td>
</tr>
<tr>
<td>Ethiopia</td>
<td>3</td>
<td>4</td>
<td>1</td>
<td>0</td>
<td>1. Theft</td>
<td>1. Full recovery of value of asset from the responsible third party.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>2. Non compliance to employment process.</td>
<td>2. Management strengthened control around employment process by ensuring that all employment contracts are signed by the Country Manager.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>3. Theft and abandonment of truck by third-party driver.</td>
<td>3. Full recovery of value of asset from the responsible third party.</td>
</tr>
</tbody>
</table>
### Cases of bribery and corruption

<table>
<thead>
<tr>
<th>Country</th>
<th>2021</th>
<th>2020</th>
<th>2019</th>
<th>2018</th>
<th>Description of cases</th>
<th>Actions taken on confirmed cases of bribery and corruption</th>
</tr>
</thead>
<tbody>
<tr>
<td>South Africa</td>
<td>1</td>
<td>0</td>
<td>2</td>
<td>0</td>
<td>Deliberate damage of the Company’s asset by a sub-contractor for personal benefits.</td>
<td>Full recovery of the cost of asset repair from the sub-contractor.</td>
</tr>
<tr>
<td>Tanzania</td>
<td>3</td>
<td>5</td>
<td>2</td>
<td>2</td>
<td>1. Theft of cement consignment and abandonment of the trucks by third-party drivers.</td>
<td>1. Full recovery of value of asset from the responsible third party.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>2. Fraud</td>
<td>2. Disciplinary actions taken against responsible staff in line with Company policy.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>3. Fraud</td>
<td>3. Full recovery of value of asset from the responsible third party and customer. While disciplinary actions taken against all responsible staff in line with Company policy.</td>
</tr>
<tr>
<td>Zambia</td>
<td>3</td>
<td>1</td>
<td>4</td>
<td>5</td>
<td>1. Theft</td>
<td>1. Case reported to the law enforcement agency as the suspected staff absconded.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>2. Theft and abandonment of truck by third-party driver.</td>
<td>2. Full recovery of value of asset from the responsible third party.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>3. Illegal use of Company’s cargo</td>
<td>3. Management driving more control measures to mitigate the recurrence of this practice.</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>15</td>
<td>30</td>
<td>25</td>
<td>20</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Note:** Dangote Cement Plc (DCP) and Dangote Cement Plc Transport (DCP Transport) Number of confirmed cases of bribery and corruption Internal Audit to provide explanations for 2021.
Health and safety performance
Improving our occupational and community health and safety is fundamental to our business sustainability and brand. We remain committed to safeguarding the health and safety of our internal and external stakeholders, and continuously make effort to identify all threats to health, safety and wellbeing in our operations and commit the necessary human and material resources for implementing corrective actions and continuous improvement. To achieve our ultimate goal of zero accidents and fatalities in our business operations and across our entire value chain, we have made health and safety a critical/high priority through the implementation of our comprehensive Health and Safety Improvement Plan developed in 2020. This plan enables us to take far-reaching performance enhancement steps in all our operations. We will continue to upgrade our internal processes to foster a safe working environment and align our health and safety practices with local and global best standards.

Safety improvement initiatives in 2021
In addition to the various safety improvement initiatives we commenced in 2020, during the year 2021, we executed numerous key initiatives to advance safety performance across our operations and logistics management:

- We promoted visibly and felt safety leadership through regular meetings and communications on safety by executive leadership.
- We are promoting a culture in which all Dangote Cement employees accept responsibility for collectively driving health and safety best practices.
- We executed extensive and comprehensive health and safety competence development across the business from the executives to front-line workers.
- We are continually training and enforcing a safe system of work on the use of operational tools, plant equipment and the compulsory use of Personal Protective Equipment (PPE).
- We are improving compliance with relevant laws and regulations and implementing applicable standards, including ISO 45001:2018 (Occupational Health & Safety).
- In the event of an incident we apply consequence management to prevent a reoccurrence.
- We executed a unified health and safety action plan, alcohol and drugs tests pre and post-trip, provision of rest areas to enable enforcement and compliance on night driving rules, transport audits, review of accidents due to mechanical faults. Our continuous improvement programmes also include a workshop QA/QC process, improvement of post-trip inspection of trucks, pre and post-trip safety briefings, route risk assessments and communication of outcomes etc.
- We completed the full set-up of our transport training school to include defensive driving and safety trainers, the introduction of in-cabin coach for new drivers, introduction of training tracking cards to ensure all drivers attend at least 8 hours of safety training per annum, among others.
- We also introduced fatigue management modules, health awareness and general wellness for all drivers.
- We enforce compliance with the Dangote 15 Safety Golden Rules and are regularly auditing our health and safety performance in all locations and operations.

In the year under review, we observed an increase in compliance with the Rules compared to the previous year. Employees reported all health and safety risks and incidents and are empowered to stop any unsafe act. Our Board Technical and Sustainability Committee has oversight on safety issues.

Health and safety awareness and training
During the year, we also executed training on understanding the origin and nature of critical incidents and high potential near misses. Root Cause Analyses (RCA) were carried out on all critical incidents and high potential near misses to broaden the practical understanding of key function owners on safety and incidents management. These learnings and implementation of corrective/preventive actions are designed to ensure that such incidents are not recorded again in our operations. In addition, safety town hall meetings were conducted by our Executive Management in Dangote Cement locations to emphasise the need to work safely and comply with laid down rules. In line with our zero accidents and fatalities agenda, a total of 18,505 employees underwent health and safety training and awareness sessions.

<table>
<thead>
<tr>
<th>Type of incidents</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total number of work hours</td>
<td>28,117,655</td>
<td>28,888,151</td>
<td>28,489,399</td>
<td>29,828,480</td>
<td>33,485,774</td>
</tr>
<tr>
<td>Total number of near misses</td>
<td>10,567</td>
<td>22,852</td>
<td>17,385</td>
<td>11,523</td>
<td>1,341</td>
</tr>
<tr>
<td>Total number of first aid injuries</td>
<td>339</td>
<td>220</td>
<td>322</td>
<td>306</td>
<td>306</td>
</tr>
<tr>
<td>Total number of medical treatment</td>
<td>98</td>
<td>73</td>
<td>50</td>
<td>55</td>
<td>79</td>
</tr>
<tr>
<td>Total number of lost time injuries (LTI)</td>
<td>47</td>
<td>22</td>
<td>25</td>
<td>25</td>
<td>38</td>
</tr>
<tr>
<td>Total number of fatalities</td>
<td>2</td>
<td>4</td>
<td>2</td>
<td>7</td>
<td>9</td>
</tr>
<tr>
<td>Total number of staff trained on HSE</td>
<td>9,574</td>
<td>17,008</td>
<td>23,804</td>
<td>15,757</td>
<td>15,392</td>
</tr>
<tr>
<td>Total number of hours for staff training on HSE</td>
<td>44,666</td>
<td>105,086</td>
<td>85,905</td>
<td>86,664</td>
<td>30,784</td>
</tr>
</tbody>
</table>
Learning and development

Similar to 2020 due to the COVID-19 pandemic, our 2021 pieces of training were executed using a mixture of physical (in-classroom or onsite) and virtual modes of delivery by both internal and external facilitators. Our Human Resources and Dangote Academy worked in partnership with departments and functions to ensure that the required training interventions were implemented as identified in line with our overall business goals and objectives.

We know that adequate training and re-training is required for building a learning culture that is focused on developing and consistently improving the skills, competencies and capacity of our workforce. During the year under review, we offered our employees a variety of resources and opportunities that help them advance their professional and personal development. These learning and development offerings cover vast focus areas and are provided via on-the-job, classroom and online learning platforms, to both permanent and temporary employees across all cadre, in our Nigerian and Pan-African operations. Also, we executed a series of independent study courses, web-based courses, continuous assessments courses, intensive workshops and action-planning courses through our learning management system (LMS). Some of the training opportunities were made available to all employees irrespective of functions, while others were designed to address specific learning and development outcomes in particular functions.

Our impact in training

In 2021, a total of 24,641 employees were trained for 156,899 hours for ₦553.22 million across DCP operations (transport excluded). Year on year, the number of employees trained increased by 93.89%, while the cost of training increased by 9.62% when compared to 2020. Also, of the total employees trained in 2021, 9% were women while 91% were men. Based on the mode of training delivery, 81.02% (19,965 employees) were trained physically or in-classroom or onsite while 18.98% (4,676 employees) attended virtual or online programmes.

The table below captures the total number of employees trained per employee level across all our operations in 2021. A total of 180 Executive/Senior Management staff were trained in the year under review, 2,711 Management trained, 7,457 Senior/Professional and 14,293 Junior/Technicians were trained. 156,899 training hours were expended in all.

Total number of employees trained per employee level

<table>
<thead>
<tr>
<th>Country</th>
<th>Employees trained</th>
<th>Executive/senior management</th>
<th>Management</th>
<th>Senior/professional</th>
<th>Junior/technician</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Women</td>
<td>Men</td>
<td>Women</td>
<td>Men</td>
<td>Women</td>
</tr>
<tr>
<td>Nigeria – HQ</td>
<td>6</td>
<td>62</td>
<td>51</td>
<td>315</td>
<td>294</td>
<td>672</td>
</tr>
<tr>
<td>Nigeria – Gboko</td>
<td>0</td>
<td>0</td>
<td>2</td>
<td>123</td>
<td>23</td>
<td>366</td>
</tr>
<tr>
<td>Nigeria – Ibese</td>
<td>0</td>
<td>15</td>
<td>10</td>
<td>567</td>
<td>110</td>
<td>1,724</td>
</tr>
<tr>
<td>Nigeria – Obajana</td>
<td>0</td>
<td>6</td>
<td>17</td>
<td>196</td>
<td>50</td>
<td>633</td>
</tr>
<tr>
<td>Nigeria – Okpella</td>
<td>0</td>
<td>0</td>
<td>1</td>
<td>22</td>
<td>3</td>
<td>47</td>
</tr>
<tr>
<td>Cameroon</td>
<td>0</td>
<td>41</td>
<td>0</td>
<td>252</td>
<td>94</td>
<td>265</td>
</tr>
<tr>
<td>Congo</td>
<td>6</td>
<td>32</td>
<td>8</td>
<td>129</td>
<td>55</td>
<td>412</td>
</tr>
<tr>
<td>Ethiopia</td>
<td>0</td>
<td>2</td>
<td>1</td>
<td>75</td>
<td>55</td>
<td>402</td>
</tr>
<tr>
<td>Ghana</td>
<td>0</td>
<td>5</td>
<td>1</td>
<td>8</td>
<td>32</td>
<td>66</td>
</tr>
<tr>
<td>Senegal</td>
<td>1</td>
<td>2</td>
<td>15</td>
<td>15</td>
<td>15</td>
<td>67</td>
</tr>
<tr>
<td>Sierra Leone</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>25</td>
<td>5</td>
<td>57</td>
</tr>
<tr>
<td>South Africa</td>
<td>10</td>
<td>112</td>
<td>43</td>
<td>359</td>
<td>276</td>
<td>715</td>
</tr>
<tr>
<td>Tanzania</td>
<td>0</td>
<td>9</td>
<td>8</td>
<td>125</td>
<td>103</td>
<td>693</td>
</tr>
<tr>
<td>Zambia</td>
<td>0</td>
<td>25</td>
<td>0</td>
<td>203</td>
<td>27</td>
<td>196</td>
</tr>
<tr>
<td>Total</td>
<td>23</td>
<td>311</td>
<td>157</td>
<td>2,400</td>
<td>1,142</td>
<td>6,315</td>
</tr>
</tbody>
</table>

Women 9.49% 2,339
Men 90.51% 22,302
Sustainability training

Dangote Cement Plc is committed to embedding sustainability practices into the very fabric of its business strategy and operations. We understand that one of the ways we could accomplish this objective is to build the capacity of our employees on sustainability, furnishing them with the requisite knowledge and skills to drive its operationalisation across the board. A key approach that we have adopted is to consistently review our training plan as well as its contents to ensure that they align with the needs and expectations of our workforce and sufficiently cover new and emerging trends. Our sustainability training curriculum in 2021 had modules/courses on GRI Sustainability Reporting Standards; Understanding the NSE Sustainability Guideline Principles and Reporting; Building a Sustainable Business Culture – the Fundamentals; Understanding Basic Sustainability Implementation Requirements: Monitoring, Measuring and Reporting ESG Impact, ISO 26000 (Social Responsibility) Lead Implementer, etc. Our employees were trained on sustainability principles, best practices and implementation steps and requirements, as facilitated by both external and internal facilitators. In total, five sustainability training modules were executed in 2021, with 281 employees trained in about 1,188 hours. This is lower than the 7 modules and 1,441 training hours achieved in 2020.

Our sustainability training targeted the following categories of staff:

3. Employee Volunteers across Dangote Cement operations.
4. Key Departments/Function Heads.
5. Senior and Executive Management.

### Number of training hours provided to employees (by gender) in 2021 across all employee levels

![Chart showing the number of training hours provided to employees (by gender) in 2021 across all employee levels.](image)

### Sustainability training (2019–2021)

<table>
<thead>
<tr>
<th>Year</th>
<th>Sustainability training programmes</th>
<th>Employees trained</th>
<th>Sustainability training hours</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019</td>
<td>12</td>
<td>249</td>
<td>2,608</td>
</tr>
<tr>
<td>2020</td>
<td>7</td>
<td>366</td>
<td>1,441</td>
</tr>
<tr>
<td>2021</td>
<td>5</td>
<td>281</td>
<td>1,188</td>
</tr>
</tbody>
</table>
At Dangote Cement we know that building a sustainable future where poverty is eradicated, discrimination is non-existent and our environment is safe and clean is a collective responsibility. For this reason we set aside a week every year as Sustainability Week to collectively demonstrate our love to humanity. Through the Sustainability Week, employees were given the chance to appreciate humanity in a collective manner.

The annual Sustainability Week is a flagship employee volunteering initiative which enables active employee participation in our sustainability initiatives. It provides a viable platform for engaging host communities and delivering impactful environmental and social projects. This Week-long programme involves not only the staff but also the government and citizens who participate passionately. During the week sustainable development initiatives are implemented in underserved communities.

This year was themed “Building a Sustainable Future – The Dangote Way.” Activities executed during the week focused on 6 UN SDGs – SDG 1 (No Poverty), SDG 3 (Good Health & Wellbeing), SDG 4 (Quality Education), SDG 5 (Gender Equality), SDG 6 (Clean Water and Sanitation), SDG 13 (Climate Action). This allowed DCP to execute initiatives/activities aligned with the priority UN SDGs in response to the outcome of the needs assessments in the different host communities during 2021. The Week was held between September and October 2021 across the DCP Corporate Centre (HQ). Nigeria and Pan-African locations recorded significant and measurable impact with 1,373 employees volunteering 9,463 hours on 46 initiatives across 14 operational sites in 10 African countries. The initiatives cost a total of ₦51.59 million.

Dangote Sustainability Week (2018–2021) key figures

<table>
<thead>
<tr>
<th>Key KPI</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
<th>2020 vs 2021 percentage increase (+) or decrease (-)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employee volunteers</td>
<td>500</td>
<td>1,676</td>
<td>1,560</td>
<td>1,373</td>
<td>-12%</td>
</tr>
<tr>
<td>Volunteered hours</td>
<td>3,000</td>
<td>11,504</td>
<td>7,633</td>
<td>9,463</td>
<td>24%</td>
</tr>
<tr>
<td>Locations</td>
<td>8</td>
<td>12</td>
<td>13</td>
<td>14</td>
<td>8%</td>
</tr>
<tr>
<td>Countries</td>
<td>6</td>
<td>9</td>
<td>10</td>
<td>10</td>
<td>0%</td>
</tr>
<tr>
<td>Total number of initiatives</td>
<td>30</td>
<td>63</td>
<td>70</td>
<td>46</td>
<td>-34%</td>
</tr>
<tr>
<td>Beneficiaries of skills acquisition initiatives for women</td>
<td>43</td>
<td>100</td>
<td>409</td>
<td>760</td>
<td>86%</td>
</tr>
</tbody>
</table>
Highlights include:

- 1,373 Dangote Cement employees volunteered during the 2021 Sustainability Week across 14 locations in 10 countries.
- 9,463 hours were spent on numerous activities and initiatives by Dangote Cement employees during the week.
- 46 initiatives were carried out by volunteers across 32 communities, involving 15 schools, 1 hospital, 50 motorcyclists, 200 elderly, 66 teachers, 760 women, 80 youths, 4,992 community members, 4,343 students & children.
- 13 awareness sessions (Webinars, Lectures, Publicity, etc.) alongside competitions (Quiz, Debate, Housekeeping,) was executed.
- General/Thematic support & COVID-19 donations: 3,860 washable facemasks, 10,750 facemasks (disposable), 3,120 bottles of hand sanitisers, 4,900 litres of refillable sanitisers, 7,000 bottles of hand washing soap, 3,300 copies of COVID-19 & UN SDGs sensitisation materials, 5,040 branded t-shirts, 530 branded reflective jackets, among others.
- Educational donations: 1 school building, 5 scholarships (school fees, WASSCE registration fees, etc.; 19,745 notebooks, 35 boxes of writing pens, 25 pencils & erasers, 85 school bags, and 60 mathematical sets were donated to students that participated in various educational support initiatives in Congo, Ethiopia, Senegal, Sierra Leone and Tanzania.
- Food and agriculture (Zero hunger and poverty alleviation donations): Several packs/bags of food items such as rice, cassava meal, beans, vegetable oil, spaghetti, sugar, salt, semolina, noodles and beverages were donated to our Head Office (Lagos) and Gboko operations.
- Economic/SME development and skills acquisition: Several women and youths in the host communities were trained on garri packaging, production of organic drinks/snacks, fabric tie & dye, soap & cream, antiseptic and disinfectants, and were empowered with over 200 startup kits in Ibese and Gboko.
- Health outreach: 7 hospital/health centres benefitted from the donation of sanitary pads, first aid boxes, breaded bedspread, cotton wool and latex hand gloves; in addition to 39 blood donations and sponsored medical checkups for 355 persons.
- Water and sanitation: During the waste-to-wealth initiatives executed at Head Office (Lagos), Obajana, Sierra Leone and Zambia, 411 waste bins, alongside trash pickers, weighing scale and DORI bin were donated. Also, several packs of cleaning liquid soaps, detergents, toothpaste tubes, bathing soaps, tissue paper and adult diapers were donated.
- Environment: 1,869 trees were planted during the week to support environmental regeneration and reduce the effect of climate change (Gboko, Congo, Senegal, South Africa and Tanzania).
- Road rehabilitation: Grading and filling of one community road (Zambia).
- Rehabilitation of two community boreholes and water sources (South Africa and Tanzania) and donation of 18 community engagement tables/chairs (Ibese and Congo).
- Over 401 external facilitators and subject matter experts (including medical doctors) were supported during the various initiatives.
2021 Dangote Cement Sustainability Week initiatives

<table>
<thead>
<tr>
<th>Initiative</th>
</tr>
</thead>
<tbody>
<tr>
<td>General/thematic support and COVID-19 donations</td>
</tr>
<tr>
<td>Educational donations</td>
</tr>
<tr>
<td>Food/agriculture and poverty alleviation donations</td>
</tr>
<tr>
<td>Economic/SMEs empowerment</td>
</tr>
<tr>
<td>Health donations</td>
</tr>
<tr>
<td>Water/sanitation</td>
</tr>
<tr>
<td>Women empowerment</td>
</tr>
<tr>
<td>Environmental/climate change interventions</td>
</tr>
<tr>
<td>Infrastructure enhancement</td>
</tr>
</tbody>
</table>

President Buhari visits Dangote pavilion at the Intra-Africa Trade Fair 2021 in Durban, South Africa
A responsible tax payer

As responsible corporate citizens we understand that tax payment is instrumental to the growth and progress of every society. We are therefore committed to timely tax payment, collections and transparency to contribute to the sustainable development in countries where we operate.

Our responsible tax payment ensures that our approach is progressive, developmental and considers the interests of the general society. For example, in Nigeria, the largest African economy, Dangote Cement leads other businesses in total tax remittance to the revenue-generating agencies.

A way to promote good governance

For us as Dangote Cement, being a responsible citizen is about paying the right taxes as well as promoting good governance. It is our goal to support stronger linkages between a responsive government and accountable citizens. By demonstrating our commitment to taxation, we become nation-builders and advocates for effective service delivery.
Strategic report

Operational standards
Dangote Cement conducts its operations following applicable standards in all countries where we operate. When dealing with customers, suppliers, competitors or other third parties, employees shall not undertake any commitment nor engage in any agreement understood as unlawful. Beyond compliance with laws and regulations, the Company maintains transparency when dealing with customers, suppliers, investors, government agencies or partners. With our integrated approach to sustainable development, Dangote works to align with the UNGC principles. We strive to implement the ten principles of the Compact and apply them to advancing sustainability. Among other local and global standards, we have adopted in our operations are the GRI sustainability reporting standards, the Nigeria Exchange Limited (NGX) Sustainability Disclosure Guidelines and the Global Cement and Concrete Association (GCCA) Charter.

Product quality and market competitiveness
Our strong commitment to continuous product innovation and the quality that our products offer are the reasons we enjoy a strong market share and leadership in Sub-Saharan Africa.

We have constantly deployed the most advanced technology at plants like Prompt Gamma Neutron Activation Analysis (PGNAA) for online analysis, robotic laboratory and fully automated central control room system equipped with Human Machine Interface technology (HMI). This technology helps us to drive resource efficiency, process optimisation and mitigate the environmental footprints of our products while delivering quality products that meet the needs of our esteemed customers. We also ensure that all our products and services are consistently tested for quality assurance and safety.

Institutional standards
Our Institutional Pillar supports our drive to build a worldclass institution centred around good corporate governance, proactive risk management and sustainability principles that promote legal and regulatory compliance, transparency, integrity, business continuity and purpose driven leadership.

Our approach to corporate governance essentially involves balancing our business interests with those of our key stakeholders, including shareholders, employees, customers, suppliers, financiers, governments, host communities, and so on. By adopting the 7-Pillar approach, we ensure sustainability is ingrained in the way we do business across all departments and functions. Our sustainability vision, goals and objectives are driven by the highest level of governance to convey “tone at the top”, and achieve enterprise-wide buy-in and ownership.

We are building an institution that is governed by values and ethical norms of behaviour and where quality governance is flagged as the driver of corporate performance, not just in financial numbers but also in social and environmental stewardship.

Our sustainability report has been prepared in accordance with GRI Sustainability Reporting Standards, and validated through external assurance.

Sustainability governance
The Technical and Sustainability Committee of the Board of Dangote Cement Plc assists the Board and has an oversight function over matters related to the construction, expansion of capacity, maintenance and operation of plants and sustainability of the Group’s operations. It is an independent role with accountability to the Board. It does not assume the functions of management, which remain the responsibility of the Chief Executive Officer and other senior executives. The Committee met four times in 2021 and its composition and attendance are stated on page 88. Biographical details of each member of the Committee, including relevant qualifications and experience, are set out on pages 70 to 75 of this report. Members of the executive management team are always in attendance at Committee meetings to provide the necessary information, support the Committee and give status updates on decisions from previous meetings.

Strategic report
Sustainable supply chain strategy
The supply chain is integral to the corporate responsibility of Dangote cement. Our sustainable supply chain management strategy integrates two main approaches of risk management and efficiency management. It is substantial to the business to be able to handle emerging risks such as commodities (including fuels), raw materials, spare parts and consumables. Therefore, identifying and addressing or mitigating the respective risks is crucial to sustainability.

To enhance the sustainability performance of our supply chain, an ESG code of conduct for suppliers was also launched within the year, setting the Company on a continuous improvement process.

Supply chain impact – Customer Trucks Empowerment Scheme (CTES)
At Dangote Cement, we recognise that every purchasing decision we make has an impact on the environment, economy and society, from the energy we use to power our operations to the conditions of the workers that made the products that supplied to us. We plan to elicit suppliers, vendors or contractors’ commitment to best Environmental, Social and Governance (ESG) principles and standards in their business relationship with Dangote Cement through ESG Code of Conduct for Suppliers, Vendors and Contractors.

The role of procurement as a facilitator for sustainable supply chain management and engagement involves a deep culture change, a new way of engaging in business relationships with suppliers. This can be achieved through supplier forums, surveys and various avenues for receiving feedback. In 2021, we proactively engaged suppliers, vendors and contractors through our annual stakeholder engagement and materiality assessment survey and other vendor engagement forums to ensure common understanding, alignment and commitment to the process. The number of respondents in the materiality assessment survey were 45 suppliers, vendors and contractors. As part of our efforts to create economic benefit to our host communities, actions were taken to map waste for alternative fuel in those areas to enable community members to participate in the cement value chain.

Prioritising local content
As part of our corporate responsibility to our countries of operation, we source much of our procurement needs from local markets. It is only in cases where vendors for specific goods and services could not be sourced locally that we resort to importation.

Our local suppliers range from Small and Medium-Scale Enterprises (SMEs) to large multinational companies. Patronising local products and services is our way of boosting local industries and entrepreneurship, supporting a stable local economy, and propelling sustainable growth and development in the African continent. In 2021, a total of ₦632,960 Million was spent for local and imported procurements across all operations. Out of the total procurement spending, ₦409,216 was spent on local products and services while ₦223,744 was spent on imported procurements.
Responsible marketing and respect for customer privacy

Dangote Cement is committed to responsible marketing and labelling of our products to meet the global best practice and regulatory standards for product transparency in the markets where we operate. We strive for labelling and marketing expressions that are trusted by customers. Our responsible marketing approach ensures we are not only meeting customers’ needs but also having a positive impact on them and the entire society. With this strategy, we will remain focused on approaches for improving our route to market and promotional campaigns that support growth in sales volume.

Our marketing practices conform to the highest ethical standards, based on transparency, honesty and full disclosure. We respect the privacy rights of our customers who disclose Sensitive Personal Information to the Company as part of business transaction requirements, and we ensure that their information is kept confidential. In all the markets where we operate, we are obliged to comply with and adhere to data protection laws (such as the Nigerian Data Protection Regulation, 2019; South Africa’s Protection of Personal Information Act, 2013; Senegal’s Cybersecurity and Personal Data Protection Act, 2016; and so on). We ensure compliance with these regulations. We care about how customer data is used and shared, and we place a premium on the trust afforded us by our customers. We utilise the highest standards of data privacy in storing information sourced from our value chain and communicate clearly to our customers the type of data we collect, what they are used for and additional analysis performed on the data if any. No complaints were received regarding any breaches of customer privacy or misuse of personal data in the reporting year. Further details about our privacy and data protection policy can be gotten on our websites: www.dangotecement.com.

A week to celebrate our customers

Dangote Cement participated in the 2021 Customer Service Week themed – The Power of Service. This annual internationally recognised celebration was held on 4th – 8th of October 2021. During the Customer Service Week, the team deployed different educative and interesting activities to excite, motivate, boost morale and build strong bonds among staff. Most importantly DCP reached out to customers to appreciate them for their patronage and loyalty to the Dangote Cement brand, and to staff for the unique role they play in ensuring that we keep our promise of excellent service to our dear customers.

Economic standards

In line with the principles behind our Economic Pillar, we strive to promote inclusive, sustainable economic growth, self-reliance, self-sufficiency and industrialisation across Africa, by establishing efficient production facilities and developing resilient local economies in strategic locations and key markets. Our approach to economic sustainability is to invest in growing economies and in tandem, continuously grow our profit. We secure the future of our business by establishing efficient and world-class production facilities and products that support industrialisation in all the economies where we operate. We ensure that our business activities and model strengthen national productivity, job creation, growth in household incomes as well as GDP growth and economic prosperity. We support our host countries and local communities by developing a value chain that prioritises the patronage of local labour, suppliers, vendors and contractors as our way of building local capacity and content. We maintain transparency and due diligence in the payment of taxes and other statutory remittances to governments and public institutions.
Dangote’s contribution to Africa’s development

Africa’s population is growing, with an ever-larger number of people making cities their home. The task of sustainably providing housing, transportation and other basic services to this rising number of urban dwellers in the face of climate change is vast. When taking the performance of a building over its whole lifecycle into account, cement offers significant sustainability benefits over other building materials thanks to its innate properties, such as its strength, durability, resilience to extreme weather and hazards such as fire, its thermal mass, its recyclability, its carbon uptake and its local availability. Today, cement production processes in Africa have embraced ways to minimise carbon footprints by the efficient use of materials. Cement, therefore, enables the development of sustainable and resilient buildings and communities in Africa.

Contribution to job creation

Dangote Cement is a strong contributor to the local economy of Africa. Throughout our value chain, we created jobs for thousands of Nigerians and Africans in nine other countries. Increased exports of cement products that are produced in Nigeria and exported to Pan-Africa have maintained production capacity in the region. Exports are taken into account in the calculation of the multiplier effect since they contribute to the local economy and jobs.

In 2021, our business activities supported over 19,561 direct jobs. Staff between 18 to 50 years constituted 16,755 or 86.1% of our total workforce, indicative of our commitment to supporting government efforts at combating rising youth unemployment across the country.

Contribution to household income

Since the Nigerian cement sector metamorphosed from being import-dependent to a growing hub for cement export in Africa, Dangote Cement has had a significant contribution to the country’s Gross Domestic Product (GDP). To fulfil our purpose, we foster transformational change through income generation by close collaboration with partners and stakeholders for shared value creation. In 2021 we strengthened local economic development programs through collaboration with the people, local authorities and non-governmental organisations (NGOs). Our SME projects which benefitted many people in Pan-Africa have proven a key success factor in multiplying our positive impact on society. The Company also plays a major role in income generation through the construction and rehabilitation of major roads, bridges, networks and public infrastructure for the enhancement of social welfare.

### Economic performance – direct economic value created and distributed (EVC&D)

Our gross revenue (economic value created) increased by 34% from ₦1,034,196 million in 2020 to ₦1,383,637 million in 2021, supported by our 2021 consumer activities and strengthened market penetration strategies. Similarly, our economic value distributed (operating costs, employee wages and benefits, payments to providers of capital, payments to government by country, and community investments) increased from ₦1,033,843 million in 2020 to ₦1,260,718 million in 2021.

### Direct, indirect and induced economic value generated and distributed – gross value added (GVA)

<table>
<thead>
<tr>
<th>Parameters</th>
<th>2021 N’million</th>
<th>2020 N’million</th>
<th>2019 N’million</th>
<th>2018 N’million</th>
<th>2017 N’million</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>1,383,637</td>
<td>1,034,196</td>
<td>891,671</td>
<td>901,213</td>
<td>805,582</td>
</tr>
<tr>
<td>Employee wages, salaries and benefits</td>
<td>69,278</td>
<td>69,179</td>
<td>60,603</td>
<td>55,164</td>
<td>47,253</td>
</tr>
<tr>
<td>Operating costs*</td>
<td>743,018</td>
<td>591,877</td>
<td>540,634</td>
<td>520,236</td>
<td>471,207</td>
</tr>
<tr>
<td>Dividend paid to shareholders</td>
<td>272,005</td>
<td>272,693</td>
<td>272,648</td>
<td>178,925</td>
<td>144,844</td>
</tr>
<tr>
<td>Social/community investments</td>
<td>2,490</td>
<td>2,852</td>
<td>1,108</td>
<td>1,287</td>
<td>1,020</td>
</tr>
<tr>
<td>Local procurements (all operations)</td>
<td>409,216</td>
<td>385,453</td>
<td>284,845</td>
<td>239,859</td>
<td>281,461</td>
</tr>
</tbody>
</table>

* Excluding administrative expense.
The direct economic impact
We continue to generate impressive returns for our stakeholders. Our profit after tax in 2021 was ₦364.3 billion as against ₦276.1 billion in 2020. This also led to a 31.6% increase in the earnings per share of ₦21.24, versus ₦16.14 in 2020.

Dividend payment history – shareholders
At Dangote Cement, we pursue a dividend policy that reflects the Company’s earnings and cash flow, while maintaining appropriate levels of dividend cover. Our history of dividend payments pre-dates our listing on the Nigerian Exchange Group in 2010. We have consistently paid dividends over the years, with a payment history of ₦700, ₦600, ₦800, ₦850, ₦1050, ₦1600, ₦1600 and ₦1600 per share in 2013, 2014, 2015, 2016, 2017, 2018 and 2020 respectively. In 2021, our proposed dividend payment was up 25% at ₦20.00 per share ensuring that we keep our promise of continuous wealth creation for our valued shareholders.

Community investments
As part of our corporate social responsibility, we spent ₦2,490 billion on community investments in 2021, including strategic sponsorships, community projects, donations, charitable gifts, and community affairs expenses. Our detailed community investments in 2021 are disclosed in the social investments section of this report.

Indirect economic impact
To support sustainable development and the United Nations Sustainable Development Goals (SDGs), we provide quality cement for construction purposes and invest directly in infrastructural projects in host countries. Our value chain activities, spending and business investments boost local industries and create multiplier effects that support poverty alleviation, jobs and improved livelihood. Building mutually beneficial relationships with our stakeholders and enabling local communities’ economic prosperity is key to our Economic Sustainability Pillar.

In 2021, financial commitment to sustainability was remarkable in Pan-Africa with Dangote Cement Tanzania allocating Sh648 million for implementation of Corporate Social Responsibility (CSR) projects in 13 villages in the region. In response to unemployment rates and the improvement of work conditions, Dangote Cement Senegal entered an agreement with the government to recruit 333 temporary workers based on an annual quota spread over 2 years. We are also pleased with the scale of local economic development in the continent. Our response to the demand of cement in the region occasioned by urbanisation contributed to restarting Gboko plant.

ESG compliance
ESG is an increasingly growing trend and the current focus is an effect of long-term structural changes. In the aftermath of the COVID-19 pandemic, the conversation around ESG become an increasingly significant part of our reports and disclosures. In a time where corporate sustainability concerns dominate headlines, ESG factors are not considered trivial issues confined to a company’s CSR department. To us at Dangote, ESG has become central to business performance and reputation. Corporate sustainability for us is not just about “doing good”. The business integrates the concerns of key stakeholders into operations, using ESG factors to assess our environmental, social and corporate governance practices.

The integration of ESG factors in our operations in Pan-Africa is viewed as a necessity to evaluate ESG performance in a measurable and meaningful way. In 2021 we advanced in the process through the adoption of positive ESG screening. This process involved setting specific ESG metrics, and targets as benchmarks for evaluating the year’s performance. Conducting fundamental research to identify material ESG issues that tangibly affect production outcomes as a cement industry was a critical step taken in the year. This process informed our ESG-driven corporate carbon reduction initiatives as well as other ESG goals for the upcoming year, which we are firmly on track to achieve.

Thought leadership – association and memberships
As part of our commitments to adhering to high standards of governance, social and environmental policy and performance, we belong to industry associations where, as members, we reflect their values and allow external stakeholders to hold us accountable. We are a member of various associations and organisations at both local and global level. These memberships are focused at advancing thought leadership, exchanging ideas with similar organisations, commit to global best practices and achieve greater sustainability performance. As the leading cement manufacturing company in Africa, we are a member of the following organisations:

• Global Cement and Concrete Association;
• United Nations Global Compact;
• Public Sector Advisory Group;
• Science Based Targets Initiative;
• Premium Board Member of the Nigeria Exchange Group; and
• World Economic Forum, among others.

Recognition and awards
In 2021, we received diverse awards from reputable institutions such as the Kogi State Chamber of Commerce, Industry, Mines and Agriculture (KOCCIMA) which named Dangote Cement Plc, Obajana Plant, as the best performing company in Africa for its environment-friendliness. Dangote Cement Plc, Ibese plant won an award as the Best Employer in Training by the Industrial Training Fund (ITF). Recognising our efforts to implement local and international standards in Pan-Africa, Dangote Cement Zambia Limited won the “Exporter of the Year 2021” 1st prize in the Large Enterprise category under the Zambia Quality Awards. In addition, Dangote Cement’s ₦100 billion maiden Senior Unsecured Bond won 2021’s Bonds, Loans & Sukuk Africa Awards for Local Currency Corporate Bond Deal of the Year in Africa.
Dangote Cement Plc Materiality matrix – high importance, high impacts

DCP’s materiality matrix presents indicators that have been identified as material by the key stakeholders surveyed in 2021 (investors, communities, employees and supply chain partners). They also reflect indicators that Dangote Cement has identified as material to its business sustainability. In line with the Global Reporting Initiative (GRI) reporting requirements, the identified material topics significantly influence the issues that are disclosed in this report.

Overall, 62 issues were identified by the stakeholders, and ten (10) issues were ranked as high importance to stakeholders and of high impact to the business.

In addition to the material topics identified in our 2021 materiality assessment exercise as indicated in the above materiality matrix, other material topics applicable to us as an organisation are carefully discussed and addressed throughout this sustainability report. Our material topics for 2021 across the GRI Sustainability Reporting Standards include the following: Economic Performance, Market Presence, Indirect Impact on business

<table>
<thead>
<tr>
<th>Importance to stakeholders</th>
<th>Low</th>
<th>Medium</th>
<th>High</th>
</tr>
</thead>
<tbody>
<tr>
<td>Low</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Medium</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>High</td>
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</tbody>
</table>

The Dangote Group is an active member of The Coalition Against COVID-19 in Nigeria

The Coalition Against COVID-19 (CACOVID) is a Private Sector task force spearheaded by Aliko Dangote and key stakeholders in the private sector to support the Nigerian Government’s effort in the fight against COVID-19.

In 2021, CACOVID focused on supporting the Government on oxygen supply for case management, reopening the economy, vaccination advocacy and roll-out. In addition to providing logistics support to the national roll-out, CACOVID has supported training of direct vaccine administration to about 50,000 persons in Lagos and the FCT. As at 31st December 2021, 6.8 million 1st doses and 3.7 million 2nd doses had been administered across Nigeria (i.e. 6.1% and 3.3% respectively of the target population).

Growing towards recovery: Our COVID-19 story

Sustainable, inclusive growth can deliver big benefits for the environment, society, and the economy. In material terms, growth is a process of increasing in size. More money, more property, more material – all tangibles. However, in 2021 we embraced growth from a different perspective – the health and wellbeing of our people. These are intangibles that drive productivity and the growth of our business. For this reason, we adopted proven COVID-19 interventions that could extend healthy, productive life spans. In our records, staff received 6,872 vaccinations and a wide range of preventive strategies was implemented.

Below we share some of them:
1. Weekly meetings on COVID-19 Prevention Action Plan which was reviewed by top management.
2. Regular engagements with the local community on awareness.
3. Support communities and employees by providing personal hygiene items such as face masks and hand sanitisers.
4. Temperature check at entrances of buildings.
5. Toolbox talks and other awareness materials are displayed strategically to counter misinformation.
6. COVID-19 vaccination is arranged at DCP Plants to enable contract workmen to receive hassle-free vaccination.
7. Well-equipped Isolation centres commissioned within Plants to accommodate affected employees.
8. Ambulance with life-saving equipment provided in plants.
9. Extra staff buses are provided to maintain 50% occupancy for social distancing.
10. Office operates at 50% capacity.
11. Group COVID-19 Center partnership with a leading laboratory for hassle-free RT-PCR tests for employees and their families.
12. A monthly status report is presented to DIL and DCP top management and eventually to the Board members in a quarterly technical report.
Corporate governance

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88 Board Technical and Sustainability Committee report
89 Board Remuneration, Governance and Nomination Committee report
Aliko Dangote, GCON
Chairman

Date of appointment: 4th November 2002

Aliko Dangote is the Chairman of the Board of Directors, Dangote Cement Plc. He is the founder and President/Chief Executive of Dangote Industries Limited, primary holding company of the largest conglomerate in West Africa. A graduate of Business Studies from Al-Azhar University in Cairo, Egypt, he started business in 1978 trading in commodities, before he ventured into full-scale manufacturing. He has been conferred several Honorary Doctorate degrees from various prestigious Universities across the globe, including Coventry University in the United Kingdom (2016), University of Ibadan in Nigeria (2016), and Ahmadu Bello University (2019). He is well known for his philanthropic engagements in local and international initiatives via the Aliko Dangote Foundation, committed to improving healthcare, education and social wellbeing. In addition, he sits on the boards of notable international bodies involved in global economic growth, sustainable development, and healthcare initiatives. These include the JP Morgan International Council, the Clinton Health Access Initiative, the McKinsey Advisory Council, the International Business Council of the World Economic Forum, the Harvard Advisory Council, amongst others. The Nigerian Government conferred on him the Grand Commander of the Niger (GCON), the first person outside government functionaries to receive this honour.

Michel Puchercos
Group Managing Director

Date of appointment: 1st February 2020

Michel Puchercos was appointed to the Board of Dangote Cement in 2020, as the Group Managing Director. He has more than twenty (20) years’ experience in the cement industry, having served in various capacities at Lafarge including as the President & Chief Executive Officer of Lafargeホール水泥 from January 2009 to March 2016, Director of Strategy and Systems at Lafarge Gypsum from September 1998 till March 2003 and also as Chief Executive Officer of Bamburi Cement, Kenya, Hima Cement, Uganda and Chairman, Mbeya Cement, Tanzania from June 2005 till December 2008. He served as the Group Managing Director and Country CEO of Lafarge Africa Plc, a company listed on Premium Board of the Nigerian Exchange Limited, from April 2016 till December 2019. He is a graduate of the Ecole Polytechnique (1976) and the Ecole Nationale du Génie Rural, des Eaux et des Forêts (1981).

Sani Dangote
Non-Executive Director

Date of appointment: 22nd July 2005

Sani Dangote was a businessman with more than 30 years’ experience in key sectors of the Nigerian economy including manufacturing, agriculture and oil services. He was the Vice President of Dangote Industries Ltd and was a member on the boards of several companies. He was also the Deputy Chairman of African Gum Arabic Producers Association, a Fellow of the Nigeria Institute of Shipping and President of the Fertilizer Producers and Suppliers Association. In 2012, he completed the Owner Management Programme at the Harvard Business School. He passed away on 14th November 2021.

Olakunle Alake
Non-Executive Director

Date of appointment: 22nd July 2005

Olakunle Alake was appointed to the Board of Dangote Cement Plc on 22nd July 2005. He is also the Group Managing Director of Dangote Industries Limited. He was appointed to the Board of Dangote Industries Limited as Executive Director in 2001. He holds a bachelor’s degree in Civil Engineering from Obafemi Awolowo University, Ille-Ife and is a Fellow of the Institute of Chartered Accountants of Nigeria. He joined Dangote Industries Limited in 1990, after six years at Pricewaterhouse Coopers. He has held several management positions in Dangote Industries Limited, including Financial Controller and Head of Strategic Services.
Devakumar Edwin was previously the Chief Executive Officer of Dangote Cement Plc, until he resigned as Group CEO on 31st January 2015. Following 14 years spent in industrial management in England, he joined Dangote Industries Limited in 1992 and has since held several managerial positions within the Group. He is a Chartered Engineer, holding graduate and master’s degrees in Engineering from the Madras University, India, and holds a postgraduate diploma in Management from IITM, Holland, all obtained in 1978, 1980 and 1986 respectively.

Abdu Dantata is a Non-Executive Director in Dangote Cement Plc and an Executive Director in Dangote Industries Ltd. He is also the Chairman of Agad Nigeria Limited, a trading and transportation company operating throughout Nigeria. He is a fellow of the Nigerian Institute of Shipping. He obtained an Executive Programme Certificate in Sales and Marketing from the Kellogg Senior Management School at Northwestern University, Chicago.

Ernest Ebi has more than 40 years of banking experience from various leadership positions across a number of banks. In June 1999, he was appointed as a Deputy Governor at the Central Bank of Nigeria where he covered the policy and corporate services portfolios over a ten-year period. He maintained oversight functions over Nigeria’s External Reserves, International Economic Relations, Trade & Exchange and Research Department among other responsibilities. He was a key member of the banking sector reform team, especially during the major consolidation process in 2006. In recognition for his sound professional background and track record of meritorious service, the Federal Government of Nigeria in 2007 awarded him the National Honour of Member of the Order of the Federal Republic (MFR). He sits on the boards of several blue-chip companies.

Emmanuel Ikazoboh has over 40 years of experience in senior management roles in Nigeria, Côte d’Ivoire, Cameroon and South Africa. He was previously the Group Chairman of Ecobank Transnational Inc., the Pan-African banking group. He started his professional career at Akintola Williams Deloitte. He first became the Managing Partner for francophone offices in Cameroon and Côte d’Ivoire and later became the Managing Partner of the Deloitte firm in West and Central Africa until 2009. In 2010 he was appointed by the Securities and Exchange (SEC) as an Interim Administrator to carry out capital market reforms of the Nigerian Exchange Limited (NGX) and the Central Securities Clearing System Plc (CSCS). He serves on several corporate boards as Chairman or Non-Executive Director. He obtained an MBA in Financial Management and Marketing from Manchester University Business School in 1978, a Certified Accountant in the United Kingdom, and a fellow of the Nigeria Institute of Chartered Accountants.

Douraid Zaghouani was appointed to the Board of Dangote Cement Plc on 29th April 2015 as a Non-Executive Director. Douraid is Chief Operating Officer of Investment Corporation of Dubai (ICD), the principal investment arm of the Government of Dubai. In this role, he is responsible for the efficient operational management of the organisation (including Finance, Strategy, Legal and Compliance, Risk and Audit…) with the aim of optimising business performance. He joined ICD in 2014 after a distinguished and international career at Xerox for over 25 years where his most recent position was Corporate Officer and Global President, Channel Partners Operations based in New York (responsible for a USD10.3b business). Douraid serves as Chairman of the Board of Dubai Global Connect. He is on the Board of Directors of IHI (International Hotel Investment), of CDI (Corinithia Development International), and of IPEMED (Institut de Prospective Economique du Monde Méditerranéen). Douraid is a Civil Engineer from Ecole Nationale des Travaux Publics de l’Etat (France) and also a graduate in Business Administration - Strategy and Management from ESSEC (Ecole Superieure des Sciences Economiques et Commerciales) business school in Paris.

Dorothy Udeme Ufot has more than 32 years’ experience in commercial litigation, having been admitted to the Nigerian Bar in 1989 and then admitted to the Inner Bar as a Senior Advocate of Nigeria (SAN) in April 2009. She is also the former Chairman of the Board of Directors of Fidelity Bank Plc. In a very distinguished career within the financial services industry, she went on to serve in leadership positions across a number of banks. In June 1999, she was appointed as a Deputy Governor at the Central Bank of Nigeria where she covered the policy and corporate services portfolios over a ten-year period. She obtained a Postgraduate Certificate in Sales and Marketing from IITM, Holland.

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Board of Directors continued

Viswanathan Shankar
Non-Executive Director

Date of appointment: 10th December 2017

Viswanathan Shankar is Co-founder and Chief Executive Officer of Xstrata Plc. Prior to joining Xstrata, Shankar was Executive Director of Gateway Real Estate Africa, Mauritius, and Fund for Export Development in Africa, Egypt. His past appointments include non-executive director roles at the boards of the Inland Revenue Authority of Singapore, Enterprise Singapore, Majid Al Futtaim Holdings, and Vice-Chair of the Future of Banking Global Agenda Council of the World Economic Forum. The Government of Singapore awarded him the Public Service Medal in 2014. Mr. Shankar obtained a Bachelor's degree in Commerce (Honours) degree from Rhodes University in 1979 and an Honorary Doctorate from Bar Ilan University in 1995.

Sir Michael Davis
Independent Non-Executive Director

Date of appointment: 20th April 2018

Sir Michael Davis is the Chairman of Macsteel, a diversified mining and metal companies. Prior to joining Xstrata, he was Executive Director and Chief Financial Officer of Billiton Plc. He has extensive capital markets and corporate transaction experience. During his career, he has raised more than $40 billion from global capital markets and successfully completed more than $120 billion of corporate transactions, including the listing of Billiton on the London Stock Exchange; the merger of BHP and Billiton into the largest diversified mining company in the world and the successful merger of Xstrata and Glencore. Sir Davis obtained a Bachelor of Commerce (Honours) degree from Rhodes University in 1979 and an Honorary Doctorate from Bar Ilan University in 2012.

Cherie Blair CBE, QC
Independent Non-Executive Director

Date of appointment: 20th April 2018

Cherie Blair is a leading international lawyer, arbitrator and mediator, a former judge and a committed campaigner for women’s rights. She is the Founder of the Cherie Blair Foundation for Women, and the Founder and Chair of Omnia Strategy LLP, an international law firm. She is Chancellor of the Asian University for Women, Chancellor Emeritus of the Liverpool John Moores University and has served in this capacity since 2011. She is also the President of the Loomba Foundation, Honorary Vice President of Barnardo’s and Patron of Scope, as well as a number of other charities. She was appointed as an Independent Director on the Board of Groupe Renault from 2015 to 2019. She was awarded a CBE in 2013 for services to women’s issues and to charity in the UK and overseas. She graduated with first class honours in 1975 from the London School of Economics. She was called to the Bar of England and Wales in 1978, and was appointed Queen’s Counsel in 1985.

Berlina Moroole
Non-Executive Director

Date of appointment: 24th July 2020

Berlina Moroole is the Group Chief Operating Officer for Rand Mutual Assurance. Prior to joining RMA, she held several senior management roles at different companies, Motus Holding Limited, Liberty Holding Limited and a Partner at Deloitte. She is an Independent Executive Board Member and member of the Audit and Risk Committee for Emina Property Fund Limited, was previously an Independent Non-Executive Board Member, Chairperson for both the Audit Committee and Social Ethics Committee and a member of the Risk Committee at Assupol-Holding and Life. Advisory Audit Committee member for the United Nations Population Fund (UNFPA) and the Board Member for the Legal Aid South Africa. Berlina is a qualified Chartered Accountant (SA).

Arvind Pathak
Deputy Group Managing Director

Date of appointment: 29th October 2019

Arvind Pathak, immediately prior to his appointment to the Board, was the Chief Operating Officer of Dangote Cement Plc, with more than 36 years’ experience in the cement industry. Prior to joining Dangote Cement Plc, he worked at Reliance Cement as CEO from 2008 to 2015. He was previously the Regional CEO of Associated Cement Company Limited. He obtained a degree in Electrical Engineering in 1980 and a postgraduate degree in Industrial Engineering and Management in 1982. He was a Fulbright scholar.

Halima Aliko-Dangote
Non-Executive Director

Date of appointment: 26th February 2022

Ms. Halima Aliko-Dangote is currently the Group Executive Director, Commercial Operations at Dangote Industries Limited, where she is responsible for leading the development and execution of Dangote Group’s Customer and Shared services strategy with specific oversight for the following functions. Commercial, Strategic procurement, Branding & Communications and Corporate Services. Ms. Dangote also served as Executive Director of Dangote Flour Mills, where she led the successful turnaround and recent sale of the business. Prior to then, she served as Executive Director of NASCON Allied Industries Plc and continues to serve as a Non-Executive Director. She is a Trustee of the Aluko-Dangote Foundation and is happily married with children.
Executive Committee

Michel Puchercos
Group Managing Director/Chief Executive Officer

Michel Puchercos was appointed to the Board of Dangote Cement in 2020, as the Group Managing Director. He has over 20 years’ experience in the cement industry, having served in various capacities including President and Chief Executive Officer of Lafarge Halla Cement, Director of Strategy and Systems at Lafarge Gypsum, Chief Executive Officer of Bamburi Cement and Hima Cement, and Chairman of Mbeya Cement in Tanzania. His last appointment was as the Group Managing Director and Country CEO of Lafarge Africa Plc.

Guillaume Moyen
Group Chief Financial Officer

Guillaume joined Dangote Cement in February 2019 as Group CFO (Operations), was appointed Acting Group CFO in March 2019 and was confirmed as substantive Group CFO in March 2020. He is in charge of Finance and IT and has more than 20 years’ experience in multinational industrial and services companies notably operating in emerging and frontier markets. His career cuts across Finance, Risk Management, Internal Control, Audit, IT and Procurement working in senior positions in Manufacturing, Engineering, Oil and Gas, Nuclear Energy, Mining and Consulting sectors notably with the Orano (ex-Areva) Group, the Ola Energy Group and KPMG. Guillaume is a Chartered Accountant and holds an MBA degree from Columbia Business School.

Edward Imoedemhe
Deputy Company Secretary

Edward Imoedemhe is the Deputy Company Secretary/Legal Adviser of Dangote Cement Plc. He joined the Dangote Group of companies (DCP) in May 2013. He has since brought his experience to bear in various roles in the Group legal department, including regulatory and compliance, corporate and company secretarial services, contracts management and litigation/dispute resolutions. He has over 24 years’ post-call experience with a master’s degree in Maritime and Commercial Law. He is an associate member of the Institute of Chartered Secretary and Administration. A member of the Society of Corporate Governance, he served as Head Legal & Secretariat, Insurance/Investors Relations in Intercellular Nigeria Plc from 2006 to 2013. He also held the position of Company Secretary/Legal Adviser in an Oil & Gas/Shipping firm, among others, before joining DCP.

Dr. Adenike Fajemirokun
Group Chief Risk Officer

Dr. Adenike Fajemirokun is the Group Chief Risk Officer, leading the Risk Management functions for the Group and overseeing the Company’s governance model and Enterprise Risk Programme. She is a renowned Risk Management & Insurance specialist with over 21 years diverse experience in developing and implementing Risk Management strategies in Financial, Engineering, Manufacturing, and other Industries. She served in top management roles at Deutsche Bank AG, UK and Director of the Management Group for leverage finance at the Corporate and investment Bank. Dr. Fajemirokun holds a B.Eng in Civil, Structural and Fire Engineering and a Ph D in Risk Informed Engineering, both from the University of Manchester. A Fellow of the Engineering and Physical Sciences Research Council (EPSRC), and Specialist member (SIRM) of the Global Institute of Risk Management.

Mahmud Kazaure
Company Secretary and Chief Legal Officer

Mahmud joined Dangote Industries Ltd in 2011 and was subsequently appointed as Company Secretary of DCP in 2013. He has broad legal experience including commercial law, international business and civil litigation as well as contractual and legislative drafting. He is licensed to practise law in Nigeria as well as in the States of Maryland and New York in the United States of America. He holds a Bachelor of Laws degree from Ahmadu Bello University, Zaria, and a Master of Comparative Jurisprudence degree from Howard University School of Law, Washington DC.

Philip Mathew
Deputy Group Managing Director

Philip Mathew joined Dangote Cement in 2021, as the Deputy Group Managing Director. He has over 35 years of experience in the cement industry, with large regional and international companies. Prior to joining Dangote, he was Head of Cement Manufacturing Excellence for LafargeHolcim APAC region. He has worked across various countries in Europe and Asia, in different roles, leading plant, country and regional manufacturing teams. Apart from a background in leading operational excellence, he has broad-ranging experience in establishing and stabilising new cement plants and piloting transformational change in large industrial organisations. He is a chemical engineer from the Indian Institute of Technology (IIT), Madras.

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Executive Committee continued

Gloria Byamugisha
Group Chief Human Resource Officer
Gloria Byamugisha joined Dangote Cement in October 2021 as the Group Chief Human Resource Officer with over 20 years experience in Human Resources, of which 15 were in C-suite roles. She has held several Director Roles in leading organisations and her experience spans across Telecommunications, Banking and Public sector in different geographies. She holds an undergraduate degree in Business Administration & Management from the University of Bedfordshire and an MBA in Finance & Management from the University of Westminster with Strategic Business Analysis at the London Business School. She is a certified trainer of the Extraordinary Leadership Program by Louis Allen.

Jonathan Ogiku MBA, FCA
Group Chief Internal Auditor
Jonathan Ogiku is the Group Chief Internal Auditor for Dangote Cement. He holds a Master’s Degree (Executive MBA) from Lagos Business School, Pan Atlantic University and is a Fellow of the Institute of Chartered Accountants of Nigeria. Mr. Ogiku started his career with the British American Tobacco (BAT) Company Plc, as a management trainee in 1989 and held various senior roles as Operations Finance Manager, Treasurer and Head of Audit. During these years he had extensive international trainings in the UK in diverse areas in finance, internal audit, investigations, corporate security management and risk management. Jonathan’s professional experience combines a deep understanding of manufacturing operations, cultural sensitivity and a commercial approach to business. He is a regular paper presenter at the ICAN MCEP & CPE programmes and a member of the Board of Directors of the Institute of Internal Auditors, Nigeria.

Jonathan joined Dangote Cement Group from BAT 8 years ago as General Manager, Internal Audit responsible for Nigerian Operations. He was promoted to Senior General Manager, Group Head Internal Audit and Group Chief Internal Auditor over the years. He is currently leading various business improvement and transformation projects to transform Dangote Cement internal audit department to a world-class internal audit function.

Kashinath Bhairappa
Director of Projects
Kashinath joined Dangote Cement in February 2001 as a General Manager and was subsequently elevated to Director of Projects, responsible for looking after Dangote Cement’s Projects. He previously worked with different cement manufacturers in India, including BK Birla Group (Cement), Ambuja Cements and Grasim Industries Limited at different levels in project management and execution. He obtained a BE in Mechanical Engineering from Karnataka University, Karnataka State, in 1973.

Knut Ulvmoen
Supply Chain Director
Knut joined Dangote Industries Limited in 1996 as Finance Director. He previously had extensive finance experience in companies including Norcem, Bulkcem and Scancem. As Group Managing Director of Dangote Cement, from 2002 to 2007, he was instrumental in Dangote Cement’s transition from importing cement to becoming Nigeria’s leading manufacturer. As part of this expansion, he was a key figure in the acquisition of Benue Cement Company and in the development of plans to build the Obajana Cement factory in Kogi State. In addition to his work in cement, he was also involved in the development of Dangote Industries Limited’s flour and sugar operations.

Juan-Carlos Rincon
Head of Transport
Juan-Carlos joined Dangote Cement in 2012 and has 24 years’ experience in the cement industry, having worked in multinational cement groups such as Diamante, Cemex, Asamer, and the Austrian engineering consultancy firm Austroplan. He brings to the Group a high degree of managerial knowledge and international experience gained from working in the global cement industry at sites in different countries. He has held Senior Management positions in different parts of the world, including time as Chief Executive Officer of the Libyan Cement Company, as President of Dalmatia Cement in Croatia, and as Regional Human Resources Director for Cemex in South East Asia.

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Igazeuma Okoroba
Head, Sustainability
Dr Igazeuma Okoroba joined Dangote Cement in October 2021 as the Head, Sustainability, overseeing DCP’s Sustainability function. She is an experienced Development Sociologist specialised in CSR, sustainability strategy, reporting and climate action from diverse industries. Her professional experience spans over 18 years in Civil Society, Media, Oil and Gas and Telecommunications sectors. She has worked at United Nations Institute for Training and Research (UNITAR), Total Exploration and Production Nigeria, and is joining DCP from IHS Towers Nigeria where she was Sustainability Strategy Manager, leading the company’s sustainability thought leadership programme. Dr. Okoroba holds an M.Sc in Sustainable Development from the University of Exeter in the UK and a Ph.D in Development Sociology, from the University of Port Harcourt.
difficult and complex industrial environment. Professional in the area of cement manufacturing in Institute of Technology, Delhi. He is a highly experienced Dr. Ravi Sood holds a PhD in Materials Science from the Indian contribution to Dangote Cement product development Cement (2012-13) during which he made substantial as Director of Research & Development in Dangote Cement. He previously worked as Director with Lafarge, Austria. He previously worked as Director of Research & Development in Dangote Cement (2012-13) during which he made substantial contribution to Dangote Cement product development across all units in Nigeria (42.5, 3X Brand). Dr. Ravi Sood holds a PhD in Materials Science from the Indian Institute of Technology, Delhi. He is a highly experienced professional in the area of cement manufacturing in difficult and complex industrial environment.

Oliver joined Dangote Industries in 2012, specialising in Finance. After substantial in-house training he was assigned to Dangote Cement in 2015, as Head of Internal Reporting and Planning. He is a key member of the Company’s Finance team, shaping its internal reporting and planning framework as well as working on the development of financial models for numerous projects undertaken by the Group. Oliver holds a BA in Economics and Statistics from the University of Benin and an MBA from the Lagos Business School in Nigeria. Oliver is a member of the Association of Chartered Certified Accountants, ACCA, UK.

Rajesh joined Dangote Cements as the Director Operations (Pan Africa) in October 2019. He is a competent technical professional with 43 years of wide and varied experience in cement manufacturing process right from “quarry” to “lorry” specially, green and brownfield projects engineering and execution of the Project as well as plant maintenance, trouble shooting, de-bottlenecking to improve the Plant Productivity. Rajesh has played a significant role in technical, production and maintenance while working in companies like Shree Digvijay Cement Co. Ltd for 20 years, Saurashtra Chemicals Limited for two years and Ambuja Cements Limited – a flag ship company of Lafarge Holcim for 18 years. He is a qualified Mechanical Engineer B.E. (Mechanical) from Sardar Patel University, Vallabh Vidyanagar, Gujarat, India in 1978.

Sada Ladan-Baki is a graduate of Economics from Ahmadu Bello University, Zaria, Nigeria. He holds a Masters’ Degree in Business Administration. He has about 30 years of experience in public service and fund administration. In 1991, Alhaji Ladan-Baki was appointed the General Manager of NASCON and in 1994 he rose to the position of Managing Director. He joined the Dangote Group as Executive Director in charge of Logistics and Distribution in 1998. He then took over the responsibility for the Foods Division with the factories producing sugar, flour, semolina, spaghetti and salt. In 2002, he became the Executive Director, Sales and Marketing, Salt and Pasta. He sits on the board of several companies and belongs to many professional associations including the Institute of Logistics and Distribution (Chartered Fellow), Institute of Directors (Chartered Fellow) and the Nigerian Institute of Marketing (Chartered Member). He is currently the Chairman Logistics Committee of the Institute of Directors, and the Vice President of Manufacturers Association of Nigeria Export Group.

Rabiu joined Dangote Cement in 2016 he became the Managing Director/Chief Executive Officer for the Terminals and Logistics arm of Dangote Plc. In 2014 he moved to Lafarge Africa as the Energy and Power Director and subsequently managed Strategy and Business Development portfolio for West Africa. In 2016 he became the Managing Director/Chief Executive Officer of Ashaka Cement Plc and spearheaded the turnaround of the business until his departure in 2019 to join Dangote Industries Ltd as Group Chief Commercial Officer. A graduate of Accounting from Bayero University Kano and an Alumnus of Harvard Business School (OMP), he is also a member of the Institute of Directors and Chartered Institute of Marketing UK (ACIM).

Temilade is skilled in Capital Markets, Portfolio Management, Corporate Finance and Investments. She has worked at Standard Chartered Bank, Price Waterhouse Coopers, Renaissance Capital, and joined DCP from Standard Bank Group where she was the Senior Africa Infrastructure and Oil & Gas Equity Analyst.

Rabiu Abdullahi Umar joined DCP as Group Sales and Marketing Director with over 20 years of experience in senior and executive functions within the downstream Petroleum and Cement manufacturing sectors with a focus on transformational leadership. Rabiu started his career in Dangote Plc and rapidly rose to hold different management roles within the marketing business and led the Sales and Marketing Transformation plan successfully. He was later appointed Chief Operating Officer for the Terminals and Logistics arm of Dangote Plc.

Temilade Aduroja was appointed Head, Investor Relations in February 2020. She is an experienced equity and debt capital market professional, with an expertise in Africa Infrastructure and Oil & Gas sectors. She is a finance professional with over 12 years of experience with a demonstrated history of working in the investment banking industry. Temilade is skilled in Capital Markets, Portfolio Management, Corporate Finance and Investments. She has worked at Standard Chartered Bank, Price Waterhouse Coopers, Renaissance Capital, and joined DCP from Standard Bank Group where she was the Senior Africa Infrastructure and Oil & Gas Equity Analyst.

Dr. Ravi Sood joined Dangote Cement as Director of Operations, Nigeria in June 2018. He has over 35 years experience in successfully managing cement manufacturing units in different countries. He was Plant Director-Tabuk Cement Co. Saudi Arabia, Technical Director with Holcim in Eastern Europe and Relation Director with Lafarge, Austria. He previously worked as Director of Research & Development in Dangote Cement (2012-13) during which he made substantial contribution to Dangote Cement product development across all units in Nigeria (42.5, 3X Brand). Dr. Ravi Sood holds a PhD in Materials Science from the Indian Institute of Technology, Delhi. He is a highly experienced professional in the area of cement manufacturing in difficult and complex industrial environment.

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Director of Operations, Pan-Africa

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Rabiu Umar
Group Sales and Marketing Director

Oliver Obu
Group Financial Controller

Oliver Obu
Group Financial Controller

Sada Ladan-Baki
Head, International Trade/Export

Sada Ladan-Baki
Head, International Trade/Export

Temilade Aduroja
Head, Investor Relations

Temilade Aduroja
Head, Investor Relations

Dr. Ravi Sood
Director of Operations, Nigeria

Dr. Ravi Sood
Director of Operations, Nigeria

Rabiu Umar
Group Sales and Marketing Director

Rabiu Umar
Group Sales and Marketing Director

Temilade Aduroja
Head, Investor Relations

Temilade Aduroja
Head, Investor Relations
Chairman’s introduction to Corporate Governance

A culture of strong governance

Distinguished shareholders, it is my pleasure to introduce this Corporate Governance Report, which forms part of the Report of the Directors and which sets out the principles by which Dangote Cement Plc is governed.

Corporate Governance Framework

Our Board of Directors has established a Corporate Governance Framework, which addresses matters such as the Board’s mission, its structure and Committees, the responsibilities and remuneration of Directors, the role and appraisal of the Group Managing Director and the strategy for Board and Executive succession. The Board reviews developments in corporate governance and updates the Corporate Governance Framework as it deems necessary.

The Board of Directors

At the heart of our Corporate Governance Framework is our Board of Directors, which serves as the ultimate decision-making body of the Company, except for those matters reserved to or shared with the shareholders. The roles and responsibilities of the Board and its Committees are documented in the Board and Committee Charters. The Board is accountable for the Company’s activities, strategy, risk management and financial performance as well as the Corporate Governance Framework.

Board composition

As at 31st December 2021, the Board was composed of 14 people with skills in manufacturing, finance, engineering, business and law. Arvind Pathak resigned on 25th February 2021 while Halima Aliko-Dangote was appointed on 26th February 2022. We lost one of our Directors, Sani Dangote, who passed away on 14th November 2021. The entire Board, Management and Staff of the Company will dearly miss him and we once more extend our condolence to his family. The Board comprises of myself, the Group Managing Director, the Group Deputy Managing Director, five independent Non-Executive Directors and seven Non-Executive Directors.

As the Chairman of the Board, I act as a liaison between the Board and Management through the Group Managing Director. I am responsible for the governance of the Board and set its agenda in consultation with the Group Managing Director and the Company Secretary, with contributions from other Board members. The positions of the Chairman and Group Managing Director are separate and held by different individuals in line with the Securities and Exchange Commission Corporate Governance Code and the Nigerian Code of Corporate Governance ("the Corporate Governance Codes"). Michel Puchercos is the Group Managing Director.
Director and is responsible for the execution of strategy and the day to day management of the DCP Group, supported by the Executive Committee (ExCo).

The Board assesses the independence of the Independent Non-Executive Directors periodically, in line with the Corporate Governance Codes and has concluded that they are all independent in character and judgement. The Non-Executive Directors bring a wide range of international expertise, as they occupy senior positions in industry, finance or public life. We believe that the current Board size and composition is appropriate, except for the ongoing need to improve gender diversity, which is being addressed.

The Company Secretary
The Board is supported by Mahmud Kazaure, the General Counsel and Company Secretary, and his Deputy, Edward Imedemhe. They provide support and guidance to the Directors with respect to their duties, responsibilities and powers. They also ensure compliance with procedures and regulations necessary for the conduct of the affairs of the Board. The Company Secretary and the Deputy Company Secretary act as Secretaries to all the Committees and attend all their meetings.

Board Committees
The Board governs the Company through the operation of Board Committees, which have terms of reference issued by the Board. All Committee Chairmen report on the proceedings of their Committee meetings at the Board meetings. As at 26th February 2022, the Board has four Committees – the Audit, Compliance and Risk Management Committee, the Finance and Investment Committee, the Technical and Sustainability Committee, and the Remuneration, Governance and Nomination Committee. Reports from these Committees, which form part of this Report, can be found on pages 86 to 90.

Delegation to management
The Board delegates responsibility for implementing the Company’s strategy and for managing the Group to the Group Managing Director, who is supported by the Executive Committee, which he chairs. The profiles of the members of the Executive Committee can be found on pages 73 to 75.

Appointment and re-election of Directors
The Board Remuneration, Governance and Nomination Committee, leads the process of the appointments to the Board, in accordance with the Board Appointment Policy, utilising the Board membership criteria while taking into cognisance the experience of Directors on the Board as well as the attributes of the nominee. Upon appointment, a new Director is issued a letter of appointment that sets out the tenure, role, responsibilities and powers of the Director. The Company has a Tenure Policy in line with the Corporate Governance Codes. According to the Policy, an Executive Director serves for initial term of five years, a Non-Executive Director for an initial term of three years with additional terms of three years each, and an Independent Non-Executive Director for an initial term of three years with additional terms of three years each. The terms are renewable, subject to satisfactory performance. Non-Executive Directors who are 70 or more years of age are disclosed to shareholders at Annual General Meetings in line with the Companies and Allied Matters Act, 2020 (CAMA).

All Directors are required to retire by rotation and stand for re-election at least every three years in compliance with the provisions of CAMA and the Corporate Governance Codes. At the forthcoming Annual General Meeting, Abdu Dantata, Cherie Blair CBE, QC, Michael Davis, Viswanathan Shankar and I will retire by rotation and be presented for re-election. The Board recognises the need to reinforce its effectiveness by injecting new energy, fresh ideas and perspectives. In this regard, we welcome Philip Mathew and Halima Aliko-Dangote to the Board, who bring extensive experience to the Board. We hope their appointments will be ratified by shareholders at the forthcoming Annual General Meeting. Arvind Pathak, who was the Chief Operating Officer immediately prior to his appointment to the Board, resigned from the Board. We wish him the very best in the future.

Director induction and development
As Chairman, I am responsible for ensuring that induction and training programmes are provided for Directors based on training needs and gaps identified in consultation with the respective Directors. The Board has established an Induction and Training Policy for Directors and they receive periodic trainings and inductions. The Board is confident that all its members have the knowledge, ability and experience to perform the functions required of a director of a listed company.

Board and Committee meetings
Meeting dates for Board and Committee meetings are agreed in advance and notices of meetings and other Board papers are sent to Directors ahead of the meetings. Working with the Company Secretary, I implement an Annual Agenda Plan to assist the Board and its Committees in discharging their roles and responsibilities in line with their charters. Board meetings were well attended with attendance of Directors exceeding two-thirds as required by the Corporate Governance Codes. Details of Directors’ attendances at Board and Committee meetings are shown on pages 81.
Key matters during the year
The Board met five times during 2021 and details of key matters discussed at these Board meetings are indicated below:

| Appointment of new Directors | The Board, in consideration of its internal processes, policies and best practice, appointed a new Deputy Managing Director. The appointment will enhance Board effectiveness and development. |
| Share buy-back scheme | The Board considered and approved the share buy-back scheme, allowing the Company to purchase its own shares. |
| Review and approval of Budget | The Board reviewed and approved the Budget for the succeeding financial year. |
| Board and subsidiary Board meetings | The Board reviewed and approved Board and Committee Meeting dates for the succeeding financial year. |
| Quarterly and full year financial statements | The Board reviewed and approved unaudited quarterly accounts and the audited financial statements and submitted the latter to the shareholders to approve at the Annual General Meeting. |
| Approval of proposed dividends | The Board proposed a dividend for the financial year, which will be approved by shareholders at the Annual General Meeting. |
| Quality/operational efficiency | The Board reviewed and approved several initiatives to enhance quality and improve operational efficiency in the Company. |
| Health, Safety, Security and Environment | The Board reviewed and approved systemic and strategic approaches to improve health, safety, social and environmental matters within the Company and its subsidiaries. |
| Transport | The Board reviewed and approved strategic approaches to improve transport operations in the Company. |
| Annual General Meeting | The Board resolved on the date, venue and other modalities for the Annual General Meeting of the Company. |

Review of the Governance Framework and policy formulation
The Board ensures continuous reviews of the Company’s Governance Framework. Further to these reviews, the Board approves the formulation of policies that are in line with good governance and has taken cognisance of the regulatory and business environment. These include:

| Annual Agenda Cycle | This represents the minimum agenda to be considered by the Board and Board Committees considering the current information needs of the Board. Additional matters requiring the Board’s attention are added as required. |
| Anti-Bribery and Corruption Policy | The policy demonstrates the Group’s zero tolerance for all forms of fraud including but not limited to bribery, corruption, asset misappropriation and financial fraud. The Company has established an Anti-Fraud Programme that sets out the fraud prevention and detection strategies. |
| Board Appointment Policy | This policy sets out the standards for the appointment of the Directors and aims to achieve a balance of experience and diversity amongst its Directors. |
| Board Development Policy | This policy seeks to institutionalise training and development of the Directors. |
| Board Evaluation Policy | This policy provides a systematic method of assisting Board members in the assessment of the Board’s scope of operation and responsibilities. |
| Board Remuneration Policy | This policy reflects the Group’s desire to sustain value creation for shareholders and aims to attract the requisite people to deliver the Group’s strategy. |
| Board Reporting Framework | This provides guidance on information to be provided by Senior Management to the Board and Board Committees, to aid the discharging of their responsibilities in line with the Framework. |
| Board Tenure Policy | This outlines the criteria for ensuring the rotation and appointment of Board members in order to maintain continuity of experience and introduce people with new ideas. |
| Communication Governance Policy | This establishes guidelines for communication of general and price-sensitive information about the Company to stakeholders in line with regulatory requirements. |
| Complaints Management Policy | This policy has been designed in line with the requirements of the SEC’s Rules. It defines a procedure for managing complaints from shareholders. |
| Conflict of Interest/Related Party Transaction Policy | This provides a framework to identify, and manage actual and perceived conflicts of interest. |
| Dangote Safety Golden Rule | This describes mandatory safety rules and regulations applicable to all staff, contractors and visitors. |
Corporate governance

Directors’ Code of Conduct Policy
This sets out the standards that each Director is expected to adhere to while conducting his/her fiduciary duties. This Code is intended to provide guidance to Directors on ethical issues and help foster a culture of integrity.

Executive Management Remuneration Framework
This policy seeks to link performance and reward by providing a variable/at risk element of executive remuneration that encourages performance.

Group Executive Committee Charter
This Charter governs the operations of the Group Executive Committee (ExCo) of DCP.

Group HSSE Standards
These Standards describe the requirements for reporting and investigating HSSE incidents. They ensure DCP adopts a rigorous risk analysis process to make informed and productive decisions.

Insider Trading Policy
This Policy provides guidelines regarding dealing in DCP’s shares or securities on the basis of potentially price-sensitive information that is not in the public domain. The Company issues “Closed Trading Period” notifications to insiders as required by capital market regulations. Having enquired, we can confirm that all Directors complied with the Insider Trading Policy during the year.

Subsidiary Governance Framework
This articulates the framework to assist the Board of Directors in the governance of subsidiary companies, with the goal of achieving the Company’s vision, strategic objectives and business goals.

Succession Planning Policy
This policy describes the process of identifying and developing successors for critical positions in the Company. The focus of this policy is to ensure that qualified people are available to fill vacancies at Executive Management level as and when needed.

Whistleblowing Policy
In line with the SEC Code and international best practice in corporate governance, this policy seeks to enable stakeholders to raise concerns about possible improprieties without fear of reprisal.

Code of Ethics
The Board has formalised a Board Code of Conduct, setting out the standards of conduct expected from Directors. To this end, the Directors attest to a Code of Conduct annually. To inculcate good ethical conduct, the Company has also established a Code of Conduct for employees, which has been disseminated to all employees through the employee handbook.

Succession planning
The Board views succession planning as important for business continuity. To ensure its success, the Board has established a Succession Planning Policy to ensure that there are processes in place to provide for the orderly succession of senior management.

Board and Directors’ evaluation
In line with the provisions of the Corporate Governance Codes and in accordance with the Board Evaluation Policy, we conduct evaluations of the Board and individual Directors, as well as the Company Secretarial function. Upon completion, the results are given to the Chairman, who in turn provides assessment feedback to each Director. The result of the evaluation indicated that the Board and Corporate Governance Framework is in compliance with the Codes of Corporate Governance. The process is designed to enhance Board performance, comply with regulatory requirements.

Shareholder engagement
As a Board of a premium-listed company on the Nigerian Exchange Group, our Board attaches importance to constructive relationships with all stakeholders. We have a dedicated Investor Relations team that reports to the Group Chief Financial Officer. The team is responsible for maintaining long-term relationships with investors and analysts. As Chairman, I also had meetings with investors to discuss matters of interest.

Annual General Meeting
The Annual General Meeting is the principal opportunity for the Board to meet shareholders and for me, as the Chairman, to give a report on the Company’s activities during the year, and provide clarifications on issues raised by shareholders. Shareholders have the right to ask questions at the Annual General Meeting or submit them in writing to the Company Secretary no later than 24 hours before the start of the AGM. The Notice of Annual General Meeting is sent to our shareholders, at least 21 days before the AGM is held. I hope the Annual Report, which outlines the work of our Board and its Committees during the year, will be informative to you as co-owners of the Company.

Aliko Dangote
Chairman
1st March 2022
18 January 2022
The Chairman
Dangote Cement Plc,
Leadway Marble House,
1, Alfred Rewane Road,
Ikoyi,
Lagos.

Dear Sir,


Deloitte & Touche has performed the annual review of the corporate governance framework and performance evaluation of the Board of Directors of Dangote Cement Plc (“Dangote Cement”) for the year ended 31 December 2021. The scope of the review included an assessment of the structure, mandate, and performance of the Board, Board Committees, and Management as it relates to the company’s overall strategic direction, stakeholder engagement, disclosures, and transparency.

The review was performed in compliance with Section 11.2.9.5, Principle 14, and Principle 15 of the Nigerian Code of Corporate Governance (“NCCG”). We also evaluated the board’s corporate governance framework and performance to align with regulatory requirements under the Securities and Exchange Commission’s Corporate Governance Guideline (“SEC Guideline”). The scope of the review included an assessment of key areas of Dangote Cement’s corporate governance and Board structure and composition framework, Board operations and effectiveness, assurance and secretarial functions, corporate disclosures, and relationship with stakeholders. Our evaluation report was premised on a desk review of relevant governance documents, policies, and procedures, interview sessions with Directors and select members of executive management, and survey responses received from the Directors.

Our evaluation result has shown that the Board, the Board Committees, Secretarial and Corporate Governance framework and practices in Dangote Cement Plc comply with the extant Codes of Corporate Governance. We also ascertained that the key Board functionaries (Board and Board Committee Chairpersons) and the Board Committees met their responsibilities under the Codes and governance charters in Dangote Cement Plc. Finally, the report highlights our reviewed activities, observations, and recommendations for the Board and Executive Management’s sustained improvement actions.

Yours faithfully,

For: Deloitte and Touche

**Ibukun Beecroft**

FRC/2020/ICAN/00000020765
Partner
Board roles and activities

Board Committees

Audit, Risk and Compliance Committee
Members:
- Aliko Dangote GCON (Chairman)
- Emmanuel Ikazoboh
- Dorothy Udeme Ufot
- Cherie Blair CBE, QC

Finance and Investment Committee
Members:
- Viswanathan Shankar (Chairman)
- Olakunle Alake
- Douraid Zaghouani
- Sir Michael Davis
- Devakumar Edwin

Technical and Sustainability Committee
Members:
- Sir Michael Davis (Chairman)
- Olakunle Alake
- Douraid Zaghouani
- Sir Michael Davis
- Devakumar Edwin

Remuneration, Governance and Nomination Committee
Members:
- Emmanuel Ikazoboh (Chairman)
- Ernest Ebi MFR
- Cherie Blair CBE, QC
- Sir Michael Davis
- Berlina Moroole

Key:
- Present
- Absence was due to illness
- Not a member
- Deceased

Board meetings were held on the following dates:
- 18/03/21
- 29/04/21
- 29/07/21
- 28/10/21
- 15/12/21
The Directors of Dangote Cement Plc present the Consolidated and Separate Financial Statements for the year ended 31st December 2021. The Directors have considered all the matters brought before them in the financial year under review and are satisfied that the Directors’ Report represents a fair, balanced and realistic view of events.

**Legal form**

Obajana Cement Plc, subsequently renamed Dangote Cement Plc by virtue of a special resolution dated 14th July 2010, was incorporated in Nigeria as a public limited company on 4th November 1992 and commenced operations in January 2007. Dangote Cement Plc listed its shares on the Nigerian Exchange Group ("the Exchange") on 26th October 2010, and it has a market capitalisation of ₦4.4 trillion as at 31st December 2021.

**Principal activities**

The Company was incorporated for the purpose of establishing factories for the preparation, manufacture, sale and distribution of cement and related products. Our operational activities are undertaken at various plants in Nigeria and through our subsidiaries across Africa. Details of our production, grinding and import facilities in Africa can be found in note 18 of the financial statements.

**Subsequent events**

Other than those disclosed in note 36 of the financial statements there were no other events after the reporting date which could have had a material effect on the financial position of the Group as of 31st December 2021, which have not been adequately provided for in the financial statements.

**Directors’ responsibilities**

The Directors are responsible for preparing the financial statements, which they confirm gives a true and fair view of the Company's state of affairs and the profit or loss for that period. The financial statements comply with the provisions of the Companies and Allied Matters Act (CAMA), 2020. In so doing, they ensure that they act in accordance with the Directors’ responsibilities outlined below:

1. The Board is charged with ensuring that appropriate values and ethics of the Company are agreed and that appropriate procedures and policies are in place to ensure that these are implemented effectively. The Board ensures leadership through oversight and review. Supported by its Committees, the Board sets the Company's strategic direction and aims to deliver a sustainable increase in shareholder value over the longer term.
2. The Board ensures that proper accounting records are maintained. The accounting policies are consistently applied, and appropriate financial statements are prepared on a going concern basis, conforming to applicable law and standards. Most of this responsibility is delegated to the Board Finance and Investment Committee.
3. The Board ensures that internal control procedures are established to safeguard the Company's assets and detect fraud and other irregularities. It also oversees the implementation of risk assessment processes to identify, manage and mitigate the principal risks of the Company's business. Much of this work is delegated to the Board Audit, Risk and Compliance Committee.
4. The Board reviews the remuneration framework, performance criteria and succession planning at Board and Executive Management level. It also oversees the Group's human resources strategy, including the organisational and compensation structures. Much of these responsibilities are delegated to the Board Remuneration, Governance and Nomination Committee.
5. The Board reviews the structure of the Board and develops governance policies in line with regulatory requirements and international best practices. Many of these responsibilities are delegated to the Board Remuneration, Governance and Nomination Committee.
6. The Board ensures that the technical and operational aspects of the business are conducted in line with global best practices. It assesses the feasibility of proposed new projects and ensures that plant operations comply with local and international laws and align with our business goals. Also, it is responsible for overseeing new technology and development programmes of the business. Many of these responsibilities are delegated to the Board Technical and Sustainability Committee.

**Board Committees**

The Board Committees do not assume the functions of management, which remain the responsibility of the Group Managing Director and Executive Management. Members of Senior Management are invited to attend meetings of Board Committees as required, while the Committee Chairmen hold further meetings with certain members of Executive Management to better review areas of concern. The reports of the Committees are presented at Board meetings. As part of the review of the effectiveness of its Committees, the Board has considered the qualifications and experience of the members and is satisfied that all the Committee members bring a wide range of knowledge and skill and will effectively discharge their duties. The Company Secretary is the Secretary to each Committee.

**Results for the year**

- **Group revenue increased by 34% to ₦1,384 billion (2020: ₦1,034 billion).**
- **Company revenue increased by 38% to ₦993 billion (2020: ₦720 billion).**
- **Group net profit increased by 32% to ₦364 billion (2020: ₦276.1 billion).**
- **Company net profit increased by 8% to ₦381 billion (2020: ₦352.6 billion).**
- **Group earnings per share increased by 32% to ₦21.24 (2020: ₦16.14).**
- **Company earnings per share increased by 8% to ₦22.42 (2020: ₦20.69).**
Dividends
The Directors pursue a dividend policy that reflects the Company’s earnings and cash flow, while maintaining appropriate levels of dividend cover. They consider the capital needed to fund the Company’s operations and expansion plans. For the 2021 financial year, the Directors are pleased to recommend a dividend of ₦20.00 per ordinary 50 kobo share (2020: ₦16.00). The Board considers that the proposed dividend is appropriate and is in line with the Company’s strategic growth objectives. If the shareholders approve this dividend at the Annual General Meeting, dividends will be paid to the shareholders whose names are registered in the Company’s Register of Members at the close of business on the Qualification Date.

Unclaimed dividends
The total unclaimed dividends outstanding as of 31st December 2021 is ₦4.6 billion (2020: ₦4.0 billion). A list of unclaimed dividends is available on the Company’s website at www.dangotecement.com. The Company notes that some dividend warrants remain unclaimed. Shareholders with unclaimed share certificates or dividends should address their claims to Coronation Registrars Ltd registrars at eforms@coronationregistrars.com or 9, Amodu Ojikutu Street, Victoria Island, Lagos, Nigeria. Members are encouraged to notify the registrars of any changes in their details.

Directors
As of 26th February 2022, Dangote Cement Plc had 14 Directors, all of whom held office as of 31st December 2021. Arvind Pathak resigned on 25th February 2021, while Philip Mathew and Halima Aliko-Dangote were appointed on 15th September 2021 and 26th February 2022, respectively. Sani Dangote passed away on 14th November 2021. The appointment, removal or reappointment of Directors is governed by the Company’s Articles of Association, the Companies and Allied Matters Act (CAMA), 2020, and Board and governance policies. These documents also set out the rights and obligations of Directors. In accordance with the Articles of Association of Dangote Cement Plc, prevailing legislation and any directions via resolution, the business of the Company is managed by the Directors, who in good faith, exercise all such powers on behalf of the Company.

Directors’ interests
In accordance with the Companies and Allied Matters Act (CAMA), 2020, the Directors’ interests in the issued share capital of the Company are recorded in the Register of Members and stated below:

<table>
<thead>
<tr>
<th>S/N</th>
<th>Shareholder</th>
<th>As at 26th February 2022</th>
<th>As at 31st December 2021</th>
<th>As at 31st December 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>1a</td>
<td>Aliko Dangote</td>
<td>27,642,637</td>
<td>27,642,637</td>
<td>27,642,637</td>
</tr>
<tr>
<td>1b</td>
<td>(Indirect: Aliko Dangote) Dangote Industries Ltd.</td>
<td>14,621,387,610</td>
<td>14,621,387,610</td>
<td>14,621,387,610</td>
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<tr>
<td>2</td>
<td>Sani Dangote</td>
<td>—</td>
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<td>—</td>
</tr>
<tr>
<td>3</td>
<td>Olakunle Alake</td>
<td>8,000,000</td>
<td>8,000,000</td>
<td>8,000,000</td>
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<tr>
<td>4</td>
<td>Abdu Dantata</td>
<td>8,680</td>
<td>8,680</td>
<td>8,680</td>
</tr>
<tr>
<td>5</td>
<td>Devakumar V. G. Edwin</td>
<td>6,000,000</td>
<td>6,000,000</td>
<td>6,000,000</td>
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<tr>
<td>6</td>
<td>Ernest Ebi</td>
<td>100,000</td>
<td>100,000</td>
<td>100,000</td>
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<tr>
<td>7a</td>
<td>Emmanuel Ikazoboh</td>
<td>—</td>
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<td>—</td>
</tr>
<tr>
<td>7b</td>
<td>(Indirect: Emmanuel Ikazoboh) Arm Nom: Osigbeme, Enterprises Limited</td>
<td>58,149</td>
<td>58,149</td>
<td>58,149</td>
</tr>
<tr>
<td>7c</td>
<td>Osigbeme Ikazoboh</td>
<td>—</td>
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<td>—</td>
</tr>
<tr>
<td>8a</td>
<td>Douraid Zaghouani</td>
<td>—</td>
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</tr>
<tr>
<td>8b</td>
<td>(Indirect: Douraid Zaghouani) Investment Corporation of Dubai</td>
<td>243,540,000</td>
<td>243,540,000</td>
<td>243,540,000</td>
</tr>
<tr>
<td>9a</td>
<td>Viswanathan Shankar</td>
<td>—</td>
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</tr>
<tr>
<td>9b</td>
<td>(Indirect: Viswanathan Shankar) GW Grey, Pte Ltd</td>
<td>128,560,764</td>
<td>128,560,764</td>
<td>128,560,764</td>
</tr>
<tr>
<td>10</td>
<td>Dorothy Udeme Ufot</td>
<td>—</td>
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<td>11</td>
<td>Michael Davis</td>
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<tr>
<td>12</td>
<td>Cherie Blair</td>
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<tr>
<td>13</td>
<td>Michel Puchercos</td>
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<td>14</td>
<td>Berlina Moroole</td>
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<td>15</td>
<td>Arvind Pathak</td>
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</tr>
<tr>
<td>16</td>
<td>Philip Mathew</td>
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</table>
Conflicts of interest
The Company maintains a Register of Directors’ interest in accordance with the requirements of the Companies and Allied Act (CAMA), 2020. The Company also applies a conflict of interest Policy developed in accordance with corporate governance codes, as well as the Investment and Securities Act, 2007. The Company also applies a Conflict of Interest Policy developed in accordance with international best practices, as well as the Corporate Governance Codes.

Supplier payment policy
It is the practice of the Company to agree on the terms of payment negotiated with suppliers and pay according to those terms based upon receipt of accurate invoices. Trade creditor days for the year ended 31st December 2021 were 70 days on average for the Group (2020: 47 days) and 76 days for the Company (2020: 63 days).

Property, plant and equipment
Information relating to changes in property, plant and equipment is disclosed in note 15 of the financial statements.

Donations
Sponsorship and charitable donations amounted to ₦2.5 billion (2020: ₦2.9 billion) for the Group and ₦2.0 billion (2020: ₦2.5 billion) for the Company.

Sustainability
Dangote Cement Plc is committed to complying with all applicable legislation, regulations and codes of practice. We integrate sustainability considerations into all our business decisions and ensure that our stakeholders are aware of our Sustainability Policy.

Corporate governance and investor relations
During the financial year under review, the Company complied with the NGX Rules and has not been fined by the FRC, SEC, nor NGX for any infringements. The Board engaged an external consultant to carry out corporate governance and Board evaluation. The result indicated that the Corporate Governance Framework in Dangote Cement Plc complies with the extant Codes of Corporate Governance provisions. The Company pursues an active investor relations programme with investor meetings and earnings calls throughout the year. Our website contains information about the Company’s performance and strategy.

Employees
Dangote Cement Plc operates a policy of non-discrimination and considers all employment applications equitably. Efforts are made to ensure that the most qualified person is recruited for the position, irrespective of religion, ethnic group, physical condition or state of origin. We review our employment policies in line with the strategic objectives of our business and ensure that information is disseminated to employees through various means, including through notice boards and Company emails. We consult employees regularly to ensure that their views are considered when making decisions that are likely to affect their interests and to achieve a shared awareness of the factors affecting the Company.

Health and safety at work and welfare of employees
Dangote Cement Plc recognises the importance of safeguarding the health and safety of its workforce. Safety and environment workshops are organised, while fire prevention and firefighting equipment are installed in strategic locations in the offices and plants. The Company provides personal protective equipment (PPE) and other safety equipment and has developed several Health, Safety, Security and Environment (HSSE) policies, including the 15 HSSE Golden Rules.

Training and development
Dangote Cement Plc is committed to supporting the development of all its employees. The fundamental purpose is to facilitate personal and professional development enabling individuals to achieve their full potential at work. The Dangote Academy offers training programmes for employees across the Group, with facilitation from professionals and other training experts. The courses are designed to help employees in the performance of their designated roles and to help them to fulfil their potential. Our policy is that all employees have at least one annual performance review a year, with their head of department or line manager. Training and development needs will be assessed, and ways of meeting these will be identified, and an appropriate timescale agreed.

Retirement benefits
The Company operates a Group life policy and a contributory pension scheme for its employees in Nigeria, in line with the provisions of the Pension Reform Act 2014. The scheme is funded through employees’ and employers’ contributions as prescribed by the Act.

Research and innovation
With rapid urbanisation and population growth in Africa, the Company realises that meeting housing and infrastructure needs will be a challenge. We are constantly looking for new product solutions to respond to these construction challenges.

Capital structure
The Company has one class of ordinary shares, which reflect the total value of the share capital. Each ordinary share carries the right to one vote at the Company’s Annual General Meeting. The shareholding and transfer of shares are governed by the Company’s Articles of Association and relevant regulations. There are no restrictions with respect thereto. The Articles of Association may be amended by a special resolution approved by the shareholders. Further to the directive of the Corporate Affairs Commission (CAC) in respect of the unissued share capital of companies, the Company has opted to cancel its unissued shares amounting to 2,959,492,596 shares of 50 kobo each and the treasury shares amounting to 166,948,153 shares.
**Substantial interest in shares**

All shares other than treasury shares and shares held by Dangote Industries Limited (85.8%) and Aliko Dangote (0.16%) are considered free float shares. Aliko Dangote is the ultimate owner of Dangote Industries Limited. All issued shares are fully paid, and no additional shares were issued during the year under review. As of 31st December 2021, and 26th February 2022, Dangote Industries Limited and Stanbic IBTC Nominees Nigeria Ltd held more than 5% of the Company’s issued share capital detailed below. Aside from Dangote Industries Limited and Stanbic IBTC Nominees Nigeria Limited, no other individual(s) or entity(s) hold(s) 5% and above of the Company’s shares.

<table>
<thead>
<tr>
<th>Date</th>
<th>Details</th>
<th>Dangote Industries Ltd</th>
<th>Stanbic IBTC Nominees Ltd</th>
</tr>
</thead>
<tbody>
<tr>
<td>As at 31st December 2020</td>
<td>Units</td>
<td>14,621,387,610</td>
<td>974,097,274</td>
</tr>
<tr>
<td></td>
<td>%</td>
<td>85.8</td>
<td>5.7</td>
</tr>
<tr>
<td>As at 30th December 2021</td>
<td>Units</td>
<td>14,621,387,610</td>
<td>962,835,709</td>
</tr>
<tr>
<td></td>
<td>%</td>
<td>85.8</td>
<td>5.7</td>
</tr>
<tr>
<td>As at 26th February 2022</td>
<td>Units</td>
<td>14,621,387,610</td>
<td>962,222,558</td>
</tr>
<tr>
<td></td>
<td>%</td>
<td>85.8</td>
<td>5.7</td>
</tr>
</tbody>
</table>

**Share Buy-Back Programme**

The Company’s shareholders approved the execution of the Share Buy-Back Programme at the Extraordinary General Meeting, which was held on 21st January 2020. This Programme, which involves the Company’s buy-back of up to 10% of its issued shares, will be effected in tranches. The execution of tranches I and II did not have any material impact on the Company’s financial position. Further details are as follows:

**Share capital analysis**

| Pre-buy-back number of shares | 17,040,507,404 |
| Shares bought back from 30th to 31st December 2020 (Tranche I) | (40,200,000) |
| Shares bought back from 19th to 20th January 2022 (Tranche II) | (126,748,153) |

**Total number of residual issued and fully paid outstanding shares**

| Number of shares cancelled | Nil |

**Independent auditors**

Messrs. KPMG Professional Services, having satisfied the relevant corporate governance rules on their tenure in office, have indicated their willingness to continue in office as auditors to the Company. In accordance with Section 401(2) of the Companies and Allied Matters Act (CAMA), 2020, therefore, the independent auditors will be reappointed at the next Annual General Meeting of the Company without any resolution being passed. A resolution will however be proposed authorising the Directors to fix their remuneration.

By the Order of the Board of Directors.

**Edward Imoedemhe**
Deputy Company Secretary
FRC/2021/002/00000022594
Registered Office
Leadway Marble House,
1, Alfred Rewane Road,
P. O. Box 40032,
Ikoyi, Lagos.

26th February 2022
Introduction

I am pleased to present to you the 2021 report of the Board Audit, Compliance and Risk Management Committee. The Board is ultimately accountable for the risk management process, system of internal control and monitoring compliance with applicable laws and regulations. These functions have been delegated to the Audit, Compliance and Risk Management Committee, in accordance with the Company’s Corporate Governance Framework.

Roles and responsibilities

The Committee has oversight over the Audit, Compliance and Risk Management functions and assists the Board in fulfilling its oversight responsibilities regarding:

- oversight of the Group Internal Audit function and ensuring cooperation between statutory auditors and the Group Internal Audit function;
- oversight of the execution of risk management framework;
- review of legal matters that could have significant impact on the Company’s operations;
- oversight of the Company’s compliance and ethics programme; and
- monitoring of the whistleblowing mechanism.

Activities during the year

The reports of the Committee are presented to the Board, providing the Board with summaries of discussions as well as its recommendations. During the year, the Committee carried out the following:

- review of risk management reports on risk exposures;
- monitoring of the Company’s compliance with applicable laws and standards;
- review of the Internal Audit Plan and internal audit reports; and
- provision of recommendations to the Board on various audit, compliance and risk matters.

Composition and attendance

As an Independent Non-Executive Director, I serve as the Chairman of the Committee. Some members of our Senior and Executive Management teams were invited to meetings to provide information on directives given by the Committee. The Committee met 4 times in 2021 and its composition and attendance are stated on page 187, while details of each Committee member are set out on pages 70 to 72.

Ernest Ebi MFR
Chairman of the Audit, Compliance and Risk Management Committee
1st March 2022
Corporate governance

Board Finance and Investment Committee report

Viswanathan Shankar
Non-Executive Director

Roles and responsibilities
The Committee assists the Board in fulfilling its oversight responsibilities by advising the Board on matters relating to:

- the Group's capital structure and the corporate finance strategy, including the issuance of equity and debt securities, general financing plans, debt ratings, share repurchase philosophy and strategy, and the Company’s dividend policy;
- (in consultation with the independent auditors and the internal auditors), all financial statement presentations, as well as the integrity of the Company’s financial reporting processes and controls;
- treasury operations, investment strategies, banking and cash management arrangements and financial risk management;
- major investments, or similar transactions and the policies and processes of the Company;
- critical accounting policies and practices to be used by the Company; and
- any major issues as to the adequacy of the Company's internal controls and any audit steps adopted in light of control deficiencies.

Activities during the year
The reports of the Committee are presented to the Board, providing the Board with summaries of discussions as well as its recommendations. During the year, the Committee carried out the following:

- approval of the share buy-back programme;
- monitoring of pricing strategy and impact on revenue and profits;
- review of the tax impact and tax exemption status of entities within the Group, and total tax liability of the Group;
- review of organic and inorganic expansion plans;
- review of the carrying amount of Group assets including any potential impairment loss to be recognised during the year;
- review of various funding plans including issuance of bond and commercial papers; and
- review of Financial Statements.

Composition and attendance
The Committee met 10 times in 2021 and its composition and attendance are stated on page 187, while details of each Committee member are set out on pages 70 to 72.

Viswanathan Shankar
Chairman of the Finance
and Investment Committee
1st March 2022

Introduction
I am pleased to introduce the report of the Board Finance and Investment Committee for the 2021 financial year. The Committee receives its insight into the challenges and goals of the Company from the financial and business targets set by the Board. Some members of senior and Executive Management are invited to attend meetings to provide necessary information, as well as updates on directives requested by the Committee. As Chairman of the Committee, I regularly hold meetings with the Group Chief Financial Officer, and members of the senior management team, prior to the Committee meetings to better address any areas of concern and to allow sufficient time for meaningful discussion in the Committee meetings.
Introduction

I am pleased to introduce the report of the Board Technical and Sustainability Committee for the 2021 financial year. The Committee assists the Board and has an oversight function over matters related to the construction, expansion of capacity, maintenance and operation of plants and sustainability of the Group’s operations.

Roles and responsibilities

The Committee assists the Board in fulfilling its oversight responsibilities regarding:

• reviewing the technical scope, feasibility and status of plant projects including risk assessment and the Quality Management Plan;
• reviewing the status of projects according to scope, schedule, project milestones and KPIs;
• reviewing safety, health and environmental performance and improvement plans;
• reviewing operational, staffing and commissioning readiness plans;
• monitoring the production budget, standards, raw material supplies, energy and key performance indicators per plant;
• reviewing asset/plant care policy and performance;
• ensuring effective technical, research and development programmes to continue innovation and improvement; and
• overseeing the development of corporate social responsibility and community programmes throughout our locations.

Activities during the year

The reports of the Committee are presented to the Board, providing the Board with summaries of discussions as well as its recommendations. During the year, the Committee carried out the following:

• implemented measures across operations to achieve cost savings;
• reviewed production targets across the Group;
• monitored the enforcement of health, safety and environment policies;
• ensured that sustainability strategy and policies were implemented; and
• oversaw the implementation of transport and transport safety initiatives.

Composition and attendance

The Committee met 4 times in 2021 and its composition and attendance are stated on page 187, while details of each Committee member are set out on pages 70 to 72.

Sir Michael Davis
Chairman of the Technical and Sustainability Committee
1st March 2022

Sir Michael Davis
Independent Non-Executive Director
Board Remuneration, Governance and Nomination Committee report

Emmanuel Ikazoboh
Independent Non-Executive Director

Introduction
I am pleased to introduce the report of the Board Remuneration, Governance and Nomination Committee. The Company’s remuneration principles aim to remunerate personnel commensurately in compliance with applicable law. The fixed component of remuneration is paid as a base salary; the variable components are intended to reflect, clearly and directly, the joint performance of the Board and Management, taking cognisance of interests of various stakeholders.

Roles and responsibilities
The purpose of the Committee is to assist the Board to discharge its oversight responsibilities including:
• establishing the criteria for Board and Board Committee memberships, and assessing candidates’ qualifications and the contribution of current Directors;
• reviewing the implementation and effectiveness of the governance policies;
• planning the Board composition, as well as succession planning for the Board and Executive Management;
• ensuring that the performance of the Board is periodically evaluated;
• monitoring the implementation of the remuneration policy and making recommendations on the remuneration of the Directors; and
• overseeing the Group’s human capital strategy and make recommendations to the Board on the Group’s organisational and compensation structures.

Activities during the year
The reports of the Committee are presented to the Board, providing the Board with summaries of discussions as well as its recommendations. During the year, the Committee carried out the following:
• reviewed proposals to train the Directors;
• monitored the effectiveness of governance policies vis-à-vis regulatory requirements;
• reviewed Management reports on the remuneration structure;
• complemented succession planning initiatives; and
• monitored the performance evaluation of the Board, and of the KPIs of the Executive Committee.

Composition and attendance
Some members of senior and Executive Management are invited to attend meetings to provide necessary information, as well as updates on directives requested by the Committee. The Committee met 5 times in 2021 and its composition and attendance are stated on page 187, while details of each Committee member are set out on pages 70 to 72.

Emmanuel Ikazoboh
Chairman of the Remuneration, Governance and Nomination Committee
1st March 2022
### Directors’ emoluments for 2021

<table>
<thead>
<tr>
<th>Directors’ fees and allowances</th>
<th>Sitting allowances</th>
<th>Other allowances</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>2021</strong></td>
<td><strong>2020</strong></td>
<td><strong>2021</strong></td>
<td><strong>2020</strong></td>
</tr>
<tr>
<td><strong>₦’000</strong></td>
<td><strong>₦’000</strong></td>
<td><strong>₦’000</strong></td>
<td><strong>₦’000</strong></td>
</tr>
<tr>
<td>Aliko Dangote</td>
<td>26,600</td>
<td>26,600</td>
<td>3,000</td>
</tr>
<tr>
<td>Sani Dangote</td>
<td>19,200</td>
<td>25,600</td>
<td>2,200</td>
</tr>
<tr>
<td>Olakunle Alake</td>
<td>25,600</td>
<td>25,600</td>
<td>14,750</td>
</tr>
<tr>
<td>Abdu Dantata</td>
<td>25,600</td>
<td>25,600</td>
<td>4,000</td>
</tr>
<tr>
<td>Sir Michael Davis</td>
<td>39,867</td>
<td>37,345</td>
<td>9,950</td>
</tr>
<tr>
<td>Ernest Ebi</td>
<td>25,600</td>
<td>40,400</td>
<td>8,950</td>
</tr>
<tr>
<td>Emmanuel Ikazoboh</td>
<td>25,600</td>
<td>40,400</td>
<td>16,100</td>
</tr>
<tr>
<td>Devakumar V.G. Edwin</td>
<td>25,600</td>
<td>25,600</td>
<td>12,800</td>
</tr>
<tr>
<td>Douraid Zaghouani</td>
<td>39,867</td>
<td>37,345</td>
<td>7,950</td>
</tr>
<tr>
<td>Viswanathan Shankar</td>
<td>—</td>
<td>—</td>
<td>5,600</td>
</tr>
<tr>
<td>Dorothy Udeme Ufot</td>
<td>25,600</td>
<td>25,600</td>
<td>5,400</td>
</tr>
<tr>
<td>Cherie Blair</td>
<td>39,867</td>
<td>37,345</td>
<td>5,150</td>
</tr>
<tr>
<td>Berlina Moroole</td>
<td>39,867</td>
<td>9,336</td>
<td>3,400</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>358,868</td>
<td>356,771</td>
<td>99,250</td>
</tr>
<tr>
<td><strong>Executive directors</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Grand total</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>