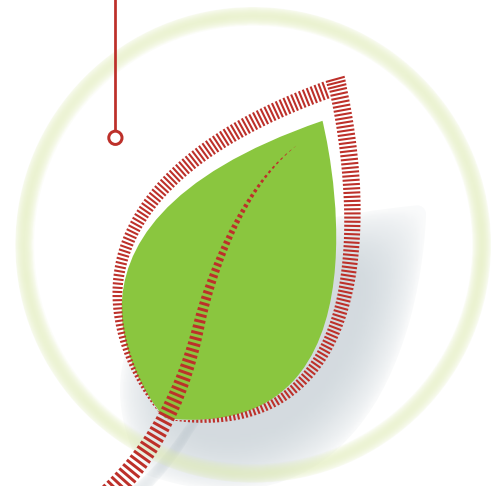


**2022**

IKEJA ELECTRIC PLC  
SUSTAINABILITY REPORT



**Lighting the Path:  
Sustainable Energy  
Distribution in a  
Changing World**







# Bringing energy to life

---

Ikeja Electric PLC Nigeria's largest power distribution network, serves over 1,000,000 registered customers within the Mainland (Predominantly) of Lagos State and some parts of Ogun state. Ikeja Electric powers lives and businesses through its commitment to innovation and an unwavering drive for excellence







# Content

Executive Summary  
Chairman’s Statement  
Message from the CEO  
About This Report: A Word from the Head of Sustainability  
Driving Sustainability from the Top: Our Leadership Team  
Highlights of Our Sustainability Performance

01

## Our Business Profile

02

## Our Commitment to Sustainability

Our Approach to Responsible Business  
Engaging With Our Stakeholders  
Our Approach to Materiality

03

## Our Sustainability Performance

Responsible Leadership – Our Moral Obligations  
Eco-electricity – Our commitment to Nature  
Transformation and Progress – Our Pledge to Society  
Financial Resilience – Our Contributions to Economic Prosperity

04

## Future Focus - Powering a Greener Tomorrow

IE’s Future Sustainability Plans

05

## Appendix

Global Reporting Initiative (GRI) Content Index

06



# About this Report

As a leader in the power distribution sector, Ikeja Electric Plc. has continued to expand while being mindful of its impacts on the environment and communities around it. Our commitment to making a positive difference and creating shared value for all is exemplified in the investments we have made in developing our workforce, dedication to the socioeconomic development of our local communities, and our efforts to safeguard our surrounding ecosystems. To articulate our sustainability commitments, accomplishments, and impact for the fiscal year 2022, we are pleased to present our 2022 Sustainability Report, titled “**Lighting the Path: Sustainable Energy Distribution in a Changing World**”.

This report is prepared in line with GRI standards and covers the material topics that have been outlined and prioritised for our business by our stakeholders in 2021. This publication also discusses our contributions to meet the United Nations Sustainable Development Goals (UNSDGs), particularly SDG 7, as well as our commitment to achieving other important benchmarks in our field.

As a company, we recognise the various categories of stakeholders affected by our business operations and activities, thus, we have maintained the highest level of responsibility and transparency in our interactions with these stakeholders throughout the year.

This report outlines our understanding of the concept of responsibility and describes our promises, achievements, and objectives to our key stakeholders, including our shareholders, customers, employees, suppliers, government agencies, and regulatory bodies.

Managing Editor

**Babatunde Osadare**

Deputy Editor

**Jolaoluwa Adewale**

Project Managers

**Corporate Governance & Regulatory Compliance Office**





Ikeja Electric PLC

# 2022 Sustainability Report

2022 Sustainability Report

Ikeja Electric Plc, Nigeria's largest power distribution network, has been serving over one million clients in Lagos and select areas of Ogun State for a decade.



## Executive Summary

In our 2022 Sustainability Report, themed **“Lighting the Path: Sustainable Energy Distribution in a Changing World,”** we highlighted our commitment to sustainability, achievements, and impact. Focused on adapting to a shifting energy landscape, we prioritise innovative solutions, customer engagement, and compliance with evolving regulations. Aligned with 2021 GRI standards, the report addresses key subjects identified by stakeholders, reflecting our dedication to ethical business practices and the integration of responsible actions into our culture for a sustainable future.

### Chapter 1: Our Business Profile

Ikeja Electric Plc, Nigeria’s largest power distribution network, has been serving over one million clients in Lagos and select areas of Ogun State for a decade. Through advanced technology and digitalisation, we provide energy to a diverse consumer base across our entire business coverage area. Operating under a vesting contract with the Nigerian Bulk Electricity Trading Company, we distribute purchased electric power to end-use customers, ensuring quality and reliability. With 166 33kv feeders, 294 11kv feeders, 64 injection substations, and 18,131 distribution stations, our vision is to be the preferred power provider, guided by a commitment to professionalism, ethics, safety, and excellence.

### Chapter 2: Our Commitment to Sustainability

At Ikeja Electric, our commitment to sustainability extends deep into our operations. As a leading electricity distribution company, we are steadfast in our pursuit of environmentally responsible practices. From our resource management to the integration of innovative technologies, every aspect of our business is guided by a dedication to reduce our carbon footprint and further our sustainability agenda. In determining material topics validated by the stakeholders, we ensured that we aligned the relevant ESG Material topics to the inherent risks of the business universe.

Our 2022 Material Topics are:

1. **Responsible Leadership – Our Moral Obligations:** Ethical & Regulatory Compliance, Risk Management, Technology & Digitisation, Cybersecurity and Transparency & Accountability.
2. **Eco-electricity – Our commitment to Nature:** Resource Efficiency, Air Emissions, Biodiversity, Waste & Effluents and Climate Adaptation, Resilience, and Transition.
3. **Transformation and Progress – Our Pledge to Society:** Occupational Health and Safety, Employment Practices, Freedom of Association and Collective Bargaining, Local Communities, Conflict and Security, Employee Engagement, Development & Wellbeing, Youth Empowerment, Sustainable Supply Chain Management, Customer Satisfaction, Diversity, Equity, and Inclusion, Human Rights, Improved Access to Electricity and

Enabling Partnerships & Global Initiatives

4. **Financial Resilience – Our Contributions to Economic Prosperity:** Economic Performance, Market Intelligence, Public-Private Partnerships and Indirect Economic Impacts

### Chapter 3.0 Our Sustainability Performance

#### Responsible Leadership – Our Moral Obligations

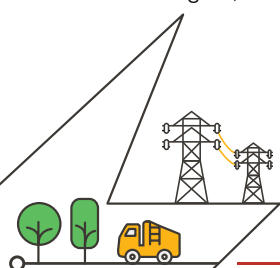
Ikeja Electric is dedicated to upholding the highest standards of governance and ethical practices. We have established accountability and transparency as the fundamental pillars of our governance structure.

Guided by our Code of Conduct, which clearly states the principles and consequences of unethical practices, at Ikeja Electric, we have a strict policy against corruption. During the reporting period, 1,500 employees of Ikeja Electric received training on anti-corruption.

Our dedication to excellence is reflected in our impressive certifications, including ISO 45001:2018 for occupational health and safety, ISO 14001:2015 for environmental management, and ISO 9001:2015 for quality management. Notably, we are the first company in the Power Sector in Nigeria to attain these prestigious certifications.

With regards to risk management in 2022, our Board, consisting of seven directors, operated at full capacity, defining the organisation’s risk levels, and mitigating identified and potential risks.

Technology has also played a significant role in transforming Ikeja Electric into an innovative company, capable of meeting the diverse needs of its consumers. We infuse technology using our Client Relationship Management (CRM) platform to track and rapidly handle client concerns and provide better service. Additionally, we invest in training all our personnel in social engineering techniques and other types of cyber-attacks. We regularly convey cybersecurity measures to our workers and use innovative tools to protect our data and detect system weaknesses.



### Eco-electricity – Our commitment to Nature

As we navigate the dynamic energy landscape, we recognise the crucial role we play in mitigating environmental challenges and contributing to a cleaner, greener future. Our proactive approach to environmental risk management maintains our compliance in an ever-changing business. This is demonstrated in our certifications that reflect dedication to an integrated management system, these certifications are: ISO 14001:2015 (Environmental Management System), ISO 9001:2015 (Quality Management System) and ISO 45001:2018 (Occupational Health and Safety Management System).

We are constantly working to improve energy efficiency and embrace renewable energy options. In accordance with this commitment, we have replaced all modular fittings at our headquarters with more energy-efficient lighting, resulting in a significant reduction in our energy consumption.

In 2022, we forged strong partnerships with other Distributed Energy Resources (DER) developers to harness the power of renewable energy. By incorporating sources like solar into our energy mix, we not only decreased our reliance on fossil fuels but also significantly cut our carbon emissions.

Recognising the enormous potential in recycling used tyres, we developed an innovative solution to give these discarded resources a new purpose; Trash to Treasure Initiative. This program recycles wires and reduces the quantity of waste that ends up in landfills. This method uses recycling to start a cycle that transforms waste into a useful resource.

Lastly, at the heart of our commitment to climate adaptation and resilience is the recognition that our work is closely tied to the environment. We intend to increase our ability to be resilient and respond to climate-related difficulties by investing in strong infrastructure, implementing adaptation activities, and adopting resilient techniques across our organisation.

### Transformation and Progress – Our Pledge to Society

Ikeja Electric places a strong emphasis on maintaining top-notch occupational health and safety standards as a core part of our sustainability commitment. In 2022, Ikeja Electric achieved a significant milestone by recording no third-party fatalities for the first time. Our Occupational Health and Safety (OHS) management systems enables us to continually monitor safety emergencies throughout our operations.

We have also implemented the **Know-your-number** Initiative, which is centered on the health and well-being of our people and aimed at giving priority to the welfare of our employees. We are also providing Health and Safety education to children in communities through our **Safety Starts with You** Initiative. We also reach out to the public, particularly our customers,

through our **Public Safety Sensitisation Program**.

Ikeja Electric has achieved notable progress in its 2022 Corporate Social Responsibility (CSR) efforts by implementing a range of influential projects that benefit the community and the ecosystem. Some of these programs are: the Back-to-School Initiative, Upgrade of Ikorodu Technical School, Light up Lagos, Valentine's Day 2022, World Malaria Day 2022, Market Clean-up Exercise, LASG Vacation Coaching School, World Humanitarian Day and much more.

We also achieved a remarkable safety record in 2022, with no security-related fatalities, even though there were a few instances of asset vandalism. As a result, we are currently in the process of developing a plan to enhance security by implementing surveillance technology on our vulnerable assets.

In terms of Employee Engagement, Development & Wellbeing, we developed a training strategy geared towards bolstering the company's strategic objectives. In 2022, we established conversion programs aimed at providing hands-on experience to junior technicians. Through the Young Engineers' program at IE, we bring in new staff members to join our workforce. Furthermore, IE collaborates with Egbin and FIPL within the framework of this program.

Additionally, over 200 Linesmates were admitted into the Distribution Linesmates Conversion Programme (DLMP 2) in 2022 and have completed their training successfully but are yet to be deployed until their Linesmen gaps emerge.

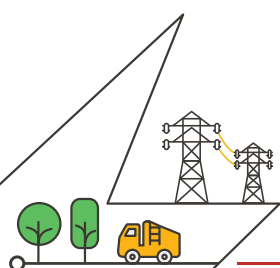
In 2022, Ikeja Electric played a significant role in initiatives to empower young people. We did this through our youth empowerment program, which was developed in collaboration with the Lagos State Government and The State Universal Basic Board (SUBEB). The program's main goal was to equip young individuals with entrepreneurial skills.

### Financial Resilience – Our Contributions to Economic Prosperity

Our performance throughout the year was influenced by several factors, some of which can be directly attributed to the ongoing repercussions of the Covid-19 pandemic. Additionally, unfavourable macroeconomic conditions, including increased inflation rates, volatile exchange rates, and vandalism of power infrastructure, had an impact on our operations.

In 2022, our operational costs which include direct product and service costs, as well as selling and distribution charges were N38 billion similar to 2021.

We are acutely aware of the implications of these financial results, and we view them as a critical impetus for ongoing reflection and improvement. As we continue our sustainability journey, we remain dedicated to implementing measures that will strengthen our economic resilience, enhance cost management, and drive operational efficiency. These





endeavours will not only help us weather economic challenges but also ensure our long-term sustainability and value to our stakeholders.

In our ongoing commitment to form sustainable partnerships, Ikeja Electric partnered with the Lagos State Government's youth empowerment initiative to bring about positive transformation in the areas where we operate, utilising our resources, expertise, and network. The Lagos State Government's annual holiday coaching program, run through the Chapel of Christ the Light Centre, is designed to offer underprivileged children valuable life lessons and basic vocational skills.

## Chapter 4.0: Future Focus - Powering a Greener Tomorrow

Ikeja Electric is dedicated to creating a sustainable future for Lagos and Nigeria by minimising environmental impact while delivering reliable power. This chapter details our 2023-2025 Sustainability Plan, focusing on three core pillars:



### Environmental Stewardship:

- **Energy Efficiency:** Expand smart metering for real-time consumption monitoring, reduce transmission losses through infrastructure upgrades, and conduct comprehensive energy audits.
- **Waste Management:** Continue the "Trash to Treasure" initiative, minimise paper usage via digital communication, manage electronic waste responsibly, and encourage recycling.



### Social Responsibility:

- **Community Development:** Partner with local organisations for projects in education, skills training, and healthcare, and expand support for these initiatives through additional partnerships and resource allocation.

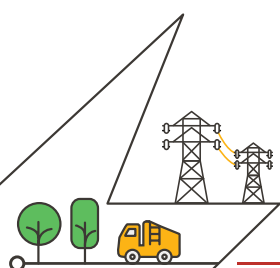


### Climate Action:

- **Renewable Energy:** Increase use of hydro and solar power, analyse customer energy patterns to optimise renewable usage, and prioritise green procurement practices.
- **Greenhouse Gas Reduction:** Track carbon emissions, educate stakeholders on carbon footprint reduction, and explore technologies to lower emissions.



**Ikeja Electric's ongoing efforts reflect our commitment to sustainability and continuous improvement, ensuring a positive impact for future generations.**



## Chairman's Statement



**Mr. Kola Adesina**  
Board Chairman

Dear Esteemed Stakeholders,

It is with immense pleasure and a sense of profound responsibility that I introduce our 2022 Sustainability Report. As we stand at the forefront of this ever-evolving sector, we are committed to a future that not only powers communities but also empowers sustainability.

This is a pivotal decade, demanding increased efforts! The world is growing increasingly concerned about mitigating climate change and addressing pressing problems like poverty, governments, industries, and civil society partners have come to a consensus and are actively dedicated to decreasing carbon emissions and mitigating the inter-connected effects of climate change. Their aim is to ensure a sustainable world for future generations through responsible business practices. Companies are becoming more conscious of their environmental and societal effects, and they are altering their strategies to combat the climate crisis and effect positive change.

That is why this report serves as a testament to our unwavering dedication to sustainability, highlighting our progress, initiatives, and the journey ahead. It embodies our conviction that economic prosperity and environmental stewardship can and must coexist.

In 2022, we experienced a year marked by significant upheaval, with a convergence of challenges, including the ongoing repercussions of the pandemic, the impacts of climate change,

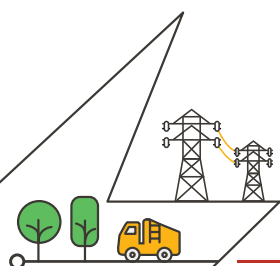
economic instability, and intense conflicts that created tensions in the energy commodity market. These situations have underscored the necessity to transition to a strategy that goes beyond mere survival during disruptions. Instead, it should focus on continuous and radical innovation, foreseeing and leading the ongoing changes. This approach aims to gradually diminish risks associated with our business and to generate increased economic and societal benefits.

We continue to engage with the communities we serve, supporting education, health, and social development initiatives. Our community outreach programs are vital in fostering positive relationships and ensuring the wellbeing of those we serve. Despite the financial challenges, we have maintained a focus on efficient resource management, cost control, and improving our operational processes to maximise the value we provide to our customers.

Our dedicated workforce is our greatest asset. We have prioritised the welfare and development of our employees, ensuring they have the tools and support needed to provide top-notch service.

In closing, I want to express my deepest appreciation to our shareholders, stakeholders, and partners for their unwavering support during these challenging times. It is your trust and commitment that have sustained us on this journey. As we look ahead to 2023, we remain resolute in our vision to be the provider of choice wherever energy is consumed.

**Mr. Kola Adesina**  
Board Chairman





## Message from the CEO



**Folake Soetan**  
Chief Executive Officer

Dear Valued Stakeholders,

In a world where the urgent need for climate action has become undeniable, the role of the energy sector has taken centre stage in the pursuit of sustainable development. As we navigate a challenging financial landscape, we stand resolute in our commitment to play a pivotal role in this essential transition. The global call for action on climate change is growing louder with each passing day, and it is incumbent upon us to act responsibly.

In a year marked by financial challenges, Ikeja Electric has continued to embrace the spirit of sustainability and community, exemplifying our unwavering commitment to a brighter, more electrifying Nigeria. I am honoured to share with you the remarkable highlights of our sustainability journey for 2022.

In the face of adversity, we reached a significant milestone by achieving a historic feat - recording no third-party fatalities for the first time. This remarkable accomplishment underscores our dedication to safety and our community's well-being. Our commitment to Health, Safety, and Environment (HSE) was further solidified through the Know-your-number Initiative, prioritising the welfare and security of our dedicated workforce.

Together with the Lagos State Government, we extended a helping hand to our customers by providing free prepaid electricity meters to those connected to 36 of our most populous feeders, significantly reducing the metering gap within our network. We also extended our reach beyond electricity, supporting over 300 young minds through our Back-to-School Initiative and LASG

Vacation Coaching School. Simultaneously, our Empowerment Program for indigenes uplifted 270 parents, ensuring a brighter future for the communities we serve.

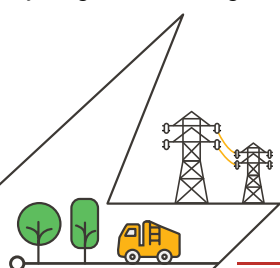
Nurturing talent and empowering our workforce remained at the core of our endeavours. In 2022, we established conversion programs, providing hands-on experience to our junior technicians, and proudly saw over 200 Linesmates successfully complete their training in the Distribution Linesmates Conversion Programme (DLMP).

In a ground-breaking move to address environmental concerns, we launched the transformative Trash to Treasure initiative, taking strides towards a sustainable future and demonstrating our commitment to environmental stewardship. We also initiated the digitalisation of processes to reduce paper consumption, embracing technology for efficiency and circular economy. Furthermore, our environmental commitment extended to our headquarters, where we replaced all modular fittings with energy-efficient lighting, resulting in a significant reduction in our energy consumption.

These achievements reflect our dedication to our stakeholders, our workforce, and the environment. While we acknowledge the financial challenges faced, our resolve remains unyielding. As we forge ahead to Light the Path for Sustainable Energy Distribution, we are committed to overcoming adversities and continuing our journey towards a more sustainable, electrifying, and prosperous Nigeria.

We thank you for your unwavering support and look forward to a future that shines even brighter.

Sincerely,  
**Folake Soetan**  
Chief Executive Officer.



## About this Report:

### A word from the Sustainability Lead

The primary service of Ikeja Electric is the distribution of electrical energy within its franchise area. It is an enormous responsibility; and one that we do not take for granted in our sustainability journey. This is what makes it a necessity for us to develop the attitudes that are critical to driving what we do and how we do it. The adverb “responsibly” has been incorporated into our daily lingo at Ikeja Electric, tricking down from the Group as a deliberate effort to imprint on our minds the importance of weighing every initiative, every project, every action on the scales of the word, “responsibly.”

Concerning our business operations, we have conducted a thorough procedure to ascertain our Greenhouse gas (GHG) emissions and carbon footprint, which provides a starting point for creating our Group-Wide Sustainability Strategy. We are dedicated to gaining an in-depth understanding of our GHG emissions. The goal of this endeavour aims to maintain accuracy, consistency, and transparency and would enable us to efficiently manage and reduce the risks and consequences we face from the environment and bring them into line with our overall sustainability strategy.

We also introduced **Gree’n’lectric**, a specialised sustainability newsletter that focuses on Sahara Group’s power industry. We understand that providing electricity to over 30 million homes and businesses is our responsibility, and we are aware of the considerable impact our operations have on people’s lives. Gree’n’lectric provides a forum for us to discuss our path towards sustainability and to share our plans and initiatives to address issues related to global sustainability. In addition, Ikeja Electric recently established a pilot scheme of the Trash to Treasure initiative, which reuses or recycles waste to generate new products.

To achieve a just energy transition, we need practical solutions that balance today’s needs with eco-friendly goals. To make

sure our sustainability and energy plans work for now and the future, we must act efficiently and find solutions that meet both short-term and long-term goals. Our sustainability activities are strategically matched with new laws and regulations. We see them as possibilities to help with the energy transition, assist the development of gas assets, cut carbon emissions, and improve sustainable practices across the economy.

To express our dedication to sustainability, our achievements, and the influence we have had throughout the fiscal year 2022, we are delighted to introduce our 2022 Sustainability Report with theme **Lighting the Path: Sustainable Energy Distribution in a Changing World**.

In response to a changing energy landscape marked by evolving technologies and environmental concerns, we are dedicated to distributing energy in a sustainable way. We leverage on innovative ideas and continuous engagement, involve our customers, and adjust to changing rules, all to support efforts locally and globally for a greener and better future.

This report has been compiled in accordance with 2021 GRI standards and addresses the significant subjects identified and prioritised for our company in 2022 by our stakeholders. Our dedication is rooted in a strong stance on ethical business practices. We consider ethical behaviour and adherence to regulations as fundamental principles, with an unwavering commitment to integrating responsible actions into our culture and business conduct in a sustainable manner.

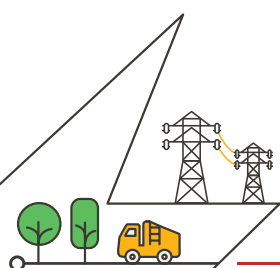
We focus a lot on consistently sharing our outcomes and updates on our sustainability initiatives. Our reports serve as a clear demonstration of our unwavering dedication to align our actions with the United Nations Sustainable Development Goals (SDGs).



To obtain further insights and access our earlier reports, kindly refer to this link:

<https://www.ikejaelectric.com/ikeja-electric-2021-sustainability-report/>

Jolaoluwa Adewale  
Sustainability/ Corporate Governance & Compliance Lead



## Driving Sustainability from the Top: Our Leadership Team



As a significant contributor to Nigeria's power sector, we have taken intentional steps to drive sustainability and innovation through the diverse and dynamic workforce we employ. We understand that a sustainable business journey calls for a blend of youthful energy, experience, and expertise. That is why we carefully choose leaders who possess the necessary technical skills and leadership qualities expected in a forward-looking organisation like ours.



**Mrs Folake Soetan**  
Chief Executive Officer

As CEO of Nigeria's leading electricity distribution company, I am proud of the outstanding work we do at Ikeja Electric. We utilise technology to deliver reliable and efficient power to our valued customers. Through close collaboration with our staff and partners, both inside and outside the company, we promote sustainable business practices aligned with the economic objectives set by the Nigerian government.



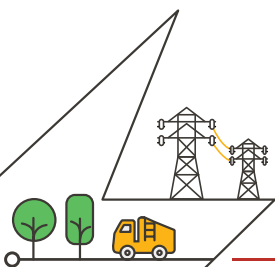
**Mr. Henry Ajibola**  
Chief Human Resources & Administration Officer

At Ikeja Electric, sustainability is woven into our daily operations. We have embraced it in our culture, fostering social responsibility. With over 20% female workforce, we are committed to promoting gender equality and inclusion and safeguarding the rights of all our employees regardless of gender. Collaboratively, we have taken strides to minimise our environmental footprint, demonstrating our dedication to sustainable energy distribution.



**Mrs Seqinah Akinwunmi**  
Chief Finance Officer

We have contributed to Nigeria's economic growth and productivity by empowering our workforce, fulfilling our tax responsibilities, and fostering an inclusive and transparent supplier network, promoting sustainable energy distribution for all.





**Mrs. Ogochukwu Onyelucheya**  
Chief Commercial Officer

We connect our clients to sustainable energy services and reliable power through our diverse business units. The remarkable trust our clients place in us throughout our network is a testament to our exceptional service.



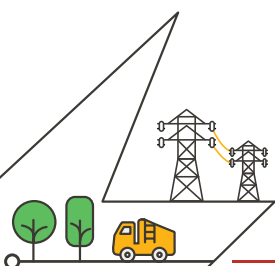
**Mr. Olajide Kumapayi**  
Chief Technical Officer

Our electrical systems are built on the backbone of the high-quality energy we provide. Leveraging innovative methods and robust standards, we ensure that our operations run smoothly, enhancing the effectiveness of our energy distribution system.

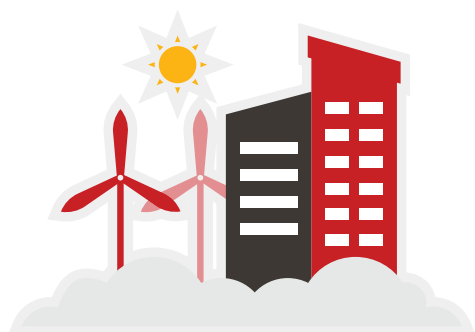


**Mr. Ugochukwu Obi-Chukwu**  
Chief Marketing Officer





We consistently improve our operational efficiency and grow our customer base by delivering excellent services to our clients and through our innovative marketing approach, while promoting sustainable energy distribution.

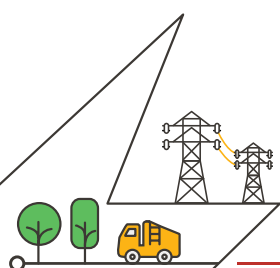


## Highlights of our Sustainability Performance



### Our 2022 Sustainability Achievements

Pillar	Achievements
 <p>Responsible Leadership – Our Moral Obligations</p>	<ul style="list-style-type: none"> <li>We maintained a positive relationship with the authorities by ensuring all applicable regulations were followed. This includes obtaining the necessary licenses and permits, submitting the required reports, and adhering to the guidelines established by regulators.</li> <li>In 2022, we made investments in innovative initiatives such as the Trash to Treasure Initiative; turning used car Tyres to insulation mats in our substations to underscore our devotion to sustainability through waste reduction and recycling.</li> </ul>
 <p>Transformation and Progress – Our Pledge to Society</p>	<ul style="list-style-type: none"> <li>In 2022, we recorded no third-party fatalities.</li> <li>We have implemented the Know-your-number Initiative, which is centered around employee health &amp; wellbeing.</li> <li>3000 Adults &amp; Children benefitted from our Donation of Mosquito nets/HMO Plans.</li> <li>Educated 1,200 children on HSE (Health, Safety &amp; Environment) through our Safety Starts with You Initiative.</li> </ul>
 <p>Eco-electricity - Our commitment to Nature</p>	<ul style="list-style-type: none"> <li>We replaced all modular fittings at our Headquarters with more energy-efficient lighting and installed sensor-driven lighting systems in the restrooms.</li> <li>We also developed a program that improves waste management methods and reduces the number of wastes discarded in landfills.</li> <li>We replaced obsolete substation switchgear at 12 injection substations. This allows for long term sustainability of our electricity distribution system.</li> </ul>
 <p>Financial Resilience – Our Contributions to Economic Prosperity</p>	<ul style="list-style-type: none"> <li>In 2022, we have demonstrated financial resilience through efficient cash flow management, cost optimisation, conservative debt management and scenario planning to identify potential risks and develop contingency plans to mitigate them. This has led to positive impact on the economic prosperity of the communities we served.</li> </ul>





Ikeja Electric PLC

# Our Business Profile

2022 Sustainability Report

Ikeja Electric Plc is Nigeria's largest power distribution network, dedicated to powering lives and businesses through a relentless pursuit for excellence and innovative processes.





## Who We Are?



Our Company was founded a decade ago and now we offer our services to over one million clients in Lagos and certain areas of Ogun State. Ikeja Electric Plc is Nigeria's largest power distribution network, dedicated to powering lives and businesses through a relentless pursuit for excellence and innovative processes. Leveraging on modern technology and digitalisation, we provide energy to a wide range of consumers over our whole business coverage area.

The Corporation entered a new phase of growth and expansion on November 1st 2013 when Sahara Group through a Special Purpose Vehicle, New Electricity Distribution Company Limited (NEDC) (with Korean Electric Power Corporation (KEPCO) as its technical partner) acquired a 60% stake in Ikeja Electricity Distribution Company (IKEDC) as part of the Federal Government's privatisation strategy. This partnership includes the KEPCO, which is known for its strong 84,000MW generation capacity and an exceptional global efficiency record with an

annual downtime of less than three minutes.

This relationship has enabled Ikeja Electric to efficiently pursue its mission to provide efficient and sustainable power supply, which has been accomplished through investments in innovative technology, infrastructural improvements, and human capital development.

Our strategic objective is to position ourselves as the preferred power provider in any location it is required. This mission underpins our company's commitment to delivering top-notch, reliable services while upholding the most stringent safety standards possible. Through an efficient organisation structure, we have been able to build and preserve the value we offer to our customers.

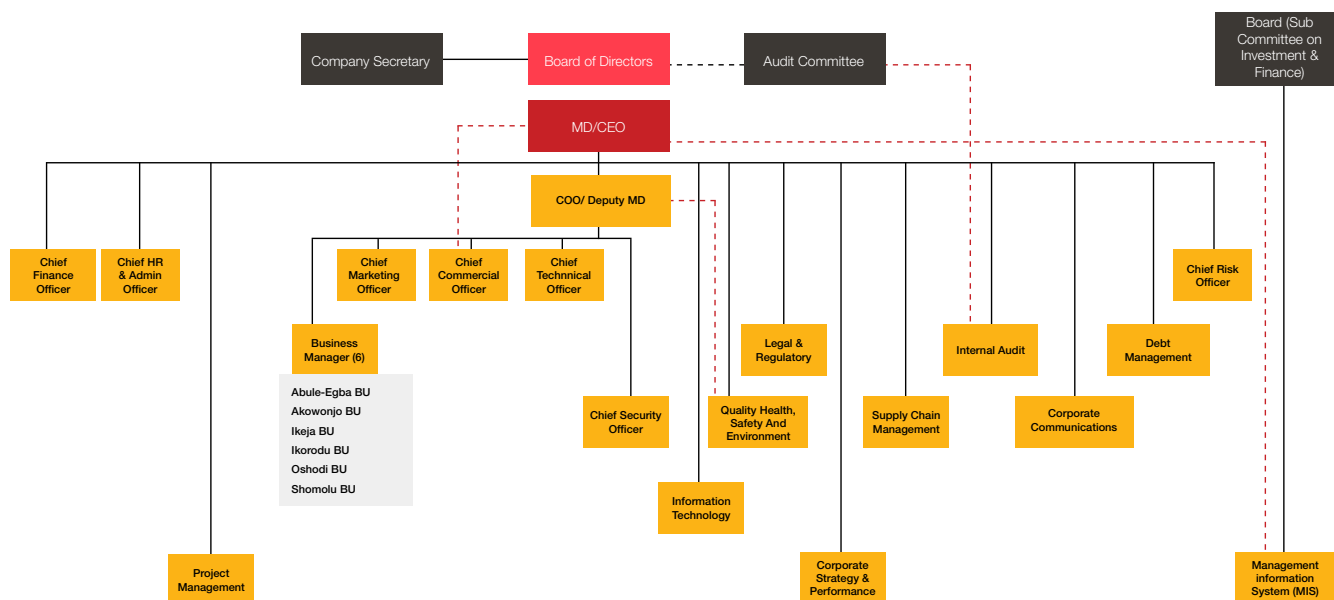
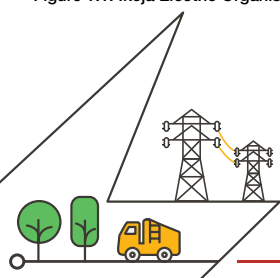


Figure 1.1: Ikeja Electric Organisational Structure





Ikeja Electric is also a member of many associations in the Nigerian electricity sector, as permitted by law.

Organisation	 Association of Nigerian Electricity Distributors	 WOMEN IN ENERGY NETWORK ESTABLISHED 2020
Date of Registration	January 2015	2021
Membership status	Organisational level	Organisational level
Voluntary/Obligatory	Voluntary	Voluntary

Table 1.1: Associations Ikeja Electric is a member of in the Nigerian electricity sector

## What We Do

Our business has consistently maintained its commitment to providing first-rate energy services to a wide spectrum of customers. Our services include distributing energy to end users via the national grid, comprehensive billing services, metering solutions, maintaining electrical distribution infrastructure, and any other services related to the distribution of power.

We are constantly improving and expanding our network, enhancing our ability to deliver energy directly to our clients' sites. We keep lines of communication open with our local communities and stakeholders, cooperating with them to provide a secure and functional network. Partnership with our stakeholders has contributed to increased awareness and the proactive management of issues related to

vandalism, energy theft, and power inefficiencies.

As an energy distribution company, we supply electric power from the grid upstream through a vesting contract with the Nigerian Bulk Electricity Trading Company. Downstream, we distribute the purchased electric power to our end use customers either under a bilateral contract (for our bilateral customers) or terms and conditions as stipulated by the regulator, Nigerian Electricity Regulatory Commission (for Maximum Demand (MD) and Non-Maximum Demand (NMD) customers). We have 166 33kv feeders, 294 11kv feeders, 64 injection substations, and 18,131 distribution stations in our distribution network.







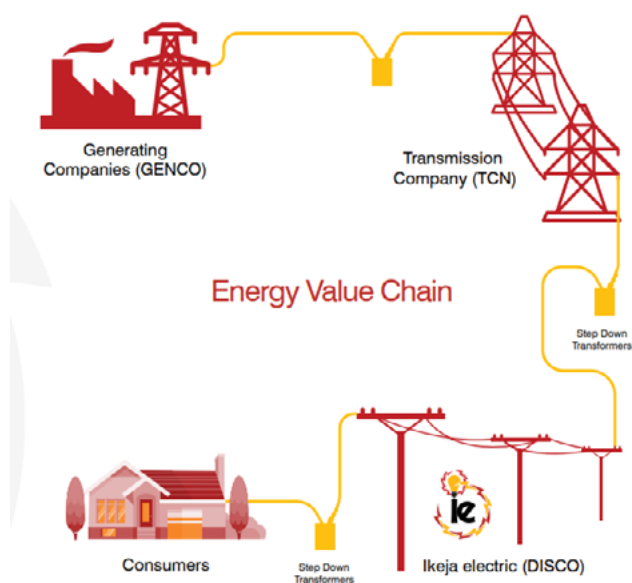
Business Unit	Address	Undertakings within Business Unit	2021 Customer base	2022 Customer base	Percentage Increase (%)
Abule Egba BU	No. 72, Agbado Station Road, Ijaiye, Ojokoro, Lagos	Adiyan, Akute, Fagba, Ijaiye, Iju and Lambe	165,398	170,607	3.15 
Ikorodu BU	No. 2, Dosunmu Ayodeji Street, Alogba Estate, Ikorodu	Ayangburen, Epe, Igbogbo, Ijede, Lasunwon, Odogunyan, Owutu.	225,489	258,021	14.43 
Ikeja BU	No. 1, Kudirat Abiola way, Oregun, Alausa, Lagos	Anifowoshe, Ifako, Oba-Akran, Ogba, Ojodu, Oke-Ira, Oregun, PTC	83,768	89,240	6.53 
Akowonjo BU	No. 41, Idimu Road, Egbeda, Lagos	Aboru, Abule-Odu, Abure-Taylor, AIT, Ayobo, Dopemu, Egbeda, Gowon, Ipaja, Oke-Odo, Orile-Agege	209,861	227,108	8.22 
Oshodi BU	No. 142 / 144, Okota Road, Isolo, Lagos	Ago, Ajao, Amuwo, Idimu, Igando, Ijegun, Ikotun, Isolo, Oke-Afa, Okota, Oshodi	226,541	249,272	10.03 
Shomolu BU	264, Obanikoro Bus Stop, Ikorodu Road, Lagos	Anthony Mega, Igboobi Mega, Ilupeju Mega, Magodo Mega, Oworo Mega.	153,955	165,451	7.47 

Table 1.2: Our business units, their respective undertaking offices, and customer base across the business units



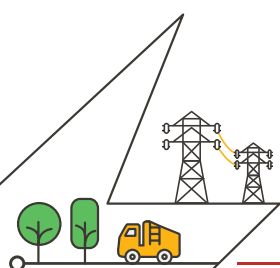


We operate across a total of eight Local Government Areas within Lagos State, encompassing Alimosho, Ikorodu, Ikeja, Epe, Oshodi, Agege, Shomolu, and Kosofe, with additional coverage extending into parts of the Yaba and Mushin Local Government Areas.

Figure 1.2: Our Distribution Network

Distribution Network	Number/Capacity
Business Units (BU)	6
Transmission Substation	17
33/11 kV Transformers	204
33/0.415 kV Transformers	1459
11/0.415 kV Transformers	16836
Installed Transmission Capacity – MVA	2315MVA
Installed Transformer Capacity(33/11kV) – MVA	2084MVA
Installed Transformer Capacity (33/0.415kV) – MVA	929.73MVA
Installed Transformer Capacity (11/0.415kV) – MVA	3593.94MVA
Route Length 33 kV Feeders – kmRL	954.98 kmRL
Route Length 11 kV Feeders – kmRL	2669.24 kmRL
Longest Urban 33 kV Feeder – ckt km	172.66 ckt km
Average Route Length of Urban 33 kV feeder – ckt km	10.61 ckt km

Table 1.3: Our distribution network across Lagos and Ogun state









## How We Work

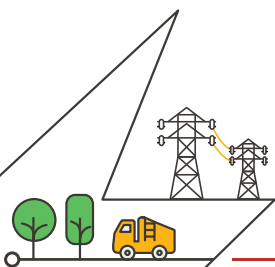
Due to our track record in providing outstanding products and services, Ikeja Electric is becoming the go-to-choice for reliable electricity. We regularly evaluate our performance and because of our unshakable commitment to excellence, we are always our customers' first choice.

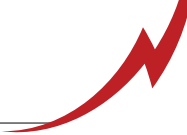
We are dedicated to going beyond expectations to boost economic growth through power distribution. This approach enhances our brand, builds trust with investors and customers, keeps employees involved, and gets the public engaged in what we do.

We know how important it is to take a sustainable approach in business operations. Thus, we carry out our business operations in a way that has the least negative impact on the environment and natural resources. We have incorporated sustainability into our operations, making sure that it influences our business practices. Our environmental commitments and procedures align with industry-specific international best practices and global agreements, including the Paris Agreement.

Sustainability lies at the core of our operations, customer service delivery, and maintenance initiatives. Through these efforts, we remain steadfast in living out our fundamental values, encapsulated by the acronym SPICES:

<b>S</b>		<b>Safety:</b> we ensure the safety of all our employees and stakeholders involved, as well as all our areas of operation.
<b>P</b>		<b>Professionalism:</b> we aim to deliver the highest level of professionalism in all our activities.
<b>I</b>		<b>Integrity and Discipline:</b> we aim to maintain integrity through discipline in all our activities.
<b>C</b>		<b>Commitment to Stakeholders:</b> we aim to deliver quality service to all our stakeholders.
<b>E</b>		<b>Exceptional Service Delivery:</b> we deliver exceptional services by leveraging innovation and creativity at all times.
<b>S</b>		<b>Sustainability:</b> we remain committed to building a sustainable business.

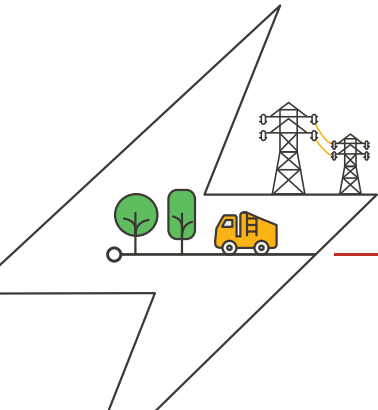




Our vision is to be the provider of choice wherever energy is consumed. Our dedication and adherence to the highest standards of professionalism, ethics, and responsible business are embodied in our mission statement which is to provide quality and reliable services to our customers and always adhere to the highest standards of safety.

Our brand values and code of ethics define the distinctive identity of an Ikeja Electric professional and offers guidance to our employees in their daily roles. Our brand values encompass five interrelated pillars: Professionalism, Versatility, Resilience, Dynamism, and Service Excellence. These values are in alignment with our ten codes for professional conduct and ethical work:

Act with loyalty, honesty & integrity.	Always be of good conduct.	Avoid all forms of conflict of interest.
Comply with laws, regulations, rules, and policies.	Report breaches of the codes and other company policies.	Demonstrate competence and quality service.
Ensure arm's length dealings with third parties.	Protect the use of our assets, resources, and information.	Maintain accurate books of records and accounts.
Comply with all codes.		





Ikeja Electric PLC

# Our Commitment to Sustainability

2022 Sustainability Report

At Ikeja Electric, our commitment to sustainability is embedded deeply into our operations. As a leading electricity distribution company, we are steadfast in our pursuit of environmentally responsible practices.



At Ikeja Electric, our commitment to sustainability is embedded deeply into our operations. As a leading electricity distribution company, we are steadfast in our pursuit of environmentally responsible practices. From our resource management to the integration of innovative technologies, every aspect of our business is guided by a dedication to reduce our carbon footprint and further our sustainability agenda. We are illuminating a path towards a sustainable energy landscape, where innovation, socio-economic progress and environmental stewardship go hand in hand.

## Our Approach to Responsible Business



Our approach to business is anchored in a commitment to reliability, sustainability, and ethical practices. Our core values, including integrity, professionalism, and sustainability, guide every aspect of our operations. To us at Ikeja Electric, compliance with regulations is not just a requirement; it is a fundamental aspect of our identity.

As a company committed to reducing our environmental footprint and improving

operational efficiency, we leverage several innovative solutions across our operations. These initiatives include but are not limited to optimising energy distribution through the equipment we use, integration of renewable energy sources and a firm commitment to instilling a culture of sustainability at the core of our business strategy. By incorporating new advancements, we enhance operational efficiency and contribute to a cleaner and more sustainable energy future for the stakeholders we serve.

Our sustainability initiatives are not just a commitment; they are a driving force.

## Engaging with Our Stakeholders

We recognise the significance of our stakeholders in driving the success and sustainability of our operations. To this end, we actively engage our stakeholders across various functions of our business. In our risk assessment processes, we engage our stakeholders to understand their requirements, formulate strategies to address identified risks, and leverage emerging opportunities to achieve our overarching objectives.

At Ikeja Electric, we believe that effective stakeholder involvement is critical to our Company's operations. As a result, we maintain regular communication with our stakeholders and endeavour to alleviate any issues they may have.

We recognise that our stakeholders range from our vendors, customers, employees, shareholders, and regulators. We identify our vendors through an efficient and transparent approach, that involves a competitive bid. We have integrated sustainability factors into the bidding process to ensure the quality of products. We also consider financial capability in the selection of our vendors.

For our customers, we have designed a robust database that documents customers' details in line with relevant laws guiding customer data and privacy. This has simplified our customer engagement process, we can now reach them through newsletters, social media, meetings, and other channels. For shareholders and regulators, we continue to manage

expectations in line with set objectives and regulatory stipulations. We also ensure meaningful stakeholder engagement through our Annual Stakeholder Engagement Plan.

We categorise our stakeholders by:

01

identifying stakeholder groups that pose huge threats to our organisation's survival or progress

02

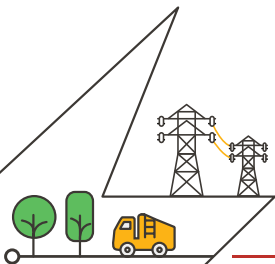
evaluating the impacts of stakeholder group to business continuity

03

assessing stakeholder group contribution to the company's revenue

04

assessing the influence of the stakeholder group on other critical stakeholders.



We have identified key internal and external stakeholders that are impacted by and/or have an influence on our operations. The table below shows our stakeholder groups and how we engage them.



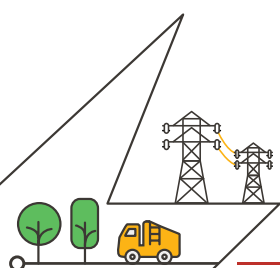
Stakeholder Groups	Stakeholders	Media of Engagement
Regulators and other Government Agencies 	Nigerian Electricity Regulatory Commission (NERC)	Print media, letters, virtual and physical meetings
	Nigerian Electricity Management Services Agency (NEMSA)	
	Federal Competition & Consumer Protection Commission (FCCPC)	
	Federal Reporting Council of Nigeria	
	National Environmental Standards and Regulations Enforcement Agency (NESREA)	
	Rural Electricity Agency (REA)	
	Nigerian Bulk Electricity Trading (NBET) Plc	
	Transmission Company of Nigeria (TCN)	
Customer and Community Groups 	Community Council Chairmen (CDC) on a periodic basis	Print media, letters, virtual and physical meetings, TV media, radio stations, social media/ local influencers
	The executives of the Licensed Electrical Contractors Association of Nigeria (LECAN)	
	Local Youth Leaders	
	Traditional Rulers	
	Judiciary Correspondents	

Table 2.1: Stakeholder groups and media of engagement





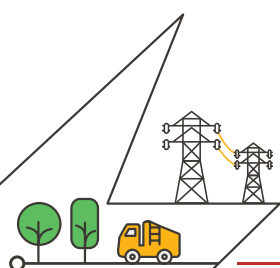
S/N	Community Council Chairmen (CDC)	Business Unit
1	Oshodi-Isolo	Oshodi
2	Isolo	Oshodi
3	Amuwo-Odofin	Oshodi
4	Ejigbo	Oshodi
5	Egbe-Idimu	Oshodi
6	Ikotun-Igando	Oshodi
7	Ijedodo	Oshodi
8	Mosan-Okunola	Akowonjo
9	Ayobo-Ipaja	Akowonjo
10	Agbado/Oke-Odo	Akowonjo
11	Alimosho	Akowonjo
12	Agege	Akowonjo
13	Orile-Agege	Akowonjo
14	Itele-Awori	Akowonjo
15	Ayetoro-Itele	Akowonjo
16	Egbejoda-Itele	Akowonjo
17	Ikorodu Local Government	Ikorodu
18	Ijede Local Council Develop. Authority	Ikorodu
19	Igbogbo/Baiyeku Local Government	Ikorodu
20	Ikorodu West L.C.D.A.	Ikorodu
21	Ikorodu North L.C.D.A.	Ikorodu
22	Epe Local Government	Ikorodu
23	Ikosi Ejirin L.C.D.A.	Ikorodu
24	Imota Local Government	Ikorodu
25	Shomolu Local Govt.	Shomolu
26	Kosofe Local Government	Shomolu
27	Bariga LCDA	Shomolu
28	Ikosi Isheri LCDA	Shomolu
29	Agboyi Ketu LCDA	Shomolu
30	Odi Olowo/Ojuwoye LCDA	Shomolu
31	JAC	Abule-egba
32	Ifesowapa /Mogboluwaduro/ Adiyin	Abule-egba
33	Agbado	Abule-egba
34	Akera	Abule-egba
35	Oke-Aro	Abule-egba
36	Orudu	Abule-egba
37	Ikeja	Ikeja
38	Onigbongbo	Ikeja
39	Ojodu	Ikeja
40	Ifako/Ijaiye	Ikeja

Table 2.2: The Community Council Chairmen (CDC) Ikeja Electric engages on a periodic basis



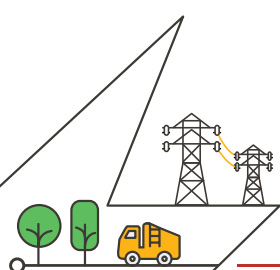
One of the ways we ensure meaningful stakeholder engagement is through our Stakeholder Engagement Plan. The table below highlights our 2022 Stakeholder Engagement Plan:

QUARTER 1						
S/N	Enter	Medium	Frequency	Venue	Date / Time	Status
1.	Ikeja Electric Radio Program	Faaji F.M. 106.5, Rainbow F.M. 94.1, and Ikorodu F.M. 106.1	Weekly (Every Tuesdays, Wednesdays, and Thursdays)	Faaji F.M.- AIT Alagbado, Rainbow F.M. 94.1 Isheri North Opic, and Ikorodu Radio at Igbogbo Rd.	Faaji F.M., Wed 1.30-2pm  Rainbow F.M., Tues. 9:30-10a.m.  Ikorodu Radio- 10:30a.m.	Ongoing.  Always Indicated in monthly reports to NERC. It is a continuous exercise.
2.	Engagement with Youth Leaders on Ikeja Electric activities	Zoom/ WhatsApp	Quarterly	Zoom/ Direct meeting	Feb 2021	Preparation for Q1 ongoing.
3.	Local community influencers	Direct meeting or Zoom	Quarterly	Zoom or Town Hall meeting	Feb. 2021	To hold a Q1 meeting with the influencers.
4.	Customer forum	Zoom/ WhatsApp	Quarterly	Local Governments	Always at the end or beginning of the month	Implemented quarterly CDC meeting across the Business Units
5.	CDC/CDA engagement on Ikeja Electric Campaigns	Direct engagement at meetings/ WhatsApp	Daily/ Weekly	Deployment of E-flyers	Weekly	
6.	Enlightenment programme on MAP/ NMMP	Flyers, Poster, roll up banners identified TV stations, Online Focus TV, and selected Radio stations	Weekly	LTV, TVC MITV and Radio Stations Communications/ Other Department	2022 by Corporate	Ongoing
7	Social Media	Twitter, Facebook, and Instagram	Daily	Online	Daily	Continuous deployment of Creatives with messages on Twitter, Instagram, and Facebook for customers' enlightenment-Ongoing
8	Media Roundtable	Energy Editors Direct Engagement	Quarterly	GRA Ikeja	11am	To hold in February or March



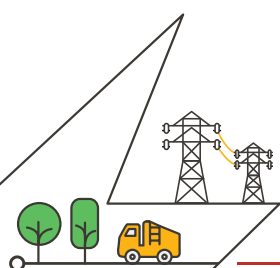
# QUARTER 2

S/N	Enter	Medium	Frequency	Venue	Date / Time	Status
1	Stakeholders' engagement	Direct engagement: with Electricity Committee, LECAN, Traditional Rulers, Payment Agent	Bi-Annual	Oba's palace  Business Units/HQ  LGS Ministry of Community and LG Affairs	Determine by the Association/ Monarchs	To ensure implementation and adequate report
2	Monthly CDC meeting at various locations in the field LCDA	Direct engagement during meeting	Monthly	Local Governments	Local Govt office	To ensure implementation and adequate report
3	TV interview	Direct/ Zoom	2 in Q2	Channels TV and Newsprint	To be scheduled	To ensure implementation and adequate report
4	Market Leader	Direct Engagement	Bi-Annual	Iya-Oloja General Office Alausa Lagos	Last Tuesday of March 2022	To ensure implementation and adequate report
5	Electricity Committee/ Youth Leaders	Zoom/ Direct engagement	Quarterly	Zoom / To schedule venue for direct meeting	2nd week in May 2022	Zoom meeting with youth leaders across Ikeja Electric network
6	Hostile communities	Zoom/ Direct engagement	Monthly	Local communities	Weekly/ Monthly as identified	To hold meetings with restive communities for mutual understanding
7	Media round table with Online Editors	Direct	1 in Q2	Ikeja GRA (Tentative)	To be determined	Scheduled for March 2022
8	Customer Forum	Direct engagement	1 in Q2	Zoom / Within Identified Local communities	To be determined by each BU	As scheduled
9	Social Media	Twitter, Facebook, and Instagram	Daily	Online	Daily	Continuous deployment of creatives and messages on Twitter, Instagram, and Facebook for customers' enlightenment-Ongoing
10	Ikeja Electric Radio Programme	Faaji F.M. 106.5 and Rainbow F.M. 94.1  Ikorodu F.M. 106.1	Weekly	Faaji F.M.- AIT Alagbado, Rainbow F.M. 94.1 Isheri North Opic, and Ikorodu Radio at Igbogbo Rd	Faaji F.M., Wed 1:30-2p.m.,  Rainbow F.M., Tues. 9:30-10a.m.  Ikorodu Radio- 10:30a.m.	



### QUARTER 3

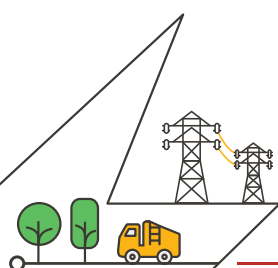
S/N	Enter	Medium	Frequency	Venue	Date / Time	Status
1	Stakeholders' engagement  Traditional rulers	Direct engagement	Bi-Annual per BU	LS Chieftaincy and Community Affairs, Alausa Secretariat, Lagos	Determined by the Director of Chieftaincy and Community Affairs.	To hold as scheduled
2.	Monthly CDC meeting at various locations in the field LCDA	Direct engagement during meeting	Identify CDC with challenges (1 per month per BU)	Local Governments	Determine by CDC	To hold as scheduled
3	Engagement with identified hostile communities	Direct meeting	One in each BU Monthly	Local communities	Business Units	To hold as scheduled
4	Ad-hoc community engagement	Direct	Daily/Weekly	HQ/ BU Offices	Meeting Rooms in Bus and HQ	To hold as scheduled
5	Press Releases/IE News Update	IE activities/ Events	1 Monthly per BU	On events, Interviews, and other activities	Monthly	As scheduled
6	Media Round table with local community media	Ikeja Electric activities/Events	1 by HQ	GRA Ikeja (Tentative)	Middle of August 2022	As scheduled
7	Youth leaders /Electricity Committee	Direct engagement	1 for Q3	Zoom	August 2022	As scheduled
8	Social Media	Twitter, Instagram, Facebook,	Daily	Online	Daily	As Scheduled
9	Ikeja Electric Radio Programme	Faaji F.M. 106.5 and Rainbow F.M. 94.1  Ikorodu F.M. 106.1	Weekly	Faaji F.M. - AIT Alagbado, Rainbow F.M. 94.1 Isheri North Opic, and Ikorodu Radio at Igbogbo Rd	Faaji F.M., Wed 1.30-2p.m.  Rainbow F.M., Tues. 9:30-10a.m.  Ikorodu Radio- 10:30a.m.	As Scheduled



**QUARTER 4**

S/N	Enter	Medium	Frequency	Venue	Date / Time	Status
1	Local Community Influencers	Direct engagement	1 in Q4	HQ	October 2022	As scheduled
2.	Monthly CDC meeting at various locations in the field LCDA	Direct engagement during meeting	Monthly	Local Government office	Determine by CDC	As scheduled
3	Weekly CDA engagement	Direct engagement	Weekly	Local communities	Ikeja Electric Office/ Local communities	As scheduled
4	Market Leaders	Direct engagement	1 in Q4	Iya-Oloja General Office, Alausa, Lagos	Last Tuesday in October 2021	As scheduled
5	Media Round table with radio presenters	Direct engagement	1 in Q4	To be Identified	Early October 2022	As scheduled
6	Engagement with hostile communities	Direct engagement.	Weekly	HQ, Business Units	Weekly	As scheduled
7	Social Media	Twitter, Instagram, Facebook,	Daily	Online	Daily	Continuous deployment of Creatives with messages on Twitter, Instagram, and Facebook for customers' enlightenment-Ongoing
8	IE Radio Programme	Faaji F.M. 106.5 and Rainbow F.M. 94.1  Ikorodu F.M. 106.1	Weekly	Faaji F.M. - AIT Alagbado, Rainbow F.M. 94.1 Isheri North Opic and Ikorodu Radio at Igbogbo Rd.	Faaji F.M., Wed 1.30-2p.m.  Rainbow F.M., Tues. 9:30-10a.m.  Ikorodu Radio- 10:30a.m.	As scheduled




Table 2.3: Stakeholder Engagement Plan for 2022; different stakeholder groups and the frequency of engagement



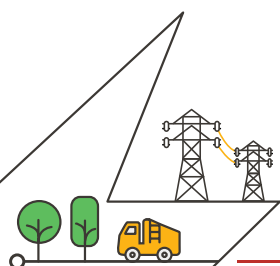
## Our Approach to Materiality

Sustainability reporting has become a vital tool for organisations looking to demonstrate their commitment to responsible practices due to increased environmental concerns and rising stakeholder expectations. Materiality assessment, which identifies and prioritises the Environmental, Social, and Governance (ESG) issues most relevant to a company's operations and stakeholders, is central to this reporting process.

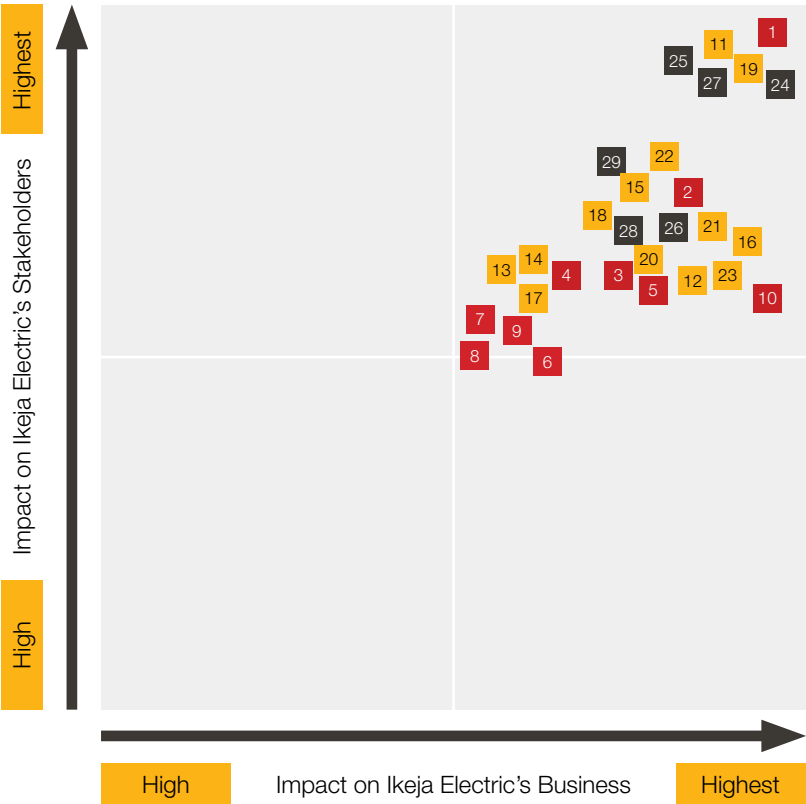
This method considered the input from both internal and external stakeholders regarding the most pertinent and influential subjects. The outcome provided valuable insights into the priorities and the path Ikeja Electric is taking to contribute to sustainable development. In determining material topics to be validated by the stakeholders, we ensured that we aligned the relevant ESG Material topics to the inherent risks of the business universe by considering the following:

	Area Considered	Focus
	Stakeholder Perspective	How the issue would change the decision-making and judgement of key stakeholders' groups.
	External Impact	The impact of the issue on both people and the planet.
	Internal Impact	The impact of the issue on Ikeja Electric's performance and business in terms of risks and opportunities that impact corporate value.

The materiality assessment for 2022 was carried out using the methodology below:



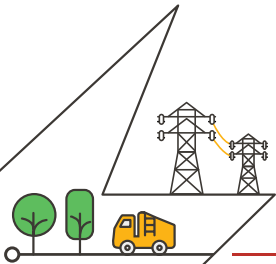
The Environmental Social and Governance (ESG) issues and topics identified to be material to Ikeja Electric are shown on the materiality matrix below:



Our Material Topics

Economic Performance	Tax	Market Intelligence	Public-Private Partnerships
Indirect economic impacts	Resource efficiency (including water)	Air emissions	Biodiversity
Waste and Effluents	Climate adaptation, resilience, and transition (includes renewable energy use)	Occupational health and safety	Employment practices
Freedom of association and collective bargaining	Local communities	Conflict and security	Employee engagement, development, and wellbeing
Youth empowerment	Sustainable supply chain management	Customer satisfaction	Diversity, Equity, and Inclusion (DEI)
Human rights	Improved access to electricity	Enabling global initiatives	Stakeholder engagement
Ethical and regulatory compliance	Risk management (to include energy transition risks and emergency preparedness)	Technology and Digitisation	Cybersecurity
Transparency and accountability			

The topics in red are of highest impact for both internal & external stakeholders, while topics of higher impact for both internal & external stakeholders are highlighted grey. The other topics are rated as high impacts by the internal and external stakeholders.







Ikeja Electric PLC

# Our Sustainability Performance

## 2022 Sustainability Report

At a time where the global community stands at the crossroads of environmental stewardship and responsible business practices, Ikeja Electric, as a leading electricity distribution company, recognises the paramount importance of effective governance in steering the course toward a sustainable future.



## Responsible Leadership – Our Moral Obligations



At a time where the global community stands at the crossroads of environmental stewardship and responsible business practices, Ikeja Electric, as a leading electricity distribution company, recognises the paramount importance of effective governance in steering the course toward a sustainable future.

Ikeja Electric is dedicated to upholding the highest standards of governance and ethical practices. We have established accountability and transparency as the fundamental pillars of our governance structure.

Our governance framework regulates the decisions, guidelines, and overall operations of the organisation. This approach provides clarity, promotes ethical behaviour, manages risks, and ensures the organisation is well-positioned for long-term success. We are guided by principles of transparency, integrity, and accountability as outlined in the Nigerian Code of Corporate Governance (NCCG), embodying strong principles in our leadership.

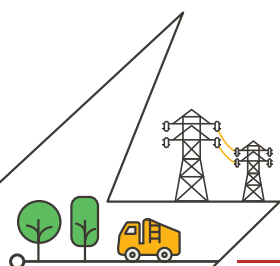
As we navigate the dynamic landscape of the energy industry, we understand that our decisions and actions have far-reaching implications. Therefore, it is incumbent upon us to uphold the highest standards of governance to ensure that our operations align seamlessly with the principles of sustainability. This section delves into the frameworks, policies, and mechanisms we have in place to foster responsible decision-making, manage risks, and engage stakeholders in meaningful dialogue.

### Ethical & Regulatory Compliance



In today's ever-evolving business regulatory landscape where stakeholders increasingly scrutinise the actions of corporations, ethical business practices are paramount. Ikeja Electric recognises that, beyond the pursuit of operational excellence, it is essential to integrate ethical considerations into every facet of our business. This not only ensures the trust of our customers, investors, and partners but also aligns with the broader goals of societal well-being and environmental stewardship.

At Ikeja Electric, we have a strict policy against corruption and any action that breaks the law or our Code of Conduct. We passionately believe that being responsible in business goes beyond following rules – it is about upholding our moral code. This is guided by our Code of Conduct, which clearly states the principles and consequences of unethical practices.



We ensure appropriate work-related norms and regulations by consulting with regulators and other key stakeholders such as consumers, suppliers, and community groups for insight into what they think and what concerns them. This helps us build trust, understand each other better, and enables us to handle any difficulty or challenge as they arise.

We participate in industry groups and other gatherings where we discuss our concerns and offer our perspectives on rules and regulations with regulators. We also collaborate with regulators on new policies that could affect how we do things.

Regulatory compliance is an integral aspect of responsible and sustainable business conduct. As such, Ikeja Electric adheres to regulations and standards to maintain integrity, gain stakeholders confidence, and ensure responsible corporate governance. We are fully compliant with the Companies and Allied Matters Act (CAMA) and align with the Nigerian Code of Corporate Governance 2018. Additionally, our commitment to workers' rights and well-being is evident through our compliance with the International Labour Organization's (ILO) working standards.

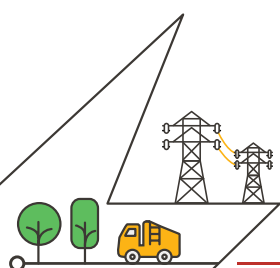
Our dedication to excellence is reflected in our impressive

certifications, including ISO 45001:2018 for occupational health and safety, ISO 14001:2015 for environmental management, and ISO 9001:2015 for quality management. Notably, we are the first company in the Power Sector in Nigeria to attain this prestigious certification.

To ensure that we maintain our commitment to compliance, both external auditors and our internal audit team rigorously assess any non-compliance activities. The Nigerian Electricity Regulatory Commission also oversee our operations to ensure they meet the highest standards.

We take immense pride in our record of accomplishment of full compliance, with no sanctions or fines imposed for violations of health and safety laws, environmental laws, or any other laws or regulations. We also uphold ethical standards in various aspects, including anti-corruption, anti-competitiveness, data privacy, anti-bullying, and grievance. Our dedication to maintaining the highest standards is unwavering.

**What guides our responsible business conduct are our Core Values of:**





We must do the right thing — even when it is not an easy thing to do. No single person can uphold our commitment to ethics and integrity... It takes all of us!

Folake Soetan, CEO.



Risk Management

In the dynamic landscape of the electricity distribution industry, where innovation and progress are accompanied by inherent uncertainties, the effective management of risks is paramount.

We take a careful approach, especially when embarking on projects with potentially negative outcomes. We do a thorough risk assessment to prevent risks and/ or reduce the impact to people, the environment, our reputation, and the long-term viability of our organisation.

Our risk dashboard, managed by experts, tracks our performance in five key risk areas: strategy, financial, regulatory compliance, operational, and reputational. This helps us watch out for different ESG (Environmental, Social, and Governance) risks like:



E

Environment risks:

such as accidents and physical and transition risks, which affect safety and operations.

S

Social risks:

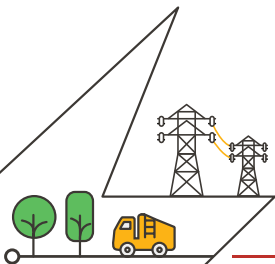
such as customer retention, customer complaints resolution, HSE (Health, Safety & Environment) infractions/ incidents, communication channels, and stakeholder engagements.

G

Governance risks:

such as regulatory compliance with regulations and standards including NERC regulations and regulatory filings.

We measure these risks on a regular basis, this helps us check if a risk falls within our accepted levels, mitigating risks and stopping potential issues from materialising.



In 2022, our Board, consisting of seven directors, operated at full capacity, defining the organisation's risk levels, and mitigating identified and potential risks. Each director was strategically assigned to committees based on their qualifications and experiences. The selection of Committee Chairpersons adhered to the criteria outlined in the Nigerian Code of Corporate Governance (NCCG).

Names of Board Members	Audit, Risk & Governance Committee	Finance, Investments & General-Purpose Committee	Technical & Operations Committee
Kola Adesina (Chairperson)			
Alex Okoh	Member	Member	Chairman
Toibudeen Oduniyi (Alternate To Mr. Okoh)	Alternate	Alternate	Alternate
Adedeji Odunsi	Chairman	Member	Member
Tope Shonubi	Member	Chairman	Member
Sangwoo Park	Member	Member	Member
Aigbe Olotu	Member	Member	Member
Ijeoma Nwogwugwu	Member	Member	Member

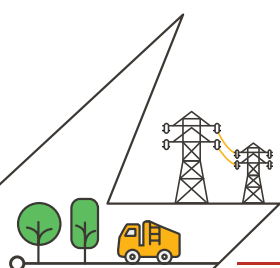
Table 3.1: Board of Directors and respective Committees

Digital transformation has played a crucial role in our risk management. In 2022, we shifted our risk management activities from manual processes to the CONRAD software. This software helps us assess emerging risks effectively across our headquarters, business units, and project offices.

In addition, we have created a detailed and customary Business Continuity Plan (BCP) to handle emergency situations throughout the company. Also, alongside our corporate risk assessment process, our staff who deal with technical issues perform daily field-level risk assessments using the Mandate4 tool for last-minute checks while in the field.



By identifying, assessing, and proactively managing risks, we aim to ensure the resilience and sustainability of our electricity distribution services. Through transparent reporting on our risk management practices, we reinforce our dedication to operational excellence and the long-term well-being of the communities we serve.





## Technology and Digitisation

Incorporating sustainable practices requires organisations to embrace innovative technology and digitisation. The integration of advanced technologies not only enhances operational efficiency but also plays a pivotal role in reducing environmental impact and improving overall sustainability.

As a technologically inclined organisation, we have made investments in innovative infrastructure to guarantee business resilience, ensuring we stay competitive while remaining true to our customer-centric values.

Technology has played a significant role in transforming Ikeja Electric into an innovative company, capable of meeting the diverse needs of its consumers. We infuse technology in a variety of ways – this includes the use of our Client Relationship Management (CRM) platform to track and rapidly handle client concerns and provide better service. We are now able to remotely monitor and operate our network through our newly deployed smart metres which are part of the Advanced Metering Infrastructure (AMI) and Geographic Information System projects. We have also automated risk management within the organisation through the use of CONRAD software.

We have also taken groundbreaking steps to address environmental concerns through technology. One of these is the Trash to Treasure initiative – focused on recycling discarded tyres. Old tyres have potential for recycling, and we developed a smart solution. Using advanced technology and a strong commitment to sustainability, we transformed these tyres into insulation mats. These mats provide thermal efficiency and reduce waste in landfills. This innovative process shows how recycling can turn what we used to throw away into something valuable.

We use innovative methods to properly treat the waste from our operations before discharging it. This careful handling ensures environmental safety and helps the nearby communities who need clean water. We invest in modern technologies and monitor how we manage waste to set a good example for others and show how much we care about taking care of the environment.

We also intend to install surveillance technology on vulnerable assets to improve security and maintain engagement with communities where our assets are located to give them the responsibility of taking ownership. This also extends to working with government security agencies to track and identify the market for these stolen assets to retrieve them. We concentrate on technology that drives industry's digital transformation, smart infrastructure, and



sustainable mobility. With the aid of digitisation, our business operations reach millions of customers seamlessly, adding value, and ensuring availability.

Our strategic focus on technology and digitisation underscores our dedication to building a sustainable energy future. By leveraging these advancements, we aim to not only enhance our operational efficiency but also contribute to the global imperative of mitigating climate change and ensuring a reliable, resilient, and environmentally conscious energy distribution system.

## Cybersecurity

Today's business landscape is being driven by digital transformation and the electricity distribution industry has become increasingly reliant on interconnected technologies and data-driven systems to ensure the reliable and efficient delivery of power. However, this dependence on technology also exposes the sector to new and evolving cybersecurity challenges that have the potential to compromise not only operational efficiency but also the overall sustainability of the electricity supply chain in Nigeria.

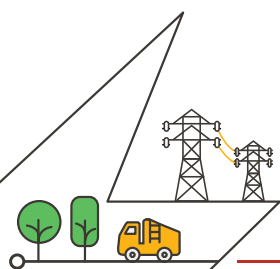
At Ikeja Electric, we invest in training all our personnel in social engineering techniques and other types of cyber-attacks. We convey

cybersecurity measures to our workers on a regular basis and use innovative tools to protect our data and detect system weaknesses.

We constantly analyse our cybersecurity performance and look for ways to improve it by ensuring adherence to the General Data Protection Regulation, Nigerian Data Protection Regulations, and international cybersecurity best practices. Intrusion detection, incident management, data analysis, and risk mitigation are all used to protect our data from even the most sophisticated cyber-attacks.

In 2022, there were no verified complaints about breaches of customer privacy in our operations. We stay watchful against changing threats and maintain the strictest data security standards to build trust with our stakeholders and safeguard our organisation and the people we serve.

By integrating cybersecurity into our sustainability framework, we are not only protecting our operations but also contributing to the overall resilience and sustainability of the electricity distribution sector. Our commitment to a secure and resilient digital infrastructure reflects our dedication to providing reliable, environmentally conscious, and sustainable energy services to the communities we serve.



## Transparency and Accountability



As an ethical and responsible organisation, we value accountability and transparency in our relationships with our key stakeholders, as these are the pillars of continued good governance. Our dedication to transparency is obvious in the nomination and selection of Board members, which is done in accordance with existing legislation and global best practices.

Ikeja Electric's corporate governance standards, code of ethics, and professional conduct promote operational transparency and accountability, which is the foundation for business resilience. We believe that excellent governance and sustainable business practices go hand in hand, boosting our company's ability to innovate and adapt in today's high-risk, high-uncertainty environment.

To ensure the highest standard of transparency and accountability, our internal audit team investigates corrupt practices. Alleged corrupt practices of employees are also reported through the whistleblower's platform. Once received, the reports are escalated to the internal audit team or revenue protection unit for proper investigations and where confirmed, sanctions are imposed. In cases where crimes are committed, they may be

escalated for criminal prosecution. We also have a disciplinary panel that sits on instances of alleged corruption and other violations of the company's code of conduct. Employees who are brought before the disciplinary panel are given fair hearing and when found guilty are penalised under the company's Disciplinary policy.

During the reporting period, 1,500 employees of Ikeja Electric received training on anti-corruption. We also regularly oversee and assess our procurement procedures to ensure they adhere to applicable regulations, enhance transparency, and maintain the highest levels of integrity and ethics.

Our dedication to being transparent and accountable is evident not just in our policies and selections, but also in our approach to political matters. As a company, we have abstained from making any financial or in-kind political contributions in 2022, either directly or indirectly. However, we recognise and respect our workers' rights to participate in the political process, as governed by the laws in the country we operate.

## Eco-electricity – Our commitment to Nature

As we navigate the dynamic energy landscape, we recognise the crucial role we play in mitigating environmental challenges and contributing to a cleaner, greener future. This section of our sustainability report provides a comprehensive overview of our environmental initiatives, demonstrating our dedication to minimising our ecological footprint and fostering a resilient and sustainable energy ecosystem.

We are committed to conducting business operations that prioritise the environment. We believe that a healthy environment results in healthier communities and we understand the

utmost importance of preserving the environment and tackling urgent issues like biodiversity protection, waste reduction, air emission, and efficient resource use. This is why we are committed to decreasing our negative environmental impact. We fully support environmental regulations as they enhance productivity.

As we navigate the dynamic landscape of the energy industry, Ikeja Electric remains steadfast in its commitment to striking a balance between meeting the growing demand for electricity and preserving the health of our planet.

An essential part of our commitment to sustainable development is our strong focus on environmental stewardship. This commitment motivates us to form partnerships and initiatives with both the public and commercial sectors to safeguard ecosystems and reduce our environmental footprint. Our proactive approach to environmental risk management maintains our compliance in an ever-changing business. This is demonstrated in our certification for an integrated management system that comprises ISO 14001:2015 (Environmental Management System), ISO 9001:2015 (Quality Management System) and ISO 45001:2018 (Occupational Health and Safety Management System). These Management Systems ensure a risk-based approach to continuous environmental improvement, compliance with applicable regulations, business management, and leadership commitment. We also conduct environmental awareness sessions for all our staff to educate them about their roles and responsibilities in safeguarding the environment.



In this reporting year, we have not received any sanctions for non-compliance with any environmental regulations.





Resource Efficiency



We recognise the crucial role that resource management plays in minimising negative environmental impact and optimising our business processes and, we are committed to a comprehensive strategy that prioritises efficiency across various facets of our operations.



Efficient resource management is crucial for mitigating the environmental impact of our operations. The production and distribution of energy often involves the use of various resources, including raw materials, water, and fuel. By adopting practices that minimise waste and maximise the utilisation of these resources, we are constantly working to reduce our ecological footprint. This not only aligns with global sustainability goals but also ensures the long-term viability of the energy sector.

Our commitment to resource efficiency can be seen in the initiatives we have implemented. For instance, we have reduced our reliance on paper, transitioning to digitised processes through our e-billing process and in our daily operations. In addition to this, we conduct regular awareness sessions for our staff, regarding their paper use and keeping them aligned with our commitment to eco-friendly practices.

We are constantly working to improve energy efficiency and embrace renewable energy options. In accordance with this commitment, we have replaced all modular fittings at our headquarters with more energy-efficient lighting, resulting in a significant reduction in our energy consumption.

We have also installed sensor-driven lighting systems in the restrooms, guaranteeing that lights are activated only when necessary, conserving energy and improving convenience and comfort for both employees and guests.

To reduce our reliance on traditional energy sources and create a cleaner and more sustainable energy mix, Ikeja Electric is constructing solar power systems at specified places as part of our ongoing efforts to promote renewable energy.

We have further highlighted some operational efficiency initiatives in 2022 and their environmental benefits.


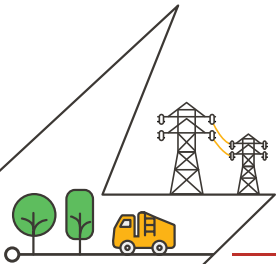
Environmental benefits		
 <b>Operational efficiency initiatives</b>	Replacement of obsolete substation switchgear at 12 injection substations.	Newer switchgears are more energy efficient, so less electricity goes to waste during distribution. This means we do not have to generate more power using fossil fuels that harm the environment by releasing greenhouse gases. This leads to long term sustainability of the electricity distribution system.
	Routine maintenance of 23 of our network assets through a tailor maintenance program on Feeders, Distribution Transformers, and Injection Substations.	By doing regular maintenance, we lower the chances of sudden equipment breakdowns, which can lead to problems like oil spills and power outages that lead to increased generator use and emissions. Additionally, keeping up with maintenance helps us follow environmental rules, avoiding fines and legal trouble.
	Recalibration of substations protection schemes by the replacement of 26 obsolete relays, 3 battery banks, 24 battery chargers, and 22 transformer control panels.	Replacing outdated equipment and components keeps them from becoming electronic waste in landfills; electronic waste can contain harmful elements; thus, proper disposal is critical for environmental preservation.

Table 3.2: Operational efficiency initiatives and respective environmental initiatives



We are committed to paving the way in sustainable energy practices by providing a positive example for the industry and inspiring others to adopt similar approaches through our constant dedication to resource efficiency.



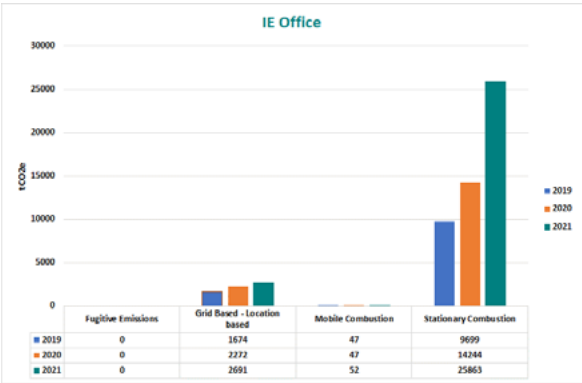
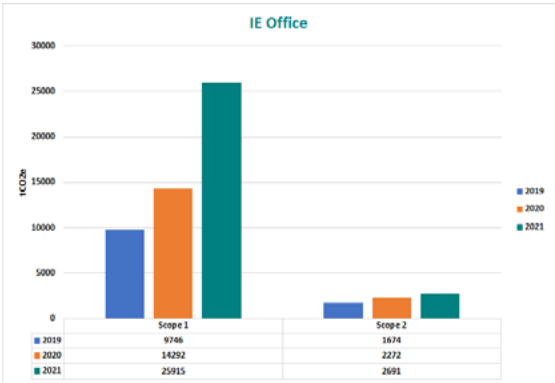
## Air Emissions



In alignment with our commitment to environmental stewardship, we at Ikeja Electric recognise the critical importance of managing air emissions responsibly. We understand that our operations have an impact on air quality, and we are dedicated to minimising our environmental footprint while providing reliable and sustainable energy to our customers.

As part of our unwavering dedication to environmental sustainability, we have proactively reduced our greenhouse gas emissions. We do this by incorporating renewable energy sources into our day-to-day operations. We have forged strong partnerships with other Distributed Energy Resources (DER) developers to harness the power of renewable energy. By incorporating sources like solar into our energy mix, we not only decrease our reliance on fossil fuels but also significantly cut our carbon emissions.

Ikeja Electric Total GHG Emissions (Tco2e) from 2019 - 2021



We are unwavering in our goal to improve energy efficiency in each location where we do business. To this end, we have upgraded our network infrastructure and equipment because of this commitment. Our energy use will become more efficient and environmentally friendly due to these upgrades, which were implemented with careful planning and funding.

We recognise the importance of reducing our environmental footprint, as such we actively strive to minimise our environmental impact while maintaining the highest standards of operational excellence. We do this by streamlining procedures and switching to greener energy sources.

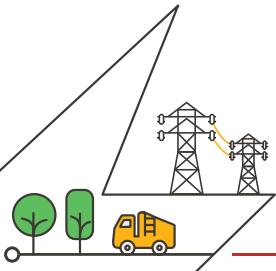
## Biodiversity



At Ikeja Electric, we recognise the critical role biodiversity plays in maintaining ecological balance and fostering resilient ecosystems. Biodiversity, the variety of life on Earth, encompasses the myriad of species, ecosystems, and genetic diversity that collectively contribute to the overall health and functioning of our planet.

As a Sahara Group subsidiary, Ikeja Electric is committed to preventing any disruptions caused by our business. We always work to improve how we do things to be more productive and reduce our impact on the environment. Our steps to reduce pollution reflect our dedication to doing business in a way that is ethical and mindful of the environment.

Incorporating biodiversity considerations into our business practices reflects our dedication to creating a sustainable future. Ikeja Electric is committed to continually improving our biodiversity performance and collaborating with stakeholders to address the broader challenges facing our planet. Through these efforts, we strive to contribute positively to the preservation and enhancement of biodiversity for current and future generations.



Waste & Effluents



We collaborate with the relevant government agencies like the Lagos State Environmental Protection Agency (LASEPA) through their accredited contractors/ vendors to ensure responsible disposal of our special wastes. This helps us to comply with regulations, mitigate environmental risks, and promote our brand perception.

In the pursuit of a sustainable future, the conscientious management of waste and effluents stands as a critical pillar for organisations operating in diverse industries. Within the realm of electricity distribution, an industry vital for powering the modern world, the importance of effectively handling waste cannot be overstated.

We understand the need for efficient waste management systems in environmental protection and conservation. As a result, we have taken precautions to ensure that any waste generated is properly classified and disposed of in compliance with applicable legislation.

We strive to minimise the amount of waste sent to landfills and maximise the reuse of valuable resources through careful waste collection, recycling initiatives, and responsible disposal methods. This reduces pollution, conserves natural resources, and contributes to the development of a circular economy.




S/N	Waste source	Water type	Treatment/ Disposal Method	Treatment location
1	Tyre 	Non-Hazardous	Recycling	Offsite
2	Paper 	Non-Hazardous	Reuse	Onsite
3	Sewage 	Non-Hazardous	Disposal	Offsite

Table 3.3: Wastes generated and management method

Recognising the enormous potential in recycling used tyres, we developed an innovative solution to give these discarded resources a new purpose; Trash to Treasure Initiative. This program reduces the quantity of waste that ends up in landfills. This method uses recycling to start a cycle that transforms waste into a useful resource.



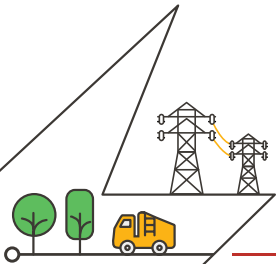
Figure 3.1 (a– b): Recycling of tyres



Equally important is effluent control. We recognise the need to safeguard aquatic bodies and maintain water quality. We ensure that the effluents generated by our operations are thoroughly treated before discharge by applying sophisticated treatment technology and complying with high regulatory criteria.

Our commitment to effective effluent management protects ecosystems, the integrity of local water sources, and the well-being of neighbouring communities that rely on clean water for a living.

We aspire to set industry benchmarks and demonstrate our commitment to responsible environmental stewardship by investing in innovative technology and rigorously evaluating our waste management methods.



## Climate Adaptation, Resilience, and Transition



Our ecosystems today are affected by unprecedented environmental challenges necessitating the need for climate adaptation and resilience. As the global community grapples with the far-reaching consequences of climate change, organisations across industries are compelled to rethink their strategies and fortify their infrastructures against the growing uncertainties posed by a changing climate.

At the heart of our commitment to climate adaptation and resilience is the recognition that our work is closely tied to the environment. We intend to increase our ability to be resilient and respond to climate-related difficulties by investing in strong infrastructure, implementing adaptation activities, and adopting resilient techniques across our organisation. These initiatives are critical not only to secure our assets and systems, but also to ensure that the communities we serve continue to receive reliable energy, especially during times of climate uncertainty.

As we navigate these uncharted waters, it is incumbent upon us to forge resilient pathways that ensure the uninterrupted flow of power, empower communities, and mitigate the impacts of climate change for generations to come.

## Transformation and Progress – Our Pledge to Society



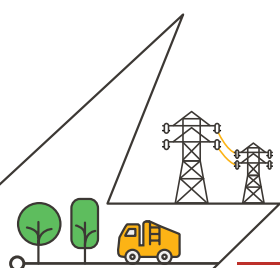
At Ikeja Electric, we understand that embracing sustainable business methods goes beyond our primary activities. In this segment, we delve into the essential elements of our dedication to sustainability, covering subjects like workplace safety, employment procedures, staff involvement and growth, human rights, and additional concerns. We are convinced that our endeavours in these domains not only shape our organisation but also play a role in constructing a more responsible and all-encompassing future for all our stakeholders and communities involved.

## Occupational Health and Safety



Ikeja Electric places a strong emphasis on maintaining top-notch occupational health and safety standards as a core part of our sustainability commitment. We acknowledge that our workforce is our most precious resource, and we consider their well-being as an absolute priority. Given that our employees often work in environments with potential hazards, our steadfast dedication to occupational health and safety not only protects our staff but also encourages a culture of accountability and vigilance. Our ISO 45001:2018 (Occupational Health and Safety Management System) ensures we take a risk-based approach, comply, and continually improve the quality, health, and Safety of our working environment.

In 2022, Ikeja Electric achieved a significant milestone by recording no third-party fatalities. Our Occupational Health and Safety (OHS) management systems enable us to continually monitor safety emergencies throughout our operations. This achievement is attributed to the utilisation of emergency contact numbers provided by Ikeja Electric and our ongoing efforts to educate both customers and third-party contractors about safety.



**2022 HSE Incident Summary**

Date	Incident Type	Root Cause	Absenteeism Rate
13th January 2022	Outsourced Staff Injury (Major)	Failure to comply with the Company's Operational Control Procedure.	645/365 = 1.767
19th January 2022	Staff Injury (Minor)	Root Cause: Incompetence of Employee	43/365 = 0.118
2nd May 2022	Staff Injury (Major)	Back-feed to the Low Voltage mainlines	105/365 = 0.288
5th May 2022	Staff Injury (Major)	Improper Planning of Job	102/365 = 0.279
3rd June 2022	Staff Injury (Major)	Illegal and Unauthorised Work activity	414/365 = 1.134
12th June 2022	Staff Fatality	Non-compliance with Section 3.1 (Construction Standards) of Ikeja Electric Construction Procedures and Standards (IE/PW/011) coupled with the unethical practice (unauthorised work activity).	Nil
29th August 2022	Staff Injury (Minor)	Victim's unhealthy state which could have been due to fatigue and emotional distress.	416/365 = 1.140
25th November 2022	Outsourced Staff Injury (Minor)	Unauthorised Task Activity	35/365 = 0.096

Table 3.4: 2022 HSE Incident Summary

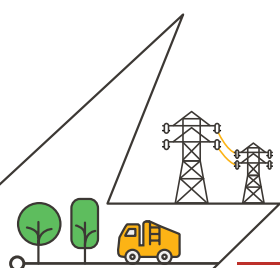
**Summary**

**4**  
Major Staff Injury

**3**  
Minor Staff Injury

**1**  
Staff Fatality

In Ikeja Electric, partnerships and commitments for Sustainable Development are not just a choice but a guiding principle in our quest for a more sustainable and equitable ecosystem. We recognise that in a rapidly changing world, challenges like climate change, inequality, and environmental degradation cannot be effectively addressed by any single entity in isolation has encouraged us to adopt a collaborative approach in a bid to achieve our goals. Primarily for the Quality, Health Safety & Environment (QHSE) Department, these goals encompass the noble pursuit of achieving zero accident to staff and third parties, promotion of environmental compliances by managing our wastes sustainably, and promoting quality service delivery to our esteemed customers.





## Health, Safety and Wellbeing of our Employees



Various initiatives are in place to ensure the safety of employees from identified hazards. In collaboration with the Technical Services Department, we have established an Operational Control procedure to prevent accidents on the job and ensure enforcement of this procedure through field safety surveillance and employee engagements.

Some initiatives which focus on employee consultation and participation in line with Clause 5.4 of ISO 45001:2018 are the Technical Safety Village Meeting and The Safety Assembly. The Technical Safety Village Meeting is a program conducted in partnership with the Technical Department to engage technical staff and open feedback channels to help us improve our OHS Management System while The Safety Assembly is a monthly virtual gathering of all our staff, scheduled for the first Monday of each month. It is designed to foster discussions on pertinent matters related to enhancing operational efficiency, productivity, well-being, and overall performance. This platform incorporates learning sessions led by both internal and external experts, facilitating the exchange of insights and knowledge. Furthermore, the Safety Assembly serves as a channel for collecting and delivering feedback to our staff, fostering continuous worker engagement, and enhancing the improvement of Ikeja Electric operational processes.

In addition to this initiative, the management invests significantly in competence development, equipment maintenance to ensure the integrity of machinery, as well as Personal Protective Equipment (PPE) for the technicians. A robust surveillance system is in place to enforce the use of these items, with a strategic approach to managing behaviours which results in the public celebration of compliance and disciplinary measures for infractions.

### Know-your-number Initiative

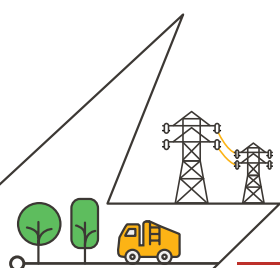
We have also implemented the Know-your-number Initiative, which is centred on Health and well-being of our people aimed at giving priority to the welfare of our employees. This program involves regular tracking of vital signs and health examinations, enabling employees to obtain valuable information about their overall physical and mental well-being. By motivating staff to monitor daily metrics such as heart rate, blood pressure, and sleep patterns, the company encourages them to take charge of their health, leading to a decrease in the possibility of workplace accidents and an enhancement in productivity and efficiency.



## Ensuring Health and Safety in our Communities

Through the exchange of knowledge, we work to empower our communities and offer them the resources and opportunities necessary to understand the concept of safety and remain safe always. To actualise this, we collaborate with our 'Give Back Always (GBA)' Team from the Corporate Communications Department to educate students across schools within our community on ways to identify hazards, understanding of control measures, and help them familiarise with channels of reporting for swift resolution in an initiative we refer to as **'Safety starts with You.'** An extension of this initiative is our celebration of Children's Day where children were engaged on their Health, Safety, and well-being on the 27th of May 2022 to fulfil Article 6 of the United Nation's Convention on the Right of Children to life, survival, and development.

Furthermore, our commitment to partnerships extends beyond our internal team. We also reach out to the public,





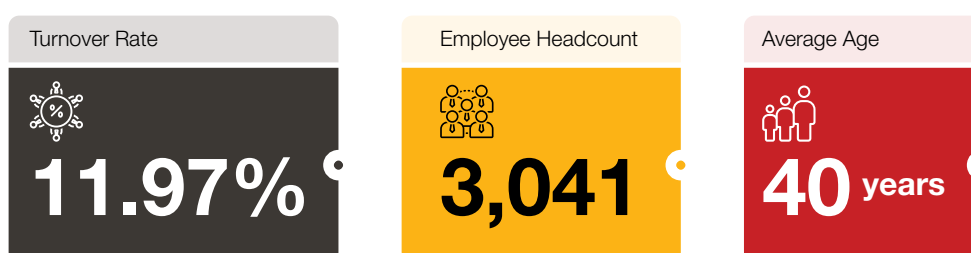
particularly our customers, through our **Public Safety Sensitisation Program**. This initiative aims to create community engagement and awareness. In this initiative, we collaborate closely with the Corporate Communications and Technical Departments to effectively spread safety-related information and messages to residents, market women, schools, businesses, and the public.

In addition, we have established the **Community Safety Ambassadors program**, a collaborative effort with the local community that acts as a bridge for community members to provide feedback and report unsafe behaviours and conditions. It underscores our dedication to transparency and community involvement in safety initiatives, ensuring that everyone plays a role in creating a safer community.

## Employment Practices

At Ikeja Electric, we are dedicated to upholding sustainable and ethical business principles in all facets of our operations, which encompasses our employment procedures and the welfare of our esteemed staff. We acknowledge that our workforce is our most precious resource, and we are dedicated to creating a work environment that places utmost importance on their safety, health, and career growth.

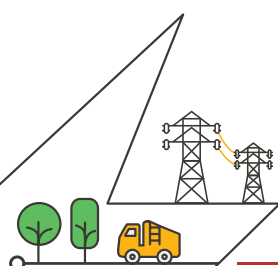
We consider it crucial to mark significant achievements, and to do so, we organise birthday gatherings to recognise and show gratitude to our employees. Furthermore, we host monthly medical webinars aimed at promoting awareness of healthy habits, providing our staff with valuable health-related knowledge and resources.



Age Groups, Grades/ Management Level	30 years Below		30 – 50 years		50 years above		Total
	Male	Female	Male	Female	Male	Female	
Senior Mgt. (GL5-9)	-	-	46	26	25	5	102
Middle Mgt. (GL3&4)	5		215	69	49	13	351
Lower Mgt. (GL1&2)	174	144	646	331	78	50	1,423
Staff (JS1-JS4)	56	1	918	19	171	1	1,166
Total	235	145	1,825	445	323	69	3,042

Table 3.5: Distribution by age groups, grades/management level

Through dedicating resources to our people and maintaining rigorous ethical principles, we not only attain exceptional operational performance but also foster the long-term sustainability of our company.



## Freedom of Association and Collective Bargaining

In Ikeja Electric, we strongly endorse and give top priority to the values of freedom of association and collective bargaining. These essential rights are not just upheld by global labour standards but are also at the core of our dedication to a sustainable and ethical workforce. We recognise that creating a workplace where our employees can easily join unions or other labour groups is crucial for promoting equitable labour practices and safeguarding the rights and welfare of our committed staff.


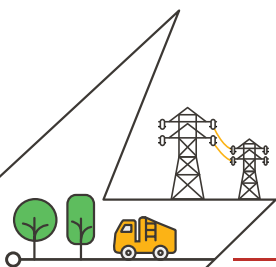
	<input type="text" value="I"/>	
Total number of employees	3,145	3,042
Total number of employees covered by collective bargaining	3,145	3,042
Percentage of total employees covered by collective bargaining	100%	100%
	FY 21	FY 22

Table 3.6: Details of collective bargaining at Ikeja Electric



## Local Communities

Ikeja Electric's dedication to sustainability goes well beyond merely ensuring dependable power supply to our customers. We understand that our responsibility in local communities encompasses more than just delivering electricity; it involves nurturing a more sustainable and brighter future. Throughout the years, we have worked diligently to create a beneficial influence on the communities we serve. We actively participate in community outreach efforts, assist local schools, and advocate for energy conservation projects.

Ikeja Electric has achieved notable progress in its 2022 Corporate Social Responsibility (CSR) efforts by implementing a range of influential projects that actively benefit both the community and the ecosystem.

### Back to school Initiative

Our "Back to School" initiative is a seasonal CSR campaign that supports pupils in underserved communities with educational supplies for the new school session. On September 30 2022, Ikeja Electric visited Oke-ira Nursery and Primary School and Ibukun Olu Nursery and Primary School Papa Ashafa, distributing a total of 300 educational materials to the pupils of both schools.



Figure 3.2: School Campaign

### Upgrade of Ikorodu technical school

We commissioned the upgraded electrical workshop of Government Technical college, Ikorodu contributing its quota to the Education system.



Figure 3.3: Electrical Workshop at Ikorodu Government College

This was embarked on to further improve technical capacity building and create conducive learning environment for students. The workshop upgrade included civil upgrade to the building facility, provision of full laboratory and classroom furniture.

### Light up Lagos

Ikeja Electric collaborated with the Lagos State Government to provide free prepaid electricity meters to some of its customers connected to 36 of its most populous feeders. This initiative further reduced the metering gap within its network.



Figure 3.4 (a- c): Distribution of free prepaid meters

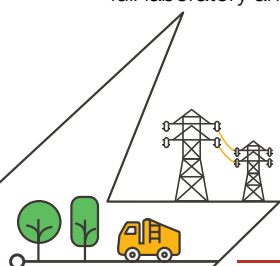
### Valentine's Day 2022

Ikeja Electric celebrated Valentine's Day 2022 at the General Hospital Ifako-ijaye. We donated two units of jaundice treatment lamps, baby cots and other medical consumables.

Through our Corporate Social Responsibility vehicle, our employee volunteering scheme visited the children's ward of the hospital and donated, 2 units of jaundice treatment lamp and other medical consumables aimed at assisting the treatment of children born with certain medical conditions. We also distributed gift packs to the children. The company also used the opportunity to appreciate some of the stakeholders in the essential duty work through care packs.



Figure 3.5: Valentine's Day 2022: Donation of Jaundice Treatment Lamps at General Hospital Ifako- Ijaye





## World Malaria Day 2022

In commemoration of the world malaria day 2022, Ikeja electric, partnered with WellaHealth, a health maintenance organisation to sensitise its customers about malaria and how to prevent malaria.

Customers across locations in Ikeja, Akowonjo, Shomolu, Abule-Egba, Oshodi and Ikorodu Malaria were sensitised on the impact of malaria on their health and how to prevent malaria. Customers were also provided with treated mosquito nets and a HMO plan that covers diagnosis of and treatment of malaria.



Figure 3.6: Malaria sensitisation

## Market Clean-up Exercise

As part of Ikeja Electric's commitment to environmental sustainability cause, the distribution company joined in the clean-up exercise at the Ikorodu garage market. We also donated cleaning materials to the market hierarchy to maintain proper sanitation.



Figure 3.7: Market Clean-Up Exercise

## LASG Vacation Coaching School

The holiday coaching initiative by Lagos State Government is carried out through its Chapel of Christ the Light Center. The Program is an annual week-long affair where indigent children are coached on valuable life lessons and taught basic vocational skills. For this year, the Give Back Always team visited the session at Alausa and donated valuable school items to the participants.



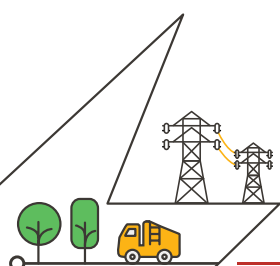
Figure 3.8: Holiday coaching initiative

## World Humanitarian Day

To celebrate the world humanitarian day, the Give Back Team visited the Igando General hospital to spread love and kindness being part of the essence of humanity. On the 19th of August, the team went to the paediatric department of the hospital, checked on the children in the wards and donated 100 refreshment bags.



Figure 3.9: World Humanitarian Day



## Global Handwashing Day

As part of this year's celebration of Global handwashing day; a day dedicated to teaching/motivating people around the world to improve their hand washing habit, the #Giveback Always team, visited Isiwu grammar School in Ikorodu Business unit on the 14th of October to teach and sensitise the students on the importance of

proper hand washing especially in the face of the global COVID-19 pandemic while also donating handwashing items to the school.

In line with our commitment to corporate social responsibility (CSR), we recognise the importance of transparently evaluating the impact of our initiatives. The following section provides a comprehensive overview of the impact assessment for the year 2022. By systematically analysing key performance indicators and outcomes, we aim to communicate the tangible effects of our CSR operations on various stakeholders and the environment.



Figure 3.10: Global Handwashing Day



### Impact Assessment of CSR Projects in 2022





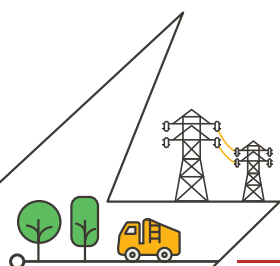









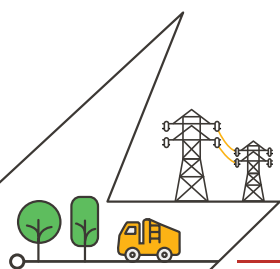
S/N	CSR/ Project Name	Geographical Coverage of Initiative	SDG Alignment	Actual Spend	Project Target	Number of Direct Beneficiaries	Project Impact
1	Donation of Jaundice Treatment Lamps	Ifako-Ijaiye Community	<b>Goal No: 3</b> Goal Name: Good Health and Well-being 	<b>1,973, 000</b>	Babies/ Nursing mothers	<b>250 children/ 100 Adults</b>	Ensure healthy lives and promote well-being for children
2	Government Technical College Electrical Workshop Upgrade	Ikorodu Community	<b>Goal No: 4</b> Goal Name: Quality Education 		Youths	<b>1200 students</b>	Increased number of enrolments
3	Donation of Mosquito nets/ HMO Plans	Aiyetoro Community in Akowonjo Abule Egba Community, Oba of Ogba Community, Bayeku Community Ikorodu, Ejigbo Community, Gulogo Community Oworo	<b>Goal No: 3</b> Goal Name: Good Health and Well-being 	<b>1,200,000</b>	Children/ Pregnant women/ Elderly	<b>3000 (Adult &amp; Children)</b>	Reduce malaria illness, and death due to malaria in endemic regions
4	Children's Day	Temidire Primary School, Aanuoluwapo Primary School, Community Primary School.	<b>Goal No: 4</b> Goal Name: Quality Education 	<b>1,571,187</b>	Children	<b>800</b>	To promote literacy and early childhood development

Table 3.7: Impact Assessment for CSR Projects 2022



## Impact Assessment of CSR Projects in 2022

S/N	CSR/ Project Name	Geographical Coverage of Initiative	SDG Alignment	Actual Spend	Project Target	Number of Direct Beneficiaries	Project Impact
5	Safety Starts with You	Ebenezer African Church Primary school in Abule-Egba, African Church Primary School, Ifako,	<b>Goal No: 4</b> Goal Name: Quality Education 	<b>500,000</b>	Children	<b>1200</b>	Reduction of safety hazards amongst children and promotion of safe interactions with electrical appliances
6	Market cleans up	Ikorodu garage community	N/A	<b>250,000</b>	Market women/ men	<b>250</b>	Promote Clean Environment
7	Empowerment Program for indigent	Kosofe, Ikeja, Lagos Mainland, Surulere, Oshodi/ Isolo	<b>Goal No: 1,8</b> Goal Name: No Poverty/Good jobs and economic growth  	<b>5,000,000</b>	Indigent Parents	<b>270</b>	Develop business skill thus encouraging self-reliance
8	Donation of Medical Consumables	Igando General Hospital	<b>Goal No: 3</b> Goal Name: Good Health and Well-being 	<b>500,000</b>	Children	<b>100</b>	Help in maintaining a sustainable local health care.
9	Back to School	Oke-Ira Community Ikeja, Ashafa Community Akowonjo	<b>Goal No: 4</b> Goal Name: Quality Education 	<b>859,125</b>	Children	<b>300</b>	To promote literacy and early childhood development
10	Global Handwashing Day	Isiwaju Community Ikorodu	<b>Goal No: 3</b> Goal Name: Good Health 	<b>850,000</b>	Young Students	<b>450</b>	Foster and support a general culture of handwashing amongst children
11	Visit to an Orphanage	Missionaries of Charity home, Ketu	<b>Goal No: 1, 2</b> Goal Name: No poverty/ Zero Hunger  	<b>500,000</b>	Children	<b>80</b>	Increased likelihood of breaking the cycle of poverty and bringing change to impoverished communities.
12	Lagos state Summer Classes	Ikeja Community	<b>Goal No: 4</b> Goal Name: Quality Education 	<b>492,900</b>	Children	<b>100</b>	To promote literacy and early childhood development





## Conflict and Security



Ensuring the safety of our operations is a fundamental principle for our company. As we deepen our dedication to sustainability, we give top priority to safeguarding the well-being of our employees, customers, and the communities we cater to. Our security measures are built upon a comprehensive system that involves routine safety inspections, strict compliance with industry-specific rules, and ongoing training for our staff. We implement rigorous guidelines for accessing our sites to guarantee that only authorised personnel can enter our critical infrastructure. We also leverage on technology using CCTVs in strategic

locations in our offices and other software solutions to safeguard our critical assets and staff.

Ikeja Electric achieved a remarkable safety record in 2022, with no security-related fatalities, even though there were a few instances of asset vandalism. As a result, we are currently in the process of developing a plan to enhance security by implementing surveillance technology on our vulnerable assets. Additionally, we are engaging with the communities where our assets are situated to foster a sense of ownership and responsibility among them. This effort also involves collaborating with government security agencies to track and identify the market for stolen assets to recover them.

We remain dedicated to upholding the highest standards of security, fostering a resilient and safe environment for all stakeholders.

## Employee Engagement, Development & Wellbeing

In early 2022, Ikeja Electric formulated a training strategy geared towards bolstering the company's strategic objectives, focusing primarily on key objectives that included:

01

Increasing energy Delivered by **33%** to **6042GWH**;  
reduce ATC&C losses by **52%** to **11.37%**,

03

Improving on collection by **87%** to **₦271bn** and,

02

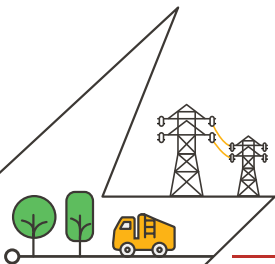
Growing revenue by **66%** to **₦284bn**,

04

Improving efficiency in our operations and processes and  
building high performing teams.



The training program at Ikeja Electric places a strong emphasis on formal training for 70% of the staff, while the remaining 30% receive alternative learning methods like knowledge sharing sessions, on-the-job training, e-Learning (via our internal learning platform called 'iespark'), and additional avenues. This well-rounded approach guarantees equitable and efficient training coverage for the entire workforce, allowing us to successfully meet our learning and development objectives within the allocated training budget.



The Learning and Development priorities for FY 2022 were aimed at:

Building and embedding Metering Management Capabilities for NMD, MD and Grid Metering

Expanding the capacity and number of staff with Revenue Protection and Enforcement capabilities

Deepening the capacity and competencies of the technical workforce to carry out preventive and corrective maintenance of IE equipment and assets

Supporting Developmental interventions from employees who are eligible following the 2021 promotional cycle

Supporting the culture of Health and Safety of all staff in Ikeja Electric in discharging their core duties

Honing leadership skills to support talent management across the business

To bolster our learning and development efforts, we work closely with experts in specific fields to create tailored training programs. These programs include metering schools, a Human Resources (HR) academy, a finance and risk academy, and more. Being recognised as an ACCA-accredited employer, we proactively assist our staff in obtaining pertinent certifications, thereby enriching their professional development and expertise.



Below are specified training hours that individuals are committed to training at Ikeja Electric based on their job levels.

Managing Director/Heads of Departments

30 hours

Deputy General Manager/Heads of Unit/ Business Manager

30 hours

Team Leads / Managers

34 hours

Specialist / Coordinators

34 hours

Supervisors

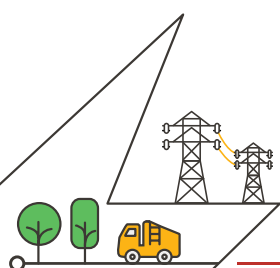
34 hours

Officers / Representatives / Trainee Engineers

38 hours

Assistants / Technicians / DSO's

38 hours



## Highlighting the conversion program designed for young technicians and the exchange program available at Ikeja Electric.

### Secondment and Exchange Programme

The significance of the exchange program for junior energy technicians in the rapidly evolving industry of today cannot be emphasised enough. This program enables young technicians to enhance their knowledge and acquire valuable practical experience by working in various energy companies and diverse environments.

In 2022, we established conversion programs aimed at providing hands-on experience to junior technicians.

Through the Young Engineers' program at IE, we bring in new staff members to join our workforce. Additionally, IE collaborates with Egbin Power Plc and First Independent Power Limited (FIPL) within the framework of this program, enabling our employees to gain more experience from different businesses and develop into well-rounded professionals. This initiative boosts employee morale, fosters healthy competition, and motivates staff to put in extra effort to earn more recognition and rewards.

#### **The Secondment and Exchange Programme offers immense benefits to us such as:**

- Knowledge transfer to help employees grow and sustain successful careers while also ensuring the continuity of a robust pipeline of excellent staff within the Sahara Power Group.
- Fostering a great place to work for young and intelligent people.
- Building of workforce capacity with requisite skills and competencies needed to operate, manage, and sustain the infrastructural expansion and growth of Sahara Group operations.

#### **Our employees also benefit from the programme through:**

- Development of Leadership skills
- Increased networking
- Fresh and Different perspective in solving problems
- Development of new skills and expand their career options.

By introducing these technicians to a diverse range of technologies, techniques, and approaches, they can develop a thorough grasp of the energy industry and enhance their problem-solving skills.

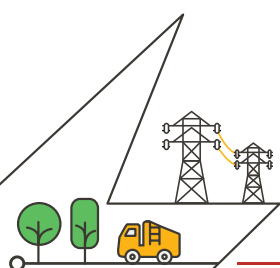
### Distribution Linesmates Conversion Programme (DLMP 1 and 2)

The recruitment and subsequent conversion of Linesmates to Linesmen (personnel authorised to carry out activities on power lines) in Ikeja Electric follows the Company's Distribution Linesmate Programme (DLMP), a learning and capacity development intervention for entry level technicians in the organisation.

This programme is aimed at ensuring that the requisite technical knowledge and skills are transferred to

each selected participant to enable them to execute their jobs correctly, adequately, efficiently and in line with standard procedures as laid down by the organisation.

The DLMP is structured into: Distribution Linesmate Programme 1 (DLMP 1 - Selection Process) and Distribution Linesmate Programme 2 (DLMP 2 – Conversion Process).



### DLMP 1 -

The HR Outsourcing Team and the Outsource Vendor conducted a detailed interview process to shortlist eligible participants based on the predetermined criteria. After selection and screening by the HR Outsourcing Team and the Outsource Vendor, the shortlisted candidates who passed through several stages before onboarding.

### DLMP 2 -

The following eligibility criteria was used by the HR Outsourcing and the Learning & Development Team:

1. Linesmates must have spent a minimum of 18 months.
2. Linesmates must have been involved in faults clearing and DCRC activities.
3. The Logbooks issued to them in section 2.0 must be completed by the Linesmate and assessed by the Operations & Maintenance Coordinator (OMC) on a weekly basis (All Performance related measurement apply).
4. Linesmates must be successful in the conversion panel interview.
5. Linesmates must be successful in the field assessment (practical session).

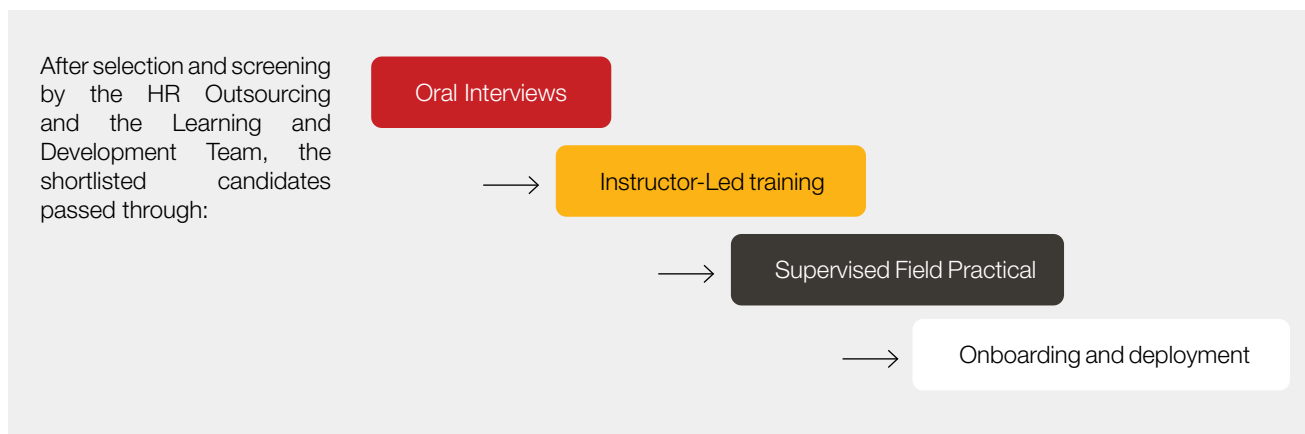
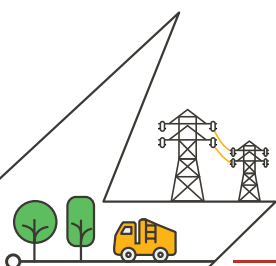


Figure 3.11 (a- b): Training of Linesmates

Over 200 Linesmates were admitted into the DLMP 2 programme in 2022 and have completed their training successfully but are yet to be deployed until their Linesmen gaps emerge.



## Youth Empowerment

At Ikeja Electric, we acknowledge the vast potential inherent in the younger generation. Empowering youth is not merely an abstract idea but a fundamental promise in our sustainability initiatives. We comprehend the significant role our industry plays in shaping the future and are wholeheartedly devoted to fostering the talent and creativity of young individuals.

In 2022, Ikeja Electric played a significant role in initiatives to empower young people. We did this through our youth empowerment program, which was developed in collaboration with the Lagos State Government and The

State Universal Basic Board (SUBEB). The program's main goal was to equip young individuals with entrepreneurial skills.

Supporting the development of young people and creating opportunities for them to work together allows them to tackle sustainability challenges. It also helps in shaping our company's practices and influencing the energy sector in line with the Sustainable Development Goals set by the United Nations. Engaging with these young individuals promotes their professional growth and instils a sense of responsibility and ownership, ensuring a sustainable legacy for the generations to come.



Figure 3.12 (a- d): From our youth empowerment program with SUBEB

## Safety Starts with You

To promote awareness about health, safety, and the responsible use of electricity in communities, we launched "Safety starts with you" initiative targeted at children. Under this program, we visit schools to engage with students and educate them about electricity safety. Additionally, Ikeja Electric regularly carries out field monitoring activities. In 2022, we successfully completed 1,200 of such exercises throughout our business operations.

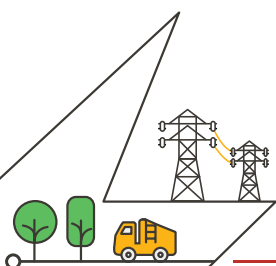


Figure 3.13: The Safety Starts with You Initiative at African Church Primary School, Ifako- 21st July 2022

Figure 3.14: Safety Starts with You campaign at Oke-Ira Nursery and Primary School



Figure 3.15: Safety Starts with You campaign at Ebenezer African Church Primary School Abule Egba - 25th March 2022





## Sustainable Supply Chain Management

As part of our enduring dedication to sustainability, we acknowledge the crucial significance of sustainable supply chain management in realising our objectives as an electricity distribution company. Our strategy is grounded in the reduction of ecological footprints, promoting ethical standards, and guaranteeing the robustness of our supply chain.

### Our supply chain management policy aims to:

- Promote fiscal discipline in the procurement of goods and services in the company by entrenching planned procurement cycles that are coordinated across all the company's departments
- Promote competition and the non-reliance on sole source suppliers
- Ensure that goods and services are bought at the fairest prices
- Promote fairness, transparency, and honesty in all the company's dealings with third parties as well as eliminate any propensity to deliberately waste, steal, or collude with third parties to cheat or defraud the company.

Our commitment to sustainable supply chain management goes beyond just environmental issues; it also includes social responsibility and ethical labour practices. We are unwavering in our dedication to openly share our advancements, nurture responsible partnerships, and put in continuous effort to establish a supply chain that is both sustainable and resilient. This aligns with our core mission of delivering dependable, environmentally friendly, and ethically responsible electricity distribution services.

## Customer Satisfaction

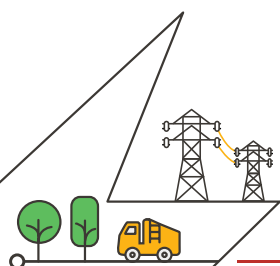
We recognise that our customers not only require dependable and efficient electrical services but also anticipate them. Keeping this in consideration, we have consistently worked towards improving the overall customer satisfaction. We have committed resources to update our infrastructure, aiming to reduce power outages and conducting maintenance with great attention to minimise any disruptions.

At Ikeja Electric, we have set an ambitious target to ensure customer satisfaction. Our primary goal is to resolve a minimum of 85% of customer complaints promptly and effectively. We believe that by meeting this target, we can demonstrate our dedication to addressing the needs and concerns of our valued customers, fostering a relationship built on trust and reliability.

Our dedicated team of professionals work tirelessly to meet and exceed this goal, ensuring that every customer's voice is heard, and every issue is addressed with the utmost care and efficiency. Our customers' satisfaction is our priority, and we are steadfast in our mission to continually improve and deliver exceptional service.

## Diversity, Equity and Inclusion

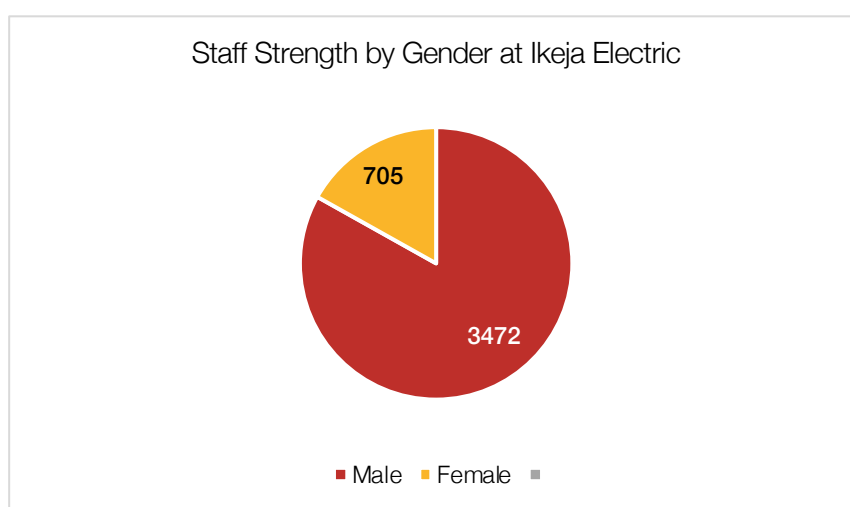
We acknowledge that our source of power derives from the diverse experiences, viewpoints, and personal histories of our staff, clients, and local communities. Our commitment is to establish a workplace that embraces diversity, ensuring that each person is appreciated, honoured, and empowered to bring their utmost to the table.





DESIGNATION	MALE	FEMALE	TOTAL
Senior Management	71	31	102
Middle Management	269	82	351
Junior Management (Executive)	898	525	1,423
Staff (Permanent)	1,145	21	1,166
Management Trainee	0	0	0
Contract Labour	0	0	0
Consultant (Temporary Contract)	0	0	0
Others (MacTay & Coscharis)	1,089	46	1,135
TOTAL	3,472	705	4,177

Table 3.8: Workforce breakdown by gender across various employee levels

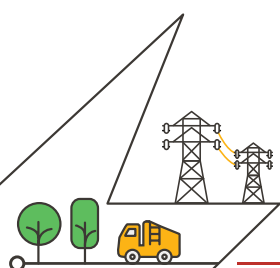


As part of our commitment to fostering an inclusive workplace where all employees feel valued, we marked International Men's Day for the very first time at Ikeja Electric, taking a significant step towards promoting fairness and diversity.

We aim to set a positive example within our industry by advocating for diversity and inclusivity, striving for equality and societal advancement, while also maintaining sustainable progress as we shape the future.



Figure 3.17 (a- b): Highlighting some of our outstanding men during the International Men's Day celebration



## Human Rights



We acknowledge that dependable and reasonably priced access to electricity is not merely a matter of convenience; it is a fundamental human entitlement. In accordance with global norms, we are committed to guaranteeing that our activities uphold and safeguard the rights of everyone, encompassing the communities we serve, our workforce, and our stakeholders.

Our focus is on ensuring safety, inclusiveness, and fairness in how we distribute electricity. We work to ensure that our services are available to everyone, regardless of their socioeconomic status or location. By adopting these principles, our goal is to promote a world where everyone can access the advantages of electricity and help build a more sustainable and just future.

## Improved Access to Electricity



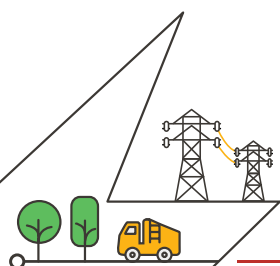
We understand that having access to dependable electricity is not only a fundamental requirement but also a crucial driver of advancement and growth. Over the past year, we have made significant advancements in broadening our distribution network, extending our reach to areas that were previously underserved, and guaranteeing that a greater number of households, businesses, and industries can enjoy efficient and dependable electricity.

In distribution, we prioritise accessibility and inclusion through a customer-centric approach, extending our electricity grid to urban, rural, and remote areas. Through this and implementing innovative payment solutions, we have overcome barriers to energy access, fostering overall development and well-being in the country. By prioritising inclusivity and accessibility, we continue to pave the way for a brighter, more electrified future for all, bolstering our role as a catalyst for positive change in the communities we serve.

## Enabling Partnerships & Global Initiatives



Ikeja Electric acknowledges the crucial role of partnerships in promoting sustainable development within the constantly changing energy industry. To uphold our dedication to sustainability, we have established alliances with governmental organisations, private sector entities, development partners, and local communities to bring about significant positive transformation.



Partnership

**Lagos State Universal Basic Education Board (LASUBEB) and Ministry of Women Affairs and Poverty Alleviation (WAPA)**

As an extension of Project Zero efforts and the sustainability of the initiative as well as to ensure the retention of these children in schools, Ikeja electric partnered with LASUBEB WAPA to empower parents of these indigent pupils, to acquire economic skills that will help tackle poverty which is the leading cause of out of school children.

SDG Alignment



**Lagos State Educational District (LASED)**

Lagos State Educational District (LASED) is the Lagos state Agency which grants the approvals that enable us visit public schools within Lagos. Through continuous engagement and collaboration, we empower our communities through our CSR activities while ensuring compliance with relevant laws and regulations.



**Dr. Ameyo Stella Adadevoh Health Trust (DRASA)**

Our Partnership with Dr. Anayo Stella Adadevoh Health Trust (DRASA) started after the wake of the Ebola virus. The partnership covers our Global Hand Washing Day outreach which takes place on the 15th of October yearly. During the event, Ikeja Electric invites experts from the DRASSA foundation to coordinate the sensitisation exercise at the visited locations. The objective is to increase awareness and understanding of the importance of hand washing with soap as an effective way of disease prevention and saving lives.



Table 3.9: Our Partnerships

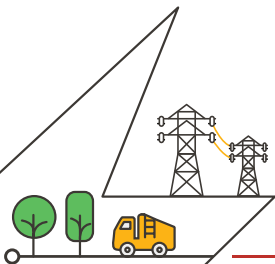
These collaborations not only strengthen our commitment to social responsibility but also boost the ability of the communities we support to withstand challenges. We are fully committed to a sustainable future, and with these strategic partnerships, our goal is to create a more inclusive, resilient, and economically prosperous future for all.

**Financial Resilience – Our Contributions to Economic Prosperity**

Welcome to the financial segment of our 2022 Sustainability Report. We are a corporation dedicated to advancing sustainable energy solutions. Within this division, we explore the delicate equilibrium between financial progress, fiscal achievements, and the conscientious handling of assets, all in pursuit of a more promising and sustainable global environment. Acknowledging our responsibility as guardians of crucial

infrastructure, we understand that our economic achievements significantly contribute to our goal of revolutionising customer satisfaction and becoming the preferred energy provider wherever energy is consumed.

This section explores how we have harnessed financial resources, navigated economic challenges, and pursued strategies to ensure our business remains resilient and capable of supporting a sustainable energy landscape.



## Economic Performance

In the fiscal year under review, our company navigated unprecedented challenges while maintaining our unwavering commitment to delivering reliable and efficient electrical services. Despite these challenges, our direct economic value generated across our operations amounted to **₦ 173,575 million**. This value is derived from the revenue generated from our operations and other sources of income.

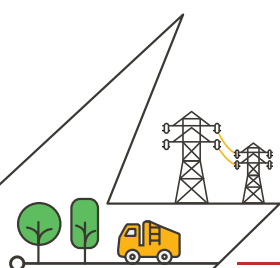
Our performance was a depiction of our commitment to sustainability by minimising technical losses and efficiently improving our electricity supply from the grid to customers. As a result, in 2022, our economic value retained increased to **₦ 19,280 million** which is a 98% increase from 2021.

Despite factors such as repercussions of the Covid-19 pandemic, unfavourable macroeconomic conditions, including increased inflation rates, volatile exchange rates, and vandalism of power infrastructure, we improved our ability to deliver top-notch services to our customers and expanded our market share. The table below shows our economic performance in FY 21 and FY 22.

Economic Performance	FY21	FY22
Direct Economic Value Generated (NGN million)	172,036.00	173,575.00
Revenue from operation	170,146.00	170,418.00
Other income	1,890.00	3,157.00
Exceptional items	-	-
Economic Value Distributed (NGN million)	162,339.29	154,294.78
Operating cost	145,647.00	135,008.00
Employee wages & benefits	13,401.66	14,876.72
Payment to provider of funds	-	-
Payment to Government	3,290.63	4,410.06
Economic value retained (NGN million)	9,696.71	19,280.22

Table 3.10: Economic Performance in FY 21 and FY 22

As we continue our sustainability journey, we remain dedicated to implementing measures that will strengthen our economic resilience, enhance cost management, and drive operational efficiency. These endeavours will not only help us weather economic challenges but also ensure our long-term sustainability and value to our stakeholders.



## Market Intelligence

We recognise that staying at the forefront of the energy sector requires a deep understanding of evolving market dynamics. By actively monitoring and analysing industry trends, regulatory changes, and technological advancements, we remain well-equipped to make informed decisions that drive our commitment to sustainability.

We, at Ikeja Electric, have undertaken a significant effort to tackle the problem of customers without meters. Despite facing challenges such as fluctuating exchange rates and decreased purchasing power of our customers, which made it harder for them to afford meters, we actively engaged in extensive relationship management activities to raise awareness and stress the

importance of the metering program.

Furthermore, the introduction of a new tariff system provided an opportunity to address this issue further, resulting in a significant increase in the number of previously unmetered customers. Consequently, our customer base showed a commendable growth of 9% in 2022. By prioritising metering and expanding our customer base, we demonstrate our commitment to enhancing service delivery and meeting customer requirements, in line with our mission of providing reliable energy services to communities. Our dedication to market intelligence is a testament to our unwavering commitment to environmental stewardship, economic viability, and the well-being of the communities we serve.

## Public-Private Partnerships

In our ongoing commitment to sustainability and delivering reliable energy services, we have actively embraced Public-Private Partnerships (PPPs) as a fundamental element of our business model.

Ikeja Electric partnered with the Lagos State Government's youth empowerment initiative to bring about positive transformation in the areas where we operate, utilising our resources, expertise, and network. The Lagos State Government's annual holiday coaching program, run through the Chapel of Christ the Light Centre, is designed to offer underprivileged children valuable life lessons and basic vocational skills. This week-long event provides a platform for disadvantaged youth to enhance their knowledge, acquire new skills, and build the confidence needed to pursue their aspirations.

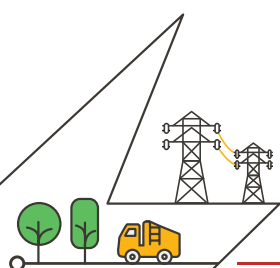
As part of our "Give Back Always" initiative, Sahara Group's team had the honour of visiting one of the sessions held at Alausa. During our visit, we had the opportunity to engage with the participants and witness the tangible impact of the program. Acknowledging the significance of education and access to learning resources, we made a meaningful contribution by donating valuable school supplies to support the educational journey of these participants.

We believe that investing in the education and skills development of young people is essential for creating a brighter future and fostering sustainable socio-economic growth. Through collaborations like this, we aim to empower young individuals, nurture their talents, and inspire them to become future leaders, innovators, and advocates of positive change within their communities and beyond.

## Indirect Economic Impacts

As we navigate the evolving energy landscape, we recognise that our operations extend far beyond the mere provision of electricity. Our activities have a ripple effect throughout the communities we serve, fostering economic growth and resilience. By maintaining a dependable and efficient energy infrastructure, we empower local businesses to thrive, create jobs, and stimulate economic activity.

Moreover, our commitment to sustainability through reduced carbon emissions and energy efficiency programs indirectly benefits the economy by mitigating environmental risks, reducing healthcare costs, and supporting industries involved in clean energy technologies. These indirect economic impacts underscore our dedication to long-term prosperity for both our stakeholders and the communities we serve, aligning with our core values of sustainability and responsibility.





Ikeja Electric PLC

# Future Focus - Powering a Greener Tomorrow

## 2022 Sustainability Report

Ikeja Electric remains steadfast in its commitment to building a sustainable future for Lagos and Nigeria. As a leading electricity distribution company, we recognise the crucial role we play in minimising environmental impact while providing reliable and efficient power. This chapter outlines our ambitious Sustainability Plan for the period 2023-2025, building upon the successes of our 2022 initiatives.





Ikeja Electric remains steadfast in its commitment to building a sustainable future for Lagos and Nigeria. As a leading electricity distribution company, we recognise the crucial role we play in minimising environmental impact while providing reliable and efficient power. This chapter outlines our ambitious Sustainability Plan for the period 2023-2025, building upon the successes of our 2022 initiatives.

## Our Enduring Sustainability Pillars

Building on the momentum of our 2022 achievements and the progress documented in our previous reports, our sustainability plan for the future is guided by three core pillars:



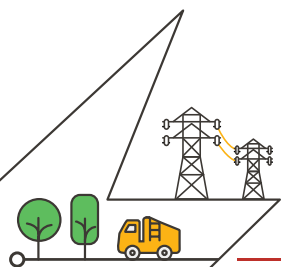
**Environmental Stewardship:**  
through innovative energy efficiency management and responsible waste management practices.



**Climate Action:**  
Combating climate change through a multi-pronged approach, including increased renewable energy integration, implementation of green procurement practices, and greenhouse gas reduction strategies.



**Social Responsibility:**  
Investing in the communities we serve, fostering diversity and inclusion within our workforce, and maintaining the highest ethical standards.



## Environmental Stewardship: Advancing Efficiency



### Optimising Energy Efficiency:

- We will continue to prioritise the facilitation of metering with smart meters for a wider customer base, with a significant metering coverage by 2025. This allows for real-time monitoring of energy consumption, enabling customers to make informed choices and optimise usage.
- We will conduct infrastructure upgrades in line with our annual maintenance plan to reduce transmission losses and improve reliability, while outperforming the regulatory permitted losses within our network.
- We have consistently implemented comprehensive energy audits of our distribution network and customer facilities. By identifying areas for improvement, we reduced energy losses and enhanced power supply reliability.

### Effective Waste Management and Recycling:

- In 2022, we launched the “Trash to Treasure” initiative, where old vehicles tyres are converted to insulation mats. Through this initiative, Ikeja Electric promoted the value of waste reduction and the creation of valuable products from recyclable materials amongst its employees and within its operations.
- We also implemented processes and practices to minimise waste generation, such as reducing paper usage and leveraging on the use of technology as a primary means of communication within the organisation through emails, e-letters, e-memos, and virtual meetings and continue to implement our e-billing system to send invoices to our customers, thus promoting reduction of paper waste, and reducing the impact on trees that would have been converted to paper.
- In the near future, we plan to ensure the proper management of electronic waste such as old computers and electronics, by efficient disposal of replaced and damaged equipment and components. This prevents environmental harm from hazardous materials and promotes responsible disposal practices.
- We would also conduct a waste audit to identify areas where waste can be reduced and to measure the effectiveness of waste reduction.
- We also intend to encourage and facilitate recycling of materials, such as paper, plastic, and metal, to conserve natural resources and reduce waste.

## Climate Action

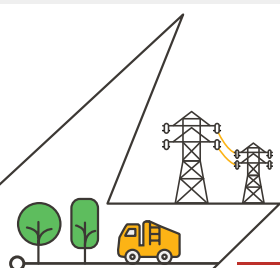


### Use More Renewable Energy Sources

- We actively explored opportunities for energy procurement from renewable sources such as hydro and solar power. This reduces our reliance on fossil fuels and contributes to a cleaner energy mix.
- We analysed customer energy usage patterns to identify opportunities where renewable energy sources could effectively meet their needs. This promotes a more sustainable energy future for both Ikeja Electric and its customers.

### Green Procurement Practices

- Incorporating Sustainability into our procurement processes is important to us. We have continuously prioritised the selection of products and services with a lower environmental impact. These include renewable energy technologies, energy-efficient equipment, and sustainable products throughout our operations.
- In the near future, we plan to fully incorporate Sustainable Contracting by including sustainability criteria into our contracts with our vendors and other stakeholders such as the use of environmental-friendly products and services, and energy-efficient processes.
- We also plan to update the Organisation's Procurement Policy to include green procurement best practices and conduct a Sustainability Assessment of the Supply Chain. In the long term, we intend to evaluate our suppliers based on their sustainability practices such as their use of renewable energy, energy-efficient processes, waste reduction strategies and other sustainability parameters.



## Climate Action



### Greenhouse Gas Emissions Reduction

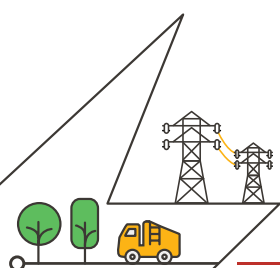
- Ikeja Electric has always prioritised the use of quality data for informed decision making; hence, we have tracked and tracked monitored our Carbon Emissions in order to form a baseline for future reduction efforts.
- We plan to introduce a “Reduce your carbon footprint campaign” to educate staff and customers on how to reduce carbon emissions and explore new technologies that can help to reduce IEs carbon footprint.

## Social Responsibility



- We have partnered with local organisations to support various community development projects, focusing on areas such as education, skills training, and healthcare. This we intend to continue and explore a wider reach within our network in the coming years.
- We actively sought to increase support for community development projects through additional partnerships and resource allocation. Through continuous collaboration and networking, we will foster stronger partnerships with local organisations to maximise the impact of our community development efforts, ensuring efficient use of resources and a lasting positive influence.

Through these initiatives we have been able to implement, we have demonstrated significant progress towards our sustainability goals, and we are committed to continuous improvement and collaboration with all stakeholders to build a sustainable future for generations to come.





Ikeja Electric PLC

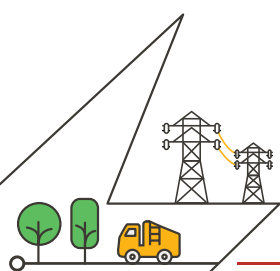
2022 Sustainability Report

# Appendix



## GRI Content Index

Disclosures	Location	Page
<b>GRI 2 – General disclosures</b>		
2-1 Organisational details	Who We Are	16
2-2 Entities included in the organisation's sustainability reporting	N/A	-
2-3 Reporting period, frequency, and contact point	About this Report: A word from the Sustainability Lead	12
2-4 Restatements of information	N/A	-
2-5 External assurance	N/A	-
2-6 Activities, value chain and other business relationships	What We Do	17
2-7 Employees	Employment Practices	44
	Diversity, Equity and Inclusion	59
2-8 Workers who are not employees	Diversity, Equity and Inclusion	59
2-9 Governance structure and composition	Driving Sustainability from the Top: Our Leadership Team	13
2-10 Nomination and selection of the highest governance body	Transparency and Accountability	36
2-11 Chair of the highest governance body	Risk Management	33
2-12 Role of the highest governance body in overseeing the management of impacts	Driving Sustainability from the Top: Our Leadership Team	13
2-13 Delegation of responsibility for managing impacts	Not disclosed	-
2-14 Role of the highest governance body in sustainability reporting	Not disclosed	-
2-15 Conflicts of interest	Not disclosed	-
2-16 Communication of critical concerns	Responsible Leadership – Our Moral Obligations	32
2-17 Collective knowledge of the highest governance body	Not disclosed	-
2-18 Evaluation of the performance of the highest governance body	Not disclosed	-
2-19 Remuneration policies	Not disclosed	-
2-20 Process to determine remuneration	Not disclosed	-
2-21 Annual total compensation ratio	Not disclosed	-
2-22 Statement on sustainable development strategy	Message from the CEO	11
2-23 Policy commitments	Across ESG and Economic Pillars	-
2-24 Embedding policy commitments	Across ESG and Economic Pillars	-
2-25 Processes to remediate negative impacts	N/A	-
2-26 Mechanisms for seeking advice and raising concerns	Transparency and Accountability	36
2-27 Compliance with laws and regulations	Ethical and Regulatory Compliance	33
2-28 Membership associations	Who We Are	16



Disclosures	Location	Page
2-29 Approach to stakeholder engagement	Engaging with Our Stakeholders	21
2-30 Collective bargaining agreements	Freedom of Association and Collective Bargaining	45

### Material Topics

3-1 Process to determine material topics	Our Approach to Materiality	29
3-2 List of material topics	Our Approach to Materiality	29
3-3 Management of material topics	Across ESG and Economic Pillars	-

### GRI 201: Economic Performance 2016

201-1 Direct economic value generated and distributed	Economic Performance	62
201-2 Financial implications and other risks and opportunities due to climate change	Across ESG and Economic Pillars	-
201-3 Defined benefit plan obligations and other retirement plans	Not disclosed	-
201-4 Financial assistance received from government	Not disclosed	-

### GRI 201: Economic Performance 2016

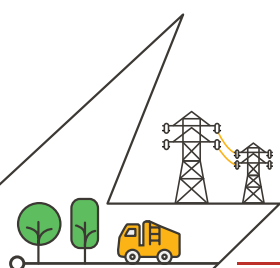
201-1 Direct economic value generated and distributed	Economic Performance	62
201-2 Financial implications and other risks and opportunities due to climate change	Across ESG and Economic Pillars	-
201-3 Defined benefit plan obligations and other retirement plans	Not disclosed	-
201-4 Financial assistance received from government	Not disclosed	-

### GRI 202: Market Presence 2016

202-1 Ratios of standard entry level wage by gender compared to local minimum wage	Not disclosed	-
202-2 Proportion of senior management hired from the local community	Not disclosed	-

### GRI 203: Indirect Economic Impacts 2016

203-1 Infrastructure investments and services supported	Indirect Economic Impacts	64
203-2 Significant indirect economic impacts	Indirect Economic Impacts	64





Disclosures	Location	Page
-------------	----------	------

**GRI 204: Procurement Practices 2016**

204-1 Proportion of spending on local suppliers	Sustainable Supply Chain Management	58
---	-------------------------------------	----

**GRI 205: Anti-corruption 2016**

205-1 Operations assessed for risks related to corruption	Risk Management	33
205-2 Communication and training about anti-corruption policies and procedures	Ethical and Regulatory Compliance	33
	Transparency and Accountability	36
205-3 Confirmed incidents of corruption and actions taken	N/A	-

**GRI 206: Anti-competitive Behaviour 2016**

206-1 Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices	N/A	-
--	-----	---

**GRI 207: Tax 2019**

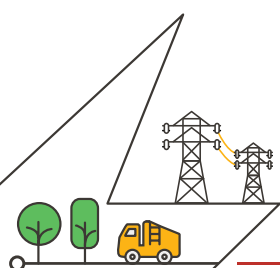
207-1 Approach to tax	Not disclosed	-
207-2 Tax governance, control, and risk management	Not disclosed	-
207-3 Stakeholder engagement and management of concerns related to tax	Not disclosed	-
207-4 Country-by-country reporting	N/A	-

**GRI 301: Materials 2016**

301-1 Materials used by weight or volume	Not disclosed	-
301-2 Recycled input materials used	N/A	-
301-3 Reclaimed products and their packaging materials	Not disclosed	-

**GRI 302: Energy 2016**

302-1 Energy consumption within the organisation	Not disclosed	-
302-2 Energy consumption outside of the organisation	Not disclosed	-
302-3 Energy intensity	N/A	-
302-4 Reduction of energy consumption	Resource Efficiency	37
302-5 Reductions in energy requirements of products and services	Air Emissions	38



Disclosures	Location	Page
-------------	----------	------

**GRI 303: Water and Effluents 2018**

303-1 Interactions with water as a shared resource	N/A	-
303-2 Management of water discharge-related impacts	Waste and Effluents	39
303-3 Water withdrawal	N/A	-
303-4 Water discharge	N/A	-
303-5 Water consumption	N/A	-

**GRI 304: Biodiversity 2016**

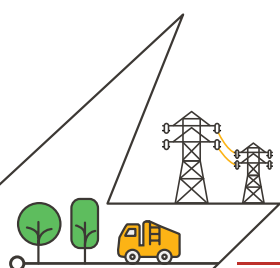
304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Biodiversity	39
304-2 Significant impacts of activities, products and services on biodiversity	Biodiversity	39
304-3 Habitats protected or restored	Biodiversity	39
304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations	N/A	-

**GRI 305: Emissions 2016**

305-1 Direct (Scope 1) GHG emissions	Air Emissions	38
305-2 Energy indirect (Scope 2) GHG emissions	Air Emissions	38
305-3 Other indirect (Scope 3) GHG emissions	Air Emissions	38
305-4 GHG emissions intensity	Air Emissions	38
305-5 Reduction of GHG emissions	Air Emissions	38
305-6 Emissions of ozone-depleting substances (ODS)	Not disclosed	-
305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Not disclosed	-

**GRI 306: Waste 2020**

306-1 Waste generation and significant waste-related impacts	Technology and Digitisation	35
306-2 Management of significant waste-related impacts	Technology and Digitisation	35
306-3 Waste generated	Waste and Effluents	39
306-4 Waste diverted from disposal	Waste and Effluents	39
306-5 Waste directed to disposal	Waste and Effluents	39



Disclosures	Location	Page
-------------	----------	------

**GRI 308: Supplier Environmental Assessment 2016**

308-1 New suppliers that were screened using environmental criteria	Green Procurement Practices	66
308-2 Negative environmental impacts in the supply chain and actions taken	N/A	-

**GRI 401: Employment 2016**

401-1 New employee hires and employee turnover	Employment Practices	44
401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Not disclosed	-
401-3 Parental leave	Not disclosed	-

**GRI 402: Labor/Management Relations 2016**

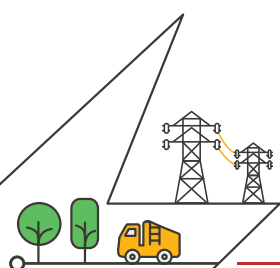
402-1 Minimum notice periods regarding operational changes	Not disclosed	-
--	---------------	---

**GRI 403: Occupational Health and Safety 2018**

403-1 Occupational health and safety management system	Occupational Health and Safety	41
403-2 Hazard identification, risk assessment, and incident investigation	Occupational Health and Safety	41
403-3 Occupational health services	Health, Safety and Wellbeing of Our Employees	43
403-4 Worker participation, consultation, and communication on occupational health and safety	Health, Safety and Wellbeing of Our Employees	43
403-5 Worker training on occupational health and safety	Health, Safety and Wellbeing of Our Employees	43
403-6 Promotion of worker health	Know your number initiative	43
403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Occupational Health and Safety	41
403-8 Workers covered by an occupational health and safety management system	Occupational Health and Safety	41
403-9 Work-related injuries	Occupational Health and Safety	41
403-10 Work-related ill health	Occupational Health and Safety	41

**GRI 404: Training and Education 2016**

404-1 Average hours of training per year per employee	Employee Engagement, Development and Wellbeing	53
404-2 Programs for upgrading employee skills and transition assistance programs	Employee Engagement, Development and Wellbeing	53
404-3 Percentage of employees receiving regular performance and career development reviews	Not disclosed	-



Disclosures	Location	Page
-------------	----------	------

**GRI 405: Diversity and Equal Opportunity 2016**

405-1 Diversity of governance bodies and employees	Employment Practices	44
405-2 Ratio of basic salary and remuneration of women to men	Not disclosed	-

**GRI 406: Non-discrimination 2016**

406-1 Incidents of discrimination and corrective actions taken	N/A	-
--	-----	---

**GRI 407: Freedom of Association and Collective Bargaining 2016**

407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Freedom of Association and Collective Bargaining	45
--	--	----

**GRI 408: Child Labor 2016**

408-1 Operations and suppliers at significant risk for incidents of child labour	N/A	-
--	-----	---

**GRI 409: Forced or Compulsory Labor 2016**

409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labour	Not disclosed	-
---	---------------	---

**GRI 410: Security Practices 2016**

410-1 Security personnel trained in human rights policies or procedures	Not disclosed	-
---	---------------	---

**GRI 411: Rights of Indigenous Peoples 2016**

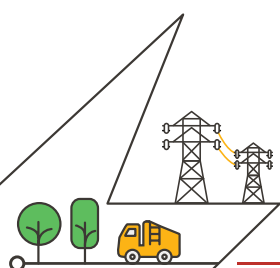
411-1 Incidents of violations involving rights of indigenous peoples	N/A	-
--	-----	---

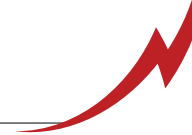
**GRI 413: Local Communities 2016**

413-1 Operations with local community engagement, impact assessments, and development programs	Local Communities	45
	Ensuring Health and Safety in our Communities	44
413-2 Operations with significant actual and potential negative impacts on local communities	N/A	-

**GRI 414: Supplier Social Assessment 2016**

414-1 New suppliers that were screened using social criteria	Green Procurement Practices	66
414-2 Negative social impacts in the supply chain and actions taken	Not disclosed	-





Disclosures	Location	Page
-------------	----------	------

### GRI 415: Public Policy 2016

415-1 Political contributions	N/A	-
-------------------------------	-----	---

### GRI 416: Customer Health and Safety 2016

416-1 Assessment of the health and safety impacts of product and service categories	N/A	-
416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	N/A	-

### GRI 417: Marketing and Labelling 2016

417-1 Requirements for product and service information and labelling	Optimising Energy Efficiency	65
417-2 Incidents of non-compliance concerning product and service information and labelling	N/A	-
417-3 Incidents of non-compliance concerning marketing communications	N/A	-

### GRI 418: Customer Privacy 2016

418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Cybersecurity	36
--	---------------	----

