



**THE Nigerian
STOCK EXCHANGE**



2019
SUSTAINABILITY
REPORT

**Encouraging Sustainable
Businesses, Promoting
Inclusive Growth**





**THE Nigerian
STOCK EXCHANGE**



The Sustainable Exchange Championing Africa's Growth

Equities . Exchange Traded Products . Fixed Income

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AN INTRODUCTION TO THE NSE

The Nigerian Stock Exchange (NSE) services the largest economy in Africa and is championing the development of Africa's financial markets. The NSE, a registered company limited by guarantee, was founded in 1960 and is licensed under the Investments and Securities Act (ISA) and is regulated by the Securities and Exchange Commission (SEC) of Nigeria. The Exchange offers listing and trading services, licensing services, market data solutions, ancillary technology services and more.

Since its establishment in 1960, the NSE has experienced tremendous growth and transformation to be the stock exchange that powers the growth of Africa's largest economy.



By offering a comprehensive range of products such as equities, bonds and Exchange Traded Funds (ETFs), the NSE provides unique opportunities for investors by facilitating best practices, developing the market to benefit all sectors of the economy and strategically positioning the country's economy towards long-term sustainable growth.

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We are committed to adopting the highest levels of international standards. To support this commitment, the NSE belongs to a number of international and regional organizations that promote the development and integration of global best practices across its operations. It is a member of the International Organization of Securities Commissions (IOSCO), the World Federation of Exchanges (WFE), Sustainable Stock Exchanges (SSE) Initiative, the SIIA's Financial Information Services Division (FISD) and the Intermarket Surveillance Group (ISG). The Exchange is a founding member and executive committee member of the African Securities Exchanges Association (ASEA).

The NSE continues to evolve in order to meet the needs of its valued customers and to achieve the highest level of competitiveness. It is an open, professional and vibrant exchange, connecting Nigeria, Africa and the world.

Vision

To be Africa's preferred exchange hub.

Mission

To provide investors and businesses a reliable, efficient and an adaptable exchange hub in Africa, to save and to access capital.

Core Values

Our core values are the defining principles by which we operate as individuals and as a company. They define who we are, how we work, what we believe in and what we stand for.

Our core values:

A - Ambition

I - Inclusive

F - Fair

...are at the heart of everything we do.

Corporate Information

The Nigerian Stock Exchange (The Exchange/NSE)	
Corporate Headquarters:	2-4 Customs Street, Marina, Lagos
Website:	www.nse.com.ng
Regulator:	Security and Exchanges Commission (SEC)

OUR 2019 SUSTAINABILITY REPORT

This Sustainability Report provides the annual update of the Exchange's efforts, diverse initiatives and progress made to promote a more sustainable economy through our products and services and the implementation of our sustainability strategy anchored on the pillars of community, workplace, marketplace and the environment.

This Report represents a disclosure of our approach to create value, meet the changing needs and expectations of capital market stakeholders, as well as harness the viable commercial opportunities to create economic impact and advance the achievement of sustainable development. It also showcases the progress on our commitment to the Sustainable Development Goals (SDGs), the ten principles of the United Nations Global Compact (UNGC), using the Communication on Progress (COP) mechanism, the UNGC Women Empowerment Principles (WEPS) and the Sustainable Stock Exchange Initiative (SSEI).



This Report has been prepared in accordance with the core option of the Global Reporting Initiative (GRI) Standards and reflects strict adherence to the GRI Principles for Report Content and Quality. It focuses on issues that are most important to our business and stakeholders, and provides an update on The Exchange's sustainability performance from 1 January, 2019 to 31 December, 2019.

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Material Topic Selection

The material topics disclosed in this Report had significant impact on the Exchange and our stakeholders in 2019, and were garnered through well-structured and documented stakeholder engagement processes. These critical stakeholder groups and individuals provided insights into specific concerns about the Exchange and its impact on business, the markets and the economy throughout the course of the year. Furthermore, being part of a larger ecosystem, we have

provided updates on issues that are peculiar to our industry.

Alignment with Global Best Practices

In our efforts to achieve the highest levels of good governance and responsible business practices, the Exchange aligns with internally recognised guidelines, principles and frameworks that promote sustainable business. This Report has therefore, been prepared in line with the following standards:

Global Reporting Initiative Standards

Sustainable Development Goals

United Nations Global Compact
Communication on Progress

Sustainable Stock Exchanges Initiative

Data Integrity

The data represented in this Report is based on reports and documentation from the different departments and units that make up the Exchange and contribute to our sustainability efforts as an entity, and is based on their activities and performance for the reporting year. Strict internal control has been exercised to collect and analyse data to support all disclosures in this Report.

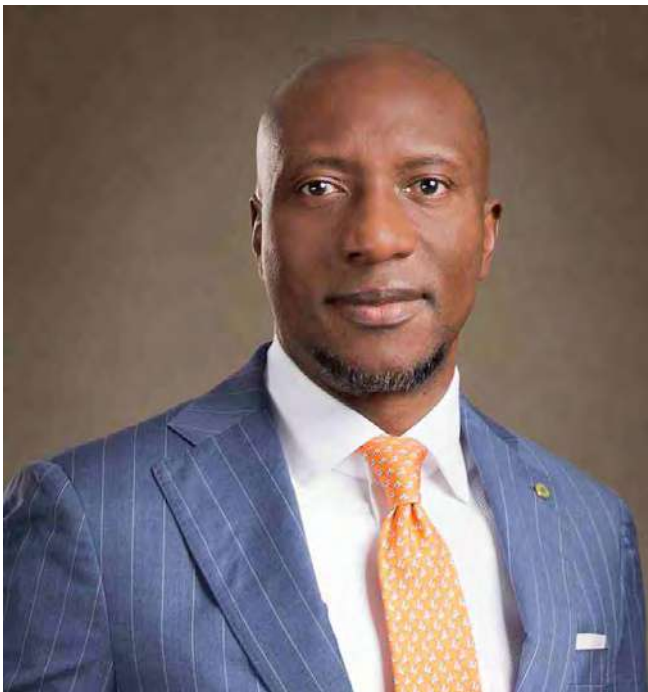
The Exchange is committed to complete transparency and we have represented the impact our business had on people and the planet in 2019 in a fair manner. Our effort has been to ensure that the information presented in this Report is unbiased, comparable, accurate, reliable and comprehensible.

For in-depth content and additional information about the NSE or this Report, contact:

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CEO'S LETTER TO STAKEHOLDERS



As an Exchange, our role is critical in encouraging businesses to be sustainable and achieve growth in an inclusive manner. To succeed in performing this role, we must first be a Sustainable Exchange. Therefore, sustainable growth is the pillar upon which our organisational strategy is structured. For us at the Nigerian Stock Exchange, sustainable growth is about creating sustained opportunities for the present and future generations of our diverse stakeholders – listed companies, dealing members, investors, suppliers, employees, and the communities in which we operate.



Our Corporate Sustainability and Responsibility (CSR) strategy is at the heart of our group-wide strategy with all our efforts anchored across these four pillars: Marketplace, Workplace, Community and Environment.

During the reporting period, we pressed for progress on our unrelenting resolve to champion Africa's growth through the implementation of the NSE's 2018 - 2021 group-wide strategy. We were challenged by fragile economic conditions in Nigeria which maintained its moderate path of recovery, growing at a slower rate than population, thereby leading to low per capita income and unemployment challenges. These challenges notwithstanding, we made significant progress towards the execution of our strategy by (a) enhancing the customer experience across the value chain, (b) reorganising for success and (c) capitalising on mission critical strategic initiatives (i.e., demutualisation).

As a market, we continue to facilitate the growth of sustainable finance while improving responsibility and accountability across the capital market ecosystem. We built on the success of our Green Bond Market Development programme which ushered in the debut Federal Government of Nigeria (FGN) Sovereign N10.69 billion Green Bond in 2018, and admitted the listing of N15 billion Corporate green bond by Access Bank Plc and N8.5bn corporate infrastructure green bond by North South Power Company Limited on the floor of the Exchange. In addition, the Debt Management Office (DMO) listed the Series II Federal Government of Nigeria (FGN) ₦15bn Green Bond on the NSE. This traction culminated in the signing of a Memorandum of Understanding (MoU) with the Luxembourg Stock Exchange (LuxSE) to promote cross-listing and trading of green bonds in Nigeria and Luxembourg.

We are proud to have achieved a remarkable milestone in our commitment to foster the growth of Environmental, Social and Governance (ESG) disclosures across our ecosystem through the launch of the NSE Sustainability Disclosure Guidelines. Investment decision-making thrives on information and transparent disclosures anchored on Environmental, Social and Governance (ESG) imperatives. Since the unveiling of the Guidelines, we have seen significant traction by listed companies to publish annual sustainability reports and we will continue to create opportunities for our listed companies to access long-term sustainable capital by facilitating robust engagement with the investing public on ESG issues. We have also created the Facts-Behind-Sustainability-Reporting interactive event where reporting listed companies present and are engaged by our community about their sustainability progress.

As sustainability continues to evolve globally, there is an increasing awareness on the need for a shift in the perceived role that businesses play in the society. The requirement for a business to play the role of change-maker beyond profit-maker has become clearer thanks to global agreements on sustainable development such as the SDGs and the Paris Agreement on Climate Change. The SDGs 2030 Agenda calls on businesses to utilise investment and innovation to drive productivity, inclusive economic growth and job creation.

At the NSE, we see opportunities to continue to push for progress on impact through our CSR strategy, our corporate governance and our passion for people. We will continue to raise our ambitions within our core pillars and incorporate new and exciting initiatives for making positive change into our business approach. Above all, we will continue to grow our business in a sustainable and responsible way.

On behalf of all us at the NSE, I welcome you to the reading of our 2019 Sustainability Report.

Oscar N. Onyema OON
Chief Executive Officer
The Nigerian Stock Exchange

2019 PERFORMANCE AT A GLANCE

OUR FOUR SUSTAINABILITY PILLARS



Marketplace

- Unveiled the NSE Sustainability Disclosure Guidelines to promote ESG and launched Facts Behind the Sustainability Report to promote ESG Disclosure among listed companies
- Signed MoU with Luxembourg Stock Exchange (LuxSE) on cross listing of green bonds
- Listed the first corporate green bonds including the fully certified Access Bank N15bn green bond



Workplace

- Revamped the Employee Volunteering Programme (EVP) and achieved a 265% increase in number of employees who signed up to the programme
- Organised a training on sustainability for our Council Members



Environment

- Achieved a record high 1,809kg in recyclables collected from the NSE Head Office, indicating improved collection efficiency
- Partnered with Kids Beach Garden for NSE's first ever beach clean-up



Communities

- Appointed multiple award winning artist, Tuface Idibia, as NSE Good Cause Ambassador
- Raised over ₦71 million in the 2019 NSE Corporate Challenge, over N20 million more than the all-time high of ₦44 million raised in 2017
- 342% increase in the number of students impacted through the 2019 Global Money Week with 66,749 students engaged in 2019 compared to 15,116 in 2018
- A record high 40,965 students engaged through on key financial literacy issues through our NSE Essay Competition
- Engaged key stakeholders in the celebration of the inaugural Ring the Bell for Financial Literacy

AWARDS AND RECOGNITIONS

We are proud to have been honoured with local and international awards in recognition of our outstanding performance, impact and leadership in business and sustainability in Nigeria. Every recognition reinforced why we conduct business the way we do and pushed us to become even better. Some of our Awards in 2019 include:

Winner of the Outstanding Invaluable Company Award for CSR

The NSE received a “Rotary Outstanding Invaluable Company Award” from Rotary International District 9110, Nigeria, for our impactful Corporate Social Responsibility (CSR) projects in the areas of education, health, economic and youth empowerment, and environment, amongst others, which Rotary considers invaluable in the service to humanity.

Rotary International District 9110 is one of the 535 Districts that make up Rotary International worldwide and it comprises over 100 Rotary Clubs with over 3,000 professional men and women as members.

Award for Delivering Efficient In-House Legal Support

The ESQ Nigerian Legal Awards named NSE Legal Services Department the “Capital Market In-House Team of the Year” at ESQ Nigerian Legal Awards.

Best Corporate Social Responsibility Initiative Award (Promoting Sustainability & Reporting) at the Marketing World Awards 2019 in Accra Ghana

The NSE was honoured with the 'Best Corporate Social Responsibility Initiative (Promoting Sustainability & Reporting)' at the 9th celebration of the Marketing World Awards on Friday, 8 November, 2019, in Ghana, in recognition of the remarkable initiatives implemented by the NSE to facilitate the adoption of sustainability reporting in Nigeria.

NSE at the SERAS - Sustainability Professional Award, HoD, Corporate Communications

The Head of Corporate Communications, at the NSE, Mr. Olumide Orojimi, was named 'Corporate Communications Professional of the Year' at the 2019 Social Enterprise and Responsibility Awards (SERAS).

Election of GRI Stakeholder Council

Olumide Orojimi was nominated to the Stakeholder Council of the Global Reporting Initiative (GRI) for a three-year term commencing 1 January, 2020.





Oscar N. Onyema OON, NSE CEO and Robert Scharfe, LuxSE CEO, signing an MoU to cooperate in promoting cross-listing and trading of green bonds in Nigeria and Luxembourg. The signing ceremony took place at the side-lines of the 2019 annual meeting of the World Federation of Exchanges (WFE) in Singapore.

CONNECTING AFRICA TO THE WORLD

“

We aim to achieve our goal of connecting Nigeria and Africa to the world by adopting the highest levels of international standards to facilitate beneficial transactions while continuously evolving along global trends to meet the needs of stakeholders.”

In line with our vision to be Africa's preferred exchange hub and as the sustainable exchange championing Africa's growth, the NSE is committed to boosting market efficiency, providing regulatory guidance and supporting stakeholders across the industry. We aim to achieve our goal of connecting Nigeria and Africa to the world by adopting the highest levels of international standards to facilitate beneficial transactions while continuously evolving along global trends to meet the needs of stakeholders.

As a frontline market regulator, we are committed to ensuring that our issuers, listed companies and intermediaries meet their regulatory obligations to uphold investor protection, market integrity and stability. As a market operator, we facilitate secure and easy access to investment and fundraising by providing reliable and resilient market infrastructure and ensuring accessibility to our products and services.

Equities

We provide equities listing and trading services across different trading segments on our Premium Board, Main Board and Alternative Securities Market (ASeM). Real Estate Investment Trusts (REITs) and Closed-End Funds trading are facilitated through a fully electronic hybrid trading service (order and quote driven).

Debt Instruments

Our integrated trading platforms and vast network of dealing member firms connect institutional and retail investors to one of the most liquid bond markets in Sub-Saharan Africa (SSA). The NSE features a Retail Bond Trading Platform (RTP) for the benefit of retail investors seeking to participate in a secondary market of local and international listed debt instruments.

Indices

Our range of indices provide investors with suitable reference tools to track the performance of their investments. The NSE features indices that track market and sector performance including the NSE Corporate Governance (CG) Index which rates select listed companies based on the quality of their corporate integrity, compliance, reputation and understanding of their fiduciary responsibilities.

Exchange Traded Funds

We provide access to a range of Exchange Traded Funds (ETFs) that track a diversified range of indices including sovereign bonds, the main NSE 30 Index, pension funds and ethical investment compliant instruments.

Markets Served

The Exchange serves all stakeholders in the Capital Market Industry whether local or International. The geographic locations covered include Nigeria, Africa, Asia, Europe and America. We also serve other stakeholders in the capital market such as the Market Data Vendors, Brokers, Pension Fund Managers, Regulators, Media Houses, Website and Mobile Aggregators, Researchers and Students and recently, Fintech Start-Ups.

Associations and Memberships

We maintain partnerships with various local and international organisations to advance the attainment of our vision. Multi-stakeholder partnerships help us share knowledge, experience and technology towards driving sustainable development.

The NSE is affiliated with:



African Securities Exchanges Association



International Organisation of Securities Commissions



West African Capital Markets Integration Council (WACMIC)



World Federation of Exchanges



Sustainable Stock Exchanges Initiative



Global Compact Network Nigeria (GCNN)



Global Reporting Initiative



Financial and Information Services Division (FISD) of the Software and Information Industry Association (SIIA)



Capital Markets Committee (CMC)



Financial System Strategy (FSS) 2020



Financial Services Regulation Coordinating Committee (FSRCC) Nigeria



National Financial Inclusion Steering Committee led by the Central Bank of Nigeria (CBN)



SUSTAINABILITY MANAGEMENT, LEADERSHIP AND RESPONSIBILITY

Displaying sound corporate governance, leadership and responsibility is requisite for a functional market system to effectively drive economic growth and development.

The NSE upholds the principles of corporate governance and sustainable business practice. Through our approach to corporate governance and sustainability management, we demonstrate our commitment to elevate governance standards, transparency and accountability across the capital market.

Corporate Governance

Upholding strong corporate governance standards is essential to how we approach our business and significant in providing leadership in the markets where we operate. We adopt best practices with respect to corporate governance and ensure that this is infused into our activities to guarantee the highest level of business conduct in all of our dealings with stakeholders.

NSE is compliant with best governance practices and committed to operating with integrity. By adopting and operating high standards of corporate governance, we encourage and support listed companies to adhere to global best practices with respect to corporate governance, which we believe enables sustainable long-term growth, performance and value creation. The unique position of the NSE at the center of the capital market enables us to provide leadership in areas of corporate governance and leadership.

Leadership and Responsibility

Sustainable leadership at the Exchange means embracing a global view in order to identify the interconnection between the planet and humanity, and proffer solutions that reflect positive environmental and social change. Our experienced and dynamic leadership team continues to inspire and support actions towards a better world. Driven by desire to embed sustainability across the Exchange, they set and achieve challenging goals with full cooperation of team members, drive organisational performance and provide the overall direction that leads to better outcomes for the Exchange.

Our leadership team comprises the National Council Members and Executive Management.

National Council	
Governance and Remuneration Committee (GARC)	
Executive Committee	
Sustainability Strategy Oversight	
Bola Adeeko	Divisional Head, Shared Services
Olumide Orojimi	Head, Corporate Communications
Sustainability Strategy Implementation and Programme Delivery	
Olumide Orojimi	Head, Corporate Communications
Olutobi Onajin	Team Lead, Corporate Sustainability & Responsibility
Tobi Oyewole	Analyst, Corporate Sustainability & Responsibility



The Executive Committee drives CSR at the NSE. The implementation of the NSE's CSR strategy and approvals for execution of key initiatives are driven by the Executive Committee. The Executive Committee actively drives sustainable finance at the NSE while the Divisional Head of Shared Services, a member of the Executive Committee, has the responsibility for implementing the NSE's overarching sustainability strategy.



National Council Members

The National Council is the highest governance body responsible for providing oversight at the NSE, including our business and financial affairs, structures and policies, strategy; monitoring the exercise of any delegated authority; and dealing with challenges and issues relating to corporate governance, corporate social responsibility and corporate ethics. The Council regards corporate governance as fundamentally important to the accomplishment of the Exchange's vision and mission as it provides direction and ensures the long-term success of the Exchange.

Governance and Remuneration Committee

The Committee is charged with ensuring that the Exchange complies with good corporate governance policies and practices. The Committee also provides oversight functions over The Exchange's human resource policies, remuneration practices, corporate social responsibility and sustainability activities and budgeting.

Executive Committee

The Executive Management, led by our Chief Executive Officer, is responsible for managing the Exchange's core business operations, which requires planning of various department processes, principles, practices and strategies. This group also implements the strategies and policies as approved by the Council and its committees towards achieving the company's objectives.

Council Committees

The Council established four Council Committees and one adhoc committee to facilitate the effective discharge of its oversight responsibilities and efficient decision-making. The Council Committees are set forth below:

Audit and Risk Management Committee

The Committee is charged with duties relating to financial reporting, internal controls and risk management systems, whistleblowing and fraud, and internal and external audit. The Committee also has oversight responsibilities of the Exchange's litigation portfolio.

Regulation Committee

The Committee is charged with ensuring that the Exchange discharges its functions as a self-regulatory organisation effectively. It provides oversight over the Exchange's quotations and its disciplinary, investigative, rules and adjudicatory functions.

Technical and Business Committee

The Committee is charged with the supervision of the technology, business, innovation and Branch Councils' functions of the Exchange.

Demutualisation Advisory Committee (Ad hoc Committee)

This Committee is responsible for assisting the Council with coordinating the Exchange's demutualisation process.

Code of Conduct

Our Code of Conduct clearly sets and maintains a set of principles, standards and acceptable behaviour that we commit to abide by in all that we do. The principles of our Code of Conduct is embedded in our day-to-day operations and enforced through periodic training and auditing. The Code of Conduct promotes values, ethical behaviour and responsible business conduct in the Exchange and has clearly established process for reporting and a whistleblowing policy to facilitate reporting on breaches and non-conformance to the Code and other related policies. The Code of Conduct also provides insight on the Exchange's position on bribery and corruption as well as anti-competitive behaviour.

Human Rights Due Diligence

Conformance to human rights due diligence plays a significant role in the Exchange's ability to effectively manage potential and actual human rights impacts that can be caused by or linked to our business. The Human Resource team ensures that human rights training is done during the onboarding of staff. The Compliance Unit conducts 'brown bag' (interactive knowledge sharing) sessions from time to time on policies relating to human rights. The different SLAs, MSAs and contracts drafted by the Legal Services Department include clauses which require the parties not to breach various human rights principles.

Risk Management Approach

The Exchange has a robust risk management framework arising from our business strategy and daily operations. We recognise the importance of effective risk management practice as an integral part of doing business and its significance to achieving our business goals. Supported by clear governance, the risk management framework guides our approach to identifying, analysing, monitoring and responding to risks and opportunities within our internal and external environment.



The Audit and Risk Management Committee of the National Council provides support to the Council in the delivery of the Exchange's risk management strategies and ensures robust contingency measures are put in place.



The National Council is responsible for overseeing and providing direction on the Exchange's risk management and making decisions based on our risk appetite. The Audit and Risk Management Committee of the National Council provides support to the Council in the delivery of the Exchange's risk management strategies and ensures robust contingency measures are put in place. The committee reviews the risk profile of the Exchange every quarter to understand and assess the adequacy of decisions made by the management on the key risks faced by the Exchange and arising from new products, services or strategic initiatives and as a way of promoting risk management culture across the Exchange.

Strengthening Anti-Corruption at the NSE

The NSE is aware of the threat that corruption poses on social development and market economy. This is why we have made anti-corruption part of the Exchange's culture and operations as driven by the Legal Services Department. The Department provides a robust advisory scheme to all the business units of the Exchange on all matters relating to corrupt practices. The Exchange has policies which prohibit corruption, bribery and other related actions.

Management's Commitment to Compliance

As a self-regulating organisation, ensuring compliance with all relevant national and international regulation is a priority for us at the NSE. Our Management is, therefore, committed to aligning with established rules and laws governing our operations such as the Nigerian Code of Corporate Governance issued by the Financial Reporting Council of Nigeria (FRCN), and ensures that corporate governance standards are clearly understood and adhered to by our employees and business partners.

The National Council has a formal and rigorous process for evaluating its performance, that of its committees, the Council President and individual Council Members. This process is codified in the Council's Evaluation Policy. The evaluation, conducted on an annual basis, is usually conducted by an independent firm. A combination of both qualitative and quantitative methodologies is adopted in the assessment, including desk reviews, deployment of questionnaires and one-on-one interviews with council members. The Evaluation Report is usually reviewed by both the GARC and the National Council and recommend areas that may require change or improvement for necessary action.

In 2019, the National Council approved a revision to the Compliance Framework for managing the Exchange's Compliance and Ethics Program to ensure it aligns with recent changes at the Exchange as well as global best practices. The Compliance function continually conducts scheduled and ad hoc risk assessment of the Exchange's compliance programmes to ensure we continue to operate at the highest ethical standards. The Exchange enhanced employees' awareness of compliance issues through a robust annual enterprise-wide training for all staff. Compliance tips are also sent to staff regularly to remind them about their obligations under the Exchange's code of conduct.



From second right, Otunba Abimbola Ogunbanjo, Council President, NSE, Oscar N Onyema OON, CEO, NSE and Aigboje Aig-Imoukhuede, CON, Ex-Officio, NSE, singing the National Anthem at the 58th Annual General Meeting (AGM) of the NSE which held on Monday 30, September, 2019.



FOSTERING SUSTAINABILITY: THE NSE WAY

Our unique position at the centre of Nigeria's economy comes with important responsibilities that require embedding sustainability as an integral part of our business strategy. We have made significant progress in integrating sustainability into our business model and decision-making mechanisms.

Our goal to be the sustainable exchange championing Africa's growth keeps us striving to contribute positive impacts in the marketplace while reducing negative impacts. Effective collaboration with like-minded organisations is at the core of our sustainability approach, helping to strengthen our approach to sustainability while implementing initiatives to scale impact.



OUR CORPORATE SUSTAINABILITY AND RESPONSIBILITY STRATEGY



The CSR strategy was developed in order to hold us accountable to the highest standards while leading the quest for the integration of the Environmental, Social and Governance (ESG) imperatives in the Nigerian capital market.



Our corporate sustainability and responsibility (CSR) strategy is the driving force of our transformation to being a sustainable company through a prioritised set of actions. These clearly outlined actions provide a framework for focusing investment and driving performance towards the creation of new market opportunities. Our approach to CSR ensures that the NSE adopts a holistic method to creating sustainable value by leveraging its unique position at the centre of Africa's largest economy.

Through our corporate sustainability and responsibility strategy, we effectively manage sustainability-related risks and leverage associated opportunities while entrenching sustainability concerns into our day-to-day operations. The CSR strategy was developed in order to hold us accountable to the highest standards while leading the quest for the integration of the Environmental, Social and Governance (ESG) imperatives in the Nigerian capital market.

Our CSR strategy provides the opportunity to set strategic goals, determine necessary actions and efficiently deploy resources to achieve our sustainability goals executed through our 4 pillars – Marketplace, Workplace, Community and Environment.

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01

MARKETPLACE



Promoting market-based approach to implementing ESG imperatives amongst all stakeholders. Some initiatives we adopted primarily in, but not entirely specific to 2019 alone, include:

- Establishing a Corporate Governance Rating System
- Becoming a member of the Sustainable Stock Exchanges Initiative
- Launching an Investors' Protection Fund
- Improving Transparency via the X-Compliance Report and X-Whistle
- Ringing the Bell for Gender Equality
- Becoming a GRI Gold Community Member
- Curbing market infractions through the Nasdaq SMARTS Market Surveillance.

02

WORKPLACE



Fostering a qualitatively oriented work environment that values employee diversity and wellbeing and harnesses the talents and skills of our people. Some initiatives implemented include:

- Training and career development opportunities for employees
- Promoting diversity and inclusion
- Organising the CEO Awards to recognise outstanding staff performance
- Facilitating the NSE Graduate Trainee Programme
- Providing an activity centre, comprising a creche, gym and cafeteria.

03

COMMUNITY



Contributing positively to the communities where we live and work. Some initiatives implemented include:

- Global Money Week
- Employee Volunteering
- NSE Essay Competition
- NSE Corporate Challenge
- Employee Volunteering & Employee Give-Back Initiative
- XTours
- Adopt-a-School Initiative
- Executive Health Enlightenment Programme.

04

ENVIRONMENT



Focusing on reducing the environmental impact of the Exchange's operations. The particular topics which we focused on were our:

- Energy management plan
- Efficient use of energy
- Reduction of waste and promotion of recycling
- Reduction of paper use
- Efficient and clean water system.

STAKEHOLDER ENGAGEMENT

We value the views of our stakeholders, including government, listed/potential issuers, brokers/dealers, regulators, clearing participants/market participants, suppliers/business partners, NGOs/professional bodies/local and International affiliations, other exchanges, local and international investors, media/analysts. We regularly engage with our internal and external stakeholders, listening to how they think we can improve, in order to ensure that our operations properly align with their interests and views, and so that we maintain focus on the most important areas that benefit all market stakeholders.

The input of our stakeholders through constant interaction to identify their specific areas of interest, sharing of ideas, best practices and industry trends have helped to shape our approach to market development and how we develop and implement our sustainability initiatives.

Throughout the year, we continued to engage in meaningful and beneficial dialogue with our stakeholders in order to carefully balance the interests of stakeholders with the objectives of the Exchange.

Stakeholder Engagement Grid for 2019

Stakeholder	Mode of Engagement	Examples
Government	<ul style="list-style-type: none"> • Verbal and written communications with The Presidency; Ministry of Finance; Ministry of Environment; Central Bank and other ministries • Meeting with key government officials; responding to legislative enquiries from the National Assembly, ongoing committee with the House Committee on Capital Markets, meetings upon request • Courtesy visits of the Senate Committee on Capital Market to the Exchange • Hosting of States Day at the Exchange to showcase efforts by the state administration and ultimately attract investors to the states 	<ul style="list-style-type: none"> • We established a dedicated Government Relations unit, which reports to the Office of the CEO, to manage relationships with Government entities • We established the State-Owned Enterprises department to support the Bureau of Public Enterprises and other State-Owned Public Enterprises (PEs) to access the capital market
Listed/Potential Issuers	<ul style="list-style-type: none"> • Annual stakeholder engagement sessions • Factory visits; consultations; printed materials; enquiries; face-to-face meetings and capacity building • Rules and guidelines • Partnerships on social causes 	<ul style="list-style-type: none"> • The NSE hosted over 200 industry stakeholders in an Insurance Sector Interactive Session themed "Recapitalisation: A Panacea for Insurance Industry Growth" • We unveiled NSE Sustainability Disclosure Guidelines and the Facts Behind the Sustainability Report to promote increased adoption of the ESG disclosure among listed companies
Brokers/ Dealers/ Members	<ul style="list-style-type: none"> • Bi-monthly CEO breakfast meetings; quarterly compliance officers forum; quarterly investigative panel meetings; regular trainings and knowledge sharing sessions; quarterly TGIFs 	<ul style="list-style-type: none"> • We hosted the second NSE Market Data Workshop themed Market Data: The Bedrock of Wealth Creation. The overarching objective of the workshop is to increase awareness of the critical role of Market Data as a fundamental input for creating wealth
Regulators	<ul style="list-style-type: none"> • Ad hoc liaison & working meetings; regular reports & review of the NSE's performance in its regulation of listing matters; informal meetings on specific cases and regular meetings on policy matters; attend to requests for documents on ad hoc basis 	<ul style="list-style-type: none"> • We worked closely with the Securities and Exchange Commission to drive participation by capital market players in the inaugural Accounts Opening Week organised by the Central Bank of Nigeria (CBN)

Clearing /Market Participants	<ul style="list-style-type: none"> Regular briefings, seminars, meetings and discussions; information package issued from time to time; regular participant circulars; ad hoc surveys; market consultation on new proposals 	<ul style="list-style-type: none"> We continued to work closely with our clearing partners and other stakeholders to ensure seamless access to data is provided to facilitate seamless clearing of transactions and resolution of complaints as they arise
Suppliers/Business Partners	<ul style="list-style-type: none"> Site inspection as scheduled; meetings on a need basis 	<ul style="list-style-type: none"> The NSE maintains close relationships with leading business partners and suppliers, particularly data vendors and distributors, who disseminate a wide range of NSE market data via The Exchange's Market Data Feed service
NGOs/Professional bodies/Local and International Affiliations	<ul style="list-style-type: none"> Consultations on new proposals; regular meetings and correspondence; ad hoc written requests; co-organisation of seminars and events 	<ul style="list-style-type: none"> As part of our revamped Employee Volunteer Programme, NSE employees supported Women at Risk International Foundation (WARIF) to raise awareness on gender related issues through its 'No tolerance for rape walk' We continued our partnership with Mind the Gap to empower secondary school students across the country with knowledge of the capital market through the annual NSE Essay Competition
Other Exchanges	<ul style="list-style-type: none"> Regular meetings on specific projects; delegations for courtesy and training purposes; frequent verbal and written communications; annual meetings of the WFE and SSEI, African ASEA Exco and WACMIC 	<ul style="list-style-type: none"> The NSE signed a Memorandum of Understanding with the Luxembourg Stock Exchange to promote cross-listing of green bonds in Nigeria and Luxembourg
Employees	<ul style="list-style-type: none"> Quarterly town hall meetings; regular intranet & e-mail communication; weekly Heads of Department and Executive Committee meetings; brown bag sessions based on various topics; induction programme for new recruits and regular in-house seminars for all employees 	<ul style="list-style-type: none"> We hosted the 2019 edition of the NSE X-Challenge to foster stronger working relationships amongst our employees while each Division hosted a team bonding session
Local and International Investors	<ul style="list-style-type: none"> Guided tour of the NSE Trading Floor on prior arrangement; regular media interviews and events, including the quarterly media parley and media/analyst briefings on NSE financial year outlook; news releases whenever there are any information updates; daily phone and written enquiries; NSE website, news alerts and social media channels; circulation of daily, weekly and monthly statistics 	<ul style="list-style-type: none"> We launched the Beta Mode of the X-Mobile app, to provide market participants, especially retail investors, convenient, faster and real-time access to The Exchange's activities. In addition, to boost investor education, we launched the X-Academy online learning platform which offers users highly structured and comprehensible self-paced capital market and soft skills learning content, at their convenience
Media/Analysts	<ul style="list-style-type: none"> Provision of media lounge and studios for interviews and events, regular media parley and media/analyst briefings; daily communications on market performance, media training and workshops; press releases and articles 	<ul style="list-style-type: none"> We ensure regular and updated information about ongoing activities at the Exchange is shared via press releases to the media

MATERIALITY AT THE NSE

We are committed to continuously identifying, analysing and responding to key issues (opportunities and threats) that affect our stakeholders and the sustainability of The Exchange.

Identifying What is Material to Us

Our materiality assessment identifies and describes the environmental, social and governance topics that are critical to us, our stakeholders and the society, and provides information that shape our sustainability strategy and long-term value creation. Year-round engagement with diverse stakeholders informed our sustainability reporting and overarching sustainability strategy.

Materiality Review

We conduct annual materiality reviews to prioritise identified environmental, social and governance issues that may affect or have the potential to significantly impact on our operations. The identification, analysis and prioritisation of material issues resulted from stakeholder engagement, identification of issues important to us and our stakeholders. Our prioritisation of identified issues reflects our unique position as a leading securities exchange in Africa and global sustainability frameworks, including:

- The GRI Standards
- The 10 Principles of the United Nations Global Compact
- The Sustainable Stock Exchange Initiative
- The Sustainable Development Goals

Our Material Topics

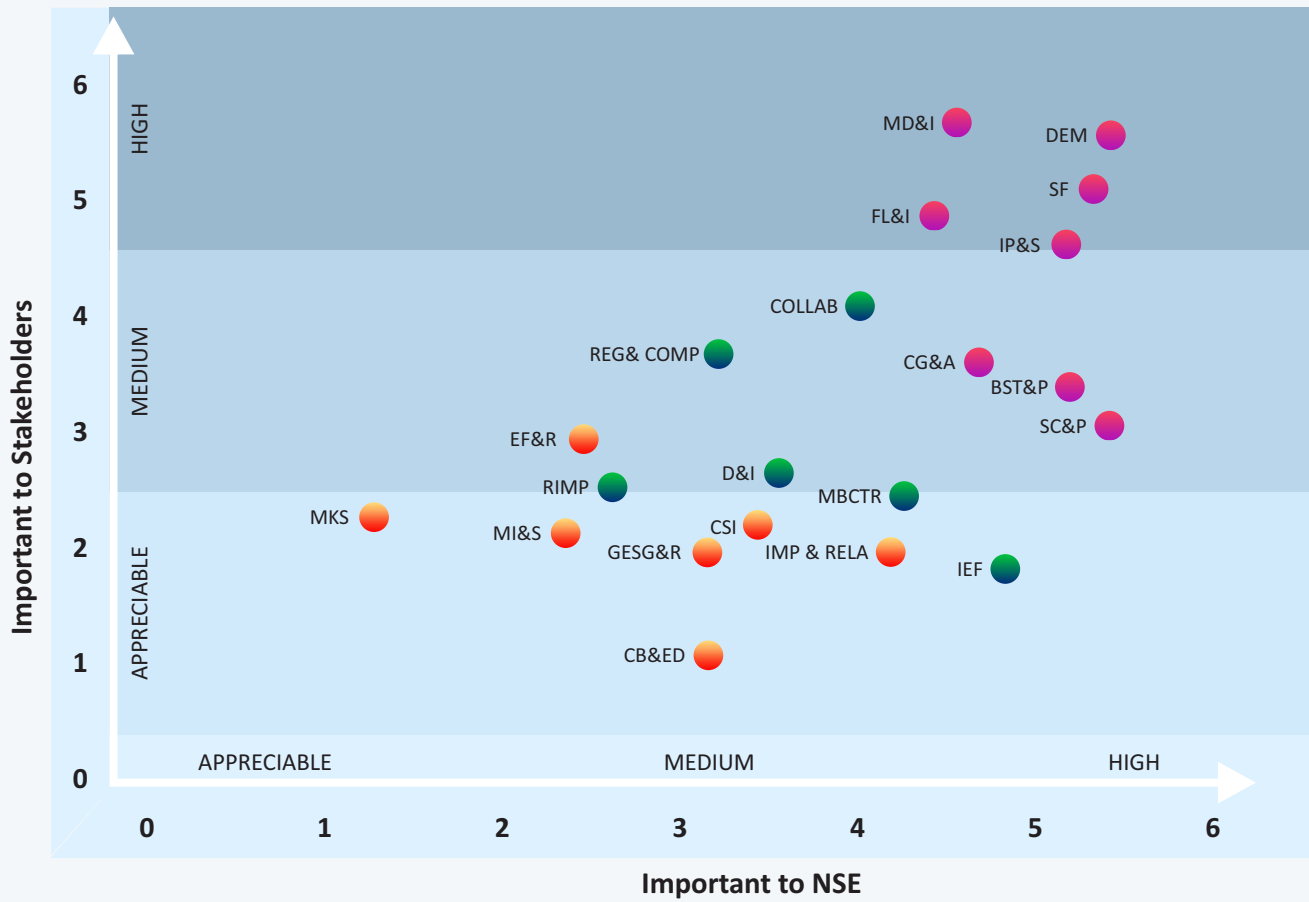
Topics identified as material to the NSE in this Report represent the issues that are most relevant to the NSE and our stakeholders and that we plan to continue managing, measuring and reporting on. The material topics that impacted our business operations during the year in review and which are forecasted to have the potential to impact us in the near future are listed in the table below.

Material Topics

High Impact
Demutualisation – DEM
Sustainable Finance – SF
Improving Market Data and Information – MD&I
Financial Literacy and Inclusion – FL&I
Developing Innovative Products and Services – IP&S
Business Ethics and Transparency of Payments – BST&P
Corporate Governance and Accountability – CG&A
Data Security and Customer Privacy – SC&P
Medium Impact
Collaborations and Joint Listings and Trading Opportunities – COLLAB
Managing Business Continuity and Technology Risks – MBCTR
Improving Environmental Footprint – IEF
Regulation and Compliance – REG & COMP
Promoting Diversity and Inclusion – D&I
Regular Information on Market Performance – RIMP
Low Impact
Improving Customer Relation – IMP & RELA
Ease of Filing Reports – EF&R
Thought Leadership on Market Issues and Sustainability – MI&S
Corporate Social Investment – CSI
Promoting Environmental, Social and Governance – GESG&R
Investor Education – MKS
Compensation, Benefits and Employee Development – CB&ED

Materiality Matrix

Of all the listed important topics for the year, our internal and external stakeholders found those in the top right-hand corner of the Materiality Matrix below as most important to us.





LEADING THE DRIVE FOR SUSTAINABLE BUSINESS IN AFRICA

Sustainability at the NSE means improving the society, securing investment and constantly creating value to scale up impact for investors and companies, while protecting the environment, in the short and long term. The NSE's CSR strategy reinforces our determination to promote sustainability through the implementation of strategic initiatives through the marketplace, people, community and the environment.

Marketplace

We are fostering a sustainable marketplace aimed at promoting sustainability, enhancing economic growth and creating value for all our stakeholders.

Capital Markets as a Force for Good

Providing transparent and reliable information to enable informed investment decisions that will enable us build long-term economic prosperity is important to us. We are determined to provide market solutions, ensure high standards of corporate governance and promote the development of socially responsible investment practices that will ensure value creation for our stakeholders in the marketplace. Significant milestones achieved during the reporting year are:

NESG-Powered UK-Nigeria 'Climate Finance Accelerator' Workshop in Lagos

The NSE organised a Climate Finance Accelerator (CFA) workshop to foster collaboration between policy makers, project developers and financial experts on the financing of individual projects that will improve Nigeria's Nationally Determined Contribution (NDC) and the transition to the global green economy. The workshop was organised to further drive the CFA initiative, with Nigeria emerging the first African country to achieve an in-country dedicated CFA initiative throughout the continent.

Access Bank N15bn Green Bond Listing

To facilitate the development of the green bond market and to drive green financing in Nigeria, the NSE listed Access Bank Plc's N15bn green bond, the first-ever climate bonds standard certified corporate green bond to be issued in Africa, in April 2019. The bond was listed to help address climate and environmental challenges in a sustainable manner that will deliver prosperity for Nigerians and further deepen the domestic debt capital market by increasing the range of investible debt securities in the market, thereby contributing to Nigeria's development.

N8.5bn Corporate Infrastructure Green Bond Listing

The Nigerian Stock Exchange listed North South Power Company Limited's N8.5bn Corporate Infrastructure Green Bond (CIGB) on the floor of the Exchange. The CIGB, the first certified green infrastructure corporate bond and the longest tenured bond issued in Nigeria's debt capital market, is a 15-year series 1 guaranteed fixed rate senior infrastructure bond that is set to mature in 2034.

MoU with LuxSE to Expand the Green Bond Market

The NSE signed a Memorandum of Understanding with the Luxembourg Stock Exchange (LuxSE), to enable issuers enjoy the benefit of increased visibility through the cross-listing of their securities in Nigeria and Luxembourg. This initiative will serve to facilitate the growth of the green finance industry in Nigeria and ultimately deepen the Nigerian capital market

through the mobilisation of the foreign green capital needed to fund sustainable projects in Nigeria.

Facts Behind the Sustainability Report

To lead the drive for sustainable practices in African capital markets, the NSE launched Facts Behind the Sustainability Report (FBSR), patterned after the NSE's flagship Facts Behind the Listing and Facts Behind the Figures event series. The FBSR is designed to foster the adoption of sustainable business practices, reporting, and disclosure and encourage responsible long-term approaches to investment. FBSR provides a platform for listed companies to address stakeholders with in-depth analysis of their sustainability initiatives, as well as spotlight stakeholder engagements, materiality, standardisation, and overall disclosures.



Senior Executives of Dangote Industries Limited (DIL) closing the market during the inaugural Facts Behind the Sustainability Report (FBSR)



Dr. Ndidi Nnoli, Group Chief, Sustainability and Governance, Dangote Industries Limited (DIL) giving the Facts Behind the Sustainability Report of Dangote Cement Plc's inaugural sustainability report



Olakunle Alake, Group Managing Director, DIL and Engr. Joseph O. Makoju mni, OON, OFR, immediate former Group CEO, Dangote Cement Plc (DCP) during the closing inaugural Facts Behind the Sustainability Report (FBSR)

Inaugural hackathon: X-Kathon

The NSE launched the maiden edition of X-Kathon, its first hackathon designed to encourage tech enthusiasts to develop innovative fintech solutions to increase the participation of millennials in the capital market. X-Kathon was launched to actively engage the massive potential of creative enterprise in our nation and provide a template for corporate venture capitalism that is much needed in our business environment.

Inaugural Ring the Bell for Financial Literacy

In October 2019, the NSE joined the World Federation of Exchanges (WFE) and International Organization of Securities Commissions (IOSCO) in the inaugural 'Ring the Bell for Financial Literacy' initiative in Nigeria, using its Closing Gong ceremony to draw attention to the importance of financial literacy. The Closing Gong ceremony which held in Lagos, was part of World Investor Week (WIW), a week-long, global campaign promoted by IOSCO to raise awareness about the importance of investor education and protection and to highlight the various initiatives implemented by securities regulators in these two critical areas.



Capital market stakeholders closing the market during the inaugural Ring the Bell for Financial Literacy celebrated as part of the International Organization of Securities Commissions (IOSCO) 2019 World Investor Week

Sustainability Workshops

The NSE is committed to raising awareness on the tremendous economic opportunities and social impact that can be achieved by mainstreaming business operations towards the SDGs and helping organisations develop more innovative approaches in the communication of their sustainability initiatives and contributions to the SDGs. To do this, the NSE's X-Academy, partnered with GRI and Dangote Group to host roundtables on the SDGs and Sustainability Workshops for Issuers, Accountants, Financial Analysts, and Communication Practitioners.

Fourth Market Data Workshop

The Exchange organised the 4th edition of our Market Data workshop themed 'Partnerships, Products and the Customer', to promote inclusive collaboration among capital market players and leverage market data to boost retail investor participation in the Nigerian capital markets.



Speakers, participants and capital market stakeholders engaging in active discussion during the 2019 Market Data Workshop

X-Mobile to Boost Investors' Participation

In September 2019, the NSE launched X-Mobile, a dynamic and user-friendly mobile app, to enhance investors' participation in the Nigerian capital market. X-Mobile is designed to provide market participants, especially retail investors, convenient, faster and real-time access to the Exchange's activities through features such as market snapshots, stock prices, market analytics, financial news, dealing members directory and trade simulation. The App can be used to create personalised watch lists to keep track of selected securities, eliminating the need to access multiple information sources.

Listing of Greenwich Alpha ETF on the NSE

The Exchange organised the listing of the Greenwich Alpha ETF (Greenwich Alpha) by Greenwich Asset Management Limited. Greenwich Alpha is an open-ended ETF that tracks the NSE 30 Index; an index which constitutes 30 of the most liquid and capitalised stocks trading on the Exchange. It is designed for investors to access the constituent companies of the NSE 30 index, thereby getting the performance of the index. The Greenwich Alpha ETF units were listed on the NSE following an Initial Public Offer (IPO) on Monday, August 19, 2019.

NSE 2019 Factbook

The NSE published its 2019 NSE Factbook – a compendium of capital market information, aimed at ensuring availability and ease of access to current and historical market information for both local and foreign investors. The NSE Factbook is an invaluable resource for the investing community, providing timely and adequate information into the operations of the stock market and is imperative for making desirable investment decisions.

Investors Relations Data Pack to Enhance Issuers' Stakeholder Engagement

The NSE launched the NSE Investor Relations (IR) Data Pack, designed to reduce the burden on issuers, by providing them with an intuitive investor relations webpage which can easily be integrated into their existing corporate websites. The NSE Investor Relations Data Pack is an innovative and dynamic webpage integrated with key market data, corporate news and disclosures for corporate issuers and features enhanced interactive functionalities with 99.5 per cent uptime.

X-Academy E-learning to Provide Quality and Affordable Learning Experiences

The NSE launched its online learning platform, X-Academy to make quality learning accessible and affordable to individuals, corporations and institutions. The X-Academy is an innovative online learning platform that offers users ease of access to highly structured and comprehensible self-paced capital market and soft skills learning content at their convenience, and provides flexible, interactive and personalised learning that fits the user's schedule beyond geographical location. The platform currently features some free courses and can be accessed at www.nse.com.ng/x-academy.

Capital Market Deepening Activities

The NSE and Securities and Exchange Commission (SEC) have enhanced the listing process, by streamlining the approval process between the SEC and the NSE, thereby making listing more efficient and cost-effective. The streamlined process is aimed at reducing the regulatory burden on issuers by eliminating duplication of processes between the SEC and the NSE, reducing the time to market for the issuance and listing of securities and ultimately driving more listing on the Exchange.

MTN Nigeria Communications Plc Admitted to the Premium Board

In May 2019, the NSE listed by introduction 20.35 billion (20,354,513,050) ordinary shares of MTN Nigeria Communications Plc (MTN Nigeria) on the Premium Board. MTN Nigeria, a part of the MTN Group, is the first telecommunications network provider to be listed on the NSE Premium Board. This Board is reserved for an elite group of issuers that meet the Exchange's most stringent corporate governance and listing standards and that showcases the listing company's commitment to strong corporate governance, excellence, professionalism, efficiency in service delivery and provision of increased returns to shareholders.



Mr. Abubakar Mahmoud, SAN, OON, 1st Vice President, NSE Council, Pascal Dozie, immediate former Chairman, MTN Nigeria Communications Plc, Ferdi Moolman, CEO, MTN Nigeria Communications Plc and Oscar N. Onyema OON, and other MTN and NSE Executives during the listing of MTN Communications Nigeria Plc on the Premium Board of the NSE.

Airtel Africa Plc Admitted to our Main Board

The NSE achieved a cross border secondary listing of 3,758,151,504 ordinary shares of Airtel Africa Plc in July 2019. The listing of the company's shares added N1.36tn to the market capitalisation of The Exchange, thereby deepening the Nigerian capital market and increasing the visibility of Airtel Africa to investors on the continent and across the globe.

SAHCO Plc Admitted to the Main Board

The Exchange achieved the listing of 1,353,580,000 ordinary shares of Skyway Aviation Handling Company Plc (SAHCO Plc) by way of an Initial Public Offering (IPO) on the Main Board in April 2019. SAHCO Plc - a full-scale aviation ground handling service provider with a focus on aircraft/ramp handling, cargo handling, passenger handling, premium lounge, aviation security and baggage reconciliation - is the first company under the Bureau of Public Enterprises (BPE) privatisation programme to successfully finalise an Initial Public Offering and list its shares on a securities exchange.



Tinuada Awe, Executive Director, Regulations, NSE, presents a replica of the NSE Gong during to Dr Taiwo Afolabi, Group Executive Vice Chairman, SIFAX Group, during the listing of SAHCO Plc to the Main Board of the NSE.



Olumide Bolumole, Divisional Head, Listing Business, NSE, Tinuada Awe, Executive Director, Regulations, NSE, Alex Okoh, Director General, Bureau of Public Enterprises and Dr Taiwo Afolabi, Group Executive Vice Chairman, SIFAX Group, during the presentation of the Facts Behind the Listing of SAHCO Plc to the Main Board of the NSE.

Meristem Engaged on New Indices Focused on Investment Style

The NSE launched two new style indices - the NSE-Meristem Growth Index and NSE-Meristem Value Index – in collaboration with Meristem Securities Limited, a leading capital market conglomerate offering investment-banking, wealth management, stockbroking, registrar and trustees services.

The style indices were designed in response to demand for customised indices to support product development and

investment management and provide a benchmark for the market to gauge the performance of value stocks and growth stocks listed on the Exchange.

The 'Sustainability Disclosure Guidelines'

In March 2019, the NSE held a half-day workshop on sustainability reporting where the Nigerian Stock Exchange Sustainability Disclosure Guidelines (NSE-SDG) was unveiled before business leaders, sustainability experts, civil society and other stakeholders. This guidance documents serves as a guide to companies on the imperative of good sustainable practices and reporting and discuss the implementation of sustainability reporting, key metrics in the new GRI reporting standards, reporting processes, and enhancing corporate transparency and performance on environmental, social and governance (ESG) issues. The workshop was organised in partnership with the GRI.

Fixed Income Trading Workshop Organised to Enhance Capacity of Dealing Members

In line with our commitment to improve the capacity of our members and enhance investors' participation in the Fixed Income Market, the Exchange organised a Fixed Income Workshop designed to enhance the capacity of dealing members, which brought together over 200 participants across the capital market community in March 2019.

Mutual Funds Trading Platform Launched

The NSE co-launched the NSE Mutual Fund Trading and Distribution Platform in February 2019, in conjunction with Fund Managers Association of Nigeria (FMAN), Association of Stockbroking Houses of Nigeria (ASHON) and the Central Securities Clearing System (CSCS). The Mutual Fund trading platform was launched to facilitate electronic transactions with seamless interaction between NSE, CSCS, fund managers and brokers dealers; and to give investors the opportunity of a single view of their mutual fund investment, as well as ease variety of transactions such as subscription, redemption, cancellation, etc.

Factor Equity Indices to Optimise Investors' Returns Launched

In January 2019, the NSE and Afrinvest Securities Limited (ASL), a leading capital market research and securities execution platform, launched two new factor indices: NSE-Afrinvest Banking Value Index (NSE-Afr BVI) and NSE-Afrinvest High Dividend Yield Index (NSE-Afr HDYI). The indices were designed in response to requests for applicable benchmarks for measuring value in banking stocks and high dividend stocks listed on the Exchange and will serve as tools for investment managers and corporate treasuries seeking to evaluate the performance of their portfolios to a segment of the banking sector or high dividend orientation, as applicable. The indices can also be used as the performance target in index-replicating financial products such as Exchange Traded Funds and Derivatives.

Workplace

Our commitment to maintaining a high performing culture where our people can thrive is inextricably linked to our ability to deliver on our business strategy in a sustainable way. By creating a culture of excellence with a deep commitment to human capital development, we are empowering and developing diversified talents to encourage growth and attainment of employees' full potential.

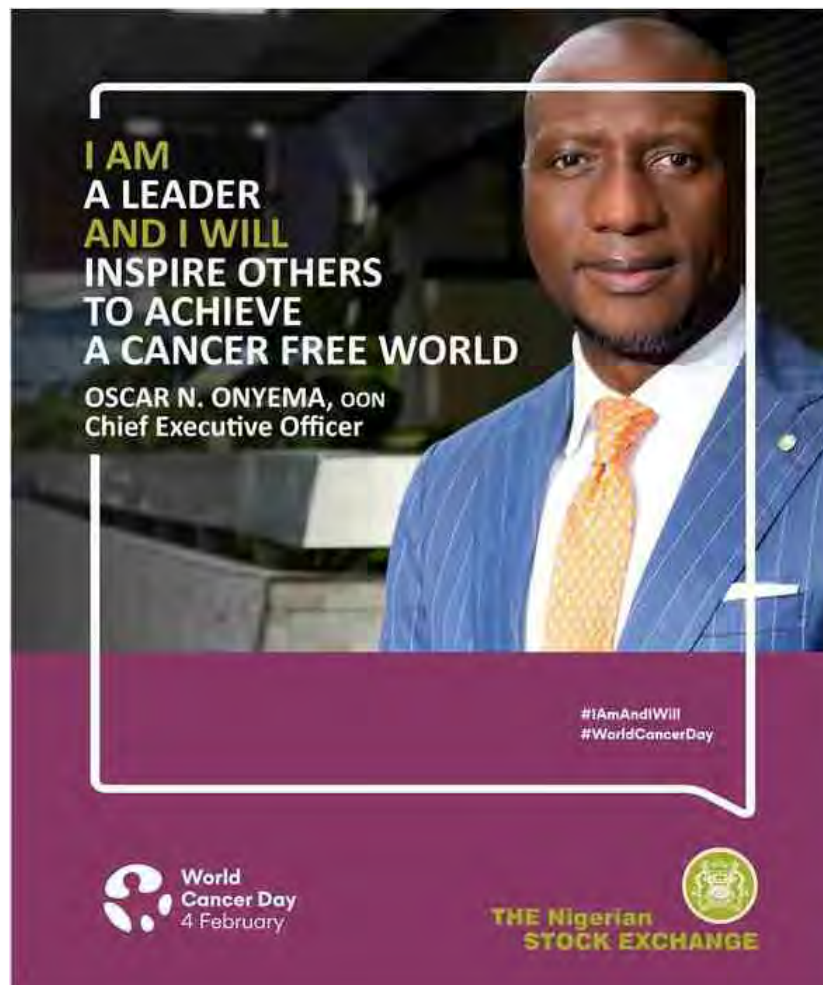
We are committed to enhancing employees' skills and wellbeing, promoting diversity and inclusion and supporting employee volunteering and work-life balance as a means of ensuring a rich workplace culture and improving our people's ability to thrive at work. As at 31 December 2019, the Exchange's total number of employees stands at 280.

Health and Safety

We understand that we have a responsibility to maintain a safe and healthy workplace that will motivate employees and increase performance. To promote the safety and wellbeing of our employees, the Exchange has a Building Occupiers Forum that addresses issues bordering on Health and Safety and a Business Continuity Steering Committee whose membership reflects representation from different departments and units of the organisation. Both committees work with the health and safety team to identify and address all health and safety related issues and concerns of the Exchange.

World Cancer Day

World Cancer Day is celebrated on February 4 every year with the aim of raising awareness about cancer and encouraging its prevention, detection and treatment. The theme for 2019 was, "We can. I can" and explored how everyone – collectively or as individuals – unites the whole world in the fight against cancer. In commemoration of the day, NSE staff added their voice to the global campaign to reduce the scourge of cancer. This was done using images and commitment statements to create frames which were shared internally.



Employee Volunteering Programme Relaunch

The NSE relaunched the Employee Volunteering Program (EVP) to create a new feel of excitement among employees and align volunteering initiatives to the SDGs. In 2019, NSE employees volunteered in two initiatives:

- **Beach Clean Up:** This initiative helped NSE employees understand the importance of environment sustainability. NSE partnered with Mental and Environmental Development Initiative for Children (MEDIC) to pick up ocean plastics that wash onto the shore at Kids Beach Garden, Elegushi, Lagos, on Saturday November 30, 2019. 13 employees participated in this initiative
- **No Tolerance Campaign:** 17 employees joined Women at Risk International Foundation (WARIF) on Saturday, December 7, 2019 to embark on a 3km walk along the Lekki-ikoyi Link Bridge tagged: 'No Tolerance March' to create awareness against sexual violence and trafficking of women in Nigeria. This initiative, hosted in collaboration with the United States Consulate General Lagos, gave employees a platform to lend their voices and support to gender related issues.

Employee Giveback initiative

In line with the NSE's CSR strategy focused on the workplace, the Exchange instituted an Employee Give-Back Initiative in 2015, to encourage employees to give cash and gift items to charities during the festive period.

As part of the employee give-back initiative for 2019, over 20 NSE employees donated a total of N418,000.00. The proceeds of the 2019 Employee Giveback programme were donated to two non-profit organisations, namely Women at Risk International Foundation (WARIF) and The Widows' Relief & Assistance Program (Project W.R.A.P).

Training and Education

The Exchange invests in the training of employees to learn new skills, enhance performance, and increase productivity. Our programmes are geared towards upgrading employees' skills.

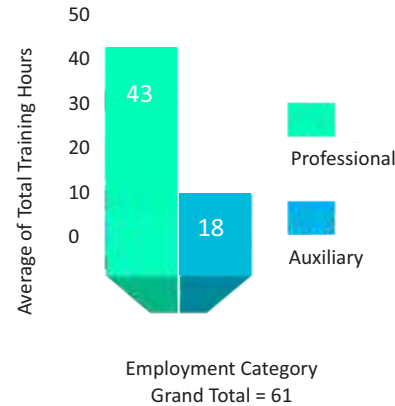
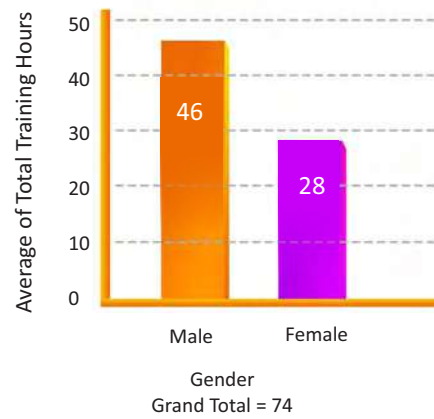
Some of the programmes include:

- **Knowledge Sharing Sessions:** This is a forum where subject matter experts provide clarity to employees on relevant trending topics that impact on employees' skills, development and welfare; and
- **Learning-on-the-go:** this programme was initiated by the Exchange to eliminate the barriers that make studying and attending classes difficult for employees, by providing access to learning assets which enable them to actively learn anytime, anywhere as they go about their daily lives.

Sustainability Training for National Council Members

Successful integration and effective management of sustainability requires strong leadership commitment. To this end, a special training session covering the progress of CSR at the NSE and plans for increased impact in the future was held for National Council Members in December.

The table below shows average hours spent on employee training and development in 2019



Employee Diversity

Diversity of our workplace is vital to us because it offers us the unique opportunity to build bridges of trust, respect and understanding across cultures. The Exchange consciously communicates the importance of diversity to create awareness against biases and foster an inclusive workplace to ensure that our employees have a sense of belonging and higher job satisfaction. We strive to achieve diversity among our employees in order to achieve higher employee engagement, improved decision-making, faster problem-solving, increased creativity and innovation, increased performance and greater business outcome for the Exchange.

Community

Through our various CSR and community initiatives, we strive to positively impact the communities where we live and work in order to create shared benefits.

2019 NSE Corporate Challenge

In 2019, we organised the NSE Corporate Challenge, a one-day competitive and fun-filled 5-kilometer walk, jog and run event, designed to create awareness on the early detection of cancer and to raise funds to support the fight against the dreadful disease in Nigeria. The 2019 Challenge – the 6th event - brought together over 650 runners from 60 companies, and included celebrities like Kate Henshaw, Aituaje 'Waje' Iruobe, Omololu Shomuyiwa, Tobi Bakare, and DJ Neptune to “e-Race Cancer”.

We recognise the fact that cancer-related deaths in Nigeria are set to rise if urgent actions are not taken to raise awareness about early detection of the disease and that there is need to develop practical strategies to address the increasing burden. We used this 6th event to emphasise exercise and overall healthy living as a vehicle for reducing the risk of developing cancer.

Supporters disregarded inclement weather to honour the walk and our Chief Executive Officer hailed their efforts whilst expressing hope that our message about cancer will create a ripple effect that provokes joint actions toward erasing cancer in Nigeria, as well as have far-reaching positive impacts on the populace, especially the less privileged.



Participants at the 2019 NSE Corporate Challenge, The Exchange's annual race to raise awareness and funds to fight the scourge of cancer in Nigeria.

International Day of Education

NSE commemorated its first-ever International Day of Education with a special excursion from three schools and a Closing Gong ceremony on the floor of the Exchange in Lagos on Thursday, 24 January, 2019. This is in line with the commitment of NSE to enhance cooperation in supporting efforts towards the realisation of Sustainable Development Goals.

The event featured students from Slum2School Africa, Bridge Academies and Dialogue School, who visited the Exchange to learn about the capital market, the SDGs and interact with the stockbrokers. The event ended with a Closing Gong ceremony, to further draw attention to the need to adopt a collective effort to improve access to inclusive and equitable quality education.



Students closing the market and engaging with stockbrokers and NSE employees as they build their knowledge on financial literacy during the celebration of the 2019 International Day of Education organised in partnership with Slum to School Initiative.

2019 International Women's Day Celebration

The NSE, in partnership with International Finance Corporation (IFC), UN Women, UNGC, WFE and SSEI, organised a half-day symposium to celebrate the 2019 International Women's Day, themed 'Balance for Better' to promote gender balance and its realities in the workplace.

The symposium, which was designed to galvanise efforts in line with the Exchange's objective to accelerate progress towards bridging gender parity, featured industry leaders from different sectors who took turn to discuss relevant topics for the IWD 2019 celebration and holistically discussed opportunities for women in key industries and how technology can bridge the gender gap.



Speakers, NSE Executives, employees, guests and key NSE stakeholders during the celebration of the 2019 International Women's Day (IWD) hosted in partnership with the Sustainable Stock Exchange Initiative (SSEI), World Federation of Exchanges (WFE), United Nations Global Compact (UNGC) and International Finance Corporation (IFC) at the Exchange. During the celebrations, the NSE signed the UNGC Women Empowerment Principles (WEPs).

Global Money Week

In March 2019, the NSE as a proud member of the National Financial Literacy Steering Committee, organised series of educational programmes themed, Learn Save Earn, to commemorate the Global Money Week. 31,251 students from 17 schools and other youth were taught the importance of financial literacy between Monday, March 25 and Friday, March 29, 2019.

The week-long event included interactive sessions with the Executive Management of the NSE, school outreach programmes in Lagos, Ibadan, Kano, Abuja, Onitsha and Port Harcourt, and excursions to the trading floor. The Exchange also joined other stock exchanges around the world in the 'Ring the Bell' initiative, using its Closing Gong ceremony to further draw attention to the importance of financial literacy among youth.



Students listen with rapt attention as they engage with stockbrokers and build their understanding of financial literacy during a session of the 2019 Global Money Week which held at the Exchange.

Borno State Education Intervention Programme (EIP)

The NSE is aware of the right of every child to quality education and the role that education plays as the most powerful means to change the world. Education is undoubtedly an essential driver of human development that provides the foundation for adulthood and the key to unlocking Africa's greatest potential for a bright future.

In this regard, we donated the sum of N10 million in 2019, to Maisandari Alamderi Model Nursery and Primary School, located in the Abuja Talakawa District of Maiduguri through our Education Intervention Programme in fulfilment of the Exchange's commitment to a three year funding scheme for the administration and maintenance of the school as agreed with the Borno State Government in 2017. This programme allows us to create a model for an educational experience for vulnerable children in underserved and crisis-prone communities as may be found in the Internally Displaced Persons (IDPs) camps.



Students of the Maisandari Alamderi Model Nursery and Primary School which was donated by the NSE to the Borno State Government in 2017. We renewed our support for the school and continued to collaborate with Bridge International Academies, which provides oversight for the school.

NSE X-Tour (Schools' Excursion to the Exchange)

The NSE school excursion program has recorded 7,972 participants from about 54 schools to our X-Tour programmes. Over the years, the X-Tour has become a platform to stimulate students' interest in the capital market through a 'live' view of activities at the Stock Exchange and knowledge gathering from capital market thought leaders. This year, the NSE received a significant number of tertiary institution students who have been mandated by curriculum to make a visit to the NSE in the course of their study. In addition, a session on sustainable development has been introduced to help students understand the correlation between the financial industry, economic growth and sustainable development.

NSE Annual National Essay Competition 2019

The Exchange organised the 2019 NSE Essay Competition for Senior Secondary Schools in Nigeria to develop a culture of wealth creation among the youth towards building a financially savvy generation. The competition also serves the unique purpose of proffering innovative solutions to leverage the capital market for the achievement of the United Nations Sustainable Development Goals (SDGs). The winner of the NSE Essay Competition was awarded a N500,000 university scholarship fund and N500,000 worth of equity, while the first and second runners-up were each awarded university scholarships, equity investments, laptops, along with desktop computers and a printer each for their respective schools. In addition, the top three winners were given the prestigious honour of a Closing Gong Ceremony at the Exchange, while seven other finalists received laptops in recognition of their satisfactory performance.



NSE Appoints Good Cause Ambassador

In August 2019, the NSE appointed internationally recognised award-winning artist and crusader of social causes, Innocent Ujah Idibia, popularly known as Tuface, as our Good Cause Ambassador, to raise awareness and mobilise support for the Exchange's CSR initiatives. This move was inspired by the need for accelerated progress in advancing the attainment of the United Nations Sustainable Development Goals in Nigeria.



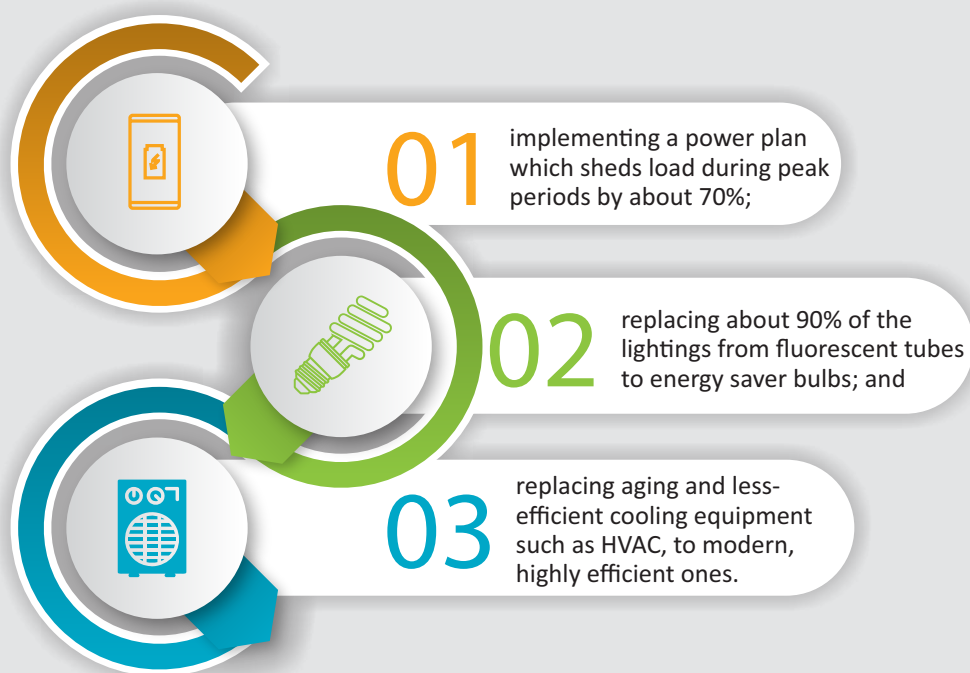
Oscar N. Onyema, OON, CEO, NSE and Tuface Idibia, signing the MoU during the appointment of Tuface Idibia as NSE Good Cause Ambassador



Members of NSE's Executive Committee, Oscar N. Onyema, OON, CEO, NSE, Tinuade Awe, Executive Director, Regulation, Bola Adeeko, Divisional Head, Shared Services and Olumide Bolumole, Divisional Head, Listing Business, along with Tuface Idibia during the signing ceremony of Tuface Idibia as Good Cause Ambassador of the NSE held at the Exchange.

Environment

The NSE is committed to sustaining the environment by making decisions that will reduce the negative impact of our business on the environment. To demonstrate this commitment, we have put different measures in place, undertaken initiatives and partnered like-minded organisations with similar objectives to reduce our environmental impact and contribute to global efforts aimed at curbing climate change. Some of our environmental initiatives include water and energy efficiency, reducing emissions and waste minimisation. We achieved 20% reduction in energy consumption from an average of 660 KW in 2018 to 555 KW in 2019 by applying companywide energy saving strategy initiatives, such as:



Total electricity consumed within the reporting period stands at 1,407,606.00 KW, while total fuel consumed from non-renewable sources stands at 490,950 litres of diesel for the same period.

Partnership with RecyclePoints strengthened

NSE has strengthened its partnership with RecyclePoints by implementing various initiatives, including:

- conducting a refresher training for the staff of our facility management service provider (Alpha Mead Facilities - AMF) on NSE's recycling initiatives;
- increasing the pickup of waste materials at the NSE to twice a month; and
- purchasing plastic collector baskets for the in-house recycling initiative in all offices in the Exchange.

In realisation that environmental awareness at work can encourage the adoption of greener practices beyond the workplace, waste recycling campaigns were conducted internally to increase awareness.

GRI Content index

GRI Standard Number	GRI Standard Title	Disclosure Number	Disclosure Title Individual disclosure items ('a', 'b', 'c', etc.) are not listed here	Section/ Page	Section Topic
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GRI 102	General Disclosures	102-3	Location of Headquarters	09	Corporate Information
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GRI 102	General Disclosures	102-6	Markets Served	09	Markets Served
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LIST OF ABBREVIATIONS

ASEA	-	African Securities Exchanges Association
ASeM	-	Alternative Securities Market
ASL	-	Afrinvest Securities Limited
CEO	-	Chief Executive Officer
CFA	-	Climate Finance Accelerator
CMC	-	Capital Markets Committee
COP	-	Communication on Progress (United Nations Global Compact)
CSR	-	Corporate Social Responsibility
DMO	-	Debt Management Office
DG	-	Director General
ESG	-	Environmental, Social and Governance
ETFs	-	Exchange Traded Funds
EV	-	Employee Volunteering
FISD-SIIA	-	Financial and Information Services Division of the Software and Information Industry Association
FIX	-	Financial Information Exchange (FIX)
FISD	-	Financial and Information Services Division
FL	-	Financial Literacy
FLSCW	-	Financial Literacy Steering Committee and Working
FSRC	-	Financial Services Regulation Commission
FGN	-	Federal Government of Nigeria
FSS	-	Financial Systems Strategy
GARC	-	Governance and Remuneration Committee
GB	-	Green Bonds
GBL	-	Green Bonds Listing
GBMD	-	Green Bond Market Development
GMW	-	Global Money Week
GRI	-	Global Reporting Initiative
GCBN	-	Groups of the Central Bank of Nigeria (GCBN)
HCD	-	Human Capital Development
HR	-	Human Resources
ISG	-	Intermarket Surveillance Group
IDP	-	Internally Displaced Persons
IFC	-	International Finance Corporation
IOSCO	-	International Organisations of Securities Commissions

ISA	-	Investment and Securities Act
ISG	-	Intermarket Surveillance
LuxSE	-	Luxembourg Stock Exchange
MoU	-	Memorandum of Understanding
NDC	-	Nationally Determined Contribution
NEC	-	National Executive Council
NGO	-	Non-Government Organisation
NSE	-	Nigeria Stock Exchange
NSE-SDG	-	Nigerian Stock Exchange Sustainability Disclosure Guidelines
PM	-	Premium Board
REITS	-	Real Estate Investment Trusts
RMF	-	Risk Management Framework
SDGs	-	Sustainable Development Goals
SE	-	Stakeholder Engagement
SEC	-	Securities and Exchange Commission
SIIA	-	Software and Information Industry Association
SMEs	-	Small and Medium Enterprises
SRO	-	Self Regulatory Organisation
SSEI	-	Sustainable Stock Exchange Initiative
TIA	-	Traders, Investors and Analysts
UNGC	-	United Nations Global Compact
WACMIC	-	West African Capital Markets Integration Council
WED	-	World Environment Day
WEPS	-	UNGC Women Empowerment Principles
WIW	-	World Investor Week
WFE	-	World Federation of Exchanges

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