

A decorative graphic on the left side of the page, consisting of three stacked, overlapping semi-circular shapes in red and gold, resembling a stylized 'S' or a series of curved arrows.

# BUA Cement Plc

## Stakeholder Engagement Policy

June 2022



**Document Review and Approval**

The Stakeholder Engagement Policy was approved by:

Name	Representing	Signature	Date
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**Revision History**

Version	Author	Date	Revision

**This document has been reviewed by**

S/N	Reviewer	Date Reviewed

### List of Abbreviations

CAMA	Companies and Allied Matters Act
CEO	Chief Executive Officer
ED	Executive Director
INED	Independent Non-Executive Director
NCCG	Nigerian Code of Corporate Governance 2018
NED	Non-Executive Director
MD	Managing Director
MEMART	Memorandum and Articles of Association
SEC Code	Securities and Exchange Commission Code of Corporate Governance
the Committee	Board Governance, Establishment and Remuneration Committee
the Company	BUA Cement Plc



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## **1.0 Introduction**

At BUA Cement Plc ('BUA Cement or 'the Company'), we recognise that our business and activities impact on our stakeholders and stakeholders impact our business and operations. We seek to proactively engage with stakeholders to seek their input, listen to their perspectives; and consider, prioritize and integrate the input received, where possible.

Although the ultimate responsibility for stakeholder engagement rests with the Board, the Company's various departments and employees are mandated to maintain inclusive, mutually beneficial relationships with stakeholders and to be proactive in engaging with them in a transparent and on-going manner.

BUA Cement provides this Stakeholder Engagement Policy ('this Policy') as a guideline for BUA Cement's employees in conducting the business of the Company. This Policy is in compliance with the Nigerian Code of Corporate Governance 2018 and international best practices.

## **2.0 Scope**

This Policy outlines our primary approach to engagement with our stakeholders, and the coordination of such, and sets out the following:

- Principles for engagement with our stakeholders;
- Forms part of the Company's operating philosophy, policies, standards and values;
- Applies to all Company's divisions, departments, business units, regarding all their activities and interactions with stakeholders; and
- Supports and should be read in conjunction with Company's shareholder engagement policy and other sustainability related policies.

## **3.0 Purpose**

The purpose of this policy is guided by Principle 27 of the NCCG and Principle 35 of the SEC Code which provide that the Board should adopt and implement a stakeholder management and communication policy to keep stakeholders conversant with the activities of the Company and assist them in making informed decisions.

The purpose of this Policy is:

- To identify our stakeholders;

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- To develop and promote a good understanding of stakeholder needs, interests and expectations;
- To encourage open dialogue and engagement between the Company and its stakeholders thus establishing and maintaining a productive relationship.
- To promote improved compliance with the Company's Sustainability Policy.
- To provide an avenue for adequate engagement with affected stakeholders to obtain their views on issues that could potentially affect them and to ensure that meaningful environmental and social information is disclosed to relevant stakeholders.
- To provide stakeholders with relevant information (such as developments and changes, etc.) at appropriate times and in accessible forms.
- To assist affected stakeholders in adapting to the sustainability, health and environmental changes created by BUA's business relationships through information and participation.
- To ensure that stakeholders can report concerns and grievances easily, and that grievances reported are responded to and managed appropriately.
- To ensure that all the stakeholders (employees, vendors/service providers) involved in its internal processes (e.g. office administration, procurement and human resources etc.) are engaged in order to effectively manage the sustainability, health and environmental risks associated with these processes.
- To ensure compliance with both local regulatory requirements and international best practice in stakeholder engagement.
- To promote governance standards that enhance the Company's reputation.

### **4.0 Stakeholder Identification**

Stakeholders represent a broad range of interests and perspectives. They are individuals, groups of persons or organisations who are directly or indirectly impacted by our business operations or decisions in the short or long term, as well as those who may have interests in our Company's activities, products or services and associated performance, or have influence over the outcomes of our business operation.

These include customers, employees, clients, communities & community leaders/groups, shareholders, business partners, suppliers, service providers, regulators, government agencies, intellectual leaders, labour unions, elected and government officials, environmental interests, and the media.

## 5.0 Stakeholder Engagement Principles

Our stakeholder engagement is based on the following principles:

- **Communication**

We value open and honest communication with all stakeholders and are proactively committed to such.

- **Transparency & Timeliness**

We are transparent in our activities and interactions with our stakeholders, and ensure that our communications are accurate, consistent with previous reports and given in a timely manner.

- **Clarity**

Our communication will be provided in clear language that is readable and easily understandable by stakeholders.

- **Consultation**

We aim to develop relationships where stakeholder views are considered in decision-making, and we provide various channels/fora to foster this.

- **Collaboration**

We are open to establishing partnerships with stakeholders with aligned values and work closely with selected partners to build a more sustainable business and society.

- **Commitment**

We are committed to working towards the growth of the Company and leveraging effective stakeholder engagement to help with the achievement of this.

- **Participation**

We value the participation of our stakeholders in achieving our goals and building sustainable solutions in our business and society.

- **Responsiveness**

We strive for continuous improvement and proactively respond to changing business conditions and stakeholder needs, interests and expectations.

## **6.0 Methods of Engagement**

Our methods of engagement include various channels and means of communication reliant on each specific stakeholder group. These methods are meticulously outlined in the stakeholder matrix below.

The Managing Director/Chief Executive Officer is the chief spokesperson for the Company and will communicate with stakeholders as required. However, he may delegate certain responsibilities to different divisions, departments and business units.

The Stakeholder Engagement Policy will be posted on the Company's website ([www.buacement.com](http://www.buacement.com)) so all stakeholders are aware of the Company's strategy for responding to stakeholders on a continual basis.

## **7.0 Grievance Mechanism**

BUA Cement has created a system to engage stakeholders affected by its business activities to proactively identify and address issues and concerns before they become grievances.

To drive this, the Company shall also develop a grievance mechanism to:

- i. Enable those that are affected by its business activities to easily report any grievances about their sustainability, health and environmental performance.
- ii. Ensure that grievances are promptly resolved and that responses are provided to affected stakeholders in a timely manner.

The grievance mechanism shall be transparent, understandable and readily accessible to all stakeholder classes at no cost and without retribution to the party that raised the issues. In addition, the grievance mechanism shall not impede stakeholders' access to judicial and administrative remedies.

## **8.0 Stakeholder Engagement Feedback/Grievances**

Engagement with stakeholders is key to obtaining feedback. By analysing these views and comments, we can identify potential improvements in the way we do business and reduce risk.

Stakeholders are encouraged to express their grievances or give feedback through any of our communication methods such as forums, meetings, community events, phone calls, face-to-face meetings, online platform hotlines, training sessions, surveys and group meetings.

Stakeholders can also communicate with the Company (anonymously, if preferred) through the Company's official contact on xxxxxxxxxxxx and [xxxxxx.com](http://xxxxxx.com).



## **9.0 Breach of Policy**

A breach of this Policy will be dealt with in terms of the Company's disciplinary provisions and process, as well as the performance management process. Management will deal with any breach of this Policy as non-delivery against performance agreements. In extreme cases of dereliction of duty regarding this Policy, appropriate disciplinary action would be taken in line with the Company's disciplinary provisions.



**10.0 Stakeholder Engagement Matrix**

REASONS FOR ENGAGEMENT	WHY ENGAGE WITH BUA CEMENT	FREQUENCY OF ENGAGEMENT	METHODS OF ENGAGEMENT
<b>Staff</b>			
<ul style="list-style-type: none"> <li>To ensure that we remain an employer of choice that provides a safe, positive and inspiring working environment.</li> <li>To understand and respond to the needs and concerns of our staff members.</li> <li>To provide staff with strategic direction and keep them informed about Company activities.</li> </ul>	<ul style="list-style-type: none"> <li>To provide us with feedback and input that can help us improve their working environment experience as well as the performance of our business.</li> </ul>	<ul style="list-style-type: none"> <li>Ongoing and daily engagement at all levels.</li> <li>As required by staff.</li> </ul>	<ul style="list-style-type: none"> <li>Face-to-face, written and broadcast communications – emails, intranet, magazines</li> <li>Employee engagement survey</li> <li>Team meetings</li> <li>Company conferences</li> <li>Group workshops</li> <li>Culture and engagement surveys</li> <li>Employee engagement activities</li> <li>Relevant trainings.</li> </ul>
<b>Clients/Customers</b>			
<ul style="list-style-type: none"> <li>To understand them, their aspirations, businesses and service needs better.</li> <li>To ensure that we maintain the high service levels they expect and deserve.</li> </ul>	<ul style="list-style-type: none"> <li>To access world-class innovative products and services.</li> </ul>	<ul style="list-style-type: none"> <li>Dependent on client needs and identified sales and service opportunities.</li> </ul>	<ul style="list-style-type: none"> <li>Relationship managers</li> <li>Complaint lines</li> </ul>



<ul style="list-style-type: none"> <li>• To inform product development and prioritization.</li> <li>• To ensure accuracy of client personal and/or business information.</li> </ul>	<ul style="list-style-type: none"> <li>• Convenient access to our services, less complexity and improved flexibility.</li> <li>• To get value added services that is competitive and transparent in pricing.</li> </ul>		<ul style="list-style-type: none"> <li>• Customer satisfaction surveys/ marketing and advertising activities.</li> <li>• Promotion of sustainability programmes and initiatives</li> <li>• Company Website</li> <li>• Social media platforms</li> <li>• Whistle-blower email/helpline</li> </ul>
<b>The Investment Community</b>			
<ul style="list-style-type: none"> <li>• To provide current and future shareholders with relevant and timely information.</li> <li>• To keep shareholders and the investment community informed at all times.</li> <li>• To ensure image improvement, thereby minimizing the potential for reputational risk.</li> <li>• To enhance and deepen the trust placed in us and our brand.</li> </ul>	<ul style="list-style-type: none"> <li>• To receive relevant timely information on our prospects and financial/non-financial performance.</li> <li>• To gain insight into our strategy and management.</li> </ul>	<ul style="list-style-type: none"> <li>• Formally, four times a year at the release of year-end, half-year, first to fourth quarter results.</li> </ul>	<ul style="list-style-type: none"> <li>• Annual General Meeting and Investor meetings</li> <li>• Annual reports and financial statements</li> <li>• Conferences and presentations</li> <li>• Disclosures to Regulators</li> <li>• Media releases</li> <li>• Investment analyst briefings</li> <li>• Feedback via broker reports</li> </ul>



			<ul style="list-style-type: none"> <li>• Company’s website.</li> </ul>
<b>Regulators</b>			
<ul style="list-style-type: none"> <li>• To maintain open, honest and transparent relationships and ensure compliance with all legal and regulatory requirements.</li> <li>• To minimize our operational risk.</li> </ul>	<ul style="list-style-type: none"> <li>• To ensure regulatory compliance.</li> </ul>	<ul style="list-style-type: none"> <li>• Daily, weekly, quarterly and as required.</li> </ul>	<ul style="list-style-type: none"> <li>• Meetings with the board and management including one-on-one discussions with various executives</li> <li>• Training sessions</li> <li>• Investors Portal</li> <li>• Letters &amp; Emails</li> <li>• Annual Reports/Financial Statements</li> <li>• Periodic press releases</li> </ul>
<b>Communities</b>			
<ul style="list-style-type: none"> <li>• To create partnerships that serve to facilitate our integrated sustainability activities.</li> <li>• To obtain input from environmental experts, communities and non-governmental organizations (NGOs) regarding key focus areas.</li> <li>• To create awareness of our integrated sustainability commitment and initiatives.</li> </ul>	<ul style="list-style-type: none"> <li>• To collaborate in a way that furthers social, environmental and other common agendas for the greater good.</li> </ul>	<ul style="list-style-type: none"> <li>• Ongoing – as partnerships dictate or stakeholder needs require.</li> </ul>	<ul style="list-style-type: none"> <li>• Implement initiatives in line with Global Sustainable Development Goals (SDG) through investment in social impact projects.</li> <li>• Employee volunteer programs</li> <li>• Corporate social responsibility programs</li> <li>• Grievance Form</li> </ul>



			<ul style="list-style-type: none"> <li>• Company Website</li> <li>• Annual reports</li> </ul>
<b>Government</b>			
<ul style="list-style-type: none"> <li>• To build and strengthen relationships with government, as a partner in the development of the country.</li> <li>• To reaffirm our commitment to public sector business development.</li> <li>• To participate visibly in, and be a partner to, the transformation of Nigeria and the business solutions sector.</li> <li>• To partner in increasing economic growth and reducing inequality and unemployment.</li> </ul>	<ul style="list-style-type: none"> <li>• To be a key role-player in the economic, social and environmental transformation of the country.</li> </ul>	<ul style="list-style-type: none"> <li>• As deemed necessary by either party.</li> </ul>	<ul style="list-style-type: none"> <li>• Political engagements take place where there is a business-related invitation.</li> </ul>
<b>Media</b>			
<ul style="list-style-type: none"> <li>• To leverage the reach and influence of media channels to share our business and operations with stakeholders.</li> <li>• To communicate with relevant stakeholders and the broader public with a view to having a positive influence on consumer behaviour that will lead to desired business results.</li> </ul>	<ul style="list-style-type: none"> <li>• To educate and inform the audience on developments in the FMCG sector and BUA Cement specifically.</li> <li>• To be informed about our contribution to the Nigerian economy, our products and services.</li> </ul>	<ul style="list-style-type: none"> <li>• Daily, in response to business-related media queries.</li> <li>• As required in response to our various business and sustainability initiatives.</li> </ul>	<ul style="list-style-type: none"> <li>• Corporate Social Responsibility events and conferences and meetings, to which media are invited.</li> <li>• Discussions held on radio and television stations.</li> <li>• Interviews with key business media on relevant reporting dates.</li> </ul>



<ul style="list-style-type: none"> <li>To protect and manage our reputation.</li> </ul>			<ul style="list-style-type: none"> <li>Daily telephone and email interaction regarding media enquiries.</li> </ul>
<b>Partners and Industry Bodies</b>			
<ul style="list-style-type: none"> <li>To continue learning through interaction with the industry and cross-sectorial organizations.</li> <li>To leverage and build our strategic business partnerships for the maximum benefit of all our stakeholders.</li> <li>To use business associations as a forum through which we can promote our viewpoints on key industry issues.</li> </ul>	<ul style="list-style-type: none"> <li>To deliver mutually beneficial learning.</li> <li>To influence and/or promote common agendas.</li> </ul>	<ul style="list-style-type: none"> <li>As required or dictated by performance contracts and association or partnership membership agreements.</li> </ul>	<ul style="list-style-type: none"> <li>Sponsorship of industry events and conferences.</li> <li>Regular meetings with various industry bodies.</li> <li>Internal Communications – Letters &amp; Emails</li> <li>Company conferences</li> <li>Group workshops</li> </ul>
<b>Suppliers and Contractors</b>			
<ul style="list-style-type: none"> <li>To obtain products or services required for conducting our business.</li> <li>To maintain an ideal and timely supply of goods and services for our operations.</li> <li>To encourage responsible practices across our supply chain, local procurement, supplier conduct and environmental considerations.</li> </ul>	<ul style="list-style-type: none"> <li>To provide products and services.</li> <li>To negotiate pricing and contracts.</li> <li>To promote new products and service offerings.</li> <li>To respond to tenders.</li> </ul>	<ul style="list-style-type: none"> <li>Ongoing, as required.</li> </ul>	<ul style="list-style-type: none"> <li>Ongoing interaction with suppliers and contractors for procurement purposes.</li> <li>Supplier education workshop.</li> <li>One-on-one negotiations and meetings.</li> </ul>

## **11.0 Review**

The Stakeholder Engagement Policy shall be reviewed every five (5) years by the Governance, Establishment and Remuneration Committee to confirm compliance with the Companies and Allied Matters Act and the Codes of Corporate Governance applicable to the Company.