A close-up photograph of rice stalks in a field, illuminated by the warm, golden light of a setting or rising sun. The stalks are in sharp focus in the foreground, while the background is a soft, out-of-focus field of rice.

Sustainability Agenda

Sustainability Agenda

Sustainability Policy

Introduction

FMDQ Group recognises the imperative role it plays in the Nigerian financial market and the opportunities its business presents in its ability to promote sustainable economic growth and development in the wider economy; and as such, understands that the delivery of long-term business success and value creation is not only hinged on financial, but also environmental and social performance. The Policy, developed in line with the SEC's Code of Corporate Governance for Public Companies 2014, requirements for sustainability reporting and the ten (10) Principles of the United Nations (UN) Global Compact, which prioritises four (4) key areas - Human Rights, Labour, Environment and Anti-Corruption - aims to guide the Group in:

- Providing a frame of reference for integrating sustainability in our business activities
- Developing a sustainable value system and a principled approach to doing business
- Being intentional about making a positive impact on our relationships with all our stakeholders
- Dealing with business opportunities and risks in terms of direct and indirect sustainability impacts

Strategic Approach

FMDQ Group, through its activities, aims to achieve sustainability in the areas it actively operates and impacts, as such, its Sustainability Strategy is guided by four (4) main Sustainability Pillars:

- **Our Business** - To ensure sustainability practices are embedded across FMDQ's business operations and activities
- **Our People** - To create a work environment that attracts, fosters engagement, and retains talented employees of diverse backgrounds to fulfil their potential
- **Our Community** - To champion capital market education for the next generation and empower the communities in which we operate, to advance socio-economic development in our nation
- **Our Environment** - To actively manage our environmental impacts derived from the activities of running the Company's operations

Our Sustainability Commitment

Environment

FMDQ Group recognises that the economic activities of running the business may have impact on the environment, and therefore is committed to an environmentally-responsible approach. Our major environmental impacts include energy consumption, water consumption, emissions from generator use and transport, materials usage such as paper, waste management, and environmental compliance. We shall ensure the management, measurement, monitoring, and reporting of our environmental footprint is in line with International Organisation for Standardisation (ISO) 14001:2015 Environmental Management System Standards.

Anti-Corruption

FMDQ Group is committed to applying high standards of honesty and integrity consistently across its operations and in all its business dealings. We are guided and operate in accordance with our core values and are committed to applying the principles of integrity, transparency, accountability and ethics to prevent corruption and bribery in all its forms, which include, facilitation payments, fraud, extortion, collusion, money laundering, an offer or receipt of any in-kind benefits such as, free

goods, gifts, loans, fees, rewards, holidays, or special personal services or other advantage to or from any person as an inducement to do something that is dishonest, illegal, or a breach of trust, for the purpose of an inappropriate advantage, or that can result in moral pressure to receive such an advantage in the conduct of the enterprise's business. FMDQ Group does not tolerate any of these forms of corruption and bribery in the running of its business or in those with whom it does business. We align our anti-corruption practices in line with the United Nations Global Compact (UNGC) Principles.

Human Rights and Labour Standards

At FMDQ Group, we strive to respect and promote human rights in all our business activities in adherence with the UN Guiding Principles on Business and Human Rights, alongside Labour Standards as described in the International Labour Organisation (ILO)'s Declaration on Fundamental Principles and Rights at Work and International Finance Corporation (IFC) Performance Standard (PS) 2 on Labour and Working Conditions. This is in line with our commitment to reduce as much as possible any potential negative impacts on society. FMDQ Group therefore commits to, amongst others:

- promote fair treatment, non-discrimination, and equal opportunity of all employees
- promote compliance with national employment and labour laws
- protect and respect human rights of employees of FMDQ, workers engaged by third parties, clients, and the public
- promote safe and healthy working conditions and the health of workers
- avoid the use of child and forced labour

Diversity & Inclusion

At FMDQ Group, we are committed to creating an inclusive workplace culture and environment that fully embraces and promotes diversity and equal opportunity, where each employee is treated with respect and can fulfil potential. We value, respect and leverage on the creative potential and unique contributions that individuals of different backgrounds, exposure, experience and perspectives bring to help in proffering innovative solutions; to enhance the understanding of the needs of our diverse stakeholders, tailor our products and services accordingly and to build a high performing, creative and more innovative organisation that delivers positive business results. We embrace and celebrate the rich dimensions of diversity within each individual and are committed to eliminating discrimination on any of the above grounds. Our commitment to diversity & inclusion extends to all areas of business, including but not limited to Recruitment and Selection, Board & Management Appointments, Attraction & Retention of Employees, Promotion & Career Progression, Performance Management, Remuneration, Training & Development, Talent Management, Succession Planning, Redeployment and Redundancy.

Occupational Health & Safety

At FMDQ Group, we consider our employees to be one of our most valuable assets and thus are committed to achieving the highest standards of health and safety, by providing and maintaining a work environment that minimises any risks that might jeopardise the health and safety of our employees, visitors and people our operations impact, as we believe that a safe and healthy workplace is a fundamental right of every person and precursor to business success.

Communicable and Serious Diseases

FMDQ Group is committed to ensuring a consistent and equitable approach regarding the prevention of communicable and serious diseases, such as HIV/AIDS, malaria, among employees and their families, and the management of the consequences of same, including the care and support of employees living with the diseases. This Policy ensures that:

- Employees or potential employees with Communicable and Serious Diseases (CSD) will be protected against discrimination, victimisation, or harassment
- Regulatory requirements, with regard to CSD, is complied with
- The privacy of person(s) with a CSD disease is protected

- Accidental infection of others within the workplace is avoided
- Appropriate awareness and education programmes are provided

Grievance Mechanism

FMDQ Group provides a grievance mechanism for employees to raise workplace concerns. We inform workers of the grievance mechanism at the time of recruitment and make it easily accessible to them. The mechanism involves an appropriate level of management and addresses concerns promptly, using an understandable and transparent process that provides timely feedback to those concerned, without any retribution. The mechanism also allows for anonymous complaints to be raised and addressed. The mechanism does not impede access to other judicial or administrative remedies that might be available under the law or through existing arbitration procedures.

Corporate Social Investment

As a responsible organisation that understands the significant role it can play in helping solve some of our societal problems, FMDQ Group has identified the ways in which it can support its host communities by championing financial market education for the next generation and through the empowerment of the communities in which it operates, to advance socio-economic development in our nation, by engaging in the following key initiatives:

- **FMDQ Next Generation Financial Markets Empowerment Programme** – a learning and development initiative aimed at promoting financial market awareness, development, and literacy among students across all levels (primary, secondary and tertiary), as well as fresh graduates, within the country. FMDQ Group aims to make financial market education accessible to both disadvantaged and privileged students
- **FMDQ Staff Corporate Social Responsibility (CSR) Initiative** - an initiative championed by FMDQ Staff, from honorariums, funds raised through auctions carried out on gifts received, and contributions from staff, which are donated to select charity organisations. The Initiative focuses on four (4) main categories, namely, Orphanages, Centres for Youth Rehabilitation, Homes for the Elderly and Special Needs Centres

Climate Change

Climate change represents one of the greatest systemic risks towards achieving sustainable development. Mitigating the effect of climate change will be primarily driven by reducing greenhouse gas emissions. FMDQ Group plays a key role in providing the financial market infrastructure to facilitate a just transition to climate-resilient and low-carbon economies. We have identified climate change as a systemic risk to our business activities and operations, and ensured leadership at the Board level is dedicated to managing this risk. Furthermore, we endeavour to align our related business activities and operations with the relevant targets of UN SDGs: 7 - Affordable and Clean Energy and 13 - Climate Action.

Other Reference Policies

The table below provides a summary of other reference FMDQ Group Policies and Guidelines that support the Company's sustainability commitments and approach to its business activities and operation.

Policy	Policy Summary
 <p>Code of Conduct (Corporate Governance Manual)</p>	<p>This Policy outlines the principles governing FMDQ's business activities and operations, ensuring that it conducts our business in accordance with the highest standards of business ethics and compliance. The Guideline covers Corporate Governance Principles and Structure, Compliance with Laws, Rules & Regulations, Code of Conduct for Directors & Management, Corporate Opportunities, Confidentiality, Protection and Proper Use of Company Assets, Fair Dealing, Record Keeping, etc.</p>

Policy	Policy Summary
 Anti-Money Laundering & Combating the Financing of Terrorism	<p>The Anti-Money Laundering & Combating the Financing of Terrorism (AML/CFT) Policy sets out the guidelines for the Group's compliance with AML/ CFT obligations under the law, as well as regulatory directives, and actively prevents any transaction that facilitates criminal activities.</p>
 Risk Management	<p>This Policy defines the approach adopted by FMDQ Group in identifying and assessing the risks associated with its business, ensuring that they are adequately managed.</p>
 Conflict of Interest (FMDQ Staff Handbook)	<p>This Policy sets out FMDQ Group's approach to identifying potential conflicts of interest, ensuring they are effectively managed and prevented from materialising, to mitigate against reputational, regulatory or financial impact to FMDQ Group.</p>
 Whistle Blowing	<p>This Policy outlines the whistleblowing provisions in place to report any concerns regarding malpractice or misconduct within the Group. Through this Policy, FMDQ Group aims to promote and encourage ethical behaviour and decision making that underpin and support FMDQ Group's values in an open, fair and transparent manner and at the same time avoiding the occurrence of unethical behaviour. It also provides an avenue for stakeholders to raise concerns and receive assurance that they will be protected from reprisals or victimisation for whistleblowing.</p>
 Corporate Communications	<p>The Policy defines and provides guidelines on the extent, quality and output of communication with FMDQ's external stakeholders and on the adherence to and quality of internal communications in line with FMDQ-approved standards.</p>
 Business Continuity Management	<p>The Policy is designed to guide FMDQ Staff on how to minimise the impact to the market or stakeholders in the event of a disruption to normal business activity or operations.</p>
 Brand Management	<p>This Policy sets out the guidelines for the management, enhancement and preservation of the corporate brand identity of FMDQ Group.</p>

Policy	Policy Summary
 <p>Remuneration Policy</p>	<p>This Policy describes the basic principles of FMDQ Group's Remuneration Policy for Directors (Executive and Non-Executive), Management and staff. It provides an objective, adaptable and competitive remuneration structure that is tailored to specific circumstances of the organisation, in order to attract, motivate and retain highly skilled and performing staff and Management, as well as Executive Directors; has regard for job content and the performance of teams and individual employees; reflects market best practices and incentivises and motivates Non-Executive Directors and employees.</p>
 <p>Promotion Policy</p>	<p>This Policy provides an overview of the promotion guidelines for FMDQ Group and is aimed at enabling Executive Management determine and award promotions within the organisation.</p>
 <p>Gifts & Honorariums (Corporate Governance Manual and FMDQ Staff Handbook)</p>	<p>This provides guidance on how to account for any gifts or honorariums received. This Policy is used alongside the AML/CFT Policy</p>

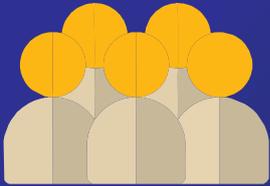
Enforcement

Disciplinary action will be taken against any employee who is found to be in breach of the Policy. Allegations of discrimination which are not made in good faith will also be treated as a disciplinary matter. Failure of relevant stakeholders e.g., consultants, vendors, and clients, to comply with this Policy may result in their contracts being terminated.

Sustainability Report

FMDQ Group continues to play a crucial role in the Nigerian financial market ecosystem by promoting economic development and sustainable growth as well as making progress in integrating sustainability as a core component of its organisational culture and business strategy. FMDQ Group recognises that financial market infrastructure businesses are uniquely positioned to address important global challenges and must therefore produce economic, social, and positive environmental impact.

2022 SUSTAINABILITY HIGHLIGHTS



₦7.75
Million
Donated to the community



Launched the
FMDQ TRIPLE R INITIATIVE
on Waste Management



Held the Annual
“Ring the Bell for Gender Equality”
Ceremony for Women Empowerment

Held the
“Ring the Bell for Financial Literacy”
to promote Financial Education





50%
Women
Executive Management

67%
Women
Managing Director Grade

57%
Women
Employees



130
Participants impacted by
Financial Literacy Sessions

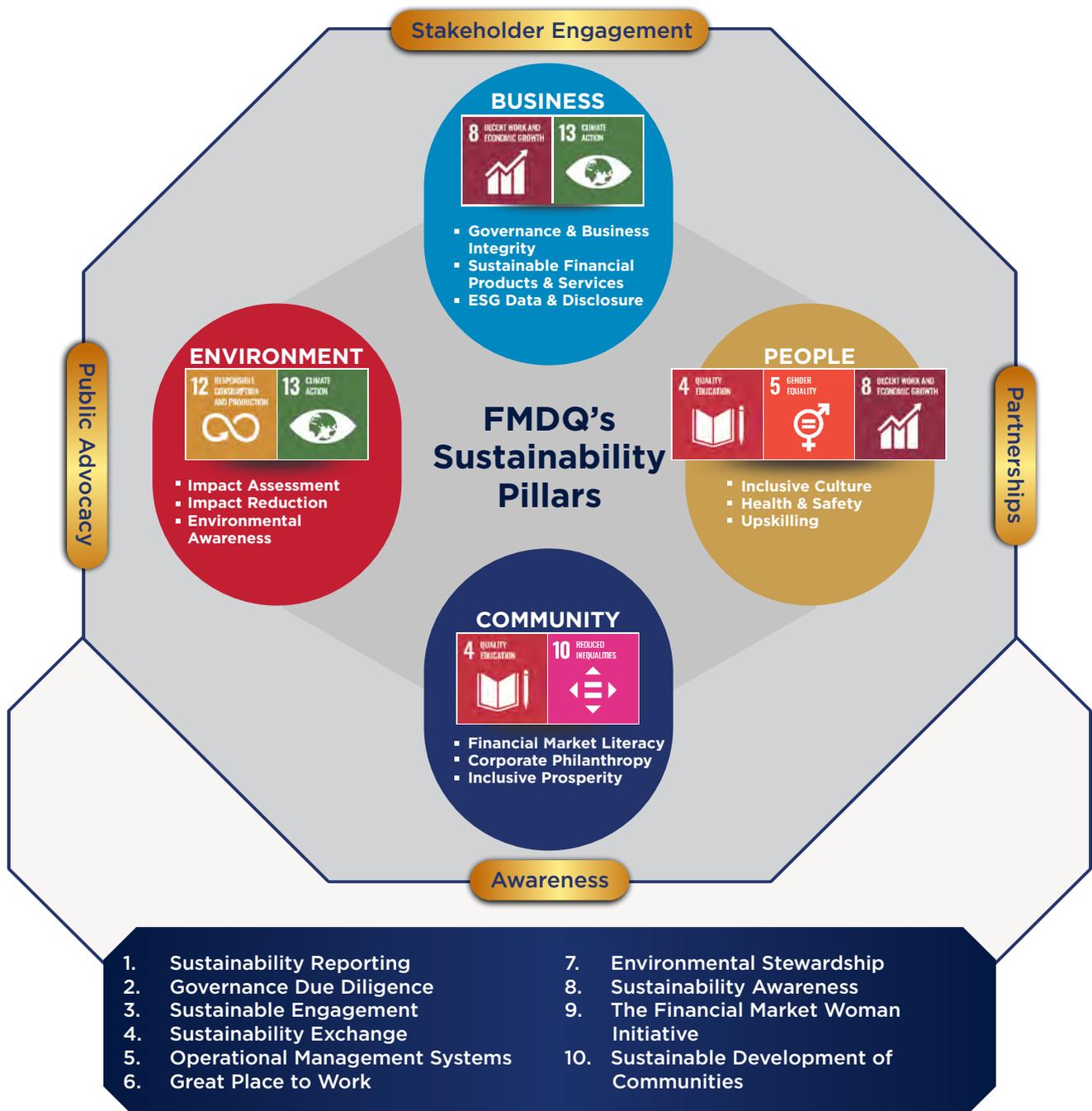
648
Volunteer Hours



Sustainability Strategy

Our approach to Sustainability is guided by our business strategy, and what we consider relevant to delivering our strategy, in view of the role we are equipped to play in impacting the markets and society. We are also guided by various sustainability frameworks which shape our initiatives, they include the UN Global Compact, the UN SDGs, the WFE Sustainability Principles, and the UN Sustainable Stock Exchange Initiative Priority SDGs - gender equality (Goal 5), decent work and economic growth (Goal 8), reduced inequalities (Goal 10), responsible consumption and production (Goal 12), climate action (Goal 13), and partnerships for the goals (Goal 17).

FMDQ Group's Sustainability Strategy consists of twelve (12) Strategic Areas and ten (10) Initiatives, aligning with six (6) priority SDGs.



BUSINESS**Strategic Agenda**

To ensure sustainability practices are embedded and guide our business operations and activities.

SDG Impact Area

Corporate Governance

FMDQ Group is committed to upholding the corporate governance standards outlined in the SEC's Code of Corporate Governance for Public Companies 2014, in order to continue creating value for its stakeholders. FMDQ Group demonstrates the highest level of corporate governance practices in line with international best practices such as the International Finance Corporation's Corporate Governance Methodology, 2019. Our approach to implementing our business strategy is also governed by our core values of Teamwork and Collaboration, Integrity, Innovation, and Value-Adding, which ensure the highest standards in corporate business conduct in order to keep the trust of our stakeholders. Further information on our corporate governance framework can be found in the Corporate Governance Report section of the Annual Report.

Sustainability Governance

The FMDQ Group Board Finance and Strategy Committee is in charge of setting direction, guaranteeing the FMDQ Sustainability Strategy's applicability and effectiveness, and supervising the creation and execution of FMDQ's Sustainability Strategy, policies, and projects. In addition, with guidance and support from FMDQ Group Management, there is a dedicated Sustainability Group focused on the execution, communication and reporting of Group-wide sustainability initiatives.

Business Integrity

We are committed to business integrity and have put in place measures to ensure that all our stakeholders uphold the highest ethical standards. Our Whistleblowing Policy provides an avenue for stakeholders to report any unethical behavior by Members, employees, regulators, investors, industry, and other stakeholders. Our commitment to sustainability is also a testament to business integrity, as it acknowledges that maintaining a positive impact on the environment and society is essential to the longevity of the business. Our Code of Conduct guides the behaviour of our Members, employees, and stakeholders, It ensure that we conduct our business on the principles of fairness, honesty, openness, decency, integrity, and respect. Policies covering Anti-Bribery and Corruption, Anti-Money Laundering, Conflict of Interests, Whistleblowing, amongst others, can be found on the FMDQ website – www.fmdqgroup.com.

Sustainable Financial Products and Services

FMDQ Group continues to take the lead in promoting sustainable development in the Nigerian financial markets. This is being done by creating a sustainable finance ecosystem, advancing sustainable finance initiatives, forming pertinent Environmental, Social, and Governance (ESG) partnerships and collaborations, as well as educating and developing the market stakeholders.

FMDQ Green Exchange

Following its launch in November 2021, as the pioneer Green Exchange in Africa and successful listing of five (5) green bonds with a total value of c. N55.52 billion, FMDQ Green Exchange continues to serve as an information platform that promotes the growth of green and sustainable securities and provides reliable green data in the Nigerian financial markets – through promoting transparency, good governance, and compliance – by showcasing securities issuances that align with global ESG principles.

Nigerian Green Bond Market Development Programme

The NGBMDP was established in 2018 to create awareness and drive education required to integrate the principles of green financing into the Nigerian DCM, thereby facilitating the establishment and development of the nation's green bond market. In 2022, the Implementing Partners of the NGBMDP, FMDQ Group and FSD Africa, executed key developments, these include:

- Capacity building sessions for:
 - Ministries, Departments, and Agencies of the Lagos State Government ahead of the issuance of the State's proposed Maiden Green and Blue Bonds
 - The Real Estate Industry on “Green Financing for Buildings”
 - The Federal Ministry of Agriculture and Rural Development on “Modern and Sustainable Agriculture”
 - The Federal Ministry of Water Resources on the “Issuance of the Federal Government of Nigeria Maiden Blue Bond”
 - The SEC and the Investments and Securities Tribunal on “Sustainability, Sustainability-linked Bonds, and their Markets”

During the period in review, the Implementing Partners renewed their Cooperation Agreement to drive the growth of green, blue, and social bonds market in Nigeria and also launched the Nigerian Green Bond Market Development Programme Impact Report, which is a Report that documents the activities of the NGBMDP since its inception in 2018 and provides insights into the challenges and opportunities in the Nigerian Green Bond Market.

More update on the Nigerian Green Bond Market Development Programme can be found in the External Governance Section.

Financial Centre for Sustainability, Lagos

The Financial Centre for Sustainability (“FC4S”), Lagos engaged in several impact-driven initiatives in the review period in line with its commitment to accelerating the expansion of sustainable finance in Nigeria and supporting the country's drive to implement its nationally determined contributions. The following are some of the impact-driven initiatives executed during the year by FC4S Lagos, in collaboration with FMDQ Group:

- The second edition of the Naija SDGs Fintech Hackathon was held with the support of the Office of the Vice President, Impact Hub, Office of the Special Adviser to the Lagos State Governor on SDGs and Investments, with sponsorship from FMDQ Group, Microsoft, Coca Cola International, and in partnership with the Nigeria Climate Innovation Centre (NCIC). The event had Nerve Labs, Beta Life and Luka Finance as the winners of the cash prizes of One Million Naira (₦1.00 million) each
- The Water Sanitation & Hygiene (WASH) Behavioural Radio Talk Show Series which aimed to support Nigeria's drive to introduce healthy hygiene habits and make clean water and sanitation services available to citizens were aired. The recordings were hosted at the Lagos Business School Studios and aired on Inspiration FM, Lagos and WeFM, Abuja in partnership with the NCIC
- Signed a Memorandum of Understanding (MoU) with Environmental & Social Sustainability (ESS), a Senegal-based sustainability firm with footprints in six (6) African countries, to drive the concept of sustainability in the Nigerian capital markets, the mining sector in Nigeria as well as across other African countries
- Engaged the United Nations Development Programme (UNDP) Nigeria via the support of FC4S Network headquarters in Geneva and commenced plans on executing a Growth Stage Impact Ventures (GSIV) scheme in Nigeria as part of the steps required to execute the SDG Investment Brokering for Small and Medium-Scale Enterprises (SMEs) project. The GSIV will involve a Call for Nomination of Consultants to review the targeted SMEs and a Call for Proposals for SMEs that are executing SDG-focused projects under seven (7) thematic areas: - Infrastructure, Consumer Goods, Technology, Services, Healthcare, Renewable Energy, and Food & Beverage. The purpose is to enhance access to capital for SMEs, stimulate growth and strengthen livelihoods

More information can be found in the Update Report of Financial Centre for Sustainability, Lagos Section.

Partnerships

Towards the advancement of sustainable markets and performance in relation to ESG, FMDQ Group has partnered and actively participates with various local and international organisations and initiatives:

- United Nations Global Compact – supporting principles
- World Federation of Exchanges – Full Member
- United Nations Sustainable Stock Exchange Initiative – Observer status
- African Securities Exchange Association – Full Member
- International Organisation of Securities Commissions – World Investor Week
- Ring the Bell for Gender Equality
- Ring the Bell for Financial Literacy

In order to integrate sustainability throughout corporate operations and markets, FMDQ actively engages in Working Groups where debates on sustainable finance, ESG practices, focus areas, trends, etc. are analysed and evaluated for adoption by financial market infrastructures.

PEOPLE

Strategic Agenda

To create a work environment that attracts, fosters, engages, and retains diverse talent.

SDG Impact Area



At FMDQ, we continuously strive to find suitable talents that are a true definition of the FMDQ Person and have the desired FMDQ 'DNA'; to ensure that they fit into our organisation culture and future business goals. Our people continue to be of high priority, as we attribute our sustained success in the delivery of our mandate and strategy to their unwavering dedication and resilience to achieving the Group's objectives.

Employee attraction and retention are crucial to the success of our organisation, and we continue to improve on the necessary strategies such as promoting from within, investing in employee trainings, recognising, and rewarding outstanding performances, accommodating employee needs, and improving our recruitment process.

To ensure that we have the required talents for the business to perform optimally, and in line with our manpower needs of 2022, thirty-five (35) new employees were recruited into the companies within the Group.

Learning and Development

Talent Development - Recognising the value of investing in learning and development, we have maintained a culture of continual talent development in line with our commitment to develop our people. FMDQ Group is cognisant that given the nature of our business, the talent and expertise we seek are not simply transferrable from the broader financial services industry. As a result, we are constantly investing in a holistic talent strategy to strengthen our internal competencies and talent pool.

At FMDQ, we promote a culture of lifelong learning and implemented programmes to upgrade the skills of employees - Leadership development is a priority area in which we work with respected and established best-in-class training program providers to develop and expand the capabilities of those in supervisory and managerial roles. Within the year, to support our employees' learning and development holistically, the LMS – Go1 was successfully launched as an affiliate module, following

the deployment of SeamlessHR, our Human Resource Management System; and offers the largest curated eLearning library from top training providers, providing access to over sixty-eight thousand (68,000) courses.

As such, all staff members attended trainings during the year spanning a variety of areas including, but not limited to:

- Technical trainings focused on financial markets, governance strategy, financial reporting, and information technology
- Soft skills trainings focused on mindfulness-based emotional intelligence and leadership
- Fire Management Training
- Workshop on Mentoring

In addition, our employees were provided with refresher training and an awareness campaign on whistleblowing, general compliance, staff dealings, and information security related topics.

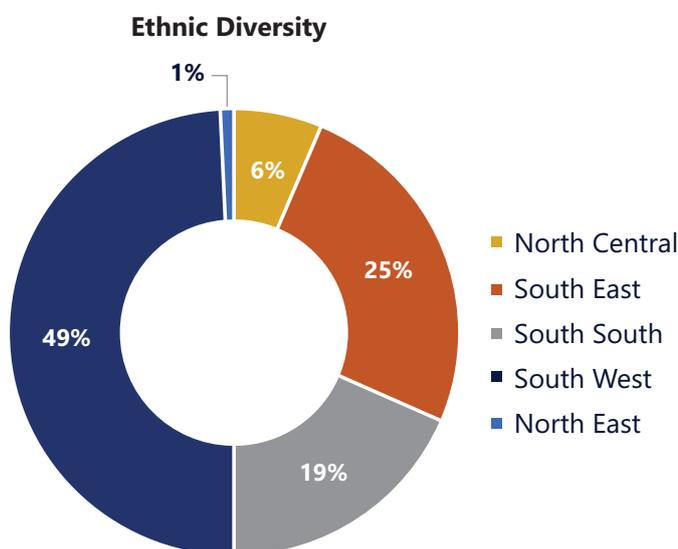
Knowledge Sharing/Empowerment Sessions - These sessions held in the year, with a focus on the Role of Central Securities Depository in Financial Markets, as well as roundtable sessions on the Future of Derivatives in the Nigerian Financial Markets and Galvanising the Corporate Debt Market in Nigeria.

Diversity and Inclusion

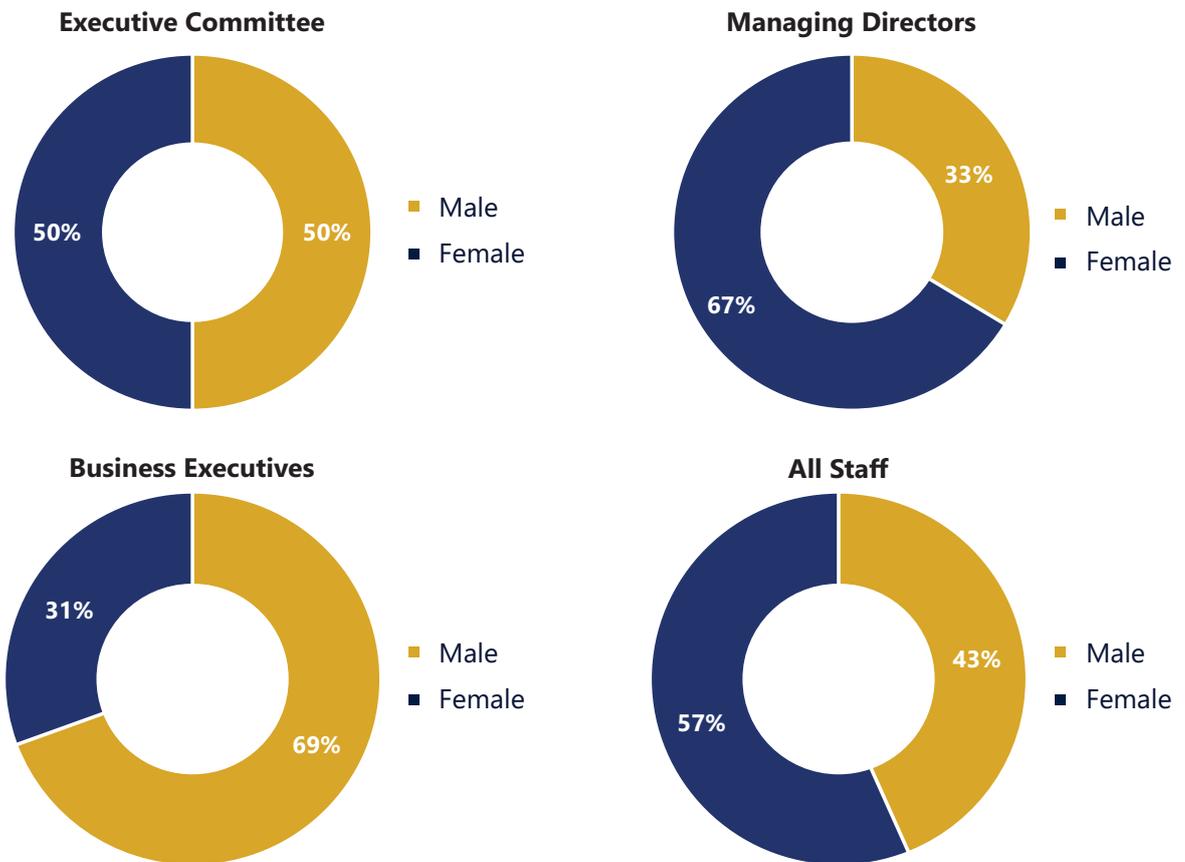
FMDQ embraces diversity among our staff, regardless of gender, age, disability, or other socio-cultural differences and recognises that diversity and inclusion is not limited to headcounts, policies, or programs, but also include respecting and accommodating our employees' unique needs, perspectives, and potential. We value how diversity broadens our collective skills and perspectives, resulting in increased innovation within our organisation.

We are committed to consistently creating an environment in where every staff member is equally involved and receives the necessary support in all areas of work, while also feeling safe to express their uniqueness without fear of discrimination based on gender, age, physical appearance or disability, marital status, national origin, religion, socioeconomic background, or personality traits, in recognition of the critical role diversity plays in fostering improved performance. Consequently, this has been crucial in widening our talent pool and increasing our chances of attracting and retaining the best talents.

As at December 31, 2022, we had a total staff strength of ninety-five (95) permanent employees and based on the gender distribution across all grade levels as well as the representation of the different ethnicities, it is evident that FMDQ is committed to ensuring it remains a diverse and inclusive organisation.



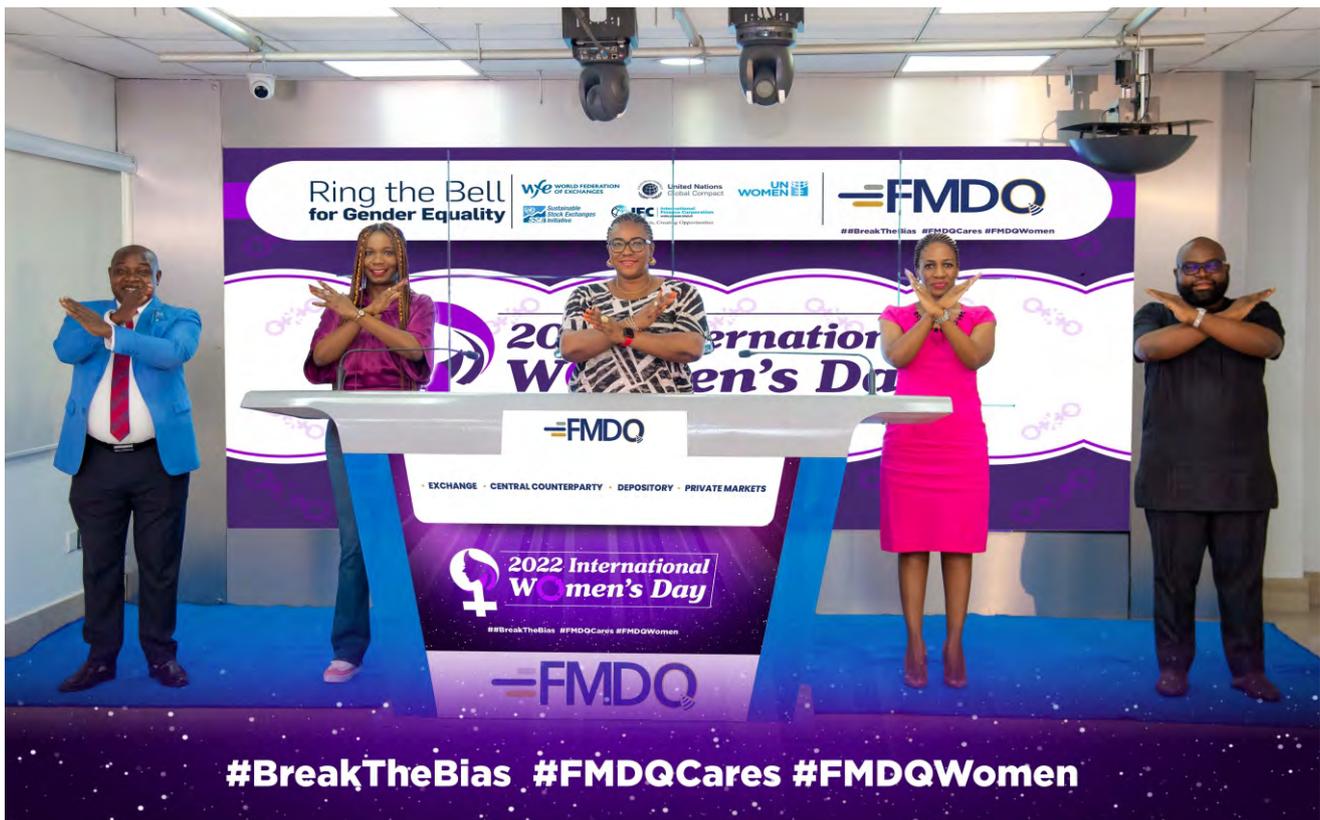
Gender Representation as at December 31, 2022



Ring the Bell for Gender Equality

In support of the UN's SDG 5, focusing on the achievement of gender equality through the empowerment of women and girls, FMDQ Group commemorated the 2022 International Women's Day ("IWD"), by joining the World Federation of Exchanges, UN Global Compact, UN Women, Sustainable Stock Exchanges Initiative, International Finance Corporation, and over one hundred and twelve (112) Exchanges and CCPs around the world, for the 8th year, to participate in the "Ring the Bell for Gender Equality". The male and female Business Executives of FMDQ gathered for the Ceremony to raise awareness about the case for women's economic empowerment, and the available opportunities for the private sector to advance gender equality and sustainable development.

FMDQ Group also commemorated the 2022 IWD through targeted social media campaigns, which showcased FMDQ Group's contributions to fostering a gender equal world, free of bias, stereotypes and discrimination.



Health and Safety

FMDQ has structured its work environment to eliminate all threats or hazards to the general health and well-being of all employees. Staff wellbeing is an important component of a healthy organisation and work environment, and as such, FMDQ prioritises the enhancement of applicable staff welfare policies while continuing to encourage wellness in the workplace to demonstrate its dedication to the FMDQ People. We have focused not just on the physical health of employees, but also on their emotional and mental well-being, and this has resulted in increased employee productivity and engagement, as well as creating better work ethics/habits.

We collaborated with our Health Maintenance Organisation (HMO) Partners to grow and improve the services offered by the various HMOs plans; and encouraged staff members to utilise the annual comprehensive health check service provided. Likewise, we continued to create awareness and enlighten all staff on living a healthy lifestyle through Quarterly Health Talks on the following areas:

- Danger of Sedentary Lifestyle
- Cancer: The Emperor of All Maladies
- Kidney Health and Diseases

FMDQ's People Agenda

At FMDQ, our employees are our most valued asset. As such, our actions and decision making are guided by this fact. We are firmly committed to creating a work environment that attracts, engages and retains talented employees of diverse backgrounds to fulfil their potential. FMDQ strives to promote a culture driven by Teamwork & Collaboration, Innovation, Integrity and Value-Adding.

To this end, we exhibit a DNA engrained in Passion & Vision, Career Mindedness & Long-Term Focus, Courage & Diligence and Doggedness & Resilience. FMDQ is therefore committed to actively driving employee engagement and ensuring that our people are empowered to grow whilst delivering value to all our stakeholders.

To support employee engagement and growth, FMDQ utilises a mix of learning interventions and incentives to promote a continuous learning culture. Furthermore, staff are exposed to stimulating work that constantly stretches their minds and capacity leading to unrivalled personal and professional growth.

Accordingly, FMDQ utilises a competitive and performance driven remuneration strategy, as well as learning and development efforts that focuses on building technical and soft skills, to enhance employee experience, career growth, job satisfaction and fulfilment of our people to meet the specialised talent needs of our business.

COMMUNITY

Strategic Agenda

To champion financial markets education and inclusion and empower communities for sustainable development.

SDG Impact Area



Corporate Philanthropy

As a responsible corporate entity, who prides itself as an organisation that cares about the most vulnerable in society, the Group extended support to its four (4) partner charities – Echoes of Mercy and Hope Foundation, Holy Family Home for the Elderly, Living Fountain Orphanage and Modupe Cole Memorial Childcare and Treatment Home/School - through the FMDQ Staff CSR Initiative, where funds raised from auctions carried out on gifts and honorariums received by FMDQ employees are donated to these charity organisations. In 2022, the employees participated in a digital auction, where all gifts received from stakeholders were auctioned to the highest bidder.

In line with the Group's Corporate Matching Gift Policy, funds raised by employees from the auction were matched by FMDQ Group, increasing the total amount raised to ₦2.75 million. Donations of food and household items were also made to the partner charities, to show its consistent support to their welfare and development.



Financial Markets Literacy

As a fervent advocate for youth education and empowerment of future generations, FMDQ Next Generation Financial Markets Empowerment Programme (FMDQ-Next), a learning and development initiative aimed at providing financial markets education and promoting financial literacy among the youth in Nigeria, has throughout the year continued to invest in nurturing the next generation to be financially astute individuals with the capacity to contribute to the development of Nigeria.

More information is captured in the Corporate Responsibility Report.

Employee Volunteering

As an organisation that is committed to giving back, FMDQ employees continued to invest their time, knowledge and expertise to serving its communities, through various engagements via the FMDQ-Next Initiative, where they teach the students about the financial markets and basic concepts within the financial markets, the roles different market participants play, the important market stakeholders, practical steps to take on when commencing their investing journey and key attitudes for wealth creation and career advice, amongst others. During the year, FMDQ employees contributed over six hundred and four-eight (648) volunteer hours educating and equipping the next generation with the required knowledge and skills to navigate and succeed in the future.

Ring the Bell for Financial Literacy

In commemoration of the 2022 World Investor Week (WIW), hosted by the World Federation of Exchanges, the global industry group for Exchanges and CCP, in partnership with the International Organisation of Securities Commissions, FMDQ Group joined the global community to celebrate the WIW 2022 through targeted social media campaigns, which showcased FMDQ's contributions to investor education and financial literacy. A physical "Ring the Bell for Financial Literacy" Ceremony was held in October 2022, to create awareness on the importance of investor protection and to promote financial literacy.

The themes of the 2022 WIW campaign were centred on Investor Resilience and Sustainable Finance, which resonates with FMDQ Group as the core of its subsidiaries' products and services are vested towards building investor resilience, and its innovation in sustainable finance has changed the financial markets landscape in Nigeria.



ENVIRONMENT

Strategic Agenda

To promote development of the green economy and actively manage the environmental impacts of our operations.

SDG Impact Area



FMDQ Triple R Initiative - In pursuant of its Environmental Sustainability Agenda, which is directed at environmental impact assessment, reduction, and awareness, FMDQ Group launched its recycling initiative – *FMDQ Triple R Initiative*, in a bid to actively manage its environmental impact as it relates to waste management, build a mindful culture amongst employees, and conduct its operations in an eco-friendly manner. From its launch in June 2022, the Triple R Initiative enabled us to track our recyclables, which was a total of 394kg from June to December 2022.

Environmental Footprint - Our environmental footprints include energy consumption, water consumption, emissions from generator use and transport (air and land), materials usage such as paper, waste management, and environmental compliance. We are currently aligning our environmental footprint with International Organisation for Standardisation (ISO) 14001:2015 Environmental Management System Standards. Our plan is to ensure accurate measurement of energy and water consumption which can serve as a baseline for setting targets. Also, we have commenced our Electronic Data Management System which fosters a paperless system in FMDQ.

For energy conservation, we are developing an Energy Management Plan with conservation initiatives such as - switching of lights and appliances when not required, making use of sensor lights, utilising energy saving lighting across the office building, and switching to energy efficient appliances and equipment such as refrigerators, air conditioners, television screens, computers, and water dispensers. Reduction in energy use will reduce our Scope 1 emissions. Nonetheless, we are implementing the following initiatives to reduce carbon emissions:

- Introduction of renewable energy (solar energy) into our energy mix
- Purchase of higher capacity power storage equipment (inverters and batteries) to reduce generator use
- Decreasing the continuous use of fossil fuel powered generators by enforcing the FMDQ generator cut-off time
- Encouraging employee carpooling, virtual meetings, and remote work/work-from-home initiatives

Environmental Awareness - FMDQ is committed to driving environmental sustainability awareness and capacity building. This is ongoing for employees via our 'FMDQ Sustainability Bulletin' publications; all staff shall be kept aware of environmental issues and empowered to take action both at work and in their local communities to identify and reduce their impact on the environment and pursue a healthy lifestyle.

Corporate Responsibility Report

As a socially responsible organisation with a strong understanding of the significant role financial market education plays in economic and social development and a fervent advocate for youth education and empowerment of future generations, FMDQ Group, leveraging on its core capacities, has continued to identify ways in which it can support its host communities through championing financial markets education for the next generation and the empowerment of the communities in which it operates, via its flagship corporate responsibility programme, FMDQ-Next

FMDQ-Next

FMDQ-Next is FMDQ Group's flagship corporate responsibility programme, a learning and development initiative aimed at promoting financial market awareness and education among students across all levels, as well as university graduates within the country.



Introduce participants to the world of finance and investments, exposing them to a wide range of skills which position them for personal growth and innovation thinking for the future



Teach participants principles to create and manage wealth



Provide opportunities for students to interact with financial market participants, gaining practical knowledge about key financial market concepts



Demystify the workings of financial markets for the participants, empowering them to be financially astute from an early age



Enhance the professional marketability of the youth, thereby developing Nigeria's local technical capital

The FMDQ-Next Initiative has developed several exciting programmes, which include:



Teach-a-Class Sessions

involving fun, educational and interactive financial markets exercises and activities



Excursions and Tours

where students are given the opportunity to visit FMDQ Group, as well as local and international financial markets institutions



Trading Simulation Exercises

where students learn how to trade a variety of securities in the financial market through the management of a virtual portfolio in a simulated environment



Summer Camp Programme

specifically for primary and secondary school students to learn about the financial market over the summer holidays

2022 FMDQ-Next Summer Camp

In furtherance of its commitment to fostering financial literacy in the younger generation, FMDQ-Next successfully organised its 3rd edition of its Summer Camp Programme ("the Programme") at its business complex, Exchange Place, in Lagos.

The free and highly coveted Summer Camp Programme, designed for Primary School (ages 8–10) and Secondary School (ages 11–16) students, was delivered in four (4) Streams, in August 2022. The Programme provided fun and exciting learning experiences, through interactive financial market exercises and activities, offering the young participants the opportunity to learn about the workings of financial markets, the concept of savings and investment, the various investment vehicles, and the roles of the different financial market participants, amongst other valuable learnings. Surpassing expectations, the Programme positively impacted one hundred and thirty (130) students, both male and female from a variety of schools across the country.



Whilst the Primary School participants enjoyed a range of activities, including quizzes and competitions, trade by barter activities to introduce them to the concept of demand and supply, arts and crafts session to foster creativity, amongst others, earning them fantastic prizes, the Secondary School participants were given the added opportunity to learn how to trade currencies, culminating in a Trading Challenge in a simulated environment in FMDQ Q-Hub (a state-of-the-art Trading Simulation Room), using the FMDQ-Next bespoke Trading System. In addition to enjoying the practical trading experience, which saw the participants manage virtual portfolios with the goal of making profit and growing the portfolios, the top three (3) finalists of both Streams in the Trading Challenge were awarded exciting prizes, such as laptops and tablets, as well as future internship opportunities at FMDQ Group and Stanbic IBTC Bank PLC. Beyond promoting financial markets education, the Programme also provided an avenue for participants to showcase their exceptional talents in music, drama, and arts, through Talent Shows, with attendant prizes for the performers.

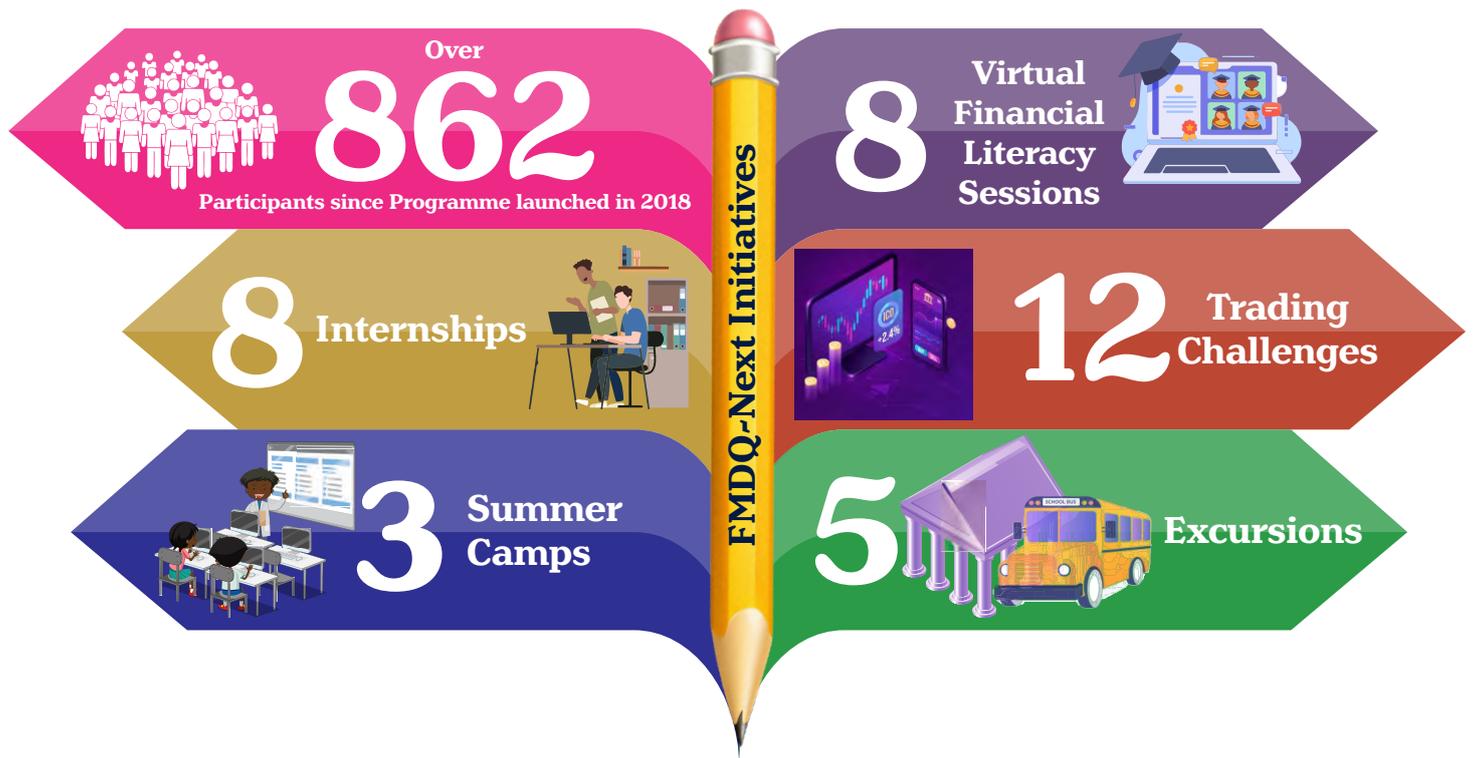


During the 2022 FMDQ GOLD Awards, an annual event organised to recognise the demonstrated resilience and agility of the Nigerian financial markets participants whose contribution in the FMDQ markets have positively impacted the development of the Nigerian economy, selected participants from the 2022 FMDQ-Next Summer Camp (Primary School stream) were invited to showcase their learning experience from the Summer Camp. The participants performed a playlet, where they educated the audience on financial markets and basic concepts within the financial markets, the roles of different financial market participants, common investment vehicles, amongst others.



Since FMDQ-Next launched in July 2018, over eight hundred and sixty-two (862) participants, from primary students, through to fresh graduates, have been positively impacted through three (3) Summer Camps; five (5) Excursions; eight (8) Virtual Financial Literacy Sessions; twelve (12) Trading Challenges; and eight (8) Internships with FMDQ Group. The FMDQ-Next initiative is an expression of FMDQ Group's ongoing commitment to continually implement innovative initiatives that ensure a sustainable financial future for the next generation.

Key Highlights



FMDQ Group

▪ Exchange ▪ Central Counterparty ▪ Depository ▪ Private Markets

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