



Environmental and Social Risk Management Policy & Framework



Ownership/Stakeholders


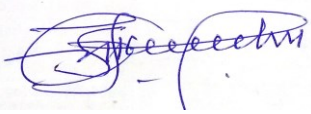
Document Owner

Enterprise Risk Management

Distribution List

1. The Board of Directors
2. The Executive Management
3. The Middle Level Managers
4. All Employees
5. All the Contractors, Vendors, Suppliers, etc.

Approval Section

Approved By	Office/Designation	Signature & Date
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Change History

Date	Version	Author	Description of Change	Reviewed By
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Introduction

As a provider of information security and other professional services for clients in nearly every sector of the economy in Nigeria since 2018, Mitiget Assurance and Technology Services Limited (Mitiget) recognizes that her business decisions and those of her customers have the potential to impact communities and the environment. We believe that for certain industries and activities, we must consider the environmental, social, and human rights impacts of our operations and the attendant risk. Our commitment to strong environmental and social risk management supports our companywide goal and continues to build trust with our stakeholders.

Our Environmental and Social Risk Management (ESRM) framework and policy build on our due diligence requirements, and they help us identify, evaluate, and manage the environmental and social risks associated with our business. We update our ESRM requirements as our understanding of the complex issues evolves, and we seek to adhere to global best practices regarding managing environmental and social risk.

Our system in this regard involves a methodological approach to managing environmental and social risks and impacts in a structured way. The approach is formalized in this document and other related policy that applies a consistent methodology to understanding, assessing, and considering environmental and social risks in our decision-making.

This policy and framework follow Mitiget's risk management approach. Lines of business have primary accountability for managing risk. We openly discuss identified risk with experts throughout the organization, and we escalate decision-making to the highest levels of the company when environmental, social, or reputation risk is identified as **HIGH**.

Our relationship managers are also trained to identify and evaluate potential environmental and social risks associated with certain ~~trans~~actions involving projects and funding and finance deals.

Mitiget's Board of Directors (MBD) has primary oversight for the ESRM policy, as it does for all the company's policies, programs, and strategies.

Mitiget invests in customer relationships that endure. Understanding customer and industry issues is a cornerstone of Mitiget's approach. It helps us build stronger and more durable relationships over time.

Overarching Issues and Focus Areas

Climate Change

We recognize the growing concerns related to climate change. We agree that climate change represents one of the greatest challenges of our time, and we are committed to doing our part. Mitiget has strategies and goals in place throughout our business and operations that help us deliver on our public commitment to accelerate the transition to a low carbon economy. We also map out additional opportunities to address climate risk and support our customers as they transition to a low carbon economy. Moreover, we put mechanisms in place to minimize the impacts of climate change on our communities.

When executing our customers' projects, we integrate climate-change-related risks into our decision-making when those risks may potentially impact a customer's long-term success. Risks and opportunities associated with the impacts of climate change, typically related to their activities and/or physical locations, vary by customer, so we evaluate climate risk on a case-by-case basis. Risk categories we consider include, but are not limited to:

- **Physical risk.** Physical risks are location specific. We consider the location of a customer's operations when evaluating its business/project risks.
- **Regulatory risk.** Policy actions involving climate change continue to evolve. Their objectives generally fall into two categories: policy actions that attempt to constrain actions that contribute to the adverse effects of climate change, and policy actions that seek to promote adaptation to climate change. The risk associated with and financial impact of policy changes depend on the nature and timing of the policy change.
- **Transition risk.** As we transition to a low carbon economy, various risks are emerging. Depending on the nature, speed, and focus of these changes, transition risks may pose varying levels of financial and reputational risk to organizations, including professional service providers.

Human Rights

Mitiget recognizes that governments have the duty to protect human rights, and our company has a responsibility to respect human rights. Respecting human rights is an ongoing effort, and we regularly assess our practices and approaches considering changing global policies, business practices, and expectations. Expectations for companies to proactively manage and mitigate human rights-related risks are increasing as external stakeholders — from regulators to nongovernment organizations (NGOs), customers to team members — expect transparency in how companies address these issues throughout their value chain. In anticipation of increased scrutiny and higher potential risk, our focus is now on moving from policy development to committed implementation.

- **Employment.** Mitiget is committed to safe, inclusive, and respectful workplace practices. We prohibit discrimination based on sex, religion, ethnicity, disability, etc. We also shall give equal opportunity to persons with disability. We have increased our enterprise focus on issues associated with potential human rights risk. We will continue to implement and promote Speak-Up and Non-Retaliation policies.
- **Supplier engagement.** Mitiget strive to engage only with suppliers whose values and business principles demonstrate a respect for communities and individual human rights in all areas of their businesses. Several processes are now in place to monitor contract compliance and capture opportunities specific to human rights.
- **Communities.** We are committed to investing in endeavours that enhance quality of life in the communities where we have a business presence and preserve the natural environment.
- **International disclosure requirements.** New laws and regulations focused on ending human trafficking, modern slavery, and other practices require compliance from a variety of companies and sectors, including professional service providers. We will continue to be transparent about our commitments and implementation as global legislation in the area evolves.

Local Content

Mitiget has been serving the Nigerian market and her communities since inception. We will continue to ensure that we drive local content goals in all our dealings while considering expertise in our business dealings. In general, Mitiget respects Local content and local community rights to determine their own way of life on their own lands, according to their time-honoured cultures, traditions, and beliefs. We recognize the rights of these communities to meaningful and appropriate consultation regarding issues affecting their sacred lands and natural resources —traditionally owned or otherwise occupied and used — today and for future generations.

Stakeholder Engagement

We actively engage with our stakeholders. Connecting with communities and stakeholders is one of Mitiget’s strategic priorities. We understand the important role we play in the success of our communities, and we strive to listen to their concerns and understand their expectations.

Stakeholder engagement is also important from a governance perspective, and it supports our ESRM approach. Our stakeholder engagement helps us understand changing societal expectations on environmental and social topics that can create risk in our business. We apply the knowledge we build through engagement to our ESRM policies and practices.

We encourage stakeholder engagement commitments and practices among our

customers because we believe that it is the basis for building strong, constructive, and responsive relationships that are essential for our customers' success.

Reputation Risk

Reputation risk is inherent in all our activities, and managing that risk is critical to Mitiget's success. A loss of stakeholder trust in Mitiget's competence or integrity could affect Mitiget's ability to establish new relationships or services or to continue servicing existing relationships. Mitiget is committed to improving its reputation by rebuilding trust with stakeholders, satisfying our customers' service requirements and needs, and helping them succeed in their business and/or mission.

While doing business and executing its strategy, stakeholders (including team members, customers, potential customers, noncustomers, shareholders, regulators, elected officials, advocacy groups, and the media) expect Mitiget to manage reputation risk, including:

- Aligning business practices, products and services, and team member behaviour with Mitiget's Vision, Mission, Values and Goals.
- Where possible, proactively identifying, assessing, mitigating, or managing reputation risk before events materialize.
- Proactively managing and monitoring materialized reputation events and Mitiget's reputation efficiently and effectively.

Emerging Risk

Effective management of various types of risk is rooted in a companywide culture at Mitiget driven what we stand for. We are fully committed to establishing, maintaining, and continually updating a sound risk management program governing our activities. The ERM Team is responsible for identifying, assessing, and escalating emerging environmental and social risks, and our lines of business also are responsible for developing processes to identify and escalate, where appropriate, emerging environmental, social, and reputation risks.

Policy Restrictions and Prohibitions

Mitiget has internal policies that stipulate companywide and line-of-business-specific prohibited and restricted activities as well as activities that require additional or elevated approvals (for instance, at the level of Chief Executive Officer). Consistent with the ESRM policy, and in alignment with ESRM best practices, Mitiget does not directly or indirectly finance the following activities or customers involved in these activities.

- **Illegal activities.** These include any activities that are illegal under local laws and regulations or under the conventions and agreements to which Mitiget is a legal party.
- **Modern slavery and harmful child labour.** These include any clients or activities in which we become aware of evidence indicating forced labour, child labour, human trafficking, or any other type of modern slavery.
- **Mountain top removal (MTR).** We do not directly get involved in mountaintop removal, coal mining projects, nor do we extend support to such projects.
- **Internet gambling.** We prohibit internet gambling businesses and any such transaction that is unlawful under any federal or state law.
- **Marijuana.** Mitiget prohibits involvement with illegal drug business.
- **Hate and Arms groups.** Mitiget prohibits involvement with groups and businesses promoting hate, violence, harassment, or abuse using products and services and or other actions.

Our Approach to ESRM

Our approach to Environmental and Social Risk Management is based on our business model. We work to integrate ESRM into other business processes, too. We seek to participate in industry efforts to enhance understanding and management of ESRM topics. To ensure we address evolving best practices to support the success of our customers, we conduct ongoing reviews and updates of our ESRM practices and policies.

International industry standards and ESRM best practices alignment

Our approach is aligned with international ESRM standards. We are committed to following industry best practices for managing environmental and social risk. Our ESRM policy is aligned with global industry standards, and we are constantly evaluating which international practices are most relevant for Mitiget in the future.

Mitiget ESRM Policy

We are committed to identifying and assessing environmental and social risks and impacts associated with our customers' activities. Mitiget is committed to understanding and assessing environmental and social risks and impacts associated with the clients we serve and doing our part to help protect the environment and communities.

We will continue to perform environmental and social due diligence on Oil and gas operations, Coal and metal mining, Arms and armaments, Consumer finance businesses, or project-related transactions.

ESRM Due Diligence Process

Through stakeholder engagement and industry expertise, we identify transaction types, customer activities, and cross-cutting issues with heightened risks that could present significant environmental and/or social impacts. In circumstances where we believe risks and impacts are material to the long-term success of companies or could have adverse impacts on the environment or communities, we perform client-, industry-, issue-, or transaction-specific environmental and social risk due diligence to evaluate a customer's commitment, capacity, and track record as they relate to ESRM. We seek relationships with responsible businesses or organisations in every industry.

Reporting and Disclosure

Mitiget believes that transparency and accountability are important parts of our journey to rebuild trust and fundamental to success in today's economy. Our ESRM reporting will continue to evolve as we seek to enhance the quality of our disclosure and provide more detailed information in response to increasing stakeholder interest and expectations.

Training and Awareness

Education and awareness-building is critically and important to environmentally and socially responsible service delivery. We provide ESRM training and implement programs for team members. Our programs are tailored to the needs of course participants, and they include time for discussion.

Enterprise Risk Management (ERM) Team

The ERM Team at Mitiget helps identify and manage sectors and transactions with elevated reputation and business risk due to environmental or social factors.

- Internally, the team ensures that environmental and social performance of customers in sensitive industries is understood, and it provides lines of business unique intelligence and consultation that help managers responsibly grow relationships in sensitive business industries.
- Externally, the ERM Team carries out due diligence on our customers to verify their level of commitment to ESRM and best practices.
- The ERM Team also engages with a wide variety of external stakeholders to represent Mitiget's perspectives and progress on managing environmental and social risk.

Conclusion

Mitiget is committed to assessing and understanding the environmental and social risks associated with the customers we serve and our operations. We strive to maintain a good compliance posture all the time and ensure that environmental and/or social risks are appropriately managed and mitigated.

Support for this Policy and Framework

- a. The leadership of Mitiget shall support the implementation of this Policy and Framework with adequate resources to achieve its objectives.
- b. The leadership shall ensure its integration in the on boarding process of every employee.
- c. The leadership shall establish and maintain an on-going awareness program for the employees on ESRM practices consistent with this document.

Sanction for Breaches

- a. The violation or breach of this policy and framework shall be reported to the Chief Risk Officer (CRO) within 24 hours of occurrence otherwise the responsible officer shall face disciplinary action. A process shall be in place to log all events.

Policy and Framework Review

- a. The Executive Management shall review this policy and framework on a regular basis, at least annually or as may be required, and shall adapt them appropriately to ensure that they meet the business and service delivery requirements of Mitiget.

Escalation and Exceptions

The CRO shall act on breaches to this Policy and Framework or in collaboration with Human Capital to mitigate further impact and report to the CEO accordingly who shall approve all exceptions before application.