



**SMARTER GRID INTERNATIONAL LIMITED**  
**2020**  
**COMMUNICATION ON PROGRESS**

## EXECUTIVE SUMMARY

The past year under review has been quiet challenging for renewable energy and energy efficient companies all around the world together with all other valuable industries. This is particularly due to the COVID 19 pandemic which saw a lot of MSMEs and SMEs grounded due to the government ordered shut down and compulsory isolation.

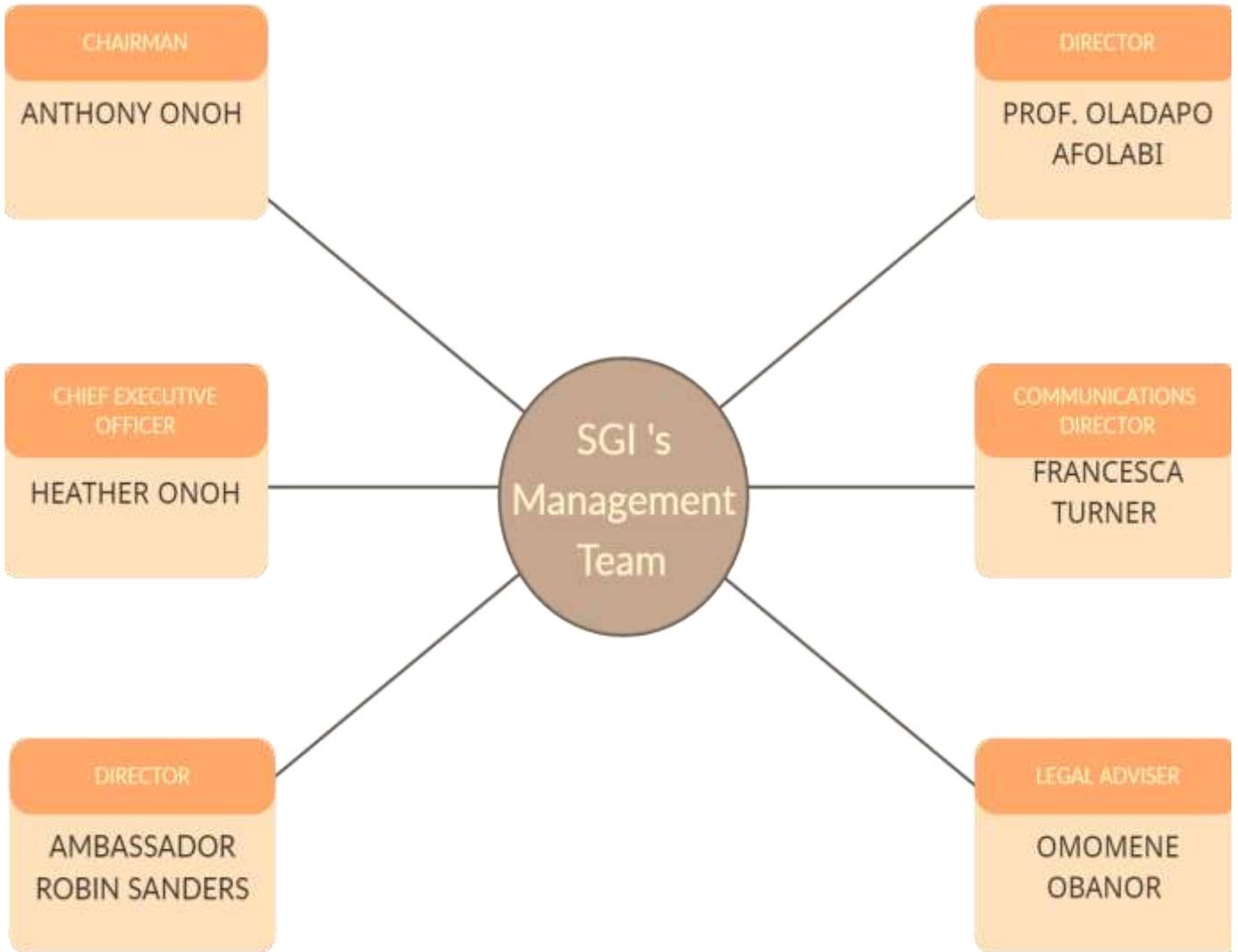
At Smarter Grid International Limited, the fight to reduce the carbon foot print (Co2) and gear over 60 million Nigerians who currently own generators which comprises of 26% household and 86% businesses towards a greener and more environmentally friendly alternative source of energy production is a fight we had to passionately take on against all odds. Despite the challenges SGI continued to provide off-grid energy solutions that contributed to the overall socio-economic wellbeing of the people and the economy through the ravaging pandemic.

Our highly professional team of staff were on ground to provide assistance to MSMEs, SMEs and corporate business with our services and even brought more businesses onboard our drive for the wide spread of sustainable, affordable solar energy to increase entrepreneurial activities and in turn boost the economy during and after the pandemic.

I am therefore pleased to present SGI's 2020 Communication on Progress (COP) report reflecting SGI's achievements in the past year, particularly highlighting our compliance and support of the United Nations Global Compact Sustainable Development Goals (SDG) and its universally accepted Ten Principles.

Heather Onoh  
**Managing Director**

## OUR TEAM



## COMMUNICATION ON PROGRESS

### ➤ HUMAN RIGHTS

PRINCIPLE 1: Businesses should support and respect the protection of internationally proclaimed human rights; and

PRINCIPLE 2: Make sure that they are not complicit in human rights abuses.

### ➤ LABOUR

PRINCIPLE 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.

PRINCIPLE 4: The elimination of all forms of forced and compulsory labour

PRINCIPLE 5: The effective abolition of child labour; and

PRINCIPLE 6: The elimination of discrimination in respect of employment and occupation.

### ➤ ENVIRONMENT

PRINCIPLE 7: Businesses should support a precautionary approach to environmental challenges;

PRINCIPLE 8: Undertake initiatives to promote greater environmental responsibility;

PRINCIPLE 9: Encourage the development and diffusion of environmentally friendly technologies.

### ➤ ANTI-CORRUPTION

PRINCIPLE 10: Businesses should work against corruption in all its forms, including extortion and bribery.

## HUMAN RIGHTS



### **PRINCIPLE 1: Businesses should support and respect the protection of internationally proclaimed human rights**

SGI continues to uphold the rights of its employees, vendors and customers in its business operations. SGI also ensures its recruitment processes are transparent, merit based and designed to eliminate any form of racial, gender, religious or physical discrimination.

In further recognition of the fundamental rights of its employees SGI maintains a decent work environment. Its offices are located in a safe and secured environment and equipped with smart technological devices that reduce the company's carbon footprint.

Notwithstanding the devastating effect of Covid-19, SGI embraced safety protocols in its operational activities to ensure the safety of the lives of its employees and their families. Over 86% of SGI staff was offered flexible and remote working options. Employees who provided technical and operational services during the government ordered lockdown were adequately trained and equipped to carry on their duties without any adverse exposure to their lives and SGI customers. To further ensure the safety of the lives of these employees a dedicated accommodation across the States it provided services also to limit incidences of Covid 19 exposure.

**PRINCIPLE 2: Make sure that they are not complicit in human rights abuses**

In proving its commitment toward the protection of human life in general and being non - complicit in its abuse; SGI continues to maintain the dignity of its employees. In compliance with its policies, employees are granted freedom of expression in accordance with standard work decorum, fair hearing continues to be encouraged while conflict resolution and disciplinary guides are also carried out in accordance with generally acceptable standards for corporate organizations.

The Company operates in a non-biased environment as its employees, vendors and customers are from diverse religious and cultural background. SGI services is dedicated to illuminating the country and providing better quality of lives of the citizens and in furthering this cause, it services are not limited to specific religious or cultural ethnicity. SGI products and services are provides to a vast array of persons across the various 32 States in the Country with multi-cultural and religious background.

**MEASUREMENT OF OUTCOMES ON HUMAN RIGHTS**



## LABOUR



### **PRINCIPLE 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.**

At SGI we understand the need for employee and staff collective bargaining; hence we do not interfere with an employee's decision to associate with any union relevant to them. We recognize that all workers are free to form and/or join a trade union of their choice as this is a prerequisite for many other basic labour rights, as the ability of workers to organize allows them to use their collective power to achieve improved labour rights, health and safety at the workplace, the right not to be discriminated against and freedom from forced labour and child labour, amongst many others; these rights are as enshrined in the **Universal Declaration of Human Rights (UDHR)**, the **Nigerian Constitution** amongst others and Smarter Grid International hold, recognize and encourage these rights to the fullest.

PRINCIPLE 4: The elimination of all forms of forced and compulsory labour

PRINCIPLE 5: The effective abolition of child labour; and

PRINCIPLE 6: The elimination of discrimination in respect of employment and occupation.

SGI or its employee reserves the right to terminate their employment with the company with adequate notice as provided in the company's policy handbook. Similarly, salaries and allowances of employee are paid promptly, regularly reviewed and appraised to keep up with best industry practices. These are in compliance with SDG 4.

According to Statista.com, In 2020, the labor participation rate among the total population aged between 15 and 65 in Nigeria amounted to around 53.41 percent. SGI seeks to substantially if not totally eradicate the use of child labour in all industries around nationwide.

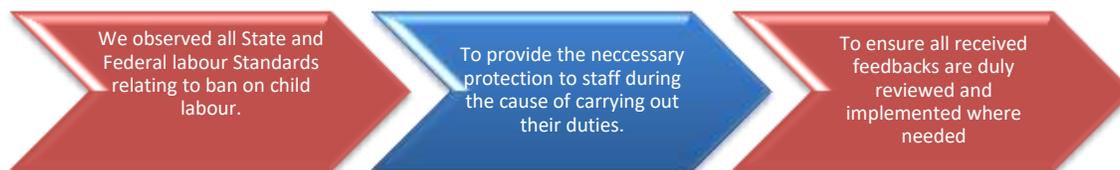
Foremost in ensuring con-complicity in human rights abuses SGI continues to maintain zero tolerance for engagement of minors in its workforce. This zero tolerance is further extended in selecting it vendors for the provision of materials and ancillary services.

However, we recently launched an initiative to educate the children from ages 13- 16 on the importance of protecting the environment and the need to adapt to a more eco-friendly mode of electricity contrary to what they had always known.

. As a measure of ensuring compliance, such vendor, suppliers, distributors and agents warrant in their respective contract of engagement that minors are not engaged in their respective workforce.

Trainings which is a core factor in the development of SGI's staff although impossible to be held virtually this year but was held virtually in order to keep the staff aware and abreast of all happenings in the energy efficiency sphere even through the pandemic.

### **MEASUREMENT OF OUTCOMES ON LABOUR**



## ENVIRONMENT



PRINCIPLE 7: Businesses should support a precautionary approach to environmental challenges;

PRINCIPLE 8: Undertake initiatives to promote greater environmental responsibility;

PRINCIPLE 9: Encourage the development and diffusion of environmentally friendly technologies.

As a renewable energy company, SGI's objective is to improve and maintain the quality of life of persons to the highest level possible through the use of off-grid renewable energy. No gain saying that the year under review has been plagued with the Covid-19 pandemic that has not only devastated lives but also adversely impacted the environment. Due to insufficient grid electricity to cater to the electricity needs to persons during the mandatory government lockdown and the remote working options for employees in the private and public sectors, there was an increase alternative based electricity utilizing fossil fuel.

The incremental negative impact on lives and the environment necessitated some States in Nigeria to promote and retain the services of renewable energy companies to provide sustainable and reliable off-grid electricity sources especially for Healthcare Centers. Following on SGI successful reputation in the renewable energy sector, the Company was designated by some State governments as Essential Service Providers (ESP) for provision of renewable electricity.

This opportunity was further utilized to provide remote communities living under the grid with affordable solar powered Pico lanterns with charging ports for smart devices to replace the use kerosene lamps and accelerate communication particularly on update on the Covid-19 pandemic.

SGI being designated as an ESP also aided the company to provide services to its customers amidst stringent guidelines on limited contact and use of Personal Protective Equipment. These collaborative effort of our, staff, vendors and stakeholders, within this period was able to save an additional 0.14% of greenhouse gas emissions with our previous successes. Even as the European Union is targeting a reduction in greenhouse gas emission of 55% by 2030, SGI is targeting a substantial further reduction in greenhouse gas emission in Nigeria which currently stands at 100.2 million tons as at 2019.

### **MEASUREMENT OF OUTCOMES ON ENVIRONMENT**



## ANTI-CORRUPTION

**PRINCIPLE 10:** Businesses should work against corruption in all its forms, including extortion and bribe.



SGI continues to maintain its reputation and integrity in the operation of its business. It is adverse to any form of fraud, bribery and corrupt practices. This is evident in its Policy on Anti-Corruption and it expects its employees, customers and vendors to adhere to its Anti-corruption policy.

### MEASUREMENT OF OUTCOME



## **WHAT ARE SGI'S NEXT STEPS?**

1. One of SGI's priorities in the coming year would be to further develop and reinforce the integrity and quality of its products which also extends to developing a more extensive range of every day products.
2. SGI is in the process of considering partial decentralization of its operations. This is to allow room for more collaboration with up and coming companies with the same common interest find footing which would in turn create an even wider coverage of low carbon emission projects & products by a huge margin.
3. Continue to increase capacity building through training and certification of local technicians to provide for more trained personnel in the solar off grid sector and eliminate the dependence on foreign manpower.
4. SGI intends to continue to receive feedback from consumers and stakeholders and to positively develop and implement these feedbacks in its policies and culture.
5. To sustain and further show our commitment to the drive and implementation of the United Nation's Sustainability Development Goals.
6. With a positive drive and with the hope of the steady decline of the Covid 19 pandemic, to continue to engage communities (physically) on the need and importance of greenhouse energy through demonstrations and orientations through our products and projects.
7. Further adopt business systems to be Eco-Friendly in a bid to reduce its carbon footprint e.g. running a more paperless office.