

COMMUNICATION ON PROGRESS FOR UN GLOBAL COMPACT

CEO'S MESSAGE

Acting responsibly requires a balance between economic, environmental and social objectives. Our economic success as a company has been supported largely by our people, ambition and sustainable practices.

At Zircon Marine, our vision is to become the number one internationally recognized marine services company in West Africa. On this quest, we recognize and understand that our operations and activities are not conducted in a vacuum and there is a definite need to move towards a sustainable model of business and corporate governance. As such, we make efforts to continually understand the expectations, needs and concerns of those who influence and are influenced by our business activities whilst simultaneously seeking to respond adequately to this expectations.

Furthermore, we believe that success is not only measured by what we do but how we do it. Thus, we are committed to upholding, supporting and implementing the ten (10) business principles of the UN global compact with respect to Human rights, Labour, Environment and Anti-Corruption in our everyday business practices. We recognize the importance of transparency and communication and we will endeavour to provide an annual communication of progress to describe our current and future policies, actions and describe the measures we have adopted to continually improve the integration of the Global Compact and its principles in our business strategy, culture and daily operations.

Faithfully,

Oluseyi Ajibola

MD/CEO ZIRCON MARINE LTD

HUMAN RIGHTS

Our people, their attitude and their skills are key to our very distinctive, delivery focused culture. By living our values, they set us apart from our competitors, allow us attract and retain clients and enable us to earn differential margins.

Zircon Marine believes in the value of all individuals and their rights as contained in the Universal declaration of Human rights. We conduct all our business activities in a manner which promotes trust, respect, dignity and value of each individual whilst making maximum efforts to ensure human rights are upheld in every activity.

We have focused as an organization to create a suitable environment where all employees are free from all forms of discrimination or harassment and are treated equally during the employment process, procedures and practices based on merit and ability. We have also ensured a fair dealing process with all our employees and clients, striving in all means possible to provide and maintain a safe and healthy work environment.

Our code of conduct sets out clearly, our expectations of everyone who works for and with us to demonstrate respect for fundamental human rights. Also we have a dedicated human resource management complaints platform where employees can report issues of discrimination or harassment.

ANTI-CORRUPTION

We utilise our anti-corruption policy as an ethical criteria to govern the behaviour of us and all our stakeholders. This allows us to implement the UNGC Principle 10 that works against corruption.

Zircon Marine operates a zero tolerance policy on bribery, collusion, extortion, fraud and other forms of improper actions for corporate or personal gains. In line with the UN global compact, no Zircon Marine employee shall give or receive unjustified benefits to/from any public or private sector employees.

Internally, we have maintained excellent checks and balance system over transactions. This records show exactly where funds are allocated to and it is managed by finance, admin and HR.

In order to achieve our business ambitions, it is important for us as a corporate entity to be seen as an ethical company. We therefore strive to instil the highest ethical and legal standards amongst our employees, and also track compliance by screening our business practices against relevant and applicable local and international laws relating to corruption, bribery and anti-competitive behaviour including the corrupt practice and other offences related to act 2000 of the Nigerian legislation and the UN convention against corruption.

Furthermore, Zircon Marine would not knowingly engage in business relations with any company who has a track record of corrupt practices. In addition, we have imbibed a strict culture towards corruption and bribery defaulters in which we

adopt disciplinary/punitive approaches which may for instance lead to the dismissal of staff and blacklisting of non-complying clients.

LABOUR

In compliance with Dignity of Labour, Zircon Marine does not discriminate based on religion, gender and ethnicity. We implement diversity in our recruitment processes by employing candidates based on merit and competency. Therefore, we aim to employ the best candidates. We also have several female employees on different levels in our company as well as on the board of directors.

All judgments relating to remuneration, working conditions and training are based on relevant objective criteria.

Additionally, we have implemented several strategies to tackle any form of discrimination, such as harassment. For example: We emphasise the repercussions of harassment or any form of bullying in our Employee Handbook and disciplinary policy, which can lead to suspension and immediate employee termination. This practise aligns with the UN Global Impact 6th principle.

Zircon Marine makes it a priority to obey all laws with regards to employment in Nigeria. With this we treat all our employees with the outmost dignity and respect. Moreover, we endlessly evaluate Health and Safety Standards in our company in order to create an anticipatory safety maintenance within the company.

ENVIROMENT

As part of our vision includes improving The Marine Environment by protecting the environment. Zircon Marine implements various policy measures to ensure safe and effective operations, such as: ongoing monitoring and reporting on HSE performance, ensuring all equipment is in good working order and adequate instructions are given to employees and contractors on all aspects of their work, specifically those hazardous to Health and Environment. By implementing all these policies, we at ZML are able to support a precautionary approach to environmental challenges which aligns with Principle 7 of the UNGC.

Additionally, we still continue to follow Environmental Guidelines and Standards for the Petroleum Industry in Nigeria (EGAPIN) on environment and pollution management. We also still align our policies with (NAMSA) Nigerian Maritime Administration and Safety Agency to prevent and limit pollution in the marine environment. We utilise strategies such as training of employees on pollution and regular inspections. Furthermore, the penalties of involvement in any gravity of corruption has been emphasised in our Anti-Corruption Policy. By doing this, it shows we have taken actions to implement Principle 8, which involves undertaking initiatives to promote greater environmental responsibility. We ensure we meet and surpass national legislation and best practices in all our activities.

Furthermore at Zircon Marine, we take actions to implement Principle 9 (Encouraging the development and diffusion of environmentally friendly technologies) of the UNGC at Zircon Marine by not running the engines of our generators and marine assets 24/7 and regular servicing of our engines in order to reduce emissions.

MEASUREMENT OF OUTCOMES

Zircon Marine looks into previous and current transactions to ensure that there are no indiscretions. Additionally, we implement an annual external financial audit in order to detect corruption or distrustful transactions.

