

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 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 these 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 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 endeavor 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

Zircon Marine believes in the value of all individuals and their rights as contained in the Universal declaration of 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 earn differential margins.

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 according to the laws that meet national and international standards.

We have focused as an organization to create a suitable environment where all employees are free from all forms of discrimination or harassment and both genders from different cultures are treated equally during the employment process based on merit and ability. We have several female employees on different levels in our company as well as on the board of directors. We have also ensured a fair dealing process with our employees and clients by maintaining a safe and healthy work environment, granting freedom of expression, development and self-determination this aligns with the 1st principle which states that businesses should support and respect the protection of internationally proclaimed human rights.

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.

LABOUR

In compliance to national and international laws concerning Dignity of labour, Zircon Marine does not discriminate based on gender, religion and ethnicity. We aim to employ the best candidates, therefore, employees are employed on the basis of their suitability to do the job, there is no distinction, exclusion or preference made during the employment process.

Additionally, we have implemented several strategies to tackle any form of discrimination, such as harassment. We emphasize the repercussions of harassment or any form of bullying in our Employee Handbook and Disciplinary Policy, which can lead to suspension and immediate employment termination. This practice aligns with the UN Global Impact 6th principle.

With regards to the 5th principle of the UN Global impact, the minimum age for employment into Zircon Marine is pegged at 18 years which is also the minimum age limit according to the national laws of our country. Zircon Marine does not endorse or condone any form of child labour.

Zircon Marine practices no form whatsoever of forced labour according to principle 4 of the UN Global impact. All employees of Zircon Marine were employed based on their voluntary decisions to come work with the company. Zircon Marine does not threaten or try to exploit or force any individual who decides to voluntarily resign of their own accord from the company.

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 utmost dignity and respect. We strive to ensure that the working conditions are safe by always evaluating Health and Safety Standards within the company.

ENVIRONMENT

Part of our vision includes improving the Marine Environment by protecting it. Zircon Marine implements various policy measures to ensure safe and effective operations.

Zircon Marine protects the Marine Environment by ensuring all equipment is in good order and adequate instructions are given to employees and contractors on all aspects of their work, specifically those hazardous to Health and Environment, ongoing monitoring and reporting on HSE performance.

Zircon Marine ensures that waste onboard our vessels are categorized into perishable and non-perishable items, waste bags and bins are available at strategic points. The waste is disposed using MARPOL certified agents in Nigeria and according to MARPOL regulations and guidelines. This ensures that there is zero or less waste in the sea.

During Operations, we ensure that when hoses are connected to both vessels, air is pumped through the hoses to check for any leakages and to avoid oil spills into the ocean which creates hazards to human health, harm marine life and cause damage to amenities. By implementing all these policies, we at Zircon Marine Limited are able to support a precautionary approach to environmental challenges which aligns with principle 7 of the UNGC.

Additionally, we still follow Environmental Guidelines and Standards for the Petroleum Industry in Nigeria (EGAPIN) on environment and pollution management. We align our policies with Nigerian Maritime Administration and Safety Agency (NIMASA) to prevent and limit pollution in the marine environment. We utilize Strategies such as training of employees on pollution and regular inspections. 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, we take actions to implement principle 9 by not running the engines of our generators and marine assets 24/7 and also carrying out regular servicing of our engines in order to reduce emissions.

ANTI-CORRUPTION

Zircon Marine is committed to the highest standards of integrity in all its commercial activities, we comply fully with the rule of law in Nigeria and other trading partners. Zircon Marine insists on honesty and fairness in all aspects of business, and expects the same from its business partners, clients, agents and consultants.

Zircon Marine has adopted the following ethical principles which allows us implement principle 10 of the UNGC:

Zircon Marine will not pay bribes, either directly or indirectly, to obtain or retain business. No Zircon Marine employee may accept any gift payment or other favors which might reasonably be believed to influence the company's business, Zircon Marine operates a zero-tolerance policy on bribery, collusion, extortion, fraud and other forms of improper actions for corporate or personal gains. All Zircon Marine's business transactions will be properly and fairly recorded and will be subject to audit in line with international accounting standards, we have maintained excellent checks and balance system over transactions, these records show exactly where funds are allocated to and it is managed by the finance, administration and Human Resource team.

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 instill 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, 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 with disciplinary/punitive approaches which may for instance lead to the dismissal of staff and blacklisting of non-complying clients. All Employees sign the documents for anti-corruption as well as our clients.