

United Nations Global Compact Communication On Progress (COP)

ECO Capacity Exchange

10 November 2018

To our stakeholders:

This document is our second annual Communication on Progress report and I would like to begin by confirming that the ECO Capacity Exchange reaffirms its support of the Ten Principles of the United Nations Global Compact in the areas of Human Rights, Labour, Environment and Anti-Corruption.

In this report, we provide a summary of our actions to continually improve the integration of the Global Compact and its principles into our business strategy, culture and daily operations. We will share details of these important developments with our stakeholders through our primary channels of communication.

Sincerely

James Fierro
CEO, ECO Capacity Exchange

Human rights

The ECE is fully committed to upholding the principles of the Universal Declaration of Human Rights through its business activities.

The ECE has a written company policy that confirms its commitment to respecting and supporting Human Rights.

Labour

The ECE is committed to helping redress the gender imbalance that exists and is especially evident in the fintech industry.

The ECE actively continues to seek opportunities to develop the profile and of its female team members on the world stage and, where necessary, disrupt convention to achieve this goal. A recent example was the appearance of Dr. Annalisa Maiorano who presented to 200 delegates at the Industrialists Forum, Riyadh in April 2017. In a break with tradition of 'men only' presenters, Annalisa became the first woman to present at this meeting.

The company has achieved close to a 50/50 gender representation on its senior leadership team and seeks to permanently ensure it maintains this balance in the long term.

Environment

The ECE has low environmental impact in its day-to-day operations. It has however implemented a number of measures to mitigate the effects of its office operation in London. The company has banned the use of single use plastic cups and bottles and has implemented a comprehensive recycling programme. In 2018 the company was awarded Silver status by the London recycling company The First Mile.

The company has maintained its documented policy that requires all travel within cities to be conducted by train. Taxi travel is permitted (and expenses claimed) only with the express consent of the Office of the CEO.

In the coming years, the ECE is evaluating the implementation of a carbon offset programme to mitigate the environmental impact of the company's global airline travel needs.

The ECE is also seeking to support positive environmental change elsewhere in the world through its business operations. ECO as a medium of exchange is still being evaluated by the Kingdom of Saudi Arabia to assist its progress with the National Renewable Energy Programme (NREP), a multi-billion investment program to develop 10GW of renewable power plants. In January 2017, the Renewable Energy Projects Development Office (REPDO), an extension of the Ministry of Energy, was established to drive NREP implementation.

Anti-corruption

The ECE solution is fundamentally designed as a transparent and trustworthy means of exchanging value and an alternative to money.

Its issuance and use to buy or sell goods and services is facilitated by the ECOWorld Alliance that serves to protect the integrity of the ECO. Detailed records of every transaction are

maintained to create a completely transparent audit trail of transactions between counterparties. That means the ECO cannot be used to bribe individuals or used in any way to facilitate corruption.

Measurement of outcomes

The key metric for the ECO Capacity Exchange is the number and quality of engagements with corporations that are interested in the ECE solution and its global potential to stimulate growth and create wealth in both established and emerging economies.

In the past year, the ECE has engaged with 100 major corporations who have expressed a clear interest in its solution. Since its inception, we estimate the total figure of meaningful corporate engagements is around 350.

Pre-approvals for cumulative EWA credit facilities granted total almost 50 prospective EWA members and value of approximately \$20bn.

The number and quality of our engagements with NGOs, world leaders and other key influencers are also highly meaningful and essential to our ability to long-term goal of making the ECO the world's most trusted medium of exchange.

With the appropriate government support in place, the ECE can help create an environment where entrepreneurship and business flourish and the growth of micro, small and medium sized enterprises drive employment, prosperity and social advancement.

The ECE continues to galvanise broad stakeholder support to achieve its vision and have initiated new engagements with the World Business Council on Sustainable Development and the Business & Sustainable Development Commission, whose mandate is to mobilise the private sector for sustainable development.

ECE has launched a process to activate strategic partnerships with select development finance institutions such as AfDB, IFC, MIGA and EBRD to enable credit-constrained emerging economies and their companies to take full advantage of the commercial benefits of the ECO Solution.

In March 2018, the ECE took part in the Palladium Positive Impact Summit to support its mission link social progress and commercial growth. The company engaged with many government and business leaders who can harness the innovative ECO trade and finance solution to improve economic and social conditions globally.