



Profit with Purpose

ANNUAL AND SUSTAINABILITY REPORT 2018-19

ABOUT THIS REPORT

This is our first combined annual and sustainability report, where we document the business and related sustainability performance of our company, subsidiaries, affiliates, and investments through 2018 and into 2019.

Period and information covered

The report captures the synergies between our operations and our economic, social, governance and environmental performance from 1 January 2018 to 31 December 2018. It also includes selected business updates up to the publication date of the report.

Unless specified otherwise, all dollar figures refer to US dollars.

Reference guidelines used

The sustainability disclosures have been prepared in accordance with the Global Reporting Initiative (GRI) Standards: Core option.

As signatories to the United Nations Global Compact (UNGC) since July 2013, this report also serves as our fifth annual communication on progress on the implementation of the ten UNGC principles, in addition to highlighting our efforts to advance the United Nations (UN) Sustainable Development Goals (SDGs).



This is our Communication on Progress in implementing the principles of the United Nations Global Compact and supporting broader UN goals. We welcome feedback on its contents.

Scope of the report

The reporting boundary covers the activities of all our four platforms: CE-Operates, CE-Invests, CE-Ventures, and CE-Creates.

The reporting boundary for CE-Operates excludes Uruk Engineering and Contracting, which provides turnkey solutions in engineering, procurement, and construction in Iraq as it conducted minimal business during the year under review.

Forward-looking statements

This report contains forward-looking statements, which reflect the current views and predictions of management. The forward-looking statements address matters that we expect, anticipate, or plan for in the future but that are, by their nature, uncertain. These statements are subject to change based on uncontrollable factors, such as general economic conditions, foreign exchange fluctuations, competitive product and pricing pressures, and regulatory developments.

2019-20 reporting framework

As we have further defined our four business platforms in 2018, we have developed a new reporting framework to be implemented in 2019-20. A snapshot of this framework is available in the section titled "Sustainability reporting for 2019-20".

We welcome your feedback on our business performance on ce@crescent.ae and encourage you to share any comments, inquiries, or suggestions you may have on our sustainability journey on cesustainability@crescent.ae.

CONTENTS

OVERVIEW

Crescent Enterprises at a glance	02
A message from our CEO	06
Financial highlights	08

OUR APPROACH

Our vision	11
Our values	11
Our sustainability framework	11
Our stakeholder engagement	12
Our materiality assessment	12
Our contribution to the UN Sustainable Development Goals	14

OUR PLATFORMS

CE-Operates	16
CE-Invests	24
CE-Ventures	36
CE-Creates	46

CORPORATE GOVERNANCE

Governance framework	55
Senior leadership	56

OUR PEOPLE

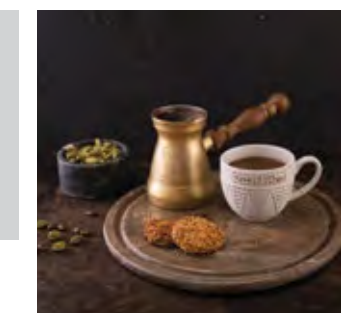
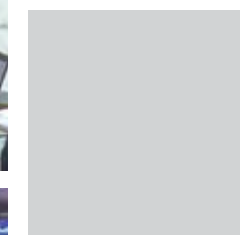
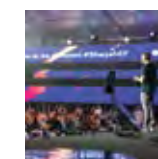
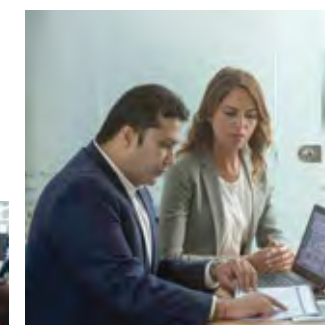
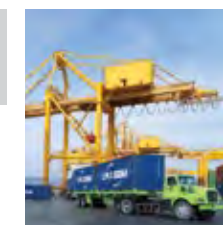
Our evolving workforce	64
Embracing diversity and inclusion	68

CORPORATE CITIZENSHIP

ENVIRONMENTAL STEWARDSHIP	76
---------------------------	----

THE WAY FORWARD

GRI CONTENT INDEX	82
-------------------	----



Published in 2019 by Crescent Enterprises
© Crescent Enterprises 2019



This report is printed on 100% recycled paper and has been designed to optimise paper usage.

OVERVIEW

Crescent Enterprises at a glance

Crescent Enterprises is a multinational company headquartered in the United Arab Emirates (UAE). We work globally through four distinct platforms: CE-Operates, CE-Invests, CE-Ventures, and CE-Creates; across numerous sectors, including ports and logistics, power and engineering, and food and beverages; and in verticals such as private equity, venture capital, and business incubation. Our business interests span 33 subsidiaries, affiliates, and investments in 15 countries. Together with our subsidiaries, we employ over 3,000 people.

We are a subsidiary of the Crescent Group, a progressive, family-owned business group that has contributed to shaping the economic landscape of the Middle East and North Africa (MENA) for more than 48 years. Crescent Group's other subsidiary, Crescent Petroleum, is the first and largest privately owned indigenous upstream oil and gas company in the Middle East.

Our areas of focus

 Ports and logistics	 Business aviation	 Healthcare
 Food and beverage	 Sustainable mobility	 Power and engineering
 Private equity	 Business incubation	 Venture capital

Our global footprint



15

COUNTRIES



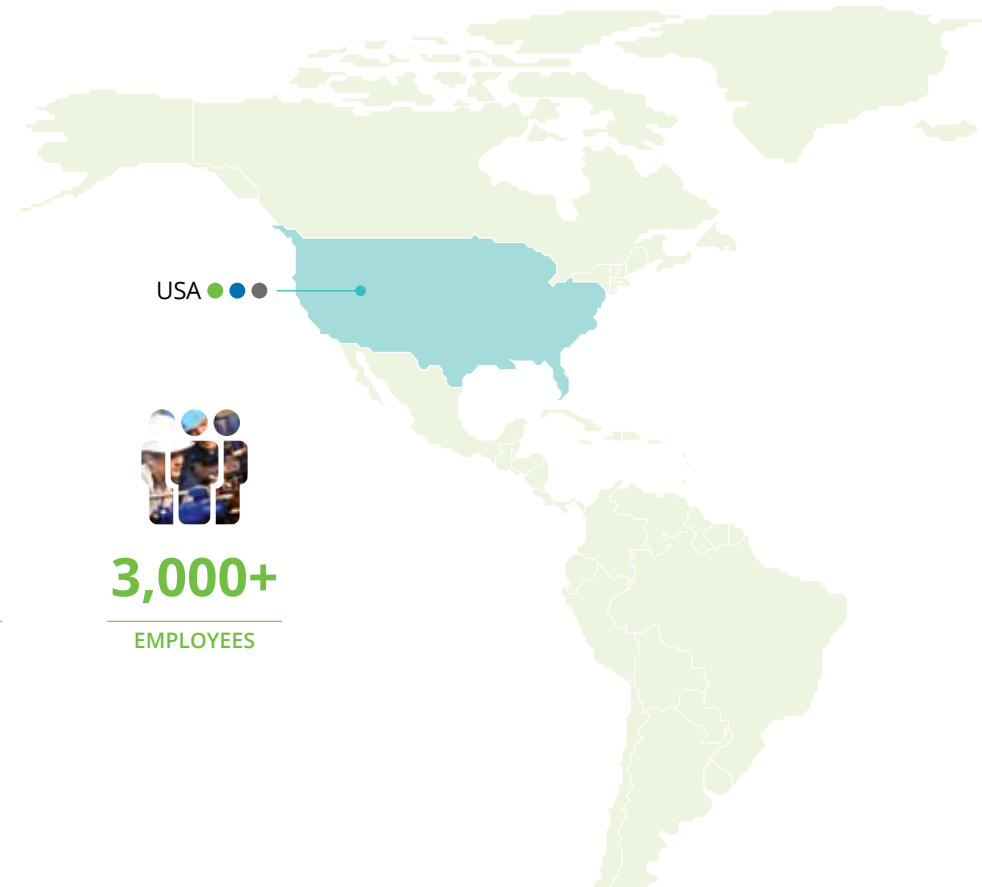
33

SUBSIDIARIES, AFFILIATES, AND INVESTMENTS



3,000+

EMPLOYEES



Our platforms



CE-Operates is Crescent Enterprises' operating platform. Its subsidiaries and affiliates are involved in ports and logistics and in power and engineering. The subsidiaries and affiliates working under this platform include Gulfainer, Momentum Logistics, and Uruk Engineering & Contracting.



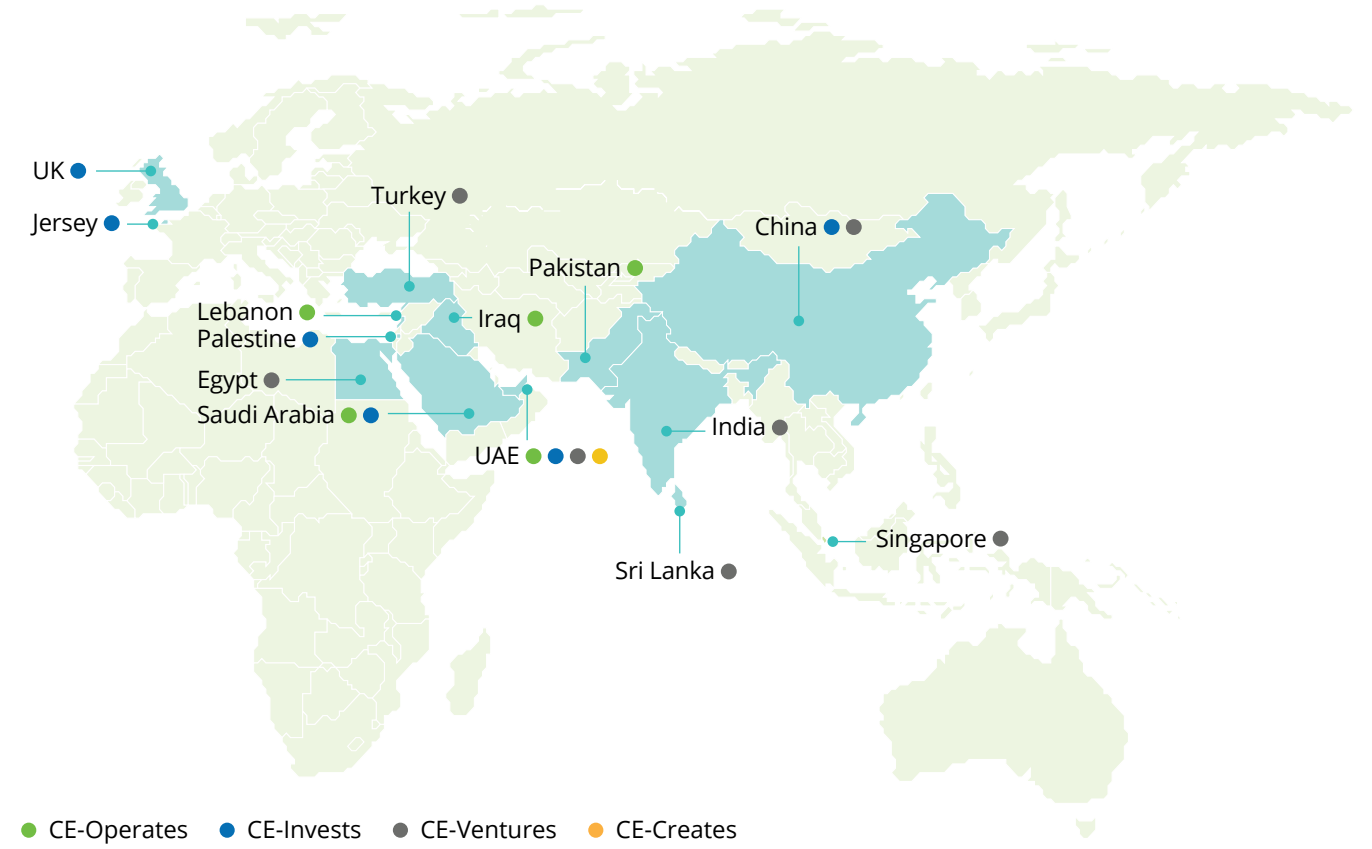
CE-Invests, our strategic investments platform, maintains a balanced portfolio of investments across alternative asset classes, such as private equity, real estate, and other structured investments. Its holdings include investments in Growthgate Capital, TVM Capital Healthcare, and Gama Aviation Plc, among others.



CE-Ventures is our corporate venture capital platform and, as such, strategically invests in early-to late-stage tech and tech-enabled start-ups and select venture funds regionally and globally. It aims to invest \$150 million by 2020 in proven start-ups around the world. CE-Ventures' portfolio includes start-ups in medical, educational, consumer, and supply chain technology, among other fields.








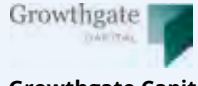
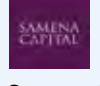























CE-Creates, our internal business incubation platform, develops early-stage concepts into socially responsible, economically viable, and scalable businesses. It has to date launched four businesses in the food and beverages, industrial clothing, e-commerce, and sustainable transport sectors.



Our operations and investments

Crescent Enterprises has operations and investments across numerous sectors and geographies, making it a truly diversified business group.

 <p>Gulfair</p> <p>World's largest privately owned, independent port management company managing 15 facilities in 6 countries</p>	<p>Founded: 1976</p> <p>Industry: Ports</p> <p>Country: UAE</p> <p>Ownership: 50%</p>	 <p>Momentum Logistics</p> <p>Leading integrated third-party logistics services provider offering a complete suite of supply chain management solutions</p>	<p>Founded: 2008</p> <p>Industry: Logistics</p> <p>Country: UAE</p> <p>Ownership: 50%</p>	 <p>Uruk Engineering & Contracting</p> <p>Full-service power generation, engineering, procurement, and construction contractor</p>	<p>Founded: 2003</p> <p>Industry: Power and engineering</p> <p>Country: UAE</p> <p>Ownership: Significant minority</p>	 <p>Kitopi</p> <p>Cloud kitchen network that cooks and delivers on behalf of food brands</p>	<p>Founded: 2017</p> <p>Industry: Food technology</p> <p>Country: UAE</p> <p>Ownership: Minority</p>	 <p>PreNav</p> <p>Maker of precision navigation system for drones used for infrastructure inspection purposes</p>	<p>Founded: 2013</p> <p>Industry: Drones</p> <p>Country: USA</p> <p>Ownership: Minority</p>	 <p>Pinterest</p> <p>Visual discovery engine that currently inspires over 265 million users with applications for their lives</p>	<p>Founded: 2010</p> <p>Industry: Media, technology</p> <p>Country: USA</p> <p>Ownership: Minority</p>
 <p>Gama Aviation Plc</p> <p>One of the world's largest business aviation service providers managing over 250 aircraft across 40 locations on 4 continents</p>	<p>Founded: 1983</p> <p>Industry: Business aviation</p> <p>Country: UK</p> <p>Ownership: Minority</p>	 <p>Growthgate Capital</p> <p>Investor focused on the MENA region's middle-market segment with about \$1.6 billion in assets under monitoring</p>	<p>Founded: 2007</p> <p>Industry: Private equity</p> <p>Country: UAE</p> <p>Ownership: Limited partner</p>	 <p>Samena Limestone Holdings</p> <p>Private investment fund managing substantial stake in RAK Ceramics PJSC, one of the largest ceramics producers in the world</p>	<p>Vintage: 2014*</p> <p>Industry: Private equity</p> <p>Country: UAE</p> <p>Ownership: Limited partner</p>	 <p>TARA</p> <p>Intelligent product builder and manager of software builds from start to finish</p>	<p>Founded: 2015</p> <p>Industry: Artificial intelligence</p> <p>Country: USA</p> <p>Ownership: Minority</p>	 <p>Transcorp</p> <p>One of the UAE's most efficient, temperature-controlled logistics and last-mile distribution service providers</p>	<p>Founded: 2017</p> <p>Industry: Logistics</p> <p>Country: UAE</p> <p>Ownership: Significant minority</p>	 <p>Vezeeta</p> <p>Leading digital healthcare booking platform and practice management software in the MENA region</p>	<p>Founded: 2012</p> <p>Industry: Medical technology</p> <p>Country: Egypt</p> <p>Ownership: Minority</p>
 <p>Siraj</p> <p>Investment firm spurring job creation and economic growth across 7 sectors in Palestine</p>	<p>Founded: 2011</p> <p>Industry: Private equity</p> <p>Country: Palestine</p> <p>Ownership: Limited partner</p>	 <p>TVM Capital Healthcare</p> <p>Globally active healthcare investment specialist focused on emerging markets</p>	<p>Founded: 2007</p> <p>Industry: Private equity</p> <p>Country: UAE</p> <p>Ownership: Limited partner</p>	 <p>FIM-IBC Real Estate Fund</p> <p>Partnership funding real estate investments in the MENA region</p>	<p>Vintage: 2014*</p> <p>Industry: Structured investments</p> <p>Country: UAE</p> <p>Ownership: Limited partner</p>	 <p>BOV Capital</p> <p>Investment fund focused on helping Sri Lankan start-ups capture regional and global opportunities</p>	<p>Vintage: 2016*</p> <p>Industry: Venture capital</p> <p>Country: Sri Lanka</p> <p>Ownership: Limited partner</p>	 <p>ICONIQ Capital</p> <p>Privately held direct investment manager focused on technology</p>	<p>Vintage: 2016*</p> <p>Industry: Venture capital</p> <p>Country: USA</p> <p>Ownership: Limited partner</p>	 <p>Wamda Capital</p> <p>Sector-agnostic venture capital firm focusing on technology companies in the MENA region and in Turkey</p>	<p>Vintage: 2014*</p> <p>Industry: Venture capital</p> <p>Country: UAE</p> <p>Ownership: Limited partner</p>
 <p>Anomali</p> <p>Threat intelligence platform for early detection and identification of cyber threats in enterprise networks</p>	<p>Founded: 2013</p> <p>Industry: Cybersecurity</p> <p>Country: USA</p> <p>Ownership: Minority</p>	 <p>ColurisMX, Inc.</p> <p>Medical device developer of next-generation microsurgical robotic devices</p>	<p>Founded: 2017</p> <p>Industry: Medical technology</p> <p>Country: USA</p> <p>Ownership: Significant minority</p>	 <p>Didi Chuxing</p> <p>World's leading mobile transportation platform, with 550 million users</p>	<p>Founded: 2012</p> <p>Industry: Ride sharing</p> <p>Country: China</p> <p>Ownership: Minority</p>	 <p>Rising Tide</p> <p>Funder of early-stage software and biotech ventures</p>	<p>Vintage: 2017*</p> <p>Industry: Venture capital</p> <p>Country: USA</p> <p>Ownership: Limited partner</p>	 <p>Jungle Ventures</p> <p>Investment fund that helps build Asian technology leaders</p>	<p>Vintage: 2019*</p> <p>Industry: Venture capital</p> <p>Country: Singapore</p> <p>Ownership: Limited partner</p>	 <p>Kava & Chai</p> <p>Homegrown, specialty coffeehouse that brings people together</p>	<p>Founded: 2017</p> <p>Industry: Food and beverage</p> <p>Country: UAE</p> <p>Ownership: 100%</p>
 <p>EdCast</p> <p>AI-powered knowledge cloud for unified discovery, knowledge management, and personalised learning</p>	<p>Founded: 2004</p> <p>Industry: Educational technology</p> <p>Country: USA</p> <p>Ownership: Minority</p>	 <p>FreshtoHome</p> <p>E-commerce venture for fresh, chemical-free seafood and meat, including poultry</p>	<p>Founded: 2015</p> <p>Industry: Food technology</p> <p>Country: India</p> <p>Ownership: Minority</p>	 <p>Furlenco</p> <p>Online furniture rental platform catering to urban professionals</p>	<p>Founded: 2011</p> <p>Industry: E-commerce</p> <p>Country: India</p> <p>Ownership: Minority</p>	 <p>ION</p> <p>Sustainable transport company driving on-demand availability in multi-modal, inter-urban transport networks</p>	<p>Founded: 2018</p> <p>Industry: Transportation</p> <p>Country: UAE</p> <p>Ownership: 50% joint venture</p>	 <p>Shamal</p> <p>Developer of next-generation, specialised industrial clothing</p>	<p>Founded: Incubation stage</p> <p>Industry: Industrial clothing</p> <p>Country: UAE</p> <p>Ownership: 100%</p>	 <p>BreakBread</p> <p>A digital platform, marketplace, and hub for curated home-based food experiences</p>	<p>Founded: Incubation stage</p> <p>Industry: Food and beverage</p> <p>Country: UAE</p> <p>Ownership: 100%</p>

A message from our CEO



Seven years into reporting our sustainability journey, we are proud to be presenting our first integrated Annual and Sustainability Report for 2018-19, *Profit with Purpose*, which captures our philosophy that a sustainable vision and practice is intrinsically linked with business success.

Our raison d'être

The economic headwinds a number of our businesses encountered throughout 2018 helped to crystallise our raison d'être even further: we at Crescent Enterprises are dedicated to supporting the purpose-driven economy by pursuing profit that contributes to humanity's progress.

We endorse inclusive value generation, enabling technology, and high-impact innovation. In so doing, we proudly support the development agendas of progressive governments of the Gulf region of the Middle East, where we are headquartered, as they increasingly prioritise entrepreneurship and youth engagement.

We recognise that in the fast-paced and increasingly complex business environment of the 21st century, delayed gratification is a path to business longevity. Adopting such a mindset has enabled us to better define goals within our four operating platforms, harness resilience across our operations, and further invest in our sustainability journey.

A balanced performance

We maintained our expansion strategy in 2018, entering new markets and countries while witnessing the balanced growth of our subsidiaries, affiliates, and investments around the world. We did so by embracing challenges, learning from them, and transforming them into opportunities across our four platforms.

Under our operating businesses platform CE-Operates, Gultainer—currently the world's largest privately held ports and logistics company—secured a landmark 50-year concession to operate and develop the Port of Wilmington in Delaware, US, and build a new 1.2 million twenty-foot equivalent units (TEUs) container facility in Edgemoor.

This not only represents the largest operating investment by a private UAE company in the US, but also offers exciting avenues for growth for Gultainer, which grappled with overcapacity, unhealthy competition, and shipping line consolidation in some of its other key markets.

Our investments held by CE-Invests also made steady progress in 2018: global business aviation services provider Gama Aviation PLC delivered strong organic growth in the US market—offsetting a weaker performance in its more challenging European markets—while many of our private equity fund investments witnessed strategic expansion within their key portfolio companies. Some of these funds expect to undertake strategic exits in 2019.

Our corporate venture capital (VC) platform CE-Ventures has to date invested over \$85 million of the \$150 million it pledged to invest in technology start-ups and VC funds by 2020. In 2018, the platform made ten such investments across the MENA region, the US, Southeast Asia, and India. The startups we invested in are spearheading artificial intelligence, cybersecurity, and consumer and supply chain tech. In 2018, CE-Ventures portfolio grew revenues by 98% and seven out of the 15 portfolio companies raised \$100 million in follow-on funding at an average 2x multiple of invested capital (MOIC) over their last round of funding.

In June 2018, our internal business incubation platform CE-Creates launched another new business, ION, in joint venture with renowned environmental management company Bee'ah, as a sustainable commercial transport company. ION's mission is to introduce efficient transportation options to the populous cities of the Middle East in line with global efforts to limit global warming.

Honouring our commitments

Sustainability remained an intrinsic aspect of our business strategy in 2018 as we reaffirmed the sustainability goals of each of our four platforms and our overarching mission to help us better assess the socioeconomic impact of all our business activities.

We also continued to invest heavily in our people and communities, from which we draw our strengths, and sought to protect our natural environment. Internally and through our global partnerships, we continue to promote youth engagement, regional culture, and enabling innovation in addition to environmental conservation. Collectively, our corporate citizenship activities reached 34,776 individual community members in 2018.

To further extend our expertise and resources to the causes we support, we successfully launched an Employee Volunteer Programme across our headquarters, where employees spend a minimum of two work days per year volunteering with accredited organisations across the UAE.

I thank you, for your continued encouragement throughout our journey of purposeful progress, and look forward to realising further milestones together in the years to come.

With gratitude,

Badr Jafar
Chief Executive Officer
Crescent Enterprises

Financial highlights

The lacklustre economy that the world witnessed in 2018 affected some of our businesses, resulting in a drop in our revenues from \$357 million in 2017 to \$271 million in 2018. While revenues have dropped, we maintained our investment programme and deployed \$48 million in new ventures and projects in 2018. This led to a marginal decrease in our total assets. In 2019 we remain bullish on our expansion strategy and continue to pursue new opportunities for growth.

In \$ million	2016	2017	2018*
Total assets	1,299	1,259	1,223
New investments	18	49	48
Revenues	386	357	271
Payments to employees	94	84	77

*Preliminary results



Gulftainer won a 50-year concession to manage and operate Port of Wilmington, Delaware in the US. With Gulftainer's expected investment of \$600 million, this is the largest investment by a UAE-based company in the US.

Gulftainer was recognised for its commitment to employee health and safety standards at five sites by the UK-based RoSPA Awards scheme. It was also awarded the Logistics Middle East Awards 2018 for "The CSR Initiative" of the year.

Momentum Logistics added 46 new Euro 5 tractor units, increasing vehicle efficiency through better fuel consumption, and improving reliability through reduced vehicle down time.

Gama Aviation Plc raised GBP 48 million to accelerate its strategy of becoming a leading global business aviation services group.

IrisGuard, a Growthgate Capital's portfolio company, was recognised as the International Innovator of the Year at the 2nd Annual Lendit Fintech Industry Awards for its novel blockchain retail project allowing processing of supermarket transactions in Jordan refugee camps. It also received three other awards in 2018 (Seamless Awards, CEO Europe Today Awards, AL Global Excellence Awards).

CE-Ventures has invested \$85.8 million to date in 21 start-ups and funds across the MENA region, the US, Southeast Asia, and India. The platform has invested across new technology domains including education tech and supply chain tech and in new markets such as Egypt and Southeast Asia.

CE-Ventures concluded ten investments in tech start-ups in 2018, including follow-on investments. Its start-ups portfolio witnessed a 98% increase in their revenues throughout the year while the B2B companies experienced a 201% growth in their customer base.

FreshtoHome sourced around 5,000 tonnes of fish and meat from 1,500 fishermen, serving over 400,000 customers in 2018. It reached a milestone of 8,000 peak orders per day in the same year.

Furlenco was ranked ninth on the Financial Times 1,000 High-Growth Companies Asia-Pacific List in 2018.

CE-Creates launched ION, the sustainable transport company pioneered by Crescent Enterprises and Bee'ah to provide on-demand multimodal and interurban transport networks.

Kava & Chai expanded its footprint by adding three more locations in Dubai. The brand now operates six stores across Sharjah and Dubai.

Shamal successfully concluded the R&D of an innovative workwear that can combat extreme heat. It is in the process of preparing for the soft launch and commercial production of the garment.

● CE-Operates ● CE-Invests ● CE-Ventures ● CE-Creates

OUR APPROACH

Crescent Enterprises approaches its business with a long-term focus on capital generation, sustainability, and social impact.

The building blocks of our investment and operating strategy are sound corporate governance principles, responsible business practices, and inclusive growth. This approach is reflected in all of our operations, including new investment deals, operational agreements, and start-up development initiatives.

Our five-step evaluation process

We use a clearly defined five-step process to evaluate new investment opportunities and to determine how best to leverage our expertise to create lasting value for stakeholders. This process helps us identify potential benefits, risks, and underlying uncertainties.

In addition to emphasising financial risk and return analysis, we recognise the importance of environmental-, social-, and governance- (ESG)-related criteria. As a result, we have incorporated the evaluation of ESG parameters in our five-step assessment process.

Every undertaking is put through an ESG litmus test before being presented to the Crescent Enterprises Investment Committee and Executive Board for approval.

Our operational management

At Crescent Enterprises, we strive for long-term partnerships that foster mutual growth and sustainability. We are involved with our partner companies and ventures through participation on their boards of directors and select committees. We monitor their progress and performance and provide them with strategic and operational guidance, market and financial intelligence, and advice to adopt best-in-class corporate governance standards. It is this direct, collaborative partnering that ensures value creation beyond financing and that sets us apart from other organisations.

Evaluation process



1 Initial screening
Conduct an initial screening of the opportunity against pre-defined criteria for assessment.



2 Preliminary evaluation
Investigate the opportunity by performing preliminary industry and market research; analysis of the company's business plan and growth strategy; assessment of the management team; and a preliminary ESG screening to ensure the opportunity complies with the ESG policy. A summary of this information is developed into an Opportunity Memorandum.



3 Investment terms and valuation
Develop a valuation model and commence discussion on investment terms and key principles (legal and commercial).



4 Detailed diligence and legal documentation
Coordinate and execute multiple streams of due diligence (commercial, financial, legal, and ESG assessment), and subsequently finalise all execution documents to produce a Post-Execution Memorandum.



5 Investment decision
Present a Final Investment Memorandum and Post-Execution Memorandum to the Executive Board for final decision.

Our vision

We aspire to build a diversified group of companies that transcends geographic and cultural borders while striving for inclusive leadership, global competitiveness, and shared value for all our stakeholders.

Our values



Diversity and inclusion
Respect cultural diversity and work inclusively with every individual



Entrepreneurship
Foster a culture of impact innovation across all our activities



Responsibility
Serve the community and protect the environment in which we work



Integrity
Conduct business ethically and adhere to the highest governance standards at every level of our operations

Our sustainability framework

Crescent Enterprises has interwoven sustainability throughout its operations and strategic investments to ensure lasting value for its stakeholders and for society at large. We consider the impact of our activities on the environment and on the communities wherever we operate to the same extent as on our stakeholders.

To communicate our ESG performance to our stakeholders and all interested parties, we began reporting on our sustainability efforts six years ago. Then, in 2015, we formalised our commitment to pioneering sustainable development by devising a sustainability framework.

That framework is built on the four pillars of our long-term strategy: enabling ethical business, enabling a stronger society, enabling stewardship of the planet, and enabling talent.



Our stakeholder engagement

We have identified ten stakeholder groups that could potentially affect or be affected by our business activities. We regularly engage with them through multiple channels to understand their concerns and expectations and to develop a broad consensus on our initiatives.

We inform our business stakeholders of our latest activities by publishing bimonthly newsletters and, at year-end, our annual and sustainability report. We also participate in and hold industry events to share best practice with our peers.

We collaborate with accredited non-profit organisations to engage with our stakeholders in outreach activities to further benefit the communities we serve across the entrepreneurship, environment, and art and culture fields. We offer targeted, skill-based workshops to community members while our employees immerse themselves in community volunteerism.

Governments and regulators	Customers
Employees	Communities
Suppliers	Capital providers
Industry partners	Non-profit organisations
Business leaders and entrepreneurs	Operating businesses

Materiality assessment

Heading into 2018, we updated our list of material topics as we had done in the past—in accordance with feedback from our stakeholders and our review of the Global Reporting Initiative, or GRI, Standards for sustainability.

This report reviews the topics that were determined to be most material to our business at the outset of 2018. The following table summarises those topics and lists them in descending order of relevance for stakeholders and our business. It also illustrates how those topics relate to the GRI Standards and to the UN SDGs.

From 2019 on, we will follow our updated method of assessment and will report on our progress in addressing topics found to be germane to our four platforms and company overall. A snapshot of the updated method of assessment is available in the section titled “Sustainability reporting for 2019-20”.



Material topics	Sustainable Development Goals (SDGs)																
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
1 Anti-corruption and bribery (GRI 205)																	✓
2 Employee well-being (GRI 401, 404)			✓					✓		✓							
3 Governance (GRI 102-18, 102-22)																	✓ ✓
4 Training and career development (GRI 404)				✓		✓		✓									
5 Occupational health and safety (GRI 403)			✓					✓									
6 Economic performance (GRI 201)								✓	✓		✓						
7 Regulatory compliance (GRI 307, 419)																	✓
8 Energy and emissions (GRI 302, 305)													✓	✓			
9 Infrastructure development (203-1)	✓							✓	✓								
10 Effluent and waste (GRI 306)													✓		✓		✓
11 Human rights (GRI 412)								✓	✓								✓
12 Inclusiveness (GRI 405, 406)								✓	✓		✓						
13 Community engagement (GRI 413)	✓			✓		✓		✓	✓								
14 Biodiversity (GRI 304)													✓		✓		
15 Local market presence (GRI 202)	✓			✓				✓									

Our contribution to the UN Sustainable Development Goals

Crescent Enterprises endorses the United Nations *2030 Agenda for Sustainable Development* and seeks to align its operations and activities with and thereby contribute to the UN SDG, as well as with the GRI standards and the ten principles of the UN Global Compact. We also encourage other businesses in the MENA region to optimise their sustainability efforts and to likewise contribute to the SDGs.

SDG	Why it matters	Highlights of Crescent Enterprises' contribution in 2018
SDG 1: No poverty	Ending poverty requires universal social protection systems and targeted measures to reduce vulnerability to disasters while addressing specific underserved geographic areas within each country.	<ul style="list-style-type: none"> We generate local employment opportunities through investments in our operating businesses and portfolio companies. We empower youth and women through our corporate citizenship programmes.
SDG 3: Good health and well-being	Ensuring healthy lives and promoting well-being at all ages is essential to sustainable development.	<ul style="list-style-type: none"> We are committed to providing safe and healthy workplaces for our employees and to protecting people, property, and environments wherever we do business. We invest in companies that help address medical and health challenges.
SDG 4: Quality education	Obtaining a quality education is the foundation for sustainable development. It can improve people's quality of life and equip them with the tools to innovate solutions to the world's challenges.	<ul style="list-style-type: none"> We provide our employees with continuous training on select topics ranging from soft skills and technical competencies. We promote employability skills in local communities.
SDG 5: Gender equality	Gender equality is a fundamental human right and a necessity for a peaceful, prosperous, and sustainable world. Implementing legal frameworks for female equality in the workplace and eradicating harmful practices is crucial for gender equality.	<ul style="list-style-type: none"> We are a signatory to the UN Women's Empowerment Principles and have pledged to give equal opportunity to men and women at our workplaces. We support women in our organisation through progressive employment policies that include extended maternity leave and flexible working hours for new mothers. We are invested in developing the careers of our female employees with training and capacity-building sessions.
SDG 8: Decent work and economic growth	A lack of good jobs and investments poses a challenge to eradicating poverty, requiring us to rethink our economic and social policies. Sustainable economic growth requires that societies foster the conditions for quality jobs and sound economies while preserving the environment.	<ul style="list-style-type: none"> We endeavour to build local supply chains and to support local suppliers and small and medium enterprises. We provide a safe, fair, and empowering work environment and offer competitive benefits. We enable entrepreneurs through strategic alliances and investments.
SDG 9: Industry, innovation, and infrastructure	Investments in infrastructure are crucial to achieving sustainable development and empowering communities.	<ul style="list-style-type: none"> Our platforms invest in infrastructure projects to support economic development, including in Palestine through an investment in Siraj.

SDG	Why it matters	Highlights of Crescent Enterprises' contribution in 2018
SDG 10: Reduced inequalities	Inequalities based on income, sex, age, disability, race, class, ethnicity, religion, and opportunity persist worldwide—to the detriment of short- and long-term social and economic development.	<ul style="list-style-type: none"> We welcome all people through our inclusive, non-discriminatory policies. Many of our partner companies and ventures also enforce policies aimed at ensuring non-discrimination in the workplace.
SDG 11: Sustainable cities and communities	Cities are hubs for ideas, commerce, culture, science, productivity, social development, and more and will be home for a majority of people. As such, cities should provide opportunities for all, with access to basic services, energy, housing, transportation, jobs, and more.	<ul style="list-style-type: none"> We aim to reduce our environmental footprint, including by paying special attention to waste management. We develop innovative businesses that address economic, social, and environmental challenges.
SDG 12: Responsible consumption and production	Sustainable consumption and production practices will reduce economic, environmental, and social costs and will help to lower poverty rates and to strengthen economic competitiveness.	<ul style="list-style-type: none"> We strive throughout our operations to reduce the waste we generate, to recycle the waste that we do generate, and to lower our consumption of resources.
SDG 13: Climate action	Climate change is a global challenge, affecting all countries and economies, to the community level. Without action, the world's average surface temperature is likely to surpass 3°C this century.	<ul style="list-style-type: none"> We regularly educate our employees on the potential impact of climate change and motivate them to reduce their footprint on the environment. We also strive to reduce our energy consumption from non-renewable sources and to adopt energy-efficient practices.
SDG 15: Life on land	Biodiversity delivers multiple benefits, locally and globally. Along with enhancing ecosystems, it can be the basis for climate change adaptation and disaster risk reduction strategies.	<ul style="list-style-type: none"> We support biodiversity conservation initiatives through our corporate citizenship programmes.
SDG 16: Peace, justice, and strong institutions	Implementing efficient and transparent regulations and ensuring accountable institutions are essential to establishing peaceful and inclusive societies.	<ul style="list-style-type: none"> We are committed to the highest standards of integrity and accountability.
SDG 17: Partnership for the goals	A successful sustainable development agenda requires partnerships among governments, the private sector, and civil society. Such inclusive partnerships are needed at the global, regional, national, and local levels.	<ul style="list-style-type: none"> We frequently consult with our stakeholder groups to address their concerns. We have committed to various partnerships, such as the Pearl Initiative, the UN Global Compact, among others, to drive engagement on ESG issues.

CE-OPERATES

CE-Operates is the operating business platform of Crescent Enterprises. Its subsidiaries and affiliates span sectors such as ports and logistics and power and engineering. Its subsidiaries and affiliates include Gulftainer, Momentum Logistics, and Uruk Engineering and Contracting.

In 2018, CE-Operates exited its holdings in Gama Aviation MENA but continued its minority shareholding in Gama Aviation Plc. Accordingly, Gama Aviation Plc is now under Crescent Enterprises' investment platform, CE-Invests.



50 YEARS

Concession to operate Port of Wilmington at Delaware in the US

\$600 million

Investment to upgrade and expand Port of Wilmington over the next 9 years

6,000

New jobs to be created at Port of Wilmington

Gulftainer and Momentum will focus on expanding their geographic coverage in the MENA region and overseas.



Business overview



Gulftainer

Gulftainer, established in the Emirate of Sharjah, is the world's largest privately owned, independent port operator. The company has rapidly expanded its operations and built up a strong presence in various parts of the world. In the UAE, the company operates three main port facilities on behalf of the Sharjah Port Authority—the Sharjah Container Terminal (SCT), the Khorfakkan Container Terminal (KCT), and Hamriyah Port.

Internationally, Gulftainer operates ports, port facilities, and port-related companies. In Iraq, it operates the Iraq Container Terminal, the Iraq Project Terminal, and the Umm Qasr Logistics Centre; in Lebanon, the Tripoli Container Terminal; and in Saudi Arabia through its subsidiary, the Gulf Stevedoring Contracting Company (GSCCO), it operates the Jeddah Northern Container Terminal (NCT) and the Jubail Industrial Port and Jubail Commercial Port. Outside the MENA, Gulftainer operates in the US, in Florida's Cape Canaveral Cargo Terminal and in Delaware's Port of Wilmington.

Crescent Enterprises has been associated with Gulftainer since 1976, when its parent company, the Crescent Group, established Gulftainer to manage the SCT in Sharjah. Today, Crescent Enterprises holds a 50% ownership stake in Gulftainer, to which it continues to provide strategic guidance on expansion and other opportunities through its representation on Gulftainer's Executive Board and Investment Committee.



Momentum Logistics

Momentum Logistics (Momentum) is a leading UAE-based integrated third-party logistics (3PL) services provider that offers a complete suite of supply chain management solutions. These solutions include transportation with interconnectivity across the Gulf region, freight forwarding, warehousing, logistics, container services, and specialised capabilities, such as oilfield services.

Momentum was established in 2008 to enhance Gulftainer's service offerings. Headquartered at the Sharjah Inland Container Depot (SICD), its operations throughout the UAE include the KCT, at the Jebel Ali Port; the SCT, in the Sharjah Airport Industrial Free Zone and in Ras Al Khor. Momentum has also expanded its operations to other countries, including Saudi Arabia, Iraq, and Pakistan.

Crescent Enterprises is a 50% owner of Momentum. The company's representation on Momentum's Executive Committee allows it, Crescent Enterprises, to provide strategic guidance on expansion and business opportunities.

Record productivity and operational efficiencies despite industry challenges

Gulftainer continued to achieve high levels of productivity and efficiency at its operations in 2018 despite the global economic slowdown and the turbulent times faced by the shipping industry.

In April 2018, the SCT, at Sharjah's Port Khalid, achieved record gross crane productivity of 32.2 crane moves per hour. The milestone feat vastly exceeds the industry average 25 crane moves per hour and marks the highest productivity at the SCT since its inception. The SCT also registered a high volume of demand from customers for its new warehouse facility at Port Khalid. Shed 3, as it is known, increased the SCT's annual capacity 8%, to 690,000 TEUs. Local Sharjah businesses are increasingly choosing Shed 3 as a cost-effective and efficient alternative to other storage facilities in the area.

Shed 3 is designed to store less than container load (LCL) shipments and loose-loaded cargo. It also includes an area designated for the storage of hazardous goods that has been certified by the International Maritime Organization (IMO). The new warehouse, moreover, is located near the SCT's yards and berths. As such, it offers convenient access to on-site destuffing and customs clearance.

With its strategic location and advanced racking systems, Shed 3 will replace Gulftainer's Shed 2. The latter will be removed to facilitate, in turn, the overall capacity expansion of the SCT through the installation of rubber-tyred gantry (RTG) stacks.

Gulftainer's KCT, meanwhile, welcomed the CMA CGM *Antoine De Saint Exupery* on its maiden call in 2018. This is one of the world's largest container ships and the largest-ever container ship to call at the KCT. The *Antoine De Saint Exupery* boasts a capacity of 20,600 TEUs, and, at 400 metres in length, is longer than



either the Empire State Building or the Eiffel Tower. That it would call at the KCT signifies Gulftainer's ability to deliver the highest standards of operational efficiency to the largest ships on the planet.

The KCT is recognised by the *Journal of Commerce* as the fastest terminal in the MENA region and as the third fastest worldwide. Its strategic location on the main Asia-Europe trade lane, moreover, enables it to connect the Gulf, the Indian subcontinent, and the east coast of Africa, making the KCT an ideal hub for mainline carriers.

In Saudi Arabia, Gulftainer operates the NCT at the Jeddah Islamic Port (JIP) through its subsidiary the Gulf Stevedoring Contracting Company (GSCCO). The NCT marked a major milestone in 2018, registering container volumes of 25 million TEUs since it started operation 18 years prior, in 2000.

The GSCCO likewise achieved a significant milestone in 2018 when it passed the 30 million TEUs mark in container volume. This corresponds to a 50% increase in throughput in just five years for all of the GSCCO's facilities in Saudi Arabia: the NCT at JIP, the Jubail Industrial Port, and the Jubail Commercial Port. At the NCT especially, the average crane productivity rate is more than 30 moves per hour.

As the largest modern container terminal in Jeddah Port, the NCT has regularly handled 14,000-TEU megavessels following the maiden call of Evergreen's *Tampa Triumph* in May 2017. The terminal has also adopted an innovative in-house spreader design to extend the reach of its ship-to-shore (STS) gantry crane to the highest container tiers. What is more, the NCT is the only terminal at JIP to possess slip-sheet technology for the loading and unloading of containers in place of traditional wooden pallets. This optimises the use of space, allowing up to 30% more product per container and a 15% reduction in transport costs. In addition, JIP's scanning facilities have been upgraded to align with the Saudi Customs Authority's 24-hour clearance initiative.

The Jubail Container Terminal (JCT), operated by the GSCCO at the Jubail Commercial Port, on the east coast of Saudi Arabia, witnessed an impressive 8% year-on-year increase in container volume in 2018. This growth was driven by the expansion of Jubail and of Saudi Arabia's east coast petrochemical industry. The planned linking of the JCT with the national rail network will further the terminal's growth.

Joint investment in local infrastructure

Gulftainer and Momentum Logistics commenced their construction of the Saja'a Permanent Access Road in 2018. Their joint investment aligns with their individual objectives of helping to drive Sharjah's economy. The highway will extend over two kilometres to link the Saja'a Industrial Investment Park (SIIP), the companies' first leasehold initiative, via the Emirates Road (E611), to the three major seaports in Sharjah: Port Khalid, the Hamriyah Port, and the Khorfakkan Port.

SIIP is set to become a fully bonded mixed-use logistics facility. Goods imported under bond will therefore be exempt from duty or value-added tax (VAT) until released to the local market. SIIP, moreover, will offer convenient access to premier air and sea hubs to assure connectivity within the UAE and beyond.

This new industrial park aims to address the growing demand for logistics facilities in the UAE in the run-up to mega events, such as Expo 2020 Dubai. As such, SIIP, which spans 750,000 square metres, is designed for scalability and flexibility. It will accommodate warehouse space of varied size, modern light industrial units, offices, employee accommodation, and multiple other options. It is expected upon opening to bring more than a 100 million dirhams of third-party investment money into Sharjah, generating revenue for Gulftainer, Momentum, and the Emirate of Sharjah.

Momentum's upgraded trucking fleet

In 2018, Momentum delivered on its long-term plan to operate only vehicles less than five years old. The company continued its fleet renewal plan with the purchase of 46 state-of-the-art Euro 5 tractor units, which feature improved reliability and fuel consumption that should reduce costs and down time for the company. These efficiencies will enable Momentum to provide customers with ever-more effective and reliable services.

The heightened efficiencies of these new vehicles have led Momentum to estimate savings of more than 800 tonnes of carbon dioxide (CO₂) emissions, or around an 11% reduction in its carbon footprint. The 46 additional vehicles have increased Momentum's fleet to 690 multipurpose trailers and commercial trucks.

Gulftainer's expanded footprint

Gulftainer, in its bid to cement its vision of becoming one of the world's top terminal operators in the next ten years, continued to expand its global reach in 2018. Through its US subsidiary, GT USA, Gulftainer won a 50-year concession to manage and operate the Port of Wilmington in the US state of Delaware. Gulftainer will invest up to \$600 million to upgrade and expand the port and its terminal to turn it into one of the largest and most modern facilities of its kind on the eastern seaboard of the US. The deal represents the largest operation ever run by a UAE company in the US and the single largest investment ever in that country by a privately owned UAE company.

Gulftainer has exclusive rights to operate and develop the Port of Wilmington in the US. For the next 50 years, therefore, Gulftainer is responsible for managing the port's 350,000 TEUs per year container volume and for enhancing its productivity to handle a forecasted doubling of its container volume in the coming years. Gulftainer's investment will add to the port's capacity for roll-on/roll-off cargo. Gulftainer is procuring new cargo equipment from several vendor companies in a phased manner.

The Port of Wilmington is the first significant port on the Delaware River, traditionally a major waterway for US imports of fresh fruit. The port as a consequence has the largest dockside cold storage facility in the US. It is also one of the country's most strategically situated marine ports, located as it is only a four-hour voyage from the Atlantic Ocean.

The high degree of activity that results from the Port of Wilmington make it the principal driver of the region's economic well-being. It annually contributes \$436 million in business revenue, \$409 million in personal income, and \$41 million in taxes to the region and state. The port also provides 5,900 people with direct, indirect, and induced jobs.

Gulftainer will spread the \$600 million it plans to invest in the port over a nine year period. Chief among its plans is a \$410 million investment to develop a defunct facility at Edgemoor that was acquired by Delaware's Diamond State Port Corporation in 2016. Gulftainer proposes to revitalise the Edgemoor site from its shuttered brownfield condition to a semi-automated, 1.2 million TEU capacity container terminal. Upon completion, the Edgemoor facility will be a gateway for the mid-Atlantic, Northeastern, and Midwestern American states.

Shortly after Gulftainer started managing the Port of Wilmington, the port welcomed a new customer. The world's second-largest shipping line by container vessel capacity, MSC, or Mediterranean Shipping Company, launched service to the port, which it has already expanded 714% because of the port's exemplary service offerings made possible by Gulftainer's investments to date. Chiquita, a long-standing customer of the port, showed similar confidence in the port's new management by signing a 12-year contract for all of its stevedoring and storage requirements.

To complement Gulftainer's service offerings, Momentum Logistics entered the niche market of generator maintenance and repair services at the Port of Wilmington in 2018.

Port of Wilmington

Began operations in **1923**

Top
North American port for imports of fresh fruit into the US

5,900
Direct, indirect, and induced job provided

\$436 million
Contributed annually in regional and state business revenue

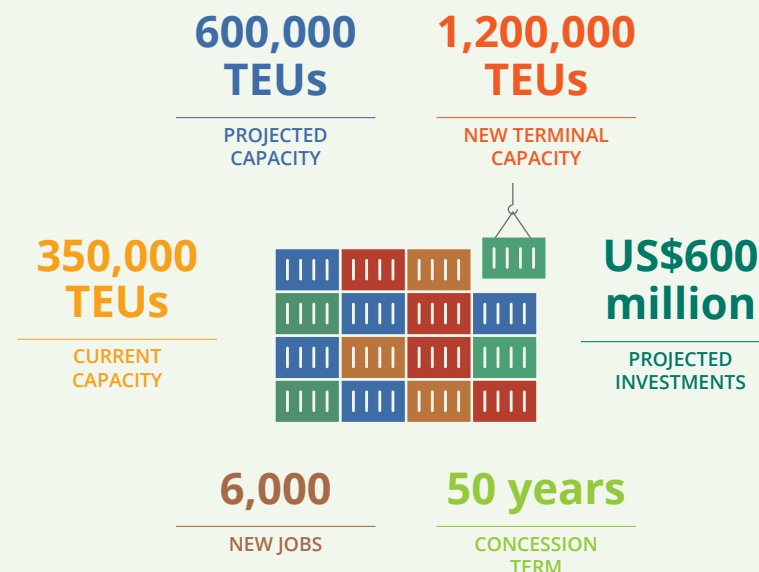
\$409 million
Contributed annually in regional and state personal income

\$41 million
Contributed annually in regional and state taxes



“For decades, jobs at the Port of Wilmington have helped stabilise Delaware families and the communities where they live. We were proud to partner with Gulftainer and the International Longshoremen’s Association to invest in the future of the Port. Our historic agreement will result in significant new investment and good-paying jobs at the Port of Wilmington, which has long been one of Delaware’s most important industrial job centres.”

Governor John Carney, Delaware



Job creation and indirect economic impact

Gulftainer's investment in the Port of Wilmington is projected to create approximately 6,000 new jobs—3,057 of them direct and 2,940 indirect—over the term of the concession and generate \$1.2 billion in concession fees. As a result, millions of Delaware taxpayer dollars can be redirected for infrastructure developments throughout the state.

Employee health and safety

Concern for employee health and safety in and out of the workplace and for safeguarding people, property, and the environment prompted Gulftainer to reinforce its Quality, Health, Safety, and Environment (QHSE) Policy. That policy gives voice to the company's vision and commitment regarding the health and safety of its employees and the surrounding community; its protection of the environment; the quality of its products and services; and its compliance with client and regulatory requirements.

Gulftainer's UAE terminals are compliant with numerous international standards,

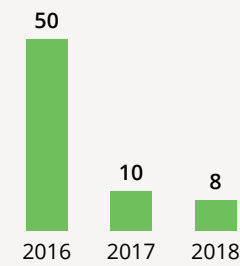
including ISO 9001:2015 (Quality Management Systems); ISO 14001:2015 (Environment Management Systems); and OHSAS 18001:2007 (Occupational Health and Safety Management Systems). In this manner, the company is able to adhere to its self-stated QHSE obligations.

In 2018, Gulftainer committed to reducing its number of workplace accidents 15% and its number of fatalities to zero. To achieve these targets, it offered regular training on safety through monthly safety forums, management safety walks, and toolbox talks. It also used simulators to enable

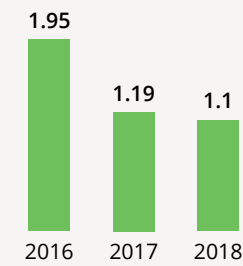
employees to experience and assess various scenarios in real time.

The company delivered QHSE training on ten topics in 2018 and actively encouraged its employees to report potentially unsafe practices and to share recommendations. Gulftainer also put in place enhanced traffic management systems and provided refresher training on road safety to its operators. Gulftainer is proud to report that the number of workplace accidents dropped 29% and that it had zero fatalities in 2018.

Total number of lost-time injuries



Lost-time injury frequency



CE-Operates: Employee health and safety at Gulftainer

Due to its initiatives and commitment to safety of its employees, contractors, and guests, Gulftainer received the International Safety Award from British Safety Council for five sites in 2018 (Sharjah Container Terminal, Momentum Logistics L.L.C., Khorfakkan Container Terminal, Iraq Container Terminal, and Umm Qasr Logistics Centre).



Gulftainer's 2019 commitments on health and safety



10%

REDUCE NUMBER OF LOST-TIME INJURIES



15%

REDUCE GROUP ACCIDENT INCIDENT RATE



10

CONDUCT 10 SAFETY INSPECTIONS PER MONTH

Outlook

Gulftainer intends on upgrading its port facilities in the UAE to ensure that it continues its industry-leading, fast, and efficient service delivery to customers. The company also aims to expand its operations worldwide over the next ten years to encompass, annually, more than 10,000 vessel calls and throughput of 18 million TEUs.

Momentum Logistics will continue to develop its distinct identity as a premier logistics service provider. It will strengthen its operational capabilities and expand its service offerings. Its planned initiatives include constructing nine warehouses within

the SICD; launching a transport system to minimise costs and emissions; introducing new, lighter weight semi-trailers; increasing fuel efficiency; reducing tyre wear; and heightening road safety. Momentum also intends on introducing its CargoWise freight forwarding solution in its overseas operations.

Over the next few years, Momentum will focus on expanding its geographic coverage in the MENA region and overseas, in North America, including on the West Coast, in the Gulf of Mexico, in Canada's Nova Scotia, and elsewhere, including Africa.

CE-INVESTS

CE-Invests, Crescent Enterprises' strategic investments platform, holds all of the company's private equity investments. It takes a long-term view with an investment strategy geared towards maintaining a balanced portfolio of alternative asset classes, including private equity, real estate, and other structured investments. CE-Invests' principal holdings include investments in Growthgate Capital, TVM Capital Healthcare, and Siraj Fund Management Company, among others.

In 2018, CE-Invests began monitoring the company's minority shareholding in Gama Aviation Plc following CE-Operates' exit of its shareholding in Gama Aviation MENA. CE-Invests provides strategic guidance to all of its investments through representation either on their boards of directors or on their limited partners advisory committees. Our company also take a keen interest in the strategic rationale employed by these firms in their select investment decisions and co-investment opportunities.



\$67 million

Capital raised by Gama Aviation

\$388 million

Growthgate Capital's net asset value

\$756 million

RAK Ceramics' annual turnover

CE-Invests' private equity holdings expanded their investments in companies, sectors, and regions.

CE-Invests' portfolio

Gama Aviation

Gama Aviation Plc is one of the world's largest business aviation service providers. It offers extensive support to large multinational corporations, military and police services, healthcare providers, and high net worth individuals. Its services are split into two divisions: Air and Ground. Air services include aircraft management, special mission support, and charters. Ground services cover aircraft maintenance, aircraft modification design and installation, and fixed base operations (FBO).

Gama Aviation's growing fleet features a wide variety of aircraft types to meet all client needs. The company manages over 200 aircraft in the US and over 250 worldwide. Its network spans more than 40 locations on four continents and employs over 1,300 professionals. The company's global headquarters is at Farnborough Airport in the United Kingdom, and it has regional headquarters in Connecticut, USA; Sharjah, UAE; and Hong Kong, China.

Crescent Enterprises is a minority shareholder in Gama Aviation Plc.



Samena Limestone Holdings is a special-purpose finance vehicle managed by Samena Capital, a principal investment group focusing on the Indian Subcontinent, Asia, Middle East, and North Africa (collectively, the SAMENA region).

Samena Limestone Holdings is part of a consortium of investors that owns a 30.6% stake in RAK Ceramics, one of the largest ceramics producers in the world. RAK Ceramics has a production capacity of 125 million square metres of tiles, 5 million pieces of sanitary ware, and 24 million pieces of tableware per annum across 22 production facilities in the UAE, India, and Bangladesh. The company serves more than 150 clients worldwide.

RAK Ceramics was established in 1991 by His Highness Sheikh Saud Bin Saqr Al Qasimi, the Ruler of the Emirate of Ras Al Khaimah and a UAE Supreme Council Member, and by His Highness Sheikh Mohammed Bin Saud Al Qasimi, the Crown Prince of Ras Al Khaimah. It is a publicly listed company on the Abu Dhabi Securities Exchange in the UAE and on the Dhaka Stock Exchange in Bangladesh.

Crescent Enterprises is a limited partner in and a provider of strategic guidance to Samena Limestone Holdings through representation on its Limited Partners Advisory Committee.



Growthgate Capital is a private equity firm that focuses on the middle-market segment and follows a buy-and-build investment strategy. The firm specialises in buying into well-managed, privately held companies with scalable business models and then scaling them up through serial acquisitions that directly contribute to building lasting value.

Growthgate's investments span waste management and environmental services, construction and building materials, retailing, food and consumables, biometrics technology, and animation and themed entertainment.

Growthgate was established in 2007 as a closed joint stock company in the Kingdom of Bahrain.

It was established by a select group of state-owned banks, public pension funds, and single-family offices from around the Middle East. Since 2008, the firm has invested in eight companies and conducted more than 24 bolt-on acquisitions on their behalf. It has also completed four exits, selling some of its portfolio companies in full or in part. As of 2018, Growthgate had a net asset value of \$388 million and had about \$1.6 billion in assets under monitoring.

Crescent Enterprises provides strategic guidance to Growthgate through its representation on the firm's board of directors. It takes a close interest in the firm's strategic rationale for select investment decisions and co-investment opportunities.



TVM Capital Healthcare is a globally active private equity healthcare company with emerging market strengths. The firm, headquartered and regulated in Dubai, expanded to Singapore in 2018 and invests in companies that transform the way healthcare is delivered to make it better, more cost-effective, faster, and more accessible.

TVM Capital Healthcare brings over 35 years of dedicated international private equity healthcare experience to some of the fastest-growing healthcare markets in the world. Its success in connecting novel solutions with unmet medical demand will generate sustainable returns for investors while ensuring measurable positive impact for people requiring healthcare. The company's expertise and location make it ideally placed to apply healthcare solutions from Europe and North America to needs in Southeast Asia, the MENA, and Turkey and to employ those novel solutions using skilled local people.

TVM Capital Healthcare undertakes extensive research to identify unmet needs and then invests in companies best positioned and equipped to fill those needs. It contributes to developing and pursuing the growth strategies of its investments through a hands-on approach when necessary but mostly by fostering in-house management, operational, and strategic expertise to support companies execute their growth plans.

Crescent Enterprises is a limited partner in and a provider of strategic guidance to TVM Capital Healthcare through representation on its Limited Partners Advisory Committee.



The Siraj Fund Management Company (Siraj) was founded by Palestine-based Massar International to manage and oversee investment funds in Palestine that spur industrial development, economic growth, and sustainable development. To those ends, Siraj launched Siraj Palestine Fund I (SPF I), a \$90 million private equity fund comprising \$60 million in equity funding and \$30 million in financing from the Overseas Private Investment Corporation (OPIC), the US government's development finance institution.

SPF I invests in start-ups; growth prospects; distressed businesses; buyouts; and small, medium, and large enterprises across diverse, high-growth economic sectors in Palestine. It has assessed more than 200 potential deals in 11 sectors, including start-ups and small and midsize enterprises requiring growth capital, and has concluded 14 investments in 7 sectors: information, communication and technology, banking and financial services, energy, infrastructure, healthcare, logistics, and agriculture.

Crescent Enterprises is a limited partner in and a provider of strategic guidance to SPF I through its representation on the fund's Limited Partners' Advisory Committee.

Advancements in 2018

CE-Invests witnessed considerable progress in its private equity holdings in 2018. Its holdings expanded their investments, in companies, sectors, and regions, generating value for CE-Invests and other of their investors. Each of CE-Invests' private equity investments has a distinctive approach to growing its respective portfolio companies organically and inorganically. In addition to delivering robust financial performances in 2018, CE-Invests' investments reaffirmed their commitment to corporate governance, corporate citizenship, and sustainability. They further developed their policies and undertook innovative internal and external initiatives for such.

Gama Aviation Plc furthered its operations

Gama Aviation's strategy targets global leadership in business aviation services through organic means, joint ventures, and acquisitions. To execute its strategy, it focuses on deepening its expertise, expanding its breadth of regional capability and delivering a scale of operation that is aligned to the needs of its client base.

• **Raising capital:** Gama Aviation raised £48 million (approximately \$67 million) in March 2018 to accelerate its strategy of becoming the leading global business aviation services group. Hutchison Whampoa (China) Limited (Hutchison) subscribed to shares in the placing and originally held approximately 21% of Gama Aviation's issued share capital. In turn Gama Aviation acquired a portfolio of Hutchison's Hong Kong aviation interests, including its 50% stake in Gama Aviation Hutchison Holdings Ltd and its 20% stake in China Aircraft Services Limited (a commercial airline maintenance business), for \$19.8 million.

Gama Aviation is deploying the proceeds of its 2018 equity placing through a series of organic growth programs in the Middle East and the US and through a pipeline of acquisition opportunities, subject to the potential purchases meeting its disciplined acquisition criteria.

• **Investing in facilities:** Gama Aviation transferred its primary turboprop and jet maintenance facilities from its 25,000-square-foot facility at the UK's Farnborough Airport and its 48,000-square-foot facility at London Oxford Airport, respectively, into its flagship 135,000-square-foot secure facility at Bournemouth International Airport during the second half of 2018. Consolidating jet and turboprop maintenance into a single facility creates the capacity for growth and the cross-utilisation of resources.

In the US, Gama Aviation will develop a base maintenance capability to serve the Western US market. Gama Aviation is also in advanced discussions to secure hangar capacity in south Florida to develop its base maintenance capability to serve the Eastern US market. In addition, Gama Aviation will expand its base maintenance capabilities at five of its other US line maintenance centres: New York Teterboro, New York White Plains, Palm Beach International, Dallas Love Field, and Los Angeles Van Nuys. The company's US operation is also continuing to expand the reach of its line maintenance network, to which it recently added facilities at the Chicago and the Miami Opa-locka airports.

Gama Aviation's UAE operation, meanwhile, continues as planned its development of the Business Aviation Centre in Sharjah.

• **Winning contracts:** In 2018, Gama Aviation's European Air and Ground divisions were awarded over £90 million (roughly \$125 million) for two special mission services contracts. The first, an 11-year contract commencing from 1 April 2019, is for the provision of maintenance and spare parts logistical support for eight government special mission aircraft. This contract is expected to deliver revenues between £66 million (roughly \$92 million) and £88 million (roughly \$122 million). The second contract is for five years beginning 1 July 2019 and is to support four special mission services aircraft by drawing on a range of specialist services that Gama Aviation's holistic business model provides, including aircraft modifications and maintenance and flight operations. This contract is expected to deliver revenues of approximately £27.5 million (about \$38 million).

• **Expanding its fleet:** Gama Aviation has placed a £20 million (around \$28 million) order for three Airbus H145 Helicopters to be delivered in the fourth quarter of 2019 in support of a long-term contract. In the United States, meanwhile, Gama Aviation Signature, the largest aircraft management company in the US, added four new large-cabin aircraft to its fleet in 2018.

RAK Ceramics remained true to its strategy

Despite challenging economic conditions in 2018, including highly volatile crude oil prices and increasing raw material costs, RAK Ceramics delivered on its strategy of increasing production and operational efficiencies across the business, improving profitability, and implementing strategic initiatives in India and Saudi Arabia.

The company reported revenues of AED 2.8 billion (\$756.46 million), a 2.8% decrease compared to 2017 driven by a 43.4% decline in non-core revenues in-line with the company's strategy to divest underperforming and non-core operations. Non-core revenues were at an all-time low of AED135.8 million (\$36.67 million) for 2018, representing just 4.5% of total group revenues.

The company's core revenue from its tiles, sanitary ware, and tableware divisions was stable at AED2.6 billion (\$712.8 million), driven by robust performance in the UAE, India, and Bangladesh as well as the tableware business in Europe and North America.

The group's total gross profit margin increased by 160bps YoY to 33.2%, with core gross profit margins increasing by 80bps YoY to 33.3%, despite continued increases in energy and raw material costs. This was achieved on the back of improvements to operational efficiencies in the UAE and Bangladesh, coupled with strong performance in the tableware business.

Reported net income decreased to AED225.1 million (-28.7% YoY) owing to higher energy costs, the decline in non-core revenue, and the prior year including an extraordinary gain on the sale of two non-core entities. A 5% stock dividend and 15 fils/share cash dividend were announced for 2018 yielding a healthy dividend yield of 8.2% as at 31 December 2018.

• **Expanding in Saudi Arabia and in India:** In Saudi Arabia, the restructuring of the company's distribution network was completed following the acquisition of two joint venture operations. This provides RAK Ceramics with greater control over market channels and eliminates overlaps in distribution, which previously cannibalised sales. The company also began planning a state-of-the-art, low-cost ceramics manufacturing facility in Saudi Arabia, which will add approximately 10 million square metres per annum of tile production capacity. This will allow RAK Ceramics to drive growth in the company's core net income going forward.

In India, RAK Ceramics recently began commercial production at its newly expanded manufacturing facility in Morbi (Gujarat), in which it acquired a 51% stake in 2017. A second greenfield joint venture in Morbi with a production capacity of 3 million square metres per annum is expected to come online in 2019 to cater to markets in Europe and the Asia Pacific.



The Siraj Palestine Fund left a bigger footprint on Palestinian infrastructure

The Siraj Palestine Fund invests strategically in crucial sectors in Palestine. Its investments—some of which are highlighted below—in infrastructure, banking, energy, and agriculture expanded further in 2018.

• **PADICO Holding:** PADICO Holding, a limited public shareholding company traded on the Palestine Exchange (PEX), aims to develop and strengthen the Palestinian economy by investing in the region's vital economic sectors. PADICO's asset base is well diversified in the crucial and growing sectors of telecommunications, real estate, finance, agriculture, industrial, and infrastructure.

In 2018, PADICO's performance improved significantly. Its consolidated net income increased 213%, to \$15.54 million, compared with \$4.96 million in 2017. This was attributable to the improved performances of its subsidiaries, PADICO Tourism and PRICO.

• **The National Bank:** The National Bank (TNB) is a commercial bank incorporated as a public shareholding company and listed on the PEX. It was established following a merger between Al Rafah Microfinance Bank and the Arab Palestinian Investment Bank and is the third-largest and a leading bank in Palestine. It has paid-in capital of \$75 million and more than 13,000 local and foreign individual and corporate shareholders. TNB provides extensive financial solutions to the corporate and retail sectors and offers investment banking and microfinance lending.

As part of a consortium, TNB acquired a 45% stake in the Palestine Islamic Bank in 2018. TNB also signed a \$6 million agreement with the European Bank for Reconstruction and Development to increase lending for SMEs and a trade facility in Palestine. In addition, it fulfilled its digital transformation strategy and opened a first for a Middle Eastern bank, a digital service centre. For these initiatives, TNB was named "The Most Innovative Bank in Palestine 2018" by International Finance Magazine.

• **PalGaz:** PalGaz is a liquefied petroleum gas (LPG) distribution company. It also refills and distributes gas cylinders, installs meters, and establishes large-scale central gas network piping for cities, such as Rawabi; for residential neighbourhoods, such as Reehan; and for factories, hospitals, and residential buildings. The latter function is significant for ensuring gas supply in winter at vast commercial and residential complexes that usually face a lack of storage.

PalGaz serves customers from four main offices: its headquarters in Nablus and offices in Hebron, Ramallah, and Rawabi. In 2018 PalGaz added more customer service representatives to cover more territory geographically and improve its supply chain efficiency. It also used social media to communicate with its customers; activated online billing through the Arab Bank; and provided all-day, every-day supply and support to customers.

• **Nakheel Palestine for Agricultural Investments:** Nakheel Palestine for Agricultural Investments was established in 2010 to contribute to Palestinian agriculture and specifically its cultivation of dates. It is introducing high-quality Palestinian Medjool dates to local and international markets. Nakheel is a regional front-runner in growing, packing, and exporting fine Medjool and Berhi dates, over 50% of whose production it exports regionally and internationally.

In 2018, Nakheel grew substantially when it acquired Sultan, Palestine's second-largest Medjool farm, and its packing and refrigerating facilities. Nakheel also harvested and processed in record time with superlative results, allowing it to put its premium-brand Palestinian dates in front of customers in over 20 countries earlier than usual. In 2018, Nakheel sold 1,191 tonnes of dates, compared with 901 tonnes in 2017.

TVM Capital Healthcare solidified its portfolio of transformational healthcare companies

In 2018 TVM Capital Healthcare's focused on expanding its portfolio companies, which successfully scaled up their core operations and penetrated new markets, both geographically and vertically.

• **Amecath Medical Technologies:** In 2014 TVM Capital Healthcare acquired a majority stake in Amecath Medical Technologies, the leading catheter maker in Egypt. Amecath offers high-quality, low-cost, differentiated and select intellectual property protected catheters and related products. It is a leader in the design and production of a comprehensive range of dialysis, urology, and central venous catheter products and boasts a new line of percutaneous sheath introducers and diagnostic catheters. Fully five of its products are approved by the US Food and Drug Administration (FDA). Amecath is ISO 14001:2015 certified and holds the necessary quality and security certificates to export to more than 55 international markets on five continents, including Europe and North America.

Formerly known as Ameco Medical Industries, the company rebranded in 2018 under its new legal name Amecath Medical Technologies, Amecath also being the brand name of the company's internationally successful products. In 2019 Amecath will emphasise increasing its international presence and market share, prioritising in particular the US and European markets.

• **Bourn Hall International:** TVM Capital Healthcare co-developed the concept for Bourn Hall International (BHI) in 2010 with the UK's Bourn Hall Clinic. The concept centres on operating world-class, branded in vitro fertilisation (IVF) reference centres in the UAE. Today, BHI operates two such clinics in the UAE, in Dubai and, newly opened, in Al Ain.

The flagship clinic in Dubai shows continuous growth in enquiries, consultations, IVF cycles, and world-class fertility success rates. BHI's 2019 regional expansion strategy consists of rolling out and developing clinics around the Dubai clinic. In addition to its success, the Dubai clinic bears Joint Commission International (JCI) healthcare accreditation, which covers environment, health, and safety issues and involves monthly internal auditing.

In November 2018, Mediclinic Middle East, part of Mediclinic International, acquired a minority stake in BHI. This marks an unprecedented emphasis on assisted reproduction in the MENA region. On 1 November 2018, BHI took over the operations of Mediclinic Middle East's IVF clinic at the Mediclinic Al Ain Hospital. Mediclinic Middle East's minority stake, meanwhile, grants Mediclinic International representation on the board of BHI.

• **Cambridge Medical and Rehabilitation Center:** In 2012 TVM Capital Healthcare invested in the Cambridge Medical and Rehabilitation Center (CMRC), the UAE's leading dedicated medical care and rehabilitation service provider. The CMRC accommodates patients requiring short-term comprehensive rehabilitation and patients in need of long-term care for the treatment of chronic illness or for injury rehabilitation. It devises treatment plans tailored to the needs of individual patients. It also encourages family members' involvement in the patients' treatment. This latter is especially significant for the outpatient therapy offered by the CMRC in addition to its inpatient services at its medical centres.

The CMRC is accredited by the international non-profit Commission on Accreditation of Rehabilitation Facilities (CARF) and achieved the Gold Seal of Approval from Joint Commission International with a highly successful triennial re-accreditation survey. That accreditation signals the CMRC's commitment to continually improving its services, encouraging feedback, and serving the community.

To best serve communities, the CMRC has opened facilities in Abu Dhabi, Al Ain, and Dubai, in 2014, 2015, and 2017, respectively. Increased demand for quality patient care in Abu Dhabi and Al Ain and the opening of the Dubai facility in 2017 led to a 54% increase in outpatients in 2018, to 26,171. The number of inpatients admitted in 2018 increased 38.4% and numbered 294. The CMRC, meanwhile, is proceeding with its establishment of a clinic in Dhahran, Saudi Arabia, which it anticipates will be operational in the first quarter of 2019.

• **Manzil Healthcare Services:** Manzil Healthcare Services is the UAE's largest home healthcare services and disease management provider to paediatric and adult patients. It offers its services to patients in the UAE, Qatar, and Egypt, including wide-ranging services provided by licensed physicians, nurses, and therapists at patients' homes.

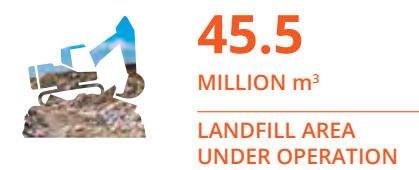
Manzil is a leader in remote patient care and health counselling. It uses innovative technologies and is the first home care provider licensed by the Dubai Health Authority (DHA) to provide telemedicine and teleconsulting to patients with chronic diseases. It designs customised disease management programmes (DMP) for patients with specific chronic conditions and uses phone-based health coaching to reduce complications and the drain on hospital resources. In 2018 Manzil provided services to 531 patients, including 383 in the UAE, 94 in Egypt, and 54 in Qatar.



Growthgate Capital's portfolio companies expanded their operations

• **Averda International:** Averda International is an end-to-end waste management company. It collects, cleans, sorts, treats, and recycles non-hazardous, hazardous, and electronic waste, and constructs and operates landfills that generate power for communities. Averda performed strongly in 2018 because of increased demand for waste management in developing nations. It initiated 13 projects in Tangier and Casablanca, Morocco, and in Saudi Arabia, Oman, and South Africa.

In 2018 Averda collected 11,939 tonnes of waste daily and operated 45,514,950 cubic metres of constructed landfill. It also launched several waste management campaigns to raise awareness of waste management and environmental concerns. For the third consecutive year, Averda partnered with Uber in Dubai to collect electronic waste in the city. That joint effort resulted in the collection of 946 kilograms (0.946 tonnes) of electronic waste and helped contribute to the UAE's Vision 2021 goal of recycling 75% of the nation's waste.



• **Retail Holding:** Retail Holding, the owner and operator of international retail franchises in Morocco, increased its revenues and profitability in 2018. Organic growth due to the company's strategic changes to the pricing and marketing strategies of its hypermarket and supermarket stores was primarily responsible for the increases. Retail Holding, moreover, opened 30 new stores in 2018, including 16 Carrefour markets, 1 Carrefour hypermarket, 8 CDCI stores, 3 Burger King restaurants, and 2 Kiabi stores.

• **IrisGuard:** IrisGuard is the world's leading supplier of end-to-end iris recognition financial delivery platforms. It has integrated its iris recognition technology into a mobile phone that is being deployed in refugee missions in Jordan in collaboration with the Jordan Telecommunication Regulatory Commission (TRC) and Nationwide Micro Finance Ltd. (NFC) Ghana. As a result, 2.7 million refugees have a secure digital identity and over half a billion US dollars have been securely dispensed in cash, with \$3 million processed monthly in supermarkets. IrisGuard is collaborating with the United Nations High Commissioner for Refugees (UNHCR) to expand its geographic coverage in Jordan, Syria, Iraq, Lebanon, Egypt, and Turkey.

IrisGuard was recognised as the International Innovator of the Year at the 2nd Annual Lendit Fintech Industry Awards for its novel blockchain retail project that allows the processing of supermarket transactions in Jordanian refugee camps. It also received three other awards in 2018: the Seamless, CEO Europe Today, and AL Global Excellence awards.



ESG and risk management initiatives

The differing strategies and business challenges of CE-Invests' private equity holdings necessitates individualised ESG and risk management approaches. Gama Aviation, for instance, requires a very different set of corporate governance imperatives than Siraj or TVM Capital Healthcare. Here, we look at the ESG and risk management mechanisms being adopted by portfolio companies to meet the challenges of a dynamic global marketplace while balancing business expansion and corporate responsibility.

Gama Aviation emphasised robust ESG standards

The governance structure at Gama Aviation ensures that its employees maintain the conduct expected of them and represent the company in line with its policies. That structure also ensures that Gama Aviation has adopted best practice to ensure, in turn, that compliance with laws and local regulations is observed and corruption and bribery are prevented.

Gama Aviation is listed on the Alternative Investment Market (AIM) of the London Stock Exchange. Its board, therefore, complies with the provisions of AIM's Financial Reporting Council's corporate governance code insofar as it considers them to be appropriate to a company of its size and nature.

Gama Aviation's board is responsible for guidance and direction and for reviewing strategy, monitoring performance, understanding risk, and revising controls. It is, in short, responsible for Gama Aviation's success. The board includes non-executive directors possessing a balance of skills, experience, independence, and knowledge of the company and Audit, Remuneration, and Nomination Committees.

The company's reputation for safety, reliability, and high service standards is essential for maintaining customer loyalty and premium pricing. So, Gama Aviation has processes in place to monitor and maintain its usual operating standards as manifested in the performance of those of its staff who interact with customers and by its back-office staff. The company examines any deviation from these standards and implements changes to prevent recurrence.

To enforce the highest levels of safety, the aviation industry has in place important but complex regulations for training, engineering, safety, and operations. Gama Aviation's employees are dedicated to liaising with the regulatory authorities to stay up to date and in compliance with all requirements. Employees are also regularly retrained and reappraised to ensure their understanding of the regulations and why they must comply with them.

Moreover, Gama Aviation recognises the importance of committing to society and environment. It strives to heighten its value to society and to reduce the impact of its services on the environment. Indeed, in 2018 the company introduced a formal corporate and social responsibility (CSR) programme involving environmental and community volunteerism, fundraising, sponsorship, and waste management. The following initiatives underlie its efforts in regard specifically to its air operations:

- Follow responsible flight procedures and operations to limit fuel burn while maintaining the highest safety standards.
- Engage all aspects of operations in waste recycling schemes.
- Review all areas of consumption, particularly of paper, replacing paper flight bags with electronic flight bags (EFB), removing marketing brochures, and using certified sustainable paper stock.

RAK Ceramics enhanced its internal systems for greater impact

Strengthening corporate governance is a key pillar of Samena Capital's value creation initiatives at RAK Ceramics. In 2018 RAK Ceramics focused on productivity and analytics enhancements by purchasing and implementing "ACL", the leading global audit SaaS analytics application. In addition, the company extended its delegation of authority (DOA) to its operations in Europe and in Saudi Arabia.

In the area of environmental health and safety, RAK Ceramics has a dedicated department that continued to implement best practices in adhering to local, national, and international legislative compliance programmes. The company conducts itself locally through the Ras Al Khaimah (RAK) Environment Protection and Development Authority and RAK Civil Defence, nationally through the UAE's Ministry of Climate Change and Environment and Ministry of Health and the Abu Dhabi Centre for Occupational Safety and Health and internationally, through ISO 14001 and ISO 45001.

TVM Capital Healthcare reinforced its ESG policies

Integral to the International Finance Corporation (IFC)'s investment in TVM Capital Healthcare in 2010 was the requirement that TVM Healthcare Capital implement a social and environmental management system (SEMS) at each of its portfolio companies. This complies with the IFC's performance standards and guidance on social and environmental sustainability.

TVM Capital Healthcare has not only fulfilled the IFC's condition, but it has also expanded upon it and woven ESG systems and practices into its investment philosophy and approach. In 2018 the company updated its ESG policies and established an extensive implementation and reporting process that included its promotion of gender diversity.

Social purpose is integral to TVM Capital Healthcare's investment approach.

The company establishes centres of excellence in healthcare where there is no access to much beyond the basics. Its healthcare investments therefore make a substantial impact on society in line with UN SDGs 3, 5, and 8. It also ensures that its investments follow rigorous ESG standards.

Since 2017 TVM Capital Healthcare investment Manzil has utilised electronic rather than paper-based medical records at its UAE operations. This has reduced Manzil's paper consumption and raised its security for and ease of tracking in medical documentation. In 2018 Manzil's operations in Qatar and Egypt followed suit and adopted electronic medical records. Also in 2018, Manzil contracted a waste management company in July to recycle its general office waste in the UAE.



"It's time to stop looking at ESG implementers as 'do-gooders', and view corporate governance as common-sense policies and measurements that are a necessity, rather than a nice-to-have. The benefits of adopting ESG and corporate governance models into our operations have helped us to grow our bottom line."

Hoda Abou-Jamra

Founding Partner, TVM Capital Healthcare

Manzil's community engagement encompasses corporate wellness, disease management, vaccination campaigns, diabetes awareness, and social support. During 2018 the company held five events in the UAE, one in Egypt, and four in Qatar. Manzil staff, moreover, provided pro bono services on top of insurance-covered care to maintain the company's high standards for patient care. Pro bono contributions in the UAE amounted to 84,603 nursing hours and 21,150 caregiver hours. In Qatar, Manzil staff provided 600 pro bono nursing hours.

The CMRC similarly aids communities and their local organisations through philanthropic donations, helping with the procurement of medical equipment, health screenings, health-related charities, and health education. Pro bono, it conducted 11 events in 2018 and provided 20,466 hours of health services, including promotion and education. It also, moreover, donated more than \$473,602 in care for patients who either lacked the health insurance or the financial resources for their clinical care.

Amecath is making a difference for society and for the environment. In 2017 it launched a reduce, reuse, recycle programme targeted especially at lowering its plastic waste. That programme also involves implementing process control to decrease other waste, including from production. As of 2018, waste at Amecath has diminished more than 40%. Amecath has also lowered its water consumption and decreased its discharge of wastewater to within regulated limits. Its consumption of electricity, however, rose slightly in 2018 because of higher production capacity.

Amecath has established a three-year brotherhood agreement with Abo Twala village, where most of its employees live. The agreement sees Amecath run social projects, such as building a public library and a water filtering station. In 2018, Amecath donated 10,000 person-hours for environmental clean-up days and other community activities in the village.

Siraj Capital's portfolio companies spearheaded community development and environmental stewardship

PADICO Holding is a proud member of the UN Global Compact and is committed to investing in socially and environmentally conscious projects, to driving employee and community development, and to ensuring a sustainable Palestinian economy. It has invested in environmentally conscious waste management and infrastructure projects and undertaken numerous community development initiatives to cultivate Palestine's human capital.

The National Bank (TNB) prioritises economic, social, and environmental sustainability in its business practices and culture in the following ways:

- Supporting diversity in the workplace; evidenced by female employees accounting for 35% of its workforce as opposed to the Palestinian average of 19%.
- Focusing on building capacity through team education and training.
- Emphasising gender equality through distinctive programmes that empower women to be self-dependent, productive members of society.
- TNB partners with the Presbyterian Foundation to offer an entrepreneurship programme that grants women financing at low interest rates to develop projects from which they can generate steady income and achieve economic self-dependence.
- TNB's Hayati savings account is immensely popular in Palestine and is dedicated wholly to helping women entrepreneurs realise their projects through zero-interest microloans from a \$1.5 million pool. The bank also offers entrepreneurial women the opportunity to win prizes, such as a house, a lifetime steady income, and an education for their children.

- Complying with the directive of UN Women and the International Labour Organization (ILO) following the gender audit of the bank's operations to implement a strategy to enhance the role of Palestinian women in Palestine's economy.

- Heralding female gender inclusion ratios among its customer base to the tune of 20% current account holders, 55% savers, and 34% of total base.

PalGaz offers products that reduce ambient air pollution and harmful fumes, burn efficiently and economically, and result in long-run cost savings for consumers. Most importantly, it secures sufficient gas supply in winter to the vast commercial and residential buildings facing a lack of storage. PalGaz's highlights for 2018 include the following:

- PalGaz generated additional local jobs. Its workforce has grown 38% since its acquisition, and this has had a positive, indirect socioeconomic influence on the local communities where it does business.
- PalGaz educated consumers and stakeholders in issues relating to health, safety, and the environment (HSE) and on its quality assurance. It organised a seminar for the Civil Department Palestinian Standards to raise public awareness of new gas tank installation standards, and it led public awareness campaigns communicating the environmental benefits of switching from diesel to LPG.

Nakheel's business operations and practices affect society in multiple ways, from labour to gender equality practices. Highlights from 2018 for Nakheel are as follows:

- Nakheel's year-round employment of around 500 people is significant for the local agricultural community.
- Fully 55% of Nakheel's seasonal and permanent employees are women.
- An astonishing 85% of those women are the sole wage earners for their households.

- Nakheel provides annual internal and external training to its farm and factory employees, whether they are permanent skilled or seasonal unskilled workers. The training is meant to enhance employees' capabilities and safety awareness and to increase the efficiency and the effectiveness of operational processes.

Emphasising people-centred initiatives

The companies in the CE-Invests portfolio understand that their employees underpin their growth and expansion. As a service business, Gama Aviation is especially aware of the fundamental role of its people. Gama Aviation is equally aware of its duty to inform, educate, and protect its employees. It is therefore committed to workplace health and safety and has implemented stringent safety management systems requiring continuous improvements. It also encourages workplace diversity, in part by basing hiring and advancement solely on merit. Gama Aviation, moreover, strives for a healthy work-life balance for its employees and for the development of their skills beyond the workplace to inculcate a love of life-long learning. In 2019 it is undertaking initiatives promoting employee well-being and stress awareness.

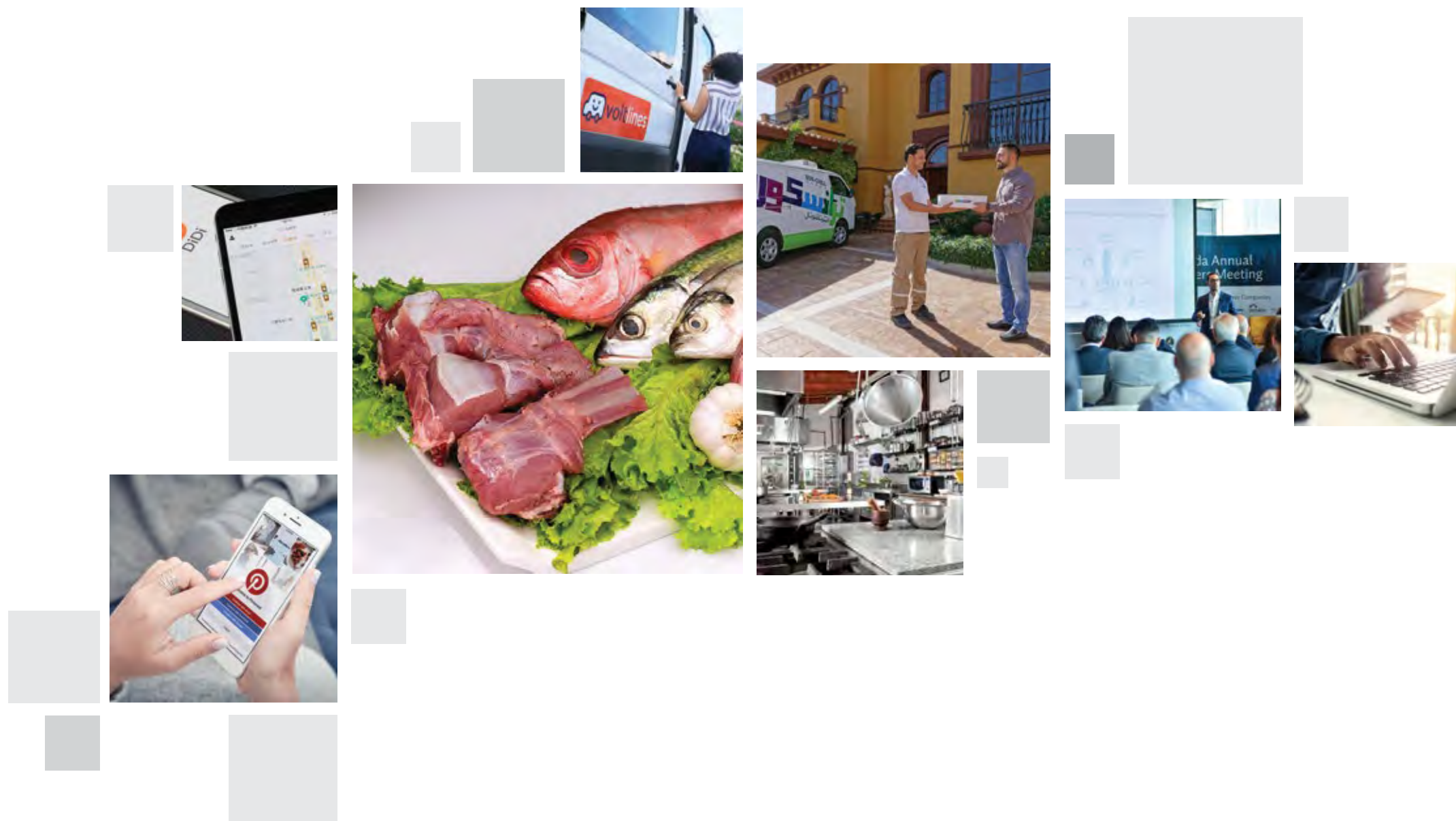
RAK Ceramics likewise places employee training and development as a key priority and runs training sessions spanning diverse health and safety issues on an annual basis. In 2018 the company underscored its concern for employee welfare by having 2,535 of its employees who work in hazardous conditions participate in its annual health screening programme, as well as 590 of its drivers undergo eye tests to ensure their effectiveness and safety. Employees also benefited from leadership and management programmes, including MEAP (Managerial Effectiveness and Advancement Programme); LEAP (Leadership Effectiveness and Advancement Programme); Six Sigma; and Lean Manufacturing.

CE-VENTURES

CE-Ventures is the corporate venture capital arm of Crescent Enterprises. Its focus is on strategic investments in early- to late-stage technology start-ups and select global VC funds. CE-Ventures will be investing \$150 million in start-ups by 2020 and shall target 50% of those investment funds at MENA-based ventures.

CE-Ventures targets start-ups that offer synergies with Crescent Enterprises' operations across supply chain management tech, energy tech, medical tech, and fintech.

CE-Ventures, moreover, emphasises wide-ranging emerging technologies pervasive across industry sectors. These include technologies centred on artificial intelligence (AI), the Internet of things (IoT), and blockchain. CE-Ventures' specific focus among these broad technologies is on niche consumer and enterprise software as a service (SaaS) emerging technologies.



20

Tech start-ups and VC funds invested in

\$85 million

Invested to date in technology start-ups and VC funds

1.3x

multiple of invested capital

CE-Ventures partners with purpose-driven entrepreneurs to catalyse disruptive technologies and generate long-term returns.

CE-Ventures' portfolio

Start-ups

<p>ANOMALI</p> <p>Anomali helps detect and identify enterprise network cyber threats early. Its Threat Platform automatically collects and analyses cyber security intelligence data and integrates it with enterprise security tools.</p> <p>Anomali plans to expand to the Middle East and to Europe and Asia-Pacific. Since its 2013 launch, it has grown to about 200 employees and 300 large, Fortune 100 subscribers, including Alaska Airlines, Bank of England, and Citigroup.</p>	<p>ColubrisMX</p> <p>ColubrisMX is a US-based designer and developer of next-generation, minimally invasive microsurgical robotic devices. Its devices can reach areas otherwise inaccessible to treat life-threatening foetal malformations, brain abnormalities, and more. These microsurgical devices result from work at the University of Texas Medical School's Microsurgical Robotics Laboratory.</p> <p>As a major investor in ColubrisMX, Crescent Enterprises has representation on the board of the company.</p>	<p>DiDi</p> <p>Didi Chuxing (DiDi) is the world's leading transportation platform, offering extensive mobile app-based options to over 550 million users, including taxi, express, premier, luxury, hitch, bus, minibus, designated-driving, enterprise, bike, and food delivery options. Its up to 30 million daily rides provide income to over 21 million drivers.</p> <p>DiDi acquired Uber China in August 2016 and is now in Brazil and Australia. It leverages AI capabilities to transform the taxi and bus industry and to help cities develop smart transportation.</p>
<p>edcast</p> <p>EdCast offers cloud-based corporate learning and knowledge management using machine learning technologies. It has many Global 2000, Fortune 500, and public-sector customers among its two million paid users.</p> <p>EdCast's learning experience platform (LXP) ensures personalised learning based on employee skills and needs. Its LXP curates a company's learning content into preferred web resources and pulls external content from free, quality websites and such premium sources as Harvard and Lynda. Machine learning then adapts material to learners.</p>	<p>Fresh Home</p> <p>FreshtoHome is an e-commerce venture for fresh, chemical-free, and well-priced seafood and meat. From its expanding base of home delivery in India, it plans international growth.</p> <p>FreshtoHome's model grants it end-to-end supply chain control, disrupting traditional meat and seafood retail supply by removing the middlemen. The company plans to replicate the model for fruits and vegetables.</p> <p>Crescent Enterprises has representation on the board of the company.</p>	<p>FURLENCO</p> <p>Furlenco, founded in 2012, is an Indian online furniture subscription platform headquartered in Bengaluru and accessible in Bengaluru, Mumbai, Pune, Delhi-NCR, Hyderabad, and Chennai.</p> <p>Furlenco's award-winning, in-house furniture designs reflect urban professionals' lifestyles and gives subscribers access to premium home furniture and furnishings at minimal commitment.</p> <p>Crescent Enterprises has representation on the board of the company.</p>
<p>KITOPi</p> <p>Dubai-based Kitopi kitchen network cooks and delivers on demand for food brands. Kitopi, short for kitchen operation innovations, provides infrastructure and technology that enables food brands to open delivery-only locations quickly and at minimal expense.</p> <p>Kitopi takes orders on behalf of restaurants through the web, a call centre, or third-party apps; cooks the food at its network of commercial kitchens; and then delivers it. Restaurants can focus on their brick-and-mortar outlets, marketing, and product innovation.</p> <p>Crescent Enterprises supports and provides strategic guidance through its representation on Kitopi's board.</p>	<p>Pinterest</p> <p>Pinterest is a visual discovery engine that inspires. It began in 2010 simply as an online collection space for people's passions but quickly evolved into a source of inspiration. More than 265 million people visit Pinterest monthly to be inspired by its over 100 billion ideas.</p> <p>Pinterest's headquarters are in San Francisco and it has 1,300-plus employees worldwide, in Atlanta, Chicago, Detroit, Los Angeles, New York, Portland, Seattle, Berlin, Dublin, London, Paris, São Paulo, and Tokyo.</p>	<p>PRENAV</p> <p>California's PRENAV makes commercial drone systems capable of automated navigation for close inspection of critical infrastructure, such as bridges, dams, power plants, and electrical and cell towers.</p> <p>PRENAV's drones tap deep learning algorithms and leverage a lidar-enabled base station for GPS-denied navigation and take high-resolution photos for 3D reconstruction.</p> <p>PRENAV began in October 2013 with the goal of autonomous flight in complex environments. Its successes include the first automated flight inside a functioning nuclear reactor.</p>

<p>TARA</p> <p>Tara (talent acquisition and recruiting automation).AI is a start-to-finish intelligent software product builder. Users employ on-demand developers, automatically scope their project, and build task lists on one platform.</p> <p>Tara.AI bridges the innovation gap with predictive product management powered by AI and millions of projects on the web. Its smart platform provides and manages pre-screened, on-demand engineering resources.</p> <p>Tara.AI combines human talent and automation to save users time and money. People and entities innovate faster and avoid production delays with immediate access to the right resources. Tara.AI's clients include Orange Silicon Valley, Cisco, GSVlabs, and Business Majlis.</p>	<p>Transcorp</p> <p>Transcorp is a UAE-based, temperature-controlled, last-mile distribution and logistics company. It specialises in business-to-business-to-consumer and business-to-business cold chain distribution and delivery in the UAE's seven emirates.</p> <p>Transcorp streamlines last-mile logistics with end-to-end warehousing, transporting, and distributing solutions. Its proprietary system automates order management and offers real-time order tracking and estimated delivery. Transcorp's focus on technology and customer satisfaction make it a third-party, last-mile leader.</p> <p>Transcorp uses mostly its own vehicles for delivery speed and reliability. These key metrics are bolstered by its solid UAE network and expanding footprint in other MENA countries.</p> <p>Crescent Enterprises supports and provides strategic guidance through its representation on Transcorp's board.</p>	<p>Vezeeta</p> <p>Vezeeta is the MENA region's leading digital healthcare platform. Its 300,000-plus verified reviews equip users to search, compare, and book appointments with the best healthcare providers and health services in Egypt, Saudi Arabia, Jordan, and Lebanon.</p> <p>Vezeeta also provides healthcare providers in the region with innovative SaaS solutions utilising cloud computing and big data.</p> <p>Vezeeta has bestowed improved healthcare on millions through data and accessibility since its founding in 2012. It continues to build infrastructure to contribute to the region's healthcare ecosystem.</p>
<p>vicarious</p> <p>Vicarious-developed AI software 'thinks and learns like a human' using the computational principles of the brain known as the Recursive Cortical Network (RCN). RCN aids this California start-up improve machine learning to help robots quickly address tasks.</p> <p>Vicarious foresees all robots eventually equipped with its technology. CBInsights.com 2018 ranks Vicarious in the world's 100 most promising private AI companies, and the World Economic Forum named Vicarious a technology pioneer in 2015.</p>	<p>voltlines</p> <p>Volt Lines is a subscription transportation service founded in October 2017 to serve corporate users in Istanbul, Turkey.</p> <p>Volt Lines' subscribers gain access to unlimited rides on Volt Lines' buses during commuting hours Monday to Friday in the same way Netflix and Spotify subscribers have unlimited access to those services through their accounts.</p>	<p>XCath</p> <p>XCath is a US developer of next-generation, steerable robotic micro-catheters for endovascular conditions, such as cerebral strokes, that are less invasive and more flexible than conventional catheters. This cutting-edge technology was developed at the University of Texas Medical School's Microsurgical Robotics Laboratory.</p> <p>XCath micro-catheters have immense potential for helping patients remotely, especially where special surgical procedures are unavailable.</p> <p>As a major investor in XCath, Crescent Enterprises has representation on the board of the company.</p>

VC funds

<p>BOV</p> <p>BOV Capital is a venture capital firm in Sri Lanka and Singapore. It aims to help Sri Lankan start-ups capture regional and global opportunities, and its portfolio spans start-ups in AI, enterprise, IoT, e-commerce, logistics, media, and tourism.</p>	<p>Rising Tide</p> <p>Rising Tide is a Silicon Valley venture capital firm with roots in the US, Canada, Europe, and the Middle East. It invests in early-stage software and biotech ventures. It is a collegial partnership with diverse expertise that seeks to team with visionary companies breaking barriers and creating markets, especially those leveraging technological advancements in big data analytics, computer-aided design, optical sensors, mobile applications in vertical markets, and community-connected networks and services.</p> <p>The firm is stage-agnostic and focused on character, commitment, and results. It is dedicated to value creation, financially and socially, and strives to shape the future.</p> <p>Rising Tide's portfolio has over 70 companies at the intersection of science and technology that have the potential to positively impact people's lives.</p>	<p>wamda capital</p> <p>Wamda Capital was established in 2014 in Dubai as a sector-agnostic venture capital firm. Its first fund, the \$70 million Wamda Capital I, targets early- and growth-stage technology companies operating in Turkey and the MENA region with highly scalable, capital-efficient business models. It focuses on minority positions in start-ups and on providing ongoing, in-depth strategic support; access to lucrative Gulf markets through unique partnership programmes; and in-depth subject matter expertise in key segments, such as shared economy, e-commerce, and digital content.</p> <p>Wamda Capital I operates with the Wamda Platform, a self-sufficient ecosystem enabler with programmes and networks aimed at accelerating entrepreneurship ecosystems in the MENA region.</p> <p>Crescent Enterprises is a limited partner in the fund Wamda Capital I. We monitor the portfolio of Wamda Capital and provide strategic support through representation on the Wamda Capital I Limited Partner Advisory Board.</p>
<p>ICONIQ</p> <p>ICONIQ Capital is a private US investment firm serving some of the world's most influential families and organisations, including big names in Silicon Valley. The firm manages direct investments with a focus on technology growth equity, venture capital, middle-market buyout, and real estate. It offers companies it invests in a unique support system through its influential network.</p> <p>The firm has offices in San Francisco, New York, Palo Alto, and Singapore. ICONIQ's portfolio also includes over ten unicorns valued at or more than \$1 billion each, placing it among elite investors.</p>		

Investments in 2018

By tackling the challenges of the future, deep technology has the potential to foster a more prosperous and inclusive future for mankind. CE-Ventures continued in 2018 to focus its investing activities on technology start-ups and tech-centric VC funds—and not solely in the high-growth technology markets of the US and India. CE-Ventures enhanced its investments in technology companies and VC funds closer to home, in the MENA region. Its investment portfolio contains an international and regional mix of 15 tech start-ups and five VC funds. Specifically, in 2018 CE-Ventures invested in the principal technology growth sectors of the world economy that it specialises in, such as supply chain management, enterprise software, and consumer e-commerce.



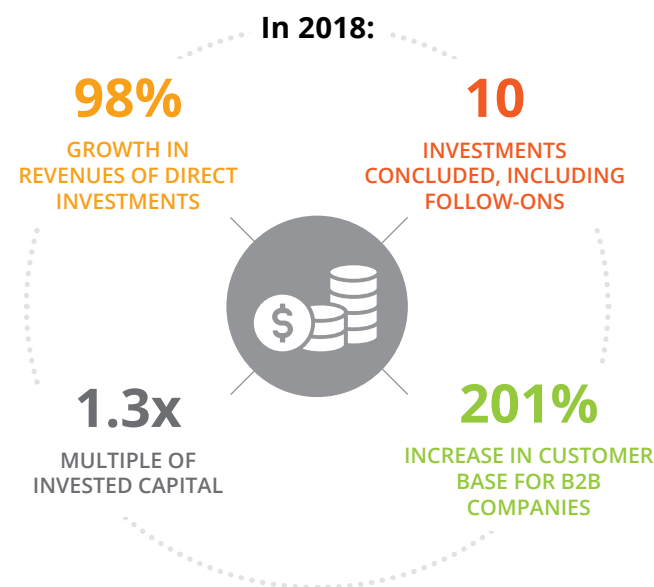
“CE-Ventures’ investment is critical to our long-term growth as it not only provides us with the capital required to enter new geographical and service markets, but it also enables us to benefit from Crescent Enterprises’ long-standing expertise in the logistics sector and its strategic insights into the MENA region throughout our expansion journey.”

Rodrigue Nacouzi
CEO and Founder, Transcorp International

Following are CE-Ventures’ technology start-up investments in 2018:

- Vicarious, invested in as part of a Series C round.
- Anomali, invested in as part of a \$40 million Series D round.
- Kitopi, invested in as the series seed lead and in the Series A rounds.
- Transcorp, invested in for a significant minority stake.
- Vezeeta, invested in during a \$12 million Series C round.
- Furlenco, invested in as co-lead in a \$17.5 million Series C round.
- EdCast, invested in during a \$34 million Series C round.
- Volt Lines, invested in during the seed round.
- FreshtoHome, invested in as a follow-on to initial investment.
- Rising Tide Ventures, invested in as a limited partner in the Rising Tide Seed 2017 fund.

The funds in CE-Ventures’ portfolio performed equally well in 2018. They invested a collective \$908 million in 35 seed-stage to growth-stage companies during the year under review. For instance, Rising Tide invested \$3.2 million in 18 market-creating companies leveraging AI, blockchain, healthcare, and deep technology, most notably Molecular Assemblies, Evonetix, and eXo Imaging. Meanwhile, Wamda Capital, through its \$70 million Wamda MENA Ventures I fund, added five companies to its portfolio: Golden Scent, AqarMap, Crowd Analyzer, Tamatem, and Tarfin.



In 2018, the start-ups in CE-Ventures’ portfolio expanded the scale of their operations by increasing their revenues, entering new markets, or introducing new products or services. The start-ups that are CE-Ventures’ direct investments, excluding those with limited or no information rights, witnessed 98% growth in revenues year-on-year.

Disciplined expansions

Vezeeta, the leading digital healthcare booking and practice management software platform in the MENA region, achieved impressive growth in 2018, raising its revenue two and half times over the previous year. It also doubled its number of doctors and increased its bookings 125% over 2017. Vezeeta’s focus for 2019 is to expand beyond Riyadh and Jeddah in Saudi Arabia and to offer new products for personalised experiences.

Transcorp extended its services beyond its primary sector of food and beverages to fast-moving consumer industries in 2018, including beauty and cosmetics and pharmaceuticals. With its sound infrastructure and network, Transcorp is poised for growth from the surging on-demand and e-commerce sectors.

Outside the MENA region, CE-Ventures has minority investments in US and other-country start-ups, and many of these also had a successful 2018.

Pinterest, a social media giant, reached 265 million active users monthly and generated \$756 million in revenue, an increase of 60% over the previous year. Its global average revenue per user grew 25%, to \$3.14. Early in 2019, Pinterest had a successful IPO and debut on the New York Stock Exchange, raising \$1.6 billion with shares priced at \$19 a share.

Anomali, the US start-up that provides a platform for the early detection and identification of cyber threats in enterprise networks, announced at the Detect Conference in September 2018 the launch of the Anomali Threat Platform, a comprehensive threat detection and response suite. This platform represents five years of innovating to provide organisations with a unified solution to identify cyber threats and their source of threat and to automate a response.

EdCast, an AI-powered, cloud-based corporate learning and knowledge management platform in the US, doubled its revenue and customers in 2018. It has also acquired three companies since its establishment that complement its technology and expand its content and footprint. Outside the US, EdCast has offices in India and select countries in Europe and a wide network of partners and resellers in Southeast Asian and African countries and in Japan. CE-Ventures is working with EdCast to facilitate the company’s expansion into the MENA region.

FreshtoHome, the fresh, chemical-free seafood and meat e-commerce platform in India, procures more than 400 tonnes of fish and meat from fishermen and farmers a month and serves over 400,000 customers. In 2018 it reached a milestone of 8,000 peak orders per day.

Didi Chuxing, the world’s leading mobile transportation platform, has globalisation as a core strategic objective. Indeed, in 2018 DiDi expanded its global footprint and services offerings extensively. It acquired 99, the operator of Brazil’s leading ride-hailing business, launched DiDi Express in Mexico and in Australia, and initiated DiDi Mobility Japan Corp. The latter is a joint venture with SoftBank to offer on-demand taxi-hailing services and smart transportation solutions for citizens and tourists in Japan.

DiDi will continue to cultivate markets in Latin American countries and in Australia and Japan. Through a combination of world-class transportation AI technology and deep local expertise, Didi will bring an improved transportation experience

to markets everywhere. DiDi anticipates forging public-private partnerships for smart transportation solutions to achieve sustainability goals for cities worldwide.

Technological advances

ColubrisMX, a US medical device company, experienced significant progress in 2018. This developer of next-generation microsurgical robotic devices commenced pilot projects to manufacture its robots and is on track to apply for Europe’s CE mark and, in the US, for FDA approval before year-end 2019.

XCath, a US developer of steerable robotic micro-catheters for treating endovascular conditions, such as cerebral strokes, in a significantly less-invasive and more efficient way than conventional catheters, advanced its product development in 2018. It is preparing to submit for FDA approval before the end of 2019. Early in 2019, XCath completed its new clean room and received ISO certification for that facility’s manufacture of electroactive polymer tips.

PRENAV, a California-based start-up maker of automated commercial drone systems, launched the first version of its product to customers in November 2018 and projects strong growth in 2019.

Vicarious has developed AI software that can ‘think and learn like a human’ using the computational principles of the brain known as RCN. In 2018 this California company launched its first product in the US: an intelligence layer that helps robots do tasks inside warehouses and factories normally done by humans, such as assembly and packaging. Robots have been capable of such tasks for a long time, but until the advent of Vicarious’ technology were either too costly or too difficult to programme. Vicarious expects its technology to be on robots everywhere—manufacturing, agriculture, food preparation, logistics, and more—in time. It is for now focused on the enterprise sector as early adopters of its technology.

Fundraising for progress

Raising funds is critical for start-ups to sustain operations and implement growth and expansion strategies. Many CE-Ventures' portfolio companies raised funds in 2018 and, excluding companies with limited or no information rights, have raised \$100 million in follow-on funding since CE-Ventures' initial investment. Through its representation on their boards, CE-Ventures supports its portfolio start-ups with strategic guidance for their fundraising and expansion strategies.

Kitopi, a Dubai-based kitchen network start-up, raised \$20 million in a Series A round in November 2018. Investors along CE-Ventures included BECO Capital, Endeavor Catalyst, and VentureSouq.

Furlenco, an India-based online furniture subscription platform, raised funding in 2018 in a Series C round.

Transcorp raised funding through a Series A round, with CE-Ventures as the primary investor.

Tara.AI, an intelligent software product builder, raised seed funding in 2018 from Y Combinator, Moment Ventures, GSV, Lattice VC, and Skype co-founder Jaan Tallinn, among others.

Several companies in the portfolios of the VC funds we have invested in likewise enhanced their value through fundraising. In 2018, six of Wamda Capital's portfolio companies raised follow-on funds, with three more commencing fundraising rounds near the end of 2019.

Strategic partnering

In 2018, several CE-Ventures' portfolio companies entered strategic partnerships. EdCast took the lead in partnering with public institutions in three global initiatives to upskill workforces. One initiative trains software engineers and information technology professionals through daily personalised sessions in partnership with India's National Association of Software and Services Companies (NASSCOM).

A second, with the Nordic Futures project, builds awareness of the impact of digital media on society, work, and learning, among businesspeople, academics, and government employees in Nordic countries. A third involves the World Economic Forum (WEF) and targets a million people for training and resource opportunities on the WEF SkillSET portal.

WEF Global Skilling Programme

The WEF is establishing a global platform that aggregates technical and professional development content from the world's biggest companies. The initiative targets one million people for training and resource opportunities on the WEF SkillSET portal, hosted on EdCast's AI-powered Knowledge Cloud platform and accessible to anyone using desktop or mobile technology. Participating companies have donated their internally developed training programmes so that individuals worldwide can train, become certified, and discover skills. Companies involved to date include Cisco, PEGA, Salesforce, SAP, HP Enterprise, CA, Cognizant, Tata Consultancy, PwC, and Accenture.

Anomali signed an agreement with Saudi Telecom Company (STC) to establish a platform for sharing information on cyber threats. They then partnered with the Multi-State Information Sharing and Analysis Center (MS-ISAC) and the Colorado Threat Intelligence Sharing Information Sharing and Analysis Center (CTIS-ISAC), both of the United States. This collaboration enables the organisations and their 2,200-plus members to benefit from bidirectional information sharing with more than 100 public and private sources.

The MS-ISAC and CTIS-ISAC partnerships in particular ensure connections with more than a dozen national, industry-specific, public- and private-sector ISACs.

Anomali also partnered with Microsoft to integrate threat intelligence from the Anomali Threat Platform with the security insights customers can obtain from the Microsoft Graph security application programming interface, or API.

Anomali in addition partnered with Visa to provide intelligence on indicators of compromise (IoCs) drawn from Visa Threat Intelligence, Visa's exclusive source of verified merchant breach intelligence. This partnership enables merchants to collaborate to mitigate threats and secure critical access points to protect payment card and personal data.

Didi Chuxing launched an alliance with 31 members, including three of the world's biggest automakers—Volkswagen, Toyota, and Renault-Nissan-Mitsubishi—to develop a custom fleet of low-cost electric vehicles. Germany's Bosch and Continental are also participating.

Accolades earned

CE-Ventures' portfolio companies were recognised in 2018 for their innovations and growth:

- Vezeeta was ranked third on the *Forbes* list of 2018 Top 100 Start-ups in the Middle East.
- Furlenco was ranked ninth on the *Financial Times* FT 1000 High-Growth Companies Asia-Pacific list in 2018.
- Tara.AI was recognised when its CEO and co-founder, Iba Masood, was included in the *Forbes* 2018 30 under 30.
- Vicarious was among CB Insights' 2018 ranking of the world's 100 most promising private AI companies.
- Anomali was cited for Best Product in Threat Intelligence by *Cyber Defense Magazine's* 2018 InfoSec Awards, presented at RSA Conference.

Measurable socioeconomic impact

Key to a business' longevity is its positive impact on society. CE-Ventures' portfolio companies benefit local businesses and communities. Their products and services help tackle pressing challenges, raising their users' quality of life. Another foremost impact is in direct and indirect employment. Many of the portfolio companies have business models requiring complex value chains that include suppliers and vendors from economically marginalised sectors of society in developing nations, where contributions to employment are especially critical.

FreshtoHome, for example, disrupts India's traditional supply chain for meat and seafood retailing through disintermediation that cuts out middlemen and allows the company to control the supply chain end to end. Consumers receive high-quality, reasonably priced fresh seafood and meat directly from source, and marginalised fishers and farmers receive fair prices for their products.

FreshtoHome also promotes cooperative farming and fishing by assisting the farmers and fishers in their work, ensuring the availability of fresh produce for continued business. Its value chain directly employs over 1,000 people and generates more than 1,500 jobs indirectly.

Furlenco, too, is transforming the communities where it operates—by streamlining its supply chain. It employs 350 people internally and another 500 externally. Monthly, Furlenco spends \$500,000 to \$750,000 buying furniture from local factories. This positively affects the incomes of factory workers and their households.

Transcorp's operations have to date generated 180 direct jobs. Its mostly blue-collar workers receive much-needed income security from a guaranteed minimum wage.

EdCast focuses on inclusive jobs and has so far created 241 such direct positions. Fully 22% of those positions are held by women, which has a positive socioeconomic impact.



“Before FreshtoHome, we were at the mercy of local traders, who would pay us below market prices for our fish. Due to lack of alternatives in terms of places to sell our fish, we had no other options but to accept this. Thanks to FTH’s focus on buying directly from us, we now have bargaining power and receive better and fair prices for our produce. This has increased our household income and improved our standard of living.”

Unni associated with FreshtoHome

Vezeeta employs around 200 employees in Egypt, Saudi Arabia, Jordan, and Lebanon. Its innovative digital solutions overcome poor access to healthcare providers, lack of healthcare information, and low or disengaged patient awareness of disease management. Vezeeta also offers SaaS solutions innovatively tied to cloud computing and big data to empower doctors and underpin infrastructure development for an enhanced healthcare ecosystem.

Rising Tide's portfolio companies have created around 475 full-time jobs and have an indirect impact on thousands more primarily downstream jobs. Rising Tide portfolio company Finaeo, for example, directly employs 29 professionals but works with more than 300 advisors who use its software. Finaeo's software enables advisors to quickly close life insurance contracts, ensuring that they transact more business and earn more money faster and that their clients gain quick coverage.

BOV Capital, the first Sri Lankan VC fund, has created 460 direct jobs in three years through its investments or those of its portfolio companies.

BOV also provides indirect employment to rural youth by way of its portfolio companies and promotes the use of technology outside Sri Lanka's major cities. It has helped with \$25 million in venture and angel bridge funding to early-stage companies and with follow-on funding. This will have a spillover effect, sparking more start-ups and instilling more investors with the confidence to invest in the venture capital asset class.

In December 2018, Wamda Capital launched Wamda X, a grant-based fellowship programme to help start-up founders build their business through a four-month, relationship-focused programme and \$16,000 grant. Three companies were selected for the programme from more than 600 applicants. This programme is an innovative approach to building a pipeline for the next phase of investing while attracting highly skilled individuals with entrepreneurial urges who need help building a business.

ESG policies

CE-Ventures' portfolio companies have developed ESG policies to mitigate risks and maximise their positive impacts. The companies design and enforce their policies based on the laws and regulations where they operate.

FreshtoHome and Furlenco, for example, have devised ESG policies specific to India. Indian law mandates for equal compensation, maternity leave, health and safety, customer privacy, and grievance redress and against child and forced labour and corruption and bribery, and the companies have complied. They have also developed robust policies not required by law to train and upgrade the skills of their employees and supply chain partners, thereby paving the way to their operational expansion.

Vezeeta has in place policies that comply with Egyptian laws and regulations and that drive its business expansion. Transcorp is heavily invested in policies on maternity leave, training and development, health and safety, forced labour, anti-corruption, and grievance redress. It provided an average of 50 of hours of training to its employees in 2018 to ensure compliance and the skills needed for corporate growth.

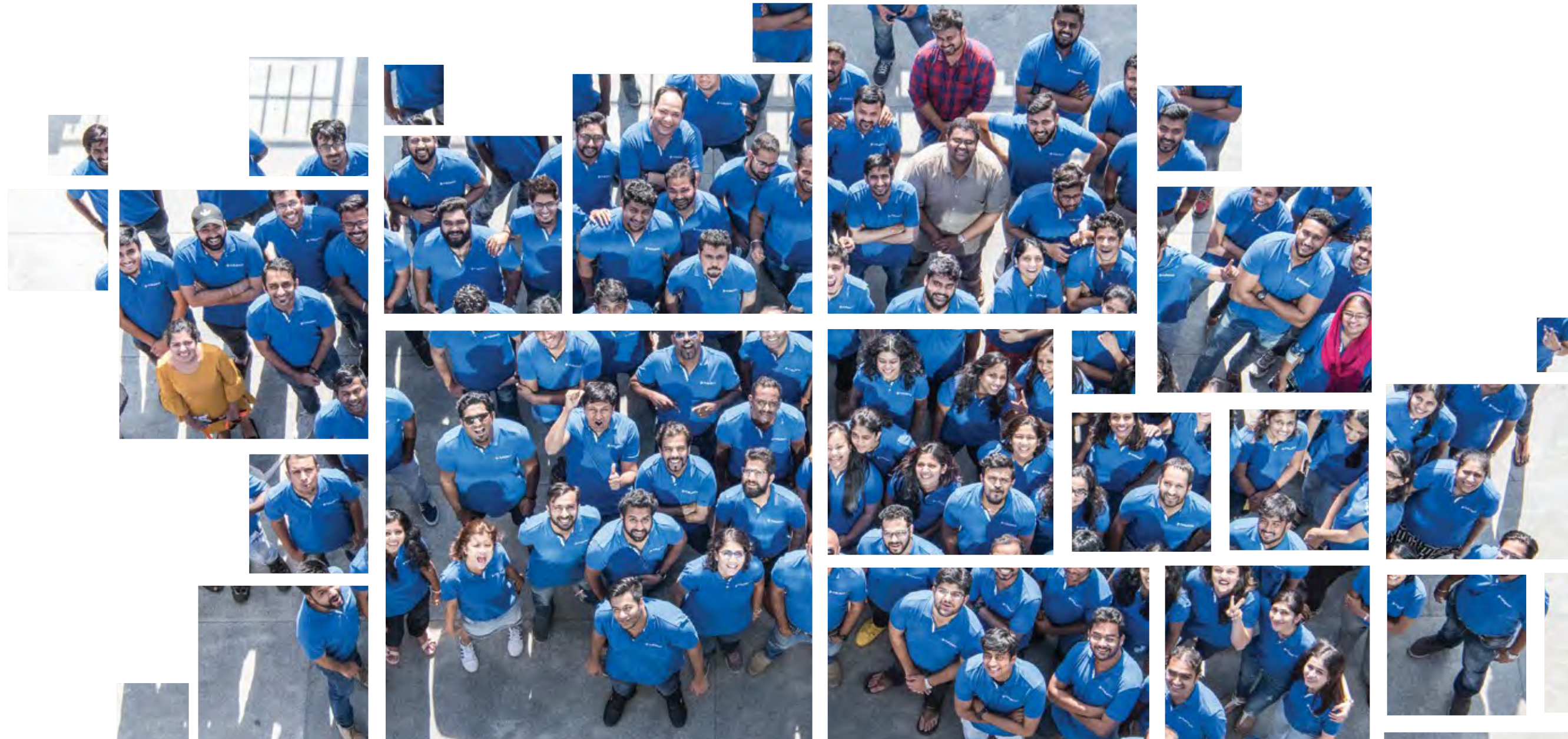
BOV Capital, meanwhile, has developed ESG policies on equal compensation, maternity leave, and training and development. It has also devised policies for screening investments using ESG criteria to reduce its ESG risk from portfolio companies. It has in particular a policy to ensure that its portfolio companies do not engage in child or forced labour. The effectiveness of its policies is borne out in portfolio companies free of reports of child or forced labour, discrimination, and health and safety violations. In 2018, BOV increased the hours devoted to training employees and others in the value chain in anti-corruption practices and job skills.

Furlenco believes in environmental protection and understands the importance of sustainable growth and development. The furniture rental business of the company is built around the concept of reuse—its business model allows it to reuse 100% of the furniture offered to customers. It also ensures that the vendors it works with are not engaged in activities with negative environmental impact.

Diversity and inclusion

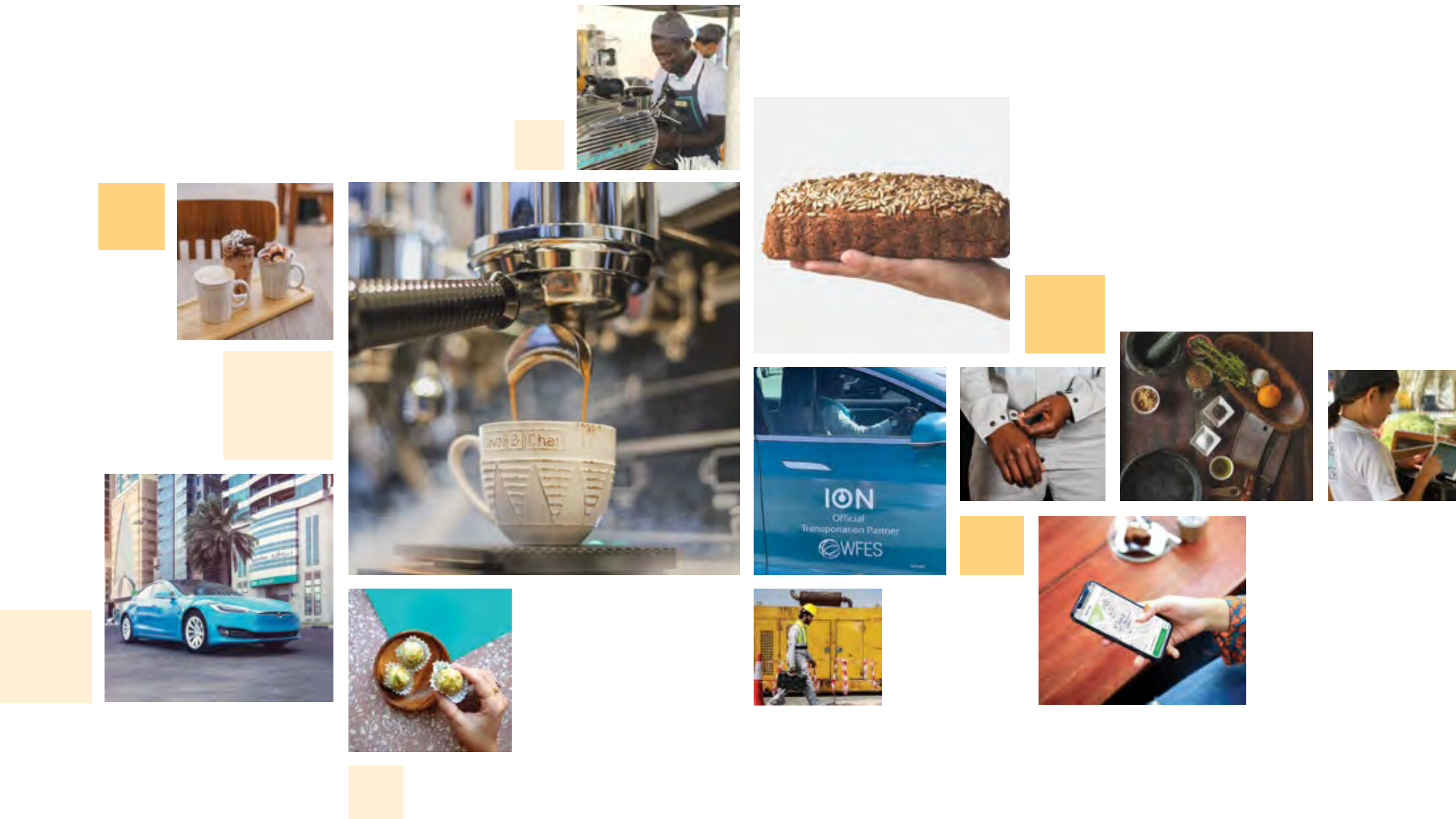
Certain of CE-Ventures' portfolio companies have developed and implemented policies and initiatives aimed at diversity and inclusion. These initiatives are critical, as some of the platform's portfolio companies operate in developing countries, where discrimination against minority groups can be high. Policies against discrimination therefore provides opportunity to act as 'change agents' within communities where portfolio companies do business. A focus on diversity and inclusion is ever-more important as the companies expand the scale and scope of their operations.

BOV Capital promotes a unique programme called I AM HER, which focuses on bringing female founders and female investors into the mainstream start-up ecosystem. This programme provides mentorship, workshops, and connections for females to become founders or investors. BOV partners with Microsoft to run this programme.



CE-CREATES

CE-Creates, launched in 2014, is Crescent Enterprises' internal business incubation platform, mandated with conceiving, incubating, and building start-ups that are socially conscious and financially feasible. CE-Creates is a manifestation of Crescent Enterprises' focus on fostering entrepreneurship and innovation and generating positive sustainable impact. Since its inception, CE-Creates has launched four businesses in the areas of food and beverages, sustainable mobility, industrial workwear, and food technology.



Approach to venture building

CE-Creates takes every venture it initiates through four well-defined phases of development to ensure their viability and sustainability as businesses.

Concept development



- Product/service definition
- Market size and potential
- High-level financial summary
- Business plan and action plan

Business plan development



- Market research
- Product/service design
- Financial modelling
- Go-to-market roadmap

Incubation



- Seed funding
- Management team
- Product/service development
- Pilot/prototype
- Legal setup

Growth



- Series A-C financing
- Expansion (franchising, acquisitions, greenfield)
- Strategic partnerships

A look at some of CE-Creates' businesses



In the 16th century, much of the social, creative, and political activity in the Arab world took place in coffeehouses. Coffeehouses from Constantinople to Cairo attracted poets, politicians, musicians, and storytellers. Launched in 2017, Kava & Chai strives to recapture the bringing together of people of diverse cultures for an exchange of ideas and opinions amid the age-old rituals of coffee and tea. This specialty coffeehouse operates six locations in the UAE.



Ion is a UAE-based sustainable transport company established in 2018 as a joint venture between Crescent Enterprises and the UAE's leading environmental management company, Bee'ah. Through innovations in efficient transport, ION is promoting economic and environmental sustainability and driving on-demand availability in multi-modal, inter-urban transport networks. It consistently ensures the high-quality, safe transport of people and products, thereby constructing a zero-emissions transport infrastructure in the MENA region and beyond.



Shamal has developed innovative workwear that combats the extreme heat of the region it calls home. By equipping workers with the gear to withstand hot climates, Shamal aims to enhance worker comfort and performance and to preserve worker safety and health. The heightened functionality made possible by Shamal's specialised workwear raises worker productivity, and that has a direct effect on business profitability.



BreakBread is being tested throughout 2019 as a digital marketplace and hub for curated, home-based food experiences. Its mission is to unite cooks and food lovers around the central idea that 'food is best experienced home cooked and shared'. The platform connects talented cooks with adventurous foodies throughout global cities to celebrate the simple joy and comfort of a shared, home-cooked meal.

For CE-Creates, 2018 was pivotal. The platform conceived, designed business plans for, and incubated ventures with a social impact. It then monitored and encouraged the continued progress of its ventures to ensure their sustainable growth.

ION is launched

CE-Creates launched sustainable transport company ION in the UAE on 5 June 2018: World Environment Day. The company utilises electric vehicles and manifold energy-efficient transport solutions.

ION aims to offer world-class services designed to anticipate, meet, and indeed exceed the needs and expectations of clientele. Its services are summarised as follows:



On-demand services

For fast, efficient, and flexible movement, ION has several on-demand services, such as ride-hailing and ride-sharing. ION has acquired and deploys electric cars for use in corporate and government fleets and for commercial use through ride-hailing applications.



Micromobility services

Affordable and sustainable, ION's micromobility services offer a viable solution to first- and last-mile transportation needs. From bikes to electric scooters, its personal mobility options ensure greater reliability and predictability in intra-urban transitions.



Freight transport services

Fuel-efficient ION freight services optimise supply chains through the use of green carrier modes that offer greater returns than conventional modes. Using technological features such as aerodynamic design, telematics, and live tracking, ION's long-haul services improve the efficiency of shipping by truck exponentially.



Collective transport services

ION's collective transport solutions are a high-quality, energy-efficient alternative to traditional public transport. They include electric buses whose state-of-the-art features enhance the appeal of this transport mode. ION's solutions can aid in events, offering a green travel alternative at great value.



Energy network services

ION is working with international partners to provide alternative fuel value chains for mobility applications, including for batteries and charging stations. ION aims to establish a blueprint for a future energy system that supports the seamless transition to modes of green transportation.

ION is driven by the desire to provide value for its stakeholders. Its model for value creation encompasses the following:

Customers
Ensuring accessible, safe, and delightful customer experiences across all services

Government
Delivering smart, effective, carbon-neutral commercial and public transport solutions with measurable impact

Partners
Leveraging our industry knowledge to establish thought leadership in sustainable transport

Communities
Ensuring environmental stewardship by driving awareness of the benefits of sustainable transport

Employees
Providing a healthy, motivating, and happy work environment



“Driving for a company that offers electric vehicles that reduce pollution and positively contribute to the environment provides me with a sense of pride, as I feel my work has a positive impact on the world. Electric cars are the future; it feels good to be a part of the future.”

Adelyn Orada Verory
Driver, ION

ION launched its operations for on-demand services in Dubai by deploying its electric vehicles through the ride-hailing application Careem.

Kava & Chai opens two new stores

Kava & Chai, a UAE chain of specialty coffee houses and CE-Creates' first fully operational business in the food and beverages sector. It expanded its footprint in 2018 with the addition of three locations in Dubai; at the Tamani Art Tower in Business Bay, at the Dubai International Finance Centre, and the Mall of the Emirates. Kava & Chai now has six stores across Sharjah and Dubai.

Shamal prepared in 2018 to launch in 2019

The year under review was seminal for Shamal. In 2018, this maker of worker-friendly workwear completed its R&D for its novel product line and finalised prototypes of that garment from the series through which the garment evolved.

The final prototypes incorporate incremental improvements resulting from lab tests and field trials. Data from multiple rounds of lab tests that measured and quantified each of the preceding prototype's comfort parameters was used to determine the ideal makeup and combination of technical fabrics in engineering a garment that can be worn with comfort in the hottest of climates.

The latest prototypes were submitted to the Textile Protection and Comfort Center at North Carolina State University, in the US, to undergo final lab tests using standard testing methods. This was followed by a last field trial, which garnered positive feedback from workers.

Shamal is as a result preparing for the launch of its garment in 2019. The company is generating marketing content and planning the production of the first batch of products for the commercial market.



Sustainability highlights of CE-Creates' businesses

Kava & Chai focused on a sustainable supply chain

Kava & Chai understands that it has a responsibility to procure its coffee and tea in a sustainable manner. It screens all of its international suppliers for their environmental and social footprint. This is particularly the case for those supplying its coffee. Coffee's journey from bean to cup is long and complex. It involves numerous steps, and there are sustainability concerns at each step.



Step 1

Most of the world's coffee is of two varieties: arabica and robusta. Major producers of coffee are Ethiopia, Brazil, Colombia, Vietnam, and Indonesia. The coffee plants are shaded from sunlight and profusely watered until they bear fruits, a process that takes up to four years.

Sustainability concern: Employing climate-resilient cultivation to mitigate threats posed by climate change.



Step 2

Coffee berries are mostly handpicked, with strip picking common.

Sustainability concern: Safeguarding coffee pickers by ensuring health, safety, and fair working conditions, by offering equitable pay, and by avoiding child and compulsory labour.



Step 3

Coffee berries are stripped of their peel and pulp to expose the coffee bean. This can be done through dry or wet processing.

Sustainability concern: Using water efficiently in wet processing as dry processing can damage the beans.



Step 4

Dried beans are transformed into green coffee beans through milling, which includes hulling, sorting, and grading the beans.

Sustainability concern: Ensure thorough screening of the beans to avoid coffee contamination and maintaining their traceability is critical at this first step of the large-scale aggregation of beans from possibly diverse sources.



Step 5

Coffee beans are packed in plastic-lined containers or jute bags containers for bulk shipping.

Sustainability concern: Reducing the weight of packaging and quantity of plastic used to conserve resources and improve fuel consumption during shipping.



Step 6

Green coffee beans are roasted to release their flavour. Various roasting temperatures and techniques affect the acidity, aroma, and body of the coffee.

Sustainability concern: Lowering energy consumption for roasting.



Step 7

168.05 million coffee bags are produced annually and shipped worldwide using all major modes of transport: land, air, rail, and sea.

Sustainability concern: Achieving as much local sourcing and distribution as possible to lessen transport-related emissions.



Step 8

Coffee beans are ground by hand or mechanically to the desired fineness.

Sustainability concern: Recycling of coffee grind waste.



Step 9

Ground coffee can be brewed using any number of techniques and devices: moka pot, French press, espresso machine, batch brewer, ibrik...

Sustainability concern: Minimising plastic packaging and ensuring customer health and safety.

Kava & Chai pays a lot of attention to procuring coffee from suppliers such as Great Lakes Coffee (GLC). GLC ensures that the beans it supplies to Kava & Chai's custom roasters have gone from cultivation through transport in as environmentally friendly and socioeconomically beneficial a manner as possible. Kava & Chai, too, works to soften its impact on the environment, at the final stages of coffee's journey. The company, as described elsewhere, has in place recycling and customer loyalty initiatives designed to minimise its waste and reduce consumer use of its cups.



“Our business depends on buyers like Kava & Chai who care as much about sustainability as we do. By paying a premium for coffee sourced from us that is traceable and has minimum environmental impacts, they allow us to source quality and sustainable coffee without having to compromise on our principles.”

Mohamad Merhi
Managing Partner, Cypher Roastery

Kava & Chai makes every effort to lessen its resource consumption

Kava & Chai tries at every turn to minimise its consumption of paper and plastic. Its various initiatives include biodegradable and plastic-free packaging. Those initiatives lead the company to believe that it can achieve 100% biodegradable and plastic-free packaging. 2018 brought the company closer to that aim as 92% of the consumables it used were made of recyclable, biodegradable, or eco-friendly materials.

Kava & Chai's endeavours to nurture regional culture

Kava & Chai is a proponent of the regional culture to whose socioeconomic fabric it contributes and of which it sees itself as part. It regularly participates in events that promote tolerance, entrepreneurialism, and education. In March 2018, Kava & Chai took part in the 20th Annual Global Day at the American University of Sharjah and in the experiential technology festival known as the Step Conference in Dubai. It was also involved in the iftar experience

Open Tent by Chika in Dubai in June 2018 and in the second annual Sharjah Entrepreneurship Festival in November 2018. In December 2018, Kava & Chai was the official café sponsor of the three-day Dubai International Coffee and Tea Festival, which showcased all aspects of the coffee and tea industry, including skills, products, services, and equipment.



Outlook

CE-Creates has appraised more than 40 business ideas since its inception five years ago. Of those, 4 are fully operational businesses and 5 others—in the philanthropic fintech, clean energy, logistics, and education technology sectors—are under development.

Kava & Chai is gearing up for further expansion in the UAE, into cities beyond Dubai and Sharjah, with an emphasis on Abu Dhabi. In 2019 the company also seeks to expand abroad.

ION plans in the year ahead to begin deploying large fleets of premium and economy electric cars to complement the transport networks in nine cities in the MENA region. It has a phased rollout plan for the coming years that coincides with the establishment of regulatory frameworks governing the use of electric vehicles in the target markets. ION, meanwhile, is in talks with UAE regulators to expand its fleet operations to Abu Dhabi and Sharjah.

ION is also embracing a holistic approach that extends its footprint beyond vehicles to include charging infrastructure and other products related to sustainable commercial transport. This ambition synchronises nicely with the growing priority on renewable energy in the Gulf region. Several Gulf countries, including the UAE and Saudi Arabia, are setting renewable energy targets.

Shamal intends by August 2019 to have its first product line of heat-combating workwear in the hands of consumers and under commercial production. Following the launch of that product, Shamal plans to add work gear and introduce personal protective equipment to its product offerings. Shamal is dedicated to the well-being and safety of workers in the Gulf region of the Middle East, ideally in cooperation with governmental entities to ensure that its products help as broad a cross-section of workers as possible.

CE-Creates is expected to launch the beta phase of BreakBread, an online platform for connecting people who love to prepare food with people who love to eat, in Dubai and London before the end of 2019. Following its launch in Dubai, BreakBread will be the first digital marketplace and hub for curated, home-based food experiences in the MENA region. BreakBread's belief in the value of sharing meals and its philosophy that meals should be more than mere sustenance make should make it very attractive to tourists eager to experience Dubai and its people and cuisine. It offers tourists an opportunity to spend an evening alongside the city's residents enjoying a family-style culinary experience prepared by local people.



Corporate governance is the cornerstone of any successful and sustainable company

Good governance is essential to attract and retain talent. Good governance, moreover, infuses stakeholders with trust and confidence in its near assurance of lasting value.

Crescent Enterprises is committed to upholding the highest standards of integrity and accountability across its platforms and investments. We work for the benefit of our stakeholders to instil in our employees and business partners the principles of good corporate governance—integrity, equity, transparency, fairness, disclosure, accountability, and commitment to values—in their day-to-day work.

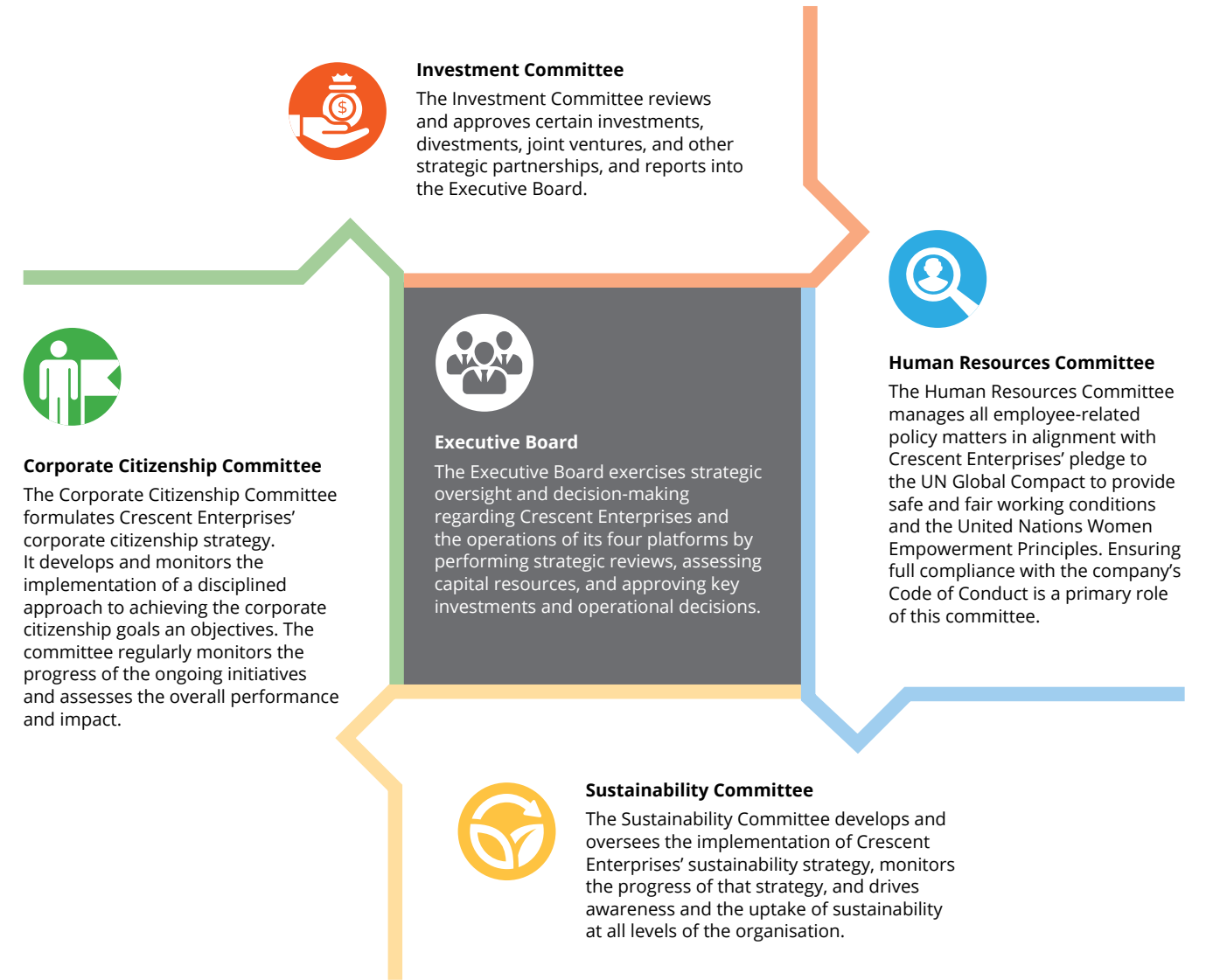


“Incorporation of robust corporate governance practices can help businesses become more efficient, effective, and resilient. It leads to a more open and transparent environment, which will also boost the confidence of stakeholders. Realising this, we have put in place appropriate governance practices to ensure trust and credibility with our stakeholders. We have also chosen to be transparent voluntarily and to report periodically on our corporate governance practices.”

Sabyasachi Chatterjee
Senior Legal Counsel, Crescent Enterprises

Governance framework

Our company has a multi-tiered management structure, where the highest level of oversight rests with the Crescent Group Board of Directors. The direct management of day-to-day activities rests with five committees, each assigned a respective level of authority as defined by the company. This framework ensures the balanced governance of our operations.



Our five governance committees comprise the following individuals:

Executive Board	Investment Committee	Human Resources Committee	Sustainability Committee	Corporate Citizenship Committee
<ul style="list-style-type: none"> • Badr Jafar • Neeraj Agrawal • Ravi Kumar • Tushar Singhvi 	<ul style="list-style-type: none"> • Neeraj Agrawal • Ravi Kumar • Tushar Singhvi 	<ul style="list-style-type: none"> • Badr Jafar • Ravi Kumar • Rene Hansen 	<ul style="list-style-type: none"> • Ravi Kumar • Neeraj Agrawal • Rene Hansen • Ghada Abdelkader • Ola Al Haj Hussin 	<ul style="list-style-type: none"> • Ola Al Haj Hussin • Ghada Abdelkader • Ananth Achanta • Sabyasachi Chatterjee

Senior leadership



Badr Jafar
Chief Executive Officer

Key leadership positions:

- Managing Director, Crescent Group
- President, Crescent Petroleum
- Chairman, Pearl Petroleum
- Chairman, Executive Board, Gulftainer

Badr Jafar serves as the Chairman of Gas Cities LLC, a joint venture between Crescent Petroleum and Dana Gas PJSC, and as the Chairman of Pearl Petroleum, a partnership between Crescent Petroleum, Dana Gas, OMV of Austria, MOL of Hungary, and RWEST of Germany.

Additionally, Badr is active in a variety of other industries, including ports and logistics. He is the Chair of the Executive Board of Gulftainer, the world's largest private container port operator.

In 2010, Badr founded the Pearl Initiative, a non-profit venture in cooperation with the United Nations Office for Partnerships to promote a corporate culture of transparency and accountability in the Gulf region of the Middle East. He has been appointed as a member of the United Nations Secretary-General's High-Level Panel on Humanitarian Financing to address and examine the growing humanitarian finance crisis. Through his advocacy for social entrepreneurship, he is the Chairman of Endeavor UAE, an initiative encouraging high-impact entrepreneurship; is a member of the Synergos Arab World Social Innovators (AWSI) Program Board of Governors; and serves on the Board of Advisors for both the Sharjah Entrepreneurship Centre (Sheraa) and Gaza Sky Geeks.

Badr is in addition active with higher-education institutions, serving as a member of the Advisory Boards of Cambridge University's Cambridge Judge Business School, the American University of Beirut, and the American University of Sharjah.

As a keen advocate of the arts, he is an appointed member of the Guggenheim Museum's Middle Eastern Circle, the Artistic Director's Circle of The Old Vic Theatre Trust, the Kennedy Centre's Centennial Circle, and the founder of the Middle East Theatre Academy. In 2014, Badr was awarded the Gold Medal in the Arts by the Kennedy Centre International Committee on the Arts for his work to bridge cultures through music and theatre.

Badr is an active member of the Young Presidents' Organisation (YPO), serving as Ex-Officio Chair of the YPO Emirates Chapter. Badr was honoured as a Young Global Leader by the World Economic Forum in 2011 and is Co-chair of its Family Business Community. He is also a member of the Stewardship Board of the System Initiative on Economic Progress.



Neeraj Agrawal
Executive Director

Key leadership positions:

- Chief Financial Officer and Board Member, Crescent Group
- Executive Board Member and Investment Committee Member, Crescent Enterprises
- Executive Board Member, Gulftainer
- Board Member, Uruk Engineering & Contracting
- Executive Committee Member, Crescent Petroleum
- Board Member, XCath, Inc.
- Board Member, ColubrisMX, Inc.

Neeraj Agrawal oversees Crescent Enterprises' operations and investments. He has supported the company's evolution and transformation throughout its years of expansion, fostering new investments and nurturing its various established businesses within the fields of ports and logistics, mining, healthcare, power plant engineering and construction, and, most recently, tech-related investment.

As a member of the Executive Board of Gulftainer, Crescent Enterprises' ports and logistics subsidiary, Neeraj provides oversight and support in all the company's major decisions and policies and plays a key role in its international expansion, diversification, and related financing activities. Recently, he played an instrumental role in the execution of Gulftainer's \$600 million investment in the Port of Wilmington, Delaware.

In his capacity as a Board Member of the Crescent Group, Neeraj is responsible for the finance function and for building relationships with the investment and banking communities.

His numerous achievements throughout his 32 years with the group include securing several joint ventures within the international energy and port industries and leading the development of the company's operations across the MENA region. Neeraj was also instrumental in the formation and capitalisation of Dana Gas PJSC, including the private placement and \$80 billion IPO; the \$1.2 billion acquisition and financing of TSX-listed Centurion Energy International Inc.; and the Middle East's first forward-looking accelerated \$1 billion Sukuk issued by an associate company in 2007, which received the 2013 Restructuring Deal of the Year award in New York.

Prior to joining Crescent Petroleum, Neeraj worked as a management consultant for PricewaterhouseCoopers and in the audit and management consultancy division of Ernst & Young.

Neeraj is a member of the Indian Business and Professional Council and the Institute of Chartered Accountants of India and supports voluntary work and philanthropy through charities in India and the UAE.



Ravi Kumar
Executive Director

Key leadership positions:

- Board Member, Crescent Group
- Executive Board and Investment Committee Member, Crescent Enterprises
- Chair of Sustainability Committee, Crescent Enterprises
- Executive Director, Corporate Affairs & Business Services, Crescent Petroleum
- Executive Committee Member, Crescent Petroleum
- Chair of Executive Committee, Crescent Aviation

Ravi Kumar is the Executive Director responsible for managing Crescent Enterprises' global office operations with innovative and effective shared business services, including accounts, human resources and organisational development, information and communication technology, and supply chain management. As part of this function, Ravi is responsible for developing the strategic landscape of the company's SAP ERP (enterprise resource planning) systems and for ensuring that the organisation is transformed and ready to meet the challenges of business growth and market dynamics. He is also in charge of providing strategic direction and management oversight for the company's operations and investments and is equally involved in its business development activities.

Ravi initiated the development of the framework for defining Crescent Enterprises' sustainability strategy and objectives. He did so with a view to driving change and ensuring that environmental health, social well-being, and economic performance become embedded in the organisation's strategy, operations, and reporting.

As a board member of the Crescent Group, Ravi is responsible for overseeing all business service functions. As such, he plays a key role in establishing a corporate governance framework for the group and its key affiliated companies.

Prior to joining Crescent Petroleum in 1991, Ravi worked in the audit divisions of Ernst & Young in the UAE and, earlier, of A. F. Ferguson & Co. in India.

Ravi holds a Business of Commerce (Honours) degree from the University of Delhi. He is a Chartered Accountant and member of the Chartered Institute of Management Accountants, UK, and the Institute of Cost Accountants, India.



Tushar Singhvi
Director, CE-Ventures

Key leadership positions:

- Executive Board and Investment Committee Member, Crescent Enterprises
- Fund Advisory Board Member, TVM Capital Healthcare Partners
- Limited Partners' Board Member, Siraj Palestine Fund
- Limited Partners' Advisory Committee Member, Wamda MENA Ventures
- Board Member, FreshtoHome
- Board Member, Kitopi
- Board Member, Transcorp International
- Board Member, Furlenco

Tushar Singhvi heads corporate development and investments and is responsible for evaluating and executing new investment opportunities on behalf of Crescent Enterprises. He also manages the portfolio companies through strategy and corporate development. He has been instrumental in cultivating corporate prospects and in contributing to the development of Crescent Enterprises' strategic and operational plans within the ports and logistics, business aviation, healthcare, private equity, and venture capital verticals.

Tushar has over 16 years of global experience in investment management, corporate development, strategy development, and project management in sectors including power, logistics, oil and gas, healthcare, and infrastructure development. He has worked on a range of transactions, including mergers and acquisitions, capital raising, divestitures, and debt restructuring.

Before joining Crescent Enterprises, Tushar worked with KPMG Corporate Finance in Dubai and, earlier, with an investment banking firm in London in the United Kingdom. Prior to that, he spent five years in the power and infrastructure industries in Asia and Africa.

Tushar holds a Bachelor of Engineering degree from the University of Pune, India. He also holds a Master of Business Administration with distinction from the University of Oxford.

Tushar is a member of the World Economic Forum's Global Future Council for Economic Growth and Social Inclusion and is part of several other industry networks.



Samer Choucair
Director, CE-Creates

Key leadership positions:

- Executive Committee Member, Kava & Chai
- Executive Committee Member, ION
- Executive Committee Member, Shamal
- Executive Committee Member, BreakBread

Samer Choucair heads CE-Creates, a Crescent Enterprises' platform that endeavours to create and develop innovative businesses that generate sustainable social impact and address economic, social, and environmental challenges. CE-Creates is driven by the strong belief that such a triple bottom line approach to doing business is the most effective way to generate shared value for all stakeholders.

Samer comes from an entrepreneurial background. He has more than 20 years of experience with start-ups in various industries, from entertainment to food and beverages, e-commerce, media, and healthcare in Canada, the UAE, Saudi Arabia, Oman, and Singapore.

Prior to joining Crescent Enterprises in 2014, Samer was the Chief Operating Officer of Groupon Middle East, where he was instrumental in building the company to its current leading market position.

Samer holds a Master of Business Administration from INSEAD and is a member of several start-up communities and organisations providing mentorship on a personal level and through business competitions, universities, and organisations such as Endeavor, StartupBootcamp, and Sheraa. He also sits on the investment committee of Dubai Angel Investors.



Ghada Abdelkader
VP, CE-Invests

Key leadership positions:

- Business Development and Investments Committee Member, GulfTainer
- Board Member, Transcorp International

Ghada Abdelkader is responsible for the monitoring of Crescent Enterprises' portfolio companies within the ports and logistics, business aviation, technology, and private equity sectors and for the evaluation, structuring, execution, and post-acquisition management of new investments.

Ghada has 14 years of experience in investment banking, corporate finance, and financial services consulting across the MENA region. She has executed deals valued in excess of a billion dollars, including private and public placements, mergers and acquisitions, and greenfield projects.

Prior to joining Crescent Enterprises, Ghada worked in the Investment Banking Division of Al Mal Capital in the UAE, where she participated in various private and public transactions, including the \$325 million initial public offering of Drake & Scull International. Earlier, Ghada worked with ASEC Cement Holding in Egypt, a subsidiary of Qalaa Holdings, where she was involved in building the company's portfolio through numerous acquisitions and greenfield and brownfield projects for cement plants throughout the MENA region. She began her career with PricewaterhouseCoopers in Egypt, where she participated in business valuations and financial due diligence transactions across the manufacturing, services, and industrial sectors.

Ghada holds a Bachelor of Science degree in Economics from Cairo University and is a Chartered Financial Analyst (CFA). She is a member of the CFA Institute and the CFA Society Emirates.



Ananth Achanta
Head of Accounts

Ananth Achanta is responsible for the maintenance of accounts and financial reporting, and has assisted in creating the corporate governance framework for Crescent Enterprises.

Ananth has over 15 years of global experience in investment analysis and reporting. Prior to joining the company, he worked with Damas Jewellery Group in Dubai, UAE, in the Investments and Partnership Management division, where his responsibilities included monitoring the financial performances of various businesses such as jewellery manufacturing and retail units based in Italy and India, as well as jewellery, lifestyle, retail, and hospitality units in the UAE, Bahrain, Kuwait, Thailand, and Turkey.

Ananth is an associate of The Institute of Chartered Accountants of India and a member of the Chartered Institute of Management Accountants, United Kingdom.



Sabyasachi Chatterjee
Senior Legal Counsel

Sabyasachi (Sabya) Chatterjee is a Senior Legal Counsel at Crescent Enterprises and is responsible for managing and providing support on a diverse range of legal matters across Crescent Enterprises and its business units, as well as its subsidiaries and affiliates.

Sabya has lived and worked in the UAE, Singapore, and India and has extensive experience in cross-border corporate and commercial transactions and disputes resolution matters, including M&As, joint ventures, venture capital, and private equity funding. Prior to joining Crescent Enterprises, Sabya has worked in Singapore with an AMLAW 100 US law firm, a Big Four Japanese law firm, and, prior to that, in India. Sabya is qualified in England & Wales and in India and holds a Bachelor of Law degree (first class with ranking) from the University of Pune, India. Sabya is a member of the Bar Council of Delhi and the Delhi High Court Bar Association, both in India.



Ola Al Haj Hussin
Manager, Corporate Citizenship

Ola Al Haj Hussin is responsible for developing and managing Crescent Enterprises' corporate citizenship portfolio and its strategy. She also oversees the development of the company's philanthropic partnerships with regional and global organisations.

Ola has more than 19 years of expertise in development programmes, monitoring, and management with corporations and non-profit foundations in the Middle East. She has spearheaded manifold initiatives in the culture, education, and social enterprise sectors.

Ola began her career at the grassroots level in participatory, bottom-up socioeconomic projects across various demographic communities in Syria. She then worked on enhancing social entrepreneurship practices through microfinance with the Arab Gulf Programme for Development, before joining UNICEF and UNDP in humanitarian contexts under fundraising and monitoring capacities.

Ola is pursuing a postgraduate diploma in sustainable business with the Cambridge Institute for Sustainable Business, University of Cambridge. Ola holds an Executive Leadership and Management degree from Said Business School, Oxford University; an MSc in Applied Development Studies from the University of Reading, UK; a diploma in French-Arabic Translation from Université de Lyon 2, France; and a BA in Human Sciences from the University of Damascus.

Ola was also a social business mentor with Cherie Blair Foundation for three consecutive years. Previously, she served as a steering committee member for the United Nation's Small Grants Programme for five consecutive Years.

Our commitment to business integrity

Crescent Enterprises strives to advance ethical business practices in the countries where it has operations and among other businesses with which it deals. We have zero tolerance for bribery and corruption involving our employees and those of our subsidiaries and affiliates. All employees are provided with orientation on our anti-bribery and corruption policies and our code of conduct.

Crescent Enterprises, meanwhile, has partnered with many organisations and signed on to numerous initiatives to promote its corporate governance agenda among its internal and external stakeholders. They include the UN Global Compact and Women's Empowerment Principles, the Pearl Initiative, and the World Economic Forum.

Building partnerships for governance



UN Global Compact

We have been an adherent of the UNGC since July 2013. This strategic policy initiative seeks voluntary participation from businesses committed to aligning their operations and strategies, policies and procedures with ten principles spanning the four areas of human rights, labour, environment, and anti-corruption. As a long-time signatory to the UNGC, we are with this report issuing our fifth annual update on our progress in implementing the initiative's ten principles. Principle 10, on anti-corruption, is a particular emphasis within our governance framework, which espouses on a daily basis anti-corruption business practices.



Pearl Initiative

We are a founding and lead partner of the Pearl Initiative, a non-for-profit organisation established in collaboration with the United Nations Office of Partnerships to promote robust corporate governance standards and ethical business practices in the Gulf region. The Pearl Initiative works with businesses of all sizes and with universities and students to achieve this aim.

With our support, the Pearl Initiative launched the Corporate Governance in MSMEs programme in 2017 to boost the resilience of micro, small, and medium enterprises (MSMEs) in the Gulf region through the implementation of sound governance practices. In its first year, the programme focussed on assessing levels of awareness and implementation of governance practices at MSMEs. Data was collected through surveys, focus group meetings, and one-to-one discussions of key issues. The findings were published in 2017 in a report titled *Enhancing Gulf Business Competitiveness*. That report and the research that led to it were the basis for the Pearl Initiative's development of a series of corporate governance tools that it presented at strategic events it held in 2018, where it reached out to MSMEs with targeted solutions for their business concerns.



"The Pearl Initiative was founded in 2010 to promote the implementation of greater transparency, accountability and overall improved corporate governance practices in the Gulf region's private sector. Crescent Enterprises is a founding member and we are honoured to have their continued support and active involvement with the Pearl Initiative's programmes and activities. They contribute significantly to our mission and vision, and are a great example of the private sector doing its part to encourage the adoption of best practice corporate governance standards."

Yasmine Omari
Executive Director, Pearl Initiative

The Pearl Initiative also launched its Gulf Integrity Indicator (GII) in 2017 to assess corporate integrity performance according to regional and international standards. The pilot phase of GII was conducted in 2018. The Pearl Initiative is working now to intensify its anti-corruption efforts by increasing participation in the GII, publishing reports and practice guides, and hosting roundtables.

The Pearl Initiative is also in the process of developing its *State of Governance in Philanthropy Report* to highlight trends in governance practices at philanthropic and not-for-profit organisations. Earlier, it launched its Business Pledge to seek commitment from senior business leaders in the Gulf in adhering to the principles of ethical and responsible corporate governance practices. By year-end 2018, the Business Pledge had acquired 30 new signatories, increasing the overall count to 187.

Also in 2018, the Pearl Initiative's events and workshops reached 458 people across the region. Among them, 234 students participated in events and competitions on corporate governance and anti-corruption throughout the year.



CE-Operates: Gulftainer reinforces its commitment to governance

Gulftainer is a signatory to the UNGC and has pledged to work against corruption in all forms. Gulftainer has enforced an internal anti-corruption policy since 2010. It has initiated internal compliance training courses to certify and assign compliance officers who, in turn, initiate internal training sessions to raise employee awareness of anti-corruption measures.

Gulftainer has also invited external experts on compliance to raise anti-corruption compliance awareness among its top-tier management. The company, moreover, is designing anti-corruption awareness campaigns for all of its facilities.

Gulftainer also partners with the Pearl Initiative to promote the adoption of the highest standards of accountability, transparency, and governance among other businesses.



143

WOMEN REACHED



234

STUDENTS ENGAGED IN EVENTS ON CORPORATE GOVERNANCE AND ANTI-CORRUPTION



19

EVENTS AND WORKSHOPS



458

PEOPLE REACHED ACROSS THE GULF



World Economic Forum

Crescent Enterprises is a partner of the World Economic Forum (WEF) and a member of two WEF Global Future Councils. The councils encourage innovative thinking to ensure a sustainable and inclusive future. They involve more than 700 thought leaders from academia, government, business, and civil society who provide insights on global challenges and on the impact and governance of emerging technologies.

Our CEO, Badr Jafar, represents us on the Global Future Council on the Humanitarian System, which aims to define the roles of humanitarian organisations and other actors and to thereby add value to community and individual resilience. Tushar Singhvi, our Director of CE-Ventures, represents us on the Global Future Council for Economic Growth and Social Inclusion.

Crescent Enterprises is also a member of the WEF's Partnering Against Corruption Initiative (PACI). PACI has been working with business leaders, international organisations, and governments since 2004 to address corruption, transparency, and emerging-market risks. With approximately 90 signatories from different business sectors around the globe, PACI stands out as the world's leading business voice on anti-corruption and transparency.



Crescent Enterprises CEO Badr Jafar moderated a panel titled 'The Future of Collaborative Philanthropy: Driving Enduring Impact at Scale' at the World Economic Forum in Davos earlier in 2019. The panel featured celebrated entrepreneurs Bill Gates and Rohini and Nandan Nilekani, who explored the roles of the public and private sectors in driving collaborative philanthropy for a more sustainable impact.

The event highlighted the benefits of digital philanthropic platforms and other connective infrastructure in enhancing the sector's impact while emphasising the need to experiment with new models of capital aggregation to match impact investors' interest with market demand.



UN Women's Empowerment Principles

As part of its promotion of gender equality in the workplace, marketplace, and community, Crescent Enterprises signed the UN Women's Empowerment Principles. We join over 1,000 global corporate participants in working towards implementing seven women's empowerment principles.

We strongly advocate for gender equality in our and our partners' businesses. We have pledged to give equal opportunities to men and women as company employees and leaders, as customers, and as suppliers. We in particular strive to empower and encourage women to take leadership roles in our operations. Our support of women in our organisation manifests itself in our progressive

employment policies, including extended maternity leave and flexible working hours for new mothers. We also aim to engage, empower, and develop the talent of our female employees through training and capability development programmes.

Our commitment to ethical sourcing

At Crescent Enterprises, we endeavour to ensure that our procured goods and services are produced and delivered ethically. We expect our suppliers to implement standards that are consistent with our own. Our suppliers should uphold the highest standards of health, safety, and environmental stewardship and be fair, ethical, and transparent in their activities.

We are, moreover, focusing on building local supply chains and supporting local suppliers and small and medium enterprises (SMEs) in our areas of operations.

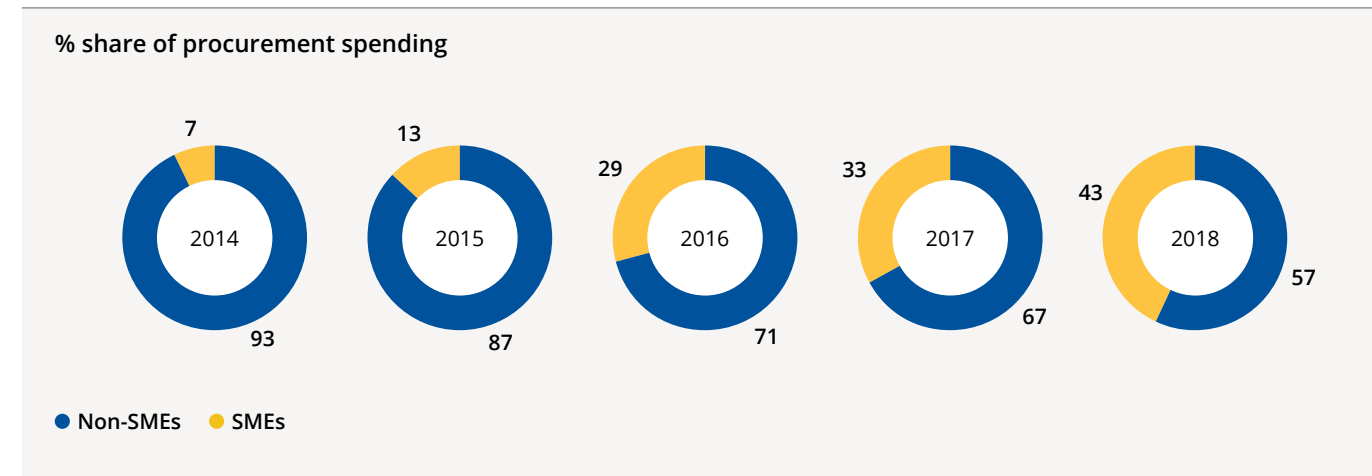
In 2015, we introduced the following initiatives to increase our procurement from SMEs:

- We require a minimum three bids or quotes for each procurement order, among which we aim to receive at least one bid or quote from an SME.
- We divide large contracts into smaller contracts to enable specialised vendors to bid.
- We strive to offer SMEs good payment terms and to help them access low-cost financial products.

• We provide opportunities for SMEs to extend their services to all our businesses and portfolio companies.

• We constantly engage with our SME vendors to seek their feedback regarding our procurement processes.

Throughout 2018, we continued delivering on our strategy of increasing SME participation in our procurement. We are proud to share that as a result of this strategy, the percentage of SMEs in our procurement spending has steadily increased since 2014.



Nurturing our team

A committed and productive workforce forms the bedrock of any successful business. At Crescent Enterprises, every employee has the potential to play a vital role in helping the company realise its vision of developing its strength and dynamism as a diversified, global conglomerate. We seek to enable talent, healthy, empowered employees capable of generating value for the company across cultural and geographical borders. To that end, the company promotes employee diversity, supports employee learning and development, and invests in employee health and well-being.



Our evolving workforce

Just as our business evolves so, too, does our workforce as we invest or divest or enter new markets. Our workforce declined in 2018 owing to certain industry challenges and our exits from some of our holdings.



3,001

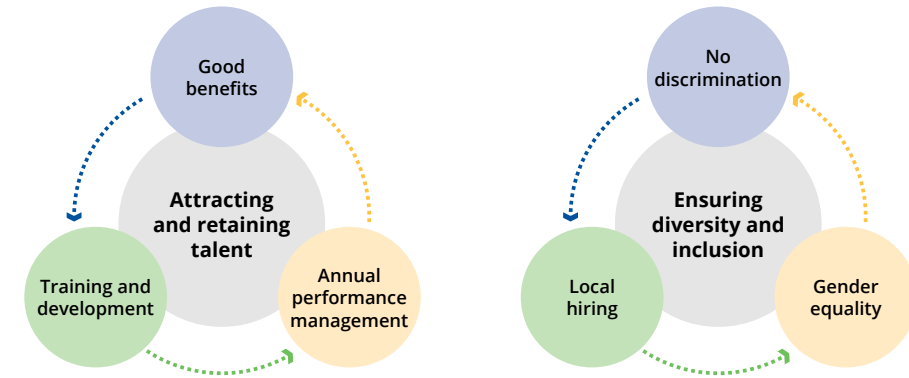
EMPLOYEES IN 2018, OF WHOM 62% WERE BETWEEN 30-50 YEARS OF AGE



663

NEW HIRES, OF WHOM 46% WERE BETWEEN 30-50 YEARS OF AGE

Our people strategy



Enabling talent

In an ongoing effort to attract, employ, and retain talent, Crescent Enterprises has developed a robust recruitment strategy and put in place internal policies, career advancement schemes, and employee engagement initiatives. We provide excellent benefits to employees at every level.

These benefits include medical, life, and accidental insurance policies; interest-free loans to cover housing costs; and an allowance for vacation tickets. We review our compensation and benefits policy annually in light of our business strategy, our legal obligations, and corporate best practices.

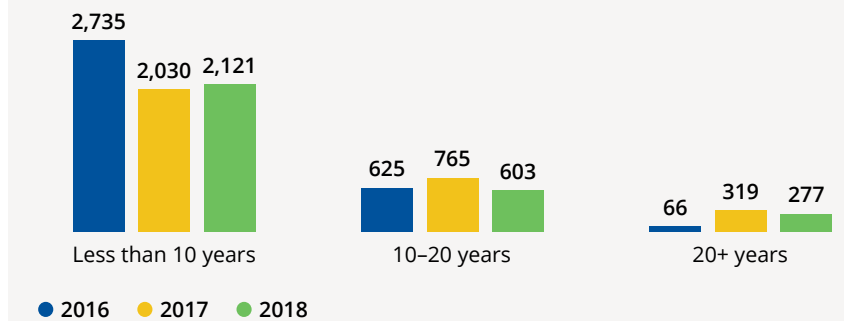
We also strive to provide a corporate culture and a workplace environment conducive to a healthy work-life balance. Our progressive policies on maternity and paternity leaves, and flexible working hours put us at the forefront in this regard.

In 2019 we aim for further employee engagement strategies related to well-being and work-life balance.

Celebrating long-term employees

Crescent Enterprises recognises and rewards its high-performing, long-serving employees with special benefits determined through its annual performance management cycle commensurate with their duration of service. The success of our corporate culture and policies are reflected in the service longevity of our employees. Fully 21% of our employees have been with us for over 10 years, and 13% have been with us for more than 20 years.

Number of long-term employees



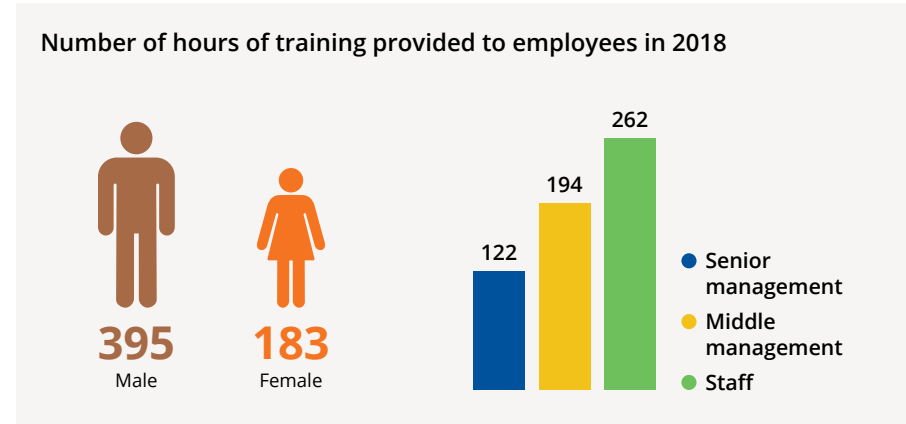
Promoting continuous learning

Crescent Enterprises is committed to the development of its headquarters' employees and seeks to provide each of them with challenging career opportunities that match their individual aspirations. This is the cornerstone of our talent acquisition and retention strategy and the key to our competitiveness.

We utilise an annual performance management cycle to assess and guide employees' career and personal development. This enables us to tailor the training that we provide to our employees, training that we deliver through a 70:20:10 approach: 70% learning on the job, 20% self-study, and 10% formal learning interventions.

We assess the needs of our employees at the beginning of the annual performance management cycle and plan our learning and development initiatives for the year accordingly. The internal and external training that our Training Department offers and oversees—typically in coordination with

department heads and with employees based on educational opportunities that the latter have availed themselves of outside of company activities—ranges from soft skills and technical competencies to Arabic language classes, e-learning opportunities, and professional courses.



CE-Creates: Talent development at Kava & Chai

Kava & Chai expanded its team in 2018 to keep pace with its opening of additional outlets. Staff training is of the utmost importance to Kava & Chai, attested to by the 23,989 hours of training it devoted to employees in 2018. Part of that training involves management concepts, and Kava & Chai encourages its baristas to involve themselves in tackling business issues based on what they have learned.

Number of hours of training provided to employees

Year	Male	Female
2017	8,348	2,250
2018	10,598	13,391

Providing a healthy workplace

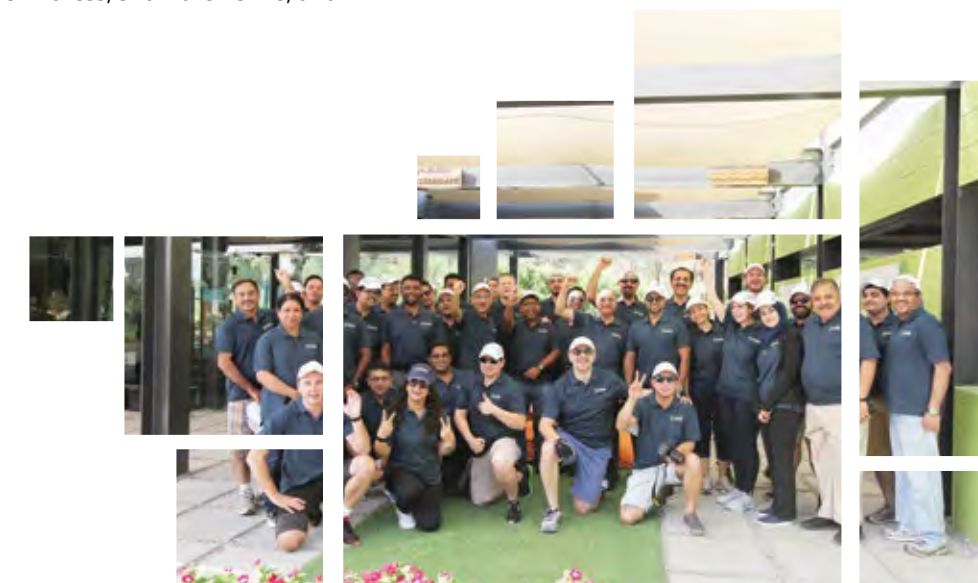
Health and well-being underlie the ability of our employees to live up to their potential, to their benefit and the company's. Towards fostering employee health and well-being, in 2018 we participated in an annual community day in an outdoor setting between the Ghaf trees in Dubai. Employees were encouraged to stretch outside their comfort zones and to interact with each other in a dynamic and unique environment. The day included thrilling team-building activities, such as tightrope walking, sand surfing, rope climbing, and tent building.

The community day was preceded by a team painting activity, where pairs of employees painted a section of a canvas and then worked with the remaining teams to assemble one masterpiece. The event stimulated employees' artistic skills while fostering conviviality.

Between 14 October and 25 November, moreover, we held the first-ever Crescent Sports Month, with events taking place at various locations throughout the UAE. Every day during the month, employees could participate in tournaments involving any of 12 sports-fussball, table tennis, carom boards, darts, badminton, football, throw ball, basketball and bowling, among others-to gain and demonstrate their fitness, show their skills, and

connect with their colleagues. Individual and team winners received awards ranging from trophies and medals to a variety of sporting goods.

Throughout the year, the company again sponsored those of its employees who take part in sports events in the UAE. We regularly underwrite employees who participate, for example, in the Dubai Marathon, and Emirates NBD Unity Run.



Embracing diversity and inclusion

We are committed to increasing the representation of women in our workforce and, indeed, we have witnessed a greater number of females

in our workforce in 2018 as 67% of new hires at our headquarters were female.

Part of our success in attracting female talent to our headquarters is our commitment to work-life balance. Our mother and wellness policy, for

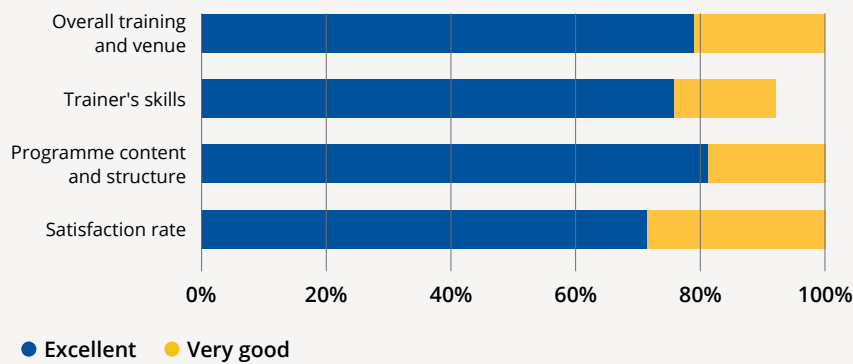
instance, grants new mothers 66 paid working days (90 calendar days) of leave and provides them with the options of taking further days off without pay or of working part-time. We have designed this policy in line with our commitment to the UN Women's Empowerment Principles.



We constantly attempt to provide equal opportunities for women, including encouraging them to occupy leadership positions. Crescent Enterprises has pledged to invest in career development for female employees through training sessions and by devising workplace policies that empower women within the company and at its partner companies.

In 2018, we conducted a two-day women-empowerment and leadership training programme for our female employees at the American University of Sharjah in collaboration with the Jafar Center for Executive Education. The training received immensely positive feedback from the participants.

Feedback on women-empowerment training programme



“Attending the two-day Women Self-Empowerment workshop was an enlightening experience that helped me answer many questions related to the meaning of life, my role in society, and success at the workplace. In addition, the event helped me connect with fellow women colleagues on a deeper level.”

Sheela Lazarus
Administrative Coordinator, Crescent Enterprises



In our efforts to promote women empowerment in the region, we seek to inspire other employers to create meaningful opportunities for women by participating in leading business events. From 14 to 15 November 2018, for example, Ghada Abdelkader, the VP of CE-Invests, shed light on the growing role of women in family business at the tenth annual Global Women in Leadership (WIL) Economic Forum MENA.

Diversity at Crescent Enterprises, though, extends well beyond the employment and promotion of women. Our workforce comprises multiple nationalities. In 2018, 20% of our new hires were from the MENA region, 21% from Asia, and 57% from North America.

At Crescent Enterprises, we do not tolerate any form of discrimination in the workplace, in employment-related decisions, or in our business dealings, whether on the basis of race, age, gender, religion, disability, ethnicity, maternity, or other rationale. In 2018, we did not record any incident of discrimination in our workplace.

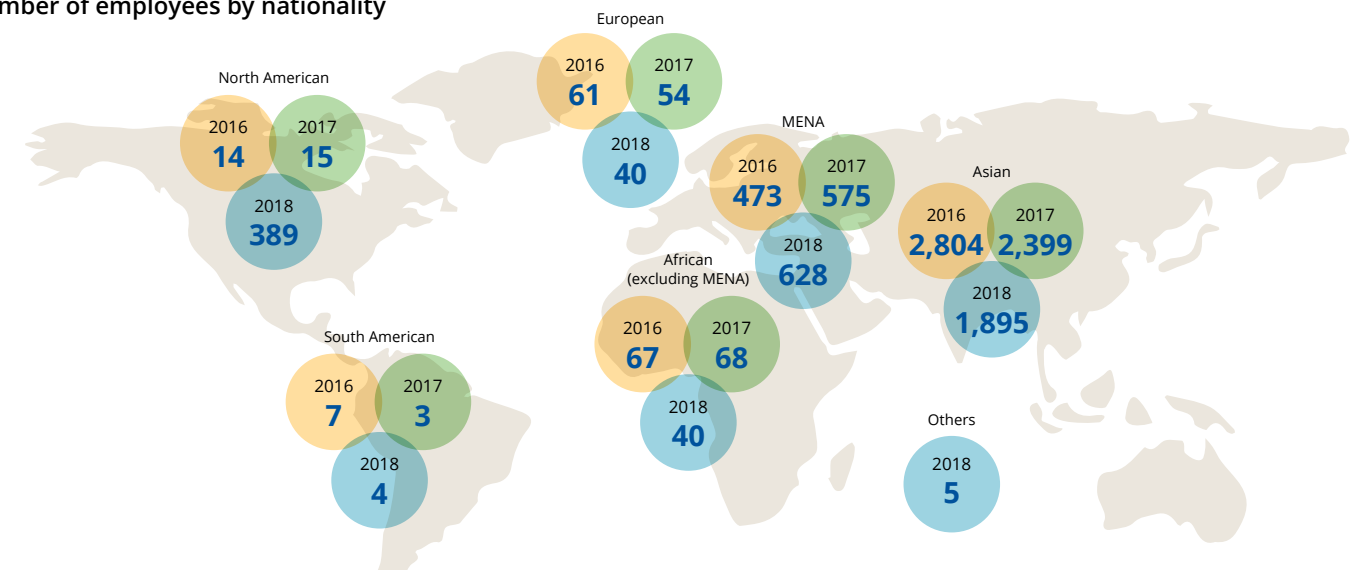
Diversity and inclusion are key criteria in all our people policies and processes, ranging from recruitment to development. We are currently focused on strengthening our local hiring to increase the proportion of employees hired from our local region. Our 549 local employees to date constitute 18% of our workforce.



“At CE-Creates, we strive to build new and impactful businesses. Working with a multicultural team inspires me to think outside the box, to consider multiple perspectives, and to continue learning every day. I benefit not only from my colleagues’ diverse cultures, but also from their varied backgrounds, experiences, and areas of expertise. Such everyday interactions bear testament to our corporate culture of innovation and entrepreneurship.”

Musa Akangbe
Senior Analyst, CE-Creates

Number of employees by nationality



Corporate citizenship is integral to the Crescent Enterprises culture

We aim always to have a positive and measurable impact on the communities where we do business. For this purpose, we have devised corporate citizenship programmes that target specific areas that we have identified as crucial for the development of our local communities.



Entrepreneurship and employability

Empowering youth and entrepreneurs to grow and prosper by developing critical soft skills and fostering talents in educational institutions



Arts and culture

Supporting creativity and innovation by promoting cultural understanding through art and raising a new generation of filmmakers



Environment

Tackling climate change and reducing ecological footprint while conserving marine and terrestrial habitats



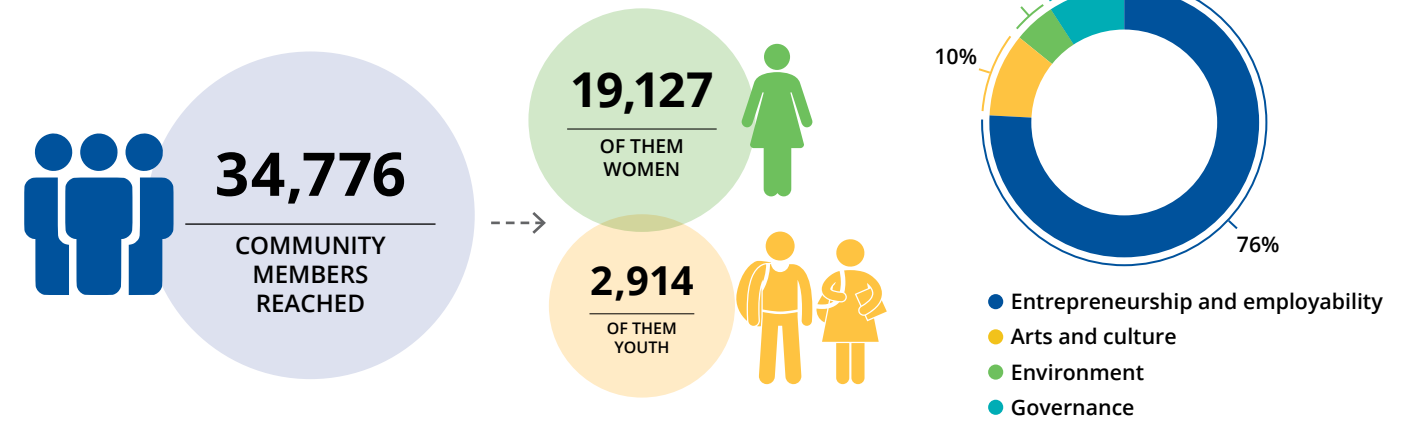
Governance

Encouraging good governance practices in businesses

We have pledged to devote 5% of our projected annual cash flow to our corporate citizenship programmes. In 2018, our expenditure on corporate citizenship initiatives increased 3%

compared with 2017 and benefitted 34,776 community members, 19,127 of them women and 2,914 of them youth. In the year ahead, our focus is on promoting a culture of innovation and

entrepreneurship to drive economic growth and generate employment for youth in the MENA region.



Global partnerships

We collaborate with renowned UAE and international academic and non-profit institutions to implement our citizenship programmes. In selecting who to work with, we examine potential institutional partners based on their credibility,

including their experience and track record of achievement, their efficiency, and their use of impact evaluation measures. Among our partners are the Sharjah Entrepreneurship Centre (Sheraa); the American University of

Sharjah (AUS); Emirates Nature in association with the World-Wide Fund for Nature (EN-WWF); and the Sharjah International Children's Film Festival.



The UAE declared 2018 to be the Year of Zayed to commemorate the legacy of the late Sheikh Zayed bin Sultan Al Nahyan. Encouraging volunteer work that serves the community ranked high among the many things to commemorate. As a UAE company, we were inspired by

the initiative and during the year under review launched our Employee Volunteer Programme.

The programme is meant to motivate and enable our employees to volunteer. It grants our full-time employees two

days of paid leave annually to volunteer with accredited non-governmental or international organisations. The programme, moreover, makes volunteerism a core competency in employees' annual performance management.

Cultivating entrepreneurship and employability

Nurturing the next generation of entrepreneurs

In 2018, Crescent Enterprises reinforced its strategic partnership with Sheraa to help others benefit from the Sharjah Entrepreneurship Center's social entrepreneurship track. Over a period of two years, that partnership has validated 163 business ideas and developed 46 minimally viable products. That partnership also enabled Sheraa to focus in 2018 on further implementing its Idea Lab, Pre-seed, Seed, and Series A programmes. Through the latter especially, Sheraa is helping Series A start-ups refine their growth strategies and develop connections with government and private companies to gain market access.

To date, Series A start-ups have made 174 connections. Another Sheraa initiative supported by Crescent Enterprises, the Sheraa Accelerator Program, has helped in 2018 early-stage funded companies, such as Rise, Charicycles, and the Mawada Project, build scalable and replicable marketing and expansion strategies.

Rise is a wealth management platform that helps migrants manage their finances, learn skills, and build a future. More than 5,000 migrants have been able to open a bank account with Rise's assistance.

The Mawada Project aims to foster future leaders among youths and young adults through skill-building community

engagement programmes. In 2018, 2,764 teens and young adults were engaged in Mawada programmes and events. Those initiatives, moreover, improved the lives of 5,594 people, including underprivileged, special need, orphaned, and refugee children; the elderly; the sick; hospital workers; and more.

Charicycles upcycles used bicycles into vintage, trendy ones that it sells online. It then contributes monies from every bicycle sold to fund bicycles for children in refugee camps. Charicycle has so far upcycled more than 2,000 bicycles.



“By working closely with us and helping us develop our strategy, the Sheraa program helped us gain invaluable insight into our market. It helped us diversify our value proposition and adapt to market demand. This made Sheraa a pivotal experience for Charicycles.”

Rania Kana'an
Co-founder, Charicycles

We also supported Sheraa in organising the second Sharjah Entrepreneurship Festival in 2018. This two-day event brought the region's entrepreneurial ecosystem together to connect and collaborate. In short, it provided a platform for community members to inspire one another, to share knowledge and experiences, and to cultivate networks for a lifetime. Representatives from Crescent Enterprises conveyed technical expertise on major entrepreneurial issues in the region through the festival's panel discussions. This, the second Sharjah Entrepreneurship Festival, was attended by more than 3,000 people and featured 150 speakers and 75 start-ups, making it the fastest-growing such event in the region.

A Sheraa initiative that we support fully is the acceleration of entrepreneurial growth through policy advocacy. Sheraa's efforts in this respect saw Sharjah Media City (Shams) reduce the licensing costs for start-ups 80% in 2018.



Mentoring American University of Sharjah students

Crescent Enterprises is a long-standing benefactor of the American University of Sharjah (AUS). In 2018, we were pleased to be involved in an AUS-organised career forum. The event provided executives from Crescent Enterprises and other companies with an opportunity to interact with AUS students and alumni and to share with them expectations of the job market. It also provided a platform for companies to recruit students and graduates as interns and employees.

The event witnessed participation by 65 recruiting companies and was attended by over 1,300 students and alumni. A further 641 students and graduates benefitted from various career development panels organised by AUS during the year under review and in which we also participated. In addition, we were involved in the two job search preparation days conducted by AUS in 2018 to develop the skills of students in curriculum vitae (CV) writing and interviewing.

Sharing business insights with students and student entrepreneurs

We have been a patron of the AUS-spearheaded Enterprising Youth initiative since 2015. This initiative aims to promote sustainably sound innovations and start-ups and typically encompasses panel discussions, workshops, and masterclasses. In 2018, executives from Crescent Enterprises—working alongside such of our partners as Sheraa, the Pearl Initiative, and the EN-WWF—gave expert advice to 262 aspiring student entrepreneurs as part of the Enterprising Youth initiative.

We also worked to help students from outside the MENA region navigate the regional business landscape. Crescent Enterprise hosted 30 MBA students from New York-based Columbia Business School at its head office in Sharjah in March 2018.

The year 2018 also saw us renew our association with the Renaissance Partners programme of the *Harvard Business Review (HBR) Arabia*. The programme ensures that deserving individuals have access to world-class management content that addresses management information gaps in the Arab world in the hope that those individuals will, in turn, contribute to regional economic revitalisation. Entrepreneurs who cannot otherwise afford the *HBR* subscription fees are selected on the basis of their CVs and subscribed to the *HBR*. This includes online and smartphone subscriptions. In 2018, the programme granted *HBR* access to 862 entrepreneurs from nine countries, 17% of whom were female.



2,622

STUDENTS AND GRADUATES ENGAGED WITH



292

STUDENTS GIVEN EXPERT BUSINESS INSIGHTS



862

ENTREPRENEURS FROM NINE COUNTRIES SUPPORTED



80%

REDUCTION IN LICENSING COSTS FOR SHARJAH-REGISTERED START-UPS



CE-Operates: Gulftainer supports education initiatives in the US

GT USA, a subsidiary of Gulftainer, launched the GT USA Scholarship programme in 2018. This initiative endows four students majoring in logistics studies with \$2,500 each. The GT USA Scholarship programme has also adopted Bancroft Elementary School in Wilmington, Delaware, to which it provides uniforms; books; stationery supplies, including pencils and crayons; teaching materials; exam aids; and more. It also assists with school infrastructure repairs.

Nurturing arts and culture

Crescent Enterprises has sponsored the Sharjah International Film Festival for Children and Youth for the past five years. The festival brings international films and new media content to the MENA-region children and youths to help develop their creative skills and interest in media arts. It also promotes cultural diversity, peace, and tolerance among young people.

Since the festival's inception in 2013, it has witnessed the participation of 136,000 children and youths. The festival's 2018 iteration alone was attended by 26,000 young people, who screened 138 movies and participated in interactive panel discussions, workshops, celebrity meet-and-greets, innovative

competitions, and other activities. In addition, pupils from more than 9,000 schools were exposed to creative and inspirational films as part of the 2018 festival. In partnership with the Sharjah International Film Festival, moreover, we also hosted a workshop on basic photography for the children of our employees.

For the third consecutive year, meanwhile, we sponsored the 23rd Arabian Sights Film Festival in Washington DC. This festival occurred over two successive weekends in October 2018 and showcased the finest selection of films from the Arab world. These films featured social, political, religious, economic, and familial

themes and motifs relevant from an Arab perspective and thereby offered insight into Arab culture and diversity. In presenting the complex realities and concerns of Arab society, these films also dispelled negative stereotypes associated with being Arab.

The 2018 Arabian Sights Film Festival hosted more than 2,000 people and offered two free programmes titled El Gusto and ASWAT, which showcased short films by and about Arab women. ASWAT featured seven new short films that highlighted the growing participation of Arab women in the film industry. All the films and special events received favourable feedback from their audiences.



28,000

PARTICIPANTS IN FILM FESTIVALS



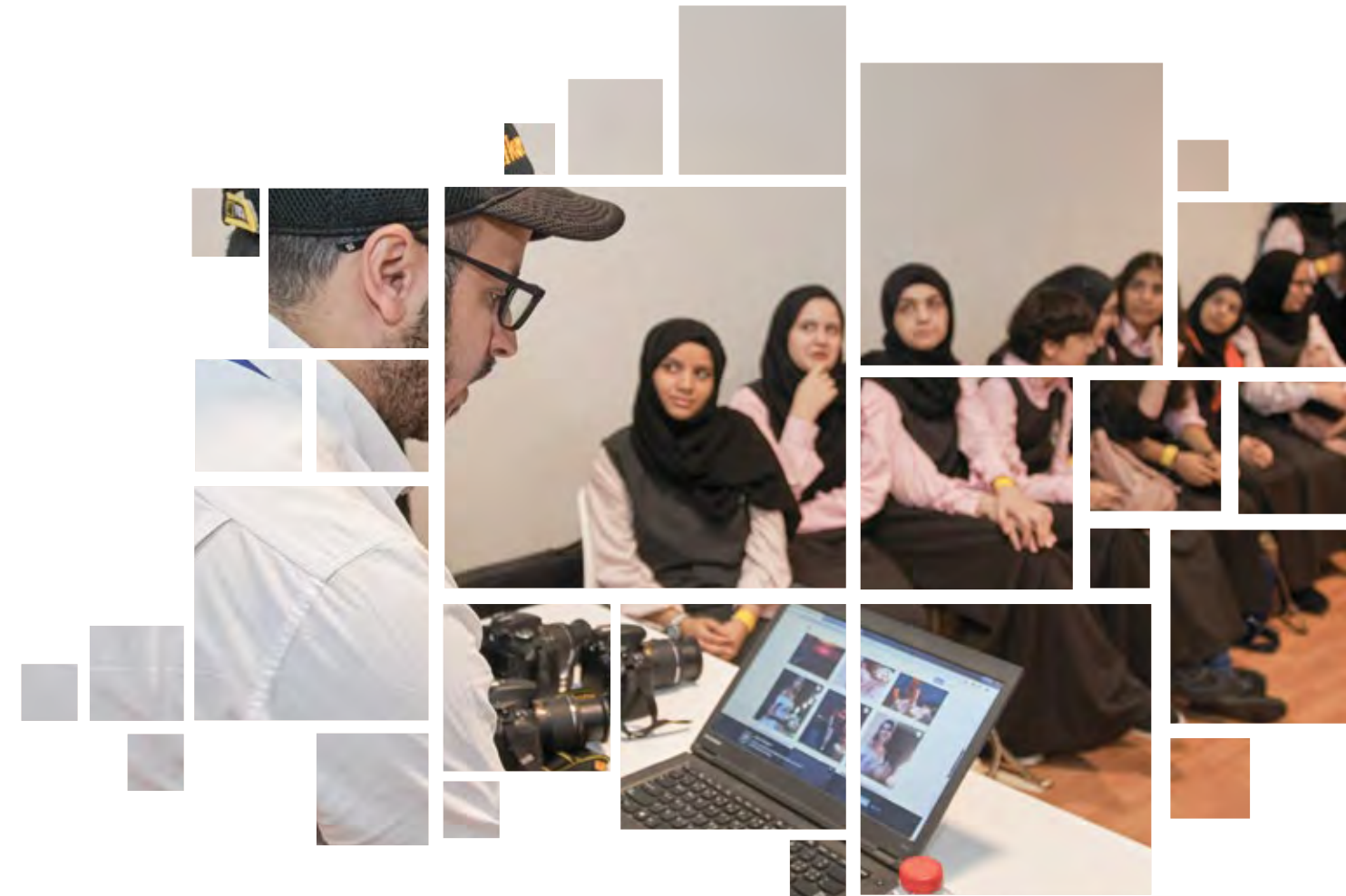
18,980

FEMALE PARTICIPANTS IN FILM FESTIVALS



9,000

SCHOOLS EXPOSED TO INSPIRATIONAL FILMS



Fostering innovation

Crescent Enterprises signed a memorandum of understanding (MOU) with the UAE Genetic Diseases Association (UAE GDA) in October 2018 for collaboration in enhancing research and innovation in genetic diseases. Under that MOU, in 2018 we sponsored the Most Innovative Genetic Disorders Research Institution: International,

Regional, and National award category at the UAE International Genetic Disorders Conference, held under the patronage of H.E. Sheikh Nahyan bin Mubarak Al Nahyan, Cabinet Member, Minister of Tolerance and President of the UAE GDA. This enabled us to honour organisations that have innovated and tested new models of healthcare and better practices for the care and well-being of patients and community.

Also during the year under review, we hosted HE Dr Mariam Fatma Matar, the Founder and Chairperson of the UAE GDA, who delivered a talk on lifestyle and epigenetics to our staff. Going forward, we will continue to partner with the UAE GDA to raise awareness about genetic diseases by jointly hosting similar community and specialist events.

Environmental sustainability plays a significant part in the corporate culture of Crescent Enterprises

We demonstrate our commitment to environmental stewardship by undertaking initiatives to measure and mitigate our environmental footprint across our operations. Our initiatives leverage technology and innovation in addition to incorporating best practices in energy efficiency; recycling, including waste and waste water recycling; and hazardous waste minimisation and disposal.

To reduce the impact of our operations on the environment and to ensure the safety of the communities where we conduct business, we strictly adhere to

the environmental regulations of the countries to which those communities belong. We also regularly monitor our performance to gauge opportunities for improving our environmental stewardship.

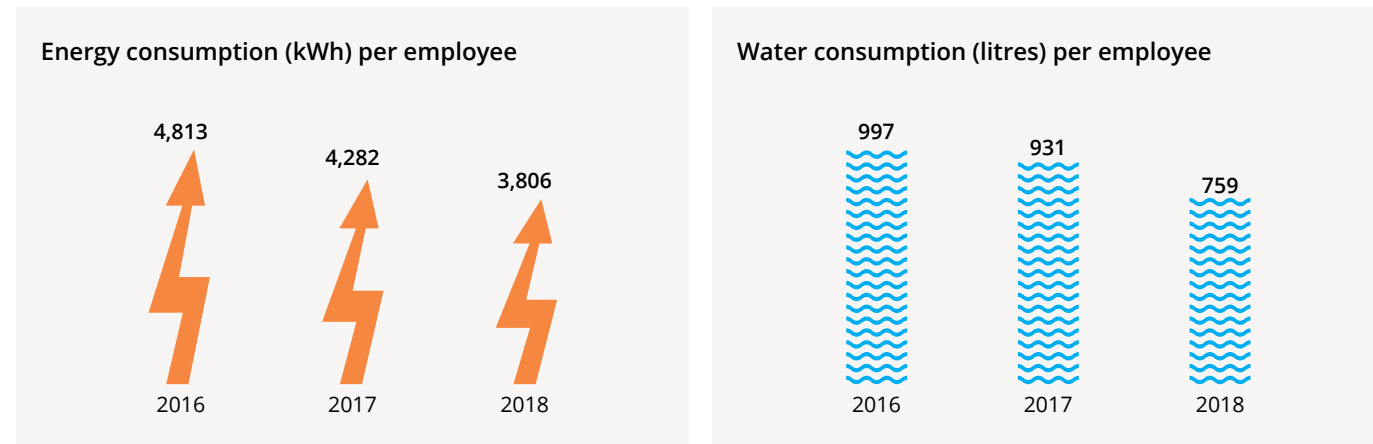
Lessening our water and energy footprint

At our headquarters in Sharjah, we have over the years consistently made every effort to optimise our energy and water use and reduce our carbon footprint. Our energy consumption per employee has as a result steadily declined. That

trend continued in 2018, with energy consumption per employee decreasing 11% from a year earlier. We attribute this success to increased awareness among employees of the need for energy efficiency and to their adoption of conservation-based habits, such as switching off lights and IT equipment when it is not in use.

Another trend that we witness continue in 2018 was that of reduced employee water use. For the fourth straight year, we saw a significant reduction in our per employee water consumption.

Energy and water footprint at Crescent Enterprises



CE-Operates: managing Gulftainer's environmental footprint

Gulftainer has developed a policy stating its commitment to protecting the environment with a focus on pollution prevention, waste management, and energy and water conservation. Gulftainer aims to lower its monthly electricity costs to less than AED50,000 across its UAE operations by end of 2019.



2,350,000

LITRES OF WATER WITHDRAWN FROM MUNICIPAL SUPPLY OR OTHER PUBLIC OR PRIVATE SECTOR WATER UTILITIES



ACHIEVED 41%

REDUCTION IN ENERGY CONSUMPTION FROM NON-RENEWABLE SOURCES IN 1 YEAR

Reducing our waste

Waste generation in the UAE has increased in recent decades, and most of the waste ends up in municipal landfills or dumpsites. The UAE government is promoting through UAE Vision 2021 the recycling, reusing, and treating of the nation's increasing volume of waste. Crescent Enterprises is heeding the government's call by reducing, reusing, and recycling at its headquarters and across its operations.

Crescent Group has partnered with Bee'ah, a leading environmental management company, to recycle non-hazardous waste generated by its two subsidiaries. The group also collaborates with EnviroServe to recycle electronic equipment and in such a way as to ensure that recycling does no harm to human or environmental health. It is also transitioning from paper-based to electronic platforms and all the while recycling the paper that it does use.



440 kg

OF NON-HAZARDOUS WASTE RECYCLED AT CRESCENT GROUP



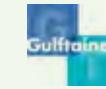
998 kg

OF E-WASTE RECYCLED AT CRESCENT GROUP



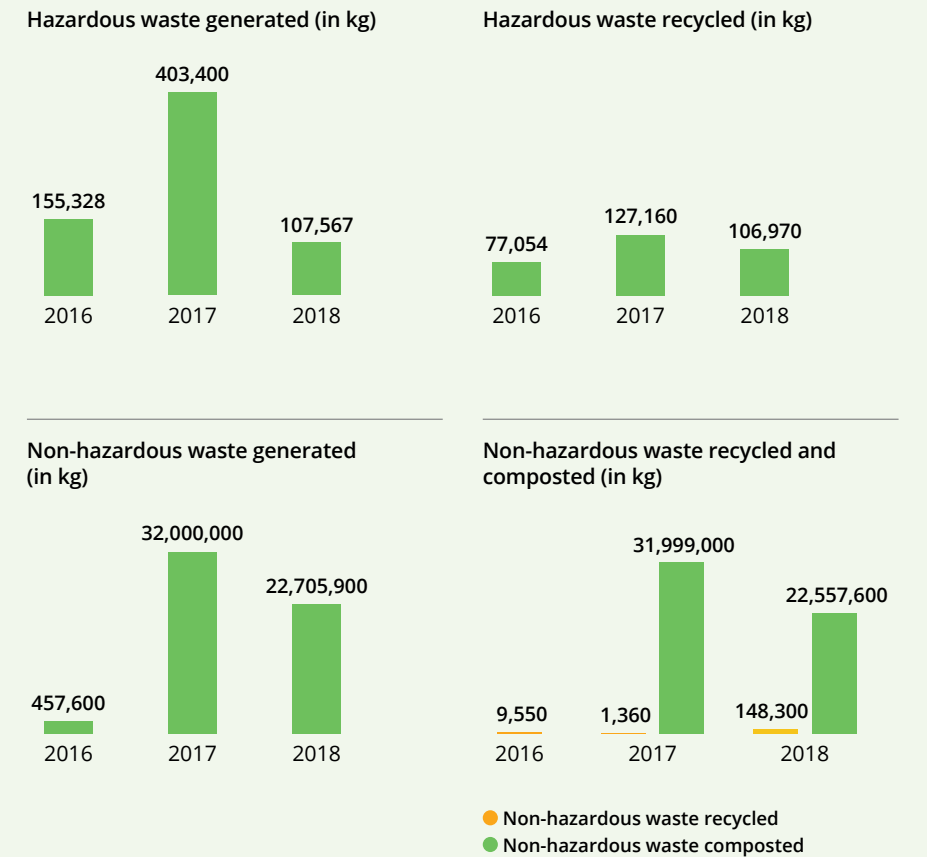
203 trees

SAVED DUE TO PAPER RECYCLING INITIATIVES BY CRESCENT GROUP



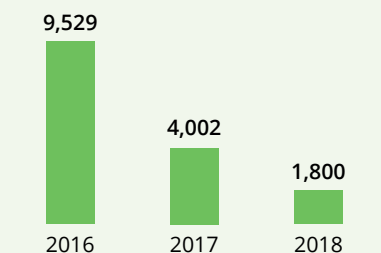
CE-Operates: focus on waste management

Gulftainer introduced a stringent waste monitoring protocol in 2017 to generate accurate data on the waste generated by the company. What Gulftainer realised through the implementation of this protocol in 2017 was that it was producing more waste than it thought. The data generated by the monitoring protocol led to the company's implementation of initiatives for recycling and disposing its waste. Gulftainer took steps in 2018 to recycle all the hazardous waste generated in its facilities. It plans now to put in place a policy of ensuring zero usage of plastics and polystyrene throughout the company.



Also in 2018, Gulftainer introduced a paperless policy toward reducing its annual paper consumption to zero. This saw the company adopt a printing management system to analyse paper consumption trends within the company and to optimise employee paper rationing. The result was that Gulftainer reduced its paper consumption 55% in 2018.

Paper consumption at Gulftainer (in ream)



Partnering with Emirates Nature-WWF

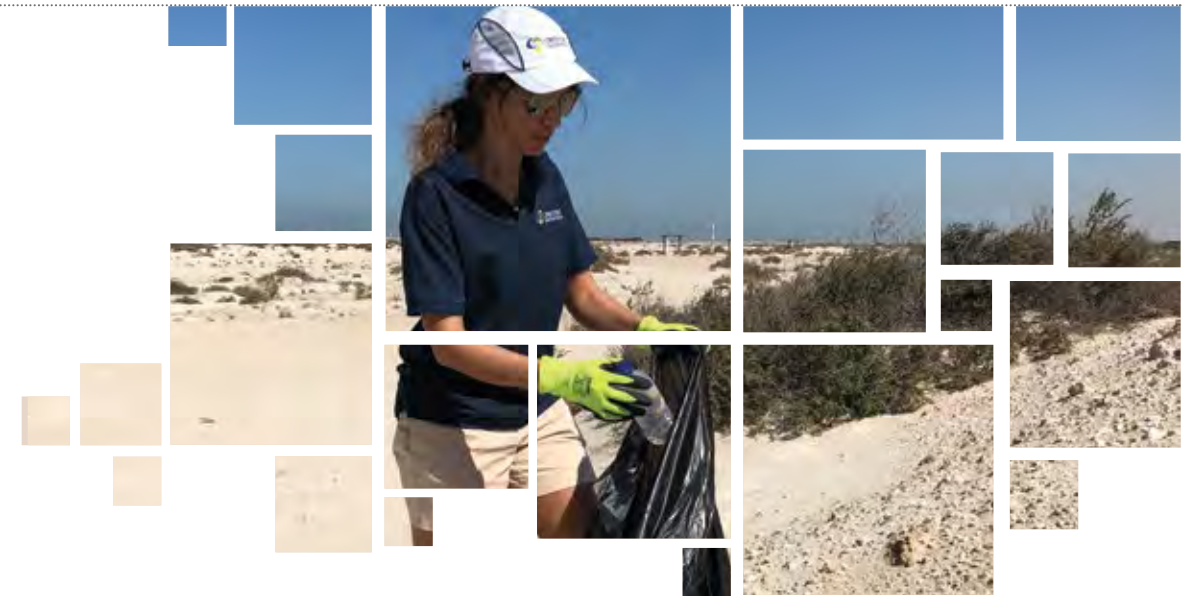
Crescent Enterprises works alongside Emirates Nature in association with World Wide Fund for Nature (WWF) to build a society in harmony with the natural world. We collaborate in the areas of renewable energy, climate change, terrestrial and marine biodiversity, and education. With our support, Emirates Nature-WWF has conducted several important surveys. Its survey of the UAE's bats, for instance, led to the discovery of three species of bats. Its Gulf Green Turtle Project recorded the region's number of turtles, and its

ongoing biodiversity surveys see the organization deploy camera traps in the Hajar Mountains to record the region's mammals. Emirates Nature-WWF has also installed remote underwater video cameras around Sir Bu Nair Island to identify sharks, rays, and fish. Other principal Emirates Nature-WWF achievements include the following:

- Supporting the development of a policy framework to upscale the UAE's renewable energy capacity

- Organising the UAE's Earth Hour, which in 2018 involved more than 500 organisations across the Emirates and key landmarks in the UAE, including Burj Al Arab, Emirates Palace, and Sheikh Zayed Grand Mosque

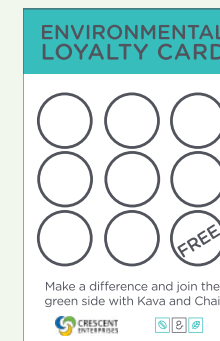
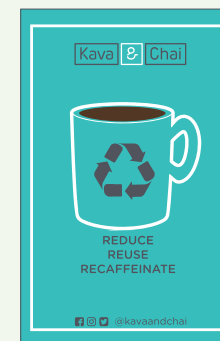
In February 2019, Crescent Enterprises collaborated with Emirates Nature-WWF in arranging an annual field trip for its employees. The trip involved employees who volunteered to contribute to environmental preservation by cleaning beaches.



“At Emirates Nature-WWF, we collaborate with our partners for our economy, society, and environment to thrive together. We value the continued support of Crescent Enterprises in raising awareness of environmental threats and extending initiatives to safeguard our fragile ecosystems. This year, we were pleased that employees of Crescent Enterprises volunteered in a beach clean-up activity to preserve our coasts and marine life. We look forward to Crescent Enterprises’ further involvement in our causes.”

Laila Mostafa Abdullatif
Director General, Emirates Nature-WWF

We also organised our third annual sustainability talk in 2018 on addressing climate change through sustainable transport. The talk, facilitated by the Emirates Nature-WWF Climate and Energy Project Manager Nour Mezher, was attended by 25 community members. We aim through this talk to educate audience members on the potential impact of climate change and the contribution thereto of the transport sector and to motivate audience members to reduce their transport-related carbon footprint.



Kava & Chai

CE-Creates: Environmental loyalty cards of Kava & Chai

Because sustainability is a shared responsibility, CE-Creates' coffeehouse brand, Kava & Chai, engaged customers at its Crescent Group kiosk with the launch of its environmental loyalty programme in early 2019. The programme rewards customers who regularly use reusable cups and thereby limit their consumption of single-use cups. The programme has helped save 510 single-use cups and avoid 56 kilograms of carbon emissions to date.

Sustainability reporting for 2019-20

Updating our method of assessment

In late 2017, we reorganised our business around four core platforms: CE-Operates, CE-Invests, CE-Ventures, and CE-Creates. Our platforms complement each other and position our business at the forefront of innovative and sustainable developments that reflect our expansion strategy and the breadth of our activities. Following their first year in existence, in 2018, they compelled us to update the manner in which we assess our advances in achieving the aims of our sustainability strategy.

We reassessed those topics early in 2019, however, in light of our four platforms having been firmly established

over the course of 2018. This saw us conduct, for the first time, a materiality assessment exercise to determine the material topics specific to each of our platforms and for the corporation as a whole. This enhanced approach enables us to capture our impact more comprehensively.

For 2019 onwards, Crescent Enterprises will report on the progress of its sustainability performance against a series of topics determined to be material to its full range of business activities as a conglomerate operating and investing across diversified sectors and multiple

geographies. With, moreover, the development of our platforms and their expansion of our activities globally, we will update our sustainability reporting in a manner that reflects each platform's own economic, environmental, and social impacts and businesses and investments, stakeholders, and geographical presence.

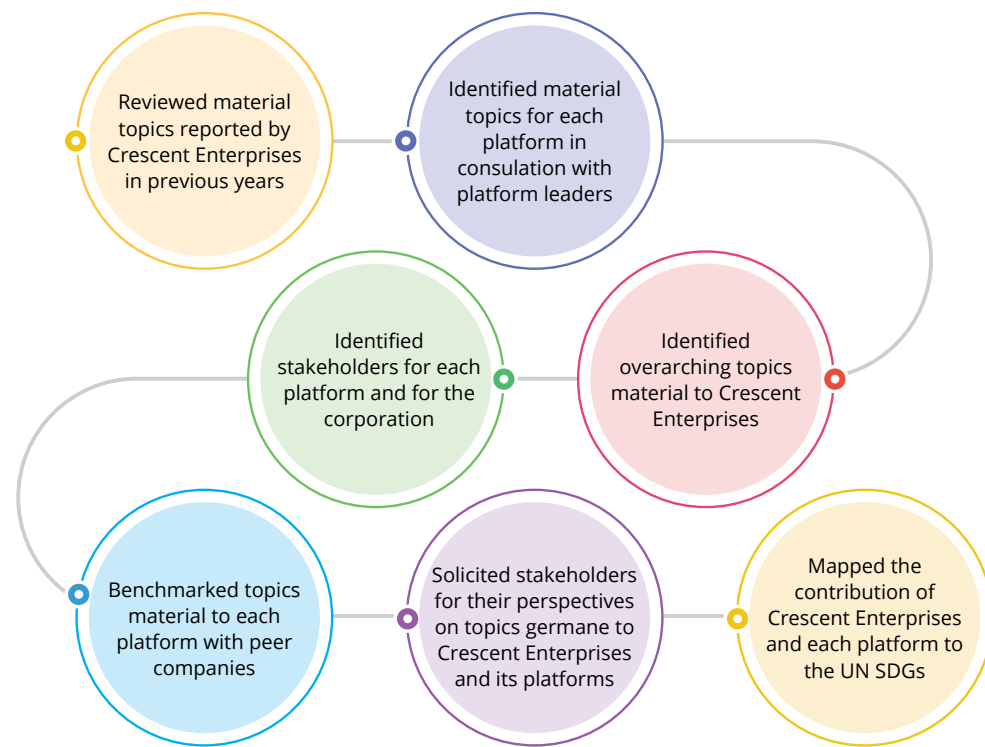
With this in mind, we have revised the assessment strategy of our sustainability efforts to better ensure a growth trajectory for our sustainability undertakings.

Identifying and prioritising issues material to our platforms in 2019

In line with our newly revised strategy for evaluating the success of our sustainability efforts, we carried out materiality assessments for 2019 for each of our platforms and for the corporation at large. This approach assures us of a more accurate sustainability reporting, given the defined distinctions and synergies among our four platforms.

In accordance with the 2018 GRI Standards and with the UN SDGs, we have mapped all the topics material to our platforms and to Crescent Enterprises overall, including identifying particulars such as stakeholders and other details specific to each platform and the corporation. Our mapping also accounts for the performance indicators required by the GRI Standards.

The following graphic depicts the process that we employed to assess the materiality of topics specific to each of our platforms and the company overall.



Continuing our reporting journey

This is our first combined annual and sustainability report. It provides insights into our business and sustainability activities in 2018 and serves as the model for how we will continue to report on our activities for 2019 and beyond. Our reporting for 2019, however, will differ in an important respect from the way we have reported on our activities in the past. In reporting on our 2019 activities, we will be guided by our revised sustainability assessment strategy. We will therefore and thereafter report on topics specific to each of our four platforms and on topics material to Crescent Enterprises as a whole.



GRI CONTENT INDEX

GRI Standard	Disclosure	Page no.(s) and / or URL(s)	Omissions	
General Disclosures				
GRI 102: General Disclosures 2016	organisation Profile			
	102-1: Name of the organisation	Front cover		
	102-2: Activities, brands, products, and services	2 to 5		
	102-3: Location of headquarters	2		
	102-4: Location of operations	2 to 3		
	102-5: Ownership and legal form	2		
	102-6: Markets served	2 to 3		
	102-7: Scale of the organisation	2, 3, 8 and 64		
	102-8: Information on employees and other workers	64 to 69		
	102-9: Supply chain	63		
	102-10: Significant changes to the organisation and its supply chain	63		
	102-11: Precautionary principle or approach	76		
	102-12: External initiatives	14, 15, 60, 71 and 78		
	102-13: Membership of associations	71		
	Strategy			
	102-14: Statement from senior decision-maker	6 to 7		
Ethics and Integrity				
102-16: Values, principles, standards, and norms of behaviour	11, 22, 44, 55, 61, 65, 68 and 77			
Governance				
102-18: Governance structure	54 to 59			
Stakeholder Engagement				
102-40: List of stakeholder groups	12			
102-41: Collective bargaining agreements	Not applicable	Collective bargaining agreements are prohibited under UAE labour laws.		
102-42: Identifying and selecting stakeholders	12			
102-43: Approach to stakeholder engagement	12			
102-44: Key topics and concerns raised	13			
Reporting practice				
102-45: Entities included in the consolidated financial statements	8 to 9			
102-46: Defining report content and topic boundaries	Inside front cover			
102-47: List of material topics	13			
102-48: Restatements of information	Not applicable	No restatements during the reporting period.		
102-49: Changes in reporting	Inside front cover			
102-50: Reporting period	Inside front cover			
102-51: Date of most recent report	https://www.crescententerprises.com/resource-centre/reports.php			
102-52: Reporting cycle	Inside front cover			
102-53: Contact point for questions regarding the report	Inside front cover			
102-54: Claims of reporting in accordance with the GRI Standards	Inside front cover			
102-55: GRI content index	82 to 86			
102-56: External assurance	Not applicable	External assurance was not sought for this report.		

GRI Standard	Disclosure	Page no.(s) and / or URL(s)	Omissions
Topic-specific Standards			
GRI 200 Economic Standard Series			
Economic Performance			
Economic Performance			
GRI 103: Management Approach 2016	103-1: Explanation of the material topic and its boundary	8	
	103-2: The management approach and its components	8	
	103-3: Evaluation of the management approach	55	
GRI 201: Economic Performance 2016	201-1: Direct economic value generated and distributed	8, 9, 21 and 43	
Market Presence			
GRI 103: Management Approach 2016	103-1: Explanation of the material topic and its boundary	69	
	103-2: The management approach and its components	69	
	103-3: Evaluation of the management approach	55	
GRI 202: Market Presence 2016	202-2: Proportion of senior management hired from the local community	69	To reflect Crescent Enterprises' global operations, the percentage of locals hired of its total workforce has been reported. Senior management data has proven to be more challenging.
Indirect Economic Impact			
GRI 103: Management Approach 2016	103-1: Explanation of the material topic and its boundary	20, 43 and 75	
	103-2: The management approach and its components	20, 43 and 75	
	103-3: Evaluation of the management approach	55	
GRI 203: Indirect Economic Impact 2016	203-1 Infrastructure investments and services supported	20, 43 and 75	
Anti-Corruption			
GRI 103: Management Approach 2016	103-1: Explanation of the material topic and its boundary	33, 45 and 61	
	103-2: The management approach and its components	33, 45, 61 and 63	
	103-3: Evaluation of the management approach	61 and 62	
GRI 205: Anti-corruption 2016	205-2: Communication and training about anti-corruption policies and procedures	61 and 62	

GRI Standard	Disclosure	Page no.(s) and / or URL(s)	Omissions
GRI 300 Environmental Standard Series			
Energy			
GRI 103: Management Approach 2016	103-1: Explanation of the material topic and its boundary	76	
	103-2: The management approach and its components	76	
	103-3: Evaluation of the management approach	76	
GRI 302: Energy 2016	302-1: Energy consumption within the organization	76	
	302-4: Reduction of energy consumption	76	
Biodiversity			
GRI 103: Management Approach 2016	103-1: Explanation of the material topic and its boundary	78	
	103-2: The management approach and its components	78	
	103-3: Evaluation of the management approach	78	
GRI 304: Biodiversity 2016	304-3: Habitats protected or restored	78	
Effluents & Waste			
GRI 103: Management Approach 2016	103-1: Explanation of the material topic and its boundary	77	
	103-2: The management approach and its components	77	
	103-3: Evaluation of the management approach	77	
GRI 306: Effluents & Waste 2016	306-2: Waste by type and disposal method	77	
Environmental Compliance			
GRI 103: Management Approach 2016	103-1: Explanation of the material topic and its boundary	22, 33, 44, and 61	
	103-2: The management approach and its components	22, 33, 44, and 61	
	103-3: Evaluation of the management approach	55	
GRI 307: Environmental Compliance 2016	307-1: Non-compliance with environmental laws and regulations	22, 33 and 44	

GRI Standard	Disclosure	Page no.(s) and / or URL(s)	Omissions
GRI 400 Social Standard Series			
GRI 103: Management Approach 2016	103-1: Explanation of the material topic and its boundary	64	
	103-2: The management approach and its components	64	
	103-3: Evaluation of the management approach	55	
GRI 401: Employment 2016	401-3: Parental leave	69	
Occupational Health and Safety			
GRI 103: Management Approach 2016	103-1: Explanation of the material topic and its boundary	22	
	103-2: The management approach and its components	22	
	103-3: Evaluation of the management approach	23	
GRI 403: Occupational Health & Safety 2016	403-2: Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	23	
Training and Education			
GRI 103: Management Approach 2016	103-1: Explanation of the material topic and its boundary	66	
	103-2: The management approach and its components	66	
	103-3: Evaluation of the management approach	55	
GRI 404: Training & Education 2016	404-1: Average hours of training per year per employee	66	
	404-2: Programs for upgrading employee skills and transition assistance programs	66	
	404-3: Percentage of employees receiving regular performance and career development reviews	66	
Diversity and Equal Opportunity			
GRI 103: Management Approach 2016	103-1: Explanation of the material topic and its boundary	68 to 69	
	103-2: The management approach and its components	68 to 69	
	103-3: Evaluation of the management approach	68 to 69	
GRI 405: Diversity & Equal Opportunity	405-1: Diversity of governance bodies and employees	68 to 69	

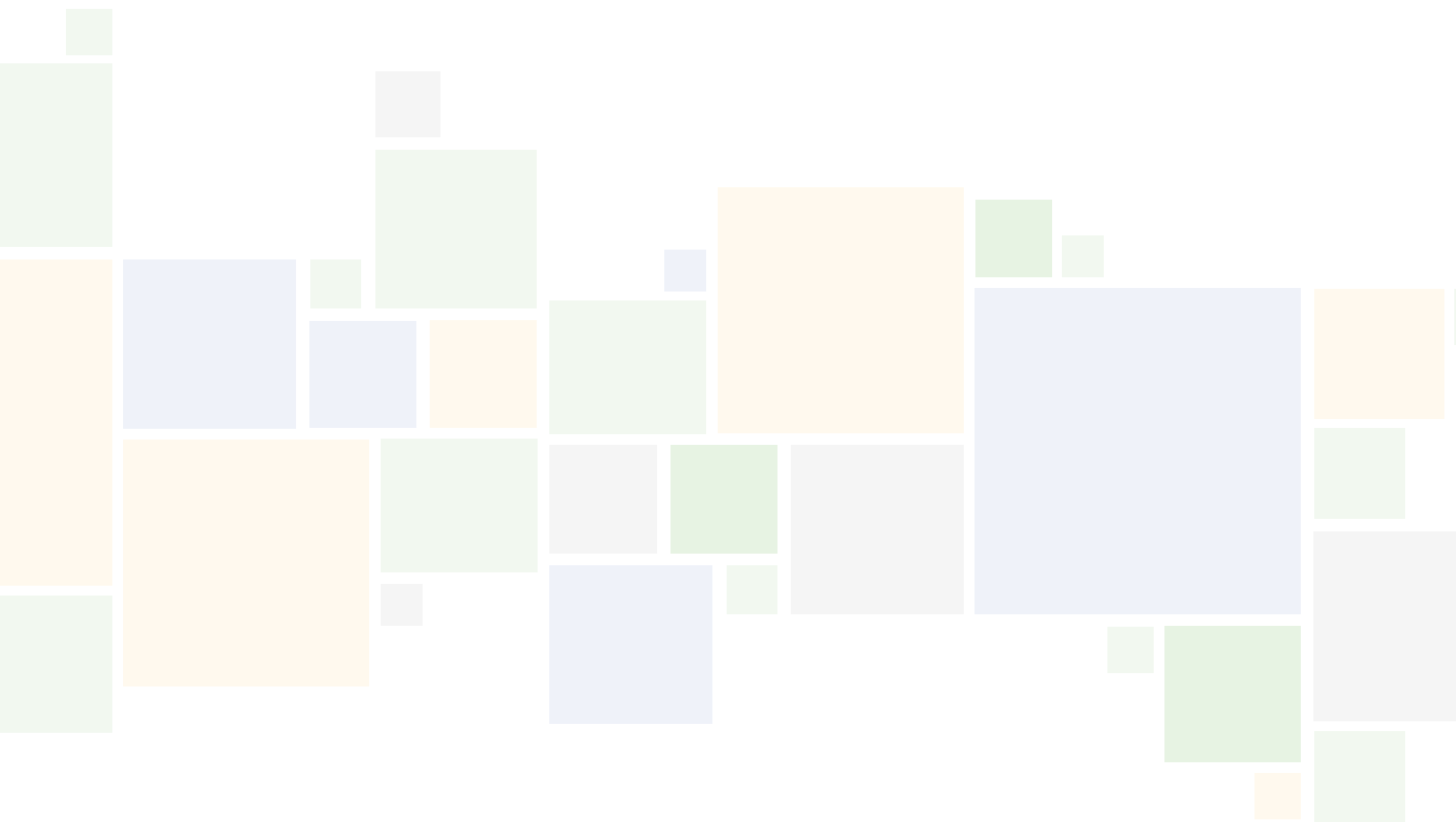
GRI Standard	Disclosure	Page no.(s) and / or URL(s)	Omissions
Non-Discrimination			
GRI 103: Management Approach 2016	103-1: Explanation of the material topic and its boundary	65 and 69	
	103-2: The management approach and its components	65 and 69	
	103-3: Evaluation of the management approach	65 and 69	
GRI 406: Non-Discrimination 2016	406-1: Incidents of discrimination and corrective actions taken	69	
Human Rights Assessment			
GRI 103: Management Approach 2016	103-1: Explanation of the material topic and its boundary	60	
	103-2: The management approach and its components	60	
	103-3: Evaluation of the management approach	60	
GRI 412: Human Rights Assessment 2016	412-2: Employee training on human rights policies or procedures	60 and 66	
Local Communities			
GRI 103: Management Approach 2016	103-1: Explanation of the material topic and its boundary	70	
	103-2: The management approach and its components	70 to 71	
	103-3: Evaluation of the management approach	70 to 71	
GRI 413: Local Communities 2016	413-1: Operations with local community engagement, impact assessments, and development programs	70 to 75 and 79	
Socioeconomic Compliance			
GRI 103: Management Approach 2016	103-1: Explanation of the material topic and its boundary	70	
	103-2: The management approach and its components	33, 44, 55 and 61	
	103-3: Evaluation of the management approach	55	
GRI 419: Socioeconomic Compliance 2016	419-1: Non-compliance with laws and regulations in the social and economic area	33, 44, 55 and 61	



Crescent Enterprises

Crescent House
 Buhairah Corniche
 PO Box 2222, Sharjah
 United Arab Emirates
 T +971 6 554 7222
 F +971 6 544 7888
 ce@crescent.ae
 www.crescententerprises.com





www.crescententerprises.com