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unibon
SHIPPING L.L.C

2020

**COMMUNICATION ON PROGRESS
UNITED NATIONS GLOBAL COMPACT**



Statement of Continued Support From Our Chief Executive Officer

I am pleased to reaffirm my commitment, and the commitment of Unibon Shipping LLC., to the Ten Principles of the United Nations Global Compact in the areas of human rights, labor, environment and anti-corruption. These principles align with our own motto of more than 10 years, "Ethics First," a guiding philosophy that reminds us to act as a socially responsible corporate citizen in everything that we do.

Our first Communication on Progress outlines the various ways we've begun to integrate the Global Compact and its principles into our business practices, operations, company culture and community programs. We are proud of these actions and are committed to sharing this progress report with our stakeholders.

Sincerely,



REMIL NATH
Chief Executive Officer



Human Rights

OUR COMMITMENT

At Unibon Shipping, we believe that all individuals are entitled to basic human rights, freedoms, and standards of treatment. Our definition of human rights is consistent with the United Nations Guiding Principles on Business and Human Rights and the Universal Declaration of Human Rights. We consider human rights to include the right to life and liberty, freedom from slavery and torture, freedom of opinion and expression, and the right to work and education. While Unibon has experienced no human rights controversies and has never engaged in any human rights abuses since our founding in 2009, we have nonetheless taken steps to further codify our commitment to upholding human rights within our sphere of influence.

Principle 1

Businesses should support and respect the protection of internationally proclaimed human rights.

Principle 2

Businesses should make sure that they are not complicit in human rights abuses.

OUR PROGRESS

Goal 1: Clarify our support for human rights.

Action: Developed new Global Human Rights Policy.

Unibon's board of directors recently approved a new Global Human Rights Policy, which prohibits any form of human trafficking, slavery, child labor, harassment or discrimination. The policy applies to all Unibon employees and contingent workers, all of Unibon's direct and indirect subsidiaries worldwide, and Unibon's suppliers and vendors. Unibon sought stakeholder input in developing the policy and will seek ongoing input regarding the policy's implementation and evaluation.

Outcome: A new Global Human Rights Policy and a commitment to assess and manage our exposure to human rights abuses.

Goal 2: Provide a safe and reliable process for reporting human rights violations.

Action: Expanded the reach of our reporting platforms.

Unibon Shipping established a formal process to enable employees, temporary professionals, clients, contractors, candidates and vendors to report human rights concerns or allegations of policy violations. Our UAE hotline is operated by the Unibon Human Resources Office of Compliance, while our global reporting hotline connects to an independent third-party service via telephone and a web-based reporting portal. Unibon Shipping commits to promptly investigate reports of rights abuses and to pursue reasonable and appropriate action to remediate any violations substantiated by an investigation. Unibon does not tolerate retaliation against anyone who reports violations of our Code of Business Conduct and Ethics or any law or regulation applicable to unibon Shipping LLC

Outcome: An updated and enhanced compliance and ethics hotline

Labor Principles

OUR COMMITMENT

As a global shipping firm, we specialize in matching people with gainful employment and believe that everyone should have access to dignified work. Since our founding, we've demonstrated our commitment to fair labor practices by building a work environment, where our employees feel safe, respected and engaged.

Our new Global Human Rights Policy, as well as our Code of Business Conduct and Ethics and our Supplier Code of Conduct, confirm our commitment to maintaining a safe and positive workplace for our employees and supporting fair labor practices beyond our operations.

OUR PROGRESS

Goal 1: Increase employee awareness about our Code of Business Conduct and Ethics.

Action: Launched a new global Code of Business Conduct and Ethics training program In November 2018, we launched a new employee training module covering our Code of Business Conduct and Ethics. In 2019, we expanded the training to international employees and translated the curriculum into English, Hindi, and Arabic. As of November 2019, close to 100% of our global employees have received the training.

We also expanded access to our ethics and compliance reporting platforms, which now include a suite of country-specific phone numbers, as well as an online reporting portal that is offered in over 8 major languages.

Outcome: New Code of Business Conduct and Ethics training rolled out in 3 countries, reaching over 100 employees and sub contractors.

Goal 2: Clarify our stance against forced and child labor, and codify our support for workplace safety, inclusion and diversity, and freedom of association.

Action: included the following policies in our comprehensive Global Human Rights Policy:

- ▶ Policy Against Sexual Harassment.
- ▶ Policy Against Human Trafficking, Slavery and Child Labor.
- ▶ Policy on Freedom of Association and Collective Bargaining.
- ▶ Policy on Workplace Safety.
- ▶ Diversity Policy.
- ▶ Non-Retaliation.

Outcome: A new suite of policies that collectively address fair labor practices and human rights.

Principle 3

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

Principle 4

Businesses should eliminate all forms of forced and compulsory labor.

Goal 3: Support fair labor practices among our suppliers.

Action: Established a Supplier Code of Conduct In 2018, we approved a Supplier Code of Conduct, which outlines the expectations we have of our suppliers in USA, Canada, UK, India.

A “Supplier” is defined as any individual or company, including their employees, agents, subcontractors and representatives, that provides goods or services to Unibon Shipping. Among other conditions, the Supplier Code of Conduct prohibits child labor and modern slavery in all its forms.

Outcome: Our Supplier Code of Conduct now referenced in all supplier contracts.

Goal 4: Increase employee engagement.

Action: Expanded the reach of our Employee Experience Surveys Since 2018,

Unibon’s Corporate Services employees in UAE have participated in an employee experience survey twice a year. The survey includes questions on collaboration,

manager support, physical workspace, community involvement and organizational culture.

Employee feedback gives us visibility into how we can continue to grow, evolve and bring our brand promise to life. In 2019, we expanded the survey to all our office

Outcome: In 2019, over 1,000 Unibon Shipping employees and sub employees surveyed globally.

Goal 5: Support women’s leadership in the workplace.

Action (a): Signed a statement of support for the Women’s Empowerment Principles (WEPs) In 2018, Unibon signed a statement of support for the joint initiative of the United Nations Global Compact and UN Women.

The seven WEPs build on the United Nations Global Compact’s principles by providing best practices for advancing gender equality and empowering women in the workplace, marketplace and community.

Action (b): Conducted a pay audit for all Corporate Services Employees Every year, Unibon conducts an affirmative action audit to better understand our workforce demographics.

This exercise allows us to see how our Corporate Services employees compare to employees in other similarly sized companies in terms of diversity indicators and pay. It also helps us set specific goals to support women and minorities in the company. For example, from our 2019 audit, we found that 56% of our leadership, which includes all senior managers, directors, vice presidents and above, are women. This is well beyond the national average and reflects our efforts to support women’s leadership within the company. However, we also learned that 42.5% of our technical staff are women, which is just below the national average.

This finding inspired us to set a new goal to increase women’s representation among our IT and other technical teams.

Outcome: Participation in a global network to advance gender equality and a new goal to increase the number of women in our IT functions in 2020

Principle 5

Businesses should uphold the effective abolition of child labor.

Principle 6

Businesses should eliminate discrimination in respect of employment and occupation.

Environment

OUR COMMITMENT

We are committed to decreasing our environmental impact.

As our Global Environmental Policy outlines, all employees of Unibon Shipping LLC are required to conduct business in a manner that protects the environment, conserves resources and ensures sustainable development. The policy provides guidance on the various ways we can improve efficiencies within our operations and business practices. This includes reducing paper use and business travel and increasing energy efficiency and digital processes. Unibon and its employees also support external conservation efforts through donations to local and International nonprofits.

OUR PROGRESS

Goal 1: Strengthen environmental oversight.

Action: Instituted an environmental committee. We recently formed an environmental committee to help monitor our environmental footprint and to prioritize high-impact efficiency.

initiatives. The committee will facilitate interdepartmental collaboration and help identify where improvements can be made across the enterprise.

Outcome: **Outcome: Developed a new Environmental Committee Charter to guide our environmental initiatives starting in 2019.**

Goal 2: Improve environmental tracking and reporting.

Action: Reported environmental performance data to environmental, social and governance (ESG) stakeholders in 2019, we increased our capacity to track our environmental footprint, evaluating the impact of our leased offices, transportation and business processes. As our environmental tracking efforts have improved, so too has our environmental reporting. In 2019, we provided more comprehensive emissions data to CDP and shared this information with many other ESG benchmarking groups.

Outcome: **Improved environmental reporting to external benchmarking groups.**

Goal 3: Identify ways to decrease our environmental footprint.

Action: Improved efficiency across our operations among other examples, we recently replaced nearly 900 fluorescent lights with more efficient LEDs at our warehouse, office and reduced the energy use of our lighting by approximately 70%. We followed suit at our offices in UAE, reducing the energy consumption of our lighting by 70% and 72%, respectively.

We also reduced paper consumption across all offices by transitioning to digital documents whenever possible.

Between 2013 and 2019, we reduced the amount of paper purchased per employee by 77%. In 2019 alone, we avoided printing and mailing over 1 million sheets of paper by using e-signature technology.

Outcome: **113 short tons of solid waste and 1,000 metric tons of CO2 emissions avoided in 2018 through a reduction in paper consumption.**

Principle 7

Businesses should support a precautionary approach to environmental challenges.

Principle 8

Businesses should undertake initiatives to promote greater environmental responsibility.

Principle 9

Businesses should encourage the development and diffusion of environmentally friendly technologies.

Anti-Corruption

OUR COMMITMENT

Unibon's business model is built around personal connections and trust, and we will not tolerate corruption within any part of our business. We comply with all anti-corruption laws and regulations, including the UAE anti corruption law and the UK Bribery Act.

We ensure compliance with these laws and regulations through Articles 234 to 239 of the Code anti-bribery practices in the UAE.

Guidelines and Global Anti-Corruption Policy. We also address this in our Code of Business Conduct and Ethics, which directly prohibits corrupt or illegal practices, including the payment of bribes or kickbacks, insider trading, and self-dealing.

Principle 10

Businesses should work against corruption in all its forms, including extortion and bribery

OUR PROGRESS

Goal 1: Strengthen anti-corruption risk management

Action: Continued to provide annual Board of Directors updates on Compliance and Ethics Program.

Once a year, our senior vice president and corporate compliance officer presents an update to the Board of Directors on the priorities and status of our Compliance and Ethics Program. Directors are provided information on relevant policies, procedures and trainings. In 2019, this included key updates on our Data Privacy and Security Policy,

our mandatory harassment and discrimination training, and global anti-corruption policy training, which includes real-world examples of cases prosecuted by the UAE The Federal Judiciary.

Leveraging the auditing expertise of our subsidiary, Protiviti, we also recently developed a new methodology to evaluate risks and risk control efficacy, including those associated with corruption.

Outcome: Developed a new risk assessment model.



Learn more about Unibon Shipping LLC responsibility programs at www.unibon.co