

Sustainability Report 2018



“The real wealth is hard work that benefits the person and the community. It is immortal and eternal, and forms the value of the human and the nation”

The Late Sheikh Zayed bin Sultan Al Nahyan

His priorities included building new roads, construction of bridges, establishment of schools and educational institutions, houses, medical services and facilities, seaports and airports. During his tenure, UAE was transformed beyond recognition, as it became a huge construction site with a noise of modern machines and equipment everywhere. Local community moved from traditional houses to modern homes, deserts were transformed into a network of roads and infrastructure, living facilities including water and electricity were spread across all emirates, education was shifted from a traditional religious system to a modern education curriculum and people were provided with state-of-the-art medical and health facilities through modern hospitals and clinics.

Sheikh Zayed believed in Wisdom, Respect, Human Development and Sustainability. He was widely recognized as a visionary leader and an inspirational man. He not only imagined a better future for UAE, but also had the determination to make them a reality. His lifelong commitment to sustainability became a hallmark of his Presidency that continue to shape the positive and constructive approach of the UAE in meeting global challenges. He always believed that investing in people welfare, knowledge and capabilities would produce the greatest results for the country.

Sheikh Zayed was born in the Emirate of Abu Dhabi in 1918 to Sheikh Sultan Bin Zayed, who was the Ruler of Abu Dhabi from 1922-1926. He was the youngest of Sheikh Sultan's four sons and was named after his famous grandfather, known as 'Zayed the Great'. As the year 2018 marks 100 years since the birth of the late Sheikh Zayed bin Sultan Al Nahyan, the Founding Father of the UAE, who passed away in 2004, it has been declared officially by the UAE Government as the 'Year of Zayed' to feature series of events and initiatives in the UAE as well as internationally, designed to commemorate the memory of this great leader. The objective is to showcase his impact and legacy and promote the values that he displayed throughout his life in creative and interactive ways.

After the United Arab Emirates was founded on 2nd December 1971, the late Sheikh Zayed bin Sultan Al Nahyan was elected as the first President of the UAE. He carried out major reforms for the UAE which included modern education, healthcare, public housing and general urban development. He drew several plans and ensured their execution for the major development of the country and his people confirming to a modern formal government model. His vision was translated into actions by bringing together the Gulf Countries sharing similar economies and history based on common tribal social structures.



“Happiness and positivity in the UAE are a lifestyle, a government commitment and a spirit uniting the UAE community. The government system is evolving to realize the goals that every human seeks: happiness for him and his family. We are at the beginning of our journey, learning day-by-day to achieve goodness and happiness for the individual. We wish happiness for all the peoples and countries in the world”

His Highness Sheikh Mohammed Bin Rashid Al Maktoum

UAE Vice President, Prime Minister & Ruler of Dubai

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REPORTING FRAMEWORK

(Disclosure 102-45: Entities Included in Consolidated Financial Statements)

(Disclosure 102-46: Defining Report Content and Topic Boundaries)

(Disclosure 102-48: Restatement of Information)

(Disclosure 102-49: Changes in Reporting)

Dubai Customs Sustainability Report for the year 2018 is the eleventh annual publication on corporate sustainability, covering 2018 performance (Jan to Dec) with comparable data for past 2 years or more wherever possible. This report has been prepared in accordance with the GRI Standards: Comprehensive option. Ensuring best contents, we have used the reporting process consistent with the Global Reporting Initiative (GRI) Standards for which an index is an integral part of this report. The report shares our engagement with stakeholders and addresses the social, economic and environmental impacts that are pertinent to our business during 2018. The report focuses on our principal business as a public service organization and describes our activities towards the well-being of the community and environment in which we operate. We are voluntarily disclosing all the information contained herein as we respect and uphold the principle of corporate transparency and open communication.

Report Scope & Boundaries

We believe the report scope, boundary and time represents a comprehensive view of our

sustainability performance which evolve around the 4 main areas as below:

- Our Environment
- Our Workplace
- Our Community, and
- Our Marketplace

The details, data and information in this report covers all our offices (including the headquarters) which are all located in Dubai - UAE as we have no other operations outside the UAE.

Materiality, Prioritization & Stakeholder Inclusiveness

We have attempted to cover the most critical topics and issues reflecting DC's significant economic, environmental, and social impacts and/or that would substantively influence the assessments and decisions of key stakeholders. We have not prioritized these issues per se but we have indicated their approximate position on materiality basis. We have identified our key stakeholders and have outlined how we engage them, our understanding of their interests and expectations, and how we have responded.

Report Content

We aim to continually review the completeness of our reporting over time based on feedback and circumstances. We have attempted to disclose all data and information accurately, completely and transparently and in a balanced manner, regardless of our performance. For the Materiality Disclosures Service, GRI Services reviewed that the GRI content index is clearly

presented and the references for Disclosures 102-40 to 102-49 align with appropriate sections in the body of the report. For us, Sustainability is a journey, therefore we are proud of our performance in areas where we have actively managed, while on some newer issues we seek significant improvement.

Report Audit

In order to ensure the process of external quality assurance, all our functions are regularly audited by a central government body which is called the State Audit Institution, Dubai – UAE. This audit covers all our functions, however, the findings of this audit report are not published and kept confidential.

Report Accessibility

As part of our environmental conservation efforts, only a limited number of copies of this report have been printed. However, this report can be downloaded from our website at www.dubaicustoms.ae in both Arabic & English languages. For all your valuable views, comments and feedback, please contact:

**The CSR Team,
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Comments and feedback:



Leadership Messages

Message from our Chairman



Sultan Ahmed bin Sulayem
Chairman of DP World, Ports,
Customs & Free Zone Corporation

Sustainability is turning into a daily working practice in Dubai Customs and this is due to incessant efforts we exerted in fulfilment of the Eight Principles of Governance. Sustainability is a priority and this supports Dubai efforts in maintaining its position as an international business hub, and helps diversify its sources of income.

We work hard to fulfil the wise vision and directives of His Highness Sheikh Mohammed Bin Rashid Al Maktoum, Vice President, Prime Minister and Ruler of Dubai of boosting and encouraging innovation to develop government services and adopt best practices in corporate governance. For best performance in serving the national economic development in the UAE, we committed ourselves to highest levels of transparency.

Dubai Customs keeps developing its smart service relying on the latest IT and AI applications and tools in accordance with the highest international standards. We have set up a strict and powerful control system that can adapt to rapid changes in global trade and complications that arise in the supply chain.

We will keep this up in fulfilment of our vision and objectives to always strike that balance between facilitating trade and protecting society and economy from the hazards of illegitimate trade ensuring sustainability all the way through. Our CSR efforts will help build competencies and innovative talents in our society to serve new generations who will lead our future.

Message from our Director General



Ahmed Mahboob Musabih
Director General - Dubai Customs

Dubai Customs follows transparent standards and processes to ensure sustainability and best corporate governance in place. Our policies in applying corporate governance aim to allocate corporate resources in a manner that maximizes value for all stakeholders, shareholders, investors, employees, clients, suppliers, environment and the community at large. This comes as part of our vision of becoming the leading customs administration supporting legitimate trade.

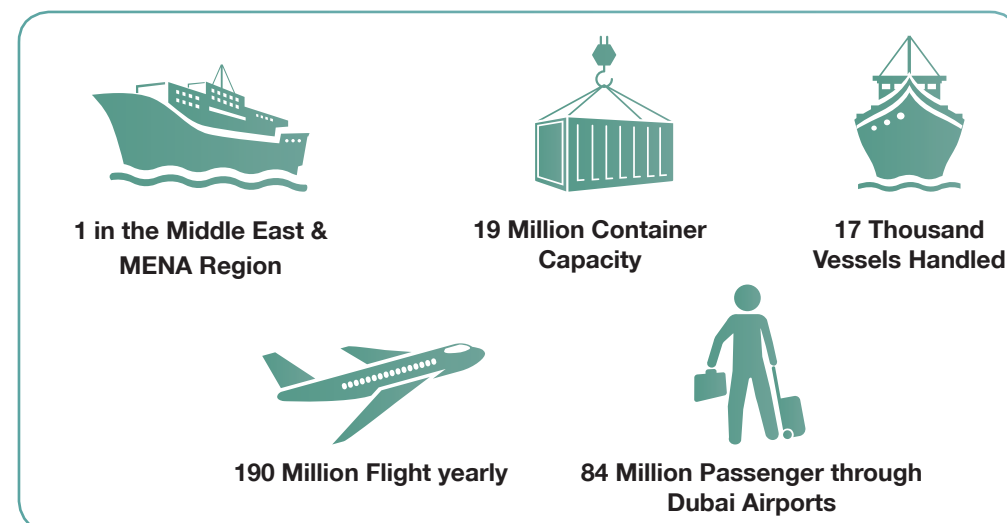
As a government entity, Dubai Customs supports the national efforts in enhancing sustainability and transition into knowledge based economy. This is done through facilitating legitimate trade based on AI technologies and other smart technologies that help automate customs procedures and provide best services and secure borders and protect society from the hazards of illegitimate and counterfeit goods.

Our efforts and smart transition of our services have recently been applauded by the WCO, and this has put more responsibility on our shoulders of not only to maintain this achievement, but also to try always to develop and innovate new services.

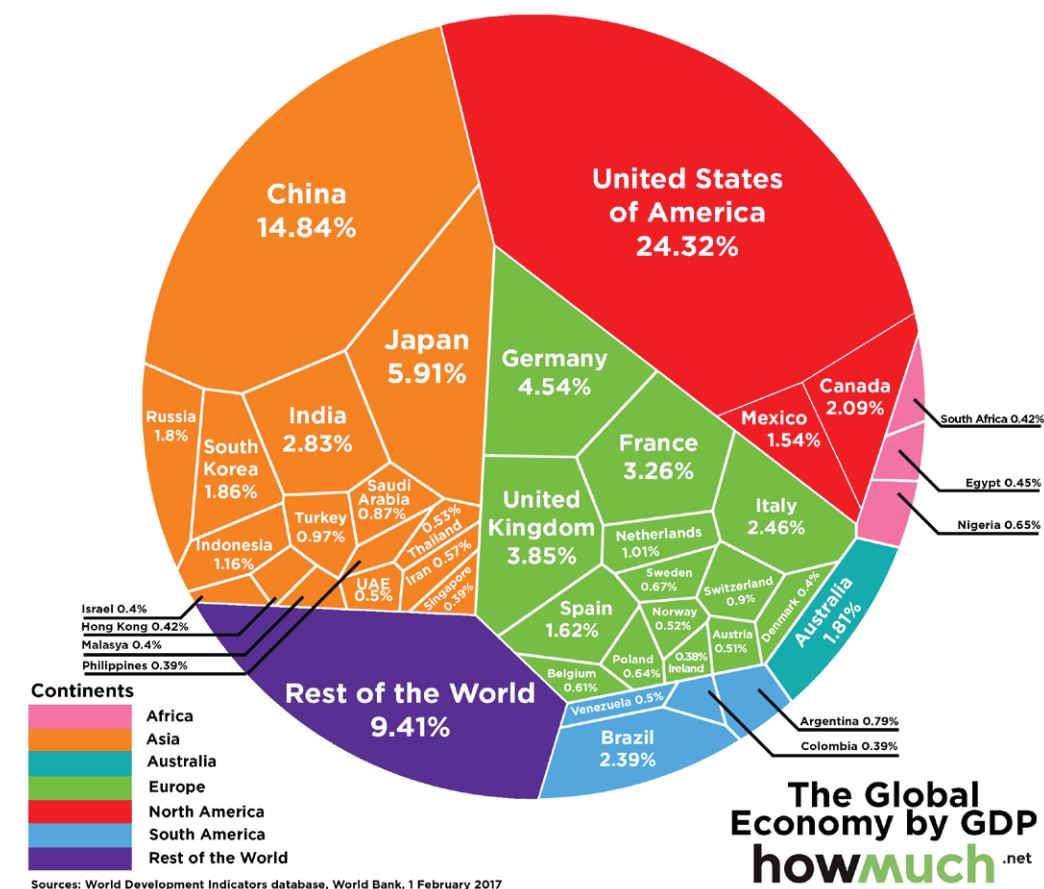
2018 Sustainability Performance

2018 Sustainability Performance

Since the beginning of the renaissance of Dubai, Dubai Customs accompanied the process of economic, social and commercial life of the Emirate, and has played an important role from its foundation. We have always represented to be the economic engine of UAE, which largely relied on trade with the outside world and has become a global reference in the field of customs and non-customs practices. Dubai has developed around 81% of the foreign trade out of UAE share which amounted to AED 1.2 Billion for 2018. Different projects and initiatives have been implemented emanating from the strategic plan of Dubai Customs which was honoured by the World Customs Organization (WCO), reporting that our practices and systems are comparable to the global level and is a benchmark for all other customs administrations in the world. Some of these projects include the Smart Refund, Virtual Corridor, Authorized Economic Operator (AEO), Smart Risk Engine, Audit Customs Clearance, Advance Container System, Channel Integrated Business and Electronic Clearing Systems.



“ UAE Share of World Economy 0.56% ”



2018 Sustainability Performance

2018 figures reveal that we share 0.56% of the World economy and the Dubai Trade facilitated by us for the last 6 years reached to almost AED 7,488 Million. We claim to have the first port in the Middle East and MENA Region where in 2018 more than 20 Million Containers moved through Jebel Ali, 20,000 Vessels were handled, 190,000 Cargo Shipments routed and more than 84 million passengers travelled through Dubai Airports. This represents our unique, diverse and immense magnitude and nature of business with operational approach excelling in customer service, economic sustainability, social well-being and environmental care.

During the past 10 years, Dubai Customs was accredited with more than 120 Awards, local – regional and international. During 2018, we became the first customs organization in the world to provide all our services through SMART channels and thus reached 97.4% customer happiness level, the highest ever achieved by any Dubai & UAE government entity. We also claimed to be the first government entity in the world to use artificial intelligence to continuously identify ways to reduce time targets, improve quality and maximize labour productivity.



We claim to be the leaders and have a strong CSR management system (during 2018 complied to ISO 26000 standards) which ensures that our sustainable performance is fully integrated across

our operations, striking a balance between economic, social, and environmental values thus enabling sustainable growth for us and our stakeholders. We achieved over 750 CSR Initiatives & more than 5.5 million beneficiaries from our CSR Initiatives in the areas of Social, Economic, Environmental and Workplace Initiatives.



Organization Strategy & Roadmap

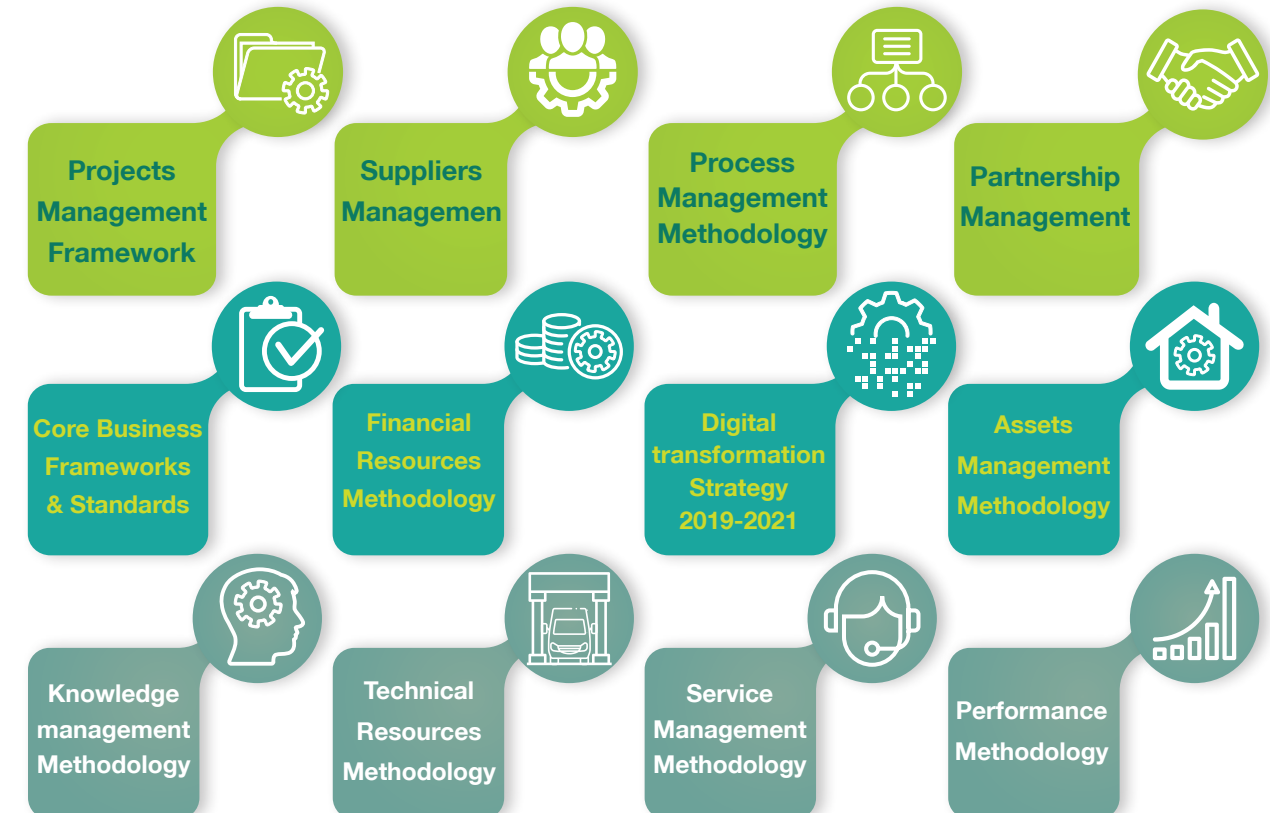
Organization Strategy & Roadmap

Dubai Customs's leadership management is independent in its management activities and ensures productive checks, balances and controls strengthening its responsibility. A transparent and simple management approach is followed which coincides with our business strategy as well as supports our philosophy on Sustainability and Corporate Social Responsibility. Dubai Customs is an organization of state security with its key function to secure borders, facilitate legitimate trade and collect revenue. Accordingly, our business strategy and operational direction is built on the principles of sustainability and national responsibility and therefore is cascaded from the direction of the state with a thorough assessment of socio-economic risks, opportunities, trends, and developments, as these have a direct impact on the way we conduct our business and operations. Comprehensive studies including SWOT analysis at each functional and operational level and deep risk assessments in each and every area we are engaged are key to designing, implementing and improving our strategy and direction. Our strategic direction is in complete sink with the UN Sustainable Development Goals which are translated into our yearly operational plans for all relevant functions.



The efficiency and effectiveness of sustainable development at the organization is reviewed on a regular basis by the Leadership in conjunction with the Corporate Risk and Audit function. Based on quantitative and qualitative analyses and reporting of all risks associated with various functions, the management regularly defines the main targets for further steps in sustainable development. Line management at all levels sets specific and quantifiable targets for implementation and achievement of these goals, which also become part of the individual targets. Methodologies & clear processes are in place to monitor and control the implementation of our business strategies and policies. The implementation of certified management systems according to ISOs and other global quality standards is our approach to sustain the continuous improvement of processes and products.

Dubai Customs Strategic Plan 2016-2021





Scale & Background

Scale & Background



Dubai Customs is a Government organization that aims at securing the integrity of Dubai's borders. It is one of the oldest government department of Dubai founded in the early 1900s and is always referred as "The Mother of all Government Departments", as it was a hub for some government offices in terms of revenue, and logistics (offices). Being over a century old, Dubai Customs has foregone many phases in its lifetime. It was in the era of the Late Sheikh Rashid bin Said Al Maktoum, Ruler of Dubai, that Dubai Customs started to adopt an institutional approach. At that time, the first floor of the Customs old building was used by the Ruler of Dubai as his personal office, reflecting the critical role of customs and its position in Dubai.

Dubai Customs has advanced from its traditional role of duty collection and inspection of cargo and passengers and have now emerged as an organization facilitating trade and controlling the borders of the country. The Emirate of Dubai experienced extraordinary growth in economic and urban development during the last few years, which created a corresponding growth in the work of Customs, therefore requiring modernization to its overall services and operations. With the adoption of electronic, improved, simple and easy processes and procedures, Dubai Customs have facilitated smooth movements of consignments in and out of the country, affording international trade and remarkable incentives. The services provided by the organization covers economic, social and statistical areas as below:

- Regulate the flow of trade into the business sector.
- Collect revenue.
- Generate trade statistics reports and analyses.
- Regulate imports and exports into and out of Dubai.

Today, Dubai Customs has a total work force of approximately 2,995 employees who are functionally divided into Divisions, Departments and Sections. We have a network of 25 centres across the Dubai Emirates to serve our customers, including the headquarters which is located near Port Rashid, Dubai, UAE. A detailed organization structure in the following pages explains the working arrangement.

List of Dubai Customs Centers		
Head Quarters – Port Rashid	Dubai Creek Centre	Multi Commodity Centre
Cargo Village Centre	Al Aweer Centre	Silicon Oasis Centre
Hamriya Port Centre	DUCAMZ Centre	Logistics City Centre
Jebel Ali Centre	Karama Postal Centre	Coastal Belt Centre
Passenger Arrivals - Airport Terminal 1	Dry Ports Centre	Al Ramool Post Office
Passenger Arrivals – Airport Terminal 2	Dubai Airport Free Zone	Abu Hail Post Office
Passenger Arrivals – Airport Terminal	Tecom Centre	Hatta Border Centre
AL Maktoum Airport Centre	Textile City Centre	Cargo Village – Jebel Ali

Corporate Governance

Corporate Governance



As corporate governance is a cornerstone of any strong business performance, we at Dubai Customs are committed ourselves to demonstrate and maintain transparency & responsiveness to our stakeholders. The organisation is led by Executive Directors under the leadership of the Director

General to ensure that all objectives, goals, and values are adhered. The roles and responsibilities of the Director General and the Executive Management are first and foremost governed by the laws of Dubai Government and the Executive Council, with the general task to oversee the overall strategic direction of Dubai Customs, set the general policies and plans for the organization, ensure its implementation and supervise the organization's management. The emoluments of the Executive Management are set in accordance with the laws of Dubai Government and any social and environmental performance does not have direct influence on the related remuneration.



As part of our governance and support for global sustainability, we are connected with various platforms and initiatives locally, regionally and globally. These include NGOs, charitable foundations, trusts, local government entities, UN Universal Declaration of Human Rights & its Protocols, treaties of WCO, Rules and Regulations of UNEP, Multilateral Treaties of Basel Convention, Montreal Convention, CITES, GCC Customs and many more. These platforms provide us the governance and legislative support towards our corporate strategy and business operations supporting core services, anticorruption, community affairs, human rights and overall sustainability. Our continued

implementation and renewals of International Standards such as ISO 9001, 14001, 31000 and many other is an evidence of our engagement towards excellence and quality management.



Dubai Customs governance manual is developed to outline the set of framework, laws, policies, methodologies, procedures and practices controlling and affecting the way organization is managed towards achieving its strategic goals and objectives. It also defines our practices in matters covered by the international, regional, federal and local Laws and standards, and leading practices. The manual has been prepared and is reviewed regularly by the Corporate Leadership Committee in reference with the Dubai Strategic Plan, Dubai Government Excellence Program (DGEP), UAE Government

Strategy and the UAE Vision. As a signatory member of the World Customs Organizations and related institutions of the United Nations, we are fully committed to all the principles and standards on governance, human rights, labour, environment, and anti-corruption. Below is our latest high level organizational structure as on Dec 31, 2018:



The following changes were implemented to the organizational structure of Dubai Customs during the year 2018:

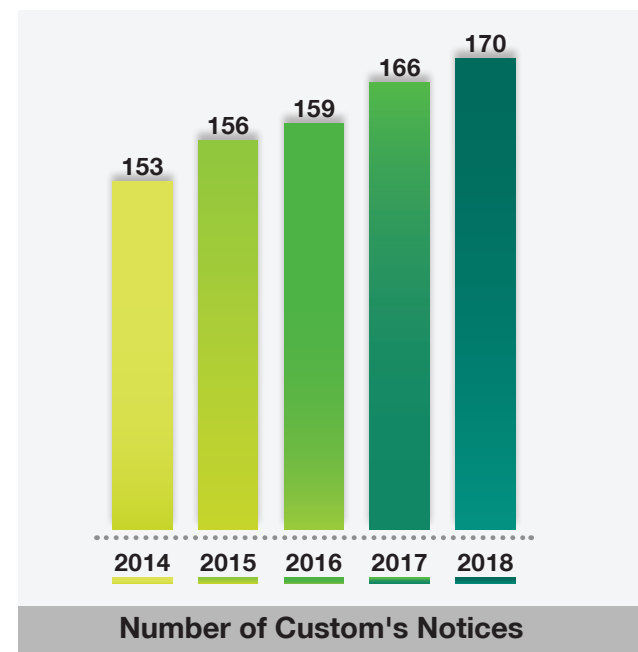
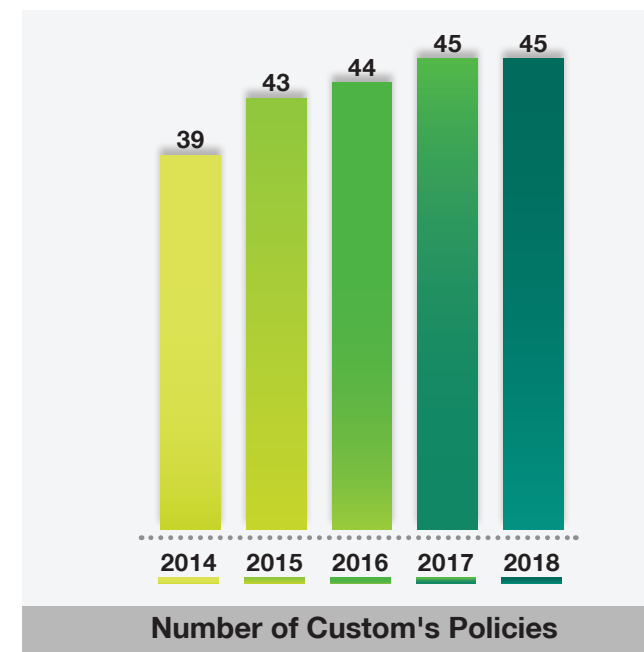
Level of Change	Date of Change	Change Requested	Change Details	Details
Department Level	21 th JAN 2018	Chairman PCFC	External Relations department has been moved out from Policy and Legislation Division and transferred as section under Corporate Communication.	Circular No. 03/2018
Section Level	2 nd JAN 2018	Director General	The name of the section has been change from Trademark Recording and Complaints to Intellectual Property and Trade Agency Accreditation.	Circular No. 43/2017
Section Level	2 nd JAN 2018	Director General	The name of the section has been change from Procedures and Follow up to Intellectual Property Dispute Settlement.	Circular No. 44/2017
Section Level	8 th JULY 2018	Director General	Corporate governance as a function has been moved from Internal Audit and Revenue Improvement to Quality Assurance Section in Strategy. Quality Assurance has been renamed as Quality Assurance and Corporate Governance. The role Senior Specialist - Corporate Governance is moved accordingly.	Circular No. 32/2018
Section Level	26 th NOV 2018	Director General	The name of the section has been change from Creek Customs Center to Creek & Deira Wharf age Customs Center.	Circular No. 55/2018

Operating Strategy & Management

Operating Strategy & Management

ANTI-CORRUPTION AND CONDUCT MANAGEMENT

The core business of Dubai Customs is border protection and national security which demands zero-tolerance for corruption at all functional and support levels. A comprehensive formal policy in this regard exists and is implemented without exceptions across all employee levels. This policy aligns with the national policy on anti-corruption and its implementation is benchmarked with the UN Anti-Corruption Treaty and other regional and global standards. Special emphasis is given to job rotations to ensure zero tolerance on corruption for all functions, in particular related to inspection, operations and intelligence. Quarterly reports are generated to monitor corruption as well as yearly reports are part of our governance locally as well as globally (WCO, UAE Federal Customs etc.) providing feedback and improvement recommendations.



The Internal Affairs department, which reports directly to the Director General, being the highest governance level, is responsible to ensure prompt implementation and control of the zero-tolerance policy on anti-corruption. A comprehensive process from setting objectives and targets upto effectiveness measurement and improvement is in place under this department with reporting channels extended externally, being a state owned organization of national security. The defined processes and methodologies for implementing anti-corruption practices are benchmarked local and globally and regular updating of latest techniques are ensured to keep the system abreast of latest developments and standards in this area. State Audit and assessment is mandatory for anti-corruption which is conducted on yearly basis.



Our Code of Conduct is a summary of how we do business with a commitment to integrity and honesty. By following this Code, we ensure that our business activities and decisions support DC's values and principles. We endeavor to deal with our employees, customers, suppliers and all our stakeholders honestly, openly, and impartially, adhering to the philosophy of service excellence and client satisfaction. All employees are required to comply with the standards and ethical conduct as stipulated and required in their jobs. They are required to:

- Behave in a manner that maintains and enhances the reputation and professional standing of Dubai Government in general, and their department in particular.
- Perform their duties with care, diligence, professionalism and integrity.
- Strive for the highest ethical standards, not just the minimum required to meet legal or procedural requirements.
- Treat colleagues with courtesy and be sensitive to their rights and duties.
- Deliver outstanding quality services to customers (internal and external alike) and adopt a friendly and helpful attitude in dealing with the public.
- Avoid waste, or the extravagant use of public resources.
- Not take, or seek to take improper advantage of any official information acquired during the course of official duties.

All topics covered are in governance to all UAE laws, and Ministry of Labor rules and regulations. All Departments & Sections of the organization (100%) are analyzed for risks related to anti-corruption and employee conduct and actions are taken in accordance with the Dubai Customs HR Policy and the Dubai Government HR Law.

AUDIT & RISK MANAGEMENT

Risk Management is vital to our type of business & services and is a key element of our planning, operational and measurement process. We have the state-of-the-art fully automated and intelligent risk engine which encompasses all functions within the organization, with special emphasis on the social, environmental and economic parameters. Accordingly, our training department ensures that

all new joiners and existing employees are equipped with the risk management relevant to their functional responsibilities through regular trainings in this area. In collaboration with the experts from the risk management team, more than 35000 hours of training were conducted during the year 2018 to ensure employees understand social, economic and environment risks and opportunities at Dubai Customs and its operations. Online surveys from employees are conducted on yearly basis to measure the effectiveness of our training programs and incorporate improvements.



A clear, precise and dedicated Risk Management methodology is in place, comprehensively documented and endorsed by the relevant functional heads and leadership ensuring a thorough risk management and assessment of areas related to governance, economic activities, operations & support with impact on the environment & community. A risk register is maintained which records all risks, its causes, levels, priority, relevance and mitigation and is reviewed quarterly by the risk experts and annually by the leadership and senior management. Business and operational risks are of highest emphasis where impacts of social, economic, and financial resources impacting stakeholder happiness are key to our strategy. Being in customs and border protection business, we also ensure assessment of risks and opportunities which are relevant to cross-border trade, regional stability and geo-political across international territories. We believe in a proactive risk management approach which is benchmarked with other int'l risk management practices, enabling regular review of strategic business risks and effectiveness of our internal control system.

The scope of work would be, effective Risk Management methodology planning and recovery process facilitating and accelerates the resumption of critical business activities after disruption affecting operations, technical infrastructure, information assets, facilities and people, and by

assessing the acceptable level of risk. It is extended to the core as well as support functions within the organization which includes the Cargo & Passengers Operations, Customer Management, Customs Development, Human Resources, Finance, Administration, Policy, Legislations and Community Affairs. Risk & crisis can come from uncertainty in financial markets, project failures, legal liabilities, credit risk, accidents or events of uncertain causes. Upon identification, a proactive approach to manage and mitigate these risks is well in place. All procedures and processes within the formal risk management framework are benchmarked against other international and organizational risk management practices.



QUALITY & PERFORMANCE MANAGEMENT

Upholding the highest standards of quality is of utmost importance to our organization and services and represents a core management principle. We are committed to maintain this principle through

our Quality Assurance system. A dedicated department ensures efficient operation and delivery of our services, processes and standards. Our service delivery is designed and implemented with the utmost safety and health of our customers as a primary consideration. As part of our commitment to quality, and as another core management principle, we have committed ourselves to the systematic achievement of continuous improvement. In an expedition to ascertain a culture of Total Quality Management in the organization, the Quality section has been established as the hub of employee involvement where sharing of information on quality objectives and initiatives is consistent and stimulates amongst employees a feeling of responsibility and commitment towards the achievement of quality objectives. A structured communication strategy helps cultivate employee involvement in the continuous improvement cycle which eventually leads to the possible implementation of a quality culture.

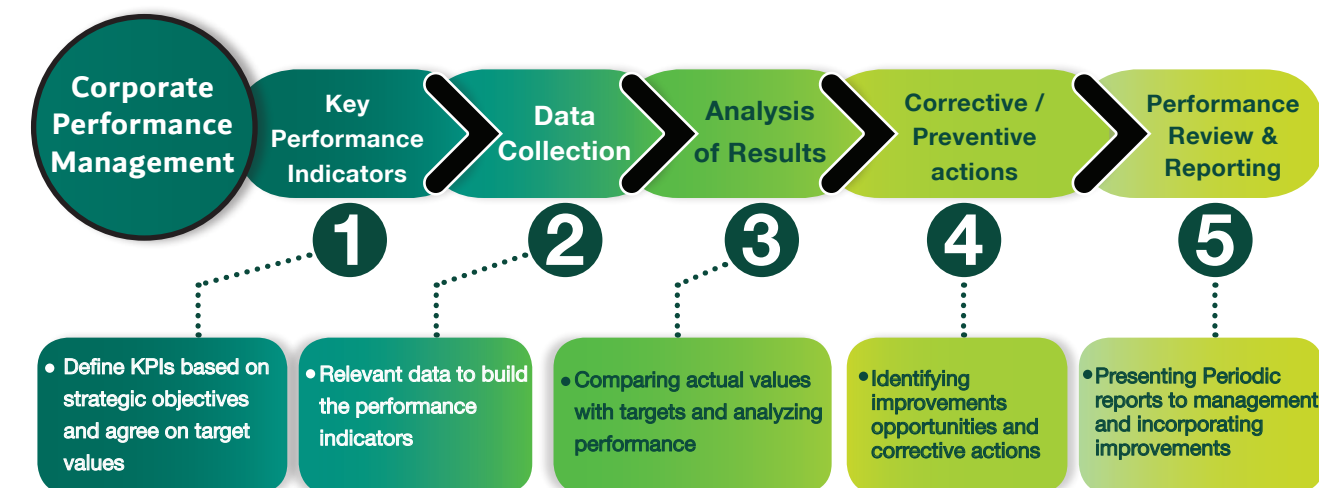


The department is responsible to establish key performance indicators (KPI)'s for all our operational and supportive functions and measure and track them on an ongoing basis. Any deviation from target is promptly and timely highlighted and measures are advised for its correction. Another critical element of our management approach is our recent commitment to sustainability management and reporting which encompasses all aspects of quality and continuous improvement, but expands our understanding of the business to incorporate a wider range of economic, environmental and social risks and opportunities and helps us achieve further clarity on the priorities and satisfaction of our stakeholders.



Beginning from assessing the needs and expectations of our stakeholders, we have a very comprehensive and integrated performance management approach and process which cascades our strategic objectives into annual action plans with key performance indicators being measured, evaluated and improved on regular basis. We follow the SMART approach for the measurement of social, environmental, economic as well as governance performance where KPIs are reported

on quarterly basis. Indicators related to governance are derived and reported in accordance with the Dubai Govt Excellence Program to the leadership internally as well as to the Dubai Executive Council which includes changes to structure, impacts of policies, risk management and legislation compliance. At the beginning of every year, the corporate performance department defines targets and key performance indicators to all functions and individual employees (including management staff) on the basis of work performance, competencies, sustainability and excellence. After this, half yearly and yearly assessments are comprehensively conducted to ensure achievement of desired objectives and results. These results then form the basis of increments, promotions, rewards and incentives to all employees, including executives and senior staff members. Through informativity, we evaluate the performance measure reflecting each executive's contribution to the overall sustainability of the organization. To second this process, our Suggestions & Reward Systems is well in place whereby executives & employees are monetarily rewarded for their suggestions contributing to organizational sustainability and innovation.



Our key performance indicators are defined and cascaded from our strategic objectives and direction where yearly targets are set for each of them. The corporate performance department have clearly and specifically defined social, economic, environmental and governance KPIs in

collaboration with the relevant functions and department and they are an integral part of our overall management information and performance review system leading to improvements, innovations and developments. Our corporate dashboard includes live reporting on these KPIs which includes no. of declarations, visits saved due to paperless operations, policies and notifications related to core business, initiatives and events towards corporate responsibility and much more. These real-time KPIs strongly contribute to the overall sustainability of the organization and are available for leadership and executive management review and spontaneous decisions. These KPIs are also part of our balance scorecard on which our future developments and improvements are mapped.

COMMUNICATION MANAGEMENT

Dubai Customs Corporate Communication is seen as a strong strategic part of the planning and management processes. The communications strategy evolves to continually support the delivery



of Dubai Custom's Strategic Direction and supports the delivery of strategic objectives within the business plan and stakeholder strategies. Corporate Communications department, which reports directly to the Chairman's Office, is a support function for direct service provision to Dubai Customs & PCFC stakeholders. It communicates on behalf of Dubai Customs to both internal and external audiences. Its practice is the discipline that looks after reputation, with the aim of earning understanding and support, and influencing opinion and behavior. The mission of this department is to clearly and accurately communicate information about Dubai Customs to key audiences.

This includes providing information about core services, the government process, ordinances and regulations, and utilizing opportunities to enhance the image of the Dubai government in line with the Dubai Government Excellence Program.

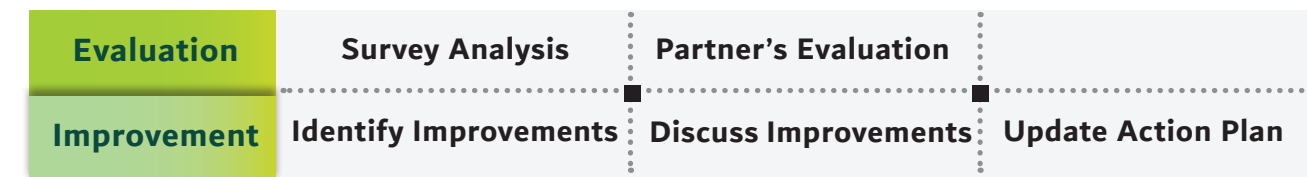
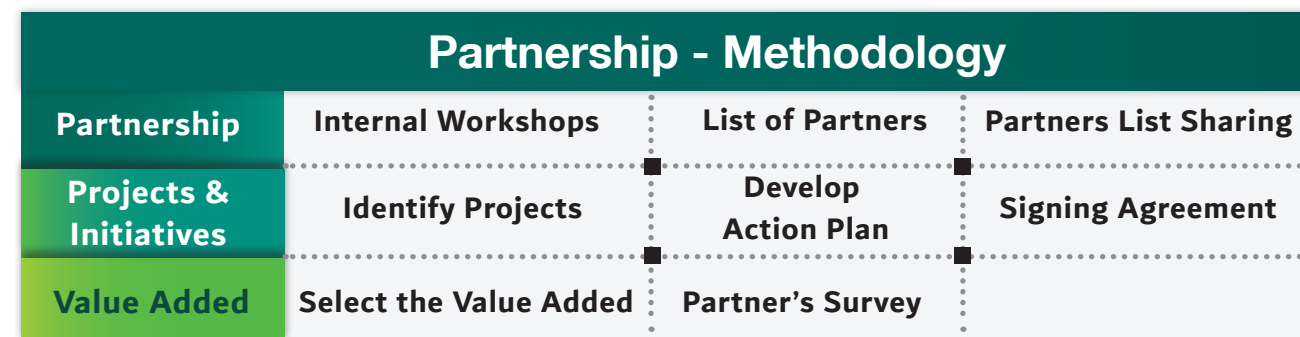
We at Dubai Customs engage independent external survey companies on yearly basis to assess, measure and report the effectiveness of our communication channels and tools which are used for ensuring that the vision, mission and values reach and are understood among all stakeholders. The comprehensive study and report also provide suggestions and directions for further improvement of the effectiveness of the communication methods in this area. In addition, our vision, mission and value statements are also shared through posters, wall hangings, corporate giveaways, diaries, reminders, screen savers, LCD displays, publications, newsletters, print-electronic-digital-social media, website and many other means for our employees as well as external stakeholders. We invite stakeholder's feedback from all platforms, especially our electronic suggestion system, in order to assess the acceptance of our vision, mission and values and better ways for further improvement.



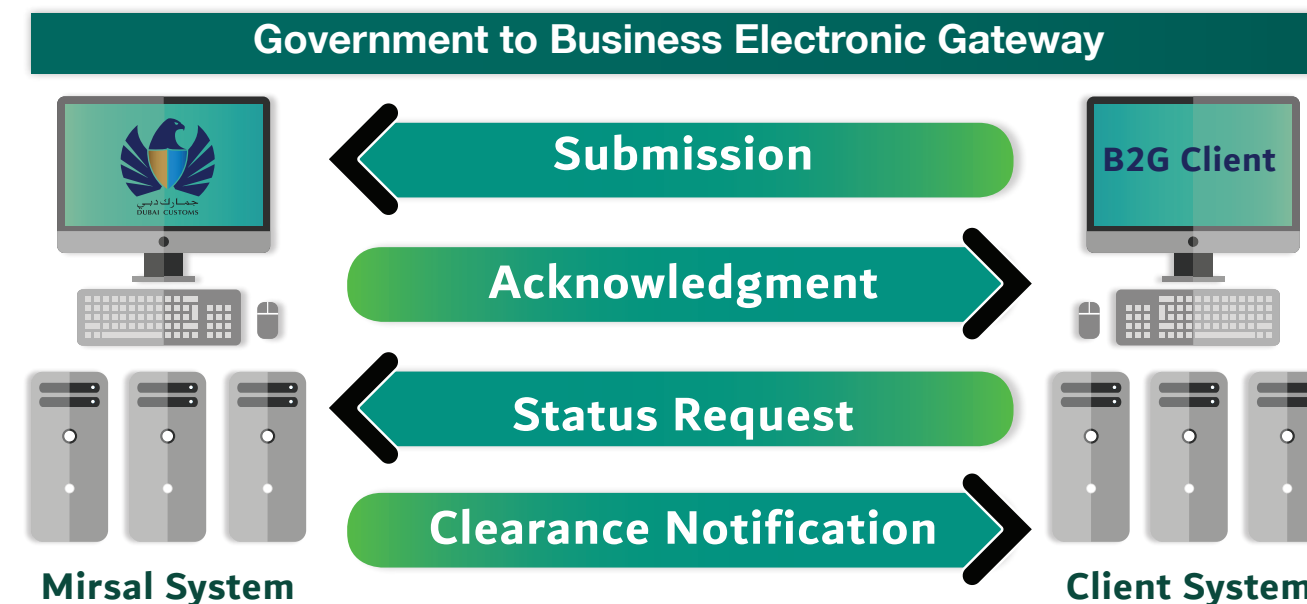
We ensure to share and communicate most of our KPIs and yearly results with our external stakeholders as part of our governance process, nature of business and strategic direction. We also have mandatory compliance to submit performance reports to the Executive Council as we are part of the Dubai Government and are a state owned entity. One of our core business function and service is also to generate reports on the economic performance and revenue collection for Dubai related to the trade business. Annual Sustainability Report, Corporate publications, Press releases, Interviews, website, social-electronic-digital media and all other accessible channels are engaged for stakeholder communication. These communications and reporting are in accordance to various global standards such as GRI Standards, ISO 26000 standards & other global benchmarks. The process involves identification of areas to be measured, monitoring process, defining management hierarchy, defining goals, measurement frequency and function, defining calculation method, data collection method and its accuracy with feedback options

PARTNERSHIPS AND COLLABORATIONS

The prime emphasis and aim of our partnerships and collaborations is promoting and enhancing our service standards and operational excellence for our customers and stakeholders. Our partnership management and engagement strategy is cascaded from our organizational objectives and business directions which is aimed at strengthening our state responsibility of border control, revenue collection and trade facilitation. In addition to business objectives, we ensure that our partnerships are best suited to our sustainability context and priorities. An excellent example is our virtual corridor program which has local, regional and global partners with the objective to electronically track cargo transfers and ensure seamless integration with cargo handlers. Upto 2018, the initiative saved more than 2.9 million papers and achieved an overall saving for customers valuing over AED 82 million.



We engage independent external surveyors to conduct partners needs and expectation every 2 years with the objective to prioritize the nature of our partnerships and relations meeting business goals and addressing social, economic and environment issues related to our stakeholders. The 2017 survey highlighted the need of improved communication and more on-line systems with partners which has been prioritized in our 2019 partner's engagement plan. Our collaborations with the regional and international bodies and institutions in the form of legislative treaties, ensures and facilitates the process of sustainable economic, social and environmental development across the globe through legitimate trade movement. Key partnership projects have delivered significant social and environmental results such as time saved for customs declaration, paper saving, automation, accessibility and speedy processing.



At each functional level of partnership and collaboration, we have dedicated resources and teams ensuring effective implementation, monitoring and evaluation of partner's management. A section in corporate communication ensures government partnerships, while another one deals on collaboration with international bodies and legislatures. Similarly, the client management function specifically engages and facilitates partnerships with customers and the admin affairs section is tasked to collaborate on agreements and contracts with vendors and supply chain partners.

INNOVATION AND CREATIVITY

Innovation and creativity is the core of our sustainable business model and key to our core service performance ensuring development and innovation of newer methods and techniques to facilitate the traditional procedures associated with the customs business. Cascaded from our strategic objectives, the Dubai Govt Strategic Plan and the UAE National Innovation Strategy, our dedicated department on innovation and creativity is successfully implementing newer inspection tools, smarter intelligence models, faster declaration processes, state-of-the-art gadgets for inspections and best available surveillance systems to enhance our operational effectiveness. In 2018, we launched the first Innovation Oasis at our headquarters which is a platform that enables our employees and other stakeholders to communicate and exchange ideas within an interactive and innovative work environment.



Dubai Customs has a comprehensive process to identify its innovation needs and expectations with specific relevance to business operations and sustainable practices. Inputs from stakeholder needs assessment surveys (customers, partners, community, supply chain) provide us the basis to determine and prioritize our innovation efforts creating newer ideas and technologies to our services and improving older methods and processes. Employee suggestions and stakeholder's ideas constitute the biggest input to creating the culture of creativity and innovation. An aggregate of Dh1.07 billion was added by Dubai Customs during past 10 years as income and cost savings due to the implementation of 17,771 innovative ideas and suggestions. These include business processes, service enhancement, society well-being, environmental care from core business and economic sustainability.



Specific KPIs are in place as part of our corporate performance system to assess the magnitude and impact of our innovations and technological advancements towards our social, economic and environmental goals and objectives. Introducing SMART solutions, environmentally safe scanning, automated intelligence profiling, on-line declarations and K9 search have enhanced our passenger inspection to 100% with lesser resources and lower administrative costs. This in turn have improved Dubai's economic and trade position globally and have benefitted the community with a paper-less environment and savings on visits to customs centers. For the year 2017, Dubai Customs topped the world's Efficiency of Customs Procedures Index as per the annual report of the Global Competitiveness. With innovative solutions and services, today we claim to be the most effective and efficient customs entity in the world contributing heavily to the economic, social and environmental values for the globe.



SUSTAINABILITY & CORPORATE SOCIAL RESPONSIBILITY

Dubai Customs has developed a Corporate Responsibility and Public Sustainability vision which is communicated and confirmed internally as well as externally. In line with our organizational vision, we ensure to be a responsible organization to the community and its stakeholders providing a protected and secure society as well as boost the economic development of Dubai and the entire United Arab Emirates (UAE). We are a major contributor to the UAE economy and we ensure that our community and environment is also benefitted.

Dubai Customs Strategic Objectives

- Promote security and combat illegitimate trade
- Improve and diversify revenues and sustain efficiency of revenue collection
- Build corporate capabilities and competitive advantage

Sustainability & Corporate Social Responsibility

- Integrate Economic, Social & Environmental concern in our business operations in order to meet expectations of the community and our stakeholders.



Our strategy as a responsible governmental organization is to convey ethical and sustainable performance. To attain our corporate vision and mission, we have committed ourselves to CSR values concentrating on four main pillars which are Business Sustainability, Social Responsibility,

Environmental Responsibility and Employee's Work Conditions. To reach our sustainability goals, we have a well-designed process implemented through self-assessment, benchmarking, stakeholder's identification and engagement, setting and implementing policies, review and verification of these policies and finally communicating our achievements to the stakeholders through transparent annual reports.



We strongly believe that as our business strategy aligns with our social responsibility efforts, our CSR program and the organization as a whole become sustainable. With a strong CSR management system, we have ensured that key CSR performance indicators are fully integrated across our operations, striking a balance between our economic, social, and environmental performance and enabling sustainable growth for us and our stakeholders. We ensure that our contribution to the society, economy, environment and workplace is achieved through innovative programs focused on key current issues and are closely linked to our core business of border protection and trade facilitation.

Stakeholder Communication & Material Issues

Stakeholder Communication & Material Issues

(Disclosure 102-42: Identifying and selecting stakeholders)

(Disclosure 102-41: List of Stakeholders Group)

Our stakeholders are those individuals or entities that affect, or can affect, our activities or decisions, or that are, or can be, affected by our actions and professional practice. These are:

- Customers – Provide Quality & Innovative services.
- Value Chain Partners – Based on Quality & Commitment on Environment, Health & Safety.
- Government Authorities & International Bodies – Strategic Partnership to Enhance our services.
- Other Customs organizations – Share trade Facilitation & Adopt Best Practices.
- Our Employees – Maximize Potential & Care for their Personal Well-being and Development.
- The Community – Build a harmonious society and protect the environment.

(Disclosure 102-42: Identifying and selecting stakeholders)

(Disclosure 102-41: List of Stakeholders Group)



various stages of operations with an intention of improvement, effectiveness and excellence. As a responsible organization, it is our goal to be transparent and accountable to all our stakeholders. Dubai Customs has a dedicated mechanism to assess needs and expectations of its stakeholders with the aim to improve their happiness and satisfaction level. We have identified our stakeholders as Customer, Value Chain Partners, Government Authorities, International Bodies, Other Customs entities, our Employees and the Community we operate in. Our strategy department engages independent external survey organizations to conduct surveys assessing needs and expectations of our stakeholders such as customers, partners, suppliers and community in general. These are conducted mostly every 2 years with the objective to better understand and meet stakeholder expectations and enhance their level of happiness and perception towards our organization. These comprehensive survey studies not only identify and highlight stakeholder areas of preferences, but also provide recommendations and suggestions towards the prioritization and dedication of initiatives and projects.

We are continuously engaged in the process of identifying, assessing and improving needs and expectations of our stakeholders through initiatives and projects mapped as a result of a prioritization index. Clearly mapped with our strategic direction and objectives, we align these



priorities for swift and successful implementation and further review at a later stage. For our customers, we aim to improve our services and introduce elements of modernization and automation. For our supply chain partners, we ensure preparation & implementation of Customs Policies & procedures in collaboration with the guidelines & framework of WCO & other local/int’l regulations. For the community we operate, we prioritize initiatives and projects in accordance with UNSDGs and local state direction. For our strategic partners across the globe, we emphasize on strengthening relationship and enhance global trade facilitation. Although the UAE Law refrains the organization of trade unions and collective bargaining agreements, disputes between employers and employees are always referred to the Ministry of Labour and Social Affairs which endeavours to resolve them as an adjudicator.

Dubai Customs Stakeholders		
Other Custom Organizations	Employees	Community
Fair Competitive environment & sustained industry development Through Industry Discussion Forums; Global Platforms	Equal employment, career development and healthy working environment Through Open house; Performance Appraisals; Employee Representative	Harmonious Society, social engagement and environmentprotectional Through Volunteerism; Philanthropy; Social Networking

Dubai Customs Stakeholders		
Customers	Value Chain Partners	Govt. Authorities
High quality innovative services to meet business needs Through Satisfaction Surveys; Suggestion and Complaints Systems; Call Centre	Meet Customer needs and mutually beneficial growth Through Training Programs; Contract Bids; Supplier Assessment	Compliance with local and international laws & regulations on customs issues Through Memorandum of Understandings; Service Agreements

(Disclosure 102-41: Collective Bargaining Agreements)

(Disclosure 102-43: Approach to Stakeholder Engagement)

(Disclosure 102-44: Key Topics and concerned raised)

For each stakeholder group, we have in place a comprehensive process and mechanism for communication and dialogue which is reviewed and improved regularly. At the beginning of the year, the corporate communication department prepares the communication plan in collaboration with relevant functions and departments where attendance from all level of employees, including leadership and senior management is ensured. These include annual meetings, appreciation events, workshops and conferences as key tools and channels. An annual employee appreciation event is organized to communicate, engage and reward employees for their performance, loyalty and devotion. Continuous and effective communication in ensured with all our stakeholders, identifying new channels, tools and techniques to improve overall impact while taking on board their expectations and defining actions be taken accordingly. Other tools include Client and Passenger Charters, Code of Conduct, Customs Manual and Policies and independent

review surveys to ensure continuous improvement in the stakeholder dialogue process. Our materiality assessment process clearly reflects the impact and potential impact our business has on our stakeholders which includes our customer, our value chain partners, our people, our industry peers, local and international bodies and the community at large. The approach adopted for materiality identification incorporates global standards related to the customs bodies. Our strategic objectives, risk mitigation process, feedback from our stakeholders and input from our employees determine the key material areas for the organization. Organization-wide strategic objectives, which are mapped and aligned to our organizational strategy, are determined during our materiality assessments based on their potential risks for our compliance, reputation, relationships with our stakeholders and economic performance. Key performance indicators are identified for these organizational objectives and action plans are defined, implemented and measured to review the overall organization performance. These KPIs are the basis for management decisions and sustainability targets.



(Disclosure 102-47: List of Material Topics)

The following material aspects have been identified and reported based on our stakeholder engagement:

Materiality Issue	Internal Boundaries	External Boundaries	Priority
Customer Satisfaction	DC All Centers	Customers; Gov Partners	Very High
Operational Sustainability	DC All Centers	Not Material	
Economic Performance	DC All Centers	Community	
Corporate Governance	DC All Centers	Not Material	High
Business Ethics & Anti Corruption	DC All Centers	All Stakeholders	
Stakeholder Engagement	DC All Centers	All Stakeholders	
Employee Care	DC All Centers	Not Material	
Community Well Being	DC All Centers	Community	
Environmental Contribution	DC All Centers	Community; Gov Partners	

Financial & Economic Management

Financial & Economic Management

Since the inception of the organization, Dubai Customs have played a prominent role in the economic development of Dubai leading to the overall financial strength of the UAE Economy. Our contributions in terms of trade facilitation and duties collection supports the competitiveness of the Dubai government



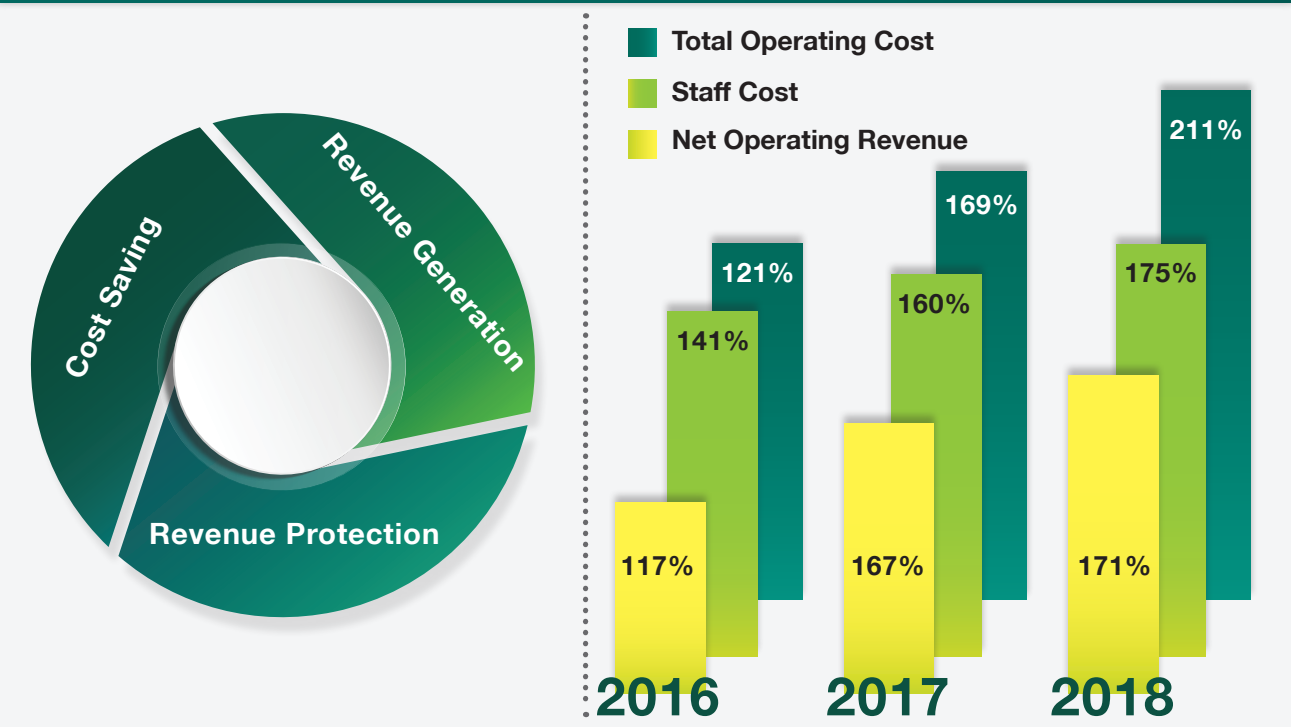
and provides necessary financial resources to the development and promotion of Dubai and the nation as a whole. With a net operating revenue at 121% for the year 2018 as compared to 141% last year, Dubai Customs contribution to the national economy has been pretty stable. With the increase in trade and passenger movement, our staff cost as well as the net operating cost has increase slightly over the past years. The financial management of the organization develops, reviews and update a package of strategies, methodologies and systems that ensure effective and efficient management of its financial resources. These strategies and systems are derived from the strategic direction of achieving efficient financial performance and is linked to our strategic plan of 2016- 2021.

A concrete financial reporting methodology is applied across all departments of the organizations through which reports are compiled and submitted regularly to the leadership of the organization. Detailed feasibility and financial implications of all projects are thoroughly reviewed and analysed prior to selecting and implementing the suitable ones. Despite the current economic challenges faced by the government, Dubai Customs has achieved positive financial results and proved its ability to achieve profitable businesses results. Our financial budgets and expenditures are solely dependent on the service

fees and duty collections without any external financial obligations or finances from other organizations which is considered as our major financial strength. We don't receive any financial assistance from the government, however, the entire financial budget for the organization is funded by the Government of Dubai where our revenues far exceed the organisational cost.

Dubai Customs Financial Priorities

Key Financial Data



Dubai Customs is committed to the development of national talent for which we participate and fully support campaigns and events that help the education, development and increased recruitment of Emirati nationals in the field of Customs. We demonstrate leadership in Emiratization rates through the creation of a culture promoting learning and education. Our efforts in these areas improve the employability of

nationals while enhancing the productivity and competitiveness of the workforce in general. We have consistently exceeded government-set targets in Emiratization and have been recognised for showing leadership in our contribution to the Emiratization initiatives set up by the UAE Government. We always participate in recruitment exhibitions and career fairs devoted for UAE nationals and communicated with the concerned governmental bodies to attract nationals such as Development and Employment of National Human Resources Association (Tanmia) and The E-employment website for UAE nationals (Ershaad). Dubai Customs follow Salary Scale pursuant to Dubai Government Human Resources Law No. 27/2006 and its amendments ensuring that our minimum salary levels are in accordance with the local minimum wage requirements.

Dubai Customs has a procurement and contracting policy ensuring the legal and easy dealing with its suppliers and avoiding any conflicts of interest. We ensure, wherever possible, to work with local suppliers from within the UAE for goods and services for the betterment of our community and economy. Selection of suppliers is always based on their product or service quality, keeping in view the best prices offered to us. This is achieved through a well-developed tendering procedures to assure transparency and efficiency.

Supply Chain Management

Supply Chain Management

Supply chain partners are key to our business and operational requirements, hence we exert prime emphasis towards their engagement and interaction. Being a responsible government organization, Dubai Customs is committed to undertaking sustainable and responsible business & market practices that deliver positive outcomes to our customers. We always place high importance to service quality and improvement in order to gain sustainable development and future growth for the organization. Research and innovation plays a key part in terms of service and customer care at our organization and for us, innovative capability means demonstrating to the global market that we have a competitive edge through our research and technology excellence and through innovative services. Our key objectives is to provide unique, creative and tailored solutions in meeting the needs of our customers, both regionally as well as globally. We view our customers as long-term partners and therefore aim to continuously build strong customer relationships.



We ensure to communicate with our suppliers on governance and legislative issues in accordance with the nature of our business using a proactive approach. We also ensure to share our policies, approach and methodologies with our supply chain on matters related to sustainable practices specially towards community, economy and the environment we operate. Through regular meetings, training sessions, interactive workshops and annual events, we engage our suppliers not only on routine business activities, but also keep them updated on our policies and practices towards governance and business sustainability. Being a state owned organization ensuring national security, it is our prime objective to proactively and transparently communicate with our stakeholders, including our suppliers.

Year	Local Purchases	Foreign Purchases
2018	99.35%	0.65%
2017	99.48%	0.52%
2016	99.50%	0.50%

Our market practices and some key achievements are as below:

- Dubai Customs has always aimed to strengthen its relations with the other countries of the world as well as international organizations such as World Customs Organization (WCO), World Health Organization (WHO), World Intellectual Property Organization (WIPO) and International Criminal Police Organization (INTERPOL) through participation in various conferences and events.
- Dubai Customs continue to emphasize its “ERTIBAT” program which aims to enhance communication with foreign business councils operating in Dubai in order to listen and understand their various demands and suggestions, advance customs work and contribute to the provision of a transparent professional business environment.

- Dubai Customs is always keen to provide the world's leading customs procedures which facilitates foreign trade, making Dubai the destination of choice for investors for the added value they gain on their business through saving time, effort and cost, which contributes to the promotion of economic development.
- Our internally developed electronic platform, known as "Mirsal" is an ultimate world class solution for presenting declarations and completing clearance procedures including valuations and collection of customs fees. It allows for prior clearance of goods electronically via the internet without the need to submit any papers in less than 2 minutes and waiting for the arrival of goods, thus saving time, effort and money for the customers of our organization.
- Dubai Customs has ensured to reinforce its featured position as a leading customs authority worldwide through the Client Accreditation program that aims to entrench the principle of real partnership between the organization and the private sector on the basis of a joint responsibility and the cooperation so as to contribute to the achievement of common goals of encouraging investment and promoting economic growth in the Dubai.
- Dubai Customs has evolved from an electronic government department to a fully smart government department in pursuance to the integrated vision of Dubai Ruler as well as the goals of the m-government initiative. Dubai Customs has been providing its services via mobile devices to customers wherever they are on a 24/7 basis.
- Dubai Custom's Client charter outlines strict guidelines that our employees and management are required to follow when marketing and promoting our services. It spells out and provides the framework to enhance our customer services in a responsible manner to all our clients. Customers are at the heart of DC. It is also published Arabic, English as well as in Braille; to ensure reaching out to all customers and society members.

- Dubai Customs is actively engaged in developing plans and projects to make things easier for visitors, merchants and exhibitors of Expo 2020 and remove any obstacles to the entry of goods and passengers. We continue to develop the customs systems and procedures according to the best standards and best practices in order to meet the needs of exhibitors and visitors. These includes separate channel for clearing and completing the procedures of goods for Expo 2020, option of prior clearance of goods before actual arrival, electronic business channel that allows for handling range of goods at once and a separate 24/7 call centre to serve Expo 2020.

**Supporting the Global
Carbon Reduction**

Supporting the Global Carbon Reduction



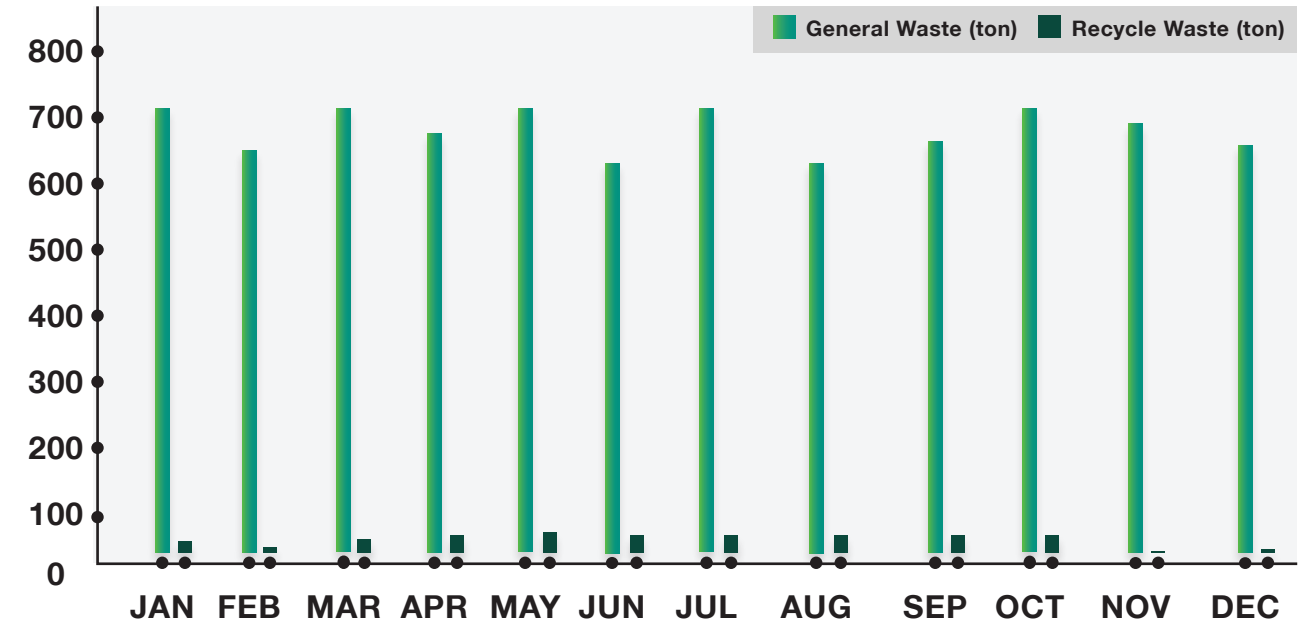
Dubai Customs aims towards contribution to the global environment through its long term goal of becoming a carbon-neutral organization. Our belief is that gradual development in the area of environmental sustainability will certainly lead us to this objective. Dubai Customs has a comprehensive and documented environment, health and safety approach and procedure for the purpose of identifying, accessing and communicating environmental, health & safety legal and other requirements that are applicable to the facility. These are in compliant to the international standards of ISO 14001 and OHSAS 18001. The EHS Committee, all functional managers and the Customs Inspection Officers have overall responsibility for establishing, implementing and maintaining these

approaches and procedures. The main focus of our initiatives in the area of environmental support is towards energy and water conservation, recycling efforts, waste management, radiations emissions from our equipment, greener infrastructure and trade control on items which are against international laws.



Our risk & opportunities assessment process takes into account the environmental impacts related to waste management, energy consumption, toners and printers, water pollution, fleet fuel emissions, paper depletion & other carbon emissions & we try our best to minimize and mitigate these impacts. As our nature of business demands a very thorough risk assessment and impact analysis process at all functional, service and support levels and hence we ensure that our KPIs represents the environmental aspect very crucially. The EHS function has pre-defined and targeted performance indicators to assess our environmental impact and as an example, we were able to improve on our

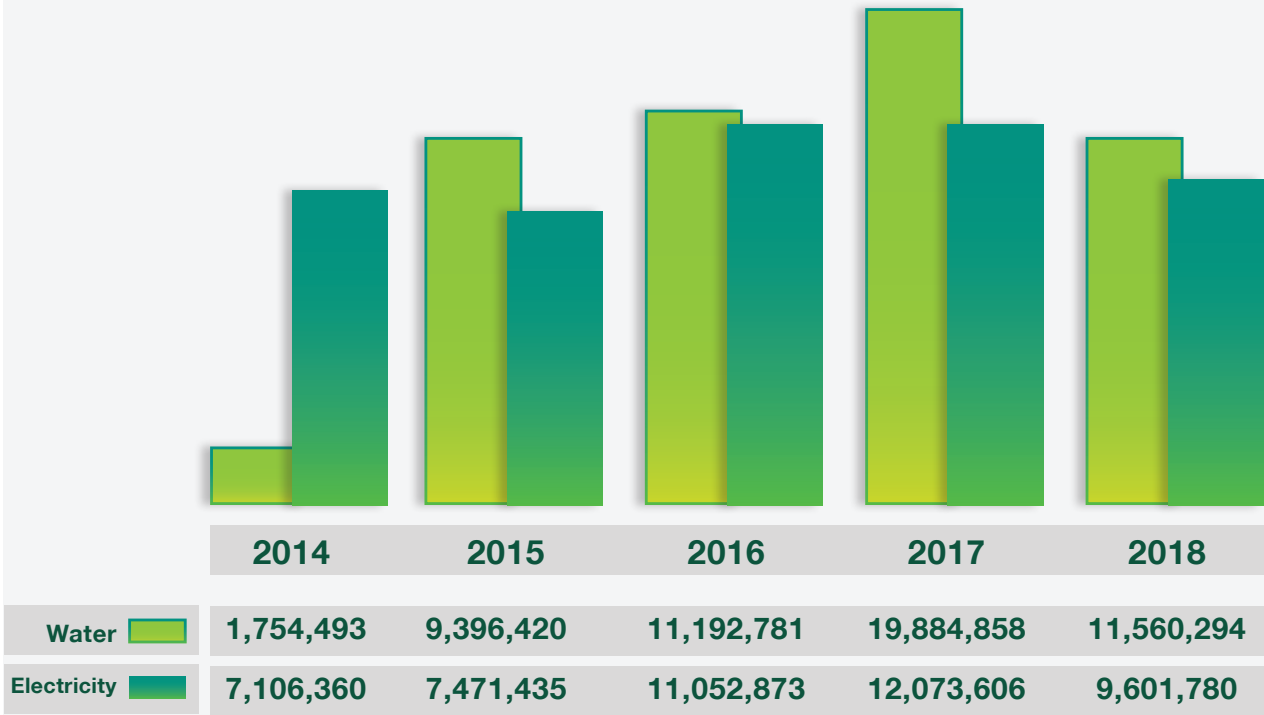
waste management and recycling efforts from 31.8 tons in 2017 to 33.5 tons in 2018. Internal quality checks and external EHS audits are tools that assist in further development and improvement of the risk assessment and control process.



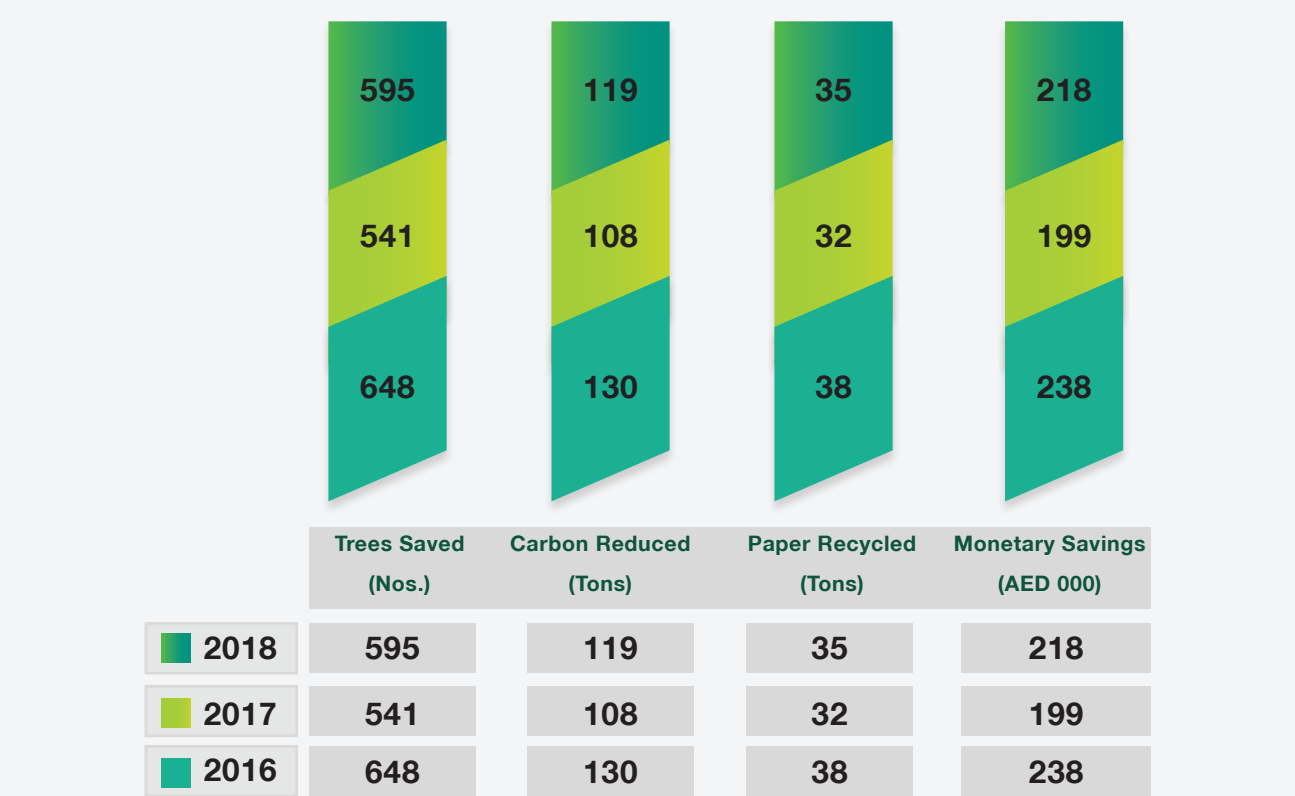
Waste 2018	JAN	FEB	MAR	APR	MAY	JUN
General Waste (ton)	720.96	661.68	725.1	689.64	722.04	646.8
Recycle Waste (ton)	2.375	2.083	2.251	3.23	3.67	3.06

Waste 2018	JUL	AUG	SEP	OCT	NOV	DEC
General Waste (ton)	710.7	638.46	674.88	713.1	678.48	653.76
Recycle Waste (ton)	3.6	3.496	3.667	3.771	0.91	1.3

Water (Gallons) & Electricity (KWH) Consumption



The Electricity and Water requirements of our organization are fulfilled through rental arrangements from Dubai Electricity and Water Authority. However, continuous developmental efforts are planned implemented to ensure consumption reduction and conservation with an objective to reduce our carbon emissions as well as the overall cost in this regard. On one hand, these are achieved through adoption of technological advancement and greening of our infrastructure while on the other hand there is an ever improving culture of employee awareness and engagement in our efforts to preserve energy resources. During the year 2018, the total energy consumed by the organization was 9,601,780 KWH which is equivalent to 34,538 gigajoules.

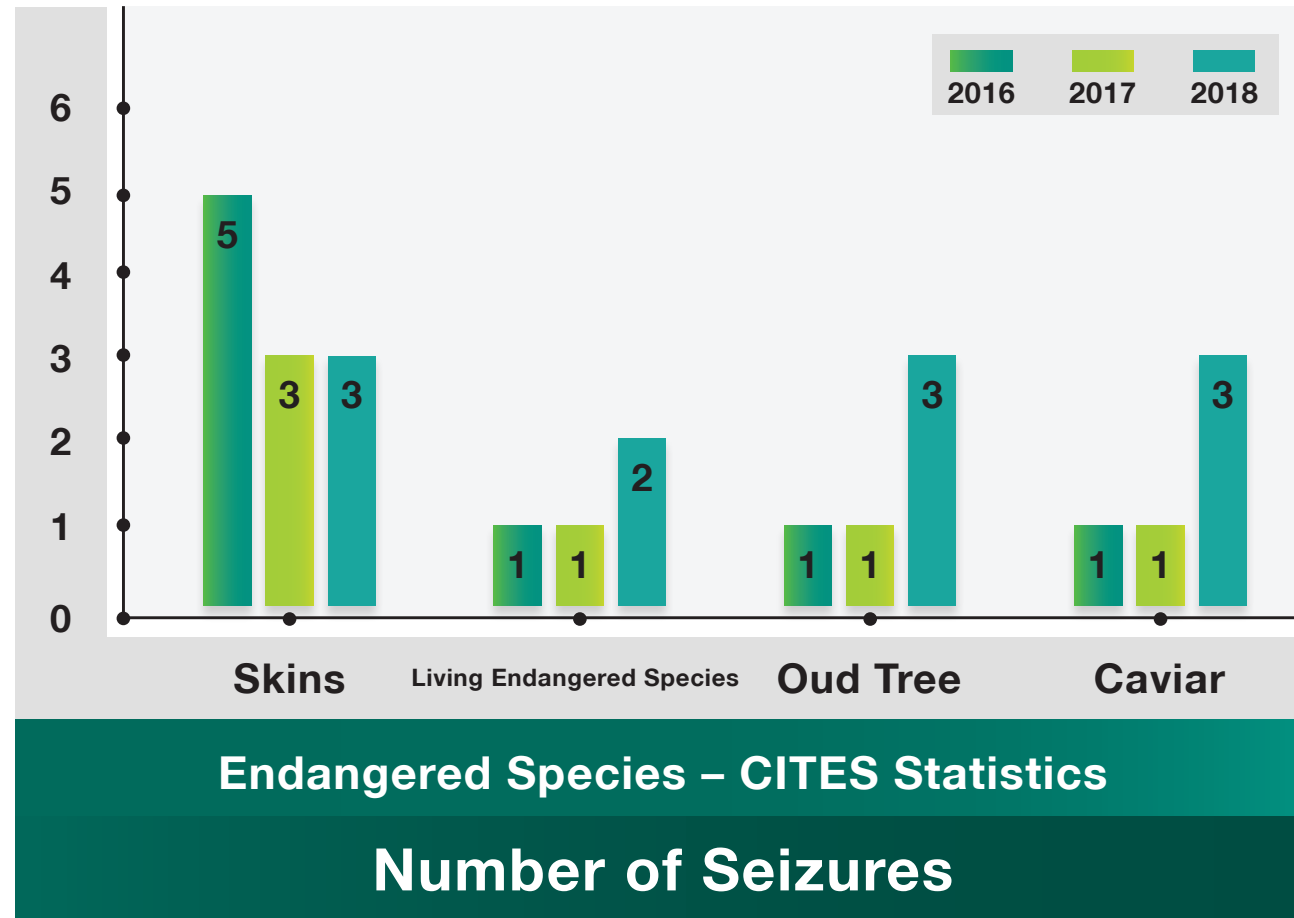


Environment - Recycling Campaign Achievement

Being a service organization, Dubai Customs does not have any direct negative impact on the global environment, however, we strive to be greener and sustainable towards the atmosphere through our strong commitment on recycling and waste management. Creative and adoptable business practices, paper-less operations, collection of paper, plastic, metal, toners for recycling purposes and use of technology are all in practice within the organization in a sustainable manner. The management is regularly engaged with developing and inculcating a responsible culture among the employees as well as other stakeholders through awareness campaigns and communications. We indulge not only our own organization, but also help our customers and suppliers to reach an idea zero-waste management.

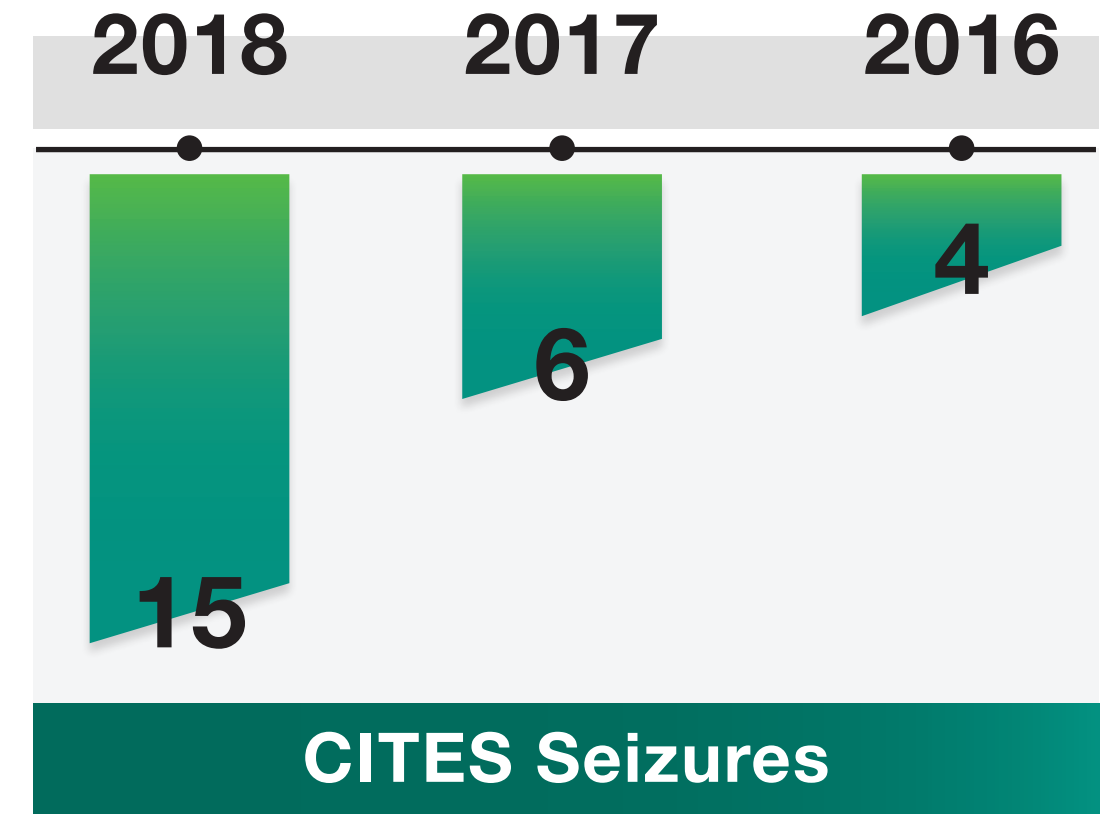


Dubai Customs also ensures participation in local, regional and international events which are aimed at environmental improvement and supports the reduction of the carbon footprint through memberships, partnerships and joint projects. Management, Employees and all Centres throughout the organization strongly participates in events such as Earth Hour, Clean-Up UAE, Clean-up the World, Anti-Smoking Campaigns and many such activities. During 2018, in collaboration with Al-Futtaim Motors, the organization provided free check-up for more than 400 employee vehicles with special attention towards tyres with an objective to improve vehicle performance and thus reducing carbon footprints.



In support to our core business to condemn and restrict trade and illegal movement of endangered species and their remains, Dubai Customs has a long history to spread public awareness on imperilled animals and the environmental issues connected with them. We ensure that through our efforts, the community is taught of the responsibility towards protection of the species which are vanishing from our globe. During the past 5 years, more than 6 million community members have attended our awareness campaign and have benefitted from the information and details shared

at Dubai Aquarium and Underwater Zoo as well as several exhibitions, and roadshows across Dubai and UAE. An overall reduction in the number of CITES seizures (30%) has been witnessed which reflects the effectiveness of our training programs and awareness campaigns towards environmental sustainability.



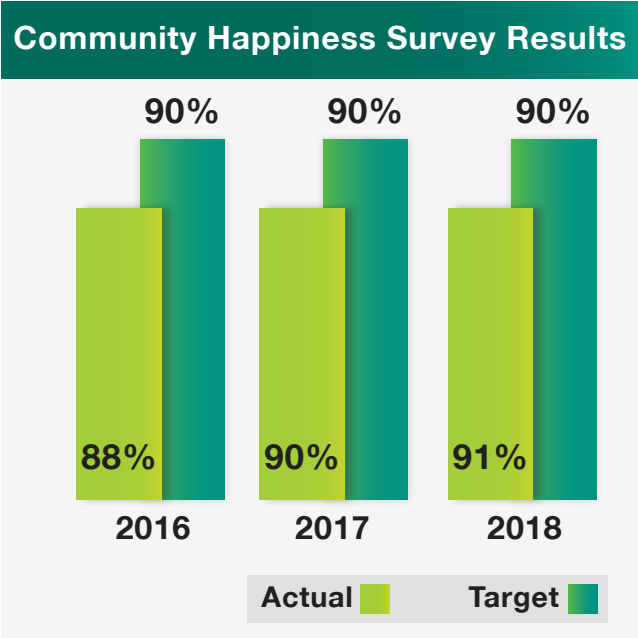
Building a Happy Community

Building a Happy Community



Society and Community contribution is an important element of Dubai Customs CSR strategy and its implementation. We undertake to improve lives around our community through strategic social investments and aim to create a better social environment for our stakeholders. Our sustainability approach revolves around social

contributions and in addition to implementing our own initiatives and programs, we also team with a variety of organizations to gain diverse viewpoints on social challenges and opportunities for a better understanding of our stakeholders’ societal needs. Mapped in accordance with the ISO 26000 standards and the GRI Standards, we have defined policies, processes and methodology for our community initiatives which are aligned with our strategic objectives and operational direction. We prepare our annual action plan for our community initiatives at the beginning of the year and precise financial budgets and other resources are allocated to ensure their implementation.



Although we have our predefined scope of CSR practices for which initiatives and programs are prioritized and selected, state direction and prevailing issues are given equal importance. As an example our past years CSR initiatives have been in compliance to Year of Giving, Year of Zayed and Year of Tolerance. 91% community happiness survey results which are comprehensively segmented provide us a strong tool to set new targets and selection direction.

Dubai Customs conducts community needs and expectation surveys every 2 years through independent external surveyors in order to identify the areas and perceptions of the community helping us to prioritize specific local and regional areas of community well-being and environmental care. These surveys also have independent recommendations for the organization which are incorporated as improvement tactics to the original action plans. Areas such as national identity, cultural diversity, local heritage, Arabic language, People of determination, charity and donations, elderly community, mass weddings, Ramadan and other religious events, planting trees, blood

donations, combating poverty, spreading education, recycling and much more are part of our CSR action plans which have resulted from these recommendations.



Dubai Customs – Happiness Survey Results

Positive Customer



2018 = 88%
2017 = 86%
2016 = 85%

+

Loyal Employee



2018 = 86%
2017 = 86%
2016 = 88%

+

Dedicated Supplier



2018 = 89%
2017 = 87%
2016 = 89%

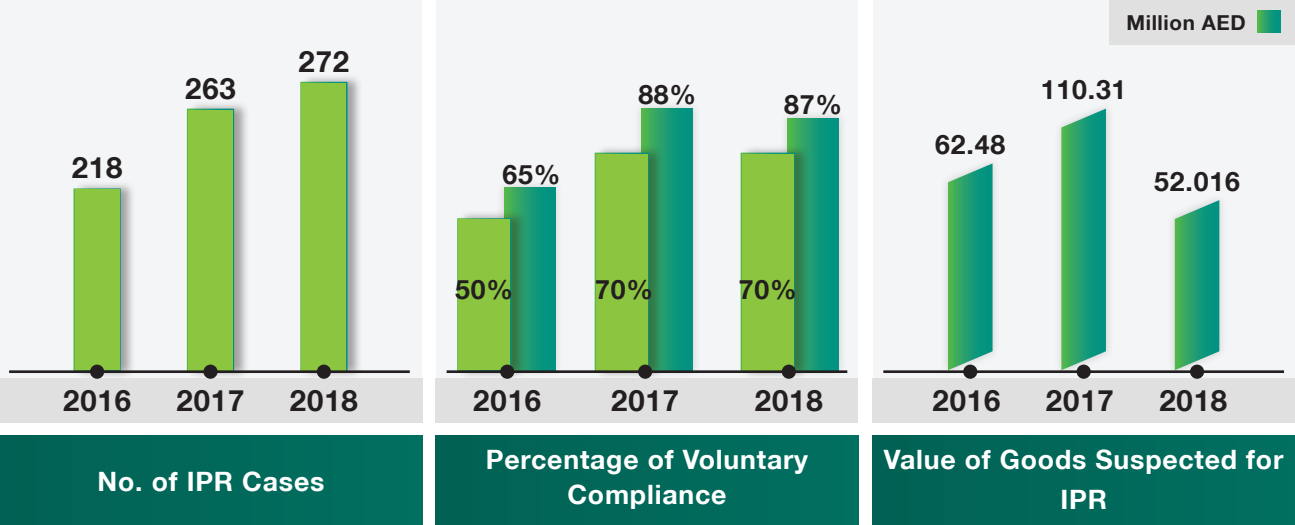
+

Satisfied Partner



2018 = 85%
2017 = 85%
2016 = 88%

As part of our core business, we are engaged in combating counterfeit and protecting intellectual rights and at the same time has undertaken to spread awareness and information to maintain the safety of the society as well as our customers. This is achieved through efforts, initiatives and specially organized programs specially aimed at the younger generation through schools,



colleges, universities and other educational institutions in order to promote the concept of IPR. The objective of these programs is to inculcate a culture of loyalty and build a secure communal and economical role against counterfeiting and piracy. During past 5 years, more than 390 Awareness Workshops were conducted, covering more than 163 educational institutions and benefitting over 1.3 million students and youth.



Dubai Customs pavilion at Kidzania in Dubai Mall, which is a children's indoor edutainment fun city, has so far received around 350,000 children. These numbers are an acknowledged achievement of our effort to spread the knowledge of Customs Inspection role in the community and the children's interest in learning about this profession.

Blood donation campaigns and visits to Thalassemia center are spread all over the past many years. Other community initiatives include UAE National Identity, Sustainable Charities & Donations, Drugs & Weapons Awareness Campaigns, Care for People of Determination, Fishermen Wellbeing, Employee Healthcare, Heritage & Culture, Ramadan Activities, Volunteer Campaigns, Sports & Leisure, International Days and much more. During the past 5 years, we were able to organize and participate in around 900 CSR initiatives with over 7 million beneficiaries.



Implementing Employee Care

Implementing Employee Care

Dubai Customs, in accordance with its vision & mission, is committed to manage its activities in an ethical manner and to continuously improve the conditions of service of its employees and the life of the community it serves. We believe that human resources are our main base.

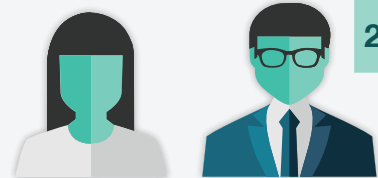
Accordingly we decided to implement a comprehensive social accountability system for managing ethical workplace conditions and shall strive to continuously improve its social performance through:

- Conforming to all the requirements of International Labor Laws and UAE Laws.
- Complying with all existing local and federal applicable legislation and approved codes.
- Not to engage and/or support the use of child labor & forced labor.
- Ensure no discrimination on basis of gender/nationality/race/religion /disability.
- Improve health and safety at the workplace.
- Providing appropriate training for all employees to adopt social best practice.



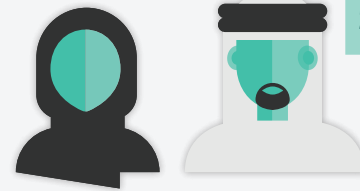
We are committed to valuing diversity and promoting equality for everyone at Dubai Customs. Competent and motivated employees are essential in today's competitive environment and therefore we need to ensure the best use of human resources in our workforce. We recognize the varied contributions that a diverse workforce brings to the organization and we are committed to drawing on the different perspectives and experiences of individuals which will add value to the way we operate. We aim for the development of a superior workforce, on-going personal development, positive organization climate & an employee oriented culture focusing quality, high performance and continuous improvement in the long run under our labor right plans. Our short term goals aim at employee rewards, service improvements & performance recognitions. All these policies and reviewed regularly for betterment and improvement as per newer trends and legislations.

Expatriate Employees



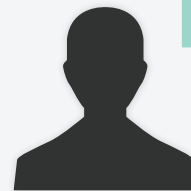
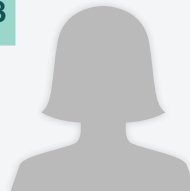
2018: 480
2017: 542
2016: 531

Local Employees



2018: 2,515
2017: 2,581
2016: 2,440

2018: 734
2017: 750
2016: 688



2018: 2,261
2017: 2,373
2016: 2,283

Our Remuneration and Reward policy and practice aims to implement reward structures which consistently attract, motivate and retain employees of choice in support of the company's performance culture. Dubai Customs aspires to reward practices that are competitive within the markets of its operation. In order to ensure that they meet our corporate goals and business objectives, our remuneration and reward policies are an integral part of the overall Human Resources design and geared to support the Company's business plan. It aims to motivate, reinforce and reward superior performance, encourage the development of capabilities and

behaviors to meet present and future business needs, attract and retain a superior workforce and appropriate skills, ensures internal and external equity and securing employee commitment to the Company's goals.

Age	2018	2017	2016
Up to 30 years	1,021	1,229	930
B/W 30-50 years	1,739	1,685	1,792
Above 50 years	235	209	249

EMPLOYEES LEFT	2018	2017	2016
Males	90	118	124
Females	27	28	39
Total	117	146	163
EMPLOYEES JOINED	2018	2017	2016
Males	81	116	139
Females	34	66	45
Total	115	182	184



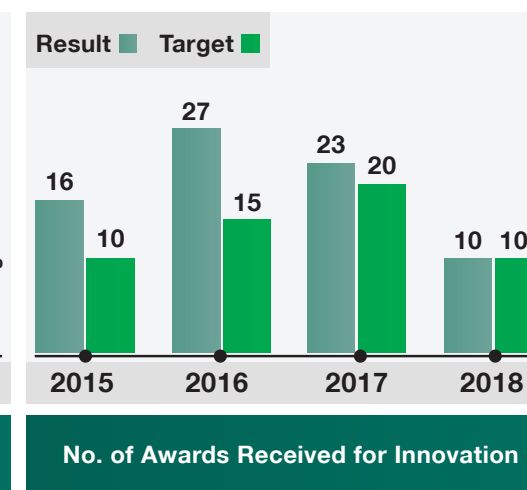
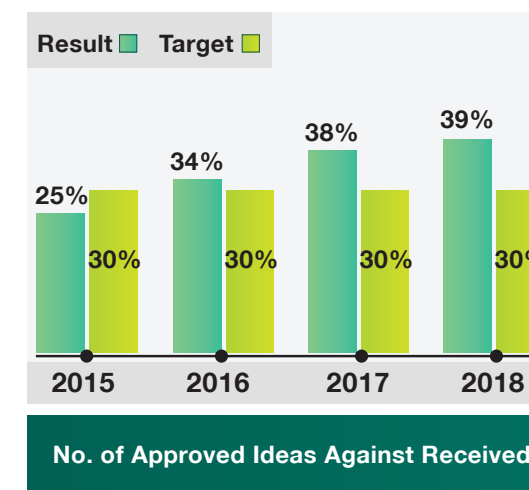
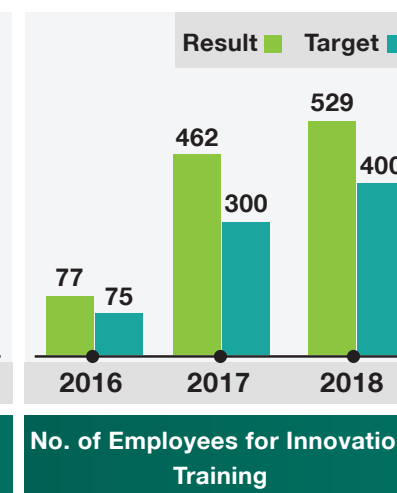
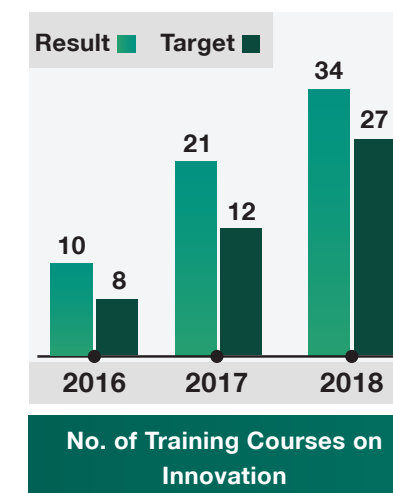
EMPLOYEE TURNOVER

The employee's suggestions & complaints scheme is a part of Dubai Government scheme that is implemented across all government bodies to bring together innovative ideas and cost effective solution to the organization. The key objective is this initiative is to promote continuous

and effective communications from all staff levels to the management and enhance employee motivation and concerns through prompt handling of complaints and grievances. We also have a dedicated grievance committee for our employees are external stakeholders such as customers, suppliers, partners etc. These are constituted under the highest governance order and report directly to the leadership of Dubai Customs. The operational mechanism of these committees and the grievance process is fully automated and on-line which is directly linked to the e-govt portal for transparent visibility. In addition to this automated grievance process, a strong and effective whistle-blowing mechanism is present which has workflow directly linked upto the level of the Director General and Chairman.



Other soft communication portals and channels are also used by both internal and external stakeholders to address and raise concerns and grievances which includes e-mails, messages, direct meetings and so-on. The leadership and senior management reviews quarterly reports on these grievances and suggestions to ensure stakeholder happiness which has improved to reach 94.7% for Customers and 88% for Employees.





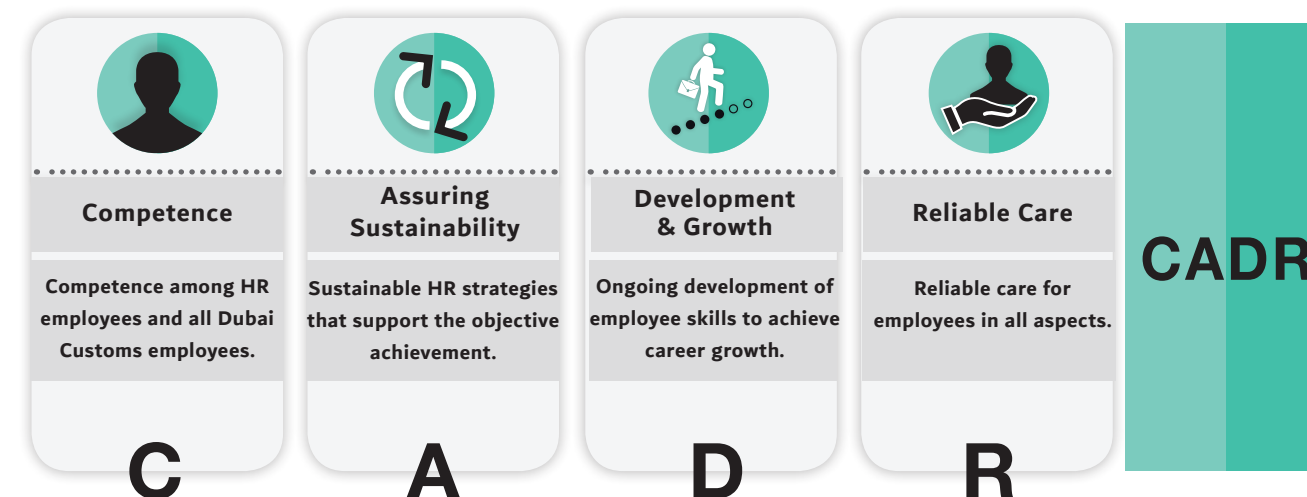
Dubai Customs endeavors to recruit best human resources and ensures to build up competencies, enhance training and development of its employees. The Human Resource Department continue to implement the “CADRE” initiative with aim of enhancing channels of communication with all employees guided by basic theme of development. This directly contributes to the preparation of qualified Customs officers capable of applying best Customs

knowledge and practices to protect the community and its safety. The success & satisfaction level for our employee training program is measured through indicators such as turnover rate, absenteeism and our staff satisfaction survey. Internal training programs and session are regularly conducted which includes awareness-raising on labor standards, labor issues and labor

rights for the employees. At the beginning of every year a comprehensive training plan is developed for employees following the performance appraisal exercise where needs are identified specific to job requirements and employee development. Specially designed training programs in this area includes sessions of HR Laws and policies, employee responsibilities and rights, leave policies, attendance systems, code of conduct, SA 8000, Employment Discipline and the Grievance Process. During 2018, 2,450 employees received training for 35,776 hours specifically dedicated towards policies and procedures related to HR & Employee



Relations. End-of-program feedback and employee on-line surveys are conducted for all training courses in order to assess effectiveness and incorporate improvements. Avoiding accidents and protecting the health of our employees in the workplace are two of prime objectives of our health and safety practices. This includes identifying and assessing potential hazards, extensive risk



management and ensuring a healthy working environment. We manage an occupational Health and safety system which is accredited with OHSAS 18001-2007 Health & Safety standard, ensuring that risks are identified and managed in consultation with our employees on any issues

DC Training Program - Number of Training Hours (By Category)

Category	2016		2017		2018	
Gender	TOTAL HOURS	AVERAGE	TOTAL HOURS	AVERAGE	TOTAL HOURS	AVERAGE
MALE	44,426	14.2	43,845	13.6	57,489	11.7
FEMALE	20,339	13.6	22,097	12.3	37,107	11.4
Nationality	TOTAL HOURS	AVERAGE	TOTAL HOURS	AVERAGE	TOTAL HOURS	AVERAGE
LOCALS	55,657.5	14.1	55,213	13.1	52,583	11.5
EXPATS	9107.5	13.4	10,729	13.6	4,906	12.8
Employees Categorized	TOTAL HOURS	AVERAGE	TOTAL HOURS	AVERAGE	TOTAL HOURS	AVERAGE
SENIOR MANAGEMENT	1,090	11.8	1,116	14.0	2,009	10.4
MIDDLE MANAGEMENT	13,675	11.9	14,178	11.7	12,039	11.2
OTHERS	50,000	14.8	50,648	13.6	43,441	11.7

which may affect their health and safety. Although, the frequency of workplace injuries and the number of workdays lost is absolutely zero, we maintain accidents log and lost-time record at all times in the context of applying the OHSAS standard. Internal Audit by qualified health and safety auditors are being conducted twice a year to ensure compliance to these standards in order to identify and implement areas for improvement.

Training on DC Policies & Procedures Related to HR

DETAILS	2016	2017	2018
Total Number of Hours of Training	29,197	30,825	35,776
Total Number of Employees Trained	1,758	1,869	2,450

DC Overall Training Programs Conducted:

VENUE	2016	2017	2018
INTERNAL	240	133	136
EXTERNAL	119	246	234

Leadership Training Attendees:

	2016	2017	2018
No. of Attendees	352	406	385

● Training Attendees - Statistics:

Category	2016	2017	2018
MALES	3,132	3,229	3,173
FEMALES	1,495	1,791	1,792
LOCALS	3,946	4,230	4,582
EXOATS	681	790	383



GRI Index

GRI Index



For the Materiality Disclosures Service, GRI Services reviewed that the GRI content index is clearly presented and the references for Disclosures 102-40 to 102-49 align with appropriate sections in the body of the report. The service was performed on the English language version of the report.

GRI Content Index			
Standard (GRI)	Disclosure	Page Number	Direct Answer
GRI 101 : Foundation 2016			
GRI 102 : General Disclosures 2016			
Organization Profile			
GRI 102 General Disclosures 2016	102-1 : Name of the Organization	Cover Page	
	102-2 : Activities, Brands, Products & Services	30 & 31	
	102-3 : Location of Headquarters	31	
	102-4 : Location of Operations	31	
	102-5 : Ownership & Legal Form	30 & 31	
	102-6 : Markets Served	30 & 31	

	102-7 : Scale of the Organization	10 & 11	
	102-8 : Information on Employees & other workers	100 to 111	
	102-9 : Supply Chain	76 to 79	
	102-10 : Significant changes to the organization and its supply chain	38	
	102-11 : Precautionary Principle or Approach	44 to 46	
	102-12 : External Initiatives	54 to 56	
	102-13 : Membership of Associations	35 & 36	
Strategy			
GRI 102 General Disclosures 2016	102-14 : Statement from Senior Decision Maker	14 & 15	
	102-15 : Key Impacts, Risks and Opportunities	44 to 46	
Ethics & Integrity			
GRI 102 General Disclosures 2016	102-16 : Values, Principles, Standards, Norms & Behaviour	26 & 27	
	102-17 : Mechanism for Advice & Concerns about Ethics	42 to 44	
Governance			
GRI 102 General Disclosures 2016	102-18 : Governance Structure	34 to 37	
	102-19 : Delegation Authority	34 to 37	
	102-20 : Executive Level Responsibility for Economic, Environment and Social Topics	34 to 37	
	102-21: Consulting stakeholders on economic, environmental, & social topics	62 to 65	

102-22 : Composition of the Highest Governance Bodies & its Committees	34 to 37	
102-23 : Chair of the Highest Governance Body	34 to 37	
102-24 : Nominating & Selecting the Highest Governance Body	34 to 37	
102-25 : Conflicts of Interest	34 to 37	
102-26 : Role of the Highest Governance Body in setting purpose, values & strategy	34 to 37	
102-27 : Collective Knowledge of Highest Governance Body	34 to 37	
102-28 : Evaluating the Performance of the Highest Governance Body	34 to 37	
102-29: : Identifying & managing economic, environmental, & social impacts	57 to 59	
102-30 : Effectiveness of Risk Management Processes	34 to 37	
102-31: Review of economic, environmental, & social topics	34 to 37	
102-32 : Highest Governance Body Role in Sustainability Reporting	34 to 37	
102-33 : Communicating Critical Concerns	44 to 46	
102-34: Nature & total number of critical concerns	44 to 46	
102-35 : Remuneration Policies	34 to 37	
102-36 : Process for Determining Remuneration	34 to 37	
102-37: Stakeholders' involvement in remuneration	We are government owned entity & our remuneration are governed completely under the Dubai	
102-38: Annual total compensation ratio	Confidential information as we are a state owned entity engaged with national security task	

	102-39: Percentage increase in annual total compensation ratio	Confidential information as we are a state owned entity engaged with national security task	
Stakeholder Engagement			
GRI 102 General Disclosures 2016	102-40 : List of Stakeholder Groups	62	
	102-41 : Collective Bargaining Agreements	64	
	102-42 : Identifying & Selecting Stakeholders	62 to 64	
	102-43 : Approach to Stakeholder Engagement	64 & 65	
	102-44 : Key Topics & Concerns Raised	64 & 65	
Reporting Practice			
GRI 102 General Disclosures 2016	102-45 : Entities Included in Consolidated Financial Statements	10 & 11	
	102-46 : Defining Report Content & Topic Boundaries	10 & 11	
	102-47 : List of Material Topics	67	
	102-48 : Restatements of Information	10 & 11	
	102-49 : Changes in Reporting	10 & 11	
	102-50 : Reporting Period	10 & 11	
	102-51 : Date of Most Recent Report	10 & 11	
	102-52 : Reporting Cycle	10 & 11	
	102-53 : Contact Point for Questions regarding the Report	10 & 11	
	102-54 : Claims of Reporting in Accordance with the GRI Standards	10 & 11	

	102-55 : GRI Content Index	114 to 122	
	102-56 : External Assurance	10 & 11	
GRI 103 : Management Approach 2016			
GRI 103 Management Approach 2016	103-1 : Explanation of Material Topics & its Boundary	66 & 67	Material topics covered include Customer Satisfaction (GR 202), Operational Sustainability (GRI 203), Economic Performance (GR 201), Business Ethics (GRI 205), Stakeholder Engagement (GRI 203), Employee Care (GRI 401), Community Well-Being (GRI 413) & Environmental Care (GRI 307)
	103-2 : The Management Approach & its Components	42 to 59	
	103-3 : Evaluation of the Management Approach	42 to 59	
GRI 201 : Economic Performance 2016			
GRI 201 Economic Performance	201-1 : Direct Economic Value Generated & Distributed	70 to 72	
	201-2 : Financial Implications & Other Risks & Opportunities due to Climate Change	70 to 72	
	201-3 : Defined Benefit Plan Obligations & Other Retirement Plans	70 to 72	
	201-4 : Financial Assistance Received from Government	70 to 72	
GRI 203 : Indirect Economic Impacts 2016			
GRI 203 Indirect Economic Impacts	203-2 : Infrastructure investments & services supported	70 to 72	
	203-2 : Significant Indirect Economic Impacts	70 to 72	
GRI 204 : Procurement Practices 2016			
GRI 204 Procurement Practices	204-1 : Proportion of Spending on Local Suppliers	77	
GRI 205 : Anti-Corruption 2016			
GRI 205 Anti-corruption	205-1 : Operations Assessed for Risks related to Corruption	42 to 44	
	205-2 : Communication & Training about Anti-Corruption Policies & Procedures	42 to 44	

	205-3 : Confirmed Incidents of Corruption and Actions Taken	None	
GRI 206 : Anti-Competitive Behaviour 2016			
GRI 206 Anti-Competitive Behaviour	206-1 : Legal Actions for Anti-Competitive Behaviour, Anti-trust & Monopoly Practices	None	
GRI 301 : Materials 2016			
GRI 301 Materials	301-1 : Materials Used by Weight or Volume	None	
	301-2 : Recycled Input Materials Used	None	
	301-3 : Reclaimed Products & Their Packaging Materials	None	
GRI 302 : Energy 2016			
GRI 302 Energy	302-1 : Energy Consumption Within the Organization	85	
	302-2 : Energy Consumption Outside the Organization	85	
	302-3 : Energy Intensity	82 to 89	
	302-4 : Reduction of Energy Consumption	82 to 89	
	302-5 : Reduction in Energy Requirements of Products & Services	82 to 89	
GRI 303 : Water & Effluents 2018			
GRI 303 Water & Effluents	303-1 : Interactions with Water as a Shared Resource	82 to 89	
	303-2 : Management of Water Discharge-Related Impacts	82 to 89	
	303-3 : Water Withdrawal	82 to 89	
	303-4 : Water Discharge	82 to 89	
	303-5 : Water Consumption	85	
GRI 306 : Effluents & Waste 2016			

GRI 306 Effluents & Waste	306-1 : Water Discharge by Quality & Destination	None	
	306-2 : Waste by Type & Disposal Method	82 to 89	
	306-3 : Significant Spills	None	
	306-4 : Transport of Hazardous Waste	82 to 89	
	306-5 : Water Bodies Affected by Water Discharges &/or Runoff	None	
GRI 307 : Environmental Compliance 2016			
GRI 307 Environmental Compliance	307-1 : Non-Compliance with Environmental Laws & Regulations	82 to 89	
GRI 401 : Employment 2016			
GRI 401 Employment	401-1 : New Employee Hires & Employee Turnover	103	
	401-2 : Benefits Provided to Full time Employees	100 to 111	
	401-3 : Parental Leave	100 to 111	
GRI 403 : Occupational Health & Safety 2018			
GRI 403 Occupational Health & Safety	403-1 : Occupational Health & Safety Management System	100 to 111	
	403-2 : Hazard Identification, Risk Assessment & Incident Investigation	100 to 111	
	403-3 : Occupational Health Services	100 to 111	
	403-4: Worker participation, consultation & communication on occupational health & safety	No such arrangement	
	403-5 : Worker Training on Occupational Health & Safety	100 to 111	
	403-6: Promotion of Worker Health	No such arrangement	

	403-7: Prevention & mitigation of occupational health & safety impacts directly linked by business relationships	100 to 111	
	403-8 : Workers Covered by an Occupational Health & Safety Management System	100 to 111	
	403-9 : Work Related Injuries	None	
	403-10 : Work Related Ill-Health	None	
GRI 404 : Training & Education 2016			
GRI 404 Training & Education	404-1 : Average Hours of Training Per Year Per Employee	100 to 111	
	404-2 : Programs for Upgrading Employee Skills	100 to 111	
	404-3 : Percentage of Employees Receiving Regular Performance & Career Reviews	100 to 111	
GRI 405 : Diversity & Equal Opportunity 2016			
GRI 405 Diversity & Equal Opportunity	301-1 : Diversity of Governance Bodies & Employees	100 to 111	
	301-2 : Ratio of Basic Salary & remuneration of Women to Men	100 to 111	
GRI 406 : Non-Discrimination 2016			
GRI 406 Non-Discrimination	406-1 : Incidents and Discrimination & Corrective Actions Taken	None	
GRI 411 : Rights of Indigenous People 2016			
GRI 411 Rights of Indigenous People	411-1 : Incidents of Violence Involving Rights of Indigenous People	None	
GRI 412 : Human Rights Assessment 2016			
GRI 412 Human Rights Assessment	412-1 : Operations that have been Subject to Human Rights Impacts or Assessment	None	
	412-2 : Employee Training on Human Rights Policies or Procedures	100 to 111	
	412-3: Significant investment agreements & contracts that include human rights clauses or that underwent human rights screening	None	

GRI 413 : Local Communities 2016			
GRI 413 Local Communities	413-1 : Operations with Local Community Engagement , Impacts, Programs	92 to 96	
	413-2 : Operations with Significant actual & potential negative impact on communities	92 to 96	
GRI 418 : Customer Privacy 2016			
GRI 418 Customer Privacy	418-1 : Substantiate Complaints concerning breach of Customer Privacy	None	
GRI 419 : Socio-Economic Compliance 2016			
GRI 419 Socio-Economic Compliance	419-1 : Non-Compliance with Laws and rules in the Social & Economic Area	None	



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