

GATE TO CENTRAL AND EASTERN EUROPE



SUSTAINABILITY REPORT 2018



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Letter from the CEO

Global trade has never been so intense in world history. Every day over 5 million tons of containerized cargo is carried by thousands of ships around the world. The super-highway of world trade is Asia to Europe, where the world's largest ships operate. We can proudly say that at DCT Gdańsk, Poland is directly connected to this ecosystem and takes full advantage of the opportunity given by the access to the Baltic Sea.

I do not hesitate for a second to say that DCT Gdańsk is the best container terminal in the Baltic. Thanks to our trained and qualified staff combined with continual investment in modern infrastructure, DCT can efficiently handle the largest container ships in the world providing the carriers with international standards of handling large cargo volumes. Gdańsk is becoming the gateway to Central and Eastern Europe for global trade, and our task is to make sure that this gate is always open as wide as possible. We create a unique offering that changes the logistics model in the region and we are constantly looking for better and better ways to meet the needs of customers.

DCT's success is the success of all our employees. We offer engaging work for people who understand the importance of the service we provide, and in DCT they can also see an opportunity for their own

development. I am proud of the DCT team and glad that we've been able to find such people.

In the future our goal is to play an even more important role in global trade, ensuring Poland can build its strength in Central and Eastern Europe. At the same time we want to be an active and integrated participant in the local community - a good employer involved in socio-economic matters and environmentally aware. We invest in the continuous development and modernization of our infrastructure in order to be able to handle a larger number of ships in as efficient a manner possible but we always maintain a focus on safety. This is our absolute priority - in every aspect of the functioning of our terminal we put safety above all other goals. A good working atmosphere does not change our expectations to strictly follow all the rules of safe work. I believe that all our employees are fully aware of that.

I am happy to present our first non-financial corporate social responsibility report. Not only will you find here information about how we operate our business, but also a lot of stories related to our social involvement. The opportunity to share our success with you is a cause to celebrate.

Enjoy reading the report.

Cameron Thorpe

Chapter 1. DCT Gdańsk – gate to Central and Eastern Europe

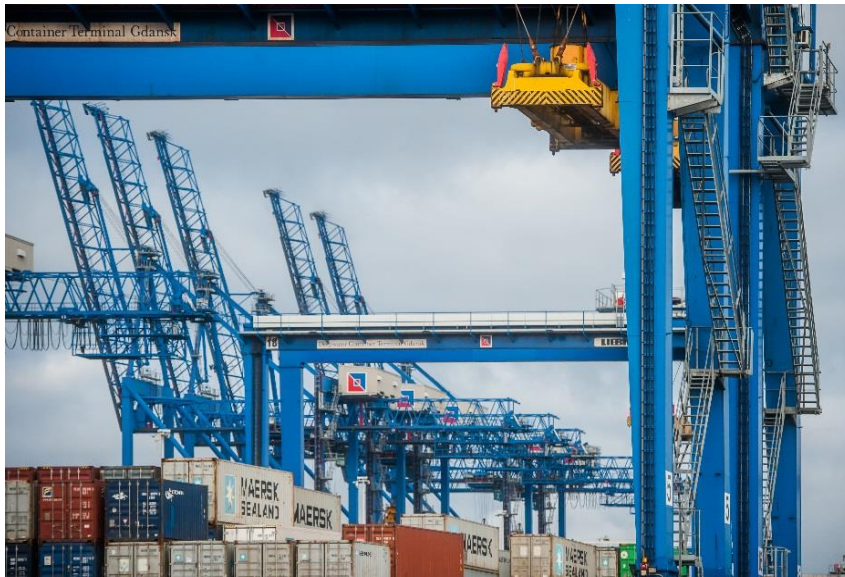
People say that **container is a box that has changed the world**. The largest container vessels, whose capacity increased almost fourteen times in the last five decades, call at DCT Gdańsk twice a week. If we removed all containers from one fully loaded ship and put them one on another, there would be built a container tower of the height exceeding 50 km, six times taller than Mount Everest. This huge cargo, of the weight up to two hundred tonnes per ship, transported on a regular basis from the other end of the world does not only constitute the evidence of the scale of the global trade exchange, but also lets us realise how important it is for Poland to be an active participant of the trade exchange.



DCT Gdańsk is a response to the growing economic significance of Poland and the Baltic Sea region in the international trade. More than a decade of experience and the dynamic growth are what contributed to a strong position of DCT Gdańsk among one hundred largest terminals in the world in 2017, when the terminal took the sixteenth place in Europe.

Thanks to its strategic location in the heart of the Baltic Sea, DCT Gdańsk allows for Poland's connection with the largest trade route of sea transport between Europe and Asia, with the simultaneous reduction of costs, more competitive delivery dates and lower carbon dioxide emission.

The terminal cooperates with the largest sailing allies. Every year it handles ca. 500 ships, 5,000 trains and more than 300,000 trucks. DCT Gdańsk offers its clients unique quality, and its strategic location in the heart of the Baltic Sea is what allows for ocean connections from the Far East. Thanks to the expanded network of road and rail connections and short sea shipping, DCT Gdańsk terminal is perfectly communicated with great production, distribution and consumption centres in the countries of Central and Eastern Europe. Apart from that, DCT Gdańsk also assures direct access to the fastest growing region in Europe and is the most affordable way of reaching the inland foreign markets in the Czech Republic, Slovakia and other countries. The strong domestic market, developing markets in the region of Central and Eastern Europe and the growing scale of the sea transit in the Baltic Sea basin are what stimulates the growth of the terminal and makes it a container gate to Europe.



Due to good geographical conditions, modern equipment and skilled human resources DCT Gdańsk has unlimited opportunities for development. Almost two billion Polish zloty, invested so far in the modern handling infrastructure focused around two deepwater berths integrated with stacking yards with high-quality equipment, is an innovative response to the global logistics challenges. Looking forward to the future, DCT takes further initiatives aimed at purchase of additional equipment for the existing berths, increasing the area of stacking yards, automation of the gate complex and significant increase in the intermodal operating capacity at the rail. In the next two years DCT will spend more than PLN 200 million on investments.

DCT Gdańsk - the first-choice terminal located at the very heart of the Baltic Sea is a declaration made by the company towards global and local carriers as regards gaining attractive conditions of planning the transportation chain, optimal costs and quality, comfort, safety and the environmental effect, with simultaneous internal and external communications. DCT Gdańsk makes every effort to be an active enterprise that assures its shareholders a stable increase in the value, designs innovative solutions dedicated to its clients and develops in a sustainable and harmonious manner, while respecting the social and natural environment.



Adam Żołnowski, Vice-President of the Management Board:

The establishment of DCT Gdańsk gave rise to creation of a completely new model of operation of the logistics sector in Europe. Nowadays export of products from Poland is more and more competitive and the imported goods reach the end customer in Central and Eastern Europe faster, at lower prices and in a manner that causes less harm to the environment.

During a decade of its activity DCT Gdańsk became one of the drives of the Polish economy. The role of indirect handling ports was minimised, which resulted in elimination of the necessity to transport containers by motorways and rail to Poland from other states.

DCT Gdańsk is also a synonym of well-implemented investments. Only in the last five years we spent on investments more than one billion Polish zloty. What we took into account when making each investment decision was the environmental impact, the strive for cooperation with Polish companies, long-term economic consequences and care about the local community. We aim at continuous sustainable development, generating further benefits for consumers, exporters and the Polish economy. Thanks to the handling operations performed in DCT Gdańsk in Q1 2018 the Polish budget was increased by PLN 2.1 billion as a result of payment of VAT, customs duty and excise duty.

The great functioning of DCT Gdańsk is a consequence of the involvement of our employees. The company's strategy assumes that a key to our further success is a stable base of well-trained, well-motivated employees, who are paid market level remuneration and are employed under contracts of employment. That is the reason why we attempt to attract and retain the best employees.

Each aspect of our strategy takes into account corporate social responsibility. It is of key importance for DCT, since we are a long-term investor that acts for the benefit of its shareholders, clients, employees, subcontractors, the local community and the environment, and always shares the best practices.

1.1. Characteristics of DCT Gdańsk

DCT Gdańsk S.A., being a Polish commercial company, was established on 11 May 2011. Currently most shares are held by GIF II (Global Infrastructure Fund II), a special fund managed by Macquarie Group of Companies with its headquarters in Australia, being one of the largest infrastructural investment funds in the world.

The basic objects of the activity conducted by DCT Gdańsk S.A. are the provision of services in the scope of intermodal transport - shipment of cargo with the use of different means of transport. DCT Gdańsk S.A. handles in particular container vessels of domestic and international sea operators, transporting containerised cargo as part of the global trade exchange. In the course of the handling processes we also make use of road and rail means of transport, whose share grows on a regular basis, together with the ecologically- and environmentally-friendly offer of DCT.

The terminal handles cargoes in export and import, which contributes to the dynamic economic development of Poland and the whole region of Central and Eastern Europe. The handling operations performed at the terminal also allow for transit of the cargoes transported from Asia to other countries located by the Baltic Sea, including Russia, the Baltic States and Finland. Gdańsk is also an alternative for goods carried from Belarus and Ukraine, the Czech Republic, Slovakia and Hungary. The attractive location and wide opportunities for the cooperation are what strengthens the role of the terminal of DCT Gdańsk and its offer for importers and exporters and, consequently, makes Gdańsk the only handling hub to the east of Denmark.

DCT Gdańsk container terminal is currently the first facility of this type in the Baltic Sea region, able to handle the largest container ships in the world, both because of the depth of the approach fairways and mooring places, and because of the modern infrastructure and significant equipment of the berth with high-quality handling equipment.



Figure 1. Specification of DCT Gdańsk S.A.



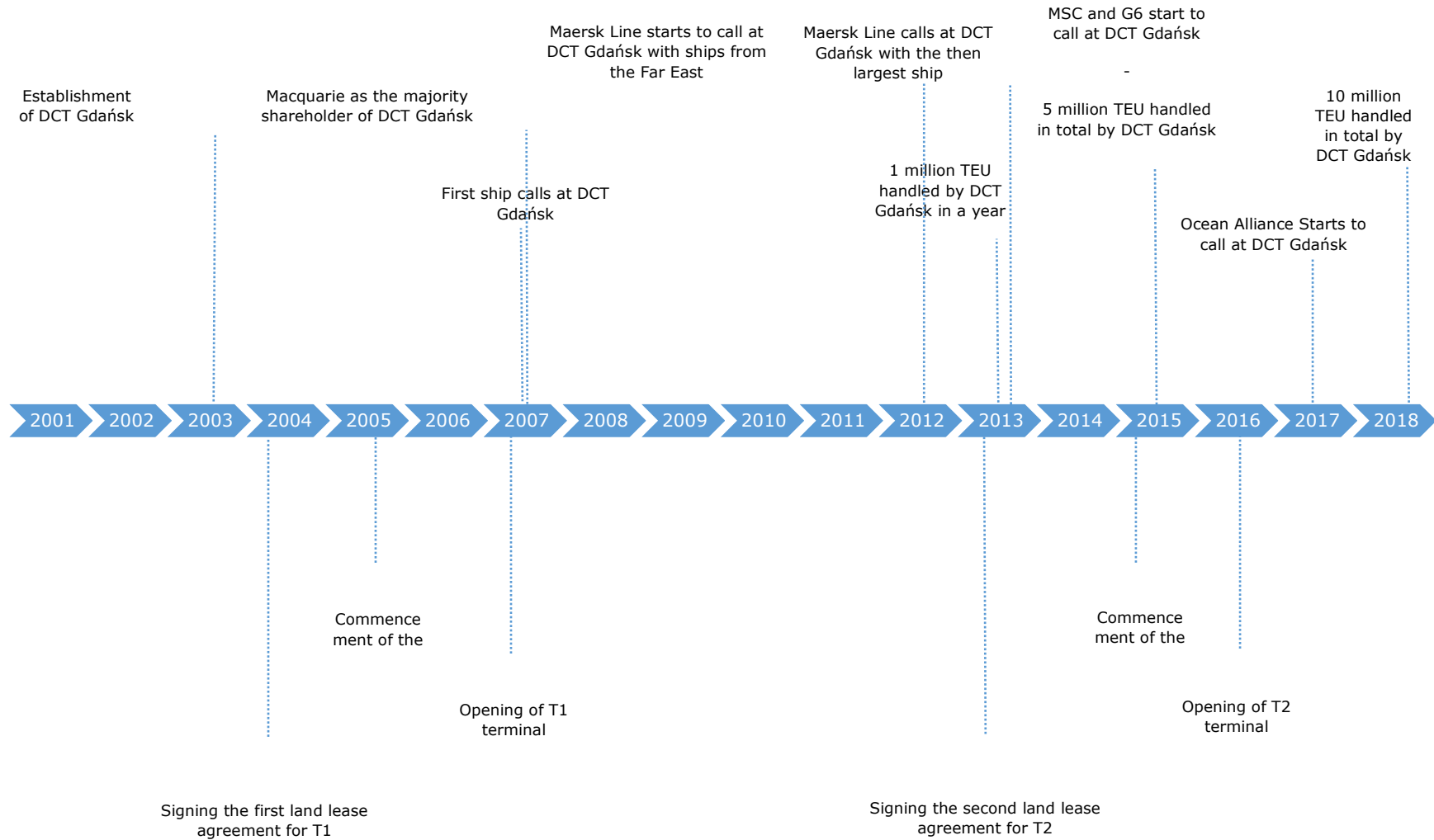
Source: own study, data as of June 2018

Because of the geographical and market location, DCT Gdańsk fulfils the role of a distribution centre directed to the region of the Baltic Sea and CEE. The terminal was established in one of the fastest-growing European regions and is within the Trans-European North-South Transport Corridor No. VI of TEN-T network, connecting Scandinavia with the Mediterranean countries.

Basic indicators and directions of operation in 2017:

1.6 million TEU Volume	848 Employees	We support accomplishment of the UN Sustainable Development Goals:
PLN 417 million Revenue	17.4% Women	
PLN 85 million Salaries	52% Contracts for an indefinite period	
PLN 20 million Taxes and fees	1336 Trainings	
74% Expenses to local suppliers	100% Employees covered by the collective agreement	

History of the development of DCT Gdańsk



1.2. Basis for the operation

DCT Gdańsk, whose business strategy includes the broadly-understood social aspect, offers services that are neutral as regards the impact on the environment and supports ecological forms of transport together with the construction of safe work environment for all interested parties, including contracting parties, clients, suppliers and partners. DCT Gdańsk creates and actively participates in undertaking bottom-up initiatives, establishing local partnerships and strengthening the social confidence and dialogue. In this respect DCT Gdańsk promotes talents and development of the human capital by supporting the diversity, participation and striving for integration and exchange of experiences.

DCT perceives the expectations of its surroundings and supports the local community by means of investing on a regular basis in school and academic educational projects and the development of physical activity of children and young people, but we do not forget about help due to elderly people.



Grzegorz Pawłowski, Legal and Corporate Affairs Director:

DCT Gdańsk is not just a transparent and fair business based on free market, financial transparency and respect for human rights. DCT Gdańsk also means responsibility. We have adopted and implemented an active CSR policy in order to offer a friendly and open work place in which all aspects resulting from the diversity of people's needs are understood and taken into consideration. Given the above, we have identified key areas of interests connected with the social involvement. Being a service company located in an exceptional place close to a sensitive Natura 2000 environmental protection network, in our everyday work we use expanded infrastructure and heavy equipment, handled by a few hundred people, most of which inhabiting the close vicinity of the terminal. Being aware of this situation and the responsibility arising from it, we have adopted a corporate social responsibility strategy, based on the three pillars: the natural environment and safety, the society and people. These three pillars are of a fundamental significance for the attitude adopted by DCT towards CSR and sustainable development. Due to the complex character of the areas, some actions are covered by more than one area of interests, which allows to reach the synergy effect and makes the corporate social responsibility strategy not merely a document but a real tool that affects the reality, and a full carrier of values.

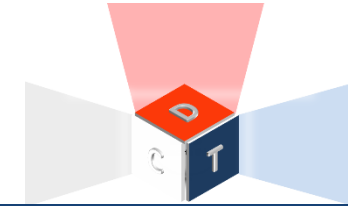
By acting in an integrated way DCT Gdańsk follows the principles of competitiveness assuring:

- high quality of rendered services and meeting the client's expectations, **in compliance with ISO 9001**,
- maintaining energy efficiency of processes, **in compliance with ISO 9001**,
- creating conditions of safe work, **in compliance with OHSAS 18001**,
- the condition of the natural environment, **in compliance with ISO 14001 and the EMAS certificate**.

DCT Gdańsk is a company with values that is aware of its responsibility. The effectiveness of our actions is improved thanks to the regular cooperation with a wide range of entities:

- DCT cares about the natural environment: in cooperation with scientists from Tri-City we contributed to the establishment of the first artificial dune and the Dune Laboratory in Sobieszewska island,
- DCT cares about safety: we build a safety culture by means of organising a wide range of actions, campaigns and workshops aimed at promoting a healthy, sustainable and safe life, both at work and beyond the work place,
- DCT has adopted a human-oriented approach: we believe in the potential of our Employees and permanently improve their abilities.

KEY AREAS OF RESPONSIBILITY



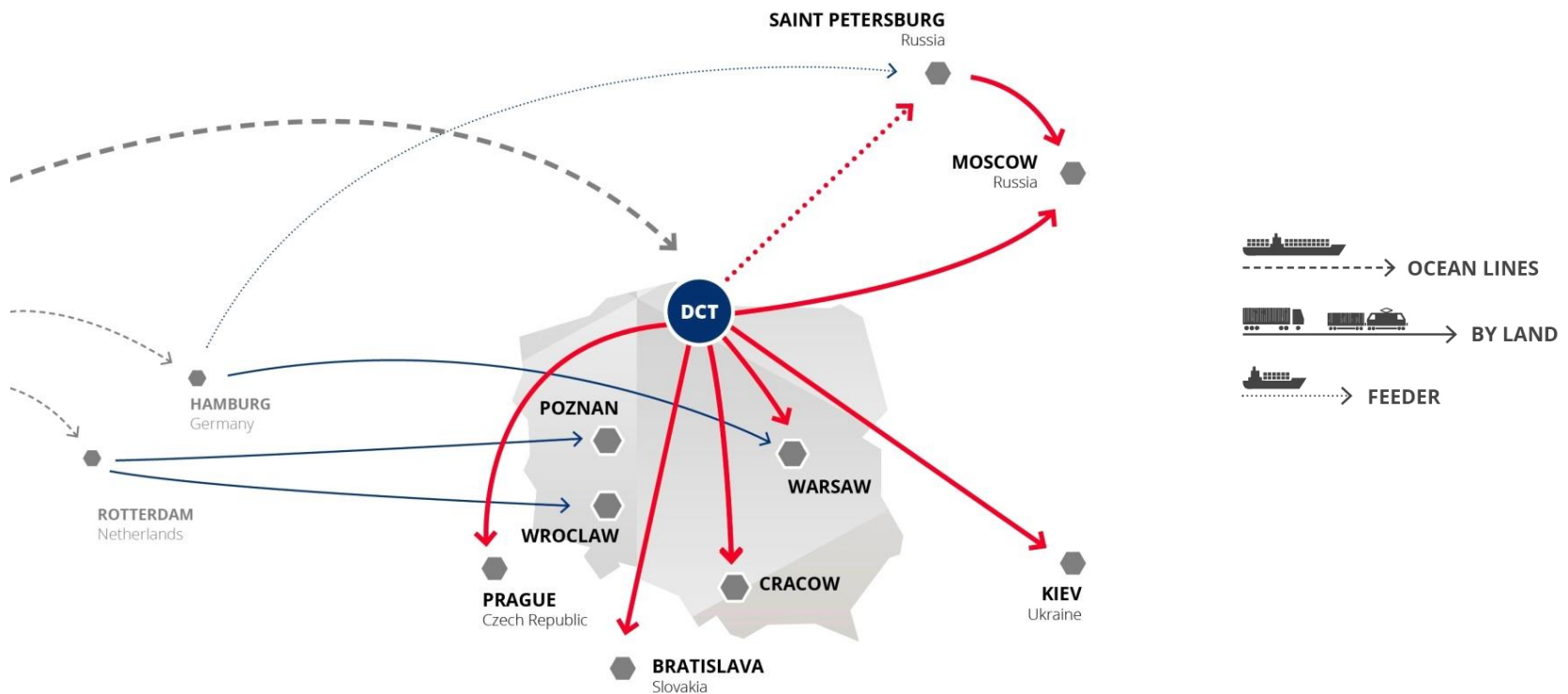
SUSTAINABLE DEVELOPMENT VISION OF DCT GDAŃSK

Pillar	Priority	Objectives
Environment and Safety	offering services that minimise the impact on the environment and promotion of a safe work place	<ul style="list-style-type: none"> – reduction of fume emission – reduction of energy consumption – implementation of environment compensation programmes – elimination of accidents and building the safety culture
Society	supporting local partnerships and building social confidence	<ul style="list-style-type: none"> – social investments and support of bottom-up initiatives – building the social infrastructure and integration of partners – supporting education and promoting knowledge
People	promoting talents, supporting diversity and prevention of exclusion	<ul style="list-style-type: none"> – employee development – increasing the share of women on all positions and equal access to employment – supporting elderly people and people in need

1.3. Revolution at the Baltic Sea

DCT Gdańsk is currently the destination terminal for the largest vessels departing from China, Korea and other Asiatic countries. DCT's offer, which meets the clients' expectations, allows to generate savings, and the transfer of the handling centre from Western Europe to DCT Gdańsk contributes to noticeable environmental benefits resulting from reduction of emissions from transportation of goods, which were admitted in ports of Western Europe, despite the fact that their destination places were in Central and Eastern Europe. One may say that DCT Gdańsk has contributed to the division of the traditional Asia-Europe trade route into the Asia-North-Western Europe and Asia-Baltic Sea routes, which completely changed the hitherto transport model and brought benefits to the Polish economy and the whole CEE region.

DCT Gdańsk - container revolution at the Baltic Sea



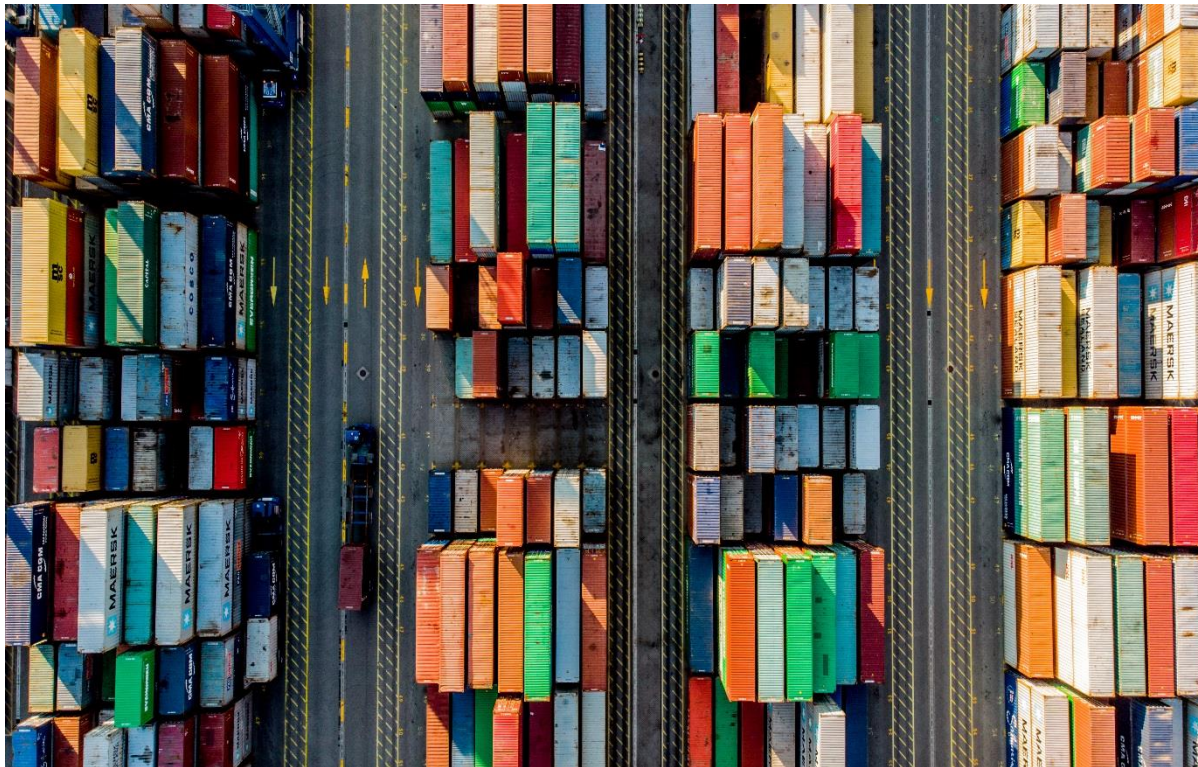
DCT Gdańsk is the largest container terminal at the Baltic Sea. The proved capacity to handle the largest ships in the world and lack of navigation limitations are what provides clients from all over the world with the most competitive offer and access to the fastest-growing region in Europe.

DCT Gdańsk – the most cost-effective hub at the Baltic Sea, the gate to Central and Eastern Europe.



Dominik Landa, Commercial Director:

The sailing industry deals with permanent changes. Not long ago the largest ocean vessels had the capacity of 8,000 TEU, and now their capacity exceeds 20,000 TEU. What we perceive nowadays as a potentially stable and long-term cooperation may turn out to be short-term. Allies of shipping lines undergo frequent changes, like the offered services and ocean services. What is the most important to us, being DCT's employees, is to be permanently ready for adaptation to the clients' expectations and decisions, for offering solutions that allow to build long-lasting partnerships. It is worth remembering that 20 years ago there were 23 shipping lines that offered services between Asia and Europe. Since then 60% of them have been acquired, merged or gone bankrupt. The others had to enter into alliances in order to increase their range and offer. We are lucky to handle two out of three such allies (and we do hope to attract the third ally as well). We believe that the support of the most ecologically-friendly means of transport, being sea carriage of goods, is of significant importance in sustainable development of the Polish economy.



The current allies of container operators and lines cooperating with DCT Gdańsk:

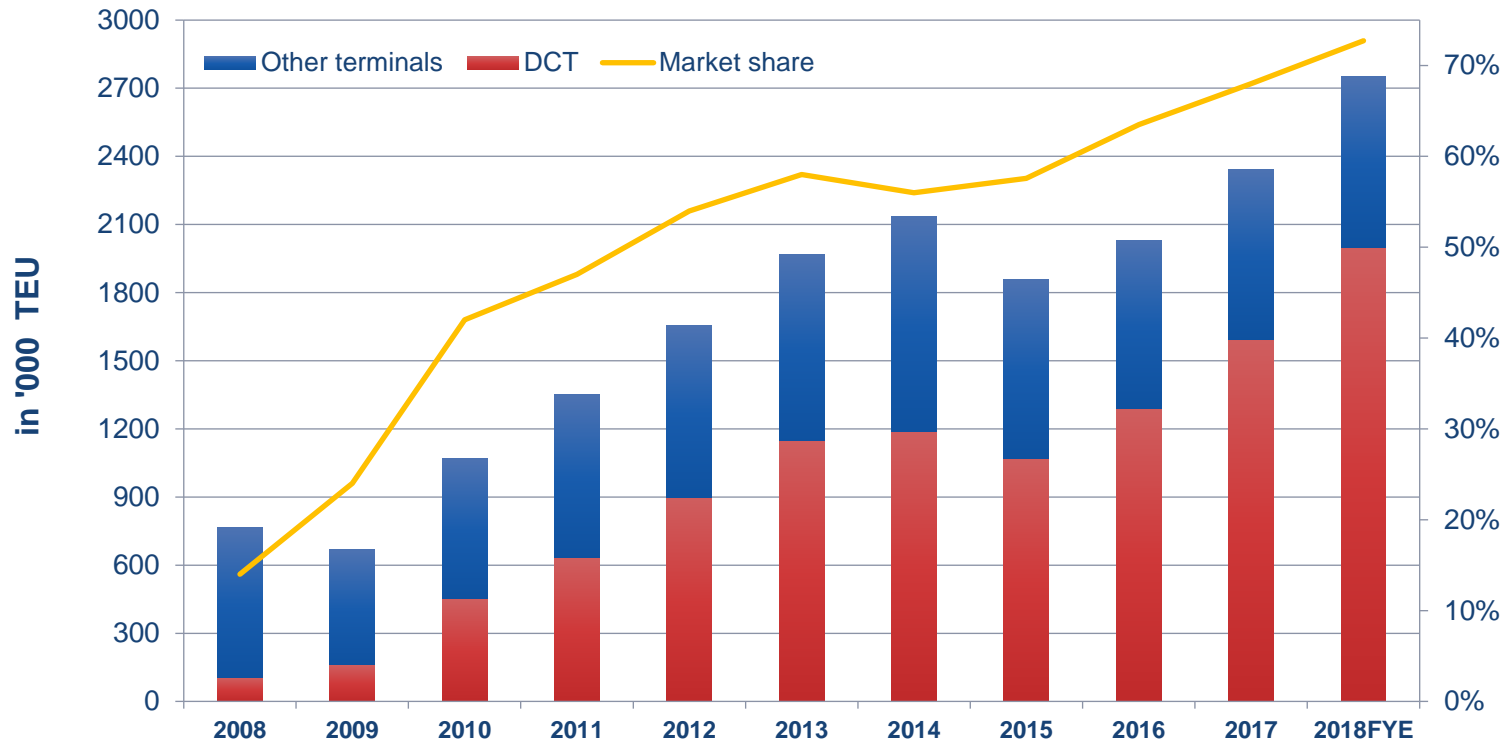
- **2M alliance** - shipping lines: Maersk Line (ML), Mediterranean Shipping Company (MSC)
- **Ocean alliance** - shipping lines: American President Lines (APL), Cosco Shipping Lines (COSCO), CMA-CGM, Evergreen Marine Corporation (Evergreen), Orient Overseas Container Line (OOCL)
- **Other shipping lines:** SeaLand, Hamburg SUD, Unifeeder, Teamelines, Deutche

Afrika-Linien (DAL), Yang Ming Marine Corp. (Yang Ming)

1.4. Growth dynamics

DCT Gdańsk has been developing its operations uninterrupted for more than a decade. In the first year of our activity we handled 4,423 TEU¹, which is the volume we currently handle within less than a day. The employment increased from ca. one hundred people in 2007 to more than nine hundred people employed nowadays. **We have become the largest and fastest-developing container terminal at the Baltic Sea, being the destination and transit port for the largest sailing allies in the world.** Our annual handling volume is greater than the total handling volume in all other Polish terminals.

¹ TEU (*twenty-feet equivalent unit*) – a freight unit corresponding to one 20' container. It is used for defining the container capacity of ports and ships. Its name derives from the standard container of the dimensions of 20 × 8 × 8.5 feet, i.e. 6.10 × 2.44 × 2.59 metres or ca. 39 m³. Such containers had been commonly used since the 1960s. . Nowadays the standard size of containers is twice longer.



In 2016 we handled almost 1.3 million TEU, in 2017 almost 1.6 million TEU, and our potential capacity oscillates around 3 million TEU per year. It makes us one of the best one hundred container terminals in the world, puts us on the 16th place in Europe and, for a long time now, on the 1st place among container terminals at the Baltic Sea.

In 2017 DCT Gdańsk was the sixth fastest-growing container terminal out of one hundred largest container terminals in the world and the second fastest-growing container terminal in Europe.

Thanks to our professional staff and permanent investments in the development of the terminal Poland is able to effectively compete with the largest ports in Europe, with benefits for the state budget. The current growth dynamics, exceeding 40% quarter-on-quarter, allows to believe that this position will be at least maintained. It will result in an increase of receipts from customs duty, VAT and excise duty to the state budget, reaching more than PLN 6 billion every year.



Jacek Grabowski, Operations Director:

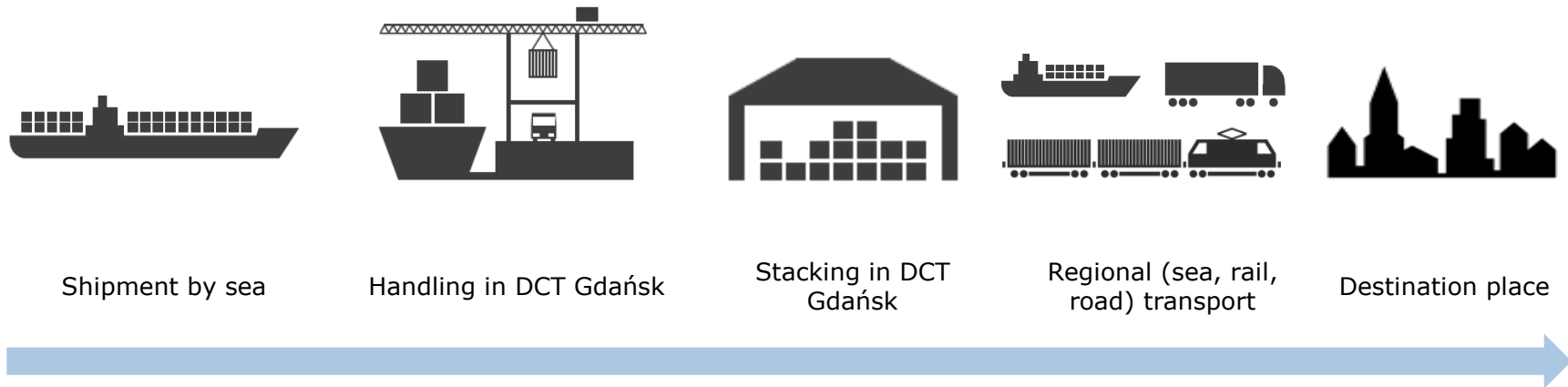
It is our ambition to be the first-choice terminal for the largest sailing lines on the Baltic Sea. For this purpose we do not only offer them services that meet the growing operational challenges, but in particular the services of the terminal whose priority in everyday operations is occupational health and safety and permanent development of its staff, whose number increases on a regular basis. Our basic tasks is to effectively handle containers, but when making operational decisions we always remember that the basis of success is satisfaction of our clients, which is guaranteed thanks to perfectly skilled and involved crew. The great qualifications of our perfectly prepared staff are what strengthens the role of

DCT Gdańsk as a responsible leader of the Polish intermodal industry and an active participant of the social life and the environment in which we operate. Our strength is based on human resources. Perceiving them as a potential for our growth is what motivates us for actions.

1.5. The handling process

We are prepared to meet the challenges presented by our clients. The impressive parameters of the largest container ships in the world are not an operational impediment to us. We have modern infrastructure that meets all market expectations. What makes the value of the offer of DCT Gdańsk is the most modern handling equipment, operated by professional staff, installed on durable and safe infrastructure.

Unloading container ships is a complicated process during which the great power of cranes and huge gantries requires absolute precision of the operator. Our employees work all day and night in order to assure that the containers unloaded from ships are taken to the proper place at the stacking yard and prepared for further carriage. What happens to containers later depends on our clients. Being a modern terminal and hub for Central and Eastern Europe, we offer handling services in all relations, with the use of different means of transport (sea, rail, road).



The infrastructure available in the vicinity of DCT is what allows us to quickly and safely ship containers by rail or road, and handle them onto smaller ships, able to reach further ports at the Baltic Sea. We are able to handle all container types that are currently used. Our berths and equipment allow to handle untypical cargoes, for example oversized cargoes and extremely heavy ones. We also offer services in the scope of storage of containers, or unstuffing



of containers together with storage of goods.

Apart from regular rail handling services provided on our own railway siding, we also serve on a regular basis the trains arriving from the Czech Republic. As compared with terminals from Western Europe, Gdańsk is located closer to many cities and production centres in the north of the Czech Republic and Slovakia, and our southern neighbours appreciate the quality of our services and the better economic outturn resulting from transportation of goods across Poland than countries of Western Europe.

In 2017 we handled:

500 ships

5,000 trains

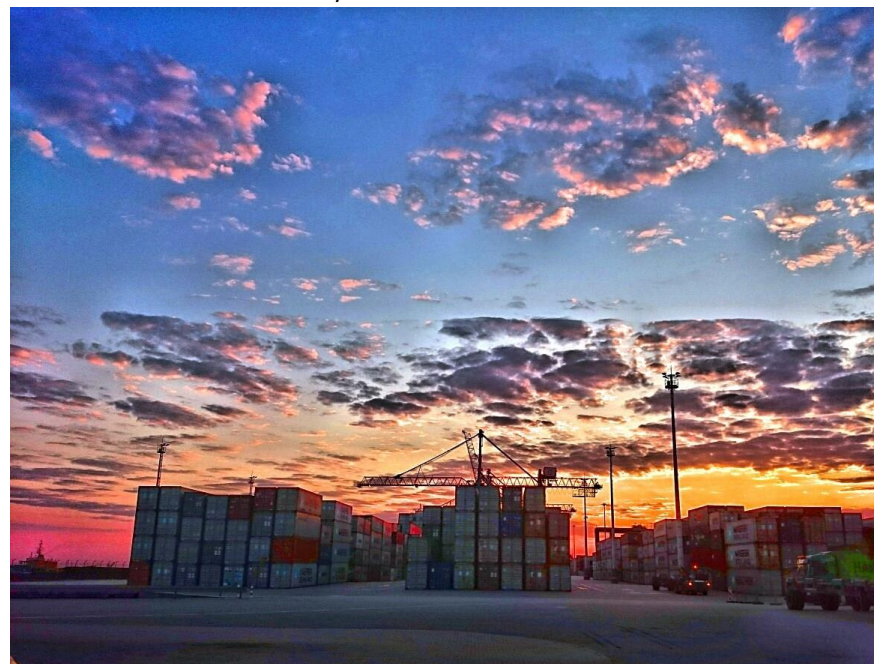
300,000 trucks

1.6 million TEU

Chapter 2. Corporate social responsibility

We understand corporate social responsibility as consciously playing the role of the leader in the sea industry, perceiving its own development in a sustainable manner, taking into account the social and economic environment, the natural environment and the macro-economic factors. CSR is reflected in our uncompromising approach to occupational health and safety, respecting the local community and environmental resources. Besides, it also includes responsibility for the quality of work performed by us. On the one hand we strive for financial stability, and on the other hand, which is equally important, we care about social and economic development. Being a barometer of the international trade, **“the lungs of the Polish economy”**, we are responsible for sustainable development and supply of oxygen to the whole economic system, whose effectiveness is the guarantee of better quality of life of the present and future generations.

In DCT Gdańsk we understand that the great role played by enterprises as regards their responsibility for their influence on the society results mainly from integration of the business, macro-economic and social factors, contributing with the synergy effect to the overall increase in the welfare based on the concept of sustainable development. We are convinced that sustainable development is the factor whose proper understanding and adoption will allow to shape the company's business strategy. In our work we believe that the processes of social and economic transformations should be integrated with the actions aimed at balancing the profits against the development costs for the purpose of satisfaction of the needs of the current generation without an adverse impact on the opportunities for the development of the future generations. We make efforts to put this concept into practice by combining the sustainable development strategy with the business strategy. It enables us to design initiatives that are closely related to our everyday operations and to impact their effectiveness and, what is more important, long-term efficiency.



2.1. Environment and safety

2.1.1. Environment

In DCT Gdańsk we are convinced that business objectives may be accomplished with respect for the natural environment. The character of our economic activity, which fits into the history of Gdańsk, is connected with the necessity of industrial use of the natural coastal areas, including those that are adjacent to Natura 2000 areas. We treat it as an undertaking to develop in a sustainable manner and as the basis for functioning that consists in prevention of negative phenomena and compensating the exerted influence.

DCT Gdańsk cares about the quality of the air, as a result of which it pays special attention to ecological solutions. It is our priority to reduce emission of fumes as a result of change of the main model of supply of RTG cranes from diesel fuel to electricity. Apart from that, in order to purchase modern, electrically powered STS cranes, we introduced a new energy consumption criterion into the tender requirements. Designing a dedicated formula for calculation of energy savings in the reference life cycle of a crane is what allowed us to promote, in a non-discriminating manner, the stable and safe but possibly light structures of electrically powered cranes, which will contribute in the long-term to reduction of energy consumption and cost saving. Additionally, for the purpose of reduction of emission of fumes, the above was supplemented by the decision made by DCT Gdańsk to purchase



electrical eRTG cranes for service of the whole berth and stacking yards of T2 terminal, which was put into operation in 2016. **The complete electrification of T2 allowed to reduce carbon dioxide emission and supply costs by ca. 80%.**

As a result of innovative technical solutions as part of the control system, both STS cranes and eRTG cranes used at the terminal of DCT Gdańsk are capable of energy recovery from the handling process. The recovered energy is transferred to the power system in DCT Gdańsk and is subsequently used by other equipment and facilities all over the terminal, which results in reduction of the demand for the energy supplied to DCT Gdańsk. **The current recovery level is ca. 10-12% of the total electricity consumed by DCT Gdańsk.**

In 2017 the consumption of energy by DCT Gdańsk from all sources (electricity, diesel fuel and gas) reached 57,302.66 MWh. As it stems from our analyses, in 2018 the consumption of resources and energy should be shaped on a similar level, indicating a reduction in all areas. Thanks to the energy intensity of STS cranes and electrification of RTG cranes we expect **savings as regards the consumption of diesel fuel on the level of 330 thousand litres per year and reduction of the total emission of CO₂ in the following years.** In turn, the purchase of new electrical cranes, the replacement of traditional RTG cranes with electrical RMG cranes for service of the railway siding and the planned location on the berth of modern wind generators will contribute to significant improvement of the energy output of the emission effect, energy efficiency and consumption of natural resources.

Ratio	2016	2017	June 2018
GHG (kg CO₂ / total TEU)	7.53	7.90	6.54
MWh / total TEU	0.0188	0.0181	0.0180
Toe / total TEU	0.01617	0.00156	0.00150
Water (litres/manhours)	7.08	6.41	5.40

* Objective for 2018

We also support the environment by undertaking other initiatives. In 2016 we reduced the number of used oil containers by 80%. We adapted our workshops to acceptance of 1,000-litre DPPL oil containers (multiple-use containers), which replaced the 200-litre containers which had been used so far. As a result, the number of containers used in a year was reduced by 100. Additionally, we limited the number of possible spills of used oil. At present it is stored in one, secured, 3000-litre container connected with the places of collection with the use of a modern hydraulic system.

In response to the research carried out a few years ago, indicating that the permissible phosphorus concentration in the sewage discharged by DCT was exceeded, we modernised our sewage system by means of separation of industrial sewage system from the sewage system discharging municipal sewage, in order to prevent similar situations in the future and allow the receiver of sewage for separated distribution and proper treatment process. During works we limited the use of cleansers with phosphorus in the area of sanitary and office sewage. The new equipment allows for flawless operation and great effectiveness, and the measurements made in the years 2016-2017 confirmed that DCT Gdańsk complies with the applicable standards in this respect.

Among numerous environmental campaigns experts appreciated the concept supported by us, consisting in **construction**



of the first artificial dune in Poland, whose character corresponds to the character of the areas occupied by the terminal. In cooperation with the Biological Station of the University of Gdańsk, at Sobieszewska island we created, with the use of almost five thousand tonnes of sand, a unique ecosystem that perfectly imitates the natural coastal habitat. The established Dune Laboratory of the University of Gdańsk allows for use of its resources by students and scientists from the university for gaining and promoting knowledge of plant species that are typical of the sea coastal line, their adaptation in the construction, life functions, significance in the ecosystem and in the protection of nature.

Source: Dune Laboratory of the University of Gdańsk, Sobieszewska island



Another example is the compensatory measures connected with the occurrence in our area of rare and precious species of birds. Initiatives undertaken by DCT Gdańsk considerably exceed the recommendations of the Regional Directorate for Environmental Protection. For the purpose of protection of unique species of birds we fenced off (inter alia) the beach adjacent to the terminal, where nests and breeding sites were built for the four species: common ringed plover, shelduck, merganser and little tern. The purpose of the fencing was to provide for the protection of new hatching sites of birds against people and beasts of prey, and the part of the beach where protected species of birds settled is under permanent supervision of ornithologists.

2.1.2. Safety

DCT's priority is to provide safe and comfortable work conditions for the whole staff, the staff of our clients and subcontractors, in compliance with the basic principle: **NO accidents.**



We strive for **improvement of the culture of safety** both within the company and among our partners. For this purpose we organise a wide range of trainings and initiatives focusing on the broadly-understood safety. We

care about the health of our employees, make every effort to provide them with the most comfortable working conditions, and to effectively prevent any occupational diseases as a result of the preventive actions taken by us.

In 2017 we performed:

1,451,865 manhours

545 OHS trainings

31 safety campaigns

and invested **PLN 2.5 million** in safety

Every year DCT Gdańsk organises **the Active OHS Day** on the premises of the terminal. The purpose of the campaign is to increase the employees' awareness of safety by means of running workshops and practical drills in potentially hazardous situations. Till 2015 all editions of the campaign were directed to employees. However, in response to the social need to build the culture of safety, in 2016 the Active OHS Day also covered truck drivers arriving at DCT Gdańsk, and in 2017 - children of employees of DCT Gdańsk, in order to start safety education from the youngest age.

During the Active OHS Day we offer the following events and attractions:

- fire drills
- evacuation drills at the STS crane
- demonstration of the terminal equipment
- simulators of eco-driving, crashes and overturning
- alco glasses and reflex metre
- possibility of donating blood and entering into the register of bone marrow donors
- charity race and competitions with awards

DCT Gdańsk has developed and implemented procedures aimed at reduction of



hazards on work stands, prevention of accidents and occupational diseases.

Thanks to defining the manner of handling, establishing and maintaining the documented objectives and tasks in the scope of safety DCT Gdańsk permanently improves the work organisation and strives for reduction of risks and hazards connected with the processes at the terminal. In DCT Gdańsk we perceive safety as an undertaking that determines the style of our work.

As part of numerous initiatives:

- representatives of the managerial staff walk on a regular basis on the premises of the terminal in order to talk to employees and make sure that their work environment is safe (Walk&Talk) - more than 80 times per year
- representatives of the Safety Department carry out regular safety reviews in all places at the terminal - more than 200 times per year
- every day we display accident statistics on publicly available monitors
- every quarter we choose the Safe Employee of the Quarter,
- we facilitated systemic reporting by employees of near-miss incidents, for the purpose of prevention of possible risk and identified hazards

In 2017 we recorded:

ZERO fatal accidents **15** accidents at work **135** reported near miss incidents

5% manhours lost as a result of accidents as compared with all worked manhours

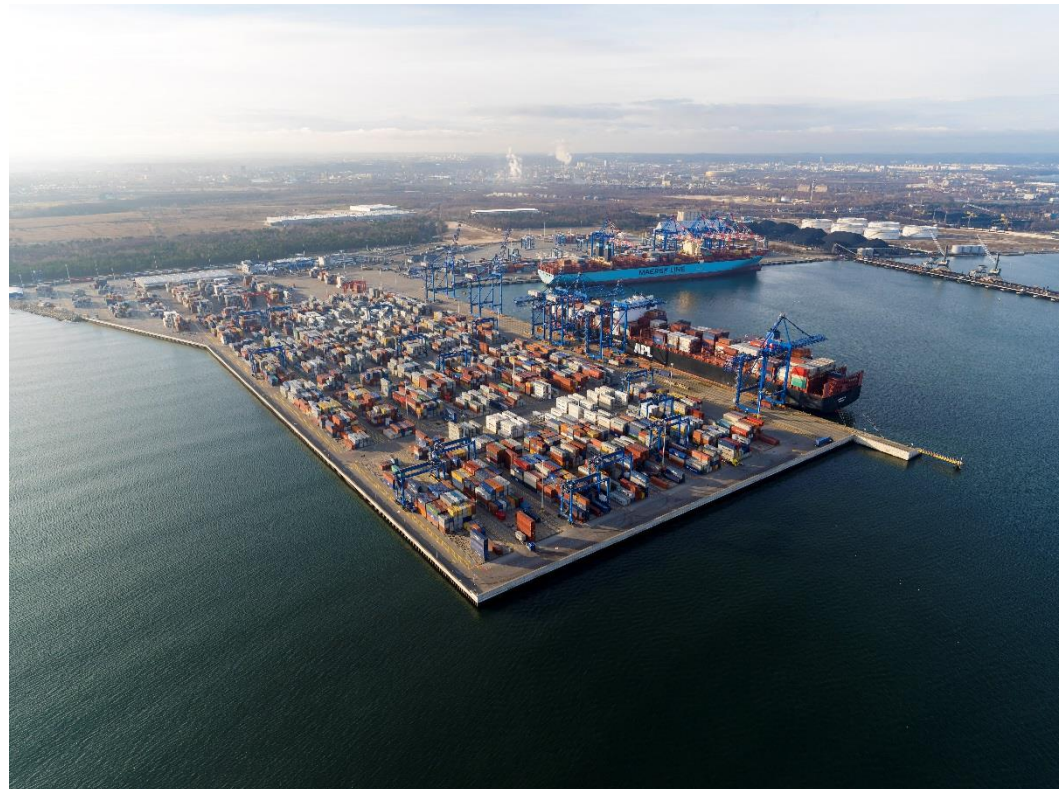
2.2. Society

Corporate social responsibility of DCT Gdańsk is reflected in perceiving the needs of our surroundings.

We participate in the life of the local community, invest in the social infrastructure, support education and physical activity of children and young people, help seniors to participate in the life of the society, but we also remember about people in need.

We cooperate with the police, the fire service, teachers, schools, universities, scientists, sports clubs, foundations and hospices.

We take a lot of initiatives aimed at permanent influence on our surroundings. We believe that social involvement is a value in itself rather than a corporate obligation.



In 2017:

We implemented **20** social projects with more than **15** partners

and made a decision to increase the social budget for 2018 by **50%**

One of our flagship social projects is **Programme "Safety of Children in the City"**, which is held on an annual basis. This educational initiative was developed and has been implemented since 2014 jointly with the Prevention and Road Traffic Department of the Provincial Police Headquarters in Gdańsk. The programme was designed for the youngest children, in order to teach them how to behave in a safe way from the earliest years. All children starting education in the first class of Primary School No. 61 in Gdańsk take part in the programme, and the total number of children who have already participated in it exceeds 200. The



programme is aimed at acquisition by the youngest participants of the road traffic of desirable behaviours, safe habits and awareness of threats connected with everyday life and participation in the road traffic. Apart from the principles of the road traffic, children also become familiar with the principles of behaviour towards strangers, staying at home on their own, they learn about how to be safe near water and how to safely do winter sports and play outside with their peers. The educational classes are held as part of the programme four times in the school year, and lessons are run by skilled police officers. Within the framework of the programme children receive:

- primers for the whole school year, focusing on safe movement on the road, contacts with strangers, safety during stay at home on their own, during summer and winter holidays;
- high-visibility vests and bands;
- educational materials in the form of board games and colouring books.

DCT is an active participant of the social life. **We believe that our actions allow us to support, integrate and jointly develop local partnerships, and the broadly-understood social investments will contribute to permanent construction of the social infrastructure and confidence.** From all social campaigns in which we take an active part we are particularly proud of participating in the following projects:

We provided support to the Voluntary Fire Service in Raduń by equipping fireman with new uniforms. This unit helped inhabitants directly after the storm that devastated Pomerania in August 2017. Their uniforms were destroyed as a result of hard work. It was an element of the support campaign organised by Loża Gdańska, called "LG BCC together for people in need". Thanks to the support provided by member companies it was possible to raise 70 thousand zloty, which was distributed to families in need from the communes of Brusy, Chojnice, Czersk and Dziemiany.



We took part in all-Poland charity action Pola Nadziei (Fields of Hope), dedicated to small patients of hospices. The campaign is symbolised by daffodils, handed out to donors, and the accompanying events include (inter alia) ride of motorcyclists, daffodil relay and concerts. In order to support this great initiative, in DCT Gdańsk we worked two full shifts during the great final of the campaign and for each container handled at that time we gave PLN 1 to hospice "Pomorze Dzieciom". Daffodils were in blossom in the administration building during the campaign.

We cooperate with Primary School No. 61 in Gdańsk. So far, apart from periodic organisation of "Safety of Children in the City", we managed to establish an educational multimedia room in the school. Thanks to the use of the projector, tablets and dedicated applications pupils may acquire knowledge in a modern manner. Additionally, we supported the school in establishing a kitchen for schoolchildren. It is where cooking workshops are to take place, in combination with biology lessons and classes focusing on nutrition and healthy lifestyle.



2.3. People

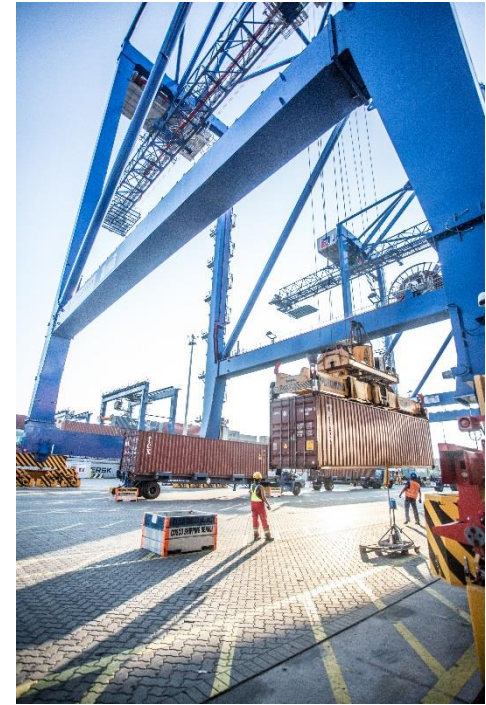
DCT Gdańsk is a company that is open to people. We pay a lot of attention to relations among people, both within the organisation and in our contacts with the business environment. By establishing good relations with employees, clients, partners, suppliers and all visitors we want to take part in the life of the local community.

We strive for creating an optimum work environment in which each employee has a sense of safety and comfort, where competitive remuneration together with a pack of fringe benefits, clear and transparent career path and wide opportunities for development allow to attract and retain the best professionals. We believe that perfectly skilled and involved staff is the basis of the success of DCT Gdańsk. That is the reason why we build employees' confidence by transparent regulations, equal treatment, periodic assessment and open conversations with employees. We want the place of our work to be a friendly environment for everyone, where thoughts, views, experiences and competences are exchanged. We want everyone to feel a part of the exceptional community and, at the same time, to be duly appreciated for the contribution made by them towards the development of the organisation.



In DCT Gdańsk we understand that only motivated employees who are satisfied with their work may guarantee economic success of the organisation. That is why **we provide our Employees with fair remuneration, an attractive and just bonus system. We permanently invest in the development of competences by means of trainings and co-financing of university education and foreign language classes.** Apart from a wide range of educational possibilities available on the market we have appointed an internal team of instructors, who prepare operators of the largest handling equipment at the terminal for the state examination and work in DCT Gdańsk.

Apart from that, each Employee is covered by the cafeteria system, as part of which he/she makes a decision on which benefits to choose. When establishing the terms of cooperation with numerous business partners we remember about our Employees. Thus, apart from the ordered service we receive for employees of DCT Gdańsk tickets for sports events, cultural and artistic events and concerts. We distribute all received tickets among our Employees. We also co-finance private medical packs, providing Employees with quick access to specialist healthcare.



In 2017²:

We employed **848** Employees, including **163** women

and performed **1336** trainings, investing in the staff development PLN **600,000**

² In 2018 the employment in DCT Gdańsk increased by more than 100 people, including ca. 60% employees who were employed as a result of the referral system, based on recommendation of candidates by current Employees.

In DCT Gdańsk we widely share knowledge and experience. Our employees are lecturers at WSB University, who teach students how to manage a sea port. Apart from that, every year we organise student practice, offering young people practical opportunities for education in all departments of our company. In cooperation with foundations we promote knowledge of sea economy, international trade, trade exchange and logistics, by running workshops at the terminal for students from Pomerania. We also take part in academic initiatives, in order to support the concept of sea upbringing and sea economy among students and academic staff from all over Poland.

We promote a healthy and active lifestyle, allowing our Employees to indulge their sport passions. Apart from offering Employees tickets for matches and other sports events, we also support the running team of DCT Gdańsk. We equipped runners with professional clothes promoting DCT Gdańsk and finance participation of athletes in regional and all-Poland running events. In March 2017 ten long-distance runners started in ONICO Gdynia half marathon, and our first athlete had the great time of 1.34.56. **DCT's running team also takes an active part in numerous pro-social campaigns, such as the annual Hope Relay, the great charity campaign of the Pomeranian Hospice for Children.** During this event sportspeople, including Olympic winners, supported by volunteers, including runners from DCT Gdańsk, take it in turns to run on the running track and ride stationary bikes. DCT Gdańsk pays 1 zloty for each kilometre done, and the campaign is accompanied by many shows, attractions and contests.



The Employees of DCT Gdańsk have established a Football Team, which represents the company in regular matches as part of the Football League of the Tri-City, grouping more than 100 amateur football teams. Footballers also play in the newly inaugurated Port Football League for teams from the broadly-understood sea industry. After the end of the last season DCT's Football Team got promoted to the second Football League of the Tri-City, confirming its permanently growing potential. DCT Gdańsk purchased professional uniforms for players, finances their participation in matches, awards for the team and the lease of the sports hall. The use of the hall is not only limited to our team, though. Each employee is offered an opportunity to use the hall once per week, when it is reserved for employees of DCT Gdańsk.



More and more of us arrive at work by bike, popularising this means of transport among our Employees.

We have installed a bike rack in front of the administration building, and DCT Gdańsk has participated for many years in the campaign "Getting to work by bike", competing with other companies in Poland as regards the number of kilometres done. The current results are displayed on monitors installed in the company and constitute an additional motivation for riding more frequently. Additionally, in our internal bulletin DCT News we publish information on interesting cycling routes in the surroundings of the Tri-City.

In 2017:

Our runners ran **1,000** kilometres, our footballers shot **169** goals

and our Employees rode **6,300** kilometres on their way to work

We do not expect our Employees to become involved in voluntary actions and no such actions are taken into account when establishing the amount of remuneration or bonuses. However, we do appreciate such activity and support pro-social attitudes and initiatives of our staff. Some of the numerous campaigns held by our Employees include all-company charitable “Run under the crane”,



and the raised funds were used for supporting people in need. Apart from that, they also became involved in direct help



to people suffering the consequences of the storm that took place in the north of Poland in 2017. Our employees provided them with food, household chemistry and tools necessary for removal of the consequences of the natural disaster, and provided almost 300 kg of animal fodder and accessories to the animal shelters in Sopot and Dąbrówka near Wejcherowo. Every year our Employees organise the December Cake Fair, and the income generated from it is given to

charity.

Another evidence of the good atmosphere in DCT Gdańsk is the great number of picnics and festivals, organised every year for Employees and their families. In 2017, on our 10th anniversary, we organised an integrative event, during which we jointly celebrated the past decade of our work and thanked Employees for their involvement. This event was preceded by a lot of surprises and campaigns held on the premises of DCT.



Cooperation and respect for other people are very important values in our everyday work. In DCT Gdańsk we try to put into practice the social participation model by actively conducting the dialogue with the company branch of the trade union organisation. What motivates us in the cooperation with the trade union is the awareness that the social dialogue is a valuable relation between the employer and employees, whose joint objective is to create an optimal work environment that brings benefits for each of the parties. In practice we try to implement this idea by presenting reliable data in the course of the dialogue, fair justification of such data and joint weighing of the arguments. We believe that it contributes to greater understanding of each problem and facilitates acceptance of ultimate solutions. We see that this approach also constitutes a great value for the development of our organisation. We are convinced that looking for understanding and perceiving the problem from both angles of perspective are of key significance for building a durable and partnership-based relation between the employer and the trade union organisation.

The afore-mentioned conviction is what enabled us to effectively talk to the social partner and sign, in 2016, **the first collective agreement in the history of the Polish containerisation. As a result of the agreement Employees received a wide range of benefits, such as pay rises, allowances for work on holidays and special shifts, such as the jubilee award, allowances for work at night whose amount exceeds that provided for in the provisions of the labour law.** In 2018 the collective agreement was updated and renewed for the further three years, and apart from further pay rises and maintaining the acquired rights Employees were also granted a right to an attractive Christmas award, the incentive scheme was expanded and the envelope of funds to be paid was increased.

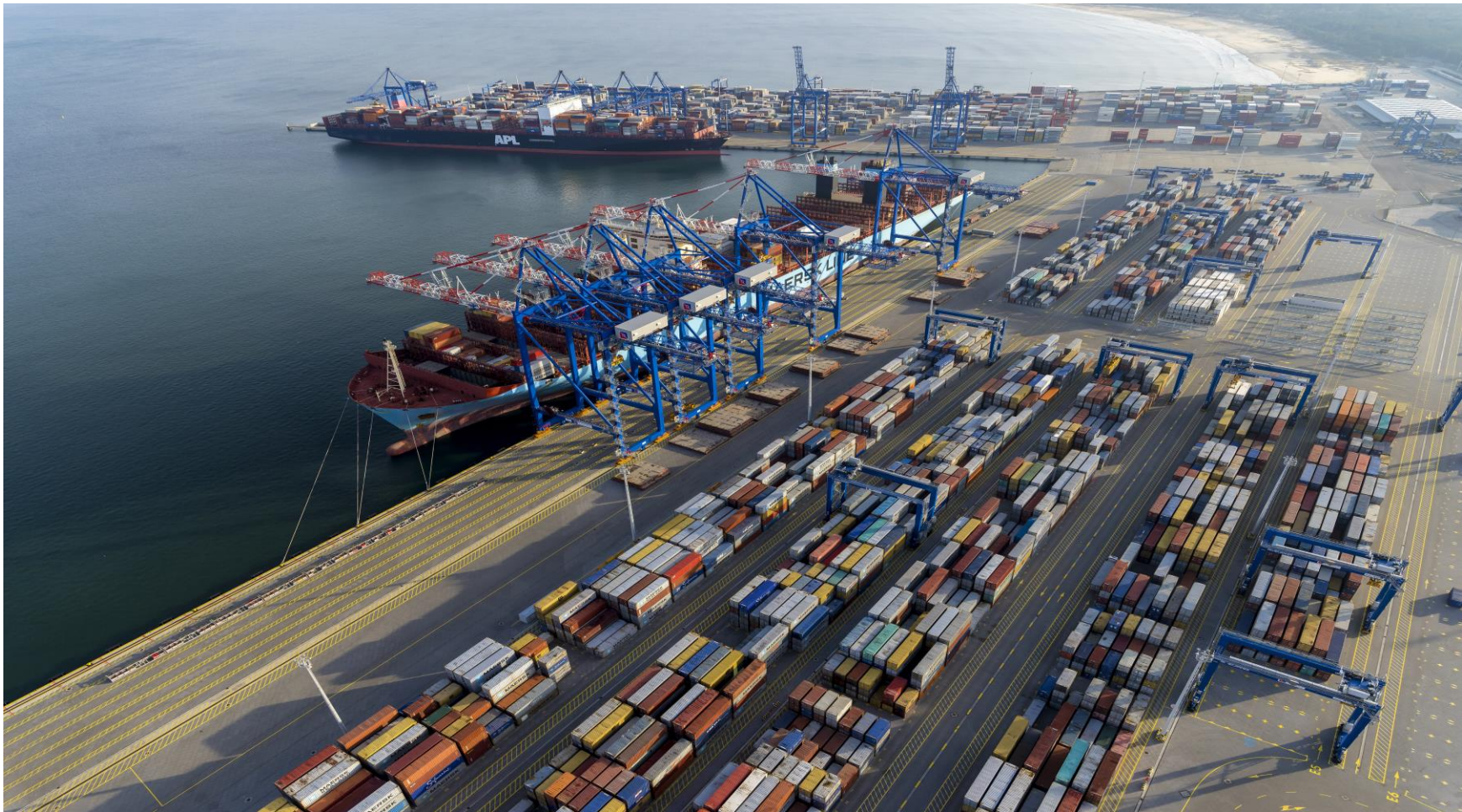
In 2017:

100% of Employees were covered by the collective agreement,

with the number of members of the trade union organisation on the level of **41%**

Marzena Grzonkowska-Przyklęk, HR Director:

In DCT Gdańsk we believe that social dialogue is much more than a good catchphrase. It is a value in itself in the aspect of the influence and the benefits for the parties and the company itself. It is what drives evolution for sustainable development. We treat social dialogue in a serious and responsible manner. It may not be merely a slogan that creates the corporate image, but it should be a real value for organisations whose basic value is people. As we see it, it is people who create DCT Gdańsk and success is built by the whole crew from a scratch.



About the report

We understand the importance of responsible communication with the environment in which we function. In order to assure transparency of our actions, this sustainability report, being the first such report in the history of DCT Gdańsk and the Polish containerisation, does not only depict our company from the social perspective but it also presents some of the campaigns we have implemented so far with our partners.

The publication was prepared in reference to the indicators of the Global Reporting Initiative. We plan to prepare another edition of the report in the coming years.

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List of GRI indicators

1. DCT Gdańsk – gate to Central and Eastern Europe

GRI 102	General disclosures	102-1	Name of organization
GRI 102	General disclosures	102-2	Activities, brands, products, and services
GRI 102	General disclosures	102-3	Location of headquarters
GRI 102	General disclosures	102-5	Ownership and legal form
GRI 102	General disclosures	102-8	Information on employees and other workers
GRI 102	General disclosures	102-13	Membership of associations
GRI 201	Economic Performance	201-1	Direct economic value generated and distributed (including revenues, operating expenses, salaries and wages, subsidies and other investments for the community, undistributed profits and payments to capital owners and state institutions)
GRI 204	Procurement Practices	204-1	Proportion of spending on local suppliers
GRI 102	General disclosures	102-16	Values, principles, standards, and norms of behaviour
GRI 102	General disclosures	102-11	Precautionary Principle or approach

GRI 102	General disclosures	102-12	Externally developed economic, environmental and social charters, principles, or other initiatives to which the organization subscribes or which it endorses
GRI 102	General disclosures	102-40	List of stakeholder groups
GRI 103	Management Approach	103-2	The management approach and its components in the following areas: <ul style="list-style-type: none"> - environmental, - social, - human rights, - prevention of corruption, - HR, with indication of significant themes as part of a given area.

2. Corporate social responsibility

GRI 102	General disclosures	102-41	Collective bargaining agreements
GRI 202	Market Presence	202-1	Ratios of standard entry level wage by gender compared to local minimum wage
GRI 203	Indirect Economic Impacts	203-1	Development and impact of infrastructure investments and services provided primarily for public benefit through commercial, in-kind, or pro bono engagement. Their impact on the society.
GRI 401	Employment	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees
GRI 403	Occupational health and safety	403-2	Rates of injury, occupational diseases, lost days, and absenteeism, and total number of work-related fatalities, by region and by gender
GRI 403	Occupational health and safety	403-3	Occupational health services
GRI 404	Training and Education	404-1	Average hours of training per year per employee

GRI 404	Training and Education	404-2	Programs for upgrading employee skills and transition assistance programs
GRI 302	Energy	302-1	Energy consumption within the organization
GRI 302	Energy	302-3	Energy intensity
GRI 302	Energy	302-4	Reduction of energy consumption
GRI 305	Emissions	305-1	Direct (Scope 1) GHG emissions
GRI 306	Effluents and Waste	306-1	Water discharge by quality and destination
GRI 306	Effluents and Waste	306-2	Waste by type and disposal method
GRI 306	Effluents and Waste	306-3	Significant spills
GRI 304	Biodiversity	304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas
GRI 304	Biodiversity	304-2	Significant impacts of activities, products, and services on biodiversity
GRI 304	Biodiversity	304-3	Habitats protected or restored
GRI 307	Environmental Compliance	307-1	Non-compliance with environmental laws and regulations
GRI 419	Socioeconomic Compliance	419-1	Non-compliance with laws and regulations in the social and economic area