



Marcura[®]

United Nations Global Compact
Communication on Progress

2016

Letter from the Board of The Marcura Group

In 2012, DA-Desk, the Group's flagship company, became a signatory to the UNGC. Since then, it has steadfastly undertaken many initiatives to embed its commitment to the UNGC's Ten Principles in their everyday work.

Inspired by DA-Desk's example, last year, we decided to become a signatory as a Group.

It has been a matter of great pride for us that we've been able to bolster the initiatives of the past and add a lot more, with the various business units within the Group across multiple locales driving participation in order to advance the Principles and the Goals laid down by UNGC.

Over the last year, we have seen volunteers from our Dubai and Mumbai offices come together to drive initiatives through the three teams we have set up internally: the Labour & Human Rights Team, the Anti-Corruption Team, and the Environment Team. These teams have been instrumental in translating the initiatives into accomplishments worthy of the 17 Goals of the UNGC.

Our Labour & Human Rights Team have focused on enhancing employees' health, safety and working conditions through various initiatives related to wellness and first aid, as well as insurance benefits. The Team has also spearheaded efforts to contribute tangible assistance for labourers in communities where we work.

At Marcura, we understand the importance of the environmental impact that a business causes and our commitment in this regard has been unwavering.

This is why reducing the Group's carbon footprint is an ongoing initiative being pushed by the Environment Team. I am pleased that our efforts have been recognized by local authorities like the Emirates Environment Group who recently awarded us with the First Runner-up Certificate for the Paper Collection Campaign 2015.

For their part, our Anti-Corruption Team has sought to educate the Group through regular sharing of anti-corruption news and advisories.

Indeed, we have raised the bar for ourselves over the last couple of years and I am particularly impressed to see many people in the Group showing the commitment to improve even further across multiple fronts.

In this light, I proudly present to you, in the following pages, the Communication on Progress 2015-16 for The Marcura Group.

Jens Lorens Poulsen

Group CEO



About this Marcura Report

This is the first Communication on Progress Report for The Marcura Group, covering the period from June 2015 to May 2016. This Report has been inspired by the insights and commitment of one of our portfolio companies, DA-Desk FZ-LLC.

DA-Desk joined the United Nations Global Compact (UNGC) in June 2012 and has since initiated a series of changes to how the entire organization operates. So while this Report is the Group's first collective Communication on Progress, it is essentially DA-Desk's fourth.

The UNGC is a voluntary framework for companies that commit to align their business operations to the UNGC's Ten Principles.

The Ten Principles consist of four main pillars:

- **Human Rights**
- **Labour**
- **Environment**
- **Anti-corruption**

This Report is an overview of activities and initiatives at Group offices in Dubai, United Arab Emirates, and Mumbai, India, and at our representative offices across the world that relate to the UNGC principles.

For more information about UNGC, please visit www.unglobalcompact.org



About this Marcura Report

The Marcura Group is founded on the principle of building sustainable long-term value for all stakeholders while ensuring that compliance and transparency are integral to all processes.

As such, this Report covers only a part of all the active and planned initiatives in the Group.

Nonetheless, it includes information about our business, our policies, and our efforts related to aligning our operations and initiatives with the Ten Principles.



About The Marcura Group

Committed to streamlining the processes of the shipping industry.

For over 15 years, we have invested in businesses with unique expertise, innovative systems, efficient processes and skilled industry specialists. Businesses that have the potential to develop industry standards and innovate sectors with efficiency, intelligence and value-adding services. Each business is founded on principles of independence and transparency with the aim to become a preferred specialist partner to the frontline people of the industry.

Our unwavering commitment to our customers' needs has resulted in a portfolio of businesses with exceptional customer retention rates. Businesses that are always being proactive, relentlessly seeking improvement and ultimately delivering lasting value.

It is estimated that 90% of all world trade is handled by the global shipping industry, delivering critical energy, food and raw materials to 7 billion people. This huge responsibility rests on a few hundred thousand frontline professionals.

However, these professionals are being burdened by unnecessary friction and pains in what should be straightforward transactions.

With our businesses, we aim to fill the trust gap in the industry by embedding our services into the industry's actual transactions. We do this by checking and essentially clearing information, money flow and counter-parties.

As of May 2016, the Group has nine portfolio companies and business units under management.



Implementing the Ten Global Compact Principles

We serve over 250 vessel-operating companies located globally, including many publicly traded companies, the three biggest commodity trading houses, and major tanker operators. Since 2001, we have helped transform port cost management practices and establish new standards for efficiency and oversight in the industry.

Our services effectively involve managing an annual collective budget of more than \$5 billion and processing about 150,000 payments to agents and suppliers located all over the world. Our scale, unique resources and insight into port costs worldwide is leveraged by our customers to achieve greater transparency, better contract compliance, and more effective cost containment.

We bi-annually engage Lloyd's Register Quality Assurance (LRQA) to audit our Quality Management System (QMS) for ISO 9001:2008 certification and Deloitte to audit our process controls under the ISAE 3402 international standard issued by the International Auditing and Assurance Standards Board (IAASB). Integrity, transparency, and independence are the cornerstones of our Group, and compliance is fundamental and embedded in all our services and processes.

We have no connection to port suppliers, port agents, port authorities, or shipping companies. Our independence is one of our bedrock principles and allows us to avoid conflicts of interest, whether actual or potential.

Moreover, as part of our commitment to transparency, good governance and compliance, we became a signatory to the UN Global Compact, joined the Maritime Anti-Corruption Network (MACN), and underwent TRACE Certification. We actively promote TRACE, one of the leading third party due diligence organizations, supporting shipping agents worldwide to undergo, at a reduced cost, comprehensive due diligence review, approval and certification process that provides certified entities with portable compliance information. In early 2015, we became an Associate Member of BIMCO, an organisation that promotes fair business practices, free trade and access to markets.

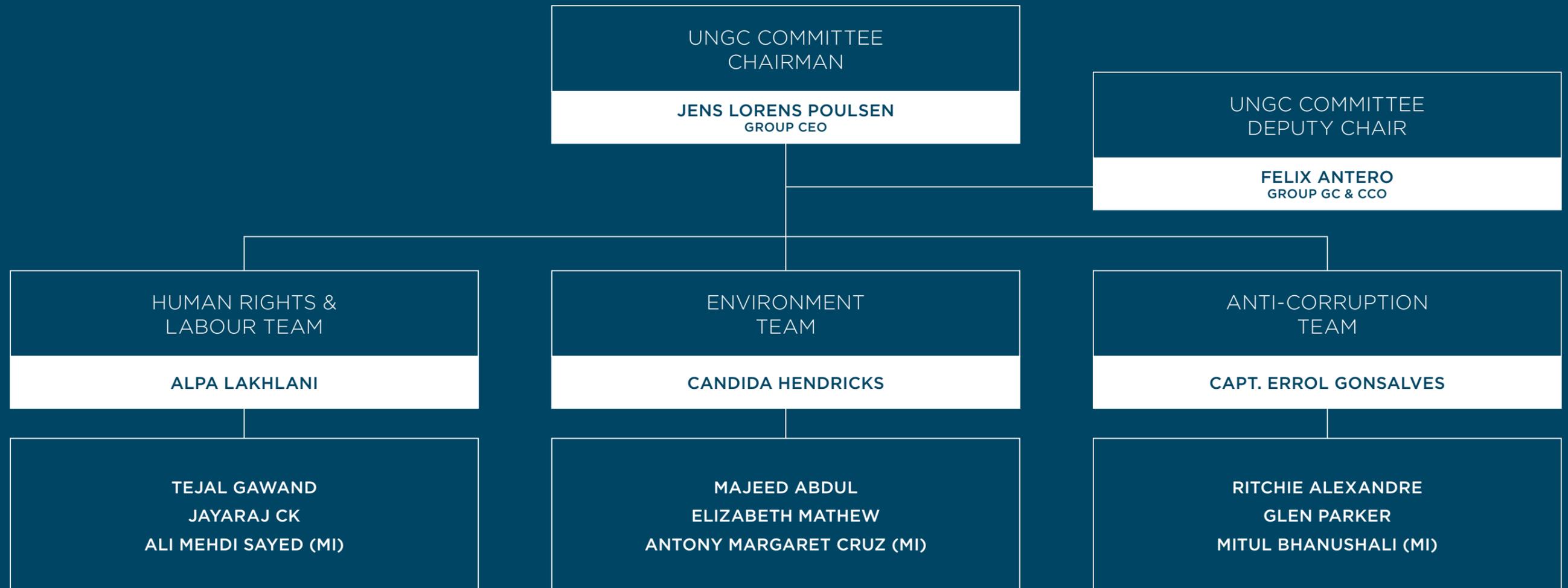
We invest intensively in our services to further develop and deliver new applications that meet our customers' need for process improvements while also meeting regulatory demands. Our focus on innovation is following Design Thinking principles, and our Innovation Team generates user-driven solutions to complex

problems through a process characterized by intensive research, feedback loops and quick iterations. This helps our businesses develop well-differentiated products and clear benefits that keep up with our customers' complex and ever-changing needs.

Our Group is a multi-cultural workplace with 27 different nationalities currently represented. We continuously focus on our people, hiring experienced knowledge workers who fully understand the practices of the shipping industry. With a growing number of offices globally, we offer our employees additional flexibility and opportunities for career planning and training.

We have an interdisciplinary UNGC Committee that includes key members from various departments and chaired by the Group CEO. In 2016, like in the case of DA-Desk in previous years, we have had overwhelming support from volunteering employees across the Group, leading to a growth in initiatives which we are pleased to present in this Report.

The Marcura Group's UNGC Committee 2016



Our Stakeholders

Determining materiality for this Report includes considering economic, environmental, and social impacts that are relevant to us as a business organization and our stakeholders which include our Group employees, our customers, our suppliers, our partners and our communities.

The materiality test was conducted internally by relevant staff members who engage on a regular basis with key stakeholders. The primary areas highlighted by stakeholders during the materiality test are:

- **Anti-corruption, fair business ethics, innovation, fair profitability, integration, privacy and data protection, engagement, transparency, compliance**
- **Human rights, on-time payment, compensation & benefits, talent retention, career path, promotions, training & development, working conditions, gender equality**
- **Carbon emission, waste management and afforestation**



Policies, practical actions and outcomes

The following pages provide an overview of how we apply practical actions, planned projects and initiatives aligned with the Ten Principles and based on the four pillars of UNGC.

Human Rights

Principle 1

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

Principle 2

Make sure that they are not complicit in human rights abuses

Overview

Our respect for human rights is integral to the way we work.

At The Marcura Group, respect and support for human rights are fundamental aspects of the company's culture. We employ a multicultural group of professionals and our Code of Conduct outlines the behaviour expected of every employee at any level.

Our employees act with integrity and they conduct their affairs legally, ethically and responsibly. In practical terms, our policies prohibit us, for instance, from paying money to or receiving money from the suppliers whose invoices we audit on behalf of our principals. This way, we can be certain that we do not take part in irresponsible practices that are harmful to our customers and to society as a whole.

We recognise that respecting human rights is a continual process which we will always strive to improve. No discrimination is allowed based on gender, ethnicity, religion, race, nationality or physical disability.

Commitment, policies and goals

We respect our colleagues and employees.

Our policies uphold and promote human rights in accordance with the United Nations Global Compact.

We seek to do this in three ways:

- In our operations by upholding our values and standards
- In our work environment by encouraging individuals to grow professionally and personally
- In our relationships with customers and suppliers by upholding our values and standards through constant communication

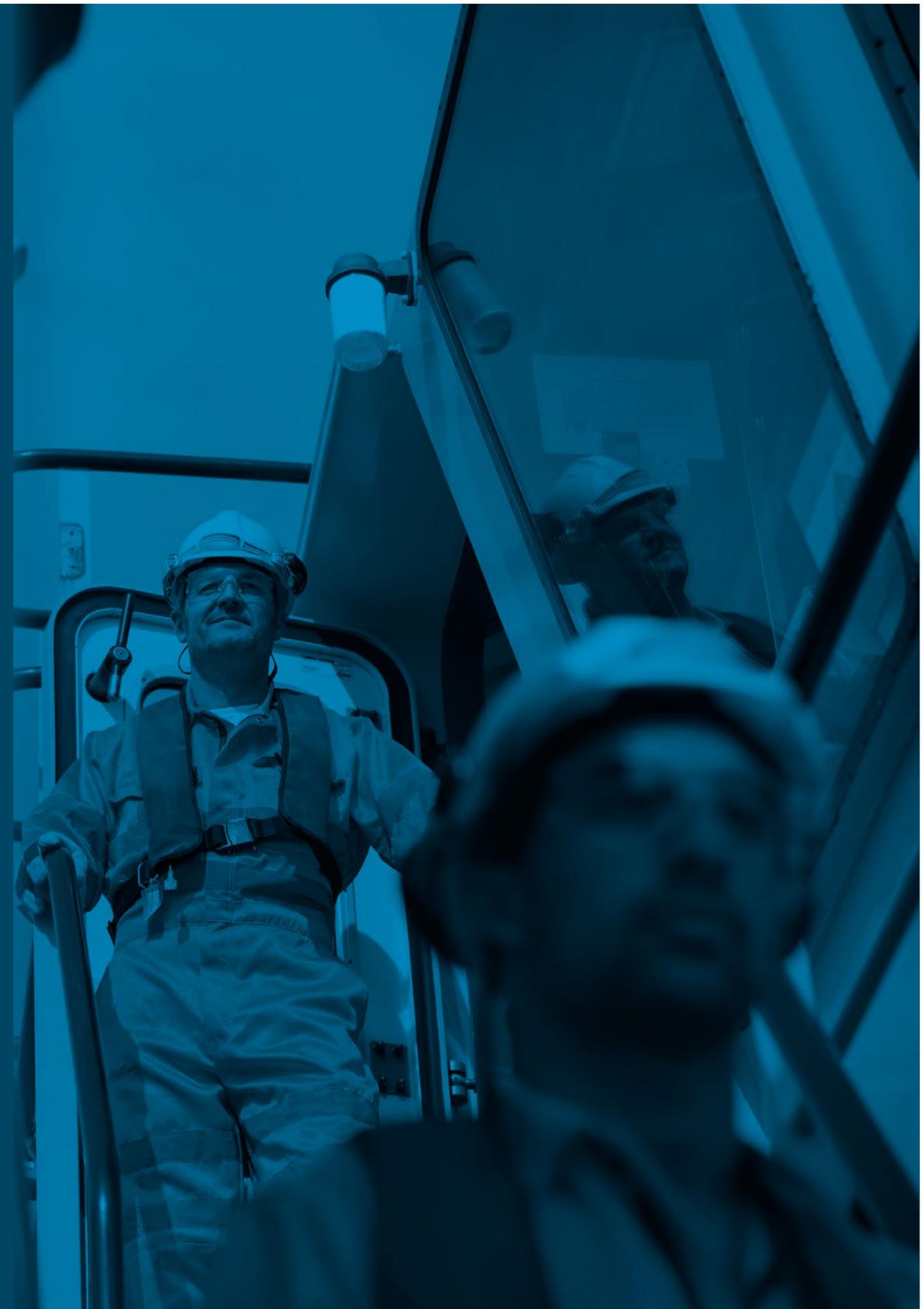
Our policies are in accordance with applicable laws of each of the countries where we have offices and representations:

- Respect for human rights, including the requirement that no employee shall suffer harassment, physical or mental punishment, or any other form of abuse
- Fair remuneration, which may include the provision to employees of housing or housing allowance, medical insurance, repatriation and end-of-service gratuity

2016 Highlights:

1. The Health and Safety of employees is always a priority

- All employees and their dependants to be covered for medical insurance in India
- ACHIEVED
- Maternity coverage for the wives of all employees to be provided in Dubai
- ACHIEVED
- Liaising with hospitals/clinics to provide free health check-ups for our employees
- ACHIEVED
- First Aid Training program to be held for 30 employees
- ACHIEVED
- 35 height-adjustable workstations to be procured
- ACHIEVED
- Special ergonomic chairs for employees with lumbar problems to be procured
- IN PROGRESS
- Renovation of the office area, taking the safety and comfort of Dubai-based employees into account
- ACHIEVED
- A special fire panel to be set up and linked with Dubai Civil Defence
- ACHIEVED
- Additional fire alarms to be installed in the Dubai office
- ACHIEVED
- Appointing an employee with substantial experience in the Indian Navy as Safety Officer for Mumbai Office
- IN PROGRESS
- Proper escape plans and signage to be installed at various entry/exit points and locations, including Assembly Points
- IN PROGRESS
- Fire drills to be conducted regularly
- IN PROGRESS
- Improved medical insurance cover and higher life insurance cover for rank-and-file staff in Dubai
- ACHIEVED



2. A healthy and inspiring work environment



5th April 2016 Employee Health and Wellness Program

To inspire a healthy lifestyle, we brought a comprehensive wellness initiative to our office, sponsored by our UNGC Human Rights team.

The wellness day took place during the World Health Week and was done in collaboration with Aster DM Healthcare. We would like to thank Aster DM Healthcare for supporting us.

Many thanks to our UNGC Human Rights team members: Alpa Lakhlani, Jayaraj CK and Tejal Gawand for successfully organizing the wellness program.



2nd April 2016 UNGC inter-company Volleyball Match

In continuation of World Health Week, The Marcura Group also organized a corporate Volleyball League in Al Fayne Park, Sharjah.

All four teams of 30 enthusiastic colleagues participated in friendly matches throughout the day.

All participants showed great sportsmanship!

Above, Jens Poulsen, Founder and Group CEO congratulates the winners with a trophy at our DA-Desk office.



25th April 2016 Internal Group cricket match

Sponsored by our UNGC team, the Marcura Group organized an exciting employee cricket match. All four teams of very enthusiastic colleagues showed great sportsmanship.

Above, Jens Poulsen, Founder and Group CEO congratulates the winners with a trophy.



30th May 2016 Marcura Group charity

Because we believe in giving back to the community, The Human Rights Team has made an active effort to promote well-being and community engagement through a voluntary charitable collection drive.

The funds collected will be deployed this summer, by giving food packets with chilled juices and water to blue-collar workers toiling in the heat. The charity box is filled with voluntary contributions from employees.

Labour Principles

Principle 3

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

Principle 4

The elimination of all forms of forced and compulsory labour;

Principle 5

The effective abolition of child labour;

Principle 6

The elimination of discrimination in respect of employment and occupation.

Overview

The Marcura Group respects and follows the labour laws of the countries where we operate.

We employ over 550 knowledge workers, representing 27 nationalities across our main offices in Dubai and India, and representative offices globally. We believe in providing equal opportunities and in empowering people through knowledge.

We employ skilled, professional and dedicated people. We believe that it is important to engage and inform all employees about our values. These are highlighted when every employee is introduced to the company and their role during the induction period. Each member of staff has access to our HR Handbook, is informed of his or her rights, and is encouraged to share their opinions and concerns.

We do not tolerate retaliation against individuals who make a good-faith report of suspected misconduct or violation of law. Likewise, we do not tolerate any form of retaliation against anyone who honestly cooperates or participates in any investigation of a suspected violation.

Within the UNGC Team, we have assigned four members to engage in these initiatives and processes with regards to labour standards.

Commitment, policies and goals

We respect labour laws and the welfare of our employees.

The Marcura Group endeavours to uphold and promote labour rights in accordance with UNGC principles and international conventions.

The Group does not use forced, compulsory or child labour. The Group policies are in accordance with the labour laws and standards of the countries in which we operate, including:

- No use of forced or compulsory labour
- Freedom of employees to terminate employment after serving the contractual notice period of one, three or six months, as the case may be
- The minimum age of employment within The Marcura Group is 18 years
- Employees' contracts follow the laws of the respective country in which they are employed

The Marcura Group aims to ensure not to conduct business with companies that violate labour rights.

2016 Highlights

Leveraging our scale and expertise for the benefit of the seafarers

Our UK subsidiary, MarTrust Corporation Limited, has been successful in leveraging our industrial scale and purchasing power in the service of the most at-risk workers in our industry; the seafarers and their families.

19th May Appreciation Day For Blue Collar Workers at Dubai Outsource City

DA-Desk, a Marcura portfolio company, is proud to be associated with Unity Community Happiness, a CSR event organized by the Management of Dubai Outsource City (DOC) on the 19th of May 2016 to acknowledge the efforts and hard work of the support staff who work at offices and its environs in the DOC.

We are pleased to have brought them a little closer to their family back home by giving away pre-paid calling cards, a small tribute to their hard work and efforts.

Jens Poulsen, Founder and Group CEO, personally appreciated and thanked them for their great support and help to keep the business moving forward.

Thanks go out to the DA-Desk UNGC Team its volunteer staff who have proven that they stand committed to upholding the principles of the United Nations Global Compact that advocate human and labour rights.



Environmental Principles

Principle 7

Businesses should support a precautionary approach to environmental challenges;

Principle 8

Undertake initiatives to promote greater environmental responsibility;

Principle 9

Encourage the development and diffusion of environmentally friendly technologies.

Overview

Our Board, management and our dedicated UNGC Team drive our initiatives to promote best use of resources and protection of the environment. Through employee involvement, commitment and training, we continue to find and adopt ways of doing our share to protect the environment in our daily business activities. Reduction of paper usage and the active promotion of digital submission of information are incorporated in The Marcura Group's policies and procedures.

We recognize our obligation to contribute to sustainable development and to behave as a good citizen. Thus, we will try our best to limit our environmental impact through efficient utilization of resources and we will support innovative developments in the shipping industry that create platforms for digital exchange of information and communication.

Commitment, policies and goals

- We protect our environment
- The Marcura Group policies and business principles support innovative developments in the shipping industry that create platforms for digital exchange of information and communication
- The Marcura Group aims to reduce waste
- Reduction of printed papers and the active promotion of digital submission of information are incorporated in The Marcura Group's methods and procedures

2016 Highlights

Paperless processes take over

1. We have upgraded our systems and implemented the Soft Upload process, which further eliminates printing and shipment of documents. It's a work-in-progress and we have so far implemented it in 87% of our business.
2. While business is growing, we have successfully achieved a significant reduction of 39% on paper reams as compared to 2015. To further reduce the use of paper, we regularly re-use single-sided prints after which the paper is sent for recycling.
3. We have issued circulars to create awareness among staff regarding global warming.
4. We have reduced the usage of tissue paper by 19% by installing dispensers that not only promote reduced usage, but also encourage employees to move around their work areas more frequently.
5. We consolidated offices under one roof, achieving more savings on energy, water and waste disposal costs.
6. We have introduced our own "green email signature" to promote awareness, resulting in the reduction of toner cartridges by 52%.

Energy & Waste Management

1. We have made it our duty and responsibility to regularly remind our staff to turn their computers off before leaving the office and to contribute towards saving energy.
2. We oversaw the scrapping of 67 units of electronic appliances in the year 2015-16 and achieved a reduction of 3,169 lbs of CO₂ through Enviroserve. The Group received a runner-up award for its efforts in the "Paper Collection Campaign".
3. We have completely stopped the use of plastic bottles in the office both in Dubai and Mumbai. We have provided our staff with good quality glass bottles and minimized the procurement of plastic bottles altogether. We have invested in crystal tumblers and jugs to provide fresh water to our guests in both offices.
4. We have achieved an estimated saving of 74,822 lbs of CO₂ by reducing the number of business trips and engaging with our customers through web-based meetings.
5. We have merged office staff bus transportation pick-ups which resulted in an estimated saving of 22,795 lbs of CO₂.

Environmental & social responsibilities

1. We received a Certificate of Participation in the "Clean Up UAE" initiative by the Emirates Environment Group where our employees contributed in the clean-up of the desert.
2. As a part of the Emirates Environment Group, Marcura participated in the 'Masafi Tree Planting' activity, where we had the privilege of planting trees in our Group's name.
3. The Emirates Environment Group also nominated Marcura to participate in 'Project Green Print', where we were again nominated to plant two additional trees in our Company's name right in the heart of the City.
4. We have introduced indoor and outdoor plants in our Dubai and Mumbai offices to increase the supply of fresh oxygen within the office premises.
5. We have installed hand-sanitizer units around the office.
6. We have auctioned old computers to our employees and intend to use the proceeds towards charitable causes.
7. We held a donation drive for the flood-affected victims in Chennai (India) and the funds were sent towards rehabilitation of the victims.



Anti-Corruption Principles

Principle 10

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

Overview

Compliance is one of the core values of The Marcura Group. We aim to continually improve the culture of compliance within our organization and in the industry where we operate.

We favour suppliers and partners which hold and practice the same principles we value.

In a way, The Marcura Group is a 15-year old compliance engine because we effectively handle critical compliance regulations affecting port cost management for the benefit of our customers. More importantly, our compliance work is efficient and manageable, not only for us but for our external stakeholders as well.

It is embedded in all our operational processes, accepted and used daily by over 2,000 commercial users and their almost 10,000 agents. We facilitate an efficient operational flow that integrates compliance-related functionalities and procedures relevant to our customers.

The 10,000 vetted agents in our system receive and actively acknowledge detailed instructions and policies for every port call, which is unique to the industry. Through each and every transaction, both customers and agents benefit from being more compliant through The Marcura Group. As new regulations influence our industry, this responsive system enables our customers to implement new instructions on regulation that matter to them.

Commitment, policies and goals

- We comply with Anti-Corruption Laws
- The Marcura Group is committed to acting ethically and legally regardless of where we do business. This means, in part, that we abide by all international anti-corruption laws, treaties and regulations that prohibit bribery, improper payments or kickbacks
- The Marcura Group is strongly committed to do its part in combating corruption in all its forms. We believe that corruption undermines democracy, the rule of law and the proper operation of free markets
- Anti-corruption compliance is embedded in all our processes. The Marcura Group also has a dedicated Compliance Team that works full time on compliance-related tasks and initiatives

2016 Highlights

The activities of the Anti-Corruption Team centered on identifying areas of corruption in the industry and issuing circulars within Group.

1/2016

This circular dealt with the risks of 'tipping' in international shipping and in how many jurisdictions this could be construed as a bribe because they are not voluntary in nature. Apparently in some ports it is considered 'custom of the trade' to pay facilitation expenses to port, customs and immigration authorities, stevedores and other parties. Expediting or facilitating payments are prohibited by many countries and largely banned under many companies' compliance policies.

2/2016

This circular dealt with corrupt cargo hold cleaning and inspection practices in Argentinian ports, which are alleged to be widespread.

3/2016

This circular dealt with fake invoices and resulted from the BIMCO Secretariat having been advised of a recent attempted fraud by a company which demanded payment from a BIMCO member for services never requested by, or rendered to, their vessel.

4/2016

This circular provided additional information on Argentinian hold practices.

5/2016:

This circular dealt with avoiding the latest cargo related frauds whose perpetrators sought to trick owners into remitting advance payments. BIMCO issued a circular about key warning signs and steps to be taken.

Get in touch

We are interested in knowing what you think about our Communication on Progress report. We value your feedback, which will be used for analysis and further improvements.

Please send your feedback to our contacts below or email info@marcura.com

The Marcura Group **UNGC Committee**

Jens Lorens Poulsen
Group CEO, UNGC Chairman
Tel: + 971-4-3636200
Mail: j.poulsen@marcura.com

Felix J. Antero
**Group General Counsel &
Chief Compliance Officer**
Tel: + 971-4-701-7050
Mail: f.antero@marcura.com

Capt. Errol Gonsalves
Managing Director, CP-Desk
Tel: + 971-4-3636261
Mail: e.gonsalves@cp-desk.com

Candida A. Hendricks
Executive Assistant to the Board of Directors
Tel: + 971-4-3636200
Mail: c.hendricks@da-desk.com

For more information about
The Marcura Group, visit
www.marcura.com



Marcura[®]

Copyright © 2016 Marcura Equities FZE