



GLOBAL STAR LOGISTICS (CHINA) CO., LTD.

5A Oriental Financial Park, No. 2981 Dongfang Road, Pudong, Shanghai 200125, China
Tel: + 86 - 21 - 5043 2170 to 87 (18 Lines) Fax: + 86 - 21 - 6867 0488, 6867 1166

* for UN Global Compact: Human Rights, Labour, Environment, Anti-Corruption & 17 SDGs *

COMMUNICATION ON PROGRESS year 2016

To our stakeholders / employees / vendors:

Jan 03rd, 2017

I am pleased to confirm that Global Star Logistics (China) Co., Ltd. reaffirms its support of the Ten Principles of the United Nations Global Compact in the areas of Human Rights, Labour, Environment, Anti-Corruption & 17 SDGs.

In this annual Communication on Progress, we describe our actions to continually improve the integration of the Global Compact and its principles into our business strategy, culture and daily operations. We also commit to share this information with our stakeholders using our primary channels of communication.

Sincerely yours,

Leo Ge

Managing director

Global Star Logistics

* * * * *

Human Rights

Assessment, policy and goals

Global Star Logistics (China) Co., Ltd.(Hereinafter called: GSL), since its inception has been to follow the principle of "all people are created equal, equal opportunity for all and everyone does their fair justice", we support the "everyone has the equal pay for equal work rights without any discrimination". Not to be discriminated against by factors such as age, race, gender, marital status, religious belief, ethnic origin or physical disability. Company guarantee to provide employees with a fair working environment and employment security. At the same time, we also require the enterprise's partners to do the same to respect human rights and prevent employees from being invaded. In the future, we will be relentless in the "respect for human rights, people-oriented" as the management policy of the enterprise.

Implementation

GSL, in the past year, not only for each employee were business knowledge training, including physical and mental health, ideological education and awareness of human rights, which human rights awareness training is most important of our training programs.

Measurement of outcomes

After a long period of training in all aspects of staff, employees and employees, leaders and employees are working together without violating the rights of others and respect each other. At the same time, therefore every employee can explore their potential to find personal value, develop every employee's confidence, willpower and leadership when they confront their own life, their future. We believe our employee's harvest on both material wealth and spiritual wealth, this is the way to achieve a happy and wonderful life.

Labour

Assessment, policy and goals

GSL fully aware of the vital interests of employees is the basis for the development of enterprises, only the interests of employees have been the greatest fulfilled, the company's interests can be guaranteed. In terms of labour recruitment, we strictly against any discrimination against child labour. In the work management, forbidden forced or disguised forced overtime work. About the salary, our employee's basic salary all in strict in accordance with the state regulations of the minimum security line salaries, bonus part in accordance with the performance; also according to employee's working performance, with certain proportion of adjustment. In addition, employees can enjoy additional benefits such as health insurance, vacation, in accordance with the provisions of the national policy, all the staff enjoys their own paid annual leave.

Implementation

Over the past year, all employees have signed labor contracts, the contract statement of labor conditions and the environment and the voluntary nature of employees and, all employees enjoy the freedom to leave. At the same time, GSL maintain a high degree of attention for the health and safety of employees, i.e. GSL provide each employee an annual physical examination. In addition, company will subscribe to health magazines and other books for employees spare time learning, organization on healthy events to maintain and improve physical health of our people.

GSL continue to strictly in accordance with the new labor law of our country and each employee sign labor contract, at the same time, in accordance with the provisions of the state to pay all kinds of insurance premiums, to comply with all the provisions of the labor law.

Environment

Assessment, policy and goals

GSL is in non manufacturing industry, according to our own specific circumstances, we establish, implement, maintain and improve the environmental protection policy, for environmental protection and sustainable development work equipped with adequate manpower, material resources and technical and financial support. GSL internally released (Elevator, Air-conditioner utility policy), (Water & Electricity Saving Policy) Conservation electrical regulations), (Green Office / Green Procurement Regulations) file, lead by department head take the responsibility to inspect implementation situation of environmental protection and energy saving policies, when found whose action does not conform, will request related people correct and improve.

Implementation

Over the past year, GSL actively cultivate employees to establish mind of daily conserving resources, cherishing the environment, establish consciousness and behavior to protect the earth, to close non essential power, and good habit of saving water. In all office areas to implement on-site management and sent from time to time supervision and inspection, internal implementation of waste recycling, including newspapers, use both sides of paper, used office appliances, electronic equipment, etc., GSL in office areas placed with different of waste recycling bins, of waste paper, waste old batteries and other waste separation and recycling management, advocate the harmonious development of people and environment.

Measurement of outcomes

Through all people full efforts, GSL reached outstanding achievements on beautify environment, improving environmental management level, GSL an benchmarking enterprises that local and external enterprises visit and study our experience. Still GSL keep strictly keep high in accordance with the relevant internal regulations and standard, award incentives to remarkable employee, as well as open prizes in front of all people. Thus, GSL maintain our way of "Green".

Anti-Corruption

Assessment, policy and goals

All kinds of corruptions exist in a wide range of our life and business. How to resist all forms of corruption is an eternal problem in the business and also in all other fields. Positively participate in anti-corruption is GSL people's duty. We separate 2 kind of corruptions – external corruption and internal corruption. On both respects, GSL and our employees, our shareholders, our agents, our representatives, are restrict prohibits from corruptly giving, offering, promising, or authorizing anything of value to officials or political parties, officials or candidates, public or private enterprises, NGOs, for any purpose of influencing them to misuse their official capacity to obtain, keep, or direct business or gain any improper business advantage. GSL also forbids offering or paying anything of value to any person or entity(or a third-party) when it is known that all or part of payment will be

transmitted to official or key person, for the improper purposes mentioned above. All of GSL people has signed anti-corruption commitment. Everyone knows, GSL never bribe also GSL do not accept any bribe from any party. We believe a clean business environment is same important as the earth environment..

Implementation

Prohibit all forms of corruption must implement to everyone therefore, the ideological education for all employees is essential, and everyone knows corruption is Zero Tolerance. Once the discovery of bribery and or corruption, related staff will be terminate employee contract, if the circumstances are serious will report to legal authorities or entities. At the same time, GSL strictly required business partners / stakeholders to achieve zero corruption. Anti-corruption is a long-term task, we can confirm from GSL we do not bribe, but at another respect, we also reminder all our employee do not receipt any bribe. We will open anti-corruption email on our website, therefore to terminate any possibility happen.

Measurement of outcomes

Basis the zero tolerance policy of corruptions, internal corruption is not yet found so far, but it's not meaning there is no corruption now and in future. Our goal is to against all kinds and forms of corruption, this is not just a slogan, GSL believe it's a key element to become an outstanding enterprises with taking care of social responsibilities.

17 SDGs (Sustainable Development Goals)

- 1) **No Poverty** – End poverty in all its forms everywhere
- 2) **Zero Hunger** – End hunger, achieve food security and improved nutrition and promote sustainable agriculture
- 3) **Good Health and Well-being** – Ensure healthy lives and promote well-being for all at all ages
- 4) **Quality Education** – Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all
- 5) **Gender Equality** – Achieve gender equality and empower all women and girls
- 6) **Clean Water and Sanitation** – Ensure availability and sustainable management of water and sanitation for all
- 7) **Affordable and Clean Energy** – Ensure access to affordable, reliable, sustainable and modern energy for all
- 8) **Decent Work and Economic Growth** – Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all
- 9) **Industry, Innovation and Infrastructure** – Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation
- 10) **Reduced Inequalities** – Reduce income inequality within and among countries
- 11) **Sustainable Cities and Communities** – Make cities and human settlements inclusive, safe, resilient and sustainable
- 12) **Responsible Consumption and Production** – Ensure sustainable consumption and production patterns
- 13) **Climate Action** – Take urgent action to combat climate change and its impacts by regulating emissions and promoting developments in renewable energy
- 14) **Life Below Water** – Conserve and sustainably use the oceans, seas and marine resources for sustainable development

15) Life on Land – Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss

16) Peace, Justice and Strong Institutions – Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels

17) Partnerships for the Goals – Strengthen the means of implementation and revitalize the global partnership for sustainable development

At GSL we supporting all 17 SDGs, we understand that from now to the year of 2030, there are a lot of works to do. We believe the way 17 SDGs implement only with fully supporting from each individual and each company or organization, and all stakeholders.

GSL as one of the best company, we believe our dedications on this field will positively influence to the all our related parties, including venders, clients, employees, management, other third-parties. With our all possible resources including human resources, know-how and technology to make it happen.

We focus on below details SDGs, which we feel more close and more concern-

1) No Poverty – End poverty in all its forms everywhere

4) Quality Education – Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all

5) Gender Equality – Achieve gender equality and empower all women and girls

7) Affordable and Clean Energy – Ensure access to affordable, reliable, sustainable and modern energy for all

8) Decent Work and Economic Growth – Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all

10) Reduced Inequalities – Reduce income inequality within and among countries

13) Climate Action – Take urgent action to combat climate change and its impacts by regulating emissions and promoting developments in renewable energy

14) Life Below Water – Conserve and sustainably use the oceans, seas and marine resources for sustainable development

17) Partnerships for the Goals – Strengthen the means of implementation and revitalize the global partnership for sustainable development

We are keeping our further attentions and more detail methods to integrate 17 SDGs into our company's views and stakeholders' working principles.

=End=