



Marcura

**Marcura's Commitment to
The United Nations' Global Compact**

UNGC Communication on Progress Report 2018/19:
CSR at Marcura



WE SUPPORT

CEO's Review

Dear Reader,



For 2018-2019, The Marcura Group are pleased to continue the practice of providing an annual UNGC Communication on Progress Report which our largest subsidiary, DA-Desk, established in 2012.

Seafarers caught our attention in the human rights area this year. Transacting as we do across multiple currencies, time zones, languages and banking systems, the maritime world faces countless obstacles in paying and receiving salaries on time to ocean-going crew and their families. Despite the best intentions and efforts of shipping employers, 6% of crew payments are stalled because of cross-border transaction-related issues. This has caused great suffering to seafarers and their far-away families over the years. Through our maritime financial services arm, MarTrust, we are deeply

satisfied to have eliminated this problem in 99% of instances that we manage.

Our employees' 38 nationalities and our widespread global locations continue to strengthen our Group and help us uphold the promotion of diversity.

In support of the environment, we are proud to be taking steps toward helping the maritime industry reduce fuel consumption in port. While our commitment to independence precludes us from ever owning or operating vessels, we consider it our obligation to help our customers find ways to support UNGC environmental goals.

One of our emerging innovations offers insight into how our information technology tools can help support our environmental goals. We know that shipowners' and society's interests dovetail in ports: both want to cut fuel usage. Shipowners want to minimise time and fuel spent in port. Society wants to reduce pollution near population centres—many of which surround ports.

By introducing our industry's first real-time, granular views into port operations at the contract, planning and execution stages of each sea voyage, we help charterers, owners, masters and agents collaborate to reduce

both hours and fuel waste. At the same time, early customer reports tell us that our tools save them hundreds of thousands of dollars per year. Maritime experts have been hard at work for decades to reduce fuel waste at sea. We are hopeful that our technologies will bring similar improvements.

In terms of compliance and anti-corruption, Marcura have in recent years become active with leaders working to improve the industry globally. In the past year, for example, we have launched Marcura Compliance as a Service (MCaaS) as a core customer offering. For our DA-Desk customers, we continue to offer enhanced compliance services for all transactions and parties entered in the system. For customers choosing our PortsDirect services, we offer access to suppliers pre-vetted through highly transparent selection systems that operate well-shielded from bribery and inappropriate incentives.

Of course, general legal and maritime awareness around anti-corruption has not yet reached a level that demands scrupulous, multi-layered checks and verifications. Nonetheless—and particularly operating as we do the world's largest port payments processor—we consider

it our ethical duty to help the industry continue to evolve in this direction. We have organised an initiative with the Maritime Anti-Corruption Network (MACN) to help build that awareness in the industry, and to strengthen the anti-corruption tools available.

Marcura are serving the interaction between principals and their counterparties. We believe that it is our solemn obligation to safeguard the integrity of this space.

As in past years, I find gratification in discovering ways that the UNGC Principles continue to energise our diverse group of employees, and to invigorate our culture. For that reason, our Report again takes the somewhat unusual step of highlighting employee-driven involvement in both our Dubai and Mumbai locations.

On behalf of the Board, I am pleased to submit to the UNGC the 2018-2019 Communication on Progress Report for The Marcura Group.

Jens Lorenz Poulsen

Group CEO

About this Report

We at The Marcura Group are pleased to present our fourth Communication on Progress Report. From June 2018 to May 2019, our Group companies and employees have continually sought to enhance our posture in adhering to the Ten Principles of the UNGC, in its four main pillars:

Human Rights

Labour

Environment

Anti-Corruption.

Policies, Practical Actions and Outcomes

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

This Report provides an overview of activities and initiatives aligned to the UNGC principles, which have been rolled out at our offices in Dubai, UAE; Mumbai, India; and at our offices in Dubai, Mumbai and other cities across the world.

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

About The Marcura Group

The Marcura Group provides the maritime industry with 24/7 operational support services and specialised cloud-based platforms managed by industry specialists. We work closely with our global customers and partners to develop innovative solutions to everyday industry challenges, and together raise standards along the way.

We are headquartered in Dubai with a global network of offices. Our Group includes, amongst others, the world's largest port cost-management company, DA-Desk; a leading maritime port supplier-vetting and procurement services provider, PortsDirect; and a maritime-focused payment processing company for secure, efficient and cost-effective international payments, MarTrust. In the tramp shipping sector, in particular, our companies also provide structured cash management, fixture management and business intelligence services.

Founded in 2001 on the principles of independence and transparency, our story is 'raising standards together with our customers': lifting the agenda for the maritime industry, and standardising

processes across all stakeholders—not only for processes and process improvements, but also for the digital journey on which we accompany the industry. Due to the strength of our loyal customers, we have the industrial scale to make available more resources and insights for each transaction than any other provider globally.

We do this with over 650 highly-trained people, including including former ship captains, maritime operations experts, software developers, scientists, engineers and data analysts—all committed to supporting the front lines of the maritime industry.

The Group serve over 350 vessel-operating companies located globally, including many publicly traded companies, the biggest commodity trading houses, and major tanker operators.

Our services include processing more than US \$7 billion in maritime industry payments all over the world.

As of June 2019, the Group have nine portfolio companies and business units under management.



INTERTANKO



Implementing the Ten Principles

Since 2001, we have helped transform port cost management practices and establish new standards for efficiency and oversight in the industry.

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 have joined organisations that share our values:

- We belong to the Maritime Anti-Corruption Network, a global business network working towards its vision of a maritime industry free of corruption.
- We have earned TRACE certification through a comprehensive due diligence review, analysis and approval process.
- We are an Associate Member of BIMCO, an organisation that promotes fair business practices, free trade and access to markets.
- We are an Associate Member of INTERTANKO, a shipping industry forum working “for safe transport, cleaner seas and free competition.”
- We belong to the Baltic Exchange, a membership organisation for the maritime industry.

We invest intensively in our businesses, as well as in our shared services platforms that empower each business to stay focused. With access to experienced practitioners within our legal, compliance and cyber security operations, our core and venture businesses receive diligent governance from the onset of their business journeys.

The Group continually focus on its people, hiring dedicated knowledge workers and practitioners who understand shipping industry practices. With a growing number of offices globally, we offer our employees additional flexibility and opportunities for career planning and training. We maintain a multi-cultural workplace, with 38 different nationalities currently represented.

Each employee is kept up-to-date with training and information on topics such as new regulations and processes in relation to compliance, anti-bribery and fraud prevention. In addition, each staff member goes through a thorough induction period which provides further pertinent information relating to the Group and its values. Finally, all employees are required to sign the Group Code of Conduct.

Materiality and Scope

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

Staff members who engage on a regular basis with key stakeholders conducted the materiality test internally. Our stakeholders highlighted three primary areas during the materiality test:

• Human Rights and Labour:

On-time payment, compensation and benefits; talent retention; career path development; employee promotions, training and development; working conditions; gender equality.

• Environment:

Carbon emission control, waste management and afforestation.

• Anti-Corruption:

Fair business ethics, innovation, fair profitability, integration, privacy and data protection, engagement, transparency and compliance.

The Marcura Group's UNGC Committee 2019

At Marcura, our UNGC commitment moves jointly from the foundations and the top of the organisation, to permeate our entire business. Our employees have taken leading roles to spur internal cultural improvements in order to follow UNGC Principles, and that is something that all Marcurians want to see continue. For that reason, and to continue to promote employee pride in the Principles, our annual UNGC Report takes an approach that is somewhat uncommon: we highlight employee involvement in every report, drilling down to our individual teams, their members and their activities.

We believe that respect and support for human rights are fundamental aspects of the Group'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: we expect them to conduct business 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 customers. This way, we can be certain that we do not take part in irresponsible practices that may be harmful to our customers, to the maritime industry, or to society.

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.

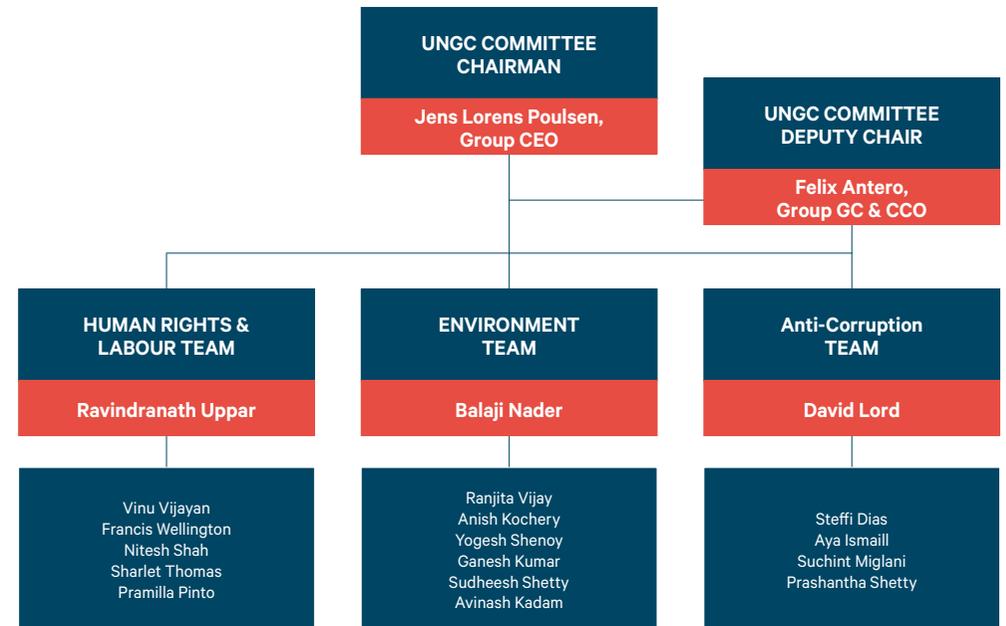
We are especially pleased this year with how MarTrust have helped to support this UNGC pillar. MarTrust customers no longer need to worry about crew families not receiving salaries on time.

Delayed payments have been a longstanding problem in the maritime world, because of the vast complexities of moving money across borders and time zones, languages, banking systems, foreign exchange rate and currencies. In the past, payors could not get salaries to 6% of crew on time. MarTrust's leadership and employees are sincerely glad to have corrected this serious problem in 99% of the salary payments we process.

Commitment, Policies and Goals

We respect our colleagues, our employees and our customers. Our policies seek to uphold and promote human rights in accordance with the UNGC through these practices:

- Upholding our values and standards through constant communication with our customers.
- Encouraging our employees to grow professionally and personally.
- Respecting human rights, including the prevention of harassment, physical or mental punishment, or 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).



Human Rights and Labour

We believe that respect and support for human rights are fundamental aspects of the Group'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: we expect them to conduct business 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 customers. This way, we can be certain that we do not take part in irresponsible practices that may be harmful to our customers, to the maritime industry, or to society.

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.

We are especially pleased this year with how MarTrust have helped to support this UNGC pillar. MarTrust customers no longer need to worry about crew families not receiving salaries on time.

Delayed payments have been a longstanding problem in the maritime

world, because of the vast complexities of moving money across borders and time zones, languages, banking systems, foreign exchange rate and currencies. In the past, payors could not get salaries to 6% of crew on time. MarTrust's leadership and employees are sincerely glad to have corrected this serious problem in 99% of the salary payments we process.

Commitment, Policies and Goals

We respect our colleagues, our employees and our customers. Our policies seek to uphold and promote human rights in accordance with the UNGC through these practices:

- Upholding our values and standards through constant communication with our customers.
- Encouraging our employees to grow professionally and personally.
- Respecting human rights, including the prevention of harassment, physical or mental punishment, or 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).



The Marcura UNGC Human Rights and Labour Team

Actions and Activities

The aim of the Human Rights and Labour Team is to enhance communication, educate and create awareness of UNGC in fun, active and healthy activities that also embraced interaction with other local organisations of the UAE. Employees across business units, departments and continents enjoyed participating in and benefiting from team activities. As in past years, the team actively promoted the following themes: Wellness, Knowledge, Sport, Teambuilding, Creativity and Charity.

The Human Rights and Labour Team maintains a Grievances mailbox. No grievances were reported this year.

Our UNGC Human Rights and Labour team led a 30-Day Fitness Challenge. With activities including a Weight Loss Challenge, a Rope Skipping and Push-Ups Challenge, a Squats Challenge and a Plank/Headstand Challenge, we awarded prizes to winners in both our main campuses.

Of the 21 employees who elected to participate in Dubai, Janani Yagnamurthy emerged as the Women's Division winner and Sayed Ali Mehdi as the Men's.

Among Mumbai's 110 participants, Ashwini Pawar led the Women's Division and Pradeep Ahire won top place for the men.

The Dubai UNGC team organised a hike to Wadi Al Helo, an archaeological heritage site in Sharjah, UAE, open to all employees. Hikers trekked 2 km to the site's high point, at about a 200-meter elevation on extremely rugged terrain with sharp rocks.

This was an excellent opportunity for teambuilding and for getting to know each other, as well as for helping one another during the tricky traverse patches. It was also an event where all 20 employees and three family members participating were able to push themselves and test their physical endurance.

The Mumbai UNGC team organised a Trek-a-Thon to Prabalmachi, an easy-level trek open to all employees. All 48 employees who participated in the event were first-timers on a trek. For



Marcurians organised by the UNGC team celebrate 3rd Place at the YalaSports Cricket Championship.

beginners, they achieved a remarkable Flat/Climb/Descent (3 km/2.3 km/2.3 km each way).

To inspire a healthy lifestyle, our UNGC Human Rights team brought a comprehensive wellness initiative to our Dubai office. We are grateful to Lockton Insurance Brokers LLC and Kings College Hospital for supporting us. The event was open to all Dubai office employees.

Dubai Cares, part of the UAE-based Mohammed bin Rashid Al Maktoum Global Initiatives, have been working towards providing quality education to 18 million youth in 57 developing countries in the past decade. In support of the UAE's Year of Tolerance, the UNGC Human Rights Team encouraged employees to join this year's Dubai Cares Walk for Education. It



A nurse administers a blood pressure and blood sugar test to one of 125 employee wellness participants.

was held to show solidarity to the millions of children who embark on a long and treacherous journey to school every single day. Twenty-two employees participated, along with three family members; all gained an opportunity to build a healthy lifestyle by walking.

The UNGC team Dubai joined an Internal Indoor Sports event with the 13th Dubai Investment Park Corporate Sports Competitions, organised by YalaSports. Forty employees participated in four events. Marcura employees won six awards. Anne Perera and Candida A. Hendricks won Gold and Silver, respectively, in Carrom – Women's Single. Vinod Nair won Carrom – Men's Single; and joined Ahamed Aslam to take Gold in Carrom – Men's Doubles. Janani Yagnamurthy took top honours in Badminton.



The Dubai UNGC team gathers at their Wadi Al Helo hike.

Environment

Though we do not operate maritime vessels, Marcura take seriously our duty to protect the environment and to help our customers do so. We are pleased to be helping the industry to shift toward ever more fuel-efficient mechanisms for transportation.

Using Data to Support the Environment

For a given vessel and voyage, fuel efficiency is more than fuel consumed and pollution expended. It is a much more finely-grained calculation. Unnecessary time spent in port means more fuel wasted. Needless loss of valuable time may stem from multiple factors: weather, conditions at port, queues at the terminal; even choice of terminal.

We approach this problem from multiple angles. First, our digital tools facilitate collaboration among charterers, owners, masters and agents. Better communication among the varied parties makes for more efficient transport of goods and fuel within the harbour. From this efficiency, speed of work increases, and fuel needed while idling drops.

Second, our algorithms cross-check historical traffic flow within a port against weather patterns and other variables, to help a ship time its entrance at port. Where possible and practical, we also check efficiency levels at specific terminals, which we have found to vary widely. Again, this results in faster turnarounds at port, and significant fuel savings.

Thanks to our unrivalled volume of historical and global port data, our digital tools are able to help customers save up to hundreds of thousands in US dollars annually.



Using data to support the environment is a concept we approach from multiple angles.

Digital Contract Execution and Signing

We also help the environment by employing digital tools in the contract development, amendment and signing processes. Marcura's proprietary software tools are designed to minimise the volume of physical contracts and agreements. Our highly secure digitised agreements obviate the need to airmail documents back and forth across the globe, or to place them in physical storage that requires energy for ventilation and maintenance. By using a cloud-based e-signature platform for document execution, no paper need be flown internationally for final authorisations.



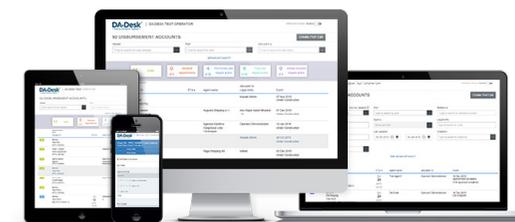
Marcura's data-driven innovations are helping the industry and the environment.

Consistent with the best practices we offer our customers, we apply digital signatures to our own internal forms, as well.

We have forged a close relationship with INTERTANKO, which has expressed interest in our independent, secure cloud-based MarDocs maritime contract tools.

Commitment, Policies and Goals

- We protect our environment.
- We support innovative developments in the shipping industry that create platforms for digital exchange of information and communication to reduce the use of paper.
- We aim to reduce waste.



Marcura tools help customers save time and fuel in port.

The Marcura UNGC Environment Team

Actions and Activities: Dubai

Both the Dubai and Mumbai night shift staff elected to reduce power consumption by moving all teams to a single area, to ensure electricity usage is limited to that area only.

Dubai employees initiated Power Saver mode for computers by reducing the CPU speeds, lowering screen brightness, and amending the Power and Sleep settings on inactive PCs.

The Dubai team also continued progress toward a paperless office, by electing to remove one printer from the Operations area; now, three teams share a common printer, and the team hopes that the change will encourage Operations staff to print less.

For World Earth Hour, Dubai colleagues and their families gathered at Al Nakheel Oasis, Buhairah Corniche, Sharjah to show support to this worldwide event.

Actions and Activities: Mumbai

The Mumbai UNGC Environment Team included employees in their first-ever Marathon for Mumbai Happiness Run conducted by SportzConsult to encourage sports and fitness. The 5 km and 10 km runs marked an exhilarating voyage of discovery with flower-laden stretches, energetic music, tasty chocolates, heady fragrances and high-fives with the cheer squad. Marcurians who participated were given a sapling as a token of appreciation for their attendance.

The Mumbai team initiated the Energy Saving Contest on the occasion of World Water Day on 22nd March 2019, where we educated our employees on a few good practices to reduce consumption of water and energy to ensure that this has a positive effect on our environment.

Mumbai Marcurians also took part in a beach-cleaning program in association with Jallosh: Clean Coasts, from June 1 - 5 – World Environment Day.

The team encouraged fellow Marcurians to sign up for the E-bill option offered by Maharashtra State Electricity Distribution Company Ltd. This step also earned signers a Rs.10 discount per bill.

In Mumbai, the team supplied all-natural jute bags to employees to help them carry their lunches and other goods, plastic-free.



“It was an exceptional voyage being part of this year’s UNGC team. The overwhelming response to various activities by Marcurians boosted my morale and I felt content in contributing to a greater cause. It also gave me the opportunity to collaborate with numerous colleagues.”

—Sharlet Thomas, UNGC Human Rights Team

Anti-Bribery and Corruption

Commitment, Policies and Goals

- We comply with anti-corruption laws.
- We are 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.
- We are strongly committed to combating corruption in all its forms. We believe that corruption undermines democracy, the rule of law and the proper operation of free markets.
- Our dedicated Compliance Team works full time on compliance-related tasks and initiatives.
- Our internal Code of Conduct prohibits all forms of bribery in the workplace.

Actions and Activities

Promoting Transparency in Maritime Procurement

This year, we highlight the Marcura PortsDirect offering. PortsDirect’s structured procurement offering has been an anti-corruption influence in over 400 ports that our customers use around the world. Through transparent, objective mechanisms for evaluating and selecting port service providers, PortsDirect is helping to counter corrupt practices.

The PortsDirect framework includes extensive measurement tools for supplier quality, service and delivery. Vessel-operating customers are happy to sign on to PortsDirect not only for the group savings achieved and for eliminating the work of supplier selection, but also in order to shield employees from potentially corrupt influences. Since PortsDirect suppliers are pre-vetted, would-be providers have no incentives to exercise undue influence or engage in bribery.

We hope that PortsDirect helps buttress the anti-corruption efforts by our customers and others in the industry.

Data Protection

One key component of anti-corruption is the protection of data. At Marcura, we follow industry best practices designed to safeguard the confidentiality of the data and the security of the information with which we work. In addition to maintaining physical security practices at our offices, and redundancy at our data sites, we maintain a fully-audited Business Continuity Plan and disaster recovery plans.

The third-party entities with which we work are asked to undergo detailed information and cyber security assessments, covering information security and privacy to align with both ISO27001 and GDPR.

We distribute periodic circulars to agents and customers to educate them on topics such as phishing, fraud, online scams, password protection, and general good security practices. By protecting the industry from breaches, we also help make it less exposed to fraud and corruption.

MACN Support

An area of concern at Marcura, because we handle a sizeable portion of the world’s port data, is the general vulnerability of the maritime industry to corruption in an era of ever-tightening margins and highly varying levels of controls and enforcement. We do our utmost to design our processes and systems to help alert and shield customers with regards to corrupt practices where we can; and work hard to help the industry to move toward stronger protections.

We continue to engage with the MACN on best practices and tools, to help further the goals of the network.

Marcura are serving the interaction between principals and their counterparties. We believe that it is our solemn obligation to safeguard the integrity of this space.

—Jens Loren Poulsen, Group CEO

The Marcura UNGC Anti-Bribery and Corruption Team

The team this year looked at three different areas:

1. Highlighting the different types of corruption, in order to help educate ourselves and our fellow Marcurians of the areas we are exposed to within our organisation.
2. The impact of potential corruption on Marcura, our customers, and the individuals who work for them; to help us to understand the impacts and how it would feel to be in a given situation.
3. What we as Marcurians can do to help prevent any possibility of corruption within our organisation.

All of this enabled us to go on to create an awareness campaign for the wider business, utilising different company media to spread an anti-corruption awareness message to all of our colleagues, in each office across the globe.

Commitment, Policies and Goals

- We comply with anti-corruption laws.
- We are 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.
- We are strongly committed to combating corruption in all its forms. We believe that corruption undermines democracy, the rule of law and the proper operation of free markets.
- Our dedicated Compliance Team works full time on compliance-related tasks and initiatives.
- Our internal Code of Conduct prohibits all forms of bribery in the workplace.

Actions and Activities

Our first presentation for the Group's employees provided an overview of some of the topics we would look to cover throughout the initiative, reviewing the different types of corruption, the impact of corruption on individuals and, of course, how we can help to combat corruption.

The second presentation provided a deeper look into the different types of corruption and how they affect both the individuals and corporate companies within our industry, with an individual breakdown of the impacts for each type of corruption.

Next, we presented to the Group's employees a summary of information we had established throughout the initiative. We discussed how we were going to take these learnings to create an awareness campaign to the wider business.

Finally, we worked with multiple departments across the business to create a campaign comprising different types of media to spread an anti-corruption awareness message to our colleagues. This campaign includes:

- **Emails** – An anti-corruption flyer, sent via email to help save paper.
- **Digital posters** – Highlighting the campaign and spreading the word.
- **Social media for business** – A poll based on our information presentations and converted into a video, followed by a brief multiple-choice questionnaire.
- **Recognition** – Our specially-made UNGC | Marcura Anti-Corruption mugs, distributed to all those who took part in our poll.

Marcura®

We are interested in knowing what you think about our 2018/19 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.

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

Jens Lorens Poulsen

Group CEO, Marcura
+971-4-363-6200

j.poulsen@marcura.com

Felix J. Antero

Group General Counsel &
Chief Compliance Officer
+971-4-701-7050

f.antero@marcura.com