



Marcura®
United Nations Global Compact
Communication on Progress
2017

Letter from the Board of The Marcura Group

Dear Reader,

The Marcura Group is delighted to share its second UNGC Communication on Progress (CoP) Report for 2016-2017.

In 2012, the Group's flagship company, DA-Desk, became a signatory to the UNGC. Since then, DA-Desk and, now, the entire Group, have steadfastly undertaken various initiatives to underline its commitment to the Ten Principles.

Over the past year, our volunteer-driven UNGC Teams came together across multiple locales to drive projects and turn their collective efforts into tangible achievements which advance the Principles. In particular, they focused on projects that are physically engaging, mentally enriching and morally ennobling – e.g., sports tournaments, training and knowledge-sharing, and charity events, among others.

Thankfully, our HQ's location is very conducive for these projects. According to the Charities Aid Foundation (CAF) and the Organisation for Economic Cooperation and Development (OECD), the UAE is ranked as one of the most generous countries in the world, and the Dubai Government is especially well-known for its humanitarian organizations like [Dubai Cares](#).

Inspired by both the UNGC and the UAE, our Group, through the efforts of our UNGC Human Rights Team, is proud to have been associated this year with "Walk for Education," a Dubai Cares initiative which aims to contribute funds towards providing underprivileged children with access to quality education. Other initiatives by our UNGC Human Rights Team included health camps, a seminar on managing personal finance, a lend-a-book program, and the distribution of food packets to blue-collar workers who toil under the desert sun – all of which were received very well by internal and external stakeholders alike.

With respect to environment protection, our UNGC Environment Team increased its focus through various initiatives aimed at the twin goals of reduction of waste and the promotion of various environment-friendly measures. Not to be outdone, our UNGC Anti-Corruption Team has sought to educate the Group through regular sharing of anti-corruption news and advisories.

Lastly, and in keeping with our focus on the maritime industry, the Group also established itself this past year as a concerned organization which is committed to making a difference

in the lives of seafarers. This has been made possible through the Marcurian Sailing Angels'-Seafarers Charity Project, which was done in collaboration with The Mission to Seafarers, a UK-based charity organisation. With the approval and support of the relevant port authorities, this project allowed Marcurians to supply care packages for some 500 seafarers working for vessels currently anchored in the UAE. The project also showed that public-private partnerships in the area of charitable giving are in fact worth pursuing.

Compliance is not a buzzword at Marcura; it is a corporate cornerstone for us and a critical aspect of our daily operations. In this regard, the Group continuously strives to raise the bar, and I'm extremely pleased to see the commitment shown by our UNGC Volunteers to improve across multiple fronts.

In view of the foregoing, therefore, and on behalf of the Board, I proudly present, in the following pages, the CoP Report 2016-2017 for The Marcura Group.

Jens Lørens Poulsen
Group CEO

About this Report

We at the Marcura Group (the “Group” or “Marcura”) are pleased to present our second Communication on Progress Report. From June 2016 to May 2017, our Group companies and employees have continually sought to enhance our posture in adhering to The Ten Principles of the UNGC.

The Ten Principles consist of four main pillars:

- Human Rights
- Labour
- Environment
- Anti-corruption

This Report provides an overview of activities and initiatives, aligned to the UNGC principles, which have been rolled-out at our offices in Dubai, United Arab Emirates, Mumbai, India, and at our representative offices across the world. For more information about UNGC, please visit www.unglobalcompact.org



About Marcura

We (www.marcura.com) provide the maritime industry with specialized desk support services and Web-based platforms for port cost management, fixture documentation, voyage optimization, structured procurement, payment processing and decision support. We have earned the trust of our customers by delivering always-on, cost-effective business utilities whose value propositions are underpinned by principles of user-centered design, transparency, compliance and independence.

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 with protracted issues in what should be straightforward transactions.

The Group's story is 'raising standards together', which is about lifting the agenda for the industry as a whole and standardization across all stakeholders, not only for processes and process improvements but also for the digital journey we, and the industry, is on. As a large-scale utility, we can make available more resources and insights for each transaction.

As of May 2017, the Group has nine portfolio companies and business units under management.



Implementing the Ten Global Compact Principles

We serve over 350 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 \$7 billion and processing about \$6 billion payments payments to agents and suppliers located all over the world.

We bi-annually engage Lloyd's Register Quality Assurance (LRQA) to audit our Quality Management System (QMS) for ISO 9001:2015 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.

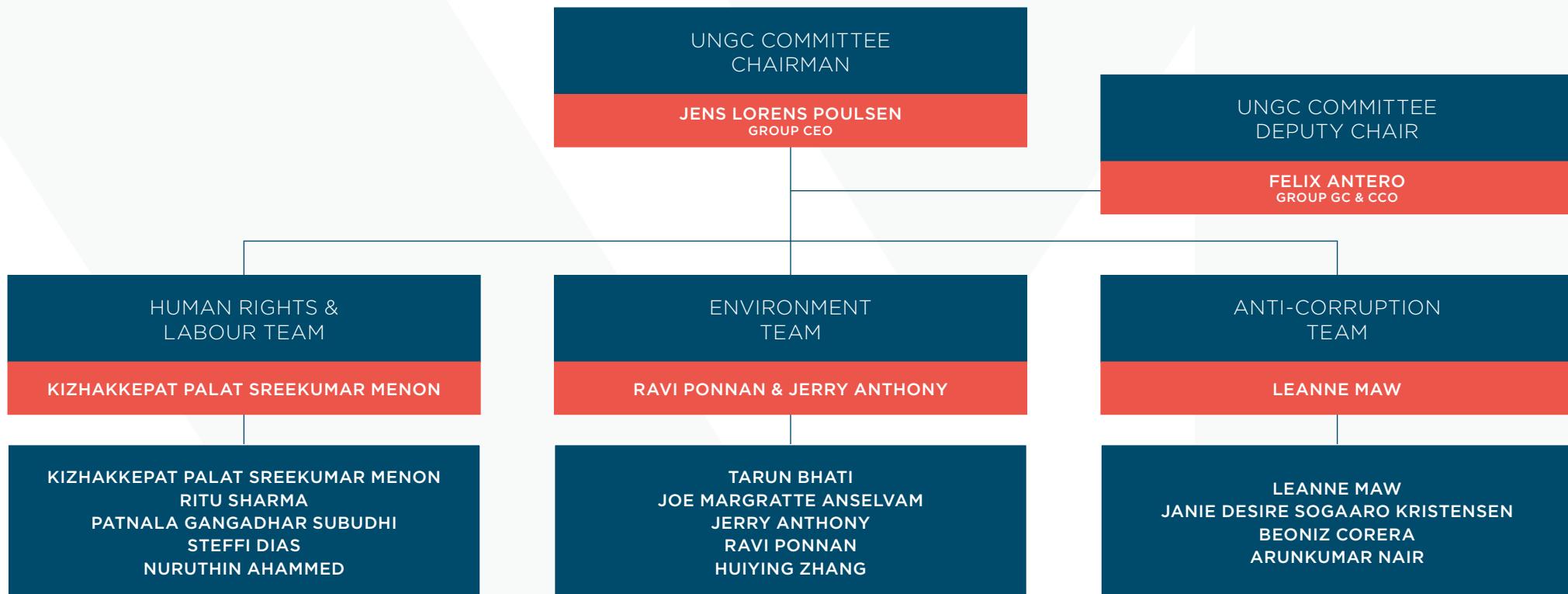
In 2015, we became an Associate Member of BIMCO, an organisation that promotes fair business practices, free trade and access to markets. The Group is also now an Associate Member of INTERTANKO.

We invest intensively in our businesses as well as our shared services platforms that enable each individual business to stay focused. With access to experienced practitioners within legal, compliance and cyber security, our core and venture businesses can rest assured of proper governance from the onset of their business journey.

The Group is a multi-cultural workplace with 29 different nationalities currently represented.

We continuously focus on our people, hiring experienced knowledge workers and practitioners 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. Each employee is kept up-to-date with new regulations and processes in relation to compliance, anti-bribery and fraud prevention (amongst others), through regular training courses. In addition, each employee goes through a thorough induction period which serves to provide them with further pertinent information relating to the Group. Finally, all employees are required to sign the Group Code of Conduct.

The Marcura Group's UNGC Committee 2017

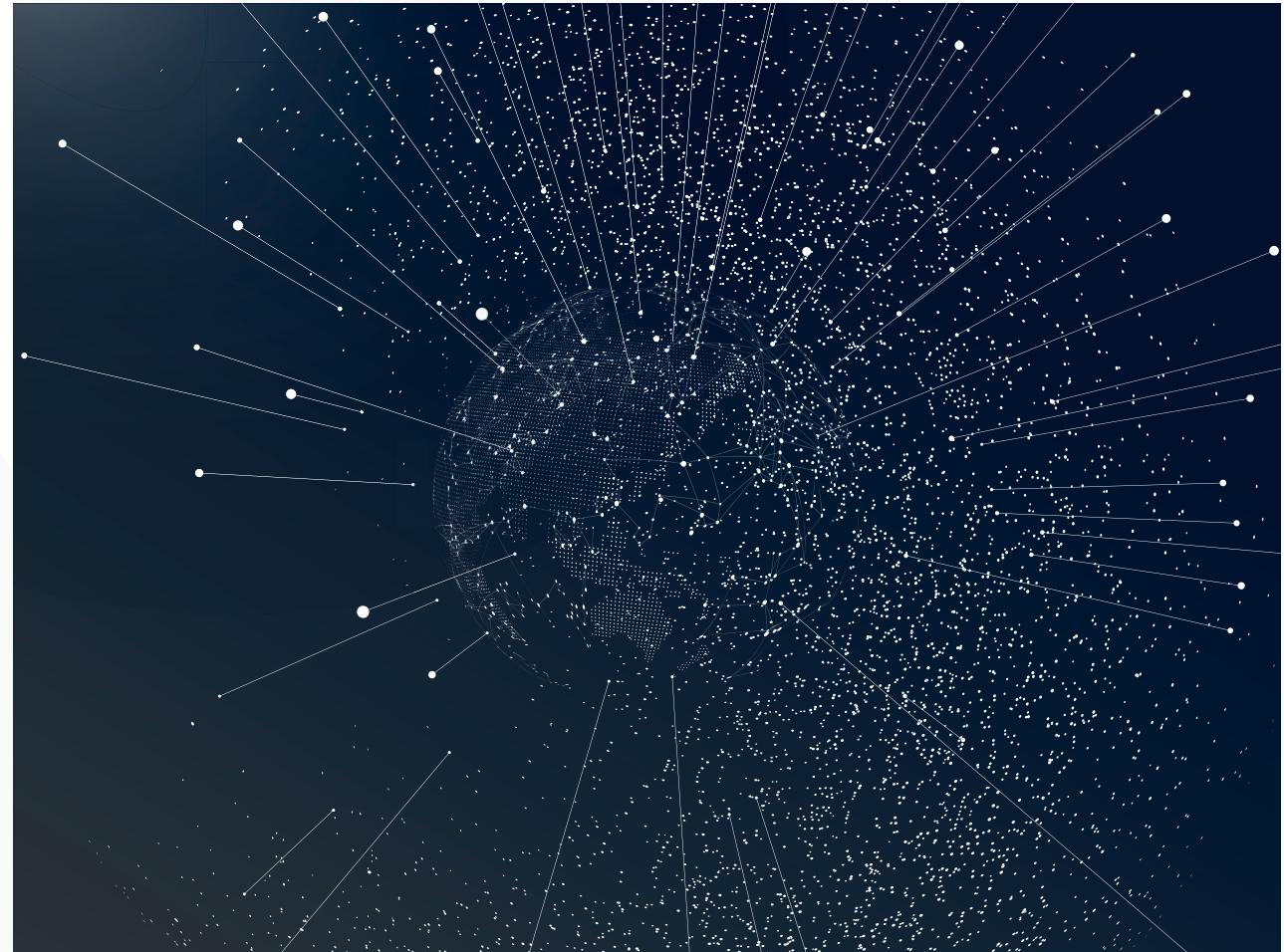


Our stakeholders

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.

Principle 2

Businesses should make sure that they are not complicit in human rights abuses.

Labour Standards

Principle 3

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

Principle 4

Businesses should uphold the elimination of all forms of forced and compulsory labour.

Principle 5

Businesses should uphold the abolition of child labour.

Principle 6

Businesses should uphold the elimination of discrimination in respect of employment and occupation.

A Look Back at 2017

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

- 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; and
- Fair remuneration (which may include the provision to employees of housing or housing allowance, medical insurance, repatriation and end-of-service gratuity)

As a large diversified Group (with almost one hundred new colleagues this year), the team responsible for initiatives pertaining to the Human Rights and Labor Principles created monthly cross-business collaboration and interaction engagement themes, in the form of activities and awareness campaigns.

The aim of the Human Rights Team was 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.

The following themes were actively promoted and —as usual—the engagement from all employees, across business units and departments were beyond expectation:

- 1. Wellness**
- 2. Knowledge**
- 3. Sport**
- 4. Team Building**
- 5. Creativity**
- 6. Charity**

A Look Back at 2017



JANUARY 2017: InspirePlay

Inhouse Sports Competition and selection for DIP

The Marcura sports tournaments encourage fun, teamwork and collaboration. The events inspire our colleagues and enable various business units within Group to socialise and get to know each other, no matter their different ethnic and cultural backgrounds.

Chess tournament winners:

Jimmy Mathew
Sonam Karnik

Carrom board tournament winners:

Mahesh Sheyte
Yaswanth Udatha
Anne Perera

Badminton tournament winners:

Men Doubles: Abdul Razak and Jayesh Naik
Women Singles: Alrina Dcunha

Volleyball tournament winners:

Team 2 (Captain: Anish Kocheri)

Cricket tournament winners:

Team lead by Mr. Mohammed Azaruddin.



A Look Back at 2017



FEBRUARY 2017: InspirePlay

3rd Feb to 25th Feb: 11th Corporate DIP Sports Competition

4th/5th Feb: Weight loss Programme commenced

In continuation of the Marcura internal sports tournaments, the winning teams participated in the 11th Dubai Investment Park Corporate competitions, in February. Teams participating in badminton, chess, carrom, volleyball, and cricket represented Marcura with passion and great team spirit.

17th Feb: Year of Giving (Walk for Education 2017)

With the UAE's Year of Giving theme, we participated in Walk for Education organized by Dubai Care. The purpose of the walk was to allow members of the UAE community to demonstrate their support to Dubai Cares and contribute funds towards providing underprivileged children access to quality education. Marcura teams participated and supported the event.



MARCH 2017: InspireHealth

28th Feb: Free Medical Camp (by Sunny Medical Centre, Sharjah)

In continuation of Marcura InspireHealth Program, our UNGC Human Rights Team organised a Wellness Program, where all colleagues were given basic health check-ups and more than 160 employees learned about their blood group, diabetes check and were educated about healthy weight and blood pressure.

In March, we also had the final weigh in (Weight loss program) that was initiated in February to inspire colleagues to exercise and learn about proper nutrition. Approximately 64 employees took part in the challenge, had weekly guidance and diet plans and the winner, Arun Xavier, was awarded the Champion title with a 5kg weight loss.



A Look Back at 2017



MAY 2017: InspireKnowledge

In May, we initiated the Lend a Book table, where pre-loved books were given and shared amongst employees. This was to inspire more reading and included business books and leisure books.

We also initiated our first-ever Marcura Happiness Day, which was simply to put a smile on everyone's faces with surprise 'smileys' and cupcakes. The Happiness Day will be a recurring yearly event.

Marcura Quiz

Additionally, we carried out a very successful - and to be repeated - Marcura Quiz, covering various shipping-related topics related to our businesses and with some challenging questions on anti-bribery related topics. It had enthusiastic attendees and we were inspired by the breadth of knowledge with our employees. The winning team was awarded with Gift coupons and Certificates.

Personal Finance Workshop

Building on knowledge and in response to inquiries from employees, we asked our Group CFO and Head of Finance to conduct a Personal Finance Workshop under the InspireKnowledge theme. More than 60 people attended these workshops that were extended to extra sessions due to demand.



MAY 2017: InspireCharity

Marcurian Sailing Angels Seafarers Charity

Making a point of making a difference. Every day, around the world, seafarers continue to work away from home. We are committed to invest in programs to support and improve the quality of seafarers' life through CSR initiatives as well as corporate support to established charity organisations.

Access to basics, such as drinking water, toothbrush and other essentials are not always a reality for some seafarers. As part of Marcura's commitment, we organised a care package for 500 seafarers, currently anchored in the UAE. This was coordinated by our UNGC and CSR team together with The Mission to Seafarers, a UK charity organisation with the support and approval of the Port Authorities.

Blue Collared Workers

The UNGC and CSR team also organised and distributed 250 food packets to blue-collared workers, working in the local community and vicinity of the Group's Dubai office. Although the food packets were a relatively matter of a small gesture they were extremely well-received and made a huge difference for those working outside in the Dubai summer heat.



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 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;
- We support innovative developments in the shipping industry that create platforms for digital exchange of information and communication;
- We aim to reduce waste;
- We actively promote digital submission of information, to reduce printed papers.



Environmental Principles

Actions and activities

This year, the Group has implemented and encouraged online meetings through newly installed conference rooms that are equipped with live video-meeting, content sharing functions. This has encouraged more regular communication between the regional offices and additionally reduced the Group's carbon footprint through reduction of air travelling, which is only supported if seen necessary.

Operational Improvements:

1. We have implemented paperless CSCR process, which eliminates printing and shipment of agent documents (this is currently implemented for 12% of our business).
2. We have successfully achieved significant reduction of 10% on paper reams as compared to 2016 (despite business growth). Events and notices are displayed digitally with additional screens being implemented for this purpose. We re-use printed paper regularly, and paper stacks are collected and sent for recycling. Public announcements for general awareness are printed and laminated for re-use (such as 'out of order' messages)
3. We have changed the office printers and PC settings to save power, paper and ink. This is a significant change that can create significant savings (on power and printer budget).
4. We have initiated an e-magazine for environment awareness for Group employees.



A look back at 2017

Energy & Waste Management:

1. The UNGC Environment Team has made it their duty to regularly remind our employees to turn off their computers before leaving the office and to contribute towards saving energy.
2. We oversaw the e-scraping of 32 units of electronic appliances (PC/Monitors/CPU/cable wire & laptop batteries) in the year and achieved a reduction of 200 lbs CO2.
3. We have reduced the use of plastic in the office premises both in Dubai and Mumbai and we have distributed good quality glass Tiffin boxes and Jute bag to reduce plastic bags and plastic container usage.
4. We have achieved an estimated saving of plastic use by reducing the number of dustbins, resulting in 34 % less garbage bags in the Dubai office.
5. We have changed our kitchen's dishwasher setting to work more efficiently, thereby reducing electricity and water consumption.
6. We have proposed for water efficient appliances -Faucet (75%), Meter Faucet (48-68%) to reduce the water consumption.

Environmental & social responsibilities

1. We visited Dubai Sustainable City, to discover sustainable living and learn about the initiatives this City has implemented.
2. We have reduced the number of smoking areas, for the benefit of the health and safety of our employees.
3. We received a Certificate of Participation in the "Unity Run UAE" initiative by Emirates Governmental Group where our employees joined for 3 and 7 km runs.
4. We auctioned old computers to employees and intend to use the proceeds towards charitable causes.
5. We have proposed more greenery (plants) in the office area to increase the supply of fresh oxygen.

To mark World Environment Day 2017, we provided all Marcurians with an environmentally friendly Jute lunch bag and glass lunch box.

We hope this will not only promote healthy eating, but also help eradicate plastic bags and lunch boxes. Please join us in this initiative and let's give a little back to the environment together.

The UNGC Environment Team

Marcura®



Anti-Bribery and 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 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 Group is a 16-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 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.
- 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 do our 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.
- We have a dedicated Compliance Team that works full time on compliance-related tasks and initiatives.

Anti-Bribery and Corruption Principles

Actions and activities

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

Slideshow Presentation - The Corporate Offence of Failing to Prevent Bribery

This slideshow presentation focused on the corporate offence of failing to prevent bribery. This presentation described how and why bribery affects everyone, both inside and outside of the workplace. In addition, it also highlighted the importance of adhering to our policies, procedures (particularly our Anti-Bribery and Corruption and Procurement Policy) and our Code of Conduct in preventing all forms of bribery in the workplace.

Slideshow Presentation covering two different topics:

1. The Offence of Bribery

This slideshow described to the Group employees the circumstances in which an offence of bribery can be committed, in the context of the UK Bribery Act 2010. This helped to raise awareness that the UK Bribery Act is still applicable to us, even though most our employees do not work in the UK.

2. Bribery and Facilitation Payments

This slideshow presentation provided information regarding facilitation payments, particularly in the context of the work conducted by one of the Group's main business unit, namely- DA-Desk. This presentation provided guidance as to how DA-Desk help its customers to comply with the UK Bribery Act 2010 and in addition, gave guidance on how facilitation payments can be spotted, and next steps.

Quiz (in collaboration with the Human Rights Team)

The UNGC Anti-Bribery and Corruption Team prepared a variety of different types of quiz questions to test employee's knowledge on bribery and corruption-related issues.

Slideshow Presentation - all employees:

This slideshow presented the facts of a recent case in Singapore (Public Prosecutor v Syed Mostafa Romel 2015) in the Shipping Industry whereby health and safety observations were omitted from a report, in return of a bribe.

This case helped to highlight that even low-level bribery will be pursued by enforcement agencies. In addition, it demonstrates how bribery in this case resulted in a significant health and safety threat to those working in the terminal, the crew, and the vessel itself.

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

Jens Lorens Poulsen

Group CEO, UNGC Chairman
+971-4-3636200
j.poulsen@marcura.com

Felix J. Antero

Group General Counsel &
Chief Compliance Officer
+971-4-701-7050
f.antero@marcura.com

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