

Modern Slavery and Human Trafficking Statement

Date of last review/update 2023



Logistics Modern Slavery and Human Trafficking Statement

Introduction

Modern slavery is a crime and a morally reprehensible act that deprives a person of liberty and dignity for another person's gain. According to the International Labour Organization (ILO), the term modern slavery covers a set of legal concepts, including forced labor, debt bondage, and human trafficking. It is an umbrella term to refer to situations of exploitation that an individual cannot refuse or leave because of threats, violence, coercion, deception, or abuse of power. It is a real problem for millions of people around the world, including many in developed countries. Modern slavery includes:

- Slavery — the behavior on the part of the offender as if they owned the victim, depriving the victim of their freedom;
- Forced or compulsory labor — work or service of a victim that involves coercion, either direct threats or violence or more subtle forms of compulsion. Work or service is extracted from the victim under the menace of any penalty and for which the victim has not offered themselves voluntarily;
- and
- Human trafficking — arrangements for the travel of the victim with a view to them being exploited.

Vanguard has a zero-tolerance policy for slavery and human trafficking, and we unequivocally support the human rights of our workforce and the workforces of our global suppliers. In keeping with this commitment, we support the United Nations Declaration of Human Rights, and the International Labour Organization core standards on forced labor, child labor, freedom of association and discrimination. We also support all laws that seek to prevent and eliminate slavery and human trafficking from global supply chains by increasing transparency, including Australia's Modern Slavery Act 2018, and the United Kingdom's Modern Slavery Act 2015 (the "Acts"). These laws require applicable companies to disclose what efforts they make to keep their supply chains free of these human rights violations, including slavery and human trafficking. Vanguard addresses these concerns through our internal standards and policies, our Code of Conduct, and their associated practices and above all, our values, our culture and our daily management practices.

Our business, organizational structure and supply chains

Vanguard Logistics is a global logistics company. We are the leading neutral freight consolidation service, offering forwarders and customers of all sizes the world's largest owned LCL end-to-end network, unparalleled schedule integrity, and industry-leading information technology applications. With over 120 owned offices spread across 35 countries, offering in excess of 1200 direct services every week, Vanguard delivers the most extensive end-to-end control of customers' shipments. Including trusted partners and agents, this network expands our footprint to almost all (190+) countries of the world.

Vanguard is a privately held organization and employs approximately 3,300 persons globally. In 2012, the Mansour Group—one of the largest private sector conglomerates in the Middle East & North Africa—acquired Vanguard as a long-term strategic asset. As a member of the Group, Vanguard benefits from its business integrity, operational excellence, and investment in people, as well as its strong support for our growth and continued sector leadership.

Vanguard does not manufacture goods, operate factories or handle raw materials or commodities. We do, however, source products and services from suppliers globally. Our primary supply chain categories include information technology, office services, professional services, healthcare benefits, real estate and transport.

We establish a relationship of trust and integrity with all our suppliers, which is built upon mutually beneficial factors. Our supplier selection and on-boarding procedure includes due diligence of the supplier's reputation, respect for the law, compliance with health, safety and environmental standards, and references.

Risk assessment

As a global logistics company, Vanguard does not produce or manufacture products and believes that the risk of slavery and human trafficking within the industries most relevant to us is relatively low. We acknowledge, however, that there are parts of the world in which we operate that have been recognized as having a poor track record with respect to modern slavery and human trafficking.

To ensure Vanguard's supply chain is held to the highest standard of ethical conduct in relation to modern slavery, we intend to undertake additional due diligence on third party suppliers operating where such high risk locations overlap Vanguard's areas of operation.

In keeping with our commitment to act with integrity in all our business dealings, many of our existing policies are relevant to ensuring that there is no slavery or human trafficking in any part of our business or our supply chains.

Our policies

Code of Conduct

Integrity and ethical behavior are of the utmost importance to us in all our business dealings, which are set forth in Vanguard's Global Code of Conduct (the "Code") for employees and business partners. This includes not tolerating behavior within Vanguard or by suppliers that is illegal, unethical or that breaches human rights. The Code demonstrates how our Values inspire our greatest aspirations and guide all our behaviors and actions. It defines what it means to work at and be part of Vanguard, as well as our individual and collective responsibilities.

Everyone at Vanguard is required to know and comply with our Code of Conduct. All of our employees are required to take training on the Code and to confirm their compliance with the Code. We are committed to holding ourselves accountable for behaving in a way consistent with the Code. Individuals have a duty to report non-compliance with the Code and we provide multiple channels for them to speak up or to report concerns without fear of retaliation; it is explicitly stated that retaliation is a serious violation of the Code. The Code is a publicly available document and may be accessed at www.vanguardlogistics.com.

Vanguard is committed to conducting its business in a lawful and ethical manner and expects its suppliers and vendors to conduct themselves in the same manner. All of Vanguard's suppliers and vendors must adhere to Vanguard's Code of Conduct, which requires compliance with all laws, including laws addressing slavery and human trafficking. We will not knowingly do business with companies that do not conduct business consistent with those principles.

Employment Policies

Vanguard maintains employment and personnel policies that comply with relevant labor laws and promote our culture of dignity, respect and fair treatment. Respect and integrity are central to our Values. Therefore, we do not tolerate any form of discrimination, harassment or bullying. We provide equal employment opportunities to all qualified employees and candidates.

Our policies dictate that we treat everyone fairly and equally and we do not discriminate on the basis of race, age, sex (including pregnancy) gender, gender identity or expression, color, religion, ancestry, country of origin, sexual orientation, genetic information, marital status, dependents, medical condition (including physical and mental), disability, protected veteran status, social class, political views or any other characteristic protected by applicable laws, regulations, and ordinances. Our Chief Human Resources Officer and Chief Legal Officer maintain and enforce these policies, together with the full support of our Executive Team and our Procurement teams.

Supply chain standards

Due to the nature of our business and our existing policies and procedures concerning employment screening (including work eligibility checks) and employment conditions, we consider there to be a low risk of modern slavery within our business. Notwithstanding the relatively low risk within our business, we recognize that there is the potential for risks relating to modern slavery to exist within our supply chains.

We have not been made aware of any allegations of human trafficking or slavery activities against any of our suppliers. Suppliers must be committed to, and have respect for, the protection and preservation of internationally recognized human rights. While it is the responsibility of each supplier to define its own policy and approach to the issue of human rights, suppliers' values and business principles must be consistent with those of Vanguard. Suppliers are expected to comply with applicable international and local legal requirements in their countries of operation. We are committed to ensuring that we put in place appropriate processes and policies designed to assure that modern slavery is not taking place in our supply chains.

Looking forward action items

Vanguard will not support or deal with any business knowingly involved in slavery or human trafficking. The Company will remain alert to any risk from slavery and human trafficking. If the Company has any reason to suspect that any of its suppliers are affected by slavery or human trafficking, it will carry out reasonable and proportionate investigations and take whatever action it considers appropriate. Over the coming year and beyond, we plan to carry out additional actions that we believe will further enhance Vanguard's commitment:

- Emphasize our Code of Conduct commitment as good global citizens to respect all human rights and workers' rights in our employee training, with emphasis on our zero policy regarding forced or bonded labor, prisoners or illegal workers; our policy that every employee has a duty to report violations; and the channels they can use to report violations anonymously if desired;
- Add to Vanguard's standard purchase terms and conditions and other vendor agreements, a specific requirement for Vanguard's suppliers to comply with modern slavery legislation;
- Identify and complete reviews of suppliers in countries considered "high risk" (based on Global Slavery Index profile); this assessment will determine our response and the risk controls we implement;
- We will review the risk of slavery and human trafficking within our supply chain annually and consider what further actions, if any, are required to ensure that slavery and human trafficking are not

taking place in any part of our business or supply chains. Vanguard remains committed to the protection and respect of human rights across our business and supply chains. We recognize that the commitments and duties outlined in this Statement are ongoing and shall continue to work to ensure all segments of our business are held to the highest ethical standards as set forth within our own policies and by the Modern Slavery Act(s).

Approvals

The Modern Slavery Statement was approved and signed on behalf of the Board of Directors by the Group Chief Executive Officer.

Signed by

A handwritten signature in blue ink, consisting of a stylized 'O' followed by 'meij', written over a horizontal line.

Onno Meij
Chief Executive Officer