

# Slavery and Human Trafficking Statement

## Modern Slavery Act Transparency Statement (Modern Slavery Act 2015 (UK))

This statement is made pursuant to the Modern Slavery Act 2015 (UK) by SG Fleet Group Limited (“sgfleet”) and its related entities<sup>1</sup> for the year ending 30 June 2018.

### 1. Business Overview

sgfleet is a leading provider of integrated mobility solutions, including fleet management, vehicle leasing and salary packaging services, with a presence across Australia, as well as in the United Kingdom and New Zealand. In the 2018 financial year, we employed approximately 700 staff worldwide and have over 140,000 vehicles under management.

We operate under two brands across corporate and consumer business segments: sgfleet (operating in Australia, UK and New Zealand) and nlc (Australia).

Sgfleet’s services and activities are summarized in the table below for each jurisdiction:

Australia	United Kingdom	New Zealand
<p>Provider of:</p> <ul style="list-style-type: none"><li>operating leases, finance leases and fleet management services for passenger, light commercial and heavy commercial vehicles dealing with corporate and government clients</li><li>novated leases and consumer finance to individuals in regard to passenger vehicles</li><li>insurance products relating to novated leases, salary packaging and consumer finance</li><li>vehicle sales for passenger, light commercial and heavy commercial vehicles</li></ul>	<p>Provider of:</p> <ul style="list-style-type: none"><li>contract hire, daily rental and fleet management services for passenger, light commercial and heavy commercial vehicles dealing with corporate and government clients</li><li>salary exchange services to individuals in regard to passenger vehicles</li><li>vehicle sales for passenger and light commercial</li></ul>	<p>Provider of:</p> <ul style="list-style-type: none"><li>operating leases, finance leases and fleet management services for passenger, light commercial and heavy commercial vehicles dealing with corporate and government clients</li><li>vehicle sales for passenger and light commercial</li></ul>

<sup>1</sup> For more information about our business structure and list of subsidiaries, please refer to our 2018 Annual Report.

## 2. Supply Chain

Our business is primarily office-based with the main supply chain categories in relation to our business activities comprising:

- Acquisition and disposal of vehicles
- Roadside emergency breakdown services
- Maintenance and repair of vehicles
- Accident management services
- After-market products such as window tinting, roof racks, first aid kits
- Telematics including navigator technology
- Lease portfolio funding

Other major categories of suppliers include IT, commercial property leasing, insurance, financial, marketing and other professional services.

We seek to do business with suppliers that have similar values and ethical business practice, including those related to human rights. We assess risk in our operations and supply chain through consultations with relevant internal stakeholders. Risk factors include the location of the supplier, the nature of the goods and services provided, the level of control we have over the supplier and our understanding of the supplier's level of corporate governance.

Following this consultation we have assessed our exposure to the risk of modern slavery and human trafficking as low as we operate in countries with a relatively low prevalence of slavery.<sup>2</sup> However, we recognise that modern slavery risks may go beyond our immediate suppliers, for example where their suppliers may have operations in countries where slavery and human trafficking is more prevalent, or where their suppliers may use raw materials in manufacturing (for example the manufacturing of motor vehicles) where the raw materials are sourced from high risk countries.

## 3. Policies & Governance

We are committed to compliance with all applicable laws and standards in the sectors and jurisdictions in which we operate. Our corporate values of trust, excellence, collaboration and innovation underpin our culture and the way that we conduct business.

**sgfleet** aims to identify and mitigate the risk of modern slavery and human trafficking occurring within its supply chain and business operations. To this end, **sgfleet** maintains a set of policies and procedures that govern the way it operates. Our policies and procedures are aligned to our values, govern the way we operate and reflect how we manage our potential human rights issues with regard to operations and supply chain. These include our employee code of conduct, employment screening, equal opportunity and diversity, whistleblower programs and supplier code of conduct. Compliance with business policies and procedures are monitored through an internal audit program.

## 4. Supplier Code of Conduct

We have adopted a Supplier Code of Conduct which articulates our expectations from our suppliers, including in respect of their stance on modern slavery and human trafficking, ethical business practices, anti-competitive conduct, safe and fair work conditions and environmental responsibility.

Our standard new (and renewed) supplier agreements include an obligation to comply with our supplier code of conduct or have equivalent policy. We may also reserve the right to conduct ad-hoc audits on suppliers to confirm their adherence to the terms of the agreements.

---

<sup>2</sup> According to the 2018 Global Slavery Index published by The Walk Free Foundation.

## 5. Employees & Training

**sgfleet** is committed to maintaining a safe workplace for all staff that values equal opportunity and that is free from discrimination, harassment and victimization. Educating staff is fundamental to creating such an environment, and to ensuring that potential human rights and modern slavery risks are identified and managed.

**sgfleet** entities have policies and procedures concerning employment screening (including work eligibility checks), employment conditions and appropriate workplace behavior. All staff are expected to abide by the requirements of these policies in addition to demonstrating behavior consistent with our values. All new staff are required to complete comprehensive training in relation to **sgfleet** policies (including codes of conduct), laws and regulations of each State and Country relevant to an employee. Annual 'refresher' compliance training is mandatory for all staff. Completion is monitored and tracked through an online system. Failure to complete the training within the specified timeframe is escalated to the employee's line manager.

Non-compliance with the **sgfleet** employee Code of Conduct and other policies is taken seriously – any failure to comply with the Code of Conduct may lead to disciplinary action which could include termination of employment.

## 6. FY 2018 Performance

In the 2018 financial year, we have continued our endeavours to combat slavery and human trafficking by:

- reviewing our Supplier Code of Conduct to ensure ongoing compliance with relevant legislation;
- determining that a requirement that suppliers comply with **sgfleet**'s Supplier Code of Conduct is to be included in new (and renewed) supplier contracts, or alternatively, that suppliers must have an equivalent policy;
- maintaining whistleblowing policies to facilitate the reporting of incidents with regard to corporate social responsibility, including modern slavery and human trafficking.

## 7. Effectiveness of our actions

Although it is very difficult to assess the effectiveness of the steps taken, relevant indicators could include:

- the number of issues or potential issues identified by management;
- the number of notifications of risks or issues received from staff, the public or law enforcement agencies;
- the incidence of suppliers or other participants in our industry being involved in modern slavery.

We have not received any notifications or identified any issues. However we will continue to remain alert to the risk of modern slavery and human trafficking.

## 8. Continuous Improvement

Whilst we are confident that we operate in a relatively low risk business sector and our management and processes minimise the risk of modern slavery or human trafficking occurring, we are committed to further improvements and will continue to review and enhance our approach to addressing human rights risks by taking further steps which may include:

- annual "refresher" compliance and risk training for staff;
- ongoing consideration and assessment of **sgfleet**'s supply chain in order to monitor the risk posed;
- other measures as we may decide are appropriate having regard to our ongoing assessment of the risks.

This Modern Slavery and Human Trafficking Statement is made pursuant to s54(1) of the Modern Slavery Act 2015 United Kingdom and is approved by the board of Directors of SG Fleet Group Limited.

A handwritten signature in black ink, appearing to read 'R. Blau', written in a cursive style.

Robbie Blau

CEO

SG Fleet Group Limited