

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

SG Fleet Group Limited
ABN 40 167 554 574

December 2022

Modern Slavery Statement

A. Reporting entity

This statement is made pursuant to s 54(1) of the Modern Slavery Act 2015 (UK) by SG Fleet Group Limited (“**SG Fleet**”) and its related entities¹ for the year ending 30 June 2022.

The statement has been approved by the Board of Directors of SG Fleet on 28 November 2022.

Robbie Blau
CEO
SG Fleet Group Limited

B. Structure, operations and supply chains of SG Fleet

1. Business Overview

SG Fleet 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 New Zealand and the United Kingdom. At the end of the 2022 financial year, the Company employed approximately 1,100 staff worldwide and had approximately 270,000 vehicles under management.

During the reported period, SG Fleet operated under multiple brands across corporate and consumer business segments: sgfleet (operating in Australia, UK and New Zealand), nlc (Australia) and, for part of the reported period, LeasePlan (Australia and New Zealand).

During the 2022 financial year, SG Fleet acquired the Australian and New Zealand businesses of international fleet management and leasing company LeasePlan Corporation NV.

The acquisition of the LeasePlan businesses did not materially alter the nature of SG Fleet’s business activities or its geographical footprint.

SG Fleet’s services and activities for each jurisdiction are summarised in the table below:

Australia	United Kingdom	New Zealand
Provider of: <ul style="list-style-type: none"> passenger and light and heavy commercial 	Provider of: <ul style="list-style-type: none"> contract hire, finance lease, daily rental and 	Provider of: <ul style="list-style-type: none"> passenger and commercial vehicle operating and

¹ For more information about our business structure and list of subsidiaries, please refer to our 2022 Annual Report.

<p>vehicle operating leases, finance leases and fleet management services for corporate and government customers</p> <ul style="list-style-type: none"> • passenger vehicle novated leases and consumer finance for individuals • insurance products relating to leased and managed vehicles for corporate and government customers and for novated leases • disposal of passenger and commercial vehicles • other mobility solutions, including car share and subscription services • other vehicle-related services, such as mobility and EV consulting, and repairer portals 	<p>fleet management services for passenger and light and heavy commercial vehicles for corporate and government clients</p> <ul style="list-style-type: none"> • vehicle salary-sacrifice services for individuals • personal vehicle contract hire for individuals and sole traders • disposal of passenger and light and heavy commercial vehicles • insurance products relating to salary sacrifice leases for individuals • other vehicle-related services, such as mobility and EV consulting and telematics 	<p>finance leases and fleet management services for corporate and government clients</p> <ul style="list-style-type: none"> • disposal of passenger and commercial vehicles • other vehicle-related services, such as mobility and EV consulting
--	--	--

Further information about SG Fleet’s business activities can be found on the Company’s website at www.sgfleet.com.

C. Risks of modern slavery practices in the operations and supply chain of SG Fleet

In the UK, our business is primarily office-based with approximately 100 staff based in offices in Solihull and Stoke-on-Trent (and/or field-based with elements of home working). Risk of modern slavery and human trafficking is inherently low in our operations, given the nature of the business, salary structures and onboarding processes for staff.

The main supply chain categories in relation to our business activities comprise:

- provision of daily rental vehicles
- acquisition and disposal of vehicles
- in-life movement of vehicles
- roadside emergency breakdown services
- maintenance and repair of vehicles

- accident management and other services such as registration and infringement
- after-market products such as racking for commercial vehicles, fitment of roof bars and roof rails etc.
- telematics, including navigator technology
- lease portfolio funding

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

The risk in relation to our suppliers is managed in a variety of ways set out in this document. In particular, we aim to do business with suppliers that have similar values and ethical business practices, including those related to human rights. We assess risk in our 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 SG Fleet operates in countries with a relatively low prevalence of modern slavery. However, we recognise that modern slavery risks may go beyond our immediate suppliers, for example where their suppliers may have operations in countries where modern 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 those raw materials are sourced from high-risk countries.

D. Actions taken by SG Fleet to assess and address modern slavery risks

1. 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 we conduct business.

The SG Fleet Modern Slavery Policy sets out our zero-tolerance approach to modern slavery and our commitment to ensuring that measures are in place to identify, manage and/or mitigate risks to the company and its supply chain. It sets out responsibilities, processes for managing modern slavery risks and processes to be followed in the event a breach of the policy is identified.

This is part of a wider set of policies and procedures that govern the way SG Fleet 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

and Whistleblower policies and our Supplier Code of Conduct. Compliance with business policies and procedures is monitored through an internal audit programme.

2. Supplier Code of Conduct

We have adopted a Supplier Code of Conduct, which articulates our expectations of 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. We expect suppliers to ensure that all work is undertaken without coercion or any form of forced, bonded, indentured or involuntary labour.

The Supplier Code of Conduct provides that we may carry out regular assessments of the practices of our suppliers to ensure compliance with its terms.

3. Employees & Training

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

All staff are subject to a robust recruitment and selection process, which includes making sure that they have the right to work in the UK and undergo pre-employment screening in accordance with good practice.

All new staff are required to complete comprehensive training in relation to SG Fleet policies (including the SG Fleet Employee Code of Conduct) and also laws and regulations 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.

We expect our staff to abide by the values set out in the SG Fleet Employee Code of Conduct and non-compliance with this or other policies is taken seriously. Any failure to comply with the Code of Conduct may lead to disciplinary action, which can include termination of employment.

4. FY2022 Performance

In the 2022 financial year, we have continued our endeavours to combat slavery and human trafficking by:

- updating SG Fleet's Supplier Code of Conduct, compliance with which is to be a term of new (and renewed) supplier contracts. Alternatively, suppliers must have an equivalent policy;
- responding to any customer requests to complete surveys or questionnaires on issues including modern slavery and human trafficking; and
- maintaining whistleblowing policies to facilitate the reporting of incidents with regard to corporate social responsibility, including modern slavery and human trafficking.

E. Assessment of the effectiveness of SG Fleet's actions

1. Effectiveness of the Company's actions

Although it is difficult to assess the effectiveness of the steps taken, relevant indicators 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.

2. Continuous Improvement

Whilst 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 have a culture of continuous improvement, which means that we will review and enhance our approach to addressing human rights risks by taking further steps. This may include:

- introduction of supplier due diligence questionnaires (which request details of the supplier's modern slavery statement or details of how they manage the issue) as part of the contracting process;
- relaunch of specific Modern Slavery awareness training for new starters and also as part of annual "refresher" compliance and risk training for staff;
- ongoing consideration and assessment of SG Fleet'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.