

Scan Global Logistics Group
Modern Slavery Act Statement 2023



SCAN GLOBAL LOGISTICS GROUP MODERN SLAVERY ACT STATEMENT 2023

At Scan Global Logistics Group (“we”, “our”, and “us”), human rights are considered a fundamental right that must be protected at all times. We are deeply dedicated to remaining vigilant and staying informed about global developments and regulations to enhance our efforts against modern slavery. As we pursue our company’s purpose – to make the world a little less complicated – we continuously strive to improve our ambitious sustainability goals and refine our processes to meet the standards we have set for our business.

In addition to reporting on human rights in our various group-wide policies, we recognise the global responsibility of publishing annual Modern Slavery Act Statements for each financial year.

This statement is published in accordance with section 54(1) of the UK Modern Slavery Act 2015 and outlines the actions we are taking to ensure that no form of modern slavery is taking place in our supply chain or elsewhere in our organisation. It is binding and applies to all persons working for us or on our behalf in any capacity in every country.

This statement covers the financial year from 1 January 2023 to 31 December 2023 and has been approved by the Executive Management of the Scan Global Logistics Group on June 1, 2024.

Introduction

We maintain a long-standing commitment to respecting human rights in our business and supply chains while complying with the human rights and labour law regulations. We respect and enforce the principles of the 1998 International Labour Organization’s Declaration on Fundamental Principles and Rights at Work, the Universal Declarations on Human Rights and other key national and international human rights standards such as the International Bill of Human Rights. We have been a signatory to the United Nations Global Compact since 2015 and support the ten principles covering the four pillars: labour, environment, anti-corruption and human rights. We have a zero-tolerance policy against all forms of modern slavery, forced or compulsory labour and human trafficking and is firmly committed to ensuring the abolition of any such crimes against humanity.

We have signed the World Economic Forum Industry Charter for Humanitarian Supply Chain Resilience and conform to the OECD Guidelines for Multinational Enterprises. We respect every employee’s right to favourable working conditions and comply with laws and regulations regarding wages and benefits. One of our four virtues is “respect”, so we are firmly committed to treating every person who carry out services for Scan Global Logistics Group with respect and dignity.

Our business organisation and structure

Scan Global Logistics Group is a global freight forwarder and logistics provider with a workforce of approx. 3800+ employees in 52+ countries distributed across 180+ offices in EMEA, North America, South America, Sout East Asia and Asia Pacific. SGL Group ApS is the parent company and the acquirer of the Scan Global Logistics Group.

Our business/operation includes air, ocean, and land distribution and delivering transport and logistics services to the global industry. We rely on a shared understanding of how we expect all of us to conduct the Scan Global Logistics Group's business and what it means to act responsibly and with integrity. We believe our purpose can be best achieved by bringing a well-founded human approach to everyone anywhere, respecting all human rights and the full equality of all human beings, and promoting good intentions and honesty.

Our commitments and policies

Modern slavery takes various forms including servitude, forced and compulsory labour and human trafficking, all of which have in common the deprivation of a person's liberty for personal or commercial gain. We are committed to implementing and enforcing effective controls to ensure that such violations of fundamental human rights do not occur within our organization. We are committed to acting ethically and with integrity in all our business dealings and relationships and to ensuring that the prevention, reporting and detection of modern slavery and human trafficking is made the responsibility of all those working for or in the Scan Global Logistics Group and any associated organisations.

As part of our initiative/effort to identify and mitigate risk, we aim to integrate sustainability into our procurement and contracting processes by measuring and ensuring compliance with the standards, including but not limited to our Supplier Code of Conduct. The initiatives are further reflected in our group-wide policies such as our Code of Conduct, Diversity and Inclusion Policy, Health and Safety Policy, Quality Policy, Human Rights Policy, and Anti-Corruption Policy. Each year we conduct reviews of all our policies and adjust them to remain in compliance with any national or international human rights law or regulations.

In 2023, we published a "Sustainable Procurement Policy" that further defines and communicates how we work with business ethics, environmental, and social responsibility for our entire supply chain. This policy also extends our human rights initiatives and sets a relevant focus on our supply chain and its use of workforce.

Supply chains and other stakeholders

We expect all of our suppliers and other business partners to comply with international human rights standards and national laws regarding child and forced labour, working hours, wages and benefits and non-discrimination. We require our primary suppliers to adhere our Supplier Code of Conduct and share this code with their sub-contractors and other associates involved in the business transaction and expect them to adhere to the same principles. For Scan Global Logistics Group, transparency is of utmost importance. Therefore, we highly value sharing information and explaining our expectations for compliance with the UK Modern Slavery Act 2015 for every internal or external stakeholder. Our suppliers are furthermore subject to a system of checklists to evaluate risks and conduct audits.

In addition, we further acknowledge the importance of dialogue with employees, suppliers, agents, and other stakeholders and expect them to build awareness and knowledge of human rights and report any malicious behaviour.

If we find that a business partner is non-compliant with our policies or any other requirements relating to anti-slavery, we will consider such non-compliance as a material breach of contract by the business partner.

Any employee who fails to adhere to the provisions of the UK Modern Slavery Act 2015 may be subject to appropriate disciplinary action and employment-related consequences.

Risk assessment and due diligence

We are committed to continuously improving our procedures to identify and eliminate any form of modern slavery throughout the business. As a global freight forwarder, we further recognise that some of our supply sectors are potentially higher risk due to their geographical place of business. We embrace these risks and conduct further due diligence to understand the potential higher risk of poor labour practices and implement additional activities to mitigate these risks throughout the supply chain.

We prioritize proactively identifying vulnerabilities, such as ethical breaches, environmental impacts, and disruptions, through supplier evaluations and continuous monitoring. Through risk assessments, we aim to anticipate and address issues related to compliance, reputation, and operational continuity before they arise. Our mitigation strategies involve collaborating with suppliers to implement corrective actions, cultivating resilient supplier relationships, and diversifying sourcing options to reduce dependency. Continuous monitoring and regular reviews ensure our ability to adapt to emerging risks, allowing us to uphold our commitment to ethical practices, environmental stewardship, and social responsibility throughout our procurement processes.

In 2023 we engaged a third-party consultancy to conduct a Global Human Rights Saliency Assessment, which was finalised in early 2024. The assessment sought/aimed to identify potential human rights risks within Scan Global Logistics Group's own operations and value chain, prioritizing areas for mitigation to minimise any adverse impacts. The assessment mapped our business and value chain and considered inherent country and industry risks within our own operations and that of our partners and customers to understand potential impacts on affected stakeholders. As part of this work, and to better understand employee awareness of human rights, we conducted a human rights survey in Q4 2023 with a representative group of our global workforce. The assessment highlighted the need for Scan Global Logistics Group to be mindful of its presence in countries that have a higher risk of human rights issues. We are analysing the results in full and will adopt targeted actions to address its findings.

To further ensure compliance with our group wide policies, international and national human rights standards, we conduct supplier audits and evaluations. In 2023 we conducted 15 onsite supplier audits and 84 additional evaluations. These audits and evaluations were conducted through virtual interactions or surveys.

Reporting and training

We encourage openness and support a transparent culture that encourage employees and others to raise concerns about any issue, violation, or suspicion of malpractice. We seek to ensure that matters can be raised in confidence without fear of reprisal. Any concern can be raised with the Global General Counsel, the Human Resources Department, the VP for People, Leadership & Culture or anonymously by using our Whistleblower system at scangl.com.

Our Compliance and Legal team supported by our Global General Counsel, oversee, and monitors our compliance with the human rights standards and conventions and the UK Modern Slavery Act 2015.

To ensure a high level of understanding of our business activities and the importance of the seriousness of modern slavery, training in all group policies including human rights is conducted for all new employees and every year in the global mandatory e-learning platform "Academy" together with tests which all employees must pass to finally receive a diploma for the training as documentation. This training is mandatory for all employees within the Scan Global Logistics Group.

Approval

This statement has been formally approved by the Executive Management of the Scan Global Logistics Group.



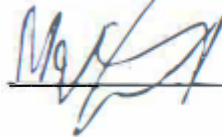
Allan Dyrgaard Melgaard

CEO



Clara Nygaard Holst

CFO



Mads Drejer

COO