

ZENITH'S STAND AGAINST MODERN SLAVERY

OUR PROGRESS

AND COMMITMENT IN 2023

At Zenith, we're not just about intelligent vehicle solutions. We're about doing business ethically, and that includes a firm commitment to ensuring that there is no modern slavery and human trafficking within our operations and supply chain. This is our seventh annual Transparency Statement covering our financial year up to the end of March 2023. We're proud to share the strides we've made in this critical area, in line with the Modern Slavery Act 2015.

ABOUT OUR ORGANISATION

A LEADER IN ETHICAL VEHICLE SOLUTIONS

Zenith Group is the UK's leading independent leasing, vehicle outsourcing, and fleet management provider. We have over 165,000 vehicles under management across the following Group companies:

- Zenith Vehicle Contracts Limited
- Provecta Car Plan Limited
- Leasedrive Limited
- ZenAuto Limited
- Contract Vehicles Limited
- Contract Vehicle Fleet Services Limited
- Contract Vehicles Rentals Limited
- Zenith Remarketing Limited

We operate from seventeen locations across the UK, including two main offices in Leeds and Altrincham, eleven rental yards, and four heavy goods vehicle (HGV) workshops.

A SUPERB TRACK RECORD

ZERO TOLERANCE, ZERO INCIDENTS

In line with the Act's focus on transparency, we're proud to report that we've had no incidents, allegations, or reports of modern slavery within Zenith or our supply chain. Our risk assessment indicates a low exposure to slavery and human trafficking, a testament to our rigorous approach to managing risk.

THE ZENITH TEAM

OVER 1,300 STRONG, AND ETHICALLY EMPLOYED

At Zenith, we believe in the power of our team. We employ over 1,300 professionals across the UK, each contributing their unique skills and expertise to our operations.

- Our team includes administration staff, professional services roles such as finance, information technology and marketing, customer service representatives, sales professionals, skilled automotive mechanics, technicians, and welders.
- In 2021, we launched an agile working policy, allowing our team to balance their work and personal lives effectively.
- All our employees are subject to pre-employment screening checks covering their right to work in the UK, financial stability, criminal history, and reference checks.

OUR SUPPLY CHAIN

DIVERSE, DYNAMIC, AND DILIGENT

- Our supply chain includes suppliers of both goods and services.
- The majority of our supply chain is based in the UK and includes essential fleet management services, such as glass and tyre replacements, licence checking, emergency assistance, garage repair networks, professional services, marketing, and service administration supply partners.
- Some of our supply chain is based internationally, including vehicle manufacturers and IT providers.
- We categorise our suppliers into four groups: Business Critical, Dependent, Medium, and Low. This categorisation is based on criteria such as the nature of the supplier's business, the volume of transactions, and the specific goods and services supplied.
- We're continually refining our understanding of our supply chain, working closely with our suppliers to ensure transparency and ethical practices at every level, including understanding the additional tiers of the supply chain.

OUR POLICIES

A ROBUST FRAMEWORK FOR ETHICAL BUSINESS

Our commitment to preventing slavery and human trafficking is backed by a suite of robust policies. These include a supplier lifecycle and procurement policy outlining the standards that we expect of our partners in regard to human rights. This also governs the approach we take with selecting and managing our supply chain.

Our approach to and expectations of colleagues is outlined within the Employee Handbook, including our policies regarding Equal Opportunities, Recruitment and Selection, and Whistleblowing.

The commitments and procedures outlined in the above policies are underpinned by our Supplier Code of Conduct and Environmental, Social and Governance (ESG) policy.

RISK ASSESSMENT

PROACTIVE AND COMPREHENSIVE

We have assessed our modern slavery risk as low.

This is based on our locations being UK-based, our colleagues performing skilled professional roles, our employment practices and controls, and our rigorous supply chain due diligence and monitoring practices. We are committed to ensuring that our modern slavery risk remains low through the following activities:

- Our supplier risk assessment prior to onboarding includes modern slavery and supply chain management reviews.
- All new and re-negotiated supplier partner contracts include Modern Slavery provisions.
- Zenith mitigates the risk of doing business with organisations who are controlled by sanctioned individuals or legal entities. We ensure this through sanctions checking conducted via a third-party tool and governed by our anti-money laundering and counter-terrorist financing (AML and CTF) policies.
- Supplier Governance and Risk Forum including key stakeholders from Legal, Compliance, Procurement, Operations. They are responsible for identifying, assessing and managing compliance risks across our supply chain partners, including modern slavery.

We perceive our greatest exposure to risk (albeit limited) is further down our supply chains – for example where the sourcing of raw materials used in the production of vehicles occurs in countries with weak labour standards. We continue to take steps as an organisation to understand the suppliers further down our supply chain. This process is being co-ordinated by our supplier governance and risk forum.

OUR DUE DILIGENCE

THOROUGH AND PROPORTIONAL

Our due diligence processes are tailored to the level of assessed risk and our level of control or influence in each relationship. New suppliers must complete a pre-contractual due diligence questionnaire addressing slavery and human trafficking, and existing suppliers are reviewed based on their categorisation and potential risk factors.

Any supplier issues that sit outside of our risk appetite may result in Zenith not engaging further with them. For existing suppliers, it may result in a termination of supply, reduced volume of business or non-inclusion in future tender opportunities.

TRAINING PROGRAMME

EMPOWERING OUR TEAM WITH KNOWLEDGE AND AWARENESS

At Zenith, we believe that knowledge is power. That's why we invest in comprehensive training programs to ensure our team is well-equipped to identify and prevent modern slavery and human trafficking.

- **Annual Modern Slavery Training Sessions:** We deliver annual Modern Slavery training sessions to key stakeholders across the business. These sessions provide insight into Modern Slavery legislation, Zenith's obligations in relation to Modern Slavery, developments regarding criminal investigations and prosecutions within the UK and an assessment of any new risks, including the steps required to manage those identified
- **Regular Training and Communications on Whistleblowing:** We provide regular training and communications on whistleblowing, raising awareness of eligible concerns that can be reported, including actual or suspected instances of modern slavery.
- **Learning Management System:** We assess understanding of modern slavery through a learning management system that sends daily questions to colleagues. This tool measures knowledge and reports against KPIs, ensuring our team is consistently up to date on the latest information and best practices.

Through these initiatives, we're empowering our team to play an active role in our commitment to eradicating modern slavery and human trafficking.

OUR EFFECTIVENESS

CONSTANT VIGILANCE AND CONTROL

- We have controls in place to ensure that modern slavery is not present within our operations and supply chain.
- Our effectiveness is measured via performance indicators that we consider appropriate.
- Zenith requires all business-critical suppliers to agree to our Supplier Code of Conduct.
- We have launched a Human Rights and Anti-Slavery policy, outlining our commitment to combatting Modern Slavery within Zenith and with our stakeholders.
- We have hired a Sustainability Manager with responsibility for designing, leading, and delivering on our sustainability strategy. This includes the actions we take to uphold human rights and combat modern slavery across our operations and supply chain.

OUR JOURNEY AHEAD

COMMITTED TO CONTINUOUS IMPROVEMENT

We intend to take the following steps to tackle slavery and human trafficking:

- Continue annual modern slavery workshops with key stakeholders from our people team, procurement, and colleagues with supplier management responsibilities.
- Launch computer-based training on modern slavery through our learning management system (LMS).
- We have launched a Supplier Sustainability Programme in early 2023 with a questionnaire to almost 100 of our critical suppliers. This includes a section on modern slavery and we intend to publish a report later in FY24.

This Statement is made in accordance with section 54(1) of the Modern Slavery Act 2015 and has been approved by the Board of Directors.

Mark Phillips
Chief Financial Officer, Zenith Group
13 September 2023