

Report

ANNUAL REPORT CONCERNING THE RISK OR USE OF FORCED LABOUR AND CHILD LABOUR IN SUPPLY CHAINS

APL Logistics Ltd and APL Logistics of Canada, Ltd.

For the Financial Year Ended December 31, 2023

This annual report (this “**Report**”) on the risk or use of any forced labour or child labour in the businesses and supply chains of APL Logistics Ltd (“**APLL**”) and APL Logistics of Canada, Ltd. (“**APLL Canada**”, and together with APLL, the “**Companies**”) as well as any actions taken by the Companies to monitor, assess, mitigate, and remediate the same, as appropriate, is dated as of May <*>, 2024 and is being delivered in respect of the Companies’ financial year ended December 31, 2023 (the “**Reporting Period**”). This Report has been prepared in accordance and compliance with the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (the “**Act**”) and is submitted as a joint report by APLL on behalf of the Companies pursuant to Section 2(b) of the Act.

A. Structure, Activities, and Supply Chains

APLL was incorporated on August 30, 1977 under the laws of Singapore, and is headquartered in Singapore. APLL is the parent entity of various subsidiaries in the APLL group of companies, including APLL Canada. APLL Canada was incorporated on August 27, 1992 under the laws of Ontario, and is headquartered in Mississauga, Ontario. APLL Canada is the sole Canadian subsidiary of APLL. APLL Canada does not exercise any direct or indirect control over any other corporation, trust, partnership, or unincorporated organization. Neither APLL nor APLL Canada are subject to the reporting requirements under supply chain legislation in any other jurisdiction.

APLL and APLL Canada are consolidated for financial purposes at the Singapore level. APLL has a number of directly and indirectly wholly-owned subsidiaries throughout the world, including APLL Canada (collectively, the “**APLL Group**”).

The APLL Group provides global supply-chain solutions across automotive, consumer, industrial and retail markets, including order management, warehousing, distribution and fulfillment, customs brokerage and transportation of products for customers across six regions of the world. The Companies are involved in the distribution of goods but do not engage in the production or direct sale of goods. The APLL Group employs over 6,000 people worldwide.

B. Steps Taken to Prevent and Reduce Risks of Forced Labour and Child Labour

During the Reporting Period, the Companies took a number of steps to prevent and reduce the risk of forced labour or child labour being used did not take any steps to prevent and reduce the risk that forced labour or child labour is used at any step of the production of goods imported into Canada by the Companies, including:

- Mapping activities;
- Mapping supply chains;
- Conducting an internal assessment of risks of forced labour and child labour in the Companies’ activities and supply chains;
- Developing and implementing an action plan for addressing forced labour and child labour;

- Gathering information on worker recruitment and maintaining internal controls to ensure that all workers are recruited voluntarily;
- Addressing practices in the organization's activities and supply chains that increase the risk of forced labour and/or child labour;
- Developing and implementing due diligence policies and processes for identifying, addressing and prohibiting the use of forced labour and/or child labour in the organization's activities and supply chains;
- Requiring suppliers to have in place policies and procedures for identifying and prohibiting the use of forced labour and/or child labour in their activities and supply chains;
- Developing and implementing child protection policies and processes;
- Developing and implementing anti-forced labour and/or -child labour contractual clauses;
- Developing and implementing anti-forced labour and/or -child labour standards, codes of conduct and/or compliance checklists;
- Auditing suppliers;
- Monitoring suppliers;
- Engaging with supply chain partners on the issue of addressing forced labour and/or child labour; and
- Engaging with civil society groups, experts and other stakeholders on the issue of addressing forced labour and/or child labour.

The Companies have a comprehensive internal and external program through its Vendor Codes of Conduct and contractual agreements addressing forced labour and child labour issues.

C. Policies and Due Diligence Processes

The Companies currently have policies and due diligence processes in place related to forced labour and child labour, including a Vendor Code of Conduct.

The Companies have embedded responsible business conduct into its policies and management systems, and have identified and assessed adverse impacts in its operations, supply chains and business relationships.

When adverse impacts have been identified, the Companies have ceased, prevented or mitigated such adverse impacts, and have provided for or cooperated in remediation when appropriate.

The Companies are fully committed to fair employment practices and to following applicable employment law wherever they have operations. This includes complying with laws that prohibit child or forced labour.

D. Risk of Forced Labour and Child Labour in Activities and/or Supply Chains

During the Reporting Period, the Companies initiated the process of identifying which parts of their activities and supply chains carry a risk of forced labour or child labour being used, but the Companies have not identified any risks at this point.

E. Remediation of Forced Labour and Child Labour in Activities and/or Supply Chains

During the Reporting Period, the Companies did not take any measures to remediate the use of forced labour or child labour in their own operations and supply chains, as the Companies did not identify any instances of forced labour or child labour in their activities and supply chains.

F. Remediation of Loss of Income in Most Vulnerable Families

As the Companies did not identify the use of forced labour or child labour in their operations and supply chains, the Companies did not identify any loss of income to vulnerable families during the Reporting Period resulting from any such measures, and accordingly, did not take any remediation measures.

G. Training on Forced Labour and Child Labour

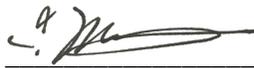
During the Reporting Period and on an annual basis the Companies provide mandatory annual compliance training to all employees which includes sections dealing with forced labour and child labour.

H. Assessing Effectiveness of Forced Labour and Child Labour Prevention Mechanisms

The Companies have policies and procedures in place to assess their effectiveness in ensuring that forced labour and child labour are not being used in its activities and supply chains, including a regular review of the organization's policies and procedures relating to forced labour and child labour.

ATTESTATIONS

In accordance with the requirements of the Act, and in particular section 11 thereof, I attest that I have reviewed the information contained in the Report for APL Logistics Ltd. Based on my knowledge, and having exercised reasonable diligence, I attest that the information in the Report is true, accurate and complete in all material respects for the purposes of the Act, for the Reporting Year.



Takayuki Maruyama

Director, APL Logistics Ltd.

May 28, 2024

I have authority to bind APL Logistics Ltd

Approved by the Board of Directors of APL Logistics Ltd this 25, day of May, 2024.

In accordance with the requirements of the Act, and in particular section 11 thereof, I attest that I have reviewed the information contained in the Report for APL Logistics of Canada, Ltd. Based on my knowledge, and having exercised reasonable diligence, I attest that the information in the Report is true, accurate and complete in all material respects for the purposes of the Act, for the Reporting Year.



Fabio Duque Barros

Director

May 28, 2024

I have authority to bind APL Logistics of Canada, Ltd.

Approved by the Board of Directors of APL Logistics of Canada, Ltd. this 28 day of May, 2024.