



May 30, 2013

H.E. Ban Ki-moon
Secretary-General
United Nations
New York, NY 10017

Dear Mr. Secretary-General,

I am pleased to once again reaffirm that Cavalier Logistics is in full support of the Ten Principles of the United Nations Global Compact in the areas of Human Rights, Labor, Environment and Anti-Corruption.

As outlined in this Communication on Progress, Cavalier Logistics continues its dedication to advance these principles and make them a part of our company culture and day-to-day operations. We understand the importance of engaging in activities, projects and policies in the furtherance of such. We commit to share this information with our stakeholders using our primary channels of communications.

Sincerely yours,

A handwritten signature in black ink, appearing to read "Tim Holdaway", followed by a long horizontal line extending to the right.

Tim Holdaway
President

Human Rights

Description of Practical Action

Cavalier is fully committed to preventing human rights abuses not only in our own operation but with our partners. To that end, Cavalier continues its practice of requiring our overseas vendors and agents to complete questionnaires and successfully navigate our approval process. We also have provided notification to our agents and vendors of Cavalier's standards and policies regarding human rights and labor and require them to provide us with confirmation of understanding and compliance with these standards.

Harassment training is conducted regularly for all Cavalier employees with additional training given to the management team.

Measurement of Outcomes

To date, Cavalier has not received any complaints of human rights violations. Senior management and our human resources department, through our company policies and frequent communication with our employees, continually ensure that our employees and stakeholders are treated fairly and equally.

Labor

Description of Practical Action

Cavalier is fully committed to preventing labor abuses not only in our own operation but with our partners. To that end, Cavalier continues its practice of requiring our overseas vendors and agents to complete questionnaires and successfully navigate our approval process. In addition, we have provided notification to our agents and vendors of Cavalier's standards and policies regarding human rights and labor and require them to provide us with confirmation of understanding and compliance with these standards.

Sections 102 and 103 of the Cavalier handbook clearly outline Cavalier's dedication to providing safe work conditions, competitive wage and benefits and an equal employment opportunity to all of its employees.

Measurement of Outcomes

Cavalier has a range of Human Resources policies outlined in our company handbook which support best practice in terms of labor. No labor rights violations have been reported by employees or others during this reporting period.

Environment

Description of Practical Action

Cavalier is committed to reducing the environmental impact of our operations. Environmental awareness is an integral part of Cavalier's management and policy. In our ongoing quest to continually improve our environmental performance we will do our utmost to achieve the following goals in the upcoming year:

- Continue our ongoing transition to a paperless operating environment which we expect to complete the first quarter of 2014.
- Continue transitioning all equipment to SmartWay approved partners or affiliates as well as become a SmartWay approved company ourselves.
- Create a yearly newsletter for distribution to our employees detailing environmentally friendly practices they can incorporate into their work and personal lives.
- Obtain an assessment of the environmental footprint and impact of the company. We have brought on a new member of staff to the management team. One of his stated responsibilities is to create and implement a carbon footprint measurement tool for our company and for our customers.
- Create a written company policy on environmental issues including prevention and management of environmental risks.
- Soon Cavalier offices in Los Angeles, California and Chicago, Illinois will be moving to new locations and energy efficiencies have been built into the new leases.

Measurement of Outcomes

Cavalier continues to make strides in reducing our negative impact on the environment. Over the past year we have taken the following steps in an effort to improve our environmental performance:

- When usage of disposable plates and cutlery is unavoidable at company events we use only environmentally friendly, biodegradable products.
- All cleaning products have been replaced with green products.
- All ink cartridges are being recycled.
- Paperless process is ahead of schedule and we are scheduling implementation for Q4 in our Newark, New Jersey office.

In addition to these accomplishments we continue to participate in ongoing programs including paper recycling, use of energy efficient appliances and reducing energy usage through education of our employees and the use of motion sensors.

Anti-Corruption

Description of Practical Action

In an effort to nurture our hard-earned and long-standing reputation Cavalier Logistics is committed to sustaining a strong ethical culture by providing continuing education and literature to all of our employees regarding our anti-corruption policy. All employees, officers and directors of Cavalier are held to the highest standards and are required to adhere to a strict code of ethics. Cavalier does not do business with any organizations that are known to be corrupt.

Cavalier is in the process of creating protocol to guide staff should they ever be confronted with extortion or bribery. In addition, we have introduced FCPA training into our induction program for all staff.

Measurement of Outcomes

Over the last year Cavalier has distributed our anti-corruption policy to our worldwide partners and suppliers asking that they too adhere to such policy. This is done on an annual basis. We have also updated our vendor and agent assessment to include a more rigorous anti-corruption section with a requirement that an officer of the company complete and sign a document stating that they understand and will comply with our policy. Cavalier has not experienced any cases of corruption within the past year. There have been no reported cases of attempted bribery or conflict of interest.