



May 29, 2014

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.

Cavalier Logistics recognizes the importance of our commitment to advance these Principles within our sphere of influence. To express that commitment we are once again submitting our annual Communication on Progress (COP). Our intention in submitting this COP is to demonstrate our efforts over the past year in implementing the ten Principles.

We support public accountability and transparency and therefore will continue to report on our activity annually according to the Global Compact COP policy. Additionally, we are committed to share this information with our stakeholders using our primary channels of communication.

Sincerely yours,

Tim Holdaway
President

Human Rights

Description of Practical Action

Cavalier is in full support of the Universal Declaration of Human Rights. As a small company we are pleased with the diversity that is found in our workforce. We are proud to be comprised of a variety of races, ethnicities and religions. We believe the workplace should be free of any form of discrimination. In our commitment to foster a fair, honest and unbiased environment for our employees Cavalier gives annual harassment training to all employees with additional training given to the management team.

We are committed to the core value of respecting human rights not just within our company but also in regards to our suppliers within and beyond our borders. As such, we continue the practice of informing our vendors and agents of our standards and policies regarding human rights and labor and requiring them to provide us with confirmation of understanding and compliance with such standards.

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 takes very seriously our commitment to creating a healthy, safe and fair workplace for our employees. Our company handbook outlines our policies on a variety of workplace issues including but not limited to workplace safety, competitive wages and benefits, disability accommodations and equal opportunity to all of its employees.

In an attempt to align ourselves with like-minded organizations Cavalier continues its important practice of requiring our vendors and agents to complete questionnaires and successfully navigate our approval process. Additionally, our vendors and agents are provided notifications of our standards and policies regarding labor and require them to provide us with confirmation of understanding and compliance with these standards.

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 continues to improve our operational impact on the environment. This year we started the roll out of our new Enterprise Management Software. A huge part of the focus of our EMS is to make Cavalier more efficient and put us strongly in the direction of a paperless operation. We have 4 of our 8 offices on the new EMS, Los Angeles, Dallas, Charlotte and Newark, all of which have reduced paper usage by 65%. Cavalier will have all 8 stations on the EMS by October of this year.

In addition to EMS, Cavalier has also signed up for the IATA E-Air Waybill initiative with the stated goal of complete use of E-Air Waybills by 2016. We will, unfortunately have to move at the pace of the airlines in this respect but Cavalier is already and will continue to be a driving force for improvement.

Cavalier continues to upgrade our truck fleet buy using more energy efficient models which has increased efficiency by over 45%.

Measurement of Outcomes

In our continuous effort to improve our environmental performance we are pleased to report that Cavalier has accomplished the following over the past year:

- Completed our transition to a paperless operating environment.
- Distributed our new yearly newsletter to all employees detailing environmentally friendly practices they can incorporate into their work and personal lives.
- Moved our Los Angeles office to a new, more energy efficient facility.

Anti-Corruption*Description of Practical Action*

As a globally operating corporation Cavalier understands the importance of fostering a transparent, open and honest work environment. Our company's anti-corruption policy is very clearly defined and is distributed to all new employees upon hire. Additionally, it is distributed to

all existing employees yearly. 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.

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. Our vendor and agent assessment includes a very 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.