

Human Rights Policy - Protecting Children
2014- Landstar Systems Inc.

WHEREAS:

Human trafficking is the act of recruiting, harboring, transporting, providing, or obtaining a person for compelled labor or commercial sex acts through the use of force, fraud, or coercion. The U.S. Department of State has emphasized the importance of training for individuals who may encounter victims of human trafficking, and has identified transportation professionals as being particularly well-placed to identify trafficking victims.

According to ILO's most recent global estimate, there are at least 20.9 million victims of forced labor, trafficking, and slavery in the world today; globally 2.4 million people are victims of trafficking at any given time. In the United States, 200,000 children are at risk of being exploited by human trafficking, and according to National Incidence Studies of Missing, Abducted, Runaway, and Thrownaway Children, an estimated one out of every three U.S. children that run away is lured into sex trafficking within 48 hours of leaving home.

Trafficking victims are often hidden in plain view at construction sites, restaurants, agricultural fields, and rest or truck stops. Since 2007, the National Human Trafficking Resource Center (NHTRC) has received 364 reports from callers who self-identified as truckers, and 57% of the tips referred by truckers involved victims who were minors.

Other companies in the trucking industry, such as Ryder and CR England, have publically partnered with organizations like Truckers Against Trafficking to provide resources and training to combat human trafficking.

We believe a company associated with incidents of child sex exploitation could suffer substantial negative impacts in terms of reputation and adverse publicity. We believe commercial advantages may accrue to our company by adopting an effective policy addressing the commercial sexual exploitation of children.

RESOLVED: The shareholders request the Board of Directors to adopt a human rights policy including prohibition of sexual exploitation of minors and to report, at reasonable cost and omitting proprietary/confidential information, on implementation of this policy to shareholders by November 2014.

Supporting Statement: We believe Landstar's policies should be comprehensive, transparent, and verifiable and address the following:

- A statement of company policy on commercial sexual exploitation,
- An overview of employee awareness, education, and training,
- Supplier contracts stating a common repudiation of trafficking,
- Plan for communicating information to customers,
- Methods for informing truckers of local "key persons" at travel destinations, and
- An annual progress report.