

XPO Logistics Slavery and Human Trafficking Statement for the year ending 31 December 2020

Our Commitment

This statement is made by XPO Supply Chain UK Limited, XPO Transport Solutions UK Limited, XPO Maintenance UK Limited and XPO Bulk UK Limited (together referred to as “XPO”) operating in the UK as part of the XPO group of companies, pursuant to section 54 (1) of the Modern Slavery Act 2015 and constitutes XPO’s slavery and human trafficking statement for the financial year 1 January to 31 December 2020.

Our culture at XPO is about achieving results through teamwork, which requires us to perform to the highest standards of business conduct at all times. As a global leader in our industry, we endeavour to set an example which is beyond reproach.

We are committed to:

- Acting with integrity in all of our business dealings
- Treating each other with dignity and respect
- Complying with all applicable policies, laws and regulations
- Upholding our commitment to the “Integrity Matters” XPO Code of Business Ethics

XPO is committed to conducting business in a manner that respects human rights and the dignity of all people. We acknowledge our responsibilities in accordance with the Modern Slavery Act 2015 (the “MSA”) and we do not tolerate any conduct that contributes to, encourages or facilitates human trafficking, child labour, forced or compulsory labour, or any other human rights abuses.

Business Structure

XPO Logistics, Inc., headquartered in Greenwich, Connecticut, US, is the parent company of the XPO group.

XPO Logistics, Inc. is a leading provider of supply chain solutions to the world’s most successful companies. XPO Logistics, Inc. has two business units; Transportation and Supply Chain (logistics), which are diversified by geographies, verticals and types of service. We run our business as one, highly integrated network of people, technology and physical assets. We use our network to help customers manage their goods more efficiently throughout their supply chains.

Globally XPO Logistics, Inc. employs approximately 100,000 people in 30 countries. Within Europe, we employ around 50,000 people as drivers, warehouse staff and in corporate positions in 17 countries: Belgium, Czech Republic, Finland, France, Germany, Ireland, Italy, Luxembourg, Netherlands, Poland, Portugal, Romania, Russia, Slovakia, Spain, Switzerland, and the United Kingdom.

Within the UK, we have five main operating companies employing approximately 25,200 employees at the end of 2020.

XPO’s Operations and Supply Chains:

XPO has two reporting segments: logistics and transportation. Within these segments, the business is diversified by geographies, verticals and types of service.

In our logistics segment, we provide a range of supply chain services, including highly engineered solutions and high-value-add contract logistics. We perform e-commerce fulfilment, reverse logistics, factory and aftermarket support, packaging and labelling, distribution and managed transportation.

In our transportation segment, we provide freight brokerage, last mile, expedite, intermodal, drayage, less-than-truckload, full truckload, and global forwarding services. We have a strong franchise in each of our service offerings, including leading positions in fast-growing areas such as e-fulfilment.

Our supply chains are extensive given the global reach of our operations. Within the supply chain, the key areas are labour (including subcontract labour and agency workers), warehousing facilities, vehicles and equipment.

Steps taken to proactively prevent modern slavery in our supply chains:

Following the approach adopted in our previous slavery and human trafficking statements we have taken steps to ensure that XPO is open and transparent in the way we operate our business and that our transactions and relationships are firmly compliant with our responsibilities under the Modern Slavery Act. Specifically, we do this by reference to our activities in three areas: policy, risk assessment and due diligence.

Like all businesses, we have seen challenges over the past year due to the Covid-19 pandemic. This has been particularly pertinent for our warehouse employees and transportation teams as the pandemic tested the logistics industry like never before. We needed to adapt quickly to the onset of the pandemic to safeguard our workforce and maintain continuity of essential services. As we delivered food, medical devices and supplies, technology and more, our primary focus was safeguarding our employees, many of whom were on the front lines of delivering the goods that families, communities, hospitals and businesses were depending on.

We took the following steps to prioritize the health and safety of our workers.

- **Social distancing.** Following the guidance from the WHO and national government, guidelines regarding physical distance from colleagues were put into effect at all XPO sites. Where possible, barriers were installed between workstations as well as distancing demarcations on floors.
- **Personal protective equipment.** We provided PPE and sanitization supplies to employees with procurement measures in place to ensure an ample supply for months to come.
- **No contact deliveries.** We modified our delivery processes to ensure no-contact deliveries for drivers.
- **Remote work.** Employees whose jobs did not necessitate on-site work readjusted and worked remotely for the balance of 2020.
- **Visitor restrictions.** Visitors were limited from accessing our offices and field locations. When the visit was necessary, visitors were required to affirm statements regarding their health and exposure to Covid-19.
- **Enhanced cleaning.** Additional daily cleaning measures occurred inside our workplaces and, when necessary, we contracted with industrial commercial cleaning companies to deep clean our facilities.

Many of our sites were busier due to increased demand for the logistics and transport services that we provide, and this required us to take on additional colleagues on those sites. We were able to do this by redeploying existing colleagues from quieter sites, or through our existing labour agencies and sub-



contractors who already comply with our due diligence procedures and Anti-Slavery and Human Trafficking Policy, as well as our Code of Conduct.

In addition to the steps taken in relation to the Covid-19 pandemic, during the last financial year we have taken several steps in our business in the UK to combat slavery and trafficking, which are outlined in the following paragraphs.

Policy

Human rights and the principle of treating everyone who has contact with our business with dignity and respect is set out in our global Code of Business Ethics and our “Integrity Matters” ethics and compliance programme. This Code is a blueprint of the Company’s business standards.

The Code is accompanied by a set of more detailed policies which include, in the UK, our Anti-Slavery and Human Trafficking policy. This policy is applicable to all XPO employees, officers and directors and other parties acting on XPO’s behalf, such as its suppliers and partners in respect of our business in the UK.

The Code and policies are communicated to all employees when they join XPO. During the course of their employment they continue to receive training and awareness on the Code and its associated policies. We also deliver specific *Respect in the Workplace* training and awareness across all of our operations globally.

In the UK we provide an Anti-Slavery and Human Trafficking online training module to all new managers as part of their induction. In addition to the mandatory training for new starters at the management level, the online training is also available to all UK employees through our “XPO University” learning management platform. In 2020, in addition to the UK Anti-Slavery and Human Trafficking policy, XPO Logistics, Inc. issued a global Human Trafficking Policy.

We have also revised our Third Party Due Diligence Policy to contain specific reference to temporary labour agencies and sub-contractor labour and we have developed a Supplier Code of Conduct to supplement our Code of Business Ethics.

Globally, XPO recognised Slavery and Human Trafficking Prevention Month in the US (January) by developing materials to build awareness, share our company commitment, help employees spot signs of exploitation, and provide information of where to report any concerns. These materials were shared across all our UK sites. Our European CEO and our Chief Diversity Officer also shared their perspectives on our fight against modern slavery with dedicated blog posts.

Risk Assessment

During 2019, as part of a wider piece of work on legal compliance and corporate social responsibility, we worked with external experts to assist us in developing a robust methodology to identify and map risks related to human rights, health and safety, and the environment within our direct and indirect operations across Europe. Whilst not directed solely at slavery and human trafficking issues, this exercise enabled us to develop a Vigilance Plan (required under the French law for our European group companies) which addresses issues of human rights, health and safety, and the environment within our operations and our supply chains. It has also enhanced our knowledge and understanding of the potential risk areas for modern slavery and human trafficking and enabled us to identify further mitigating actions to address these.

The methodology to map the Company’s risks focused on three main steps:

- Identifying the main risks within our operations and wider industry, as well as our suppliers and subcontractors' operations,
- Classifying the measures already in place to mitigate or prevent identified risks,
- Assessing and mapping the risks according to their criticality and likelihood of occurrence.

In 2020, we continued to develop this risk assessment and risk mapping with each of our business units across Europe.

We will continue to monitor and review our activities in accordance with our Vigilance Plan which will in turn assist in our compliance with the Modern Slavery Act.

Due Diligence

All supplier appointments go through a centralised procurement team which means that we have a consistent approach and can maintain control around our appointment of agency labour. During 2020 we have used the information obtained from our risk assessments and risk mapping to improve the due diligence that we carry out on the third parties that we use as vendors and suppliers. Specifically, we have revised our Third Party Due Diligence policy resulting in an enhanced the level of due diligence and controls required for certain categories of temporary labour agencies and transportation sub-contractors. The implementation of this policy will be supported by an improved third party due diligence software system.

The appointment of transportation subcontractors has also been standardized within our transportation segment providing better knowledge and oversight of the third parties that we work with.

Specifically, in the UK we have undertaken an exercise to move all transportation sub-contractors under one contractual arrangement. This assists us in ensuring that workers supplied to us on a temporary or subcontract basis are treated and paid lawfully.

Future steps to prevent modern slavery in our supply chains:

We will continue to monitor the modern slavery risk through policy, risk assessment, training and due diligence. Specifically:

- We will implement our revised Third Party Due Diligence Policy and Supplier Code of Conduct.
- We will continue to use our internal "XPO University" learning management platform to deliver modern slavery and human trafficking training and awareness to all employees on a regular and mandatory basis.
- We will review our risk mapping work in the areas of human rights, health and safety and environment, including modern slavery and human trafficking risks on an annual basis.
- We will monitor and review the impact of our revised Third Party Due Diligence Policy and Procedures in relation to our labour agencies and labour sub-contractors and continue to audit our sites to ensure that all sites are recruiting workers from our approved agencies and sub-contractors which comply with the law and our XPO Code of Business Ethics.

Any concerns regarding human trafficking or modern slavery within our business should be reported to us at ComplianceOffice@xpo.com or www.xpo.ethicspoint.com.



This statement was approved by the Boards of XPO Supply Chain UK Limited, XPO Transport Solutions Limited, XPO Maintenance UK Limited and XPO Bulk UK Limited.

Signed:

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