



XPO Logistics – Slavery and Human Trafficking Statement for the year ending 31st December 2018

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 2018.

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 is a top ten global logistics business. We run our business as one, highly integrated network of people, technology and physical assets in 32 countries, with 100,000 employees and 1,540 locations. We use our network to help customers manage their goods more efficiently throughout their supply chains.

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

Within Europe, we operate in 17 countries: Belgium, Czech Republic, France, Germany, Ireland, Italy, Luxembourg, Netherlands, Poland, Portugal, Romania, Russia, Slovakia, Spain, Switzerland, Ukraine and the United Kingdom. Within the UK, we have five main operating companies employing approximately 21,500 employees.

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 sub contract 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 two 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.

During the last financial year we have taken the following steps in our business in the UK to combat slavery and trafficking:

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. 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 every new employee when they join XPO and training and awareness campaigns are carried out for all employees from time to time. In the UK we provide an Anti-Slavery and Human Trafficking on-line training module to all new managers as part of their induction. The on-line training is also available to all UK employees on our "XPO University" learning management platform.

We continue to use our Modern Slavery "Toolkit", developed in 2016, to educate employees and raise awareness of modern slavery and human trafficking issues.

In the UK we have maintained our membership, licensing and partnership with the Association of Labour Providers, the Gangmaster Licensing Authority and Sedex.

Risk Assessment

Our main area where there is a risk that human trafficking and modern slavery could occur is sub-contract labour and agency workers.

Accordingly we have worked with our contractors, suppliers, business partners and other third party suppliers or businesses to ensure that they are open and transparent in their activities and are compliant with the MSA.

We aim to control and manage this risk by working with two main agencies who have signed up to our Supplier Terms and Conditions, Supplier Code of Conduct and Code of Business Ethics. All agency and temporary staff are recruited from these agencies via our central procurement team and we continue

to review and audit the activities of these agencies. This reduces the risk of temporary or agency workers being used on our sites who may be subject to unfair treatment or slavery.

We also have a rolling programme of HR and Compliance Audits for all of our UK sites with a view, amongst other things, to identifying and eliminating forced or compulsory labour in our workforce.

Due Diligence

During 2018 we amended our Supplier Terms and Conditions and improved our supplier due diligence process for all suppliers by requiring them to provide details of their ethics and compliance policies, including their controls around modern slavery and human trafficking. 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.

We have also invested heavily in a new HR and payroll system. One of the benefits of this is that it gives us greater visibility with clear approval work flows which are auditable and reduces the risk of unlawful practices and assists in ensuring consistency of treatment for our workforce.

Future steps to prevent modern slavery in our supply chains:

We will continue to monitor the modern slavery risk by way of policy, risk assessment, training and due diligence.

Specifically, we will refresh our awareness campaign in 2019 and continue to deliver the training to new employees and those in management roles in order that employees involved in recruitment, procurement and management have an appropriately high level of understanding of the risk of modern slavery and human trafficking.


We have partnered with the charity, Unseen (UK), and will support them in the work that they do to identify and eliminate slavery and support its victims.

We will also continue to audit our sites and our labour agencies and labour sub-contractors which will assist in identifying areas of risk.

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:



Gavin Williams
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XPO Supply Chain UK Limited



Dan Myers
Director
XPO Transport Solutions UK Limited
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