



## **XPO Logistics – 2016 Slavery and Human Trafficking Statement**

### **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 2016.

As a global leader in our industry we endeavour to set an example which is beyond reproach. 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.

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 34 countries, with over 89,000 employees and 1,431 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 19 countries: Belgium, Czech Republic, Finland, France, Germany, Hungary, 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 20,000 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:**

XPO takes proactive measures to ensure that within our business we are open and transparent in the way we operate, thus ensuring that our transactions and relationships are firmly compliant with our responsibilities under the MSA.

To further our commitment to combating slavery and trafficking, we have taken the following steps over the last financial year:

#### **Policy**

On a global level XPO adopted a new global Code of Business Ethics during 2016 as part of its "Integrity Matters" ethics and compliance programme. This code is a blueprint of the Company's business standards and its guiding principle is to treat everyone with dignity and respect. All XPO employees, officers and directors are subject to the code, as are other parties acting on XPO's behalf, such as its suppliers and partners. The code contains a number of global business ethics policies that govern our conduct, including:

- No Discrimination, Harassment or Retaliation Policy
- Anti-Corruption Policy
- Anti-Trust and Fair Competition Policy
- Delegation of Authority Policy
- Trade Compliance Policy

The XPO "Integrity Matters" Code of Business Ethics and associated policies have been issued to all employees. Additionally, the business operates a central compliance office, available to all XPO workers and third parties for the reporting of queries and concerns.

In Europe, XPO is a participant of the UN Global Compact and commits to the integration of the 10 Principles of the Global Compact within its business, including the protection of internationally proclaimed human rights and the elimination of all forms of forced and compulsory labour.

#### **Risk Assessment**

We have identified sub-contract labour and agency workers as one of the main areas where there is a risk that human trafficking and modern slavery could occur.

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We are working with our contractors, suppliers, business partners and any other third party suppliers or businesses to ensure that they are open and transparent in their activities and are compliant with the MSA.

We have undertaken a number of steps over the last year to identify and eliminate forced or compulsory labour in our workforce. Within our business in the United Kingdom these include:

- Membership, licensing and partnership with bodies such as the Association of Labour Providers, the Gangmaster Licensing Authority and Sedex
- Annual HR audits of our various sites, which include auditing legal compliance, adherence to XPO HR policies and practice and recruitment and reward practices

## **Due Diligence**

In order to prevent slavery and trafficking in our business and supply chains, we have begun a due diligence process. We have focused this on the areas of sub-contract labour and agency workers initially by introducing a due diligence process with third-party recruitment agencies. This includes vendor screening and questionnaires.

We require our key sub contractors to meet the requirements set out in our general purchasing conditions, including compliance with all laws.

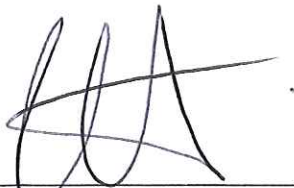
## **Future steps to prevent modern slavery in our supply chains:**

We understand that the modern slavery risk is not static. Over the course of 2017 we intend to commence a programme of ethical compliance audits on our labour agencies and labour sub contractors. We will implement a risk-based vendor diligence programme across the XPO organization which will assist in identifying areas of risk. We will deliver training and awareness on modern slavery to relevant managers and employees.

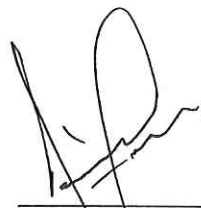
We aim to ensure that staff involved in recruitment, procurement and management have an appropriately high level of understanding of the risk of modern slavery and human trafficking and that there is a general level of awareness across our business.

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:



Richard Cawston  
Director  
XPO Supply Chain UK Limited



Dan Myers  
Director  
XPO Transport Solutions UK Limited  
XPO Bulk UK Limited  
XPO Maintenance UK Limited