

MODERN SLAVERY AND HUMAN TRAFFICKING STATEMENT

Our Commitment

Arrow XL Limited is fully committed to taking appropriate action to prevent acts of modern slavery and human trafficking within our business and impose the same high standards on our supply chain through appropriate systems and governance that identify and assess potential risks and protect whistleblowers.

This is our third annual modern slavery statement, outlining the steps we've taken over the last 12 months up to and including 30 June 2018.

Structure of the business

Arrow XL Limited are a two-person home delivery and collection service within the logistics sector with national coverage across the UK. We operate across a network of five main warehouse and distribution hubs supported by a number of remote satellite locations across the UK.

Our workforce consists of a combination of employed and agency staff depending on local labour conditions and business requirements. It is considered that the main risk to the business in terms of potential exposure to slavery and human trafficking lies in the utilisation of agency staff and use of sub contract delivery services to third parties. However, it should be noted that the majority of our delivery services are carried out by employed delivery crew members in conjunction with agency staff.

Progress made since last statement and next steps

As part of our commitment to combatting modern slavery we have updated our supplier Code of Conduct to include provisions outlining our expectations concerning the prevention of slavery and human trafficking.

The Code of Conduct is reviewed and revised regularly and is published on our website. We enlist that the labour agencies and sub-contractors that we use contract on our standard written terms which make compliance with our supplier Code of Conduct compulsory regardless of the size of the supplier's organisation. Failure by a supplier to comply with the Code gives rise to an immediate and automatic right for us to terminate the relationship.

We have already introduced a documented review process at the procurement stage for all contracts with new suppliers. Procuring managers must consider whether a supplier poses a potential risk in terms of slavery or human trafficking. Contracts will not be approved and signed off by our Executive team and legal department unless the procuring manager adheres to this process.

We have made progress in reducing our agency preferred supplier list, limiting the number of agencies that we acquire fixed term / flexible labour through and this will be an area of ongoing focus, as well as the way the business appoints labour agency staff. We propose a limit to the number of agencies we use and to appoint as many agencies as possible via a central umbrella agency in order that our use of agency labour is more controlled, consistent and transparent.

In addition to our supplier Code of Conduct, we are introducing a number of policies to ensure that acts of modern slavery and trafficking is prevented including recruitment and selection and a dedicated policy on modern slavery to increase awareness and vigilance across the business. The policy will be published internally to all staff and included in our staff induction process to make all new colleagues aware of our procedures from the outset.

Our whistleblowing policy protects members of staff who report any concerns in relation to slavery or trafficking.

To ensure a high level of understanding of the risks of modern slavery and human trafficking in our business we provide awareness training to relevant members of the people and procurement departments and we are reviewing how we incorporate this into our induction programme across the business.

Board approval

Following our review of actions this year to prevent slavery and human trafficking from occurring in our business and supply chains, we are committed to continuous improvement to further strengthen our approach to combatting modern slavery and human trafficking during our 2018/19 financial year and beyond.

This statement is pursuant to section 54(1) of the Modern Slavery Act 2015 and constitutes Arrow XL Limited slavery and human trafficking statement for the financial year ending 30 June 2018. This statement has been approved by our Board of Directors and our group CEO through our appropriate governance structure, who will review and update it annually.



**Charles Shiels, Chief Executive Officer
On behalf of ArrowXL Limited.**

28th December 2018

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