

## **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.

Arrow XL intends to 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 fourth annual modern slavery statement, outlining the steps we've taken over the last 12 months up to and including 30 June 2019.

### **Structure and Supply Chain**

Arrow XL Limited are a two-person home delivery and collection service within the logistics sector with national coverage across the UK & Ireland. We have approximately 1,200 direct employees and 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 requirements. Arrow XL works with service partners to meet fluctuating levels of demand throughout the year and to provide coverage in remote areas of the UK.

### **Risk Assessment**

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-contracted delivery services to its service partners. However, the majority of our delivery services are carried out by employed delivery crew members in conjunction with agency staff.

We have continued to make progress in reducing our agency preferred supplier list, limiting the number of agencies that we acquire fixed term/flexible labour through and this is an area of ongoing focus. We are in the process of reviewing our overall strategy for utilising agency resource and one objective for this project is to make our use of agency labour more controlled, consistent and transparent.

We have recently introduced an applicant tracking system to automate and streamline administration throughout the recruitment process. This system ensures that compliance requirements are completed for the recruitment to proceed to the next stage.

### **Due Diligence Processes**

We have zero tolerance to slavery and human trafficking. To ensure all those in our supply chain and contractors comply with our values we have implemented the measures set out below by way of a supply chain compliance programme.

Our supplier Code of Conduct framework includes 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 insist 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.

This Code of Conduct is combined with a documented review process at the procurement stage for all contracts with new suppliers. Procuring managers are required to 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.

### **Policies on Modern Slavery**

In addition to our supplier Code of Conduct, we have introduced a number of policies to ensure that acts of modern slavery and trafficking are prevented including a Recruitment and Selection Policy and a dedicated policy on

modern slavery to increase awareness and vigilance across the business. The policy has been 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, which protects members of staff who report any concerns in relation to slavery or trafficking, has recently been reviewed and relaunched.

We are also in the process of updating our Anti-Bribery and Corruption Policy.

### **Measuring Effectiveness**

We understand that the risks of modern slavery and human trafficking are not static and in order to assess the effectiveness of the measures taken, Arrow XL will be reviewing the following key performance indicators and reporting on them in future Modern Slavery Statements:

- staff training levels;
- actions taken to strengthen supply chain auditing and verification;
- steps taken to assess higher risk suppliers' awareness and their ability to detect and mitigate risks in supply chain; and
- investigations undertaken into reports of modern slavery and human trafficking and the actions taken in response.

### **Training for Staff**

Modern Slavery is included in our staff induction process to make all new colleagues aware of our procedures from the outset.

To maintain a high level of understanding of the risks of modern slavery and human trafficking in our business we provide refresher awareness training to relevant members of staff. We also require our business partners to provide training to their staff and suppliers.

### **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 2019/20 financial year and beyond.

This statement is made 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 2019. 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.



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**Charlie Shiels, Chief Executive Officer**  
**On behalf of Arrow XL Limited**

**December 2019**