

MODERN SLAVERY AND HUMAN TRAFFICKING STATEMENT

Our Commitment

Arrow XL Limited is, and remains, fully committed to taking appropriate action to prevent acts of modern slavery and human trafficking within our business.

Arrow XL imposes 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 ninth annual modern slavery statement, outlining the steps we have taken over the last 12 months up to and including 31 December 2024.

Structure and Supply Chain

Arrow XL Limited is a two-person home delivery and collection service within the logistics sector with national coverage across the UK & Ireland. We have approximately 850 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.

Our applicant tracking system has served to automate and streamline administration throughout the recruitment process. The system ensures that correct identification and right to work information compliance requirements are completed for all new AXL employees.

We continued to complete a standardised risk assessment for new suppliers which takes account of their sector and location, the commodity, their supply chain and the steps they have in place to mitigate the risk of slavery in their business.

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 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

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staff and included in our staff induction materials to make all new colleagues aware of our procedures from the outset.

We also have a Whistleblowing Policy, which protects members of staff who report any concerns in relation to malpractice and unlawful conduct (including slavery or trafficking) and an Anti-Bribery and Corruption Policy.

Training for Staff

Our Modern Slavery Statement 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, with the introduction of our new training platform, LEAP, pivotal for training staff going forward. We also require our business partners to provide training to their staff and suppliers.

Measuring Effectiveness

Arrow XL uses the following key performance indicators (KPIs) to measure how effective we have been in ensuring that slavery and human trafficking is not taking place in our business or supply chains:

1. Staff training and awareness levels

Staff receive awareness materials as part of their induction in addition to refresher training and there are posters in the main depots. Staff are made aware of Arrow XL's Modern Slavery Policy and are required to complete risk assessments for new suppliers as part of the contract sign-off process. In the last 12 months Arrow XL has held further workshops for staff with procurement responsibilities to build on the refresher training and continued to embed new processes which has served to further raise awareness and provide an understanding of how staff could come into contact with slavery in their roles.

A cross functional working party cascades knowledge on best practice throughout the business and provides important feedback on any training needs and recommendations.

2. Supply chain auditing and verification

Arrow XL has standardised its risk assessment of suppliers as part of its pre-contract due diligence. Suppliers are required to fill out a standard questionnaire which are factored into the overall risk assessment and assigned a score to indicate the risk level allocated. This score confirms whether any further due diligence and/or risk mitigation is required.

The questionnaires have been built into the contract approval documentation to ensure that the process and corresponding actions have been satisfactorily completed prior to contract sign-off.

3. Assessment of higher risk suppliers' awareness and their ability to detect and mitigate risks in supply chain

Suppliers providing responses to the standard questionnaire which are assigned a score over 7 (out of a maximum score of 21) are required to complete a further, more detailed questionnaire which is tailored to the transaction and the particular risks identified. Based on the answers to the follow-up questionnaire and Arrow XL's own investigations, the original scoring will be re-visited and updated or upheld as necessary. Where suppliers receive a red or amber status, Arrow XL will consider what steps (if any) can be taken to satisfactorily mitigate the risk which, for the highest risk suppliers, may include an audit and on-site assessment.

So far this year no suppliers have scored more than a 7.

4. Investigations undertaken into reports of modern slavery and human trafficking and the actions taken in response

No reports of modern slavery and human trafficking have been received. Arrow XL will continue to promote awareness and understanding of modern slavery and human trafficking by its staff. Further, Arrow XL commits to the actions below.

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Arrow XL believes that the steps taken have been effective to mitigate the risks identified but recognizes that preventing modern slavery in its business and supply chain is an ongoing challenge which requires a continuous commitment and an ongoing assessment of appropriate measures.

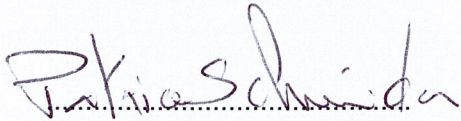
Further actions

Arrow XL will continue the initiatives already adopted in terms of staff awareness and training, standardised risk assessments of suppliers and the cross functional working party to mitigate the risk of slavery in its business and supply chain.

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 2024 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 31 December 2024. 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.

A handwritten signature in dark ink, appearing to read 'Patrice Schneider', written over a horizontal dotted line.

Patrice Schneider, Chief Executive Officer
On behalf of Arrow XL Limited

January 2026