



# The XPO Global Union Family: Formal Notice to XPO Logistics Europe under the French Corporate Duty of Vigilance Law

The International Transport Workers' Federation (ITF), the European Transport Workers' Federation (ETF) and the growing XPO Global Union Family of trade unions (see below) have taken action to call on XPO to comply with its duty of vigilance in relation to human rights in its supply chain.

The company has three months to respond with a new 'vigilance plan' that includes, at least, a comprehensive mapping of its supply chain as a first step towards an adequate plan in law.

- ◆ Multinational enterprises like XPO must respect internationally recognised human rights. Furthermore, as the economic employer they have the power and leverage to influence their suppliers and subcontractors and set the standards along their global supply chains. They have a responsibility to be vigilant.

Companies cannot subcontract their responsibilities or outsource their duty of care. The XPO Global Union Family wants to make that clear to XPO Logistics Europe, which subcontracted 54.8 percent of its operations in 2018.

XPO apparently aspires to achieve a company with zero employees - as demonstrated in its latest endeavour with Nestle to run a fully automated, 638,000 square feet (59,272 square metres) distribution centre in the UK.

We are concerned that zero responsibility for outsourced, agency and subcontracted workers and their employment conditions is the true goal.
- ◆ The French **Corporate Duty of Vigilance Law**, passed in March 2017, is a landmark achievement in the international fight for businesses to be held to certain obligations in relation to the human rights of their workers, local communities and others affected by their operations around the world. The vigilance required under this law covers the whole range of human rights and fundamental freedoms, including core labour standards, such as the right to organise in full freedom and to be free from gender-based discrimination.
- ◆ XPO Logistics Europe is headquartered in Lyon, France. It employs 13,000 workers in France and 56,224 around the world. This means the company comes within the remit of the Vigilance Law and must execute, implement and publish an adequate vigilance plan. This must include measures that allow for the identification of risk and the prevention of violations of human rights in its own operations and those of its subsidiaries, suppliers and subcontractors, including those abroad.
- ◆ The law sets out mandatory requirements for the vigilance plan to be included in company annual reports:
  - mapping that identifies, analyses and ranks human rights risks
  - procedures to regularly assess subcontractors, subsidiaries and suppliers
  - appropriate action to mitigate risks or prevent serious violations
  - an alert mechanism, developed in partnership with union representatives, which collects reporting of risks
  - a monitoring scheme for follow up and assessment of company measures



- ◆ These are not guidelines, they are legal requirements. An ITF analysis using the detailed **Vigilance Plans Reference Guidance** produced by Sherpa on implementing the Law, reveals that XPO Europe's vigilance plan – as far as it exists - does not fulfil any of the above five points set out in the law. No members of the XPO Global Union Family have been consulted in relation to an XPO vigilance plan. The French law gives unions and other interested parties a right in law to directly demand compliance.

The XPO Global Union Family is asking for XPO to take the first steps in committing to transparency of operations, including:

- ◆ a thorough, comprehensive and accessible mapping of XPO Logistics Europe's full supply chain, including all subsidiaries, suppliers and subcontractors - as required by the law
- ◆ significant progress towards a full identification and justified ranking of all human rights risks
- ◆ regular consultations with local unions and global union federations in implementing and updating the vigilance plan, including the design of alert mechanisms and evaluation procedures
- ◆ significant progress towards a full, adequate and publicly available vigilance plan that complies with the guidance produced by Sherpa

The XPO Global Union Family is prepared to bring this matter before the relevant jurisdiction in France if XPO refuses to fulfil the requests under the Law within three months. If necessary, the relevant penalties will be sought.

## BACKGROUND

***The XPO Global Union Family is made up of trade unions from France, the UK, Spain, Belgium, the USA and Italy.*** Their goal is to get XPO to engage in dialogue at a global level to achieve decent standards, including good industrial relations, in all countries of operations. The XPO Global Union Family will ensure that XPO fulfils its obligations to its workers.

French unions Cfdt and CGT have united in leading the XPO Global Union Family to demand that XPO Logistics Europe provide a full, adequate and public vigilance plan that is fit for purpose under the French law. French unions and non-governmental organisations played a large part in the creation of this law.

XPO Logistics Europe was expelled from the UN Global Compact in May 2019 for failing to communicate progress on its responsible and sustainable practices. Years of complaints from the XPO Global Union Family has led the ITF to frequently invite the CEO of XPO to engage to guarantee workers' protections at a global level. XPO has deflected questions and consistently refused. The global network of unions has been left with no option but to seek alternative routes.

