

## Introduction

The UK Tax Strategy outlined below relates to XPO, Inc. and all its UK subsidiaries for the financial year ended 31 December 2024. This publication outlines how the XPO group manages its UK tax risks and works with HMRC (the UK tax authorities) when undertaking tax compliance, tax planning and tax governance. The UK Tax Strategy has been published in accordance with Part 2 of Schedule 19, Finance Act 2016 and covers all the taxes outlined by paragraph 15(1) of Schedule 19, Finance Act 2016.

## Managing UK tax risks

XPO is committed to paying the correct amount of tax and complying with all due dates including but not limited to filing and payment due dates. This is achieved by strict compliance with the relevant tax laws and regulations. The tax team consists of qualified and experienced individuals who adhere to XPO's Code of Business Conduct and Ethics which demands the highest standards of professional and ethical conduct from its employees.

Tax risks can arise from unclear laws and regulations as well as differences in interpretation. To mitigate this risk, XPO regularly seeks professional opinions and advice from independent external advisors on such tax matters. XPO operates with integrity and has an open and transparent working relationship with the UK tax authorities which ensures that any risks relating to differences in interpretation are addressed plus compliance with all laws and regulations.

## Tax Planning and Governance

The XPO group takes reasonable care to ensure that XPO follows the letter and the spirit of the legislation. XPO does not adopt any aggressive tax planning measures and adheres to UK tax legislation, Double Tax Treaties, European Directives and the relevant guidance issued by the Organisation for Economic Co-operation and Development ("OECD") for international tax matters, such as Pillar one and two in addition to the arm's length principles in transfer pricing. XPO is prepared to comply with all requirements when those initiatives become active.

Where there are extraordinary commercial business activities and substantive transactions, such as acquisitions and divestments, XPO ensures that any risks are appropriately documented. Additionally, advice is sought from independent external advisors when needed and the UK tax authorities are consulted where appropriate.



## **Tax Planning and Governance (continued)**

Employees with sufficient experience in their tax specialties and the appropriate qualifications ensure that key risks are identified, and controls are put into place to mitigate any risks. The overall UK tax risk lies with the Board of Directors, who approve the approach to tax, with the support of the following roles:

- Vice President, Tax
- Senior Vice President, Finance
- Tax Directors
- Tax Managers
- Senior Accounting Officer



## **Working with HMRC**

XPO seeks to build and sustain relationships with the UK Government and HMRC that are constructive and based on mutual respect. XPO works collaboratively wherever possible with HMRC to resolve disputes and to achieve early agreement and certainty. In this purpose, XPO notably meets with HMRC for an Annual Conversation or a Business Risk Review, which addresses all the taxes and is a wide-ranging discussion of all aspects of XPO's UK tax affairs.

**Date Published: August 2024**