

# BEST ESG STRATEGY

## WINNER

### XPO LOGISTICS

Working for a transportation company in a sector known for high emissions, leaders of XPO Logistics knew they'd have to go beyond intentions to make a meaningful impact on its environmental, social and governance goals. Action, integration, transparency and long-term accountability were required, so that's what the XPO team delivered, with "clear intent and enthusiasm", judges enthused.

XPO Logistics' strategy is rooted in three ambitious, long-term climate objectives: a 30% reduction in emissions by 2030, full fleet decarbonisation by 2035 and carbon neutrality by 2040. There was a clear rationale as to how to meet the values of the company and tackle high emissions, judges found.

Company leaders looked to hardwire sustainability into operations, using emissions stats from 2019 as a baseline for targets. The team led with both a top-down governance and bottom-up delivery approach. This included site-level engagement calendars: HR-guided tools that allowed local teams to plan, promote and track ESG initiatives throughout the year. The calendars provided structure so that each depot had autonomy while remaining aligned to national ESG goals.

The HR team proved foundational to XPO's ESG



#### SHORTLISTED

- Canopy by Hilton London City
- LMAX Group
- RewardU, Ureenco
- x Benifex

mission: by co-developing hybrid working policies, it directly contributed to reduced commuting emissions. The team's co-leading of biodiversity initiatives included the establishment of an initiative called Nature Network, which involved tree planting, the installation of a beehive, the sowing of wildflowers

and establishing a shrub hedge. The HR team also helped disseminate sustainability education through town halls, employee communications and customer partnerships.

Additionally, XPO's HR director aligned ESG targets with training, development and engagement. This highlighted the integration of the ESG strategy with the business' people agenda, which was also evidenced through graduate and leadership programmes which incorporated sustainability modules and rotational schemes, thus embedding ESG from day one.

XPO's leaders set up a Driver Excellence Academy to support frontline eco-efficiency, linking emissions reduction to safety. Carbon literacy training provided context and accountability at a leadership level too.

ESG values are now included in XPO's onboarding materials, meaning that new hires have a clear link between their role and the company's long-term goals. ESG objectives are also discussed and set, where relevant, during performance reviews.

The XPO team's multi-layer approach means that ESG is understood and acted on at important touch points in an employee's journey. Judges felt that this business lived and breathed ESG, praising that sustainable goals became part of day-to-day work, and commending collaboration across the business as a stand-out element of this strategy.

By the end of 2024, XPO's strategy had led to 66,000 tonnes of emissions savings. Intensity of emissions also reduced by 12%, and the firm's UK HQ in Crick, Northampton, achieved carbon neutrality six months ahead of target. As one judge noted, the XPO team has "kitchen-sinked it", showcasing a broad, impressive story.