

IM Group Modern Slavery Statement
End of Year December 2022

IM Group recognises that the potential for modern slavery exists in many sectors, and we must do everything we can to prevent any form of slavery, human trafficking or any other unethical behaviour.

We are dedicated to developing, implementing, and enforcing effective systems and controls to ensure that we address the threat of modern slavery within our business and in our supply chains.

We have zero-tolerance for slavery and human trafficking, and we expect our supply chains to take the same stance.

To date we have not identified any actual or suspected cases of modern slavery in our operations or direct supply chain.

This statement is IM Group's sixth modern slavery statement. It sets out the steps that IM Group and its subsidiary companies have taken during the financial year ending December 2022 to combat slavery and human trafficking in our business and supply chains.

Sign Off

- This statement is made pursuant to section 54 (1) of the Modern Slavery Act 2015 and constitutes the slavery and human trafficking statement for IM Group.
- This statement covers the IM Group and all its entities as set out <https://www.imgroup.co.uk/-list-of-active-dormant-companies/>
- This statement has the support of the IM Group Board of Directors and was approved by the Board on 28th June 2023

Signed:

Gary Hutton
Executive Director

4th July 2023.



Our Business

IM Group is a large, family owned, international company established in 1977. The Group operates a diverse portfolio of companies in the automotive, property and finance sectors. Our specialist expertise and local market knowledge is used to support our business partners achieve their goals. Our head office is located in Solihull, with other offices in the UK, USA, China, Baltics and Nordic countries.

Through our diverse business portfolio, we procure a wide range of goods and services. Our core businesses each have a specific supply chain footprint with different characteristics, challenges and opportunities.

Governance

The IM Group Board of Directors is responsible for managing the long-term profitable success of the business, while ensuring that it makes a positive contribution to society. The Board has established an Environmental, Social and Governance (ESG) committee that provides strategic direction on the group's long-term approach to ESG, monitoring developments in this space and provides oversight and support to the Board on the potential risk for modern slavery and our approach.

For supplier management, we have a contract management system facilitated by the Compliance department for the automobile sector of the Group. Within the property business the commercial teams have responsibility for ensuring compliance with our Modern Slavery policy.

IM Group fosters long-term working relationships with its supply chain members. Our commercial teams regularly engage with their supply chain partners.

We also continue to work with Slave Free Alliance, aligned to Hope for Justice, to facilitate training for our staff and to ensure best practice is established within our businesses.

Policies

We have developed global and local policies and practices to set consistent standards throughout our operations and those most relevant to Modern Slavery are:

- Business Code of Conduct
- Supplier Code of Conduct,
- Modern Slavery policy
- Whistleblowing
- Equality and Diversity
- Anti-bribery & corruption Policy
- HR policies relating to employment

The purpose, goals and behaviours set out in our policies are underpinned by our Business Code of Conduct. Our Code of Conduct applies to all members of IM Group, including temporary staff. We also expect our suppliers to uphold similar values to our own and this is communicated to them as part of the contract set up procedure.



The IM Group Modern Slavery policy reflects our zero-tolerance approach to modern slavery in our business and our supply chains and our long-standing commitment to:

- Acting ethically and with integrity in all our business dealings and relationships
- Implementing and enforcing effective systems and controls to ensure that modern slavery is not taking place anywhere within our own business or any of the business' of our direct supply chains
- Ensuring that there is transparency in our business and in our approach to tackling modern slavery that is consistent with our disclosure obligations under the Modern Slavery Act 2015
- Encouraging openness and providing support to anyone who raises concerns relating to Modern Slavery
- Continue to promote awareness with employees and across our supply chain and monitor performance through due diligence

Reporting suspicions of Modern Slavery in line with Policy

All employees are encouraged to be vigilant to unethical practices and report concerns. Appropriate action is taken to investigate any breaches of our policies. Our Modern Slavery Policy confirms that our employees and supply chain partners have a personal responsibility to report any actual or suspected instances of modern slavery within our business or in our supply chain.

- Suspected instances of modern slavery may be reported to an individual's line manager (in the case of employees) and a member of the IMG HR team at The Gate, HQ
- Our policies are communicated internally via our SharePoint policy section and externally via our website and issued, where appropriate with contracts and terms and conditions. Suppliers and contractors are informed of a number to call to whistle blow for any concerns
- IM policies are signed off by the Executive Director and senior management on behalf of the Board and are reviewed regularly.

Due Diligence Processes

Suppliers are asked to confirm their acceptance of our approach to modern slavery. Our standard contract includes a contractual obligation to comply with our clauses relating to the Modern Slavery policy. In this way we explain that we do not tolerate slavery or human trafficking and our suppliers are asked to confirm that they take the same approach in their businesses and in their supply chain.

In conjunction with our Supplier Code of Conduct procedure and due diligence, we have implemented a modern slavery and human trafficking process setting out the minimum labour standards that we require from all members of our supply chain.

The standards align to the principles of the Ethical Trading Initiative (ETI Base Code) :

- Employment is freely chosen
- Freedom of association & the right to collective bargaining are respected
- Working conditions are safe & hygienic
- Child labour shall not be used
- Living wages are paid
- Working hours are not excessive
- No discrimination is practiced
- Regular employment is provided
- No harsh or inhumane treatment is allowed

We also conduct enhanced due diligence, targeted at specific supply chain risks identified as part of our risk assessment process including:

- Where we identify instances where we are procuring materials directly from countries on the Global Slavery Index , we will engage with one of our internal or external auditors to carry out a satisfactory ethical audit review prior to making an order. If issues are identified, appropriate investigative and remedial action is taken; and
- Conducting modern slavery training specific to vulnerable areas of our business.

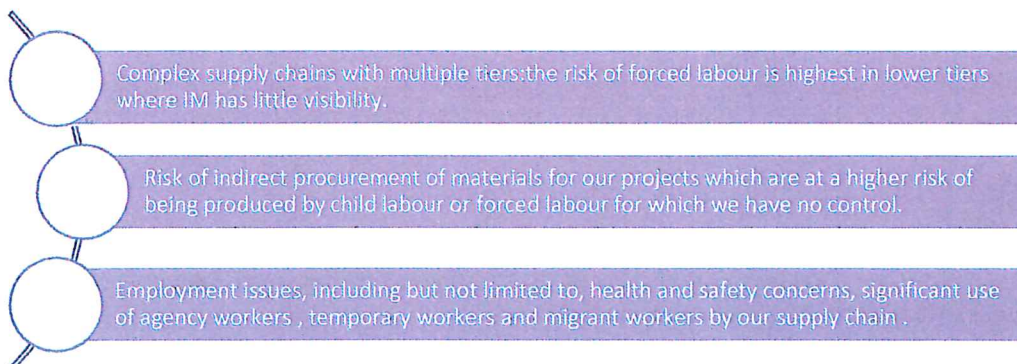
Risk Assessment and Management

IM Group, through its subsidiary companies directly and indirectly, purchase products, materials, services, and labour from a diverse portfolio of suppliers, distributors, labour agencies and professional service suppliers. Our supply chain is complex, with multiple tiers stretching across the globe. We have a broad range of suppliers both in size and in terms of the products and services provided.

Identification

We consider that our most significant modern slavery risks are in our supply chains where we undertake procurement activities and where operations and managerial oversight are out of our direct control. Our procedures are designed to establish and assess areas of potential risk in our business and supply chains and monitor those identified to enable us to reduce the risk of slavery and human trafficking occurring in our business and supply chains.

Some examples of the key supply chain risks that we have identified are as follows:



Action taken in 2022

Key strategical focus for 2022

We developed the Group Sustainable Futures plan for different parts of the business focusing on People, Place, Planet that is underpinned by our partnerships and practices. It is important to us that we are effective in ensuring that slavery and human trafficking are not taking place in our business or supply chains.



- We achieved delivery of a bespoke training programme for our Chinese employees with particular focus on our potential high-risk areas of slavery and exploitation within the factories .

“Thanks to the trainers guidance (helped by the fact that she spoke the local language) and her encouragement to ensure everyone was involved, everyone has learned the signs of modern slavery and how to protect themselves & others from being hurt. Looking at case studies in smaller groups proved to be effective in raising key issues to be aware of when inspecting factories”



1. PALM OUT



2. TUCK THUMB



3. TRAP THUMB

Specific training was given to all construction site managers in respect of the construction hand signal. We align with the GLAA (Gangmasters and Labour Abuse Authority) construction protocol.

We used Modern slavery week in October 2022 to inform all employees, in different ways, of signs to be aware of and what to do if they had any concerns.

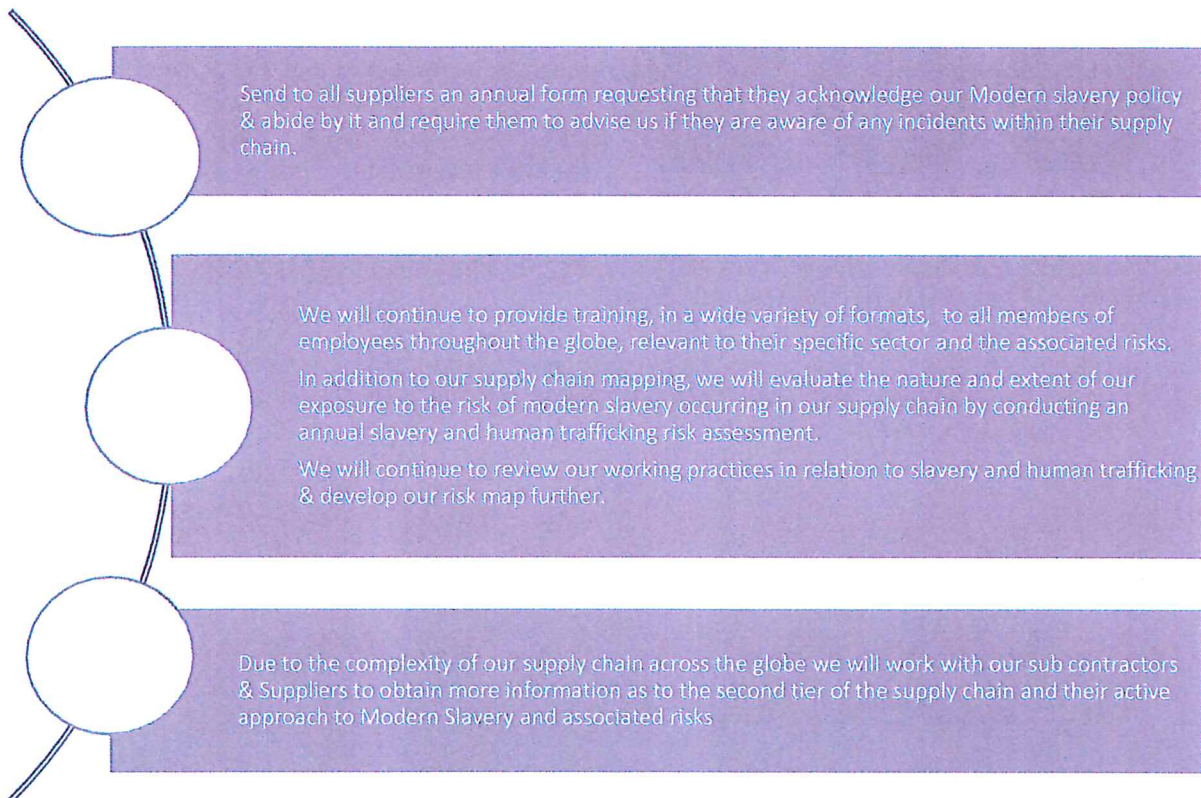
Comments from this training included *“I had never really considered where Modern Slavery was occurring, but I can now see it is prevalent everywhere”* and *“I will now be more conscious when performing due diligence on Suppliers”*.



- Our contract administrators were tasked with implementing proportionate and effective systems and controls through the supplier process.
- Recruitment for all personnel in the UK, Nordic and USA is managed by the UK HR team and includes a process of application forms followed by face to face interviews, identification and basic security and right to work are checked. References as appropriate to the position are also obtained.
- We partner with Slave Free Alliance who conducted audits at our request at two of our building sites, one residential and a second at a large commercial site managed by a contractor. Both sites had very positive reports.
- This is further supported by the training and governance structure provided by the Director of Compliance and reported to the ESG board where we continue to develop the Group Sustainable Futures targets.

2023 Strategic Focus

This section confirms our next steps and our strategic priorities for 2023. We will review our performance against these objectives and outcomes as part of our modern slavery statement for the year ending 2023.



Training and Capacity Building in relation to Slavery and Human Trafficking

Training and raising awareness remain key focuses in 2023; to date our modern slavery training and capacity activities have included:

- E-Learning: We will continue to invest in educating our staff to recognise the risks of modern slavery and human trafficking in our business and supply chains, Our modern slavery E-Learning module, which will be reinforced by face-to-face-training where appropriate, covers topics such as how to spot the signs of modern slavery and who to contact in the event of a potential instance of modern slavery.
- We encourage staff to raise any concerns that they have in relation to modern slavery. We have a robust whistleblowing policy which aims to ensure that our employees are confident that they can raise any matters of genuine concern without fear of reprisals, in the knowledge that they will be taken seriously and that the matters will be investigated appropriately and regarded as confidential
- Anti-slavery day awareness campaigns: Each year we share key modern slavery communication campaigns to co-inside with the anti-slavery day/week throughout all our offices.
- To read our previous modern slavery report click here <https://www.imgroup.co.uk/wp-content/uploads/2022/09/Modern-Slavery-Statement-for-End-of-Year-December-2021.pdf> which is also uploaded to the Government Modern Slavery Registry.

