

CHIME™

SLAVERY AND HUMAN
TRAFFICKING STATEMENT

YEAR ENDED 31ST DECEMBER 2021

SLAVERY AND HUMAN TRAFFICKING STATEMENT

This statement is made pursuant to section 54(1) of the Modern Slavery Act 2015 (the “Act”) and has been ratified by the Boards of Chime Group Holdings Limited, Chime Group Limited, VCCP Group LLP and CSM Sport and Entertainment LLP.

Companies in the Group that are required to issue this statement for the financial year ended 31 December 2021 are Chime Group Holdings Limited, Chime Group Limited, VCCP Group LLP and CSM Sport and Entertainment LLP, (together “we”, “our”).

The Group acts responsibly, and we conduct our business with honesty, in good faith, and in compliance with the law. We set ourselves high standards in our business practices, and expect businesses we work with to meet the same level of business ethics. We do not tolerate any form of modern slavery or human trafficking in any part of our business and are committed to carrying on our business in a manner which respect the rights of individuals in the communities in which we operate. We have taken, and are continuing to take, steps to ensure that our businesses identify risk areas in their supply chains and to implement policies and procedures to eliminate those risks.

The Board of Directors of Chime Group Holdings Limited “the Board”, assisted by the Audit Committee, are responsible for the overall strategic direction of the Group including ensuring that systems of identification and management of risk, including the risk of slavery and human trafficking in our business or supply chain, are robust and appropriate. Our internal audit and risk and compliance teams verify compliance with our operational standards and report directly to the Board.

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ABOUT US

The Group provides services within two core areas: integrated communications (66.1% of operating income) and sport and entertainment (33.9%). Our client offering is broad and we have, in the last 12 months, simplified the structure of our growing number of agencies into two divisions.

COMMUNICATIONS

VCCP

VCCP is a leading, global, integrated advertising and marketing services group, which believes 'that it only works if it all works'. Its services span Communications (advertising, direct marketing, digital communication, PR), Experience (design, build and management of digital and physical brand experience) and Distribution (media planning, buying and implementation across owned, earned and paid channels) with brand strategy and insight at the centre. VCCP Business is the B2B offering of the Group, with specialist and deep expertise in technology, financial services and health.

SPORTS AND ENTERTAINMENT

CSM Sport & Entertainment (CSM)

CSM Sport & Entertainment is a global, integrated marketing agency. Bringing together leading industry experts, we offer a full range of services across sport and entertainment globally. Driven by a team of 1000+ people in 20+ locations, our purpose is to pursue the extraordinary, using the power of sport and entertainment to inspire a better world. Connecting with people through their passion points, we bring meaningful partnerships to life for both brands and rights holders, and create unforgettable experiences for our clients.

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OUR APPROACH

- Our Chime Group Responsible Business Code sets out the high level behaviours we require each of our agencies, our staff and our trading partners to uphold. In it we state that:

“We will continue to strive to make a positive contribution to society and the environment by: maintaining high standards of marketing ethics; respecting human rights; respecting the environment; supporting community organisations; supporting employee development; and managing significant sustainability risks in our supply chain.”

- Our Responsible Business Code, Know Your Clients and Suppliers Policy, Staff Code of Conduct and other policies aim to support and uphold the United Nations’ Guiding Principles on Business and Human Rights.
- Our Know Your Clients and Suppliers Policy reflects our commitment to acting ethically and with integrity in our business relationships. It sets out appropriate steps we require each of our agencies to take to ensure we understand who we do business with, and to ensure that there are no reputational or ethical issues to working with a supplier.

We have taken the following steps since the last publication Our Modern Slavery Act Statement:

- 1) We have revised our Ethics statements and adopted these at a division level for each of VCCP and CSM Sport and Entertainment. These statements set out - at a high level - those business activities, geographies, and industries where we will not engage with clients and sets out process using a RAG system to ensure we systematically identify and manage risks as they arise.
- 2) We have adopted a Group-wide Responsible Sourcing Policy which sets out the high level principles to ensure goods and services are procured in a responsible manner consistent with our own stated business ethics and those set out in widely recognised international standards.

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OUR APPROACH CONTINUED...

- 3) We have updated and expanded the set of questions we ask all our suppliers to answer, based upon the 8 principles set out in our Group Responsible Sourcing Policy (set out below). The information we receive from suppliers in answer to these questions helps us to assess each supplier but also to understand our supply chain more clearly and to identify risk areas – including risks presented by Modern Slavery.
- 4) We have continued to revise and expand the use of our Compliance tool and to refine the process we use to conduct pre-contract due diligence verification.
- 5) Notwithstanding the diverse nature of the services offered by our Group and the significant number of individuals involved in delivering those services, the Group continues to consider our business is low risk for modern slavery and human trafficking issues. All of our businesses have comprehensive employment policies and practices, including flexible working, diversity and equal opportunities and grievance policies which help to minimise the risk of modern slavery.
- 6) Whilst our businesses engage with a broad range of suppliers worldwide we do not consider our supply chain to be high risk for the reasons set out in our assessment below.

RESPONSIBLE SOURCING POLICY:

The 8 Principles:

Compliance with laws and Regulations

We expect suppliers to conduct their business in full compliance with governing laws, rules and regulations of national or those with international reach, that could be construed as connected with their business. All suppliers must comply with the Chime Group Anti-bribery and Corruption Policy. All business and commercial dealings must be transparent and accurately recorded in the supplier's records.

We expect suppliers to ensure that all conflicts of interest are disclosed and managed.

Workers' health and safety is protected

We expect suppliers to provide a safe and healthy workplace, to support the wellbeing of their employees and to prevent accidents and injury as a result of the employer's operations.

We expect suppliers to manage health and safety risks systematically in accordance with applicable laws and regulations and international standards.

Fair and equitable employment

We expect suppliers to guarantee that the fundamental rights enshrined in the Universal Declaration of Human Rights and workers' rights stated within the ILO Conventions are upheld. We expect suppliers to abide by these principles which ensure fair wages [preferably paying at least the relevant living wage] and decent working hours; the right to freely chosen labour, protection of young workers and no use of child labour.

We expect suppliers to monitor and to mitigate the risk of modern slavery within their own business and supply chain and to take steps to comply with applicable laws and regulations and international standards.

We expect suppliers to foster a culture of non-discrimination, equality of opportunity and humane treatment for all in a workplace free of harassment and abuse, and to monitor progress. Suppliers should not discriminate against any worker based on age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, colour, nationality, ethnic or national origin, religion or belief, sex, sexual orientation, or any other legally protected characteristic.

Management of environmental impacts

We expect suppliers to operate in an environmentally responsible and efficient manner by identifying, managing, and reducing Greenhouse Gas emissions, water and waste and other adverse impacts on the environment.

We expect suppliers to systematically manage environmental risks to ensure the necessary measures are taken to prevent pollution, conserve natural resources, safeguard biodiversity and take all reasonable measures to prevent any accidental spills/releases.

Confidentiality & Data Protection

We expect suppliers to respect data belonging to others, preserving confidentiality and data subjects' individual rights.

We expect suppliers to have in place appropriate policies, contract terms and procedures [including procedures to manage and resolve breaches], and to be able to demonstrate that they are aware of the data they process, and that such personal data is processed in compliance with applicable laws and regulations and international standards.

Information Security

We expect suppliers to be able to demonstrate they have effective, industry-standard best practice security controls in place to protect all customer information that is stored/ handled by their systems in providing services to us.

We expect suppliers to be able to demonstrate they conduct routine security assessments on their systems and processes.

Insurances

We expect suppliers to have appropriate insurance policies to cover claims and liabilities arising from the goods/services being provided to us with appropriate limits, compliant with national requirements. Ordinarily, suppliers should have the following policies in place: broad form public liability insurance, and employer's liability insurance / worker's compensation insurance.

Contract Terms

We expect suppliers to use trading terms based on written contracts which specify mutually agreed pricing and payment conditions.

We expect suppliers to be able to demonstrate fair treatment of their supply chain.

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ASSESSMENT

- We have assessed our supply base with a view to identifying high risk suppliers or areas for focus. This assessment included mapping by agency, category, spend & geography.
- Suppliers used by the Group were identified as typically falling within the following categories: professional services, media buying, logistics delivery, venue hospitality, event production services, transport and travel, cleaners and maintenance. Goods that we purchase include items such as raw materials, merchandise, utilities and general office equipment.
- Overall, the risk assessment demonstrated that the majority of the Group's primary tier suppliers are in low-risk countries.

PROCESS

- We conduct due diligence on all our suppliers above a minimum threshold. The due diligence process includes conducting searches using a leading compliance tool which enables us to access data from a wide variety of data points on companies around the world.
- Suppliers are asked to complete onboarding questionnaires which include questions aligned to the Principles set out in our Responsible Sourcing Policy. Once a supplier has been accepted we continue to monitor for any change that may be notified through the compliance tool.
- Through investment in technology [in particular in financial management systems] we have been able to monitor our supply chain more effectively.
- This has enabled our businesses to procure supplies more efficiently and enabled the Group to reduce the number of suppliers it buys from.
- Our businesses actively seek to reduce the number of suppliers they purchase goods and services from and have in place measures to remove suppliers from the supply chain if these have not been used in a specified period [e.g. twelve months]. This enables the business to have greater control over its supply chain.
- This will enable us to better understand both our primary tier supply chain and also the source of supplies further down our chain and to provide assurance, to our clients and stakeholders.

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- Whilst we are confident there is limited risk in our primary tier suppliers we acknowledge there is still work to be done to understand risks further down the supply chain.
- In the coming year we will continue to focus on ensuring suppliers respond in full to our questionnaires. With this data and the understanding we already have of our supply chain we will continue to focus on areas where we deem risks may be higher, principally where we operate in geographies where our knowledge of, and relationship with, our suppliers is less deeply embedded.
- We continue to focus on ensuring that our processes are robust, systematic, and assess the risk of modern slavery within our supply chain. Training and ensuring the application of consistent high standards remain a priority.
- We continue to review our policies and processes to ensure that no form of forced labour or slavery is present in our business or our supply chain.

Joanne Parker
Chief Operating Officer
31st March 2022

THANK YOU

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