

Modern Slavery and Human Trafficking Statement

IMI plc financial year ending 31 December 2023



This modern slavery and human trafficking statement is made pursuant to Section 54 of the Modern Slavery Act 2015 on behalf of IMI plc and applicable group companies (together IMI) and sets out the steps taken by IMI during the financial year ending 31 December 2023 to tackle modern slavery and human trafficking in our operations and supply chain.

IMI recognises other jurisdictions in which we trade have similar relevant legislation covering human rights in the extended supply chain. IMI Germany Holding B.V. & Co. KG has issued a Policy Statement pursuant to the German Supply Chain Due Diligence Act (LkSG) which can be accessed on our website <https://www.imiplc.com/sites/imi-corp-rev2/files/2024-01/imi-germany-holding-bv-co-kg-german-supply-chain-due-diligence-act-policy-statement-january-2024.pdf>. The descriptions set out in this statement are also intended to demonstrate compliance by Control Components Inc with the California Transparency in Supply Chain Act of 2010.

Our progress in 2023

We remain committed to conducting business in an ethical manner, sourcing with responsibility and taking proactive steps to eradicate modern slavery and human trafficking within our operations and supply chain. We are a signatory to the United Nations Global Compact (UNGC) and are committed to making the UNGC and its principles part of our strategy, culture and day-to-day operations. We support and respect the protection of internationally proclaimed human rights and have procedures in place to prevent human rights abuses.

The International Labour Organisation has indicated that 118 million people are still in forms of work that should be abolished.¹ We understand our obligation to prevent and correct violations of human rights and continue to invest in our people and business to ensure that the highest standards of ethics, legal and regulatory compliance are met, and that modern slavery forms no part of our workforce or our supply chain. In 2023, we continued to improve our approach, including:

- Rolling out our Code of Conduct training to onsite employees and new starters.
- Undertaking risk assessments for all IMI direct material suppliers across the group.
- Delivering ESG training to our procurement teams including product compliance and human rights in the supply chain.
- Undertaking research using our third party compliance partner to investigate, taking a risk based approach, ESG topics including, slavery and human trafficking to identify areas of risk.
- Establishing a procedure for mitigating human rights and environmental risk in our supply chain, preparing our Policy Statement and appointing a Human Rights Officer pursuant to the LkSG.
- Updating our Speaking Up Policy.

Our business, structure and supply chain

IMI is a global specialist engineering company that creates breakthrough solutions. We design, build and service highly engineered products in fluid and motion control applications and solve problems by partnering with our customers to meet the demands of today and prepare for the challenges of tomorrow. We embrace innovation and care about outcomes that are good for business, everyday life and making a better world – creating lasting impact for everyone. Our workforce comprises more than 10,000 employees across manufacturing facilities in 19 countries, and we maintain a global service network.

IMI plc, headquartered in England, serves as the ultimate parent company of the companies within the IMI group. The company is listed on the London Stock Exchange and is a constituent of the FTSE4Good Index. In July 2023, we adopted a new business structure as the next step in our purpose-led strategy, Breakthrough Engineering for a better

¹ International Labour Organisation, World Employment and Social Outlook Trends 2023
https://www.ilo.org/global/research/global-reports/weso/WCMS_865332/lang--en/index.htm

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world. To build on the opportunities for growth, IMI has been organised into five-market focused sectors operating within two business platforms, Automation and Life Technology which comprise of five market-focused sectors – Process Automation, Industrial Automation, Climate Control, Transport and Life Science & Fluid Control. Further details on IMI’s organisational structure can be found on the IMI website www.imiplc.com.

Our approach to human rights considers our entire supply chain which operates globally and spans multiple tiers. We procure a wide variety of raw materials and industrial components from over 6,000 suppliers, including metal castings, elastomers, and electronics, in addition to purchasing a goods and services. We take a risk-based approach to managing our suppliers and closely monitor those identified as medium or high risk. We expect and require that all suppliers respect and protect human rights and maintain the highest standards.

We recognise that our electronics supply chain remains a higher risk area for us. Whilst we do not buy directly from smelters, we work with our suppliers to ensure smelters are fully audited, reputable and meet the standards established by the Responsible Minerals Initiative www.responsiblemineralsinitiative.org mitigating the risk of human rights abuses in our supply chain.

We also conduct business through selling agents and distributors and operate a robust due diligence process to ensure agents understand and sign up to our high standards of business conduct. Each agent must confirm in writing they comply with our Code of Conduct. We will terminate agent agreements who do not act in accordance with our high standards including those who do not comply with this Code.

Our Modern Slavery and Human Trafficking Statement is approved by IMI plc’s Board. Overall accountability for the Statement is held by IMI’s Chief Executive Officer and day to day operational responsibility sits with our Platform Chief Executive Officers. We have detailed Standard Operating Procedures (SOPs) supporting our Code of Conduct principles which explain our controls and compliance processes. A list of our key policies and procedures is set out below. Each Platform is responsible for implementing controls and ensuring compliance with Group SOPs and related guidance. Monitoring and review procedures include Internal Control Declarations, spot checks and site reviews, which are designed to instil the highest standards of compliance.

Policies

We maintain that all companies must take their role seriously in preventing modern day slavery and human trafficking. We utilise a combination of general corporate responsibility policies and specific supply chain compliance actions to combat modern slavery in its supply chain. These include our:

Code of Conduct	<p>Sets out our commitment on a wide range of issues including, human rights and in turn, our expectations of our people and those companies who work with us. It aims to cover all aspects of the way we conduct business, from anti-bribery & corruption, data privacy, to our environmental responsibilities and provides a framework for ensuring that we meet relevant laws, regulations and industry standards.</p> <p>The Code of Conduct states that:</p> <ul style="list-style-type: none">• We expect our suppliers to be committed to ethical business practices, reduce their impact on the environment and operate in line with the IMI Supply Chain Code of Conduct.• We set and implement policies and procedures (including the IMI Supply Chain Code of Conduct) to ensure responsible sourcing.• We ensure that our HR and procurement teams are trained to monitor, detect and take steps to prevent child, forced or trafficked labour.• We ensure fair competition in our supply chain by treating suppliers fairly, never fixing prices or rigging purchasing bids.
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	<ul style="list-style-type: none"> • All must ensure that suppliers are onboarded appropriately and continually monitored, addressing any shortfalls that arise. • Anybody who suspects unethical behaviour should Speak Up and report the matter.
Supply Chain Code of Conduct	<p>Sets out our expectation that our business partners, suppliers, contractors and those in our supply chains align with our commitment to human rights regarding human rights violations, including forced/involuntary labour or modern slavery. It specifically states that:</p> <ul style="list-style-type: none"> • Suppliers will comply with all appropriate local legislation. • No forced, bonded, child or involuntary prison labour will be used. • Supplier's employees shall be paid wages and benefits for a standard working week at least in line with national requirements and have work hours that comply with national laws. • All our suppliers shall take responsibility to protect the health & safety of their employees.
Supplier Onboarding Policy	<p>Sets out our mandatory process for onboarding new direct material suppliers and supplements the Platforms' own supplier onboarding procedure. This process also applies to direct services providers in Germany with the aim to gradually extend its application to all new IMI service suppliers over time.</p>
Responsible Minerals Sourcing Policy	<p>Confirms our commitment to the sourcing of minerals in an ethical and sustainable manner to ensure that tin, tungsten, tantalum, gold and cobalt are sourced with respect to human rights. We ask all our suppliers of products containing conflict minerals to take immediate action to identify their origins in the products they supply to us.</p>
IMI Germany Holding B.V. & Co. KG Supply Chain Due Diligence Act Policy Statement	<p>Prepared pursuant to the German Supply Chain Due Diligence Act, it outlines IMI's human rights and environmental strategy and how we ensure that our direct supply chain adheres to applicable ethical and environmental standards.</p>
Global Speaking Up Policy	<p>Sets out the procedure for reporting legitimate concerns about suspected misconduct at IMI without fear of punishment or retaliation. We maintain an independently operated IMI Hotline available 24/7 for everyone to use. Anyone with an ethical, human rights or environmental concern about IMI or its supply chain can contact the helpline by visiting www.imihotline.com.</p>

In addition to the above, each sector has their own New Supplier Approval procedure which requires suppliers to sign our Supply Chain Code of Conduct confirming that they do not engage in any forced labour and that they abide by all applicable laws including human rights.

Our policies are designed to ensure that we do not involve forced labour or human trafficking in the manufacture of our own products or in any of our operations. We review and update our policies on a regular basis. Employees' violation(s) of our policies may result in disciplinary action, up to and including termination.

Due diligence processes for slavery and human trafficking

We have an established framework which demands the highest standards of ethics, legal and regulatory compliance across all our businesses to ensure the protection of human rights and the environment. Our Code of Conduct sets out the standards our stakeholders can expect from us and what we expect from our people and our business partners including our suppliers. We deliver Code of Conduct training to ensure that all IMI employees understand our expectations and are clear about how to raise ethical concerns or dilemmas.

We expect our suppliers to be committed to lawful and ethical business practices and operate in line with our Supply Chain Code of Conduct which serves to reinforce our fundamental values and Code of Conduct. Suppliers must sign and comply with our Supply Chain Code of Conduct prior to supplying IMI, unless they can evidence that they have

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equivalent standards already in place in their organisations. Non-compliance with IMI's Supply Chain Code of Conduct or policies may result in appropriate corrective actions, up to and including termination of the supplier relationship.

Our suppliers are also subject to IMI's Global Supplier Onboarding Policy to ensure we maintain a sustainable, ethical and resilient supply chain. We expect our suppliers to respect, and adhere to, our commitment to protect human rights by abiding by the prohibition of child, forced or trafficked labour; ensuring fair working conditions, pay and working hours in line with applicable national and international laws; providing a work environment of equal opportunities and free of any form of discrimination including on the grounds of race, gender, religion, nationality, political views, sexual orientation, social status, age, or physical or mental characteristics; respecting freedom of speech and coalition and the right to privacy; adhering to occupational health and safety laws globally. We actively choose those who respect and promote the protection of their stakeholders and their employees and decline to have dealings with third parties who display poor business conduct or do not pass applicable onboarding checks.

Supplier engagement is key to ensuring a sustainable supply chain in the future. We have partnered with AssentTM to investigate suppliers for Corporate Sustainability (Conflict Minerals reporting across our Platforms) and Product Compliance (EU REACH, RoHS, EU MDR, EU WFD, US TSCA and Prop 65). To date, Assent has supported us with over 3,000 suppliers covering 114,000 components in 288,000 active products.

We continue to promote the protection of human rights including tackling modern slavery and human trafficking and aim to roll out specific training for suppliers in 2024.

Additional measures in our organisation

Our HR and procurement teams are trained to monitor, detect and take steps to prevent child, forced or trafficked labour; ensure fair working conditions, pay and working hours in line with applicable national and international laws; ensure the provision of equal opportunities – we do not tolerate any form of discrimination or violation of human rights.

Training on modern slavery and human trafficking is available to all employees and is mandatory for employees who have direct interaction with our supply chain. Modern slavery and human trafficking issues are covered in our Code of Conduct delivered via an online module to desk-based employees and in person to site-based employees in 2023.

IMI updates and trains its procurement professionals to monitor, detect and take steps to prevent forced or trafficked labour on visits to suppliers. This is carried out by an online training module "*IMI Modern Slavery: Implications for IMI and our Supply Chains*" which has been specifically developed by IMI for our people and is available via IMI's learning management platform. The module covers:

- The evolving legal framework.
- Products and locations which are more susceptible to slave labour.
- Indicators to look out for which may indicate modern slavery (deception, excessive overtime, withholding of wages, violence, living on-site, debt bondage).
- IMI's expectations and the policies and procedures in place to prevent the use of modern slavery in our supply chain.

The training is compulsory for all procurement professionals within the organisation. To date, we have trained over 900 staff.

We also launched an additional ESG training programme for our procurement teams which included product compliance and human rights in the supply chain. To date, almost 300 of our procurement people have completed this training.

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In addition, we utilise standard procurement contracts which contain provisions that prohibit suppliers from using forced, bonded or involuntary prison labour and children under 16 years old. Our employees (including temporary labour) are checked against official documentation to ensure eligibility to work in that jurisdiction.

Promoting a safe, diverse and equitable workforce

Our 2023 Annual Report, available on our website <https://www.imiplc.com/> provides details about our workforce policies and procedures. Additionally, you can find our Gender Pay Report on the same website. Our disclosures in accordance with the Global Reporting Index provide further insights into both our management of our supply chain and our workforce, also accessible on our website.

We remain committed to tackling the risk of modern slavery and human trafficking. We continue to strengthen our supply chain accountability, the implementation of our risk framework and enhance our due diligence procedures.

This statement was approved by the Board of IMI plc.

Roy Twite
Chief Executive Officer

8 March 2024