

CHIME[™]

SLAVERY AND HUMAN
TRAFFICKING STATEMENT

YEAR ENDED 31ST DECEMBER 2020

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 2020 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 [70.3%] and sport and entertainment [29.7%]. 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, integrated advertising and marketing services group that 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 and represents 23.5% of the Communication division’s revenue, with specialist and deep expertise in technology, financial services, health and sustainability.

SPORTS AND ENTERTAINMENT

CSM Sport & Entertainment [CSM]

CSM is a group of internationally recognised agencies, working together to put clients and people at the heart of the world’s greatest experiences in sport and entertainment. Working with brands, rights holders, governing bodies, governments, host cities and athletes across the globe, CSM specialises in strategic consultancy, rights sales, sponsorship activation, hospitality, branding and wayfinding, athlete management and communications across major sporting events.

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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 continued and expanded the use of our Compliance tool which enables pre-contract due diligence verification. Names and entities checked are retained within the system in order that, should they become restricted, we are notified.
- 2) we continue to raise awareness about the risks of modern slavery within our business and supply chain, and will be implementing targeted training for our finance teams as they expand and develop their supplier due diligence processes over the course of the coming year.
- 3) All our people complete regular online training, topics include: Ethical Business Conduct, Anti Bribery, Creating value through Diversity, Harassment prevention and other topics.

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OUR APPROACH CONTINUED...

- 4) Across each of our divisions our work continues to foster a culture of collaboration and ranges from the collection and analysis of data through to the creation of ideas and concepts, people and product promotion, and event delivery and coordination. We also manufacture and handle raw materials within our CSM division.
- 5) We continue to focus on areas where we deem risks may be higher. In the last twelve months, there have been some changes within our CSM division, namely:
 - The sale of iLuka, a corporate hospitality business focused on the Olympics and Football World Cup, has reduced risk in the supply chain due to that business procuring supplies in locations where our knowledge of, and relationship with, our suppliers was less deeply embedded.
 - The acquisition of Prolab Digital based in Dubai has changed the nature of the supply chain and work will be undertaken to assess risks arising as a result of this acquisition.
- 6) 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 minimise the risk of modern slavery.
- 7) Whilst our businesses engage with a broad range of suppliers worldwide we do not consider our supply chain to be high risk for reasons set out below.

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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.
- 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 be addressing this area in a targeted manner looking at suppliers by category, spend and risk.
- We 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.
- In addition to the above, we maintain a third party managed whistleblowing helpline throughout the business to which all employees have access (including those in non-UK offices) if they feel they cannot raise their concerns internally. In our periodic reminders to staff we include the reporting of concerns in relation to supply chain management (including those relating to slavery and human trafficking).

Joanne Parker
Chief Operating Officer
31st March 2021

THANK YOU

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