

Modern Slavery and Human Trafficking Statement

IMI plc financial year ending 31 December 2024



This Modern Slavery and Human Trafficking Statement (**Statement**) is made pursuant to Section 54 of the Modern Slavery Act 2015 on behalf of IMI plc and its group companies (together, **IMI**). It details the actions IMI has taken during the financial year ending 31 December 2024 to address modern slavery and human trafficking within its operations and supply chain.

Message from Roy Twite, CEO

The International Labour Organisation reports that forced labour has increased in recent years, with an estimated 27.6 million people subjected to forced labour on any given day. This figure equates to approximately 3.5 individuals in forced labour for every thousand people worldwide.¹

At IMI, we are committed to conducting our business ethically, responsibly sourcing materials and working to eliminate modern slavery and human trafficking from our operations and supply chain. As a signatory of the United Nations Global Compact (UNGC), we integrate its principles into our strategy, culture and daily operations. We uphold and respect internationally proclaimed human rights and have established procedures to prevent human rights abuses. Protecting our people and those within our supply chain is paramount, and we believe in always doing things the right way.

IMI must comply with applicable laws and regulations and respects the communities in which we operate. We expect all our business partners to uphold standards equivalent to our own, as outlined in our Supply Chain Code of Conduct. This vigilance helps us mitigate risks related to modern slavery, monitor our sourcing and supply chain activities, and maintain operational integrity.

I want to emphasise the importance of speaking up when we observe others not adhering to our values and behaviours. As outlined in our Code of Conduct, if you are ever uncertain about whether something is right or wrong, please speak up. Visit www.imihotline.com or refer to IMI's Global Speaking Up Policy for more information. We do not tolerate improper business conduct and are dedicated to fostering a culture where everyone can voice their concerns without fear of retaliation.

By maintaining these high standards, we can protect people and ensure the continued success and integrity of IMI. Together, we can build a future we are proud of, grounded in ethical practices and respect for human rights.

Thank you

Roy
Chief Executive Officer

Governance

This Statement has been reviewed and approved by IMI plc's Board of Directors and signed by our Chief Executive Officer (CEO). As reflected in the CEO's message, IMI is committed to conducting business ethically and responsibly. IMI's CEO is accountable for IMI's performance and overall compliance. IMI's Chief Operating Officer is accountable for implementation, monitoring and effective strategies to ensure that IMI's commitment, and this specific Statement, is promoted and adhered to in all of IMI's Sectors.

This responsibility flows down to each Sector President, who in turn, is accountable for their respective Sector's performance and compliance with IMI's human rights principles and values. IMI's Supply Chain function understand IMI's approach, working to advance efforts and strategies to eliminate risks of slavery and human trafficking. In each

¹ International Labour Organization (2022), 'Global estimates of modern slavery: forced labour and forced marriage', online at www.ilo.org/publications/major-publications/global-estimates-modern-slavery-forced-labour-and-forced-marriage

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Sector, responsible Supply Chain and Procurement leads have implemented effective compliance policies and procedures to mitigate these risks.

Our progress in 2024

IMI recognises the importance of proactive monitoring and intervention to prevent potential problems from occurring and protecting IMI from the possibility that slavery, forced labour or human trafficking exists in IMI's operations and supply chain. IMI recognises the importance of assessing, designing and tailoring its policies and procedures to address country and region-specific risks and Sector-specific guidance, as needed, to ensure that its programme operates effectively and that monitoring and reporting functions identify potential risks before any problems occur.

In 2024, IMI implemented additional measures to enhance its modern slavery compliance programme by:

- Establishing a Sustainability Committee of the Board with responsibility for the oversight, implementation and monitoring of IMI's modern slavery compliance commitment.
- Implementing a Global Supplier Onboarding Policy to require appropriate due diligence to be conducted, suppliers to be reviewed and assessed for human rights risks and monitored for potential risks and changes in their risk profiles.
- Expanding the use of IMI's automated supply chain compliance platform to collect detailed information needed to review, analyse and assess IMI's human rights risks in its supply chain.
- Implementing site/Sector reporting systems to track, monitor and tailor proactive monitoring procedures to mitigate risks and tailor effective strategies to address high-risk suppliers and their activities.
- Delivering training to Supply Chain and Procurement leads and employees, covering our internal supplier onboarding and monitoring processes, risk assessments, site reporting, compliance measurement policies and procedures and legal requirements.
- Updating our Code of Conduct (**Code**) and Global Speaking Up Policy to highlight our dedication to responsible sourcing, human rights and encouraging open communication, eliminating retaliation against anyone who raises concerns, including those relating to human rights.

Our business and structure

IMI plc, headquartered in Birmingham, 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.

IMI is a global specialist engineering company that designs, builds and services highly engineered products in fluid and motion control applications to solve engineering and business 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 and benefits for everyone. Our workforce comprises more than 10,000 employees across manufacturing facilities in 19 countries. IMI is committed to building strong community-focused operations that benefit our customers, employees and business partners in every country and region in which we operate.

IMI recently reorganised its operations in 2023 and established five customer-focused sectors and two business Platforms under our One IMI operating model. The sectors are Process Automation, Industrial Automation, Climate Control, Transport and Life Science (the **Sectors**). Further details on IMI's organisational structure can be found on the IMI website www.imiplc.com.

Our new structure has been instrumental in our transformation to maximise collaboration, improve overall efficiency and reinforce that IMI operates in line with its values and principles. A key component in IMI's operations, across each of the five Sectors, is IMI's Supply Chain and Procurement team, which is responsible for supplier onboarding, monitoring and risk mitigation. Following the reorganisation, IMI has instituted several measures to ensure that each

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Sector's Supply Chain and Procurement activities are conducted consistent with IMI's overall culture, values, principles and commitment to protecting human rights around the globe.

At IMI, the health, safety and wellbeing of our employees is our top priority. We are committed to:

- Ensuring compliance with national laws on wages and working conditions in all regions where we operate. We meet our obligations to pay all employees in line with legal minimum wage requirements and also use living wage indices to help us assess employee pay against cost-of-living standards as we work towards ensuring all employees are paid a living wage. We have also historically allocated budgets to pay higher than average pay awards to those employees most impacted by cost-of-living increases.
- Training our Supply Chain and Procurement teams to monitor, detect and prevent child, forced, or trafficked labour in both our organisation and supply chain.
- Establishing and implementing policies and procedures to require responsible sourcing and the protection of human rights and the environment.

All IMI employees in the UK must complete a 'Right to Work Check' to verify their legal eligibility to work in the country. Additionally, during payroll setup, we ensure that employee identities match their right to work documents (such as passports or birth certificates) and that bank accounts are registered in the employees' names before any payroll payments are processed. As part of our recruitment process, if candidates need to travel internationally (such as for our graduate program), we reimburse travel and visa costs. If an employee does not have an automatic right to work in the UK, we will consider sponsoring a work permit or visa.

Our 2024 Annual Report, available on our website <https://www.imiplc.com/> provides details about our workforce policies and procedures. Additionally, you can find our UK 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.

Our supply chain

Our approach to human rights encompasses our entire global, multi-tier supply chain. IMI relies on and sources a diverse range of raw materials and industrial components from over 6,000 suppliers, including metal castings, elastomers and electronics, as well as other goods and services required to deliver high-quality products in all our Sectors. We source products globally, including Europe (c.50%), US (c.30%) and other countries including Korea, China and India (c.20%).

IMI understands the importance of effective monitoring of its Supply Chain partners. We continue to map the extent of our operations and supply chains. We know that prevention is the key; however, monitoring supply chain activities is a critical aspect of an effective compliance program. IMI continues to design, implement and enhance its procedures to monitor, test and audit suppliers to ensure compliance with IMI's human rights policies, including modern slavery, child labour and human trafficking. These activities are critical for preventing problems before they occur and demonstrating to suppliers that IMI is committed to human rights compliance and expects its suppliers to act responsibly in this area.

Our key areas of modern slavery risk

IMI has identified a small percentage of its supplier population as high-risk suppliers (approximately one percent of its supplier population). This assessment did not reflect any definitive violations of human rights principles but was based solely on characteristics and specific factors that are identified as risk indicators. Many of these potential high-

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risk suppliers were based in countries or regions that are recognised internationally as high-risk areas such as China, India and Taiwan. A majority of IMI's high-risk suppliers operate in China.

Some of IMI's high-risk suppliers operate in the electronics, machinery and casting industries. IMI recognises that these areas and industries which may be tied to conflict zones and are associated with higher risks of modern slavery, including forced labour and human trafficking. IMI is aware that minerals and mining industries may rely on "smelters" (e.g. tin, tantalum, tungsten and gold) to process raw materials from mining operations which could potentially link to conflict zones and raise ethical concerns as to sourcing activities. While IMI does not interact directly with such smelters, IMI is vigilant in identifying those suppliers which themselves may rely on smelters in their respective supply chains.

In response to this potential risk, IMI strictly applies its Responsible Minerals Sourcing Policy, and conducts periodic investigations, audits and site visits of relevant suppliers, as needed, to identify and eliminate high-risk operations that may involve human rights issues. IMI's specific policy and procedures is aligned with OECD guidance from the Responsible Minerals Initiative and is available on the IMI website at <https://www.imiplc.com/sites/imi-corp-rev2/files/2024-08/imi-responsible-minerals-sourcing-policy-august-2024.pdf>.

IMI is proud of its record in addressing this risk - in October 2024, IMI launched an initiative to investigate over 200 relevant suppliers for potential conflict minerals issues and has identified a modest number of suppliers that report the existence of high-risk smelters in their supply chain. This initial enquiry provides IMI with opportunities to address potential high risk smelters and reduce human rights risks.

IMI has also identified a potential high risk supply chain risk relating to the sourcing of solar panels for IMI's factories, since a significant portion of the world's polysilicon is produced in the Uyghur region of China (XUAR). IMI recognises that this region has an increased risk of forced labour and human rights abuses. To mitigate this risk, IMI employs a comprehensive strategy that includes enhanced due diligence requirements, investigation of supply chain risks in specific areas, and the certifications and contractual assurances. These measures are consistent with IMI's Solar Panel Sourcing Policy. By leveraging its position as a significant buyer of certain raw materials and goods, IMI takes steps to have suppliers themselves commit to conducting their own enhanced due diligence on their own suppliers who may be operating in the XUAR region and posing real forced labour risks.

Our policies

We have designed and implemented our Code and a comprehensive set of robust policies 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.

<p>Our Code</p>	<p>Outlines our commitment to a broad range of issues, including human rights, and sets our expectations for our employees, and our third-party business partners, including suppliers and suppliers, with whom we conduct business. Our Code states:</p> <ul style="list-style-type: none"> - We expect our suppliers to commit to ethical business practices, minimise their environmental impact and operate in accordance with the Supply Chain Code - We establish and enforce policies and procedures (including the Supply Chain Code) to ensure responsible sourcing. - We train our procurement teams to monitor, detect and prevent child, forced, or trafficked labour. - We ensure fair competition in our supply chain by treating suppliers equitably, avoiding price fixing or bid rigging. - Strictly adhering to life-cycle risk management for all our suppliers - from onboarding to monitoring, testing, and auditing - to ensure that potential risks are identified, mitigated and remediated in those situations where suppliers engage in high-risk activity or violate our Code.
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	<ul style="list-style-type: none"> - Anyone who suspects unethical behaviour should 'speak up' and report it.
Supply Chain Code of Conduct (Supply Chain Code)	<p>We expect our business partners, suppliers, contractors, and those in our supply chains to align with our commitment to human rights, particularly regarding violations such as forced or involuntary labour and modern slavery. Specifically, the Supply Chain Code states:</p> <ul style="list-style-type: none"> - Suppliers must comply with all relevant local legislation. - No forced, bonded, child, or involuntary prison labour will be used. - Suppliers' employees must be paid wages and benefits for a standard working week that meet national requirements and have work hours that comply with national laws. - All suppliers must take responsibility for protecting the health and safety of their employees.
Supplier Onboarding Policy	This outlines our mandatory process for onboarding new direct material suppliers. Our goal is to gradually extend its application to service suppliers over time.
Responsible Minerals Sourcing Policy	This confirms our commitment to sourcing minerals ethically and sustainably, ensuring that tin, tungsten, tantalum, gold, and cobalt are obtained with respect for human rights. We require all our suppliers of products containing conflict minerals to promptly identify the origins of these minerals in the products they supply to us.
Global Speaking Up Policy	This outlines the procedure for reporting legitimate concerns about suspected misconduct at IMI without fear of punishment or retaliation. We operate an independently managed IMI Hotline, available 24/7 for everyone. By increasing transparency, we hope to increase trust in our processes. Anyone with an ethical, human rights, or environmental concern about IMI or its supply chain can contact the helpline by visiting www.imihotline.com .

We review and update our policies on a regular basis with input from in-house experts, suppliers, and external stakeholders. Employees' violation(s) of our policies may result in disciplinary action, up to and including termination.

Each Sector is responsible for implementing controls and ensuring compliance with IMI policies and related standard operating procedures and guidelines.

Our processes – to find, fix and prevent issues

IMI is committed to managing supply chain risks throughout the entire lifecycle of its suppliers, from onboarding to ongoing monitoring. We have implemented a supply chain solution that enables us to identify, measure, monitor, and mitigate individualised risk assessments of our suppliers.

To prioritise our compliance and mitigation strategies, we apply carefully designed risk-based measures, tests, and strategies to manage our suppliers. Our onboarding and monitoring strategies are based on risk assessments that consider critical indicators of potential risk, such as: (i) location of operation; (ii) types of goods and services supplied; (iii) anticipated revenue; (iv) familiarity with the supplier, including its owners, managers, and key staff; and (v) other relevant risk factors specific to the supplier and its operations. By doing so, IMI reviews and monitors suppliers based on their risk level and tracks their activities to identify any potential changes in their risk profiles. This allows us to analyse potential risks based on unique characteristics of each supplier and then prioritise compliance operations to focus more efforts on higher risk suppliers.

If a high-risk supplier is identified, they must complete a self-assessment audit covering forced and bonded labour, human rights, environmental, and health and safety standards. To date, IMI has not uncovered any human rights or environmental violations in its tier 1 supply chain and we have received no reports of such violations, including through the IMI Hotline. We recognise that, due to the complex technical nature of the goods we purchase, modern slavery is unlikely among our tier 1 suppliers.

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Supplier engagement is key to ensuring a sustainable supply chain in the future. We use an automated platform, to track, monitor and investigate suppliers (c. 3,300) of products sold in the last 12 months covering 14 different topics, including product compliance, conflict minerals and trafficking and labour rights. We have identified key strategic suppliers to investigate ESG factors, including climate impact, human trafficking (using the industry-standard STRT - Slavery and Trafficking Reporting Template), and organisational commitment (governance). Our compliance partner also screens our suppliers for adverse media notifications that may reflect a change in the status of a particular supplier. To date, our compliance partner has supported us with the investigation of 115,000 components in 288,000 active products.

IMI expects its suppliers to adhere to the highest standards of compliance and vigilance, so that if any problem is detected, IMI and its supplier can immediately take action to remediate any potential risk and prevent violation of its strict policy against human rights abuses. All direct suppliers, and indirect suppliers that we consider to be medium or high risk, must sign and comply with our Supply Chain Code before supplying IMI, unless they can evidence that they have equivalent standards already in place in their organisations. We do not engage with third parties who exhibit poor business conduct or fail to pass our onboarding checks.

Non-compliance with IMI's Supply Chain Code or policies may lead to appropriate corrective actions, such as stop work notices, warning letters, additional training, and, if necessary, termination of the supplier relationship. When exiting a supplier relationship, IMI is committed to doing so responsibly and ethically. We will ensure that the decision is communicated clearly and transparently to the supplier, providing adequate notice and reasons for the termination. We will work collaboratively with suppliers to mitigate any negative impacts on their business and employees, offering support where possible to help them transition smoothly. Our goal is to maintain respect and fairness throughout the process, upholding our commitment to ethical business practices.

In 2024, we have implemented a site/Sector reporting system whereby reports are prepared by the Sector Supply Chain Director for their sites/Sectors on a quarterly basis which show progress on identifying and managing supply risk and supplier response rates to ESG surveys, Conflict Mineral investigations and Product Compliance. These reports are reviewed and approved by the Sector President.

Additional measures in our organisation

Training on modern slavery and human trafficking is available to all employees and is mandatory for those who directly interact with our supply chain. These issues are addressed in our Code training, which is delivered to all employees - online for desk-based employees and in person for site-based employees. We have recently updated our Code, and the new training, with a focus on modern slavery and human trafficking, will be rolled out in 2025.

IMI updates and trains its supply chain and 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 IMI supply chain / procurement professionals, including new employees in these functions. To date, we have trained over 950 employees.



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, over 300 of our procurement people have completed this training.

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 continued commitment to protect human rights

We remain dedicated to promoting human rights and addressing modern slavery and human trafficking. Although we have not identified any violations within our supply chain, we recognise the potential risks deep within it and continue to enhance our procedures to mitigate any human rights violations. Our goal is to improve our supplier response rates by fostering stronger communication and collaboration with our suppliers. We are committed to investing in supplier engagement to ensure that our suppliers fully align with our values and compliance requirements.

We will offer comprehensive training to suppliers on product compliance and Environmental, Social, and Governance (ESG) standards through our compliance partner.

To enhance business engagement in Supply Chain ESG, we will ensure that all businesses sign a declaration of compliance with our global onboarding process.

These initiatives are designed to strengthen our efforts in preventing modern slavery and human trafficking within our operations and supply chain. We believe that through these focused actions, we can create a more transparent, responsible and ethical supply chain.