

Carco Group Limited - Modern Slavery Statement - March 2019

This statement is made pursuant to section 54 of the Modern Slavery Act 2015 and sets out the steps that Carco Group Ltd and its subsidiaries have taken and are continuing to take to ensure that modern slavery is not taking place within our business or supply chain.

We have a zero-tolerance approach to modern slavery and are committed to the prevention of any form of slavery, servitude, human trafficking and forced labour in our operation or supply chain. We are committed to acting ethically and with integrity and transparency in all business dealings and where practicable, putting appropriate safeguarding systems and controls in place.

Organisation structure and supply chain risk

As a motor group based in and around the city of Bristol, UK, we operate a total of 4 facilities, including 2 retail dealership sites and currently represent 4 car manufacturers.

We are a dynamic company, built upon strong family values and our success to date has been a result of every team member working closely together and contributing to our one team ethos. We ultimately strive to deliver an excellent customer experience and fully recognise the value of looking after our workforce of over 140 directly employed staff.

The principle activities of the Group are:

- The selling of new and used vehicles and relevant finance and insurance products; and
- The servicing and repair of vehicles and;
- The selling of vehicle parts and accessories

In terms of sourcing suppliers and the process of procurement, we do what is realistically possible for a company of our size. The motor trade supply chain is relatively complex in nature and its breadth, depth and interconnectedness can make it challenging to effectively manage and mitigate the risk of modern slavery. Various component parts for any given vehicle, new or used, will have their very own supply chain, therefore, our vehicle supply chain begins with the sourcing and manufacturing of the raw materials required for any vehicle part.

As our relationship is with the vehicle manufacturers' local sales companies based in the UK, and not directly with all elements of the supply chain, we are keen to work with businesses that display a quality and ethical aspect to the goods and services they provide. Though we take this view and approach, our suppliers additionally have their own responsibility to ensure compliance with legislation, human rights and ethical codes of conduct.

Our Policies

We operate a number of internal policies that assist with the identification and prevention of slavery and human trafficking in our operations. These include:

Whistleblowing Policy: The procedure set out within this Policy provides guidance to all employees, customers and suppliers, who feel they need to raise certain issues, in confidence. This includes the ability to raise any suspicion regarding slavery or human trafficking without the fear of being subjected to detrimental treatment in any way.

Honesty Policy: Effectively our business code of conduct, the purpose of this Policy is to ensure that staff conduct themselves in an ethical and transparent manner at all times.

Purchasing & Commissioning Code: The overriding principle is that all dealings with current and potential suppliers and customers are seen to be properly handled, with the application of high standards of objectivity, integrity, fairness and transparency.

Recruitment Policy: We operate a robust recruitment policy, including conducting eligibility to work in the UK checks for all employees, to safeguard against human trafficking or individuals being forced to work against their will.

Due Diligence Processes

We establish a relationship of trust and integrity with all our suppliers, which is built upon mutually beneficial factors. Our supplier selection and on-boarding procedure includes due diligence of the supplier's reputation, respect for the law, compliance with health, safety and environmental standards and references.

As part of our contract with suppliers, we require that they confirm to us that:

- They have taken steps to eradicate modern slavery within their business
- They hold their own suppliers to account over modern slavery
- They pay their employees at least the minimum wage applicable to both their age and country of operation
- We may, as quickly as permitted under contract or by law, terminate the contract at any time should any instances of modern slavery be identified

To assist awareness and ensure an understanding of the risks of modern slavery and human trafficking within our business, our Modern Slavery Statement has been made available to employees at all times via our Company intranet facility.

We haven't been made aware of any allegations of human trafficking or activities associated with slavery against any of our current suppliers, but if we were, we would act immediately and report via the relevant channel.

Measuring Effectiveness

In order to assess the effectiveness of our modern slavery measures we will be reviewing the following key performance indicators:

- Staff training levels
- Number of slavery incidents reported in the supply chain

Training for Staff

To ensure a high level of understanding of the risk of modern slavery and human trafficking in our supply chain and our business, we provide relevant training to key personnel. This includes:

- How to assess the risk of slavery and human trafficking

- How to identify the signs of slavery and human trafficking
- What initial steps should be taken if slavery or human trafficking is suspected

- How to escalate potential slavery or human trafficking issues
- What steps should be taken if suppliers or contractors do not implement anti-slavery policies in high-risk scenarios

This statement was approved by the Board of Directors of Carco Group Ltd on 4th March 2019.

Name (Director):

JIM ROBERTSON

Signature:

A handwritten signature in black ink, appearing to be 'Jim Robertson', enclosed within a large, horizontal oval shape.

Date:

4/3/2019