

Slavery & Human Trafficking Statement

Slavery and Human Trafficking Statement made on behalf of Eastern Holdings Limited and its subsidiary companies further to the provisions of the UK Modern Slavery Act 2015

Statement by the Chairman of Eastern Holdings Limited

We are proud of the conditions of employment afforded to all our employees throughout Eastern Holdings Ltd and its subsidiary companies – EHL Group.

Given the nature of our business, our Board and Management Teams each consider that there is minimal risk, approximating to no risk, either within the EHL Group or the supply chains who support our business activities, there are in any way involved in or even tangentially supportive of, or complicit in slavery and human trafficking.

The employment and procurement practices operated by the businesses within EHL Group ensure we are rightly viewed as an excellent and supportive employer, to the extent that when EHL Group businesses operate as a purchaser of goods or services they expect a high level of ethical conduct from those companies with which they do business within the supply chain.

Organisation's Structure

EHL is the holding company for a property company and motor retailing businesses who are independent family owned, incorporated in Scotland, representing a number of franchised brands in the niche/premium sector. Our Head Office is located in Broxburn West Lothian but operate from a number of sites with their principal activities taking place within our Edinburgh Luxury Car Village at Newbridge.

The trading companies and franchised businesses within EHL Group are regulated by the FCA.

Trading Sites and Supply Chains

EHL Group principal activities are motor vehicle sales and servicing, the supply of replacement parts, the repair of accident damaged vehicles and the rental of properties. Representing 20 of the world's top brands trading from thirty businesses which geographically cover an area from the central belt of Scotland to Dundee in the north and Coldstream in the Borders.

EHL makes every effort to provide a fabulous retail environment for its customers and staff and in doing so trades from some of the most modern and bespoke facilities anywhere in the UK.

In respect of EHL's supply chain, as part of our due diligence process, we use our reasonable endeavours to conduct risk assessments of the third parties we work with and investigate, where feasible.

As part of our risk assessments, we have procedures in place to identify whether there is a possible risk of slavery and human trafficking either in the business or our supply chain. As a result we take steps to assess and manage this risk which includes requesting updates of our supply chains which fall in countries where protection against breaches of human rights are

limited. We aim to work with our staff and suppliers to ensure collaboration to remedy or mitigate such risks.

Anti-Slavery Policy Statement:

EHL Group operate a zero tolerance policy in regards to slavery and human trafficking and is committed to ensuring that there is no modern slavery or human trafficking in our supply chains or in any part of our business.

This Anti-Slavery Policy Statement is the principal articulation of EHL Group policy on slavery and human trafficking. It is intended to inform and influence all the operational procedures within our trading activities.

The stated Anti-Slavery Policy Statement reflects our commitment to acting ethically and with integrity in all our business relationships and to implementing and enforcing effective systems and controls to ensure (amongst our other priorities) that slavery and human trafficking is not taking place anywhere in the business or related supply chains.

Due diligence and implementation processes for slavery and human trafficking.

As part of our initiative to identify and mitigate risk (including in relation to that of human trafficking and slavery) we operate a range of policies and procedures appropriate to the different companies within the EHL Group. These include the policies and procedures in the following areas:

- Employee Code of Conduct
- Management Training
- Recruitment Policy
- Equal Opportunities Policy
- Money Laundering Policy
- Bribery and Corruption Policy
- Whistleblowing Policy

EHL Group also articulate a series of employee rights and benefits available to its employees in the employee intranet and individual contracts of employment for each member of staff.

Controls and Accountability

EHL operates a fully integrated reporting format for its businesses including an HR Department, led by the Group HR Manager and an Internal Audit Department led by the Motor Trade Finance Director, who are all responsible to the Group Financial Director/Group Secretary.

Each of the operating division of the subsidiary companies has a Managing Director who have reviewed and agreed to the terms of this statement. Every department and their respective managers have reporting responsibilities to management and the various Boards of companies within the EHL Group.

EHL Group engages the service of KPMG as the external auditor and receives regular update reports from the external auditors as well as the internal audit function. A combination of these procedures and functions operates to help identify, assess and monitor potential risk areas in our supply chains and mitigate the risk of slavery and human trafficking occurring in our supply chains.

It should be specifically noted that EHL Group operates in line with the NLW and NMW regulations.

Training

We communicate this statement to all Managers ensuring a high level of understanding of the risks of modern slavery and human trafficking in supply chains.

Legal and Regulatory Compliance

This statement is made with regard to the obligations arising under section 54(1) of the UK's Modern Slavery Act 2015 (the Act).

Conclusion

Accordingly this statement should be considered to constitute the Slavery and Human Trafficking statement for the EHL Group and all its trading entities for the 2020 financial year and all future financial years until it may in future be modified or amended.

This is the first articulation of a formal Anti-Slavery Policy Statement for EHL. In future we will seek to ensure when entering into material contracts that all those in our supply chain and contractors comply with our stated Anti-Slavery Policy in particular when seeking tenders for service when auditing our suppliers.