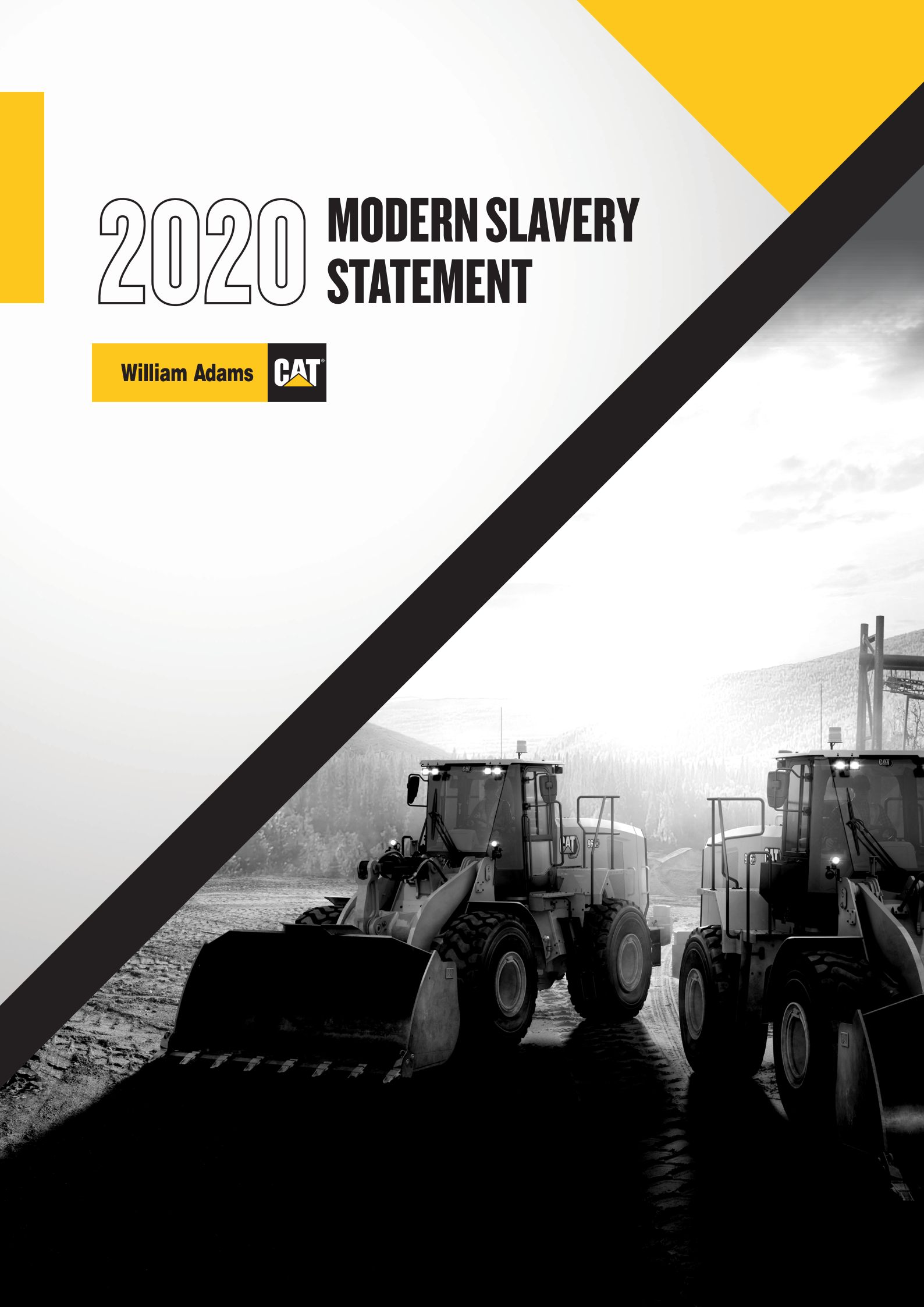


2020 MODERN SLAVERY STATEMENT

William Adams



INTRODUCTION

William Adams Pty Ltd (**William Adams**) recognises that modern slavery is a complex issue that affects workers, individuals and communities globally on an enormous scale. We are determined to work collaboratively with our suppliers and other stakeholders to play our part in ending modern slavery.

Modern slavery occurs when a person is forced into exploitative situations where they cannot refuse or leave work due to threats, violence, coercion, abuse of power or deception. The definition of modern slavery in the Modern Slavery Act 2018 (Cth) (**the Act**) encompasses slavery, servitude, the worst forms of child labour, forced labour, human trafficking, debt bondage, slavery like practices, forced marriage and deceptive recruiting for labour or services.

William Adams is committed to acting responsibly and with high ethical standards. We are guided by our company values, that unite our employees and drive our company culture. Those values are:

01

INTEGRITY

Integrity is the foundation of all we do. It is a constant. Those with whom we work, live and serve can rely on us. We do not improperly influence others or let them improperly influence us. We are respectful and behave in an open and honest manner.

EXCELLENCE

We are passionate about people, process, product and service excellence. We are determined to serve our customers through innovation, continuous improvement, an intense focus on customer needs. For us, Excellence is not only a value; it is a discipline and a means for making the world a better place.

TEAMWORK

We are a team, sharing our unique talents to help those with whom we work, live and serve. The diverse thinking and decision making of our people strengthens our team. We respect and value people with different opinions, experiences and backgrounds. We know that by working together, we can produce better results than any of us can achieve alone.

COMMITMENT

Individually and collectively we make meaningful commitments –to each other, and to those with whom we work, live and serve. We understand and focus on the needs of our customers. We are responsible members of our communities who are dedicated to safety, care for our environment and manage our business ethically.

SUSTAINABILITY

We are committed to building a better world. Sustainability is part of who we are and what we do every single day. We recognise progress involves a balance of environmental stewardship, social responsibility and economic growth. We work toward a vision of a world in which people's basic needs - such as shelter, clean water, education and reliable energy - are fulfilled.

We have and continue to develop processes and procedures to identify and remedy instances of modern slavery and recognise that enormous work is needed, globally, to address these issues.

This Modern Slavery Statement describes the structure, operations and supply chains of William Adams, and the risks of modern slavery in those operations and supply chains during the period 1 July 2019 to 30 June 2020 (**Reporting Period**). It also details the actions taken by William Adams to minimise the identified risks and the effectiveness of those actions.

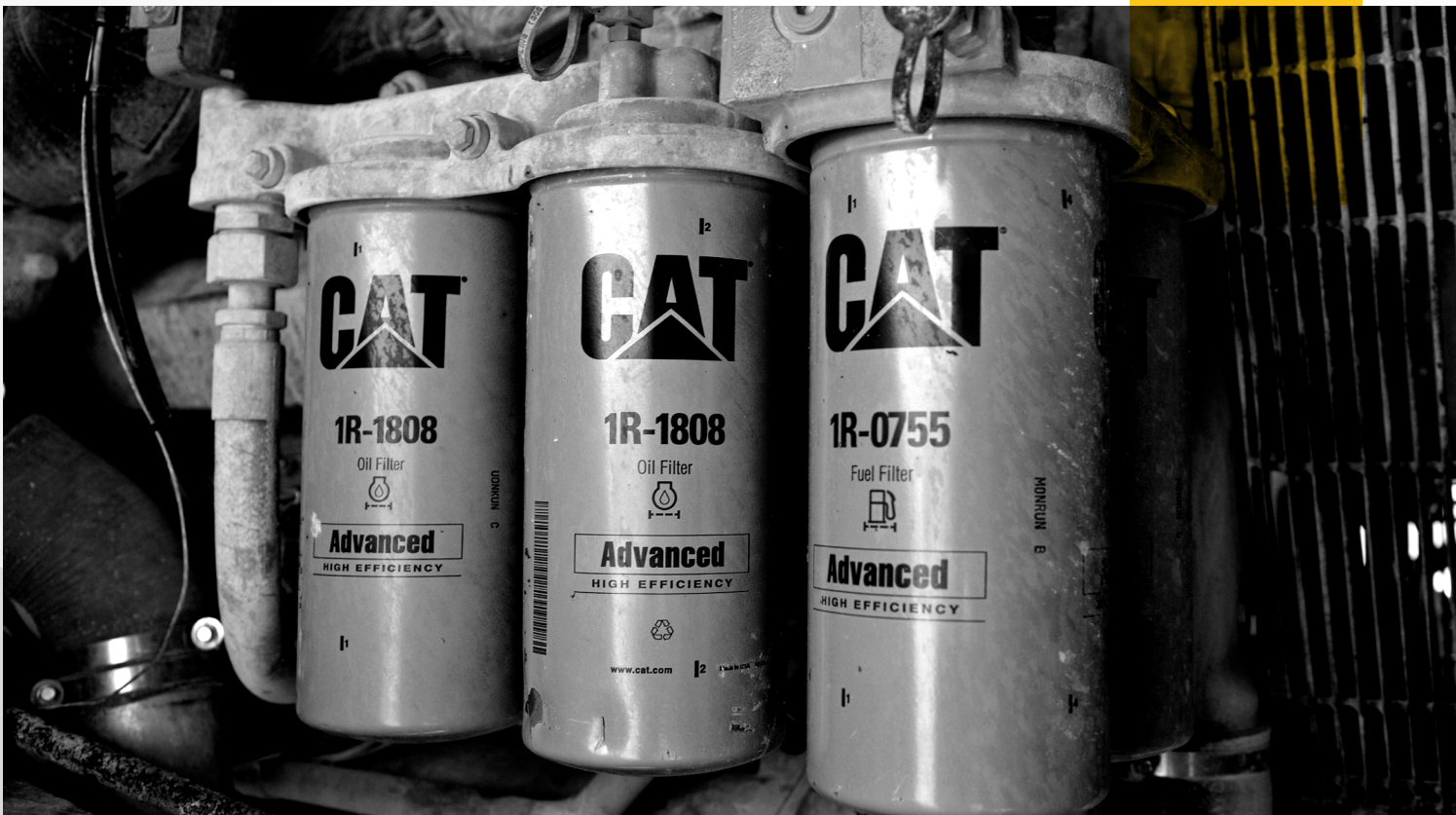
02

REPORTING ENTITY

This Modern Slavery Statement has been prepared in accordance with the Act.

The reporting entity covered by this modern slavery statement is **William Adams Pty Ltd ABN 72 009 569 493**.

William Adams is an Australian proprietary company with its registered office in Burnie, Tasmania.



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STRUCTURE, OPERATIONS AND SUPPLY CHAIN OF WILLIAM ADAMS

William Adams is the Caterpillar heavy machinery dealer for Victoria and Tasmania. Headquartered in Clayton, Victoria, William Adams supplies Caterpillar products and services to the construction, mining, quarrying, on-highway trucks and marine industries.

William Adams has branches in 14 locations throughout Victoria and Tasmania. William Adams employs almost 650 people and trades as William Adams CAT, the Cat Rental Store and Head Hunters & Development.



OPERATIONS

William Adams' operations include:

- Sales and service of new and used Caterpillar products;
- Rental of Caterpillar and related products through the Cat Rental Store;
- Sales of new, used and remanufactured parts;
- Condition monitoring services and other technology solutions; and
- Engine repair and reconditioning through Head Hunters & Development.

Our operations are supported by the following functions:

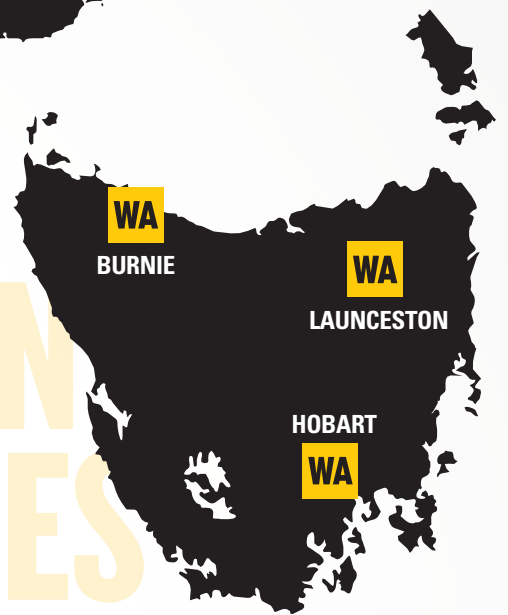
- Finance and credit;
- Legal and risk management;
- Human resources;
- Information services; and
- Marketing.

VICTORIAN BRANCHES



Map 1. Victorian Branches

TASMANIAN BRANCHES



Map 2. Tasmanian Branches

SUPPLY CHAIN

As the long-standing Caterpillar dealer for Victoria and Tasmania, William Adams has a stable supply chain that is largely based on long term relationships, with the major supplier being Caterpillar and Caterpillar related entities.

Beyond Caterpillar, William Adams' supply chain is comprised of approximately 3,300 suppliers, that can be broadly split into two categories:

- Trade based suppliers:**
 Suppliers that provide goods and services to William Adams that William Adams will resell to customers or incorporate into other goods for resale. Caterpillar is the most prominent trade-based supplier to William Adams, and others include suppliers of aftermarket parts, accessories and attachments, oils and lubricants.
- Non-trade suppliers:**
 Suppliers that provide goods and services to support William Adams' operations and/or goods that are not intended for sale to customers. These include transport and logistics, cleaning services, waste disposal and uniform and safety supplies.

The William Adams supply chain is complex, diverse and encompasses businesses in size from small family operated businesses through to global corporations.

MODERN SLAVERY RISKS

At a high level, William Adams acknowledges that there are risks that modern slavery practices may occur within its supply chains and operations that may lead to William Adams **causing, contributing to, or being directly linked to** modern slavery. We discuss each of these elements below.

William Adams considers the risk that it is responsible for directly **causing** modern slavery is very low. We have a range of internal control and governance measures designed to foster (and monitor) ethical business conduct in everything we do.

Internal personnel risk is largely managed by our professional and thorough recruitment practices. William Adams predominantly engages its employees on permanent employment contracts and has policies, procedures and resources to ensure compliance with relevant laws, including with respect to employee pay and entitlements.

Other policies contributing to the ethical treatment of our personnel and other people in our operations include our:

- Code of Conduct;
- Equal Opportunity, Anti-Discrimination, Harassment & Bullying Policy; and
- Anti-bribery and Corruption Policy.

William Adams also has a Whistleblower Policy with anonymous reporting available to employees to raise any concerns regarding modern slavery (as well as other illegal, unethical, fraudulent or undesirable conduct).

In addition, all employees have access to an independent employee assistance program through Converge International.

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There is some risk within William Adams' supply chain that it may **contribute to** modern slavery, however we consider that the risk is very low. William Adams always aims to treat its suppliers ethically and would never knowingly act in a way (such as through the exertion of commercial pressure or the imposition of contractual terms and conditions) that directly or indirectly incentivises a supplier to engage in modern slavery practices.

William Adams recognises that there is also a risk that it may be **directly linked to** modern slavery practices as a consequence of its suppliers, or suppliers to its suppliers, engaging in modern slavery activities without William Adams' knowledge. We are aware that modern slavery risks may differ throughout the various links in our supply chain and may be heightened in certain sectors and locations.

To better understand its supply chain risks, William Adams has undertaken a risk assessment of its most significant suppliers. Our initial assessment focussed on suppliers with whom we spent at least \$100,000 in the 12 months prior to the Reporting Period.

The risk assessment focused on the following factors to produce an overall risk rating for the suppliers:

- Sector risk;
- Product risk;
- Geographical risk; and
- Specific entity risk.

William Adams will build on this process in the future to engage with suppliers identified as high or medium risk to investigate areas of improvement or potential alternatives.



05

ACTIONS TO ASSESS AND ADDRESS MODERN SLAVERY RISKS

During the Reporting Period, William Adams took numerous actions to assess and address the risks of modern slavery within its operations and supply chains. As part of this process, William Adams engaged its senior management team to ensure appropriate oversight and awareness was received by all parts of the business.

William Adams assembled a team to address compliance with the Act and any modern slavery issues that may become evident. That team meets regularly and engages with the broader business to assess and address modern slavery risks.

Some of the actions and outcomes that William Adams has undertaken during the Reporting Period are outlined below.

ASSESSMENT OF RISKS

- Engaging with senior management to ensure appropriate oversight for compliance with the Act and in assessing modern slavery risks more generally.
- Performing an audit and review of William Adams' suppliers to identify risks of modern slavery within the supply chain and following identification to address areas and methods where such risks can be prevented or mitigated with the aim of minimising and ultimately eliminating modern slavery.
- Preparing a supplier questionnaire for existing suppliers to complete and for use during the onboarding process of new suppliers to more fully assess the risks associated with suppliers.

ADDRESSING AND MITIGATING THE RISKS OF MODERN SLAVERY

- Implementation of a Modern Slavery Policy and Supplier Code of Conduct, adherence to which by William Adams and its suppliers will mitigate risks of modern slavery being present in our operations and supply chain.
- Updating our standard procurement contract terms to include modern slavery clauses that (among other things) require suppliers to assess and address modern slavery risks in their supply chains and allow William Adams to audit suppliers and to terminate agreements for non-compliance with modern slavery obligations.
- Consolidation of supplier information and procurement processes, including development of a procurement policy.
- Training our senior managers and procurement specialist in respect of modern slavery.



In assessing the effectiveness of the actions we have taken in this first Reporting Period to assess and address modern slavery risks, we report the following outcomes:

- Our supplier audit and risk assessment has given us a greater understanding of the participants in our supply chain;
- Our senior leaders and procurement specialist, have a greater understanding of the prevalence of modern slavery and the actions we can take to minimise the risks;
- Our suppliers are contractually obliged to investigate, assess and address modern slavery risks within their operations and supply chains; and
- In our capacity as a supplier, we actively participate with our customers to ensure our own compliance with modern slavery laws, including that William Adams does not cause modern slavery and limits its direct or indirect involvement to the extent reasonably possible.



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ASSESSING THE EFFECTIVENESS OF ACTIONS

07

PROCESS OF CONSULTATION

William Adams does not own or control any operating entities that require consultation in relation to modern slavery risks under the Act. William Adams has engaged in discussions with other businesses to understand and share experiences in assessing and addressing modern slavery within the respective organisations.

During the preparation of this statement and the work undertaken in addressing modern slavery risks there has been input from many areas of the William Adams organisation, including procurement, finance, legal and senior management.





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LOOKING FORWARD

William Adams is committed to continuous improvement of its procurement processes and to strive towards identifying and minimising modern slavery within its operations and supply chain.

We will continue to engage with our suppliers to understand the risk profile in relation to modern slavery and seek to mitigate those risks where possible.

William Adams will build on the supplier risk analysis process in the future to engage with suppliers identified as high or medium risk to investigate areas of improvement or potential alternatives.

Our employees, in particular our procurement team, will undertake further training in relation to modern slavery and its impacts across our business and more widely. We will also make changes to our internal Code of Conduct to further embed knowledge of modern slavery risks amongst all of our employees.

APPROVAL OF MODERN SLAVERY STATEMENT

This statement was approved by the board of directors of William Adams Pty Ltd on 31 March 2021.

Eddy Kontelj
Managing Director



APPENDIX

This Modern Slavery Statement was prepared to address the mandatory criteria and to ensure compliance with the Modern Slavery Act 2018.

The table below sets out where each mandatory criterion is addressed within the statement.

MANDATORY CRITERIA		PAGE
01	Identify reporting entity.	3
02	The structure, operations and supply chains of the reporting entity.	4
03	The risks of modern slavery practices in the operations and supply chains of the reporting entity, and any entities that the reporting entity owns or controls.	6
04	The actions taken by the reporting entity and any entity that the reporting entity owns or controls, to assess and address those risks.	8
05	How the reporting entity assesses the effectiveness of such actions.	9
06	The process of consultation with any entities the reporting entity owns or controls or is issuing a joint modern slavery statement with.	10
07	Any other information that the reporting entity, or the entity giving the statement, considers relevant.	2 & 11

William Adams

