



Liftronic Pty Limited

Modern Slavery Statement

Australia's largest independent lift company

Established 1985



Liftronic Pty Limited
MODERN SLAVERY STATEMENT
FY2023

This publication is the Modern Slavery Statement (**'Statement'**) of Liftronic Pty Limited (ABN 99 002 886 213) (**'Liftronic'**) for the financial year ended 31 December 2023. This Statement is made pursuant to the Australian Modern Slavery Act 2018 (Cth) (**'Act'**) and has been approved by the Liftronic Board of Directors (its Principal Governing body).

Liftronic is not required under the Act to file this Statement for the Reporting Period but has voluntarily elected to make and file this Statement as a means of demonstrating to its customers and other business partners and stakeholders its commitment to the principles of the Act.

REPORTING ENTITY, STRUCTURE, OPERATIONS AND SUPPLY CHAINS



REPORTING ENTITY AND STRUCTURE

In accordance with the Act, Liftronic is the 'reporting entity' (as defined in the Act) covered by this Statement and the terms **'we'**, **'us'** and **'our'** refer to Liftronic.

Reporting to the Liftronic Board, the Liftronic Executive Management Team consists of:

- Managing Director
- National Sales Manager
- National Construction Manager
- National Operations Manager
- Company Secretary



OPERATIONS

Liftronic has direct business operations only in Australia, with approximately 130 employees across multiple sites in Australia. Liftronic has the flexibility to be able to design, supply, install and maintain almost any type of lift for residential, commercial, industrial or health care applications. We also have a large range of standard design lifts to suit many applications.



SUPPLY CHAIN

Our supply chain includes providers of finished products for re-sale, together with providers of component parts, raw, semi-finished and finished materials, and consumables for the products we manufacture and sell. We source directly from our Australian suppliers, and we receive international supply through our overseas affiliates and their suppliers.

Our supply chain also includes the suppliers of products and services that would typically be required by general office, warehouse, workshop, and manufacturing operations.

IDENTIFICATION OF RISKS OF MODERN SLAVERY PRACTICES IN OUR OPERATIONS AND SUPPLY CHAINS

RISKS IN OUR OPERATIONS

All our employees and operations are located in the Commonwealth of Australia, and we comply with all Australian labour laws and other applicable employment related legislation. **Our internal process has found no evidence of any modern slavery practices or incidents in our operations**, and we do not believe there is material modern slavery risk in this area.



RISKS IN OUR SUPPLY CHAIN

Liftronic management believe that modern slavery risk within our first-tier suppliers is relatively low, based on the fact that most of our first tier suppliers are Australian based and therefore subject to the Act (albeit indirectly in many cases). Further, our domestic suppliers of services tend to be smaller companies using primarily higher skilled employees protected by enterprise bargaining agreements in addition to Australian labour laws. However, we do note that the same modern slavery risks inherent in any supply chain in tiers beyond the direct supplier (with heightened risk where the longer supply chain extends into higher risk countries) will also exist in our supply chain and we have not yet determined how to best address these risks, but we are working on.

Finally, in due diligence surveys recently conducted **none of our suppliers have indicated they were aware of any instances of modern slavery in their operations or supply chains**. However, several of our suppliers made survey responses that we believe indicate that additional follow-up actions to further assess and/or mitigate possible modern slavery risk may be beneficial, especially with respect to our second tier suppliers in higher risk countries, and despite the relatively low risk level originally assessed and generally confirmed by supplier due diligence responses in Australia.

Our supplier due diligence to date continues to identify some common themes, such as:

- Suppliers obligated to comply with the Act are committed to taking action and have demonstrated tangible improvement.
- For those suppliers not obligated to comply with the Act:
 - Some have indicated they have little or no visibility into the labour practices in their supply chains and no substantive assessment, verification or mitigation of modern slavery risk has been made in their operations or supply chain and no procedures are in place to facilitate such an assessment, verification, or any mitigation.
 - Many do not have contract warranties and covenants in place that specifically and robustly address modern slavery issues in their procurement agreements.
 - Many do not have formal company policies in place re: modern slavery avoidance or Whistleblower encouragement and protection.

- Many of our direct suppliers are not systematically imposing modern slavery risk mitigation obligations on their direct suppliers (e.g., obligations to implement robust contract warranties and covenants relating to modern slavery issues on their suppliers' respective suppliers).
- Some suppliers have not yet responded to our due diligence inquiries.

It must be emphasised that the Act is still very much at the forefront of modern slavery legislation globally and our foreign suppliers and smaller domestic suppliers are typically not directly subject to any modern slavery legislation comparable to the Act; so it cannot be expected that they would have modern slavery risk programs in place when many Australian companies that are subject to the Act are still in the process of designing, implementing and refining such programs. Currently and in the foreseeable near and medium term, the main impetus to most foreign and small domestic suppliers to improve their practices in this area will likely come from the encouragement and insistence of their Australian customers such as Liftronic and other customers that may be subject to the Act and/or to foreign legislation similar to the Act. We are on an identification and risk mitigation journey with our suppliers and expect to see our visibility into modern slavery risk in the supply chain improve and corresponding mitigation actions completed as we move continue that journey.



ACTIONS TAKEN TO ASSESS AND ADDRESS RISKS

ASSESSMENT OF RISKS

With the assistance of Compliance Pronto, an external consulting services provider, we have implemented an ongoing program to try and continuously improve our visibility into the labour practices in our supply chain and our ability to identify risks of modern slavery practices in our operations and supply chain (the “Modern Slavery Risk Mitigation Program”).

The Modern Slavery Risk Mitigation Program is intended to be continuously reviewed and improved as time goes on and currently includes:

1. A Human Rights Policy, Whistleblower Policy, and Responsible Sourcing Policy. The Human Rights Policy and Responsible Sourcing Policy each specifically address the need to be vigilant on modern slavery issues, while the Whistleblower Policy strongly encourages employees to report all violations of Liftronic policies and ensures there will be no negative repercussions for doing so. Our Human Rights Policy, Responsible Sourcing Policy and Whistleblower Policy are accessible to our employees and suppliers online.
2. Our Responsible Sourcing Policy requires the supplier to adhere to applicable legal standards and any higher standards (including but not limited to human rights, child labour, and forced labour). The Supplier acknowledges receipt of the policy and confirms agreement via signature to comply with its terms. The policy requires that our supplier shall ensure compliance from its agents, contractors, vendors, suppliers, and business partners (“flow down”). Acceptance of the



Responsible Sourcing Policy is now part of the onboarding process for all new suppliers and existing contract renewals.

3. We continue to periodically use an online process for supplier assessment of the modern slavery risk ("Supplier Management Tool" or "SMT"). Based on responses / non-responses to a due diligence survey from individual suppliers within the SMT, Liftronic assigns responsibility for reviewing flagged supplier responses to a specific team member and generates action plans.

ADDRESSING RISKS

Some specific key actions taken in connection with the Modern Slavery Risk Mitigation Program in the reporting period include-

- Continued and further entrenched implementation of the Modern Slavery Risk Mitigation Program.
- Suppliers who have responded to a due diligence survey within the SMT or responded to a Liftronic request have received the Code of Conduct – Vendor Policy or Responsible Sourcing Policy (replacing Code of Conduct – Vendor Policy for all new agreements) requesting their commitment to review, acknowledge and formally agree to abide by its principles by returning a duly executed version.
- We continue to provide periodic training for the Liftronic Executive Management Team.

It is understood that we are on a modern slavery risk identification and mitigation journey with our suppliers and expect to see our visibility into modern slavery risk in the supply chain improve and corresponding mitigation actions completed as we continue that journey. Our Modern Slavery Risk Mitigation Program has been designed – and will continue to be refined – with that in mind and with a view to "bring along" our entire supply chain with us on that journey to the greatest extent feasible.

HOW THE EFFECTIVENESS OF ACTIONS TAKEN ARE ASSESSED

Liftronic will use key performance indicators (KPIs) to measure how effective our actions to assess and address modern slavery practices in any part of our operations and supply chain have been. KPIs focus on:

- Operations notifications- reported issues in business operations;
- Supplier engagement- percentage of suppliers responding to assessment requests;
- Supplier acceptance- percentage of suppliers accepting the Responsible Sourcing Policy (previously known as Code of Conduct – Vendor Policy); and
- Level of high risk in supply chain- percentage of high risk suppliers in assessment responses

Over subsequent reporting periods, we will continue to review and enhance these KPIs and develop further metrics to assess the effectiveness of our actions.

GROUP CONSULTATION PROCESS

We do not own or control any other entities, and therefore this criterion is not applicable.

OTHER RELEVANT INFORMATION



Liftronic strongly supports fundamental human rights and the prevention of modern slavery and human trafficking. However, one of the key learnings from our initial surveys was the relatively low level of actual transparency that we had into the labour practices of our supply chain, when this process began.

The actions noted above in this Statement have already started to increase our visibility into this important aspect of our supply chain and enhanced our desire to continue this journey and the worthy goal to do our part to try to ensure there is no modern slavery in our supply chain and to help eradicate modern slavery from the world.

Having said that, the reality is that ensuring that slavery and human trafficking is not taking place anywhere in our supply chain, and especially at tiers beyond our direct suppliers, will likely remain a significant ongoing activity for the foreseeable future. We believe this was clearly contemplated by the Act, and its ongoing annual reporting requirement. We have implemented a risk-based approach and are committed to achieving continuous improvement through our Modern Slavery Risk Mitigation Program and the actions described in this Statement.

APPROVAL OF STATEMENT

The Board of Directors of Liftronic has unanimously approved this Statement and authorised Murray Ryman, Managing Director, as the responsible executive of Liftronic to sign this Statement in accordance with the Act. Liftronic is committed to the spirit and intent of the Modern Slavery Act.

A handwritten signature in black ink, appearing to read "M. Ryman", followed by a horizontal line.

Murray Ryman

Managing Director