



Statement

Modern Slavery Statement



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1. INTRODUCTION

- 1.1** This Statement is prepared and issued on behalf of Adapt-A-Lift Group Pty Ltd (ACN 605 149 568) (**AALG**) pursuant to section 13(1) of the *Modern Slavery Act 2018 (Cth)* (**Act**).
- 1.2** This Statement intends to address and report on the identified risks of modern slavery and human trafficking in AALG's business and operations and the actions taken by AALG to address those risks.
- 1.3** AALG recognises the critical importance and responsibility it has to ensure that its supply chains and business operations do not encourage, promote or turn a blind eye to modern slavery practices. As AALG's business and operations grows and it becomes increasingly exposed to divergent national and international markets, it is committed to being a responsible corporate entity by ensuring that it has robust checks in place to minimise and ultimately eliminate slavery practices and risks in its operations.

2. ORGANISATIONAL STRUCTURE, OPERATIONS AND SUPPLY CHAINS

- 2.1** AALG's core business consists of:
- (a) the wholesale and retail sale of material handling equipment (including forklifts) (**MHE**);
 - (b) the rental (both short and long term) of MHE to wholesale and retail customers;
 - (c) the servicing of MHE; and
 - (d) the supply of MHE parts.
- 2.2** AALG is headquartered in Springvale, Victoria. It also has significant presence in all States and Territories, with offices based in NSW, QLD, SA and WA.
- 2.3** AALG is the largest privately-owned material handling company in Australia. It is beneficially owned by the Whiffen family. AALG presently employs approximately 370 employees throughout Australia and has a significant – and expanding – customer base.
- 2.4** AALG sources supply of MHE and parts from overseas manufacturers based in the US, Ireland, Europe, Japan and China. AALG also have extensive supply chains locally for the supply of various goods and services (not being MHE and parts). These supply chains potentially expose

AALG to a myriad of risks, requiring AALG to adopt a systematic approach to its procurement processes, practices and dealings with their suppliers.

3. POLICIES AND GOVERNANCE APPROACH

- 3.1 AALG has in place a comprehensive and robust corporate governance framework that governs our core principles and values and how we want to conduct our business. Underpinning this framework are our policies and codes that are relevant to modern slavery. These include our **Code of Conduct**, our **Anti-Bribery and Corruption Policy** and our **Discrimination, Bullying and Harassment Policy**, all of which apply to our employees and contractors.
- 3.2 Our policies and codes are available to the general public on our website.
- 3.3 Our standard contract terms with our customers require their acceptance of – and compliance with – our codes and policies. We require our customers to warrant their compliance with these policies and we have reserved rights to cease supply if these warranties are breached.
- 3.4 AALG’s views these warranties as being critical to us entering into supply arrangements with our customers.
- 3.5 AALG currently has an online platform with all its suppliers that ensures suppliers have appropriate insurances and safe work statements in place. AALG is looking to further strengthen its expectations of its suppliers by ensuring that they also warrant their compliance with AALG’s codes and policies. Where appropriate, this will include compliance with the Act.
- 3.6 The monitoring of our suppliers and supply chains is done through our procurement officers and at senior management level. Any concerns are directly reported to the CEO or General Counsel.

4. MODERN SLAVERY RISKS IN AALG’S BUSINESS AND OPERATIONS

- 4.1 AALG recognises that the risks of modern slavery in its supply chains are real.
- 4.2 To ensure that the risk of modern slavery is minimised and AALG’s exposure is limited to the maximum extent possible, we have utilised tools to strengthen our assessment of risks and our response to those risks. These tools include consideration of the Global Slavery Index and the Modern Slavery Registry.
- 4.3 In assessing potential risks, AALG has focused on two core areas:
 - (a) product and service categories; and

(b) geographical area (including those areas that have heightened vulnerable populations).

4.4 Whilst the risk of modern slavery practices is present in all product categories, AALG considers there is a heightened risk in areas such as parts, information technology, transport and people services. The risk in these areas is further heightened depending on the geographical location of the supplier.

4.5 Based on the Global Slavery Index, AALG does not source supply of any product or service from any country that is assessed as being in the top 10 countries with the highest prevalence of modern slavery. The majority of AALG's suppliers are from very low risk areas (Australia, US and Ireland). The notable exception is China, although China itself has only a slightly elevated risk profile from AALG's core geographical markets.

4.6 The steps taken by AALG to address and mitigate known risks are set out below.

5. DUE DILIGENCE PROCESS AND ACTIONS TAKEN TO ADDRESS RISK

5.1 AALG takes a proactive approach in identifying and eradicating modern slavery from its supplier chains.

5.2 The risk-based approach adopted by AALG is done in line with the United Nations' Guiding Principles on Business and Human Rights. This means taking responsibility to avoid causing or contributing to adverse human rights impacts through its own activities; mitigating those impacts that it cannot directly control but which may nevertheless be linked to its operations; and applying these strategies across the entirety of its supply chains and not just for those industries and areas that are at heightened risk.

5.3 The systems and processes adopted by AALG to mitigate modern slavery risks include:

- (a) ensuring all commercial arrangements with AALG's major suppliers of MHE and parts provide commitments from all parties that its operations and business do not infringe on modern slavery obligations;
- (b) requiring all new suppliers to register through an online platform that requires acceptance of AALG's Code of Conduct and other policies (including, where required, compliance with this Statement);
- (c) ensuring that those suppliers identified as higher risk (whether by reason of industry or location) are subjected to greater scrutiny and approval, including by requiring these suppliers (where appropriate) to furnish relevant internal policies and provide further information regarding their workforce and supply chains; and

- (d) ensuring that customers who we engage with agree to and comply with our Code of Conduct and policies (including, where required, compliance with this Statement).

- 5.4** These systems are continuously being monitored at Board level.
- 5.5** AALG has conducted in-person training of its senior managers and procurement officers to promote and ensure compliance with AALG's modern slavery policies. All senior managers, procurement officers and members of AALG's Board have received and declared that they have read, understood and will comply with this Statement.
- 5.6** We encourage all our employees, contractors, suppliers and agents – whether past or present – to report any actual or potential breaches of our Code and policies. We do this through a confidential **Whistleblower Policy** that enables persons to report any breaches confidentially and without fear of reprisal.
- 5.7** We believe that these robust systems and reporting lines not only enhances our business relationships but also ensures complete transparency in our dealings and constitutes good and responsible corporate practice.

6. MEASURING EFFECTIVENESS

- 6.1** AALG is not aware of any indicia to measure the effectiveness of its systems and policies for dealing with modern slavery. The issue is made more complex by the fact that a significant number of its suppliers are either small/medium enterprises or are based overseas, meaning they are not (or may not be) covered by the Act.
- 6.2** What this means is that – for present purposes – the effectiveness of AALG's processes must be measured by internal reporting and monitoring.
- 6.3** The key personnel managing our supply chains – being our procurement officers and management – are asked to conduct annual auditing and review of our arrangements and supply chains to determine whether any customer or supplier is either in breach or is at heightened risk of breach of our policies. Any actual or potential breach is to be reported directly to senior management and AALG's General Counsel.

7. CONSULTATION – STAKEHOLDER ENGAGEMENT

- 7.1** Consultation and communication of this Statement – and AALG's commitment to the principles set out in this Statement – is critical to its acceptance and implementation.

- 7.2** As above, all departmental heads have been notified of the guiding principles set out in this Statement and what we expect in regards to the implementation (including due diligence). This has been done across all business areas, including those persons responsible for procurement of MHE, parts and delivery services.
- 7.3** Where it is considered necessary, suppliers and customers will be required as a precursor to doing business with us to read, understand and accept the principles set out in this Statement.
- 7.4** We will continue monitoring these processes and liaising with our stakeholders.

This statement was approved by the Board of Adapt-A-Lift Group Pty Ltd and is signed with approval from the Board



Steve Taylor
Chief Executive Officer
30 April 2021