

MODERN SLAVERY STATEMENT 2020

Introduction

This Modern Slavery Statement (**Statement**) is made pursuant to the *Modern Slavery Act 2018* (Cth) (**the Act**) and is intended to cover the supply chain and business operations of the following Australian reporting entities in accordance with s14(1) of the Act:

- Joy Global Australia Pty Ltd (ABN 58 000 049 392);
- Joy Global (AUS) Surface Pty Ltd (88 010 863 475);
- Joy Global Australia Holding Pty Ltd (ABN 70 059 870 058); and
- P&H Mine Pro Services Pty Ltd (ABN 20 084 936 989),

collectively referred to as the “**Joy Global Group**”, “We”, “Our” or “Us” within this Statement.

This Statement sets out the steps which the Joy Global Group has undertaken during the 2019 financial year (**FY19**) to detect the risk of any modern slavery and human trafficking (**Modern Slavery**) within the Joy Global Group’s supply chain and business operations in accordance with the seven (7) mandatory reporting criteria outlined in s16 of the Act. This Statement also includes any additional steps which are proposed to be completed by the Joy Global Group by the end of financial year 2020 (**FY20**). The Joy Global Group’s financial year is 1 April to 31 March.

Organisation

Structure

The ultimate parent company of the reporting entities listed in the Joy Global Group is Komatsu Ltd, whose head office is in Tokyo, Japan. Komatsu Ltd is a global manufacturer and distributor of earthmoving, mining, construction and utility equipment. The Joy Global Group supplies Komatsu, P&H, Joy and Montabert branded surface and underground mining equipment and services.

The Joy Global Group’s workforce consists of more than 1,120 employees, contractors and agents within Australia. Our direct employees are engaged under contract, an award or via enterprise agreements. The Joy Global Group has several collective industrial instruments and Our employees are free to associate with any trade union they choose.

Supply Chains

The Joy Global Group's supply chain is predominantly made up of original equipment manufacturer (**OEM**) supply sourced overseas from Komatsu Mining Corp., and other related entities of Komatsu Mining Corp. or Komatsu Ltd. However, the Joy Global Group also sources goods and services ranging from labour hire, stationery, uniforms, cleaners, engineering specialists, personal protective equipment and alternative parts or local options for its equipment, from local suppliers. In FY19, the Joy Global Group worked with over 200 suppliers, with most of the annual supplier spend occurring with the OEM's, followed by other suppliers who are primarily located in Australia.

Risks of Modern Slavery Practices

Key stakeholders within the Joy Global Group conducted a preliminary assessment of all direct suppliers (other than OEM's) based on market, geography, the products supplied and their parent companies. The main focus was on those industries within the Joy Global Group's supply chain which prima facie, presented the greatest Modern Slavery risk. This assessment included a review of industries such as cleaning, maintenance, logistics, transport, information technology, uniforms and general consumables. From this preliminary assessment, several major suppliers were selected as key high risk suppliers.

These preliminary assessments have presented Us with no immediate concerns as the Joy Global Group is not sourcing a large or diverse amount of goods and/or services from Modern Slavery "at risk" industries or markets. However, to ensure Modern Slavery is not going undetected in the Joy Global Group's supply chain operations, due diligence processes have been implemented and further steps will be identified and implemented by the Joy Global Group to ensure there is minimal exposure to Modern Slavery in its supply chain during FY20 (please see "**Future Steps**" below).

Actions taken to address Modern Slavery risks

The Joy Global Group has a commitment to engage only those suppliers that uphold the same principles as the Joy Global Group, and where necessary, implement corrective measures.

The Joy Global Group has created a strategic framework within its supply chain and business operations to reduce its exposure to Modern Slavery risks through implementation of risk assessments, due diligence processes, updating its suite of supply chain agreements, training of key stakeholders and the introduction of remediation processes with its suppliers that may be found to be engaging in Modern Slavery practices.

Due Diligence

As a part of the Joy Global Group's strategic Modern Slavery framework (**Framework**), potential high risk and renewing suppliers have been subjected to a due diligence process which included a pre-qualification questionnaire (**Questionnaire**) that

contained questions which seek to detect a supplier's risk of Modern Slavery within their own operations or supply chain. It will be mandatory for these high risk suppliers to return their Questionnaire on an annual basis. If these high risk suppliers return a non-conforming Questionnaire or fail to return a Questionnaire without a valid reason, key stakeholders will engage with the supplier in a remediation process which has been created as a part of the Joy Global Group's due diligence process. As part of the Framework, all new suppliers will also be subjected to this Questionnaire during the supplier on-boarding process. The responses to the Questionnaire will allow the Joy Global Group to identify potential areas, suppliers or industries that present the greatest risk of Modern Slavery in its supply chain.

If Modern Slavery is suspected or identified in one of the Joy Global Group's suppliers' operations or supply chain, the Joy Global Group is committed to working with the supplier and the supplier's management team to seek to remedy any non-compliances relating to Modern Slavery instead of ending the relationship with the supplier. Ending the relationship with a supplier is not an appropriate method of remediation as it may lead to significantly worse Modern Slavery non-compliances as well as negative outcomes for the supplier's employees. The Joy Global Group understands that not all of its suppliers are required to comply with the Act and will continue to work with these suppliers to ensure that they fully understand why compliance with the Act is important not only to the Joy Global Group, but for the community as a whole. Accordingly, the Joy Global Group is committed to working collaboratively with suppliers to meet domestic and international obligations relating to Modern Slavery.

Policies and Governance

The Joy Global Group's corporate governance framework seeks to address the complex risks associated with Modern Slavery within a suite of policies, procedures and internal guidelines which are available to all employees of the Joy Global Group. These include the Joy Global Group's Whistleblower Policy and Komatsu's Worldwide Code of Business Conduct (**the Code**) which all employees must follow. In relation to employment, the Code states that all of Komatsu Ltd's distributors (including those within the Joy Global Group) shall not tolerate child labour or forced labour. Where any deviation to the Code is found to be in existence or a report is made under the Whistleblower Policy, a proper investigation is required, and remedial action must be undertaken.

The Joy Global Group has also developed a Modern Slavery Guideline for the Modern Slavery Committee to utilise to ensure that the due diligence and remediation processes identified in this Statement are followed.

Updating of Supply Chain Agreements

A number of the Joy Global Group's supply agreements and standard purchasing terms and conditions documents have been updated to contain a specific provision relating to

Modern Slavery and the obligations of those suppliers if they are to be engaged by the Joy Global Group. It is the expectation that each non-OEM supplier to the Joy Global Group also includes a similar provision in its own suite of supply chain agreements.

Training

During the due diligence process, key stakeholders within the Joy Global Group's Procurement Departments were advised on the suppliers and industries within its supply and business operations which presented the greatest potential risk of Modern Slavery practices.

The Joy Global Group's employees have received training in the Whistleblower Policy in FY19. Additionally, in FY19, all employees of the Joy Global Group received a copy of the latest version of the Code (11th Edition), and received training, to explain their responsibilities under the Code. There are contact persons in the Joy Global Group to whom whistleblowers can report breaches of the Code or general concerns, including information about possible Modern Slavery such as human rights violations and infringements of labour standards.

Measuring Effectiveness

The Joy Global Group has undertaken extensive work to minimise the risks of Modern Slavery in its supply chain through the various due diligence measures outlined in this Statement. Human rights change is an incremental process and the Joy Global Group will continue to adopt processes to monitor compliance and detect Modern Slavery within its supply chain and business operations.

In order to measure effectiveness, key stakeholders within the business will meet bi-annually to address any concerns raised by suppliers, customers, employees or members of the public in relation to the Joy Global Group's approach to Modern Slavery, as well as conducting an assessment of the current due diligence process and whether enough information was collected from its suppliers to enable the Joy Global Group to assess the risk of Modern Slavery within its supply chain and/or business operations.

The Joy Global Group's approach to detecting the risk of any Modern Slavery within its supply chain and business operations will be audited by the Joy Global Group's internal Risk and Assurance department to assist in assessing the efficiency and effectiveness of the due diligence process.

No instances of Modern Slavery have been reported or alleged in FY19.

Consultation with reporting entities within the Joy Global Group

Each reporting entity in the Joy Global Group and its business and supply chain operations were consulted in relation to this Statement and the Framework to be adopted which included:

- regular discussions with key stakeholders in each reporting entity's Procurement Department;
- preliminary risk assessment on the respective reporting entity's supply chain operations, including identification of their high risk suppliers; and
- collaboration and implementation of the Framework.

Future Steps

The Joy Global Group is committed to engaging collaboratively with its suppliers to detect the risk of Modern Slavery and prevent these risks from continuing.

Key stakeholders forming part of the Joy Global Group's Modern Slavery committee will meet bi-annually to discuss:

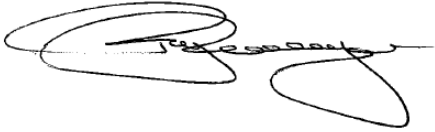
- any Modern Slavery incidents which have arisen or been reported;
- any process improvements in relation to the current Framework;
- any industry specific risks which have come to its attention;
- the audit results from the current financial year in relation to the due diligence and remediation processes; and
- discuss any proposed changes to the Statement for the upcoming financial year.

Over the next year, the focus will be on:

- strengthening and refining the due diligence process to better target suppliers in high risk industries;
- engaging additional stakeholders to participate in the Modern Slavery committee meetings;
- explore further mechanisms to measure the effectiveness of the actions undertaken to address Modern Slavery; and
- ensure that all employees are appropriately trained in relation to detecting Modern Slavery risks.

APPROVAL

In accordance with s14(2)(d) of the Act, this Statement was approved by the board of directors of Joy Global Australia Pty Ltd for and on behalf of the Joy Global Group on or about 23 December 2020.

A handwritten signature in black ink, appearing to read 'Rob Rogers', with a large, stylized flourish extending to the right.

Rob Rogers
Vice President, Soft Rock Sales and Service
for and on behalf of the Joy Global Group

23 December 2020