



Crown Equipment Pty Ltd
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Crown Equipment Pty Limited
Modern Slavery Statement
2021/2022

1. Introduction

Crown Equipment Pty Limited recognises that preventing and addressing modern slavery risks in its operations and supply chain requires long-term planning and vigilance. It also requires an integrated cross-functional approach that should be embedded across the organisation. Internal and external partnerships are vital to address potential involvement in modern slavery, as well as to achieve international and domestic policy coherence.

The compilation of Annual Modern Slavery Statements for Crown Equipment Pty Limited, continue to highlight opportunities for improvement in this critical area. Crown Equipment Pty Limited continues to focus its efforts in employee training on modern slavery for employees in a number of connected roles, prioritising those managing higher risk categories and involved in supplier engagement to ensure we have an adequately informed workforce. The framework provided via the implementation of an internal Modern Slavery Compliance Policy as well as an outward facing Anti-Slavery Policy in the previous Reporting Period, continues to be built upon, with increased employee and supplier awareness of modern slavery practices, and demonstration of a collective commitment to not cause, contribute to, or be directly linked to, practices of modern slavery.

Surveying, collating, reporting and analysing capabilities have continued to be enhanced during the 2021/2022 Reporting Period, with more data available than in previous years. The Company continues its partnership with Decision Max, in the compilation of supplier questionnaires for onboarding vendors, and for use in annual audits of suppliers. These questionnaires continue to assist in the identification of high-risk commodities and suppliers and enable improvements where required, as well as provide data for analytics and mapping. Crown Equipment Pty Limited has an ongoing commitment to improving its due diligence for non-trade suppliers based on category risk segmentation.

This Statement has been prepared with the intention to comply with the reporting criteria of the *Modern Slavery Act 2018*. Consistent with this intention, the below table sets out where the report seeks to address each criterion.

Modern Slavery Act 2018 Criteria	Statement Section(s)	Statement Page(s)
Identify the reporting entity	2	3 to 4
Describe the reporting entity's structure and operations and supply chains	2 and 3	3 to 6
Describe the risks of modern slavery practices in the operations and supply chains of the reporting entity and any entities it owns or controls	4	7 to 13
Describe the actions taken by the reporting entity and any entities it owns or controls to assess and address these risks, including due diligence and remediation processes	4 and 5	7 to 15
Describe how the reporting entity assesses the effectiveness of these actions	6	16
Describe the process of consultation with any entities the reporting entity owns or controls (a joint statement must also describe consultation with the entity giving the statement)	7	17
Provide any other relevant information	1 and 8	2 and 18

2. The Reporting Entity

Crown Equipment Pty Limited (ACN 000 514 858) (“the Company”) is an Australian Private Company wholly owned by the Crown Equipment Corporation headquartered in New Bremen, Ohio in the United States of America (“the Corporation”). The Corporation maintains a presence in 80 countries and 500 locations globally and designs and manufactures material handling equipment and solutions. The Corporation’s material handling solutions are used in a wide variety of applications, such as transporting goods through the narrow aisles of warehouses, distribution centres and manufacturing facilities, as well as in agriculture and mining.

The Company has maintained operations in Australia since 1966 and operates from its registered office located at 15 Cooper Street, Smithfield, New South Wales 2164, with its primary operations being the selling, renting and servicing of material handling equipment, and the provision and sale of parts, components and consumables associated with this equipment.

For the 2021/2022 Reporting Period from 1 April 2021 to 31 March 2022, the Company directly employed and managed an average of 892 employees from its Australia Head Office and its branch network located in all states and territories of Australia. Most of the employees of the Company are directly engaged in the sales, rental and service of material handling equipment across almost all sectors and industries and covering all regions of Australia. Those employees that are not directly engaged in the sales, rental and service of material handling equipment, are employed in support roles or corporate support and services roles, that serve to support the Company’s operations and facilitate the work of those employees that are directly engaged in the sales, rental and service of material handling equipment.

The Company maintains branded facilities in:

- Acacia Ridge (Brisbane), Queensland
- Beresfield (Newcastle), New South Wales
- Berrimah (Darwin), Northern Territory
- Bohle (Townsville), Queensland
- Davenport (Bunbury), Western Australia
- Derwent Park (Hobart), Tasmania
- Hume (Canberra), Australian Capital Territory
- Mulgrave (Melbourne), Victoria
- Orange, New South Wales
- Paget (Mackay), Queensland
- Smithfield (Sydney), New South Wales
- St Leonards (Launceston), Tasmania
- Toowoomba, Queensland
- Truganina (Melbourne), Victoria
- Tweed Heads South (Gold Coast), New South Wales
- Unanderra (Wollongong), New South Wales
- Welshpool (Perth), Western Australia
- Wingfield (Adelaide), South Australia
- Wodonga (Albury/Wodonga), Victoria

The branch network provides sales, rentals and service support to customers within the geographical areas for which the individual branch holds responsibility. Branch Managers are accountable for the Company’s operations carried out from their respective branches. Regional

Branch Managers, e.g., Townsville, Wollongong, etc., report to the respective State Manager based at the main branch of their state, e.g., Brisbane, Sydney, etc., with the State Managers reporting into the Company's Australian Head Office.

The Company also engages in sales and service in Papua New Guinea, with these operations managed out of the Company's locations in Queensland, Australia.

During the 2021/2022 Reporting Period, the Company maintained commercial relationships with two (2) independent resellers that purchase and sell the products and services of the Company. The trading names of these entities are: Lift 'n' Rack (ABN 15 627 983 162) in Port Macquarie, New South Wales and AH Sales (ABN 27 791 913 851) in Rockhampton, Queensland.

Although the Company does not own or control these entities, the executive hub which supports the Corporation's operations in New Zealand and Southeast Asia (Singapore, Malaysia, Thailand, Indonesia, Vietnam, Philippines and Republic of Korea) is located in the Company's Australia Head Office.

Commonly known in the marketplace as 'Crown Lift Trucks', during the 2021/2022 Reporting Period, the Company has maintained ownership of several dormant business names, being: Crown Warehouse Solutions, Crown Equipment Leasing, Crown Forklifts, Crown Lift Trucks, Crown Credit, Crown Fleet Management and Crown Lift Truck Rentals. Some of these business names are departments within the Company and are not standalone trading entities.

3. Supply Chains

For the 2021/2022 Reporting Period, the Company had 1204 direct suppliers globally, of which 1200 are vendors located in Australia.

Wherever possible, Procurement is a centrally-managed function within the Company's Head Office Operations department. A critical aim of the Procurement process is to build long-term business relationships with a range of quality suppliers. This is intended to ensure that the Company receives goods and services to required specifications, quality, service, delivery and reliability; and to deliver value for money and reduce the Company's risk exposure.

Procurement works in collaboration with the Company's business units to determine the requirements of each business unit for goods and/or services. The Procurement function ensures that processes are followed including: the identification and management of suppliers; the maintenance of standard terms and agreements; the conducting of competitive bid and tender processes; and, the undertaking of supplier negotiations.

The Supplier Approval process sees prospective suppliers evaluated and approved before they can supply any goods and/or services to the Company. The Company assess each supplier based on the following criteria: capabilities in meeting the Company's technical standards and/or business requirements; competitive pricing based on total acquisition cost; business structure and financial position; level and quality of systems in place; health, safety and environment policies and management; and, compliance with the Corporation's global compliance requirements, including vetting via the Corporation-developed program GTS screening, which screens prospective entities that may be embargoed for activities such as sanctioning or supporting terrorism, or for geographical or political reasons.

Supplier Management is undertaken by the Procurement department. The Procurement department seeks to ensure that the Company's risks are minimised via processes including: application of standard terms of trade and supply agreements; control of approved suppliers; regular reporting and reviews; and, the application of ethical business conduct in accordance with the policies of the Company and the Corporation.

Purchasing is an activity conducted throughout the Company to meet day-to-day requirements. The centralised Purchasing department manages the ordering of inventory, while all business units will purchase non-inventory items to meet their operating needs.

The predominant goods and services procured by the Company are material handling equipment products, such as gas, electric and internal combustion lift trucks, batteries and chargers, and industrial cleaning machines such as sweepers. The Company also procures tools, parts, components and consumables utilised in preventative maintenance of material handling equipment, major servicing of material handling equipment, and the refurbishment of material handling equipment, including high volume parts such as wheels and tyres, and high-volume consumables such as lubricants and oils. The Company also procures goods and services in the form of transport and delivery services; freight forwarding; uniform supply; Personal Protective Equipment (PPE); labour hire employment services; security services; travel services; printing, marketing, advertising and communications services; commercial cleaning services; office furniture and office supplies; commercial real estate and property services; industrial safety supplies; garbage and recycling services; motor vehicles and fleet management services; information technology services; electronic hardware and accessories; storage solutions; telecommunication hardware and services; and, utilities.

The primary supplier of goods and services to the Company is the Corporation and its entities globally. During the 2021/2022 Reporting Period, the Corporation and its entities globally made up 74 per cent of the Company's vendor expenditure. These products are manufactured in the United States of America, Mexico, Germany and China. Local and overseas independent suppliers made up 26 percent of the Company's vendor expenditure. The products supplied by these suppliers are manufactured in Australia, China, Germany, India, Italy, Japan, Malaysia, Mexico, Philippines, Sweden, Taiwan, Thailand, United States of America and Vietnam. With current levels of transparency, the Company has an awareness of goods and services from suppliers that are manufactured in or provided from:

- Argentina
- Australia
- Bangladesh
- Bulgaria
- Canada
- China
- Fiji
- Germany
- India
- Indonesia
- Italy
- Japan
- Malaysia
- Mexico
- Philippines
- Republic of Korea
- Sweden
- Taiwan
- Thailand
- United States of America
- Vietnam

The Company recognises that safeguarding human rights across its operations and supply chains is important to its employees, shareholders, and customers.

There is both a moral and a business case for the steps we are taking to identify, report, address and ultimately eliminate any exploitation of vulnerable people with whom we may be involved, directly or indirectly, overseas or locally.

The Crown Ethical Sourcing Program supports the Purchasing Ethics Policy and Modern Slavery Compliance Policy, designed to protect and uphold worker's rights across goods and services within its supply chains.

4. Risks of Modern Slavery Practices

Organisation Risk - ‘cause’

This risk is deemed to be low. Almost all work performed on behalf of the Company is performed by employees that are employed directly by the Company under permanent employment agreements. During the 2021/2022 Reporting Period, 97.57 percent of the Company’s employees were employed on a full-time permanent basis. This lowers modern slavery risks within the Company’s direct employment arrangements. Employees are all paid over-award rates. The Company is also party to eight (8) enterprise bargaining agreements negotiated with multiple trade unions, covering a significant proportion of the Company’s total workforce.

There are very limited areas of the business that use contracted or third-party labour providers, however, where these arrangements exist, this results in less direct visibility of the terms and conditions of employment of the individual workers. Terms of business and engagement contracts with these providers often include the Modern Award classification and rates of pay of the respective employees, providing opportunity for review by the Company. The Company utilises limited providers, for several reasons, amongst which is the ability to maintain awareness of how providers are remunerating and treating their employees, and whether this is befitting an ongoing relationship with the Company.

Procurement - ‘contribute to’

This risk is deemed to be low. As noted, the Supplier Approval process sees prospective suppliers assessed against several criteria. Whilst competitive pricing is a factor, it is weighed against other critical criteria, including: capabilities in meeting the Company’s technical standards and/or business requirements; business structure and financial position; level and quality of systems in place; health, safety and environment policies and management; and, compliance with the Corporation’s global compliance requirements, including vetting via GTS screening.

For the 2021/2022 Reporting Period, the Company completed a high-level audit of local based and overseas suppliers to specifically aid it in identifying risks of modern slavery in its supply chains. In consideration of this, the Company does not believe that its procurement processes are contributing to, or have contributed to, modern slavery practices. Awareness of any practice, and any contribution by the Company to it, would be the subject of investigation and remediation.

Supplier Visibility - ‘directly linked to’

The Company has extended the transparency of its supply chain and, in doing so, has analysed its local and overseas suppliers. The Company’s supply chain has been categorised in a tier system: Tier One classifies original equipment manufacturers (OEM), Tier Two classifies spare parts suppliers, Tier Three is raw material suppliers, and non-tier suppliers are a combination of entities such as facilities suppliers and contractors.

The Company's Tier Grouping	
Tier Groups	Tier Definition
1	Original Equipment Manufacturer (OEM)
2	Spare Parts & Electrical Components
3	Raw Material Suppliers
Non-tier	Service providers

These suppliers must undergo an initial risk assessment that seeks to identify site-based risks associated with working conditions, along with inherent risks depending on the country in which they manufacture items.

During the 2021/2022 Reporting Period, the Company has assessed a combination of its tiered and non-tier suppliers. With the cooperation of the Company's contract management software creator, Decision Max, the Company reached out to its local Tier One, Tier Two and non-tier suppliers to complete a self-assessment questionnaire (SAQ). The SAQ is intended to allow the Company to assess and identify potential areas, suppliers, or industries that present the risk of modern slavery in its supply chain.

The SAQ is designed with the intention that it will:

- support the identification of modern slavery risks;
- foster collaborative efforts between suppliers and organisations to address these risks;
- improve transparency; and
- identify areas for further due diligence.

As part of the 2021/2022 Reporting Period, the Company assessed the supplier responses to the SAQ. The Company's Tier One suppliers scored 67 per cent, the Tier Two suppliers Scored 88 per cent, and non-tier suppliers scored 55 per cent. The score is based on the completion and compliance rate with the Modern Slavery Policy and processes, operations and supply chain, and working environment sections of the SAQ.

Most of the Company's Tier One suppliers participated in last year's SAQ which is reflected in analysis of the 2021/2022 Reporting Period. Tier Two suppliers' results have improved, with suppliers having most of their policies in place or evidently working towards implementing policies and procedures. The results for non-tier suppliers were lower, with many reporting that they did not have any policies, as most are small businesses with less than 20 employees.

During the 2022/2023 Reporting Period, the Company will follow up with suppliers that had reported as working towards implementing policies and the suppliers that had registered as having yet to commence. In addition, the Company will continue to work with the suppliers that had not responded to the SAQ to ensure completion.

The SAQ assesses standards compliance against Crown's Purchasing Ethics Policy and Modern Slavery Compliance Policy. When the Company identifies non-conformances, suppliers must remediate these and provide supporting evidence to demonstrate they have adequately resolved the issues of concern.

Sector and Industry Risks

During the 2021/2022 Reporting Period, the Company engaged its local suppliers to complete its modern slavery survey. With the information provided, the Company can identify any risks within its supply chain network and act accordingly.

The Company reviewed its Tier One, Tier Two and non-tier suppliers based on their industry category listing. 52 different industry types were identified, and within the 52 industry types, 15 industries were identified as being medium to high-risk, with the remaining 37 identified as low risk.

The preliminary risk assessment identified the procurement of the following goods with a medium to high risk to modern slavery:

- oil and lubricants
- chemical material
- electrical supplies
- spare parts and consumables
- personal protective equipment and safety gear

The Company also procured the following goods and services with a higher risk to modern slavery as outlined in the Geographic Risk - *Table 1: Prevalence of modern slavery risk*:

- transport and logistics (including road and sea freight)
- facilities maintenance (including cleaning)
- security services
- supply and launder of uniforms
- manufacture and supply of rubber tyres
- manufacture of traction battery chargers

The Company is committed to continuously improving its approach to assessing, identifying, and addressing modern slavery risks within its supply chain and operations, including the completion of the SAQ. Higher-risk suppliers must complete and return their questionnaire on a biannual basis.

Should a higher-risk supplier return a non-conforming response or fail to return the questionnaire without a valid reason, the Company will engage with the supplier in a remediation process.

Continued adherence with the Purchasing Ethics Policy, Modern Slavery Policy, Anti-Slavery Policy, and ultimately the finalisation and commencement of what remains a draft Modern Slavery Due Diligence process, will provide the framework for the Company's actions and priorities for addressing modern slavery risks within its supply chain during the 2022/2023 Reporting Period.

The Company has implemented and will continue its onboarding process developed during the 2021/2022 period, which includes providing suppliers with the Corporation's Code of Conduct. All new suppliers are required to complete the SAQ, allowing the Company to identify potential areas, suppliers, or industries that present risks of modern slavery in its supply chain.

Product and Services Risks

A high-level overview of the Company's supply chain has identified the following products and services which may involve modern slavery risks because of the way they are produced, provided or used. These products and services are: uniforms and clothing; commercial laundering services; offsite storage and archiving; transport services; cleaning services; IT equipment and technical support; labour hire services; products made of plastics and rubber such as seals, wheels and tyres; and, some chemicals products.

Geographic risks

For the 2021/2022 Reporting Period, the Company's suppliers were required to identify specific countries of origin where products were sourced and where potential risks may exist within their supply chain. The following table identifies the countries of origin and associated risks. Sources of data are the *Walk Free Foundation Global Slavery Index*, *Transparency International* and the *Walk Free Foundation Measurement, Action, Freedom Report*.

Table 1: Prevalence of modern slavery risk

Country	Potential risk	Type of product sourced	Vulnerability ²	Prevalence
Argentina	Forced Labour Forced Marriage	Manufacture of battery cells	28.88/100	Low Risk
Australia	Forced Labour	Cleaning, transport	4.27/100	Low Risk
Bangladesh	Child Labour Forced Labour	Manufacture of battery cells	50.05/100	Low to Medium Risk
Bulgaria	Forced Labour Human Trafficking	Manufacture of battery cells	31.34/100	Medium Risk
Canada	Forced Labour	Warehouse Equipment	10.20/100	Low Risk
China	Child Labour Forced Labour	Manufacture of rubber products Manufacture of chemicals Manufacture of textiles Manufacture of hydraulic fittings	50.65/100	Low to Medium risk
Fiji	Debt Bond	Manufacture of textiles for garments and safety clothing	0	Low Risk
Germany	Forced Labour Human Trafficking	Manufacture of forklift	10.44/100	Low Risk
India	Forced Labour Debt Bondage Poor conditions	Manufacture of rubber tyres Manufacture of lubricant and oils	55.49/100	Medium Risk
Indonesia	Child Labour Forced Labour	Manufacture of hydraulic fittings and products	50.45/100	Medium Risk
Italy	Forced Labour Exploitation of Adults & Children	Manufactured of Forklift Attachments	28.29/100	Low to Medium Risk
Japan	Human Trafficking Forced Labour	Manufacture of spare parts	13.81/100	Low Risk
Malaysia	Child Labour Forced Labour	Manufacture of rubber	39.23/100	Medium Risk
Mexico	Child Labour Forced Labour Poor conditions	Manufacture of forklift	57.31/100	Medium Risk
Philippines	Human Trafficking Forced Labour	Manufacture of electrical components	60.24/100	Medium to High Risk
Republic of Korea	Forced Labour	Manufacture of forklift	29.83/100	Low Risk
Sweden	Human Trafficking	Telecommunications	4.27/100	Low Risk
Taiwan	Forced Labour Child Labour	Supply of PPE Equipment Supply electrical component	20.25/100	Low Risk
Thailand	Forced Labour	Manufacture of rubber products	51.10/100	High Risk
United States	Forced Labour	Manufacture of forklift	15.88/100	Low Risk
Vietnam	Human Trafficking Forced Labour	Supply of PPE Equipment Supply electrical components	41.49/100	Medium Risk

² Source: The Walk Free Foundation Global Slavery Index (GSI)- Calculated using individual and country-level risk factors of modern slavery. Analysis draws on data from surveys implemented through the Gallup World Poll, including a module on modern slavery in 48 countries, and data from the GSI Vulnerability Model.

Table 2: Prevalence of modern slavery

Country	Prevalence Index Rank (out of 167) ⁴	Estimated people living in Modern Slavery	Country	Prevalence Index Rank (out of 167)	Estimated people living in Modern Slavery
Argentina	157	55,000	Japan	167	37,000
Australia	163	15,000	Malaysia	42	212,000
Bangladesh	92	592,000	Mexico	114	341,000
Bulgaria	78	32,000	Philippines	30	784,000
Canada	166	17,000	Republic of Korea	137	99,000
China	111	3,864,000	Sweden	152	15,000
Fiji	Not Listed	Unknown	Taiwan	165	12,000
Germany	134	167,000	Thailand	23	610,000
India	53	7,989,000	United States	158	403,000
Indonesia	74	1,220,000	Vietnam	77	421,000
Italy	122	145,000			

Based on the data in *Table 1: Prevalence of modern slavery risk*, there is a medium-to-high risk of modern slavery practices in several countries from which the Company sources goods and services. There is a higher risk in India, Thailand, and Bangladesh, where the estimated number of modern slavery vulnerabilities is 55.49 and 51.10, whilst Australia rates as low risk at 4.7. The Global Slavery Index vulnerability score for Fiji in 2018 is registered as zero (0) due to insufficient data, however, this may not reflect actual findings or prevalence of modern slavery.

Table 3: Government response rating to modern slavery

Country	Government Response Rating ⁵ (AAA to D)	Measurement, Action, Freedom Report Rating ⁶ (out of 10)	2021 Corruption Percentage Index ⁷ (100 to 0)
Argentina	BBB	7	38
Australia	BBB	7	73
Bangladesh	B	5	26
Bulgaria	BB	6	42
Canada	BB	6	74
China	CC	4	42

⁴ Source: *The Walk Free Foundation Global Slavery Index (GSI)*

⁵ Source: *The Walk Free Foundation Global Slavery Index* - The Government Response Index provides a comparative assessment of the actions that governments are taking to respond to modern slavery. This is based on data collected relevant to understanding how each government is tracking towards achieving five milestones: survivors of slavery are identified and supported to exit and remain out of slavery; criminal justice mechanisms function effectively to prevent modern slavery; coordination occurs at the national and regional level, and governments are held to account; risk factors such as attitudes, social systems, and institutions enabling modern slavery are addressed; and, government and business stop sourcing goods and services from forced labour.

⁶ Source: *The Walk Free Foundation Measurement Action Freedom Report* – Independent Assessment of 183 governments and their responses to the challenge of modern slavery, based on their: ability to identify and support survivors; establish effective criminal justice systems; strengthen coordination mechanisms and be held to account; address underlying risk factors; and, clean up government and business supply chains, in order to eradicate modern slavery.

⁷ Source: *Transparency International 2021* - The Corruption Perceptions Index ranks 180 countries and territories by their perceived levels of public sector corruption, according to experts and businesspeople.

Fiji	O	0	0
Germany	BB	7	80
India	B	5	40
Indonesia	BB	5	37
Italy	BBB	7	56
Japan	CCC	4	73
Malaysia	CCC	4	48
Mexico	BB	7	31
Philippines	BB	6	33
Republic of Korea	CC	4	62
Sweden	BBB	7	85
Taiwan	CCC	4	68
Thailand	B	6	35
United States	BBB	7	67
Vietnam	B	5	39

Based on the data in *Table 3: Government response rating to modern slavery*, Australia and Indonesia have demonstrated comparatively better Government responses to the modern slavery risks in their countries. India, Bangladesh, and Thailand are the countries with relatively higher risks of modern slavery practices; they have not demonstrated encouraging responses. Corruption perceptions in these countries are also comparatively worse. Malaysia and China rated most poorly for the responses of their government to their modern slavery risks. The prevalence of modern slavery practices in Malaysia and China are significantly higher (as shown in Table 1) than in Japan and the Republic of Korea, suggesting a greater need for government intervention. The Government response rating to modern slavery for Fiji as is currently not available.

Entity Risks

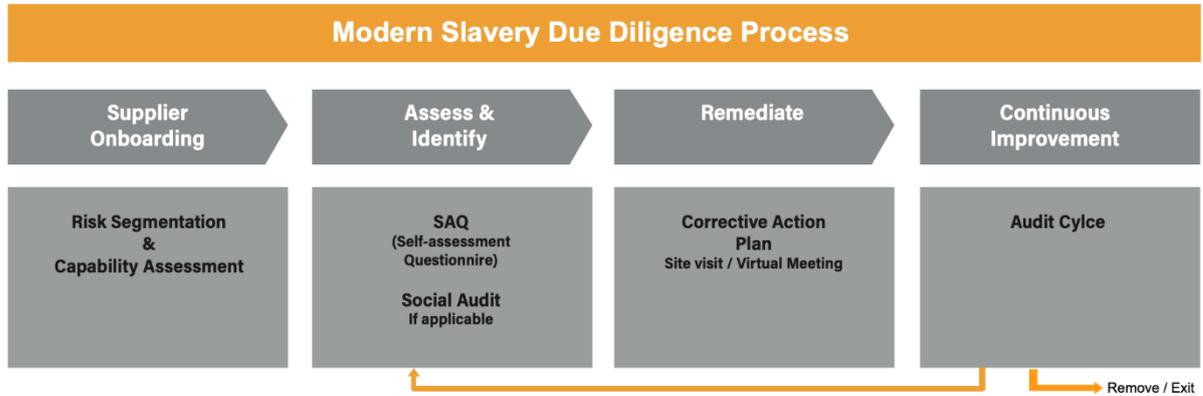
For the 2021/2022 Reporting Period, the Company has completed an audit of its Tier One, Tier Two and non-tier local suppliers and found that 32 per cent of suppliers did not meet some or all of the requirements of the SAQ. The Company requires all suppliers to complete the SAQ and acknowledges their performance as non-compliant. The Company has started rectifying these non-compliance concerns for the 2022/2023 Reporting Period. As a result, the Company will require corrective measures to be applied moving forward and all suppliers will be required to complete the SAQ as part of the 2022/2023 Reporting Period. If suppliers fail to complete and comply with the Company's requirements, the supplier will be deemed non-compliant and may be removed from the Company's supply chain. The Company identified that the remaining 68 percent of suppliers completed the SAQ and were compliant with the Company's values, standards, policies, and stance on modern slavery.

This assessment focused on the fundamental risks of exploitation involved in producing products and delivering services in and to the Company's operations and supply chain.

The Company is committed to continuously improving its approach to assessing and identifying modern slavery risks in its supply chain and operations via its Modern Slavery Due Diligence Process. Should a supplier either fail to complete the SAQ or their responses do not comply with

the Company's stance on modern slavery, the Procurement department will seek to remediate with the supplier, and if corrective measures are not met, may remove the supplier from the Company's supply chain.

Diagram 1: Modern Slavery Due Diligence Process



In the 2022/2023 period, the Company will focus on assessing its Tier One and Tier Three suppliers, and the 32 percent of suppliers that did not meet the submission requirements for their SAQ response in the 2021/2022 reporting period, via conducting phone interviews or site visits.

5. Assessing and Addressing Risks

During the 2021/2022 Reporting Period, the Company completed a high-level audit, taking into consideration its tiered approach noted above, to assist in identifying, preventing, mitigating and accounting for modern slavery risks in its supply chain.

In the 2021/2022 Reporting Period, the Company actively engaged its supply chain and endeavoured to monitor supplier compliance to identify modern slavery risks and practices and opportunities for development. This was undertaken via the annual SAQ. A third-party social audit program has aided the Company in developing this survey. The Company's approach is to empower its operational and procurement team with the proper training and processes to identify and act on modern slavery risks, including maintaining awareness of the modern slavery framework.

Additionally, suppliers and vendors have been receiving revised supply conditions that detail the Company's desire to only conduct business with companies that comply with its opposition to modern slavery. The Company understands that supply chain audits are not the sole action that would eliminate modern slavery practices; however, they are one of the tools that will help to identify and indicate practices of modern slavery. Procurement reviews each audit report and identifies any non-compliances or non-returns. These critical or zero tolerance findings are being escalated for additional supplier engagement and investigation. The Company will continue to report and submit its annual Modern Slavery Statement.

The most significant contributor to the Company's supply chain and operations, the Corporation, continues to seek improvements globally. This has included seeking commitments from its suppliers on preventing child labour and confirming that they do not partake in, accept, or use child labour. As part of this process, the Corporation communicates with each active supplier, including the provision of a copy of the Corporation's Child Labour Prevention and Response Policy. It seeks acknowledgement, receipt and compliance with the Corporation's policy. Two of the largest suppliers to the Company promote their own policies and standards in this regard, noting their zero-tolerance approach to modern slavery in their organisations and supply chains and the requirement to adopt and comply with their business ethics and fair-trade commitments.

Sustained and related efforts during the 2021/2022 Reporting Period that may have served to mitigate the risk of modern slavery as well as increase the opportunity for the reporting of modern slavery concerns are:

Corporate Hotline

Since 2012, in coordination with the Corporation, the Company has maintained a 24-7-365 Whistleblower hotline. This program is administered by an independent third-party and is designed to allow employees and people connected to the Company, to anonymously report their concern in the language of their choosing. Training on the program is provided to all employees on their commencement, and the program is also promoted on signage at all Company locations and on the Company's intranet. In 2019, the Corporation expanded this offering by providing an online platform in addition to the hotline phone line and continues to explore improvements that will make the program more accessible for users.

Whistleblower Policy

The Company maintains a formal Whistleblower Policy consistent with the Company's obligations following amendments to the *Corporations Act 2001*.

Global Code of Conduct

In 2018, the Corporation introduced a Global Code of Conduct which was adopted and implemented by the Company. The Global Code of Conduct confirms, among other commitments, the commitment of the Company to comply with laws, rules and regulations; respect for the individual; integrity and anti-corruption; fair dealing; and supply chain governance. Critically, the Global Code of Conduct reiterates the commitment of the Company to encourage employees and individuals to report suspected violations and concerns and reaffirms the Company's commitment to non-retaliation. The Global Code of Conduct is reviewed and rolled out annually.

Global Compliance Program

In 2018, the Corporation appointed a Chief Compliance Officer and in 2019, Regional Compliance Officers were appointed in the Europe, Middle East & Africa (EMEA) Region and the Asia Pacific Region. The Corporation's Compliance Committee, oversees the activities and efforts of several subcommittees, focused on: Employment and Labour Compliance, Environment, Health & Safety Compliance, Privacy Compliance and Trade Compliance. The Company is represented in each subcommittee and is required to apply and comply with the Corporation's broad and specific compliance initiatives.

Anti-Bribery and Corruption Training

During the 2021/2022 Reporting Period, the Corporation rolled out an online training module to complement and confirm acknowledgement and understanding of its Anti-Bribery and Corruption Policy that was introduced in 2019.

Remediation

The Company is not currently aware of any modern slavery practices that it may have caused, contributed to, or be directly linked to, and did not become aware of any during the 2021/2022 Reporting Period. Resultingly, there is no remediation to report. The Company has created a structured process within its supply chain to reduce any exposure to modern slavery risks by implementing the SAQ, due diligence processes, and introducing a remediation process with its suppliers that may be engaging in modern slavery practices.

The Company is committed to eradicating modern slavery risks within its supply chain.

In the 2021/2022 Reporting Period, the Company has continued to develop its supplier's Code of Conduct which sets the Company's expectations for suppliers, including the ethical sourcing of products and treatment of its supply chain workers. The Company is committed to an ongoing journey of reducing and eradicating the risk of modern slavery practices in its supply chains and throughout its business operations, domestically and abroad.

6. Assessing Effectiveness

To ascertain or discover the risks of modern slavery practices within its supply chain, the Company has introduced stronger controls such as the SAQ and Modern Slavery Due Diligence Process during the 2021/2022 Reporting Period. Due to the controls' ongoing infancy, the Company cannot assess the effectiveness of the measures in place. It is anticipated that with each year that the program is in place, the Company will be in a better position to assess and report on the effectiveness of these measures.

Where there is any suspected or alleged breach of the Company's policies by an employee or supplier, the breach will be reported to the senior executive. The Company's Procurement, Compliance, Human Resources, and Legal Services departments will conduct a review or investigation.

If the breach has been substantiated, it will be reported to the Corporation via its Compliance, Internal Audit, and Legal departments. Where required, third-party support will be sought. Should the supplier be found non-compliant with the Company's policies, it may remove the supplier from its supply chain.

During the 2021/2022 Reporting Period, there were no reports of suspected or alleged breaches of the Company's Ethical Sourcing and Modern Slavery Policies.

Assessing the effectiveness of the existing policies, practices, and programs, and the compilation of the Company's Annual Modern Slavery Statement, includes collaboration between various functions and departments within the Company and also provides ongoing opportunities to review the following:

- Performance against existing key performance indicators within the Company's contractual agreements and ensure suppliers manage modern slavery within the supply chain;
- The review by Procurement of supplier's SAQ responses;
- Modern Slavery Due Diligence processes to address any gaps or breaches; and
- Feedback from internal and external contributors and stakeholders.

7. Consultation Processes

The Company does not need to respond to this criterion as it does not own or control any other entities.

8. Other Information

The Company maintains its commitment to exerting significant effort in its Anti-Modern Slavery undertakings and initiatives, which will continue to be reflected in its ongoing statement submissions.

During the 2021/2022 Reporting Period the Company has continued to develop and review its policies with relevance to Modern Slavery and Anti-Slavery highlighting its commitments and expectations to its employees and supply chain.

Impact of COVID-19 on Modern Slavery

The Company has needed to continue to respond quickly to changes in its supply chain during COVID-19, through the navigation of additional health and safety requirements with its partners, the navigation of supply chain limitations, and the identification and establishment of new supplier relationships where critical goods and services were required, e.g., additional personal protective equipment (PPE).

The Company's Procurement, Compliance, Human Resources and Legal Services departments, were unable to meet as readily as they otherwise would have in order to progress the Company's modern slavery initiatives, and to complete the Modern Slavery Statement for the 2021/2022 Reporting Period, as a consequence both varied working conditions, and additional operating complications and demands resulting from COVID-19.

9. Approval of Modern Slavery Statement

This statement was approved by the Board of Crown Equipment Pty Limited on 30 September 2022.

A handwritten signature in black ink, appearing to read 'G. Simmonds', is placed over a light gray, textured rectangular background.

Greg Simmonds
Vice President Asia Pacific