

# **Modern Slavery and Human Trafficking Statement**

## **Introduction from the Senior Vice President, Managing Director of Hyster-Yale UK Limited**

We are proud of the steps we have taken to combat slavery and human trafficking.

This statement is published in accordance with the Modern Slavery Act by Hyster-Yale Materials Handling, Inc. as parent company of Hyster-Yale UK Limited. It outlines the measures Hyster-Yale UK Limited has taken to assess and reduce the risk of slavery and human trafficking occurring in our business or supply chains during the 2021 financial year. This statement also outlines our commitments to continue to mitigate risk in subsequent years.

### **Organisation's structure**

Hyster-Yale UK Limited is a manufacturer of materials handling equipment. We are a part of the Hyster-Yale Group (HYG), and our ultimate parent company is Hyster-Yale Materials Handling, Inc. which has its head office in the United States and is listed on the New York Stock Exchange. HYG manufactures and sells materials handling equipment globally.

### **Our supply chains**

The supply chain involved in the production of HYG's products is complex, with suppliers of goods and services based in the UK and worldwide. This can involve multiple tiers of supply between the source of the raw material and HYG manufacturing processes. This complexity and limitations on visibility beyond the first tier of the supply chain presents a challenge to manage supply chain issues of modern slavery throughout the supply chain. Therefore, to date our work to address risks of modern slavery within our supply chains has been focused primarily on our Tier 1 suppliers.

### **Our policies on slavery and human trafficking**

We are committed to ensuring that there is no modern slavery or human trafficking in our supply chains, or in any part of our business. Our processes and policies reflect our commitment to acting ethically and with integrity in all our business relationships, and to implementing and enforcing effective systems and controls to ensure slavery and human trafficking is not taking place anywhere in our supply chains.

### **Due diligence. Risk Assessment and Management for slavery and human trafficking**

To ensure all those in our supply chain and contractors comply with our values, HYG also actively manages the relationships with Tier 1 suppliers through direct buyer interactions and regular supplier meetings. As part of our initiative to identify and mitigate risk we have in place a supply chain compliance program. This consists of elements in the selection of suppliers, award of business and management of supplier relationships set out below:

1. Initial investigations with potential new suppliers are managed through our standard 'Business Interface Assessment Requirements' document. We verify at this early stage that "Supplier complies with international child labour laws & UK Modern Slavery Act 2015 Requirements." If a supplier cannot support this requirement, we do not progress any further with that supplier.
2. Supplier adherence by including clauses in our standard procurement contracts and our Terms and Conditions of Purchase which require our suppliers to adhere to Modern Slavery legislation and entitle our company to audit them in that regard.
3. Meetings with suppliers and on-site visits (where possible).

4. Every production supplier who utilizes HYG's global supplier order portal (from 2020) is required to confirm their commitment to understanding and eliminating modern slavery, child labour and human trafficking within their own business and supply chains. Access to this portal is only granted based on this commitment.
5. Each year, HYG issues an Annual Supplier Expectations Document (ASE). In 2021 363 ASEs were issued to core suppliers to remind them of the expectations and obligations of the UK Modern Slavery Act 2015. Suppliers are requested to sign these expectations annually, to confirm their understanding of modern slavery risks, and ensure there is no modern slavery within their own business and supply chains. Performance and compliance to the requirements contained in the ASE are discussed at supplier meetings. In 2020, the ASE was also extended to the California Human Trafficking Act.
6. Each year, HYG issues an annual supplier survey to key production suppliers which seeks to confirm the origin of conflict minerals in order to comply with the Dodd Frank Act section 1502 and improve knowledge of HYG's supply chain and encourage responsible sourcing.

### **Supplier adherence to our values**

These meetings include on-site visits and supplier audits. These on-site visits can be particularly effective at detecting unacceptable business practices. HYG recognises that there is a high incidence of human rights violations (including modern slavery) in connection with the supply of conflict minerals.

### **Our effectiveness in combating slavery and human trafficking**

#### **Training**

To ensure a high level of understanding of the risks of modern slavery and human trafficking in our supply chains and our business, we provide training to our supply chain staff. We also require our business partners to provide training to their staff and suppliers and providers.

In June 2021 10 members of the European Commodity Management team participated in a Chartered Institute of Purchasing & Supply (CIPS) Modern Slavery Act webinar. 2 Commodity Managers completed the CIPS Ethical Training Module. The target is for four Commodity Managers to complete this CIPS training annually.

We will continue relevant training in 2022 by implementing e-learning modules on modern slavery to raise awareness to what to look out for and to ensure employees understand their roles and responsibilities in identifying and reporting issues.

#### **Further steps**

Following a review of the effectiveness of the steps we have taken to ensure that there is no slavery or human trafficking in our supply chains, we intend to take the following further steps to combat slavery and human trafficking:

1. We will also review our supplier assessment procedure. Focus will be on updating the current supplier assessment tool-kits to include social audit questions, to enhance our ability to identify indicators of modern slavery practices.
2. We will also look to develop and implement a risk matrix within our supply base, to identify any high-risk countries or commodities, and prioritise these for on-site audits using the enhanced tool kit.

This statement is made pursuant to section 54(1) of the Modern Slavery Act 2015 and has been approved by the board of Hyster-Yale UK Limited for financial year ending 31 December 2021.

SIGNED.....

Stewart D. Murdoch  
Director

HYSTER-YALE UK LIMITED

Date: 8 July 2022

[Link to HYG Corporate Governance](#)