

## **Introduction from the Managing Director of Hyster-Yale UK Limited**

We are proud of the steps we have taken to combat slavery and human trafficking. Further we are committed to improving our practices to combat slavery and human trafficking moving forward.

### **Organisation's structure**

We are a manufacturer of materials handling equipment. We are a part of the Hyster-Yale Group (Group), and our ultimate parent company is Hyster-Yale Materials Handling, Inc. Our parent has its head office the United States.

### **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 focussed 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 Anti-slavery Policy reflects 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 processes for slavery and human trafficking**

As part of our initiative to identify and mitigate risk we have in place a supply chain compliance programme. This consists of elements in the selection of suppliers, award of business and management of supplier relationships.

As part of our initiative to identify and mitigate risk we have introduced contractual obligations within our Master Supply Agreements (MSAs) with Suppliers to confirm that slavery is not present within their supply chains. All Key Suppliers are subject to supplier audits, site visits and key Suppliers shall sign the Master Supply Agreement (MSA) containing the expectations and obligations placed on them if they are to be awarded business by HYG.

HYG recognises that there is a high incidence of human rights violations (including modern slavery) in connection with the supply of conflict minerals. 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**

We have zero tolerance to 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. This can improve the likelihood of detecting unacceptable business practices. In 2017, HYG further emphasised the expectations on Suppliers by introducing wording into the Annual Supplier Expectations (ASE) to ensure Suppliers are aware of the expectations and obligations of the 2015 UK Modern Slavery Act. Suppliers are required to sign these expectations 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.

We also ensure 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.

### **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.

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

#### **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:

We will review internal training and widen provision of training on modern slavery and human trafficking to other HYG staff who will visit suppliers and potential suppliers as part of their role. We will also review our supplier assessment procedure, with particular focus on updating the current supplier assessment tool-kits to enhance requirements on suppliers to verify their processes to tackle modern slavery and human trafficking and ensure compliance with the Modern Slavery Act 2015.

This statement is made pursuant to section 54(1) of the Modern Slavery Act 2015 and constitutes our slavery and human trafficking statement for the financial year ending April 2018.

SIGNED.....

HYSTER-YALE UK LIMITED

Date: