



HYSTER-YALE
MATERIALS HANDLING

FORCED LABOUR AND CHILD LABOUR REPORT 2023





This report outlines the governance processes, existing measures, and progress made in the 2023 fiscal year by Hyster-Yale Canada ULC (“Hyster-Yale Canada”) to prevent and mitigate the risks of forced labour and child labour in relation to [Section 11 of the Fighting Against Forced Labour and Child Labour in Supply Chains Act 2023 \(the “Act”\)](#). Hyster-Yale Canada’s policies and practices are implemented by Hyster-Yale Group, Inc. (“Hyster-Yale Group”), the wholly owned operating subsidiary of Hyster-Yale Material Handling, Inc. (“HYMH”) and direct parent company of Hyster-Yale Canada. Hyster-Yale Canada, Hyster-Yale Group, and HYMH are collectively referred to herein as “Hyster-Yale.”¹

STRUCTURE

Hyster-Yale designs, engineers, manufactures, sells and services a comprehensive line of lift trucks and aftermarket parts marketed [globally](#) primarily under the Hyster® and Yale® brand names.

Hyster-Yale has been building relationships and partnering with customers, suppliers, dealers, and employees for over 100 years. Subsidiaries of Hyster-Yale include Bolzoni S.p.A., a leading worldwide producer of attachments, forks and lift tables marketed under the Bolzoni®, Auramo® and Meyer® brand names, and Nuvera Fuel Cells, LLC, an alternative-power technology company focused on fuel cell stacks and engines. Hyster-Yale also has an unconsolidated joint venture in Japan (Sumitomo NACCO).

SUPPLY CHAIN

The global presence and local responsiveness of Hyster-Yale is supported by a carefully constructed network of component parts suppliers. Our supply-chain partners represent large international material handling equipment suppliers as well as smaller specialized providers of parts and services.

The supply chain involved in the production of Hyster-Yale’s products is complex, with suppliers of goods and services based worldwide. This can involve multiple tiers of supply between the source of the raw material and Hyster-Yale 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, in 2023, our work to address risks of modern slavery within our supply chains has been focused primarily on our top tier suppliers. We are implementing procedures in 2024 to gain better visibility into sub-tiers of our supply chain.

¹ Effective May 31, 2024, Hyster-Yale Materials Handling, Inc. will be changing its name to Hyster-Yale, Inc. Simultaneously, Hyster-Yale Group, Inc. will be taking on the name Hyster-Yale Materials Handling, Inc.



POLICIES AND DUE DILIGENCE PROCESSES

During 2023, Hyster-Yale completed a review of internal policies for preventing forced labour and child labour in the supply chain and compliance processes including:

1. [Forced Labour Statement](#) - The existing policy was modified to incorporate new U.S. Customs Border Protection (CBP) forced labour provisions. The forced labour statement is included in the list of policies that Suppliers are asked to acknowledge as part of Hyster-Yale's annual supplier communications.
2. [Code Of Conduct for Business Partners](#) - Hyster-Yale further strengthened its code of conduct for business partners to specifically reference and require suppliers to comply with Hyster-Yale's Forced Labour Statement.
3. [Human Rights Policy Statement](#) was created with the inclusion of expectations of business partners.
4. Multi-lingual [Speak Up Policy](#) providing guidance on Hyster-Yale's 24/7 confidential helpline system.
5. The new and updated policies further support Hyster-Yale's existing [UK Modern Slavery Statement](#) and [California Human Trafficking Law](#).
6. Initiated a revision of Hyster-Yale's Master Supply Agreement to enhance language about child labour, forced labour, and modern slavery.
7. Updated Hyster-Yale's standard purchase order terms for North America to further emphasize Forced Labour prevention.

Hyster-Yale provided mandatory internal training on forced labour and other human rights for applicable employees.

Letters were sent to all Hyster-Yale's top tier suppliers regarding Forced Labour from its Chief Executive Officer, Chief Operating Officer, and VP of Global Supply Chain.

Commenced supply chain mapping with suppliers who have directly contracted with Hyster-Yale (Tier 1 level) and the sub tiers for higher-risk Suppliers.

RISK AND REMEDIAL MEASURES

Hyster-Yale collaborate with suppliers who align with our principles, and we expect our Business Partners to share our commitment to respect human rights. Through outreach and training Hyster-Yale promotes awareness of forced labour with our suppliers.

Business Partners are required to understand and comply with our Code of Conduct for Business Partners which specifically prohibits the use of forced labour of any kind and applies to all our agents, consultants, dealers, distributors, sales and service agents, and suppliers.

By conducting business with Hyster-Yale, Business Partners certify that they do not use slavery, human trafficking, forced labour, child labour, or any other form of inhumane treatment at any stage of their respective supply chains.

Hyster-Yale has conducted risk-based analysis of its supply chain partners to identify suppliers/regions with higher risk profiles based on guidance from CBP. Risks were identified based on factors including:

1. The type of material being supplied.
2. Whether the supplier is located in a region with an elevated risk of forced labour.

Hyster-Yale leverage various processes to screen and monitor its global supply chain for regulatory compliance concerns including human rights risks, including forced labour and child labour.

Since Hyster-Yale's processes and tools did not yield any evidence of confirmed instances of forced labour or child labour, there has been no requirement to implement any remediation measures in the 2023 fiscal year.

Hyster-Yale encourages the reporting of actual or potential non-compliance, including those in relation to forced labour and child labour, so they can be addressed appropriately. Personnel can report via line management, directly to the legal team or via the "Speak Up" helpline a safe, secure, and confidential 24/7 helpline system.

MEASURING EFFECTIVENESS

Hyster-Yale is committed to fundamental human rights and is developing a resilient and transparent supply chain where the human rights of every worker involved are respected.

In 2023, Hyster-Yale directed its attention towards strengthening its fundamental competencies and procedures to effectively manage its top-tier suppliers on critical forced labour and child labour issues to ensure human rights are not violated within the supply chain.

In addition to maintaining a thorough awareness of its complex global supply chain networks, Hyster-Yale will endeavour to maintain and continuously improve supply chain transparency. These tasks include evaluating the conditions of contracts and collaborating with suppliers to evaluate effectiveness of their efforts to combat child labour and forced labour.

I am authorised to signed on behalf of Hyster-Yale Canada ULC.

Charles Pascarelli

Charles Pascarelli
President, Americas
Hyster-Yale Group, Inc

Date: May 29th, 2024

