



BILL S-211 REPORT FOR THE FINANCIAL YEAR ENDED 2023

1. FORCED LABOUR AND CHILD LABOUR IN SUPPLY CHAINS - REPORT FOR THE FINANCIAL YEAR 2023

This report is made for Kuenz GmbH and all its affiliates doing business in Canada (Kuenz) pursuant to Bill S-211, an Act to enact the Fighting Against Forced Labour and Child Labour in Supply Chains Act and to amend the Customs Tariff ("**the Act**"). It describes our approach and initiatives for the financial year beginning January 2023 and ending December 2023 to identify and address the risks of forced labour and child labour in our operations and supply chains.

Kuenz is a reporting entity since it does business in Canada (sale of goods to Canadian customers produced outside of Canada) and, based on its consolidated financial statements, meets two of the conditions for at least one of its two most recent financial years, stated in section 2 of the Act. Kuenz has generated at least \$40 million in revenue, and it employs an average of at least 250 employees.

All employees of Kuenz and their actions have been the basis for the success of our group of companies for many years. The personal behaviour of everyone reflects our corporate culture. Kuenz not only lives this culture within the group, but also communicates it to the outside world. Our aim is to create a safe and friendly environment for everyone.

Therefore, respecting and upholding internationally recognised human rights is a matter of course for Kuenz and all its employees. In particular, Kuenz respects the dignity and personality of every employee, regardless of gender, marital status, race, nationality, age, religion or sexual orientation. Kuenz is firmly opposed to all forms of discrimination, bullying and sexual harassment. Respect, fairness, team spirit, objectivity, professionalism, and openness characterise our working relationships. Child labour, forced labour, modern slavery or similar practices are prohibited within Kuenz.

2. GROUP STRUCTURE

Kuenz GmbH, with its headquarter in Hard (Austria), is one of the oldest companies in Vorarlberg's engineering industry, established 1932. Our history is littered with milestones and proud achievements, which is why Kuenz is recognized today as market leader for cranes used in container, rail, and wood handling, but also in the mining industry.



EST. 1932



100% FAMILY-OWNED
BUSINESS



IN-HOUSE DESIGN AND
PRODUCTION



AROUND 500 EMPLOYEES

By 2023, Kuenz has established seven further offices in Europe and one in America, the Kuenz America Inc., which was founded in 1997 and also covered by this report.

3. GENERAL IDENTIFYING INFORMATION ABOUT THE ENTITY

3.1. Reporting entity's legal names

3.1.1. Kuenz GmbH

3.1.2. Kuenz America Inc.

3.2. Location of entity

3.2.1. Kuenz GmbH
Gerbestrasse 15
6971 Hard
Austria

3.2.2. Kuenz America Inc.
9321 Focal Point #8
Raleigh, NC 27617
USA

3.3. Financial reporting year

2023

3.4. Identification of a revised report

No. It is the first report.

3.5. Business number(s), if applicable

3.5.1. Business number of Kuenz GmbH in Canada: 79912 2510 RC0001

3.5.2. Business number of Kuenz America Inc in Canada: 84963 4357 RC0001

3.6. Identification of a joint report, if applicable

Yes. The Report is done for Kuenz GmbH and Kuenz America Inc.

3.7. Identification of reporting obligations in other jurisdictions

No other reporting obligations applicable yet.

3.8. Entity categorization according to the Act

Kuenz is a reporting entity since does business in Canada (selling and importing goods into Canada produced outside Canada) and that, based on its consolidated financial statements, meets two of the conditions for at least one of its two most recent financial years, stated in section 2 of the Act. Kuenz has generated at least \$40 million in revenue, and it employs an average of at least 250 employees.

3.9. Sector/industry

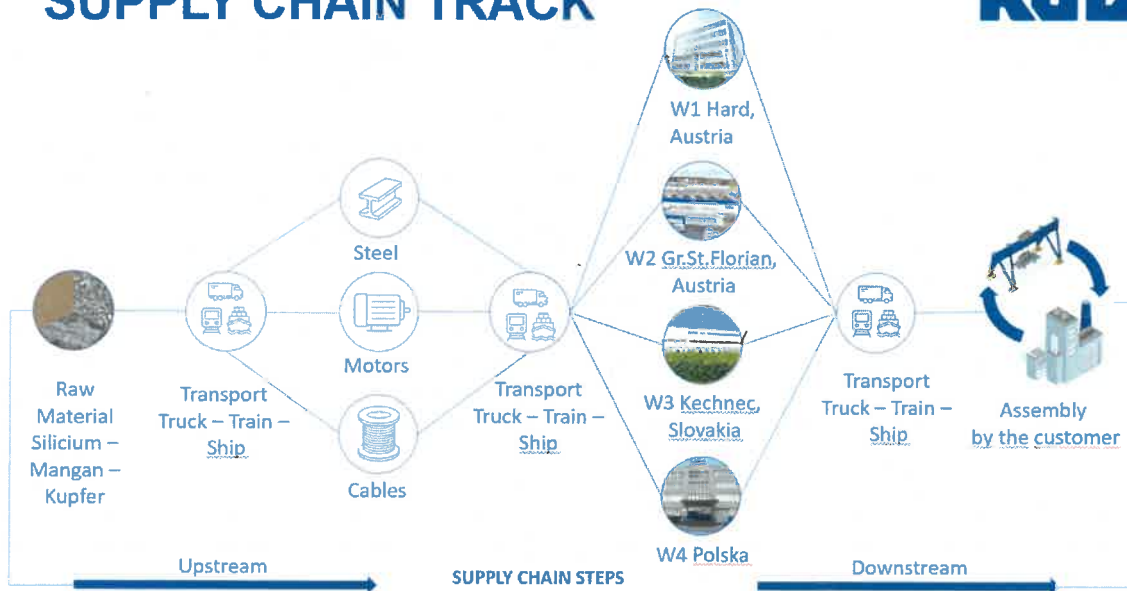
Machine and plant construction

4. SUPPLY CHAIN

Our suppliers, and therefore the supply chain, are an important factor in our success. It is therefore important that Kuenz buys from suppliers who produce high quality products.

In general, Kuenz is purchasing components such as motors, gear boxes or cables from recognized European manufacturers. Steel structures are fabricated either in-house or by sub suppliers after they have been audited by Kuenz. Whenever steel structures are manufactured by third parties, Kuenz supervisors are being sent to the production sites. Supervisors report and document working conditions at these sites. In most cases, parts and components are pre-assembled in our own workshops before shipment to the customer's site, where the product is finally assembled and commissioned.

SUPPLY CHAIN TRACK



In 2023, Kuenz purchased individual parts for our business in Canada from a total of 109 different suppliers. The purchased parts were bought for the manufacture of our products or shipped to Canada as spare parts for existing systems. All of these suppliers are based in Europe. Specifically, either in Austria, Germany, Switzerland or Italy.



5. RISKS IN SUPPLY CHAIN

As mentioned at the beginning, respect for human rights is a matter of course at Kuenz. Any form of discrimination, bullying or sexual harassment is unacceptable. Internationally recognised human rights include the right to education, especially for children, and the freedom to choose one's workplace. Kuenz is therefore committed to upholding and promoting these rights.

When analysing risks, Kuenz looked at our direct suppliers for the Canadian market in 2023. All of them are based in Western Europe. In the DACH region, to be precise. Due to the strict regulations that are in place in the individual countries, Kuenz can say that child labour and forced labour do not pose a significant risk.

6. ACTIONS TAKEN

Kuenz addresses the issue of child and forced labour in its Code of Conduct. A whistleblowing hotline allowing all employees to anonymously report violations was also introduced in 2023.

Kuenz is currently developing further measures to identify and address risks in the supply chain.

There will be a range of measures to raise awareness and encourage action among our employees and suppliers alike. These measures will include questionnaires to our suppliers on their approach to child and forced labour before they are included in our supplier pool, and on-site audits if there are reasonable doubts. Kuenz currently audits a selected number of our suppliers each year using a questionnaire. The next step is to adapt our supplier contracts to reflect compliance with the Code of Conduct, particularly with regard to the prohibition of child and forced labour. Failure to do so may be cause for termination of the supplier relationship.

In addition, all employees will be trained on our Code of Conduct, as described below. Only those who are aware of risks in the supply chain can do something about them and report them.

7. RISK ASSESSMENT

At the centre of risk management is the risk assessment, i.e. the analysis of environmental and human hazards within a supply chain.

This aspect is also being expanded. In the past, Kuenz has analysed new suppliers and a selection of suppliers annually with the help of a questionnaire. In addition to other topics, Kuenz plans to include questions on the possible existence of child labour or forced labour. In order to achieve this goal, Kuenz will set up an appropriate step-by-step model, depending on the supplier's risk of violating legal requirements and Kuenz's expectations.

The first step will be to fill in a questionnaire, which must be accompanied by appropriate evidence, such as a code of conduct or audits of the supplier's suppliers. If such evidence cannot be provided, Kuenz may visit the supplier's headquarters and potential production sites to gain an impression of the supplier's situation. Interviews with employees within the supply chain can also be a useful tool during this visit.

However, any assessment must be tailored to the risk and the supplier.



8. REMEDIATION

In the event that Kuenz has evidence of child labour or forced labour in the supply chain, it will address this with its direct partner in the supply chain. If the direct partner in the supply chain is not able to demonstrate that he will directly remedy or have remedied by its sub-suppliers such cases of child labor or forced labor, this will be a reason for discontinuing business with Kuenz.

9. TRAINING

A formal Code of Conduct for all Kuenz employees has been in place since 2009. Each new employee gets acquainted to its contents during his initial training program.

In 2023, we have added a whistleblowing hotline allowing all employees to anonymously report violations. Employees have been made aware of the new functionality. Instructions and training material is available on our intranet.

10. EFFECTIVENESS ASSESSMENT

The effect of all measures taken cannot yet be assessed.



11. APPROVAL AND ATTESTATION

In accordance with the requirements of the Act, and in particular section 11 thereof, I attest that I have reviewed the information contained in the report for the entity or entities listed above. Based on my knowledge, and having exercised reasonable diligence, I attest that the information in the report is true, accurate and complete in all material respects for the purposes of the Act, for the reporting year listed above.

Günter Bischof
Managing Director
Chief Executive Officer

31st of May, 2024

A handwritten signature in blue ink, appearing to read "Günter Bischof", written over a horizontal line.

I have the authority to bind Kuenz