

Statement for slavery and human trafficking 2018

Cargotec is a leading provider of cargo and load handling solutions with operations in more than 100 countries. It has three business areas, Hiab, Kalmar and MacGregor. At the end of 2018 our sales totaled EUR 3,304 million and over 11,900 people worked at Cargotec. Cargotec's business model is based on an asset-light and assembly-only production footprint, supply chain expertise, leadership excellence and teamwork.

Cargotec Code of Conduct sets the standards for how we do business - every day and wherever we operate. The Code of Conduct is approved by Cargotec's Board of Directors and defines our common way of working. The principles laid forth in the Code of Conduct apply for all employees, directors and third parties acting on behalf of the company. Cargotec Code of Conduct is based on a commitment to UN Global Compact and ILO Declaration on fundamental principles and rights at work. Cargotec Employment Policy sets the global commitment to respect international human rights and to comply with all respective regulations.

During 2018 Cargotec assessed gaps related to human rights risk management in its operations globally. As a result of the risk assessment human rights risk screening processes were developed in mergers&acquisition projects as well as in supply chain management. All strategic suppliers were invited to sustainability self-assessment tool including also human rights aspects. Mergers&acquisition process plan was updated with deeper human rights risk screening. We also monitor how well our personnel are aware of our Code of Conduct and on which level they consider we have been able to ensure social responsibility commitments in our organization. Monitoring is for example done via Cargotec Compass, a global employee survey as well through individual development discussions twice a year.

Cargotec appreciates long-term and localized suppliers throughout each business area. We choose our suppliers on the basis of objective factors such as quality, reliability, delivery and price. Altogether our business areas had around 2500 direct suppliers in the end of 2017.

Any suspected breaches or concerns related to our Code of Conduct can be raised by employees and third parties through an externally hosted Speak-Up Line. All concerns are assessed according to a formal process which is overseen by Code of Conduct Panel consisting of Extended Executive Board members.

We at Cargotec are committed to respect human rights within our operations as well as to comply with national and international laws and regulations. We want to be a good corporate citizen in each jurisdiction we operate in and want to be a safe and trusted partner for all our stakeholders.

23 April 2019

Mika Vehviläinen, President and CEO

