

# Hiab's statement on human rights due diligence, modern slavery and human trafficking 2025

Hiab  
Itämerenkatu 25  
00180 Helsinki, Finland  
+358 20 777 4000

[www.hiabgroup.com](http://www.hiabgroup.com)

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# 1. Hiab's structure, operations, activities and supply chains

## About Hiab

Hiab's vision is to be the number one partner in smart and sustainable load handling solutions. With a global presence and strong focus on innovation and sustainability, Hiab develops and manufactures a wide range of equipment – from loader cranes to tail lifts – for essential industries.

In 2023, Hiab (then Cargotec) announced its plan to separate its core businesses, Hiab and Kalmar, into two standalone companies. The listing of Kalmar on Nasdaq Helsinki was completed on 1 July 2024. In addition, Cargotec announced in May 2024 that it had started the sales process for another business area, MacGregor. The sale of MacGregor to funds managed by Triton was completed on 31 July 2025. Cargotec's General Meeting of shareholders decided in March 2025 that the company's name be changed to Hiab Corporation. The name change was registered with the Finnish Trade Register on 31 March 2025.

In Hiab's 2025 annual reporting, key performance indicators (KPIs) disclosed in the company's sustainability statement cover two entities: continuing operations (Hiab) and discontinued operations (MacGregor). This statement on human rights due diligence, modern slavery and human trafficking only includes information related to the activities of continuing operations, later referred to as "Hiab" or "the company."

Hiab, headquartered in Helsinki, Finland, offers solutions to essential industries, such as the construction, waste and recycling and final mile sectors. Hiab's sales totaled EUR 1,556 million in 2025. Its significant markets include Europe, Middle East and Africa (EMEA) and North America, representing 50 percent and 43 percent of total sales in 2025, respectively.

Hiab has operations in 21 countries, consisting of 13 production sites and 70 non-production sites. At the end of 2025, Hiab employed 4,053 people, with the following geographical split: 2,999 people in EMEA, 148 in Asia and Pacific and 906 in the Americas. Globally, the network of sales and service locations hosted by Hiab enables deliveries to approximately 100 countries.

Unless otherwise stated, the content of this statement covers Hiab's activities globally, including Hiab Limited in the United Kingdom and Hiab Norway AS. The statement fulfills the requirements of the UK Modern Slavery Act and the Norwegian Transparency Act. In 2025, Hiab's combined sales in the UK and Norway represented approximately 7 percent of the company's total sales.

Hiab Limited is the United Kingdom subsidiary of Hiab. Hiab Limited is headquartered in Ellesmere, Shropshire, and employed 213 people at the end of 2025. The subsidiary is responsible for the sales, delivery, service and maintenance of equipment such as hooklifts, cranes and tail lifts in the UK. Hiab Limited also offers spare parts and operates local workshops in Scotland, North Allerton, Dudley and Witney.

Hiab Norway is the Norwegian sales and service subsidiary of Hiab. The subsidiary is headquartered in the Oslo area, and employed 19 people at the end of 2025. Hiab Norway primarily purchases finished equipment, such as hooklifts, cranes and tail lifts, as well as spare parts from Hiab Group and sells them in the Norwegian market. The subsidiary offers product delivery, installation coordination, maintenance services and spare parts to customers across the country. In addition to direct deliveries, some units sold in Norway are further customised through collaboration with vehicle bodybuilders, who install the equipment onto trucks and adapt the solution to customer-specific needs.

## Governance of human rights and modern slavery risk management

Identifying and reporting on potential risks of modern slavery or other human rights violations is the responsibility of all Hiab's employees. Employees can report their concerns through a variety of channels, including to their own manager, local or group-level Human Resources, Hiab's Ethics and Compliance (E&C) team, or through the company's SpeakUp line. All suspected misconduct is subject to review and a potential investigation.

As part of Hiab's regular Enterprise Risk Management (ERM) process, the company's Sustainability Management Team (SMT), led by VP Safety & Sustainability, identifies and assesses risks related to human rights and modern slavery bi-annually. The SMT is responsible for monitoring such risks and alerting the Hiab Leadership Team (HLT) of significant developments. The HLT decides on resourcing and actions needed to respond to the risks, when needed.

Hiab's Board of Directors (BoD) has the responsibility to ensure that sustainability matters, including human rights and modern slavery, are integrated into Hiab's overall business strategy and risk management. The BoD's Audit and Risk Management Committee (ARC) supervises the adequacy and appropriateness of the company's risk management processes and internal audit. The ARC receives quarterly updates on all new investigations of potential misconduct.

## Gathering information for this report

Hiab collects information for its annual Sustainability statement through, for example, internal subject matter experts, information management systems and supplier audit reports. The content of the statement, which is assured by an external auditor, is used as the main source for this statement on Hiab's human rights due diligence, modern slavery and human trafficking. To fully respond to the legislative requirements for this statement, Hiab has also included additional details specific to human rights and modern slavery. These details were collected using the same sources as for the Sustainability statement.

## Hiab's value chain

To map its value chain, Hiab has engaged with the following stakeholders:

- Suppliers
- Industry initiatives, such as the Responsible Mineral Initiative (RMI)

- Customers
- Employee representatives

Hiab strives to continuously increase its understanding of the various actors in its value chain. In the supply chain, for example, the company seeks to expand its knowledge of suppliers beyond Tier 1. One way is to request Tier 2 suppliers managed by Hiab to take the company's supplier sustainability self-assessment. Through this self-assessment, the Hiab Business Partner Code of Conduct and audits, the company also requires and checks that its Tier 1 suppliers have proper codes of conduct in place for their own suppliers. Similarly, Hiab strives to improve its understanding of its impacts on customer employees by, for example, collecting customer feedback on the health and safety of equipment operators.

In its own operations, Hiab collects and maintains data on various topics related to human rights, such as working hours, harassment cases and employment contracts. No significant changes occurred in the company's understanding of these topics during 2025.

## Suppliers

Hiab works with thousands of suppliers globally. The company's main direct suppliers include providers of steel structures, hydraulics (valves and cylinders) and electric components. Certain direct suppliers also provide finished goods, as Hiab outsources some of its manufacturing. Indirect sourcing typically includes services. Suppliers beyond tier 1 include, but are not limited to, producers of raw materials, such as steel, iron, aluminum, rubber and plastics.

Securing the reliable and smooth supplier network is essential to Hiab's success. With presence in 21 countries, Hiab's sourcing is global. In 2025, the top five countries Hiab purchased goods and services from were (in alphabetical order): Finland, Ireland, Italy, Poland, Sweden and the USA. The company has a centrally-led responsible sourcing programme that focuses on identifying and mitigating sustainability risks in the supply chain.

Hiab is well informed of the type of actors in its supply chain, including some beyond tier 1. However, as a global company with thousands of suppliers, Hiab does not have full visibility into the details of the lowest tiers of the supply chain.

## Own operations

Hiab has 13 production sites where its employees assemble equipment and manufacture components as well as 70 non-production sites that include customer support centres, offices and a competence centre. Hiab's services are designed by company employees.

## Customers

The key products that come out of Hiab's manufacturing processes include various lifting equipment, such as hooklifts, tail lifts, forklifts and loader cranes. Hiab also offers a range of services to its customers, including maintenance and leasing. The equipment and services are distributed both directly by Hiab and through dealers, importers and partners.

Hiab's equipment and services are sold to customers that operate mainly in the construction, waste and recycling, wind power, defence logistics as well as retail and final mile industries. Typical customers include transportation companies, fleet operators, single truck owners, rental companies as well as municipalities and governments. Hiab has an educated understanding of how customers use its equipment, but the company may not be made aware of all different types of use.

## 2. Hiab's policies related to modern slavery, forced labour and child labour

Hiab is committed to the principles of the International Bill of Human Rights, UN Global Compact, OECD's guidelines for multinational enterprises, the UN Guiding Principles on Business and Human Rights and the ILO Declaration on Fundamental Principles and Rights at Work. These commitments are reflected in the company's Code of Conduct, Sustainability Policy, Employment Policy and Business Partner Code of Conduct. The policies are implemented and enforced via various engagement processes, including communications, training and dedicated actions and projects. These processes are described in more detail in Hiab's Sustainability statement (part of [Hiab's annual reporting](#)). Hiab reviews its policies annually and makes updates as needed.

The [Hiab Code of Conduct](#) (CoC) sets the foundation for the company's corporate culture and establishes high standards for doing business. The CoC includes a commitment to ensure that all forms of modern slavery, including forced labour or human trafficking, do not take place in Hiab's operations or value chain. The CoC is communicated to employees through mandatory e-learning courses, and it is available on Hiab's website and intranet in 19 languages. Internal subject matter experts and employee representatives are consulted in the development of the CoC.

Hiab's [Sustainability Policy](#) has a section on human rights that describes the company's high-level approach to human rights due diligence. This includes a commitment to respect internationally recognised human rights throughout the value chain, to engage with impacted people to ensure access to remedy as needed, and to not hinder access to other remedy initiatives. The policy is communicated to internal and external stakeholders via Hiab's website and intranet. Internal subject matter experts are consulted in the development of the policy.

Hiab's Employment Policy defines the company's basic employment principles and workplace practices. It describes the mission, goals and development processes specific to people and culture and covers topics such as anti-harassment, non-discrimination and equal opportunity. The policy is communicated to employees through internal channels, such as the company's intranet. Its commitments are implemented by the company's People and Culture function. When updating the policy, selected topics are discussed with employee representatives.

Hiab's [Business Partner Code of Conduct](#) (BPCoC) covers partners in all parts of the company's value chain, with more focus on the supply chain. It sets requirements for Hiab's partners related to human rights, including health and safety and minimum wages. It also explicitly prohibits all forms of modern slavery, including forced and child labour and human trafficking. The BPCoC is communicated to suppliers as part of the company's supplier contracts and general purchase conditions, and it is available on Hiab's website and intranet in 14 languages. The implementation of the BPCoC in the supply chain is conducted in cooperation with the company's sourcing category teams. Internal subject matter experts are consulted in the development of the BPCoC. In 2025, the BPCoC was amended to include several new requirements related to, for example, ethical recruitments, land rights and the use of security forces.

## 3 and 4. Hiab's risk management and due diligence processes related to human rights, modern slavery and human trafficking

### Risk management

In 2025, Hiab expanded its enterprise risk management (ERM) process to include sustainability considerations more comprehensively by incorporating social and regulatory aspects. This enables a more thorough evaluation of risks related to sustainability. The ERM process has two review periods per year for group functions, including Sustainability. During these reviews, functions assess and validate the most significant risks associated with their operations by taking into account factors such as the likelihood and financial impact of each risk. Risks are prioritised based on their scores, and the top five risks are presented to the Hiab Leadership Team.

Hiab's Sustainability function uses, for example, the following sources to evaluate risks related to slavery and human trafficking: desk-top studies, media monitoring, supplier self-assessments (collected through a third-party platform), supplier audits (conducted both by Hiab and a third party), reports filed through Hiab's grievance channels and continuous engagement with internal subject matter experts. In addition, Hiab evaluates the severity of impacts, risks and opportunities related to modern slavery in its double materiality assessment (DMA).

Hiab has determined that none of its **own operations** are at significant risk of incidents of compulsory, forced or child labour. Nevertheless, assessing potential human rights risks is a crucial part of, for example, Hiab's mergers and acquisitions (M&A) process.

In the **downstream** value chain, Hiab has limited visibility into the significance of the risk of human rights violations, modern slavery and human trafficking in customer operations. However, if such cases were brought to the company's attention, it would have the right to terminate the customer relationship. During 2025, Hiab identified one potential human rights risk in its downstream value chain. After careful ethical consideration, the Hiab Leadership Team concluded that company policies and external regulations were complied with and that operations can continue.

While Hiab is still expanding its responsible sourcing programme, the company has identified and addressed some of the most commonly found risks in its **supply chain**. In supplier self-assessments, the most common finding is that suppliers do not have sufficient responsible sourcing practices, such as code of conduct documentation and its implementation, to manage their own suppliers. During audits, the most common risks are related to health and safety requirements and incidents related to certain labour rights. In general, Hiab has found that risks and incidents related to value chain workers exist across all geographies, for all worker types and in all sourcing categories and supplier tiers. However, the highest risks typically exist in countries outside Europe. Hiab manages these risks through its continuous responsible sourcing programme, including corrective action plans when non-compliance occurs.

While there is a widespread risk of child labour in certain parts of Hiab’s mineral supply chain, these issues have not been identified as material impacts for the company. This is due to measures taken to ensure that minerals used in Hiab’s supply chain are not extracted using child or forced labour, and that they are not used to finance conflicts. Through its membership in the Responsible Minerals Initiative (RMI), Hiab has access to various tools that help increase the transparency of the origin of conflict (tungsten, tantalum, tin and gold) and battery minerals used in the supply chain, such as cobalt, natural graphite, nickel and lithium. The Responsible Minerals Assurance Process (RMAP) for auditing smelters and refiners is one such tool.

## Due diligence

Hiab conducts continuous due diligence to identify, address and track its impacts on people, including modern slavery and human trafficking. In 2025, the company initiated a comprehensive due diligence project to identify Hiab’s salient human rights issues throughout the value chain. The project also aims to create a robust process and action plan for managing the findings, including providing remedy.

Hiab’s processes, actions and assigned responsibilities related to human rights due diligence are described in detail in the company’s Sustainability statement. The statement is published as part of Hiab’s annual reports, which are available on [Hiabgroup.com](https://www.hiabgroup.com). The location of the information related to human rights due diligence in the Sustainability statement is listed below.

Core element of due diligence	Location in the Sustainability statement
Embedding due diligence in governance, strategy and business model	<ul style="list-style-type: none"> <li>● Sustainability governance at Hiab</li> <li>● Sustainability-related incentive schemes</li> <li>● Key policies related to material topics (table and topical standards)</li> <li>● Sustainability and risk management</li> <li>● Hiab’s material impacts, risks and opportunities (under relevant topical standards)</li> </ul>

Engaging with affected stakeholders	<ul style="list-style-type: none"> <li>● Sustainability governance at Hiab</li> <li>● Interests and views of stakeholders</li> <li>● Process to identify impacts, risks and opportunities</li> <li>● Key policies related to material topics (table and topical standards)</li> <li>● Engagement with own workforce</li> <li>● Engaging with workers in the value chain</li> </ul>
Identifying and assessing adverse impacts	<ul style="list-style-type: none"> <li>● Statement on due diligence</li> <li>● Hiab's material impacts, risks and opportunities (under relevant topical standards)</li> <li>● Process to identify impacts, risks and opportunities</li> </ul>
Taking action to address adverse impacts	<ul style="list-style-type: none"> <li>● Actions related to own workforce</li> <li>● Processes for remedy and channels to raise concerns (Own workforce)</li> <li>● Engaging with workers in the value chain</li> <li>● Management of relationships with suppliers</li> </ul>
Tracking the effectiveness of actions and communication	<ul style="list-style-type: none"> <li>● Targets and metrics related to own workforce</li> <li>● Non-compliance incidents</li> <li>● Management of relationships with suppliers (target)</li> </ul>

Hiab evaluates the severity of impacts, risks and opportunities related to modern slavery in its double materiality assessment (DMA). The DMA is reviewed annually. In its 2025 DMA review, Hiab identified forced labour, which is a form of modern slavery, as a material negative impact related to workers in the company's supply chain. This was based on Hiab's supplier audits which reveal negative impacts for supplier employees related to missing employment contracts, mandatory recruitment fees and excessive overtime. Such findings are considered indicators of working conditions that may, in the worst case, point to forced labour. In 2025, Hiab continued to address this impact through its responsible sourcing programme, which includes policy commitments (see *Hiab's policy framework related to human rights*), onboarding requirements, supplier self-assessments, onsite audits conducted by a third party and corrective action plans for confirmed non-compliance.

### Onboarding requirements

During Hiab's supplier approval process, new potential suppliers must meet pre-requirements and direct material suppliers must pass an audit conducted by Hiab before they can be approved as suppliers. The pre-requirements include committing to the company's Business Partner Code of Conduct (BPCoC), an integrity assessment conducted by Hiab and a supplier sustainability self-assessment on a third-party platform. In Hiab's audits, approximately 20 percent of the checklist questions are related to the supplier's management of labour and human rights, anti-corruption and the environment.

### Supplier self-assessment

Hiab uses a supplier self-assessment platform provided by a third party to evaluate the sustainability-related maturity level of its suppliers. The assessment is mandatory for the

potential direct suppliers of materials to the company's production sites. Existing key direct suppliers take it annually, if they have a low score or the assessment has an update. The assessment questionnaire includes the following topics: company management, human rights and working conditions, health and safety, business ethics, the environment, responsible supply chain management as well as the responsible sourcing of minerals.

### Onsite audits

Supplier employees in Hiab's supply chain are interviewed as part of onsite audits conducted by a third party. Suppliers for these audits are selected through a risk-based evaluation, which is conducted annually by Hiab's Sustainability function, in cooperation with the company's Sourcing organisation. The evaluation is based on factors such as low or missing self-assessment results from previous years and/or the supplier's location in high-risk countries. Supplier audits provide valuable third-party information on, for example, the health and safety conditions and general working conditions at supplier sites.

During 2025, Hiab commissioned nine third-party onsite supplier audits that focused on human rights. Non-compliances was found in eight of these audits, and approximately 75 percent of the audit findings were classified as major or moderate incidents related to health and safety, labour conditions or wages. Examples of such incidents include insufficient fire alarms, missing employment contracts and excessive overtime. The suppliers in question received tailored corrective action plans, where needed actions are mutually agreed with the supplier.

### Corrective action plans

Hiab's corrective action plans for suppliers define timelines for closing specific findings for each supplier. Evidence of such improvement is validated by Hiab's supplier development team. Hiab follows up on the progress of the plans through discussions with the suppliers and has a target to validate the proper and timely closure of all non-compliance cases.

### Remedy

If a case were identified in which Hiab had caused or contributed to a human rights violation, the company would apply a case-specific approach to remedy and corrective action. The details of the case, the needs of the impacted persons and local legislation would determine the adequate means of remedy. At the same time, Hiab is committed to not hindering an impacted person's access to other forms of remedy, such as legal proceedings. Where relevant, Hiab can also cooperate with others to provide appropriate remedy to impacted people. The effectiveness of the provided remedy may be evaluated based on, for example, feedback from the impacted persons or third-party expert organisations.

### Peer-learning and collaboration

Overall, as a member of various corporate sustainability platforms, such as the UN Global Compact, Hiab can join networks, participate in training and collaborate with peer companies. Human rights, forced labour and modern slavery are recurring topics within these platforms and groups. Through its membership in the Responsible Minerals Initiative (RMI), Hiab is able

to learn about regulatory requirements and best practices related to human rights and modern slavery in the context of mineral sourcing.

## Other

In addition to the potential negative impact of forced labour in Hiab's supply chain, the company has identified that its business has a potential negative impact on the health and safety of people. This impact has been identified both in the supply chain (e.g. emergency preparedness and chemical handling), in Hiab's own operations (e.g. hand injuries during equipment assembly and servicing) and in customer operations (e.g. equipment operator injuries). These impacts are continuously mitigated with, for example, supplier audit follow-ups, internal safety campaigns and product design improvements.

## 5. Training provided to employees

In 2025, Hiab continued to raise awareness on the company's sustainability agenda, including topics related to human rights, by launching mandatory training for all employees. In addition to endorsing the related e-learning course, Hiab organised in-person sessions on the topic for employees without access to the online learning platform. The target was to achieve a 90 percent completion rate during 2025. At the end of the year, the completion rate was 86 percent. The training content was created internally.

## 6. Assessing the effectiveness of due diligence processes and actions taken

The effectiveness of Hiab's due diligence process, including materiality assessments, grievance mechanisms and approach to remedy, is evaluated continuously, as is the nature of due diligence. Hiab uses, for example, reported non-compliance cases and stakeholder feedback to conduct this assessment and improves its ways of working accordingly. In addition, the company evaluates the effectiveness of its reporting channels based on, for example, trends in reporting volumes. In Hiab's view, increases in reports filed indicate that people are aware of and trust the channels, while significant decreases may indicate the opposite.

As Hiab has identified forced labour as a material negative impact only in its supply chain, the company's related actions focus on this part of the value chain.

- Hiab evaluates the effectiveness of its actions related to supplier audit findings by reviewing and following up on corrective action plans (see section *Corrective action plans*).
- Hiab evaluates the effectiveness of its actions taken to improve the sustainability performance of suppliers through supplier self-assessments (see section *Supplier self-assessment*). Improved scores are often an indicator of the supplier's improved performance and actions taken. Before a new score is granted, the third party that hosts the self-assessment platform validates all evidence provided by the supplier. These score improvements also form the basis for Hiab's target for responsible sourcing.

- Hiab also has an external target for its responsible sourcing programme to evaluate the effectiveness of the programme. In 2025, the target was to have at least 90 percent of key suppliers complete the sustainability self-assessment and reach a combined average score of 61 percent or above. The target was achieved (98% supplier coverage, average score 66%). In 2026, the target is to have at least 90 percent of key suppliers complete the sustainability self-assessment and reach a combined average score of 62 percent or above.
- Hiab primarily seeks to expand the number of suppliers completing the self-assessment, even if this means that the average score improves more slowly. In 2025, the number of suppliers completing the assessment increased by 25 percent compared to 2024.

## 7. Other information

More information about Hiab's sustainability performance and its work with suppliers is available in the company's 2025 Sustainability statement, as part of [Hiab's Annual report 2025](#).

Signed by  
Scott Phillips, President and CEO, Hiab  
29 May 2026

This statement is made in accordance with section 54(1) of the UK Modern Slavery Act 2015 and section 5 of the Norwegian Transparency Act. The statement was approved by the Hiab Leadership Team in May 2026.

### Version history

Date	Owner	Approver	Version
May 2026	Sustainability function	Hiab Leadership Team	1.0