



# Modern Slavery Statement 2021





# PWR Holdings Limited

## Global Operations



### **INDIANAPOLIS, USA PWR NORTH AMERICA (C&R RACING INC.)**

Our Indianapolis based facility is deep-rooted in supplying world-class motorsports and performance automotive industry cooling solutions. With a history of providing components to top professional race teams and key industry organizations, our products have been proven to withstand the toughest environments.

As a leader in cooling research and development, PWR North America offers full engineering and design services with flexible on-site manufacturing, including a state of the art Controlled Atmosphere Brazing Furnace.



### **SILVERSTONE, UNITED KINGDOM**

Based in Silverstone, England, PWR Europe extends the same broad scope of company services and cutting-edge cooling componentry that has established PWR as a worldwide resource for best-in-class cooling solutions.

From design, testing to development, our Europe facility offers access to the broad range of ever-growing technical resources that PWR prides itself on.



### **ORMEAU, SOUTH EAST QUEENSLAND**

PWR Performance Products and PWR Advanced Cooling Technology are headquartered in South East Queensland Australia and supply innovative cooling solutions to Motorsports, Aerospace & Defence, OEM and Industrial customers around the world.

Every aspect of the manufacturing process is controlled completely within our own facility at Ormeau, which enables PWR to offer its global customers quick turn around and the unique opportunity to customize products to suit their specific needs.

## Introduction

This Modern Slavery Statement (“**Statement**”) sets out the actions taken by PWR Holdings Limited (ABN 85 105 326 850) and its subsidiaries (together “**PWR**”) to address modern slavery risks in our business and supply chains. The Statement has been prepared in accordance with the *Modern Slavery Act 2015* (UK).

This is the first Statement made by PWR and relates to the year ending 30 June 2021.

PWR opposes modern slavery in all its forms, including human trafficking, slavery, servitude, forced labour, debt bondage, forced marriage and child labour. We recognise the role of business in understanding, addressing and mitigating modern slavery risks, and are committed to working with our employees, suppliers and contractors to identify and address modern slavery risks.

## Lodgement

Under the *Modern Slavery Act 2018 (Cth)* companies are required to lodge their Modern Slavery Statement when group revenue is A\$100 million or greater. PWR revenue for the financial year ending 30 June 2021 was below the reporting threshold. PWR has not lodged the Statement under the Australian legislation, but has prepared the Statement including the content required by the Australian legislation.

Under the *Modern Slavery Act 2015 (UK)* companies are required to lodge their Modern Slavery Statement when group revenue is GBP36 million or greater. PWR revenue for the financial year ending 30 June 2021 was above the reporting threshold. PWR has lodged this Statement as required by the UK legislation.

The Statement has been published on the PWR website ([www.pwr.com.au/investors/corporate-governance](http://www.pwr.com.au/investors/corporate-governance)).

## Structure, operations and supply chains

PWR is a global designer, manufacturer and supplier of technically advanced high performance cooling solutions, investing in research and development to provide solutions to our customers using advanced cooling technology. We adopt a flexible manufacturing approach and take pride in supporting our customers through a truly unique system of technical partnership.

PWR Holdings Limited is the parent entity, headquartered in Ormeau, Queensland, Australia, and listed on the Australian Stock Exchange (ASX:PWH). This Statement is on behalf of PWR Holdings Limited and the following wholly owned subsidiaries:

- P.W.R Performance Products Pty Ltd (Australia)
- PWR IP Pty Ltd (Australia)
- PWR Europe Limited (United Kingdom)
- C&R Racing, Incorporated (United States of America)
- PWR EU B.V. (Netherlands)

PWR manufacturing facilities are located in Ormeau (Australia) and Indianapolis (United States of America). PWR sources raw materials, components and services from a wide range of suppliers across multiple countries.

Finished goods are distributed worldwide from our facilities in Ormeau (Australia), Silverstone (United Kingdom) and Indianapolis (United States of America).

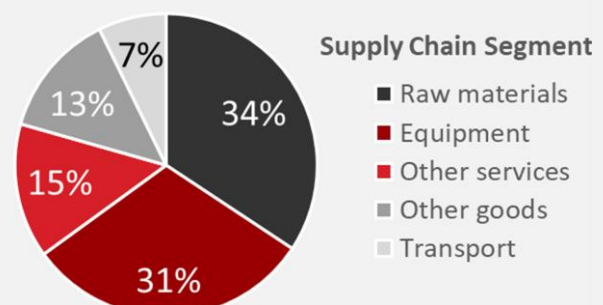
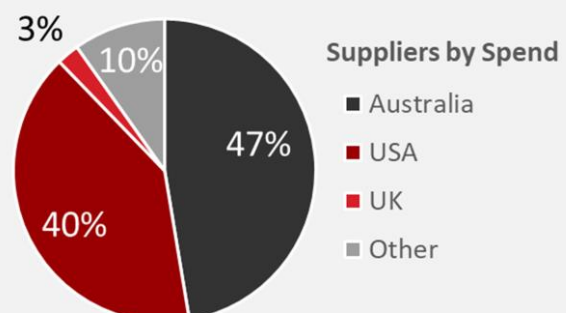
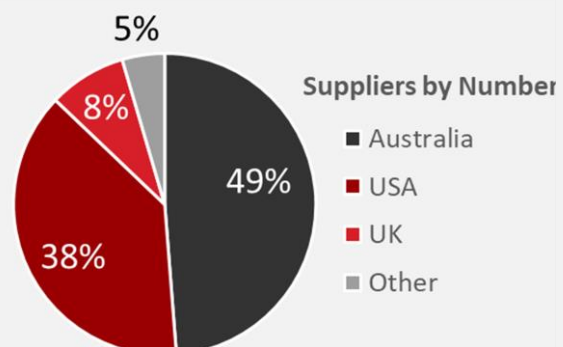
The PWR supply chain consists of 925 suppliers across 18 countries for a total spend of A\$33.6m. The majority of the suppliers by number and spend are located in Australia and the United States of America.

Our supply chain can be divided into the following segments:

- **Raw materials** – predominately aluminium billet, coil, plant and extruded tubing
- **Equipment** – machinery utilised in the manufacturing processes
- **Transport** – road, air and sea freight for inward movement of supplies and dispatch of finished goods
- **Other Services** – including IT services, maintenance services, and professional services
- **Other Goods** – including uniforms, manufacturing consumables, and utilities

## FY21 Supply Chain

925 suppliers  
18 countries  
A\$33.6m spend



## Risks of modern slavery practices in our operations and supply chains

### In our operations

We consider that modern slavery risk in our operation to be low due to the following:

- PWR operates in Australia, United Kingdom, and the United States of America, all of which are ranked low in the country Global Slavery Index
- PWR employees are covered by modern awards or individual employment contracts that set the minimum pay and conditions
- PWR maintains transparent operations supported by its governance framework and policies including its Whistleblower Policy to encourage employees to raise concerns.

As at the date of this Statement, no reports of modern slavery have been received.

### In our supply chains

PWR has less visibility into the operations of our suppliers and contractors. To identify potential modern slavery risks in our supply chains, and to focus our actions, we have undertaken a risk assessment of our suppliers taking into account the following:

- **Country of operation** – the majority of our suppliers operate in the low risk countries of Australia, United Kingdom and the United States of America; however, some of our suppliers operate in countries where there is a higher risk of modern slavery<sup>1</sup>
- **Industry, Project or Service** – selected industries, products and services have a higher modern slavery risk. High risk products include electronics and uniforms, with the majority of our raw material classified as medium risk<sup>2,3</sup>
- **Entity** – the majority of our suppliers manufacture the goods or provide the services directly; however, some suppliers act as sourcing agents where the underlying operation is less clear. PWR also considers the governance structures and public information relating to adverse treatment of workers or unethical operating practices.

### Actions taken to assess and address these risks including due diligence and remediation processes

**Due Diligence** – PWR has adopted a risk based approach to modern slavery due diligence. Based on the results of our supplier risk assessment, we have identified the suppliers with a higher risk for modern slavery. Further due diligence is required to fully assess the modern slavery risks. This will include engaging directly with the high risk suppliers to better understand their structure and sourcing practices, together with their approach to managing modern slavery risk. This further due diligence will be undertaken in the financial year ending 30 June 2022.

**Policies** – We have implemented a Modern Slavery Policy and integrated the modern slavery requirements into corporate policies and purchasing documentation including:

- Purchasing Policy
- Whistleblower Policy
- Code of Conduct
- Standard Terms and Conditions of Purchasing

---

<sup>1</sup> Global Slavery Index 2018 – Table 14 – Vulnerability to Modern Slavery by Country

<sup>2</sup> Global Slavery Index 2018 – Appendix 3 – List of products at risk

<sup>3</sup> Australian Border Force Modern Slavery Infographic

**Training** – The executive leadership team and procurement team have undertaken Modern Slavery Awareness training.

**Remediation Processes** – any modern slavery incidents or breaches will be managed through the existing incident reporting, investigation and corrective action processes. As at the date of this Statement, no incidents or breaches have been reported.

**Further actions identified** – to further embed the modern slavery risk management into PWR’s governance framework and systems, the following actions are being undertaken in the financial year ending 30 June 2022 :

- Implement a process that assesses modern slavery risk for all new suppliers
- Develop a supplier questionnaire for completion by high risk suppliers
- Continue to review and update policies and procedures as required to support the management of modern slavery risks as part of our Risk Management Framework.

#### **Review the effectiveness of our actions**

**Update Risk Assessment** – The risk assessment for existing suppliers will be updated as new information becomes available, and at least annually. As we engage with suppliers to improve our understanding of the supply chain, we anticipate the risk rating for selected suppliers to reduce.

**Audit and Risk Committee** – The effectiveness of managing modern slavery risks, including progress for implementing actions and responses to any reports of modern slavery concerns, will be reported to PWR’s Audit and Risk Committee.

#### **Consultation and approval processes**

The executive leadership team, including senior leaders responsible for all PWR entities have been consulted in the preparation of this Statement and the associated actions. The executive leadership and their teams will continue to be consulted regarding identified risks and involved in the implementation of further actions, including any investigations and remediation actions.

PWR is strongly committed to upholding all human rights and employees’ rights, and fully supports both the Australian and United Kingdom Governments in their efforts to eliminate modern slavery. We expect our suppliers, contractors and other stakeholders to join us in our approach.

This Statement has been approved by the Board of PWR Holdings Limited.



Kees Weel  
Managing Director  
**PWR Holdings Limited**  
20 December 2021

## Corporate Directory

### PWR HOLDINGS LIMITED

ABN 85 105 326 850

### COMPANY SECRETARY

Lisa Dalton

### PRINCIPAL REGISTERED OFFICE

#### PWR Holdings Limited

103 Lahrs Road  
Ormeau, 4208  
Queensland  
Phone: 07 5547 1600  
Fax: 07 5547 1666  
Email: [info@pwr.com.au](mailto:info@pwr.com.au)

### POSTAL ADDRESS

PO Box 6425  
Yatala QLD 4207

### NORTH AMERICA

#### PWR North America (C&R Racing)

6950 Guion Road  
Indianapolis, IN 46268  
USA  
Phone: +1 317-293-4100  
Fax: +1 317-293-4110  
Email: [info@crracing.com](mailto:info@crracing.com)

### EUROPE

#### PWR Europe

1141 Silverstone Park, Buckingham Road  
Silverstone, Northants, NN12 8FU  
United Kingdom  
Enquiries  
Phone: +44 (0) 1327 362940  
Fax: +44 (0) 1327 362960  
Email: [sales@pwreurope.com](mailto:sales@pwreurope.com)

### WEBSITE

[www.pwr.com.au](http://www.pwr.com.au)

### LOCATION OF SHARE REGISTRY

#### Computershare Investor Services Pty Ltd

Level 1, 200 Mary Street  
Brisbane, 4000  
Queensland

### ASX TICKER CODE:

PWH