



Modern Slavery Statement

This Statement is submitted on behalf of Snap-on Tools (Australia) Pty Ltd (ABN 55 010 793 683) ("Snap-on AU") under section 13 of the *Modern Slavery Act 2018* (Cth) (the "MSA") to cover the reporting period from 1 January 2023 to 31 December 2023.

Criteria 1 and 2: Identification, Structure, Operations and Supply Chains

Snap-on Incorporated (also referred to in this Statement as "Snap-on"), the ultimate parent company of Snap-on AU and the entire Snap-on corporate body (the "Snap-on Group"), is a leading global innovator, manufacturer and marketer of tools, equipment, diagnostics, repair information and systems solutions for professional users performing critical tasks. Snap-on Incorporated's products and services include hand and power tools, tool storage, diagnostics software, information and management systems, shop equipment and other solutions for vehicle dealerships and repair centers, as well as for customers in industries, including aerospace, agriculture, construction, government and military, mining, natural resources, power generation and technical education. Snap-on Incorporated also provides financing programs to facilitate the sale of its products and support its franchise business. Products and services under a variety of notable brands are sold through the company's franchisee, company-direct, distributor and internet channels. Snap-on Incorporated's common stock is traded on the New York Stock Exchange under the ticker SNA.

Founded in 1920, Snap-on Incorporated, a Delaware (USA) corporation, is a S&P 500 company headquartered in Kenosha, Wisconsin. The company employs approximately 13,200 people worldwide and had net sales of US\$5.1 billion in 2023. Snap-on has a mobile franchise van channel in the United States, Canada, the United Kingdom, Japan, Australia, Germany, Netherlands, South Africa, New Zealand, Belgium, and Ireland with approximately 4,700 routes, of which approximately 5% are company-owned. Snap-on Incorporated serves professionals in over 130 countries with more than 80,000 stock keeping units (SKUs) and has manufacturing facilities in the United States, Argentina, Belarus, Brazil, China, France, Italy, Portugal, Spain, Sweden, and the United Kingdom.

Snap-on AU is a privately owned company and a wholly owned subsidiary of Snap-on Incorporated, with its registered office in Arndell Park, New South Wales 2148. Snap-on AU has been operating in Australia since 1988 and has a warehouse and offices in Arndell Park.

Snap-on AU retains 151 individuals, of which approximately 11% are contractors or consultants and the remainder are employees. Snap-on AU does not employ seasonal workers. Snap-on AU utilises a labour hire agency which employs casual staff that work for Snap-on AU from time to time. The Agency holds the contractual relationship with those staff members.

Snap-on AU wholly owns and controls Snap-on New Zealand and SNA E Australia, which are not reporting entities. The risk identification and actions taken by Snap-on AU, which are described below, apply equally to Snap-on New Zealand; therefore, we have not referred to Snap-on New Zealand separately. Please refer to Criteria 6 below for further details.

Snap-on AU has, however, taken separate steps in relation to its modern slavery approach for SNA E Australia, a trading division of Snap-on AU. SNA E Australia has 19 employees and does

not employ seasonal workers. SNA E Australia utilises a labour hire agency that employs casual staff to work for SNA E Australia from time to time. Currently, one member of the staff at SNA E Australia is employed through the labour hire agency. The labour hire agency holds the contractual relationship with any casual staff members.

Tier 1 of Snap-on AU's supply chain consists of approximately 173 suppliers. Snap-on AU understands that an entity's supply chain extends beyond its tier 1 suppliers. Tier 1 suppliers include suppliers of tools, storage, equipment, diagnostics, repair information, systems solutions and cutting products, as well as marketing, financial and accounting services, human resources, sales and other functions.

Tier 1 of SNA E Australia's supply chain consists of approximately 15 suppliers. Tier 1 suppliers include suppliers of tools, storage and cutting products, as well as marketing, financial and accounting services, human resources, sales and other functions.

Criteria 3: Risks of Modern Slavery

Operations

Snap-on AU and SNA E Australia are aware that the United Nations and the Walk Free Foundation have estimated that there are approximately 50 million victims of Modern Slavery around the world and that every industry and sector has risks of Modern Slavery in its operations and supply chains. The operations of Snap-on AU and SNA E Australia include the manufacturing and sale of tools, equipment, diagnostics, repair information and systems solutions. We understand that it has been estimated that approximately 15% of the documented global cases of forced labour (one kind of Modern Slavery) have occurred within the manufacturing industry, and therefore, our industry poses a risk of Modern Slavery.

Manufacturing is a highly cost-driven industry and requires a continual focus on expense management. We understand that these pressures could put workers at risk of exploitation if suppliers or others were to seek savings by requiring long hours and forced overtime during periods of high demand as well as through wage cuts and other cost-saving measures at times of low demand or via poor working conditions. Furthermore, manufacturing often involves the use of outsourcing, sometimes to higher risk countries that may produce goods at a lower cost or provide services at lower rates.

As such, we are acutely aware that as manufacturers, the operations of Snap-on AU and SNA E Australia present a potential risk of Modern Slavery. Furthermore, as with most companies that sell complicated tools and equipment, our products, whether manufactured ourselves or outsourced, often contain raw materials, components or sub-assemblies, which creates additional potential exposure to the risk of Modern Slavery in those supply chains.

Supply Chains

Tier 1 of the supply chains of Snap-on AU and SNA E Australia consists of approximately 188 suppliers, which is a relatively small cohort proportionate to Snap-on's size. We believe that the smaller number of tier 1 suppliers to these businesses increases our visibility into our supply chain, and therefore, potentially reduces the risks of Modern Slavery. We acknowledge that Snap-on AU's tier 1 suppliers decreased by 25 suppliers in this reporting period compared with the last. In order to maintain the visibility we have over our suppliers we expect to continue to enhance our diligence practices.

In addition, Snap-on AU, in collaboration with Snap-on Incorporated, reviewed and discussed current research and guidance materials relative to the products, countries and supply chains that are considered to present heightened risks of Modern Slavery. As such, we have developed

procedures to assess the relevant risk to Snap-on throughout its businesses, including Snap-on AU (discussed further under Criteria 4).

In so doing, we have reviewed the 173 tier 1 suppliers and considered (i) the products supplied, (ii) the geographic locations, (iii) our knowledge of each supplier's operations, and (iv) our relationships with the suppliers. Having done this, we believe that in most cases tier 1 of our supply chain presents a lowered risk for Modern Slavery because most of the supplied goods (a) are manufactured in geographies with lower risk ratings, and (b) come from suppliers with whom we have had long relationships and therefore we have a high degree of visibility over the way they do business.

Snap-on AU

Of the 173 tier 1 suppliers, 12 are located in high to medium risk locations as follows: eight are in China and one is in India (higher risk geographic locations), and three are located in Italy (medium risk). The remainder of our suppliers are located in low-risk regions. We have included a consideration of our Italian suppliers alongside our Chinese and Indian suppliers in the risk identification process due to the relative risk the Italian suppliers may pose.

The relevant goods and services that these 12 suppliers provide are tools, lights, equipment, components, cutting products, software and storage boxes. We acknowledge that these categories of goods may pose a higher risk.

Three of the 8 Chinese suppliers and two of the three Italian suppliers are entities within the Snap-on Group. In order to control product quality and to take advantage of the deeply developed expertise of the Snap-on companies, Snap-on AU sources certain products and services from its related companies rather than manufacturing these products itself or sourcing them from third parties. These Chinese and Italian Snap-on entities are subject to the Snap-on Policy Against Human Trafficking and Slavery (discussed below), engage in the same training programs as all other Snap-on entities, and are held to the same standards as all other Snap-on companies. As a result, Snap-on AU has greater visibility over these entities than other suppliers in our supply chain. We believe that this common control and oversight, along with the consistent training and policy expectations, significantly reduces the risk posed by these related entities.

The supplier from India, as well as the remaining five Chinese suppliers and one Italian supplier, are not related entities of the Snap-on Group, so we have less visibility over these suppliers. Therefore, these suppliers form the focus of our risk assessment. The Indian supplier, which provides hand tools, is an international supplier and follows international rules and regulations. The remaining five Chinese suppliers, who provide tools and services to Snap-on AU, are international suppliers and therefore follow international rules and regulations and are managed by corporate, with reviews performed regularly. The supplier based in Italy is part of a large international corporation, which is also subject to the Australian MSA, and provides Snap-on AU with industrial equipment. More specifically, the Italian supplier provides welding, air compressors and accessory products. While we do not believe these suppliers pose a particularly high risk of Modern Slavery, relative to the remainder of our tier 1 suppliers they are of most interest to us in our risk identification process. As such, Snap-on AU intends to have a dialogue with these suppliers around their Modern Slavery approach, including through the provision of our Modern Slavery Survey.

SNA E Australia

All 15 tier 1 suppliers of SNA E Australia were located in low-risk regions; however, we have included a consideration of other risk indicators that may assist in understanding which of the cohort are the relatively higher risk suppliers.

The relevant goods and services that these 15 suppliers provide are tools, cutting products, storage boxes and pruning products. We acknowledge that these categories of goods may pose some risk.

Of the 15 suppliers, three are entities within the Snap-on Group. In order to control product quality and to take advantage of the deeply developed expertise of the Snap-on companies, SNA E Australia sources certain products and services from its related companies rather than manufacturing these products itself or sourcing them from third parties. These Snap-on entities are subject to the Snap-on Policy Against Human Trafficking and Slavery (discussed below), engage in the same training programs as all other Snap-on entities, and are held to the same standards as all other Snap-on companies. As a result, SNA E Australia has greater visibility over these entities than other suppliers in our supply chain. We believe that this common control and oversight along with the consistent training and policy expectations significantly reduces the risk posed by these related entities.

The remaining 12 suppliers are not related entities of the Snap-on Group, so we have less visibility over these suppliers. Therefore, these suppliers form the focus of our risk assessment. While we do not believe these suppliers, which are all located in Australia, a low-risk region, pose a particularly high risk of Modern Slavery, they are of most interest to us in our risk identification process. As such, SNA E Australia intends to have a dialogue with these suppliers around their Modern Slavery approach, including through the provision of our Supplier Survey and communication of the MSA. Snap-on AU and SNA E Australia acknowledge that we need to be aware of the risks of Modern Slavery posed by our entire supply chain, not just by our tier 1 suppliers. We will endeavor to continue to take steps to further understand our more fulsome supply chain in future reporting periods.

Criteria 4: Actions to Assess and Address Risks

The Snap-on Group is guided by the core beliefs and values as laid out in Snap-on's "[Who We Are](#)" statement. These values include non-negotiable workplace safety and respecting the individual.

Respect for human rights is a fundamental value at Snap-on.

We embrace the approach to human rights set forth in the United Nations Universal Declaration of Human Rights and the Guiding Principles on Business and Human Rights for our employees, franchisees, contractors, and agents around the world. Snap-on has adopted policies that seek to eliminate human trafficking, slavery, forced labor and child labor from its global supply chain.

Policies

Our [Policy Against Human Trafficking and Slavery](#) (also referred to in this Statement as the "Policy") has been in place since 2016, and has been tailored to meet the requirements under the MSA. The Policy is periodically reviewed for effectiveness and/or upgrade. The Policy is applicable to all of the Snap-on Group's businesses, directors, employees, agents, subcontractors and suppliers worldwide when acting within the scope of employment or contract with us. The Policy is specifically designed to build our due diligence approach and ensure compliance with the MSA, as well as related legislation and regulations in other countries. Within this Policy we have enshrined that the Snap-on Group will not tolerate Modern Slavery and that we will strive to identify any high-risk areas within our operations and supply chains.

We require those parties subject to the Policy to not engage in any form of Modern Slavery, comply with applicable laws, undertake proper dealings with identity or immigration documents and engage in appropriate recruitment processes, among other requirements. We provide

avenues for reporting and complaints including through our Ethics Help Lines. The Policy provides for several forms of remediation in the event of any incidents of non-compliance.

Suppliers and subcontractors are required to periodically certify that they have read the Policy and will comply with our requirements and any relevant Modern Slavery laws.

Snap-on has formalized its commitment to protecting human rights in its global [Human Rights Policy](#). The Human Rights Policy applies to Snap-on, the entities that we own, the entities in which we hold a majority interest and the facilities that we manage. We also expect our suppliers to uphold these principles and urge them to adopt similar policies within their own businesses. The Human Rights Policy covers, among other topics, slavery, child labor and human trafficking, creating a harassment-free workplace, diversity and inclusion, health and safety and working conditions.

Training and Tutorial

The Snap-on Group (including Snap-on AU and SNA E Australia) provides mandatory annual training, including on human rights, human trafficking and slavery, to employees in positions of management and employees responsible for our supply chain.

We have an online tutorial titled *Slavery and Human Trafficking in Supply Chains*, which explains that modern slavery still exists in the world and prompts the learner to consider ways of identifying, preventing, and stopping it in his or her own supply chain. The tutorial advises staff that there are millions of suspected victims of Modern Slavery currently around the world.

In the tutorial, examples are given of how raw materials produced by Modern Slavery can end up in the products we consume, such as leather, cobalt, cocoa, and coffee. We explain to our staff that supply chains include more than tier 1 suppliers and give tips on what clues to look for that might suggest human rights abuses have played a part in a product's development. The tutorial references the relevant legislation in different jurisdictions to which the Snap-on Group is subject, including the MSA. The tutorial concludes with a questionnaire for staff to test their knowledge in the area.

Our staff play a key role in our due diligence processes and this tutorial is intended to ensure they retain the appropriate level of education to enable them to assist our approach, to be vigilant and to report incidents or suspicions.

Ethics Helpline

The Audit Committee of Snap-on's Board of Directors has established procedures for the effective handling of human rights and other concerns that arise in the Snap-on Group. These procedures include our Ethics Helplines that can be utilised all over the world. We also have an online portal through which individuals can confidentially report risks or concerns. Finally, within the Policy we also provide the contact details for the United States Government's Global Human Trafficking Hotline as well as the email address.

These avenues allow individuals to access confidential retaliation-free reporting of any concerns relating to Modern Slavery and human rights abuses. It is our hope that this will encourage greater honesty and openness resulting in increased visibility over risks and incidents, so that we can conduct further due diligence and enact our remedial responses as appropriate.

Supplier Code of Conduct

Our [Supplier Code of Conduct](#) (the "Code") contains commitments that we expect all suppliers, regardless of location, to adhere to. This includes commitments regarding Modern Slavery, workplace health and safety, human rights, the environment, identity and immigration documents,

recruitment practices, transportation and relocation costs, discrimination, harassment, wage laws, bribery and corruption, intellectual property and other matters.

The Code also requires specific compliance with the MSA and Modern Slavery laws in other jurisdictions. The Code requires that suppliers and sub-suppliers take adequate measures to prevent, mitigate and remediate the risk of Modern Slavery and human rights abuses occurring within suppliers' operations and supply chains. We require our suppliers to have in place adequate policies and commitments, due diligence processes, remediation processes, reporting processes and training in relation to Modern Slavery and human rights.

The Code details that suppliers who utilize subcontractors to provide goods and services to the Snap-on Group will also be responsible for the subcontracted party's compliance with the Code. In addition, suppliers are expected to take steps to ensure subcontractors adopt the commitments outlined in the Code.

Suppliers are required to periodically certify that they have read the Code and will comply with the Code as well as any other relevant Modern Slavery Laws.

The Code also gives the Snap-on Group the right to monitor supplier compliance with the Code through surveys and information requests and provides for remedial measures in response to any violation.

Supplier Dialogue

We have also sent correspondence to Snap-on AU's and SNA E Australia's suppliers to alert them as to the requirements of the MSA, and the requirements within our Policy and the Code. This correspondence raises supplier awareness regarding Modern Slavery and details what we can all do to mitigate risks in this area.

We provide our suppliers with definitions of Modern Slavery and explanations of related risks. We foreshadow future contact from Snap-on to request information or documents we may require related to such topics.

Supplier Survey

Snap-on corporate conducts an annual Supplier Survey. We send the Supplier Survey to suppliers of both Snap-on AU and SNA E Australia. This period we sent the Supplier Survey to all tier 1 suppliers from whom we have purchased products or services in excess of US\$2,500 per annum. The Supplier Survey forms a key part of our due diligence in relation to our supply chains. In connection with the distribution of the Supplier Survey, we again send suppliers our Policy and the Code, and we require suppliers to certify that they have read and understood both. The Supplier Survey also asks suppliers a variety of questions regarding any policies and processes that they might have in place relevant to Modern Slavery and other human rights issues.

Supplier Agreements

We have a specific Anti-Human Trafficking Compliance contract clause (the "clause") that is embedded in our Supplier Agreements for both Snap-on AU and SNA E Australia. These terms and conditions specifically require that suppliers comply at all times with anti-trafficking laws, including the MSA, and Division 270 and 271 of the *Criminal Code Act 1995*. We also require Australian suppliers to comply with the *Fair Work Act 2009 (Cth)*.

The clause requires specific Modern Slavery-related warranties of our suppliers, including that they do not engage in any form of Modern Slavery, that they will take reasonable steps to ensure

there is no Modern Slavery in their operations or supply chains and that if they become aware that Modern Slavery is taking place in their operations or supply chains, they will notify us.

The clause also restricts suppliers from taking any adverse action against an individual due to their good faith disclosure of information relating to Modern Slavery. It allows the Snap-on Group to audit each supplier's records to ensure that no breach of the clause has occurred and also requires the supplier to share relevant information in this regard.

Finally, the clause provides for remedial measures including the right of the Snap-on Group to withhold payment or terminate in the event of a breach.

Supply Chain Mapping

We have undertaken additional steps towards mapping our supply chain and have considered our risk profile, including any high-risk areas. We examined our supply chain in the context of various Modern Slavery risk indicators such as geographic location and category of goods and services. As described above, we focused on suppliers in higher risk geographies. We understand that our risks in this area are fluid and will endeavor to continue to gain additional understanding of our supply chain in future reporting periods.

Other Jurisdictions

Snap-on Incorporated and its other subsidiaries report under relevant Modern Slavery legislation in other jurisdictions, including the United Kingdom, United States, Canada and Norway. As such, we have for some time had multiple risk mitigation processes and policies in place throughout the Snap-on Group. However, we acknowledge that the requirements of the MSA differ from those in other jurisdictions and we continue to refine our approach to understand potential opportunities to continue to improve in Australia specifically.

Criteria 5: Assessing the Effectiveness of our Actions

Many of the above due diligence and remedial actions existed prior to the commencement of the MSA and continue to be refined. We have conducted a review as to the efficiency of the steps we have taken to date. As a result of this review, we have made amendments to policies and processes.

Snap-on AU and SNA E Australia have an annual review process in place for nearly all of the action items we discussed under Criteria 4 above. We send our Supplier Survey and the Code to all tier 1 suppliers once per annum. Before the Supplier Survey is sent out, we conduct a review of its content and we also evaluate our Policy and the Code. For example, originally our Supplier Survey only encompassed the Modern Slavery laws in the United States and through each annual review it has been updated to encompass the laws in several jurisdictions. We track the percentage completion rates of our Supplier Survey in each reporting period to enable us to understand whether engagement is at the desired level.

We have a team of staff members who review each of the completed Supplier Surveys. We then have a process through which we follow up with suppliers who have provided unsatisfactory or unclear answers. We have found to date that ordinarily the unsatisfactory answers are a result of misunderstanding rather than actual non-compliance. We adjust our Supplier Survey annually to reflect the feedback and learnings derived from our reviews of responses and subsequent conversations with suppliers.

The training tutorial detailed above is also reviewed once per annum by our legal team, as well as an external firm, and is modified as necessary.

The policies discussed above direct individuals to our Legal or Human Resources Departments with any concerns or queries. We also have multiple reporting mechanisms as stated above. The feedback received through these avenues also assists Snap-on AU and SNA E Australia in assessing the effectiveness of our approach to date. We also plan to continue to map our supply chains in further detail in the future, recognizing that risks in this area are fluid and can change.

Criteria 6: Consultation

As detailed above, Snap-on AU has one subsidiary, Snap-on New Zealand, and a trading unit, SNA E Australia. Snap-on New Zealand and SNA E Australia are not reporting entities under the MSA but are owned and controlled by Snap-on AU.

While Snap-on New Zealand is technically a separate legal entity from Snap-on AU, its operations are closely aligned with those of Snap-on AU and in a practical sense is more adequately described as being part of Snap-on AU's operations. Snap-on AU and Snap-on New Zealand share the same Governing Body, the same senior staff members and same employees (other than 2-3 staff members who are specifically employed solely by Snap-on New Zealand and who work remotely). There is no Snap-on office in New Zealand other than for statutory purposes. Snap-on New Zealand's governance, payroll, accounts, marketing and other operational functions are all undertaken by Snap-on AU. Snap-on New Zealand shares the same supply chain as Snap-on AU.

As such, consultation regarding Modern Slavery between the two entities happens automatically as part of doing business since the operations of both are so tightly enmeshed and the labour-force as well as governance of these entities is almost entirely shared. Therefore, the risk identification and actions that have been undertaken above have been implemented and fully apply to both entities equally.

From our Board

Snap-on AU has a zero-tolerance approach regarding any of its its employees, agents, subcontractors or suppliers that may be found to directly engage in Modern Slavery practices.

Snap-on AU makes this Statement in accordance with section 13 of the *Modern Slavery Act 2018* (Cth). This Modern Slavery Statement was considered and approved of by the Governing Board Directors of Snap-on AU, its Principal Governing Body, on 26th June, 2024.



Ajit Ponnambalam

Managing Director, Snap-on Tools Australia Pty. Ltd.

Responsible Member of Snap-on AU's Principal Governing Body