



Hanwha Defense Australia Pty Ltd
ACN 630 335 616 trading as Hanwha Defence Australia

Modern Slavery Statement 2024

3 Statement From The Corporate General Manager

- Operations: About Hanwha Defence Australia
- Supply Chain: Human Resources/HDA Global Sourcing Location Map 2024

7 Modern Slavery Risks

- Geographical Risk Profile Risk Profile
- Commodity Risk Profile

9 Actions Taken To Assess And Address Risk

- 2025 Governance Structure
- Our Methodology

11 Effectiveness assessment

- Implementation Plan 2025

12 Board Sign Off



Statement From The Corporate General Manager

OFFICIAL

Hanwha Defense Australia Pty Ltd, together with our governing Board, recognises the importance of a comprehensive approach to Modern Slavery risks as an essential component of our ethical and corporate responsibilities. We view the Modern Slavery Act 2018 (Cth) not merely as a legal obligation, but as a necessary framework that promotes transparency, accountability, and continuous improvement across our operations and supply chain.

We believe that modern slavery and workplace equality are shared responsibilities and fundamental to protecting the rights and welfare of all workers. Operating in a people-driven industry, we acknowledge our responsibility to safeguard human rights and uphold the wellbeing of everyone involved in our business. We are committed to ongoing vigilance and continuous improvement in our approach to preventing modern slavery and exploitation

Being a member of the global defence network, we are aware of the complexity and reach of our supply chain. We are committed to embedding robust processes into our procurement, governance, and risk management.

2024 was a pivotal year in our journey as we reflect on our organisations rapid growth and development. During this period, we undertook significant onboarding of new suppliers, with a primary focus on engineering services, as we transition into 2025, our operations are evolving into production phases. This shift has necessitated the engagement of a broader supplier base, including defence industry partners within Australia and internationally.

We are pleased to provide our first Modern Slavery Statement and look forward to continuously improving our business practices in line with best practices. While we have not identified any instances of Modern Slavery within our business activities, we will continue to improve assurance mechanisms to help identify, assess, and manage potential risks across our operations and extended supply chain network. We are committed to fostering an ethical supply chain as we continue to grow.



Signed:

A handwritten signature in blue ink, appearing to read 'D. Wilson'.

OFFICIAL



Hanwha Defence Australia (Hanwha) is a subsidiary of Hanwha Aerospace Co. Ltd, a division of the Republic of Korea Fortune 500 company Hanwha Corporation. Hanwha Corporation has been operating in Australia since 2005 in areas including mining equipment, logistics and sustainable energy.

Headquartered in Melbourne, Hanwha Defence Australia was established in 2019 with an initial focus on supporting the Commonwealth of Australia with state of the art land system solutions.

In 2022 the company signed a contract with the Commonwealth of Australia to supply self-propelled artillery systems under LAND 8116, a \$0.9 billion to \$1.3 billion project.

Hanwha Defence Australia signed a further acquisition and support contracts for LAND 400 Phase 3 with a value of approximately \$4.5 billion dollars at the end of 2023. This contract will enable the delivery of the Redback Infantry Fighting Vehicle (IFV) capability to the Australian Army, Army's largest ever acquisition program to date.

All Hanwha vehicles will be manufactured in the Greater Geelong area of Victoria at the Hanwha Armored Vehicle Centre of Excellence (H-ACE).

Supply Chain: Human Resources/HDA Global Sourcing Location Map 2024

OFFICIAL

Hanwha employs 448 staff as of June 2025, with all employees based in Australia except for a small number of Australian personnel currently on assignment in Korea, where Hanwha's parent company is located. We recognise the critical role our workforce plays in the success of our operations and are committed to maintaining safe, fair, and respectful working environment.

All of Hanwha's employees are protected under Australian law, such as the Fair Work Act 2009 (Cth), the Modern Slavery Act 2018 (Cth), and relevant anti-discrimination legislation. Employees working in manufacturing roles at H-ACE Avalon, Victoria, are covered by an Enterprise Bargaining Agreement approved by the Fair Work Commission.

Recruitment agencies are used only on a limited basis through local agencies, with most recruitment managed internally. Eligibility to work in Australia is verified for all employees during every stage of the recruitment process, through application of the workforce screening standard AS 4811:2022.

As a part of our broader commitment to ethical practices, Hanwha is guided by its Human Rights Policy and upholds four core human rights principles:

- The right to fair and safe working conditions
- Freedom from discrimination and harassment
- Respect for Aboriginal and Torres Strait Islander Peoples' rights
- Prevention of modern slavery in all operational contexts

Hanwha has provided clear grievance pathways for all employees and contractors through the Grievance Resolution Policy and Whistleblower Policy. Hanwha seeks to positively promote diversity and inclusion throughout the employee lifecycle. We have a zero tolerance to inappropriate conduct which is enforced through the Discrimination, Bullying, Harassment, Sexual Harassment Policy.

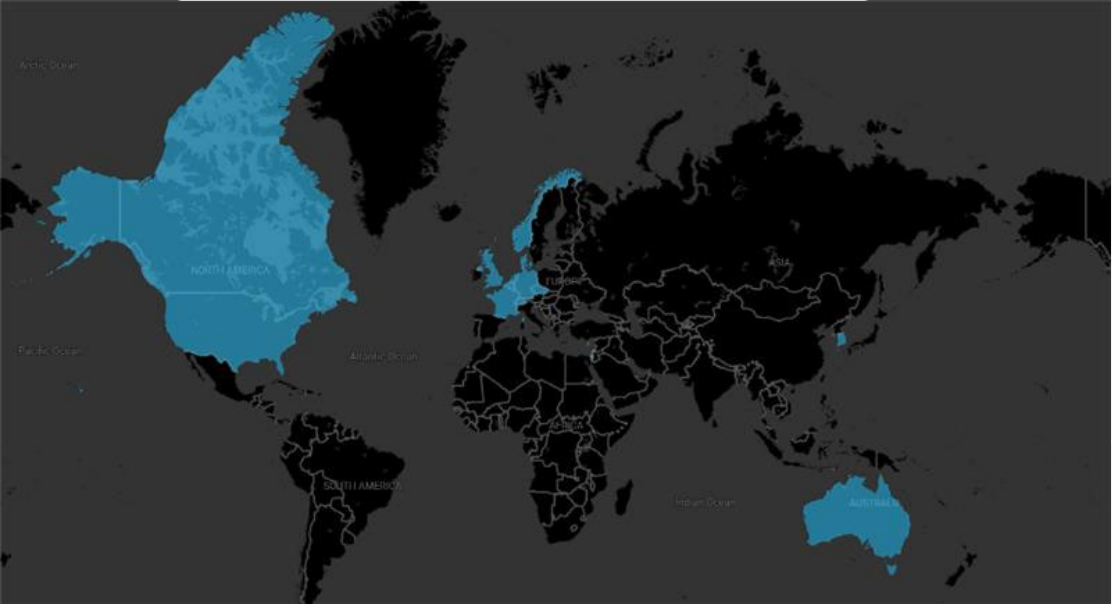


OFFICIAL

OFFICIAL

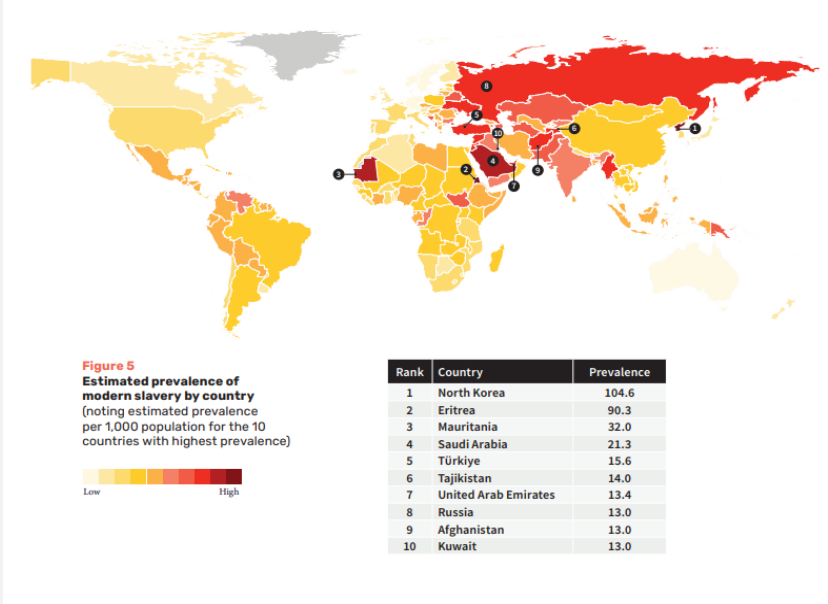
Supply Chain: Human Resources/HDA Global Sourcing Location Map 2024

HDA Global Sourcing Location Map 2024



 Countries in which HDA engages with overseas suppliers

Global Slavery Prevalence
Walk Free Global Slavery Index



Global Slavery Index 2023 Dataset, Minderoo Foundation, available from: www.globalslaveryindex.org

The analysis of our supply chain network demonstrates we have multiple partners operating throughout different countries, a complex supply chain, we acknowledge that certain countries from which our suppliers operate and product sectors potentially present higher risks of exploitation. None of our products originate from any of the top ten countries identified in the Walk Free Global Slavery reporting.

Geographical Risk Profile Risk Profile

In assessing modern slavery risk across our supply chain, we review the Global Slavery Index (GSI) rankings and the broader governance and regulatory environments of our key supplier countries. Our primary sourcing regions include Australia, Germany, Israel South Korea and Switzerland all of which are considered low risk based on their strong governance frameworks, rule of law, and proactive enforcement of labor rights.

In addition, our modern slavery risk in relation to materials sourced from South Korea via Hanwha Aerospace is assessed to be low due to the robust supply chain governance and controls established by Hanwha Aerospace.

These countries rank well on the GSI due to their robust legislative protections, transparent regulatory systems, and active participation in international labor rights. For example, Australia and Korea have comprehensive modern slavery legislation and national action plans aimed at identifying and mitigating modern slavery risk. Similarly, Germany, Israel, and Switzerland maintain effective labor standards and governance systems, further supported by low prevalence rates of modern slavery according to GSI data.

We do not rely solely on country level risk rating as an assurance of ethical practices. We acknowledge that risks can still exist at an organisational level. As such, we remain committed to conducting ongoing risk assessments of both the geographic areas and the specific suppliers within our supply chain. This includes regularly reviewing our methodology is fit for purpose as per our ESG Committee requirements and obligations.

The current concentration of our suppliers in these low risk geographic areas lowers our overall supply chain risk profile and aligns with our commitment to responsible sourcing and ethical procurement practices.

Walk Free GSI Ranking: Tier 1 Supplier Countries

Country	Prevalence	Vulnerability	Government Response
Australia	1.6	7	67
Germany	0.6	11	62
Israel	3.8	35	45
South Korea	3.5	29	38
Switzerland	0.5	14	50

- Global Slavery Index 2023 Dataset, Minderoo Foundation, available from: www.globalslaveryindex.org
- Tier 1 supplier country reflects suppliers with greater than 0.05% of total purchases.

Hanwha’s Assessment of Walk Free GSI Prevalence ranking

High Risk	<10
Medium Risk	6–8
Low Risk	0–5

Referencing (Walk Free Global Slavery Index) Defining Term

Term	Definition
Prevalence	Estimated proportion of population living in modern slavery per thousand people.
Vulnerability–Estimated	Vulnerability to modern slavery, out of 100. A higher score reflects greater vulnerability.
Government Response	Government response to modern slavery, presented as a percentage. Higher percentage reflects more action being taken.



Commodity Risk Profile

As part of our modern slavery risk assessment, we acknowledge that certain products and raw materials are classified as high risk commodities. These high-risk goods include, but are not limited to: Bricks, Cotton, Electronics, Garments, Gold, Rubber, Textiles, Tin ore and Tungsten Ore. As identified by the U.S. Department of Labour Bureau of International Labour Affairs (ILAB)

We recognise that the industries associated with these goods are more susceptible to modern slavery and labour exploitation. These risks can exist at various points in the supply chain, from raw material extraction to final product assembly, especially in areas with weaker labour laws or poor enforcement.

We have conducted a detailed review of our 2024 tier 1 supplier base, identifying commodities and their country of origin. Subsequently Hanwha has identified that electronic spend accounts for 17.48% of our projects spend, as this component is classified as a high risk we will continue to remain vigilant and conduct yearly risk assessments for these high-risk commodities by monitoring the Walk Free Global Slavery Index and the U.S. Department of Labour Bureau of International Labour Affairs (ILAB)

While the 2024 risk is identified as low, we will increase the scrutiny of our supply chain as its commodity complexity increases as detailed in our Implementation Plan 2025.

Procured Commodity Per Country

Australia	- Electronics and Technology - Straps - Fasteners & Gaskets - Services - Communications - Fabrication - Materials - Interface - Coating - Oil and Minerals - Assembly - Mechanical Systems - Paint - Cables - Navigation	Germany	Fabrication
		Israel	- Fabrication - Mechanical Systems
South Korea	- OEM - Fabrication - Services - Air Filtration & Mobility	Switzerland	Detection Device
		United States of America	Interface

% of Spend Per Materials

Australia	Electronics and Technology	17.48%	Germany	Fabrication	0.09%
	Straps	4.52%	Israel	Fabrication	9.53%
	Fasteners & Gaskets	2.65%		Mechanical Systems	0.56%
	Services	0.86%	Switzerland	Detection Device	0.17%
	Communications	0.86%		Interface	0.03%
	Fabrication	0.62%	United States of America	OEM	60.48%
	Materials	0.56%		Fabrication	0.17%
	Interface	0.41%		Services	0.14%
	Coating	0.33%		Air Filtration & Mobility	0.02%
	Oil and Minerals	0.27%	South Korea		
	Assembly	0.12%			
	Mechanical Systems	0.06%			
	Paint	0.06%			
	Cables	0.02%			
	Navigation	0.02%			

Governance Structure

Hanwha plans to be an industry leader in reporting and managing our Modern Slavery and Human Rights commitments and obligations as per the Modern Slavery act 2018.

This Governance structure will support the continued evolution of our policies, risk assessments, and reporting obligations, ensuring we remain globally aligned and achieve our plan.

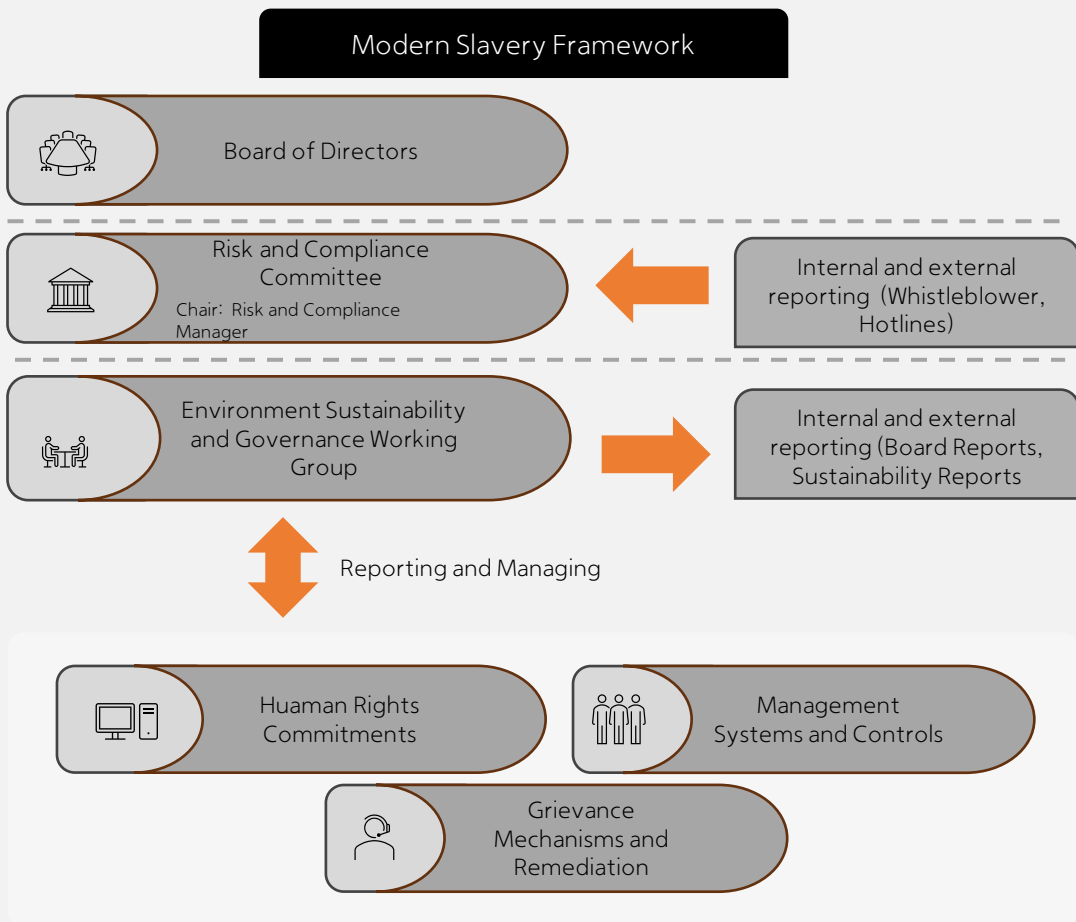
To strengthen our ability to prevent, detect, and respond to modern slavery and Human Rights Issues, we will continue to enhance our assurance mechanisms and embed more robust risk mitigation strategies.

This will be achieved through our continuous improvement of our Management Systems and Controls, and Grievance Mechanisms.

Modern Slavery Governance has been embedded into our Corporate Governance structures with oversight responsibility in our Environment, Social and Governance (ESG) Working Group.

Internal and External concerns relating to Human Rights and Modern Slavery will be directed to the Compliance Risk and Assurance Manager to be addressed through the Risk and Compliance Committee.

Through the establishment of this governance structure Hanwha is laying the foundation for a transparent, accountable, and future ready modern slavery framework.





Hanwha has developed an initial framework to manage modern slavery risks, our approach is developing and maturing as we develop and mature as an organisation.



Human Rights Commitment

Hanwha is committed to respecting and upholding internationally recognised human rights standards, including the elimination of modern slavery in all its forms. This commitment is reflected in our corporate values and embedded in policies that apply to all employees, contractors, and global suppliers. We acknowledge that Defence supply chains particularly those involving raw materials, electronics, and component manufacturing and high risk geographical areas can present elevated risks, and we are committed to addressing these risks proactively.



Management Systems

Hanwha has initiated management systems to begin identifying and assessing modern slavery risks. Our early efforts include risk mapping key suppliers and commodities, embedding responsible sourcing principles into procurement practices, and establishing accountability structures which report directly to the Compliance Risk & Assurance Manager if an instance of Modern Slavery occurs. As our systems mature, we will expand our due diligence capabilities with more robust supplier engagement, additional contract clauses, and third-party risk assessments focused on areas such as labor practices and recruitment processes.



Grievance Mechanisms

Effective grievance and reporting mechanisms are essential in providing a voice to vulnerable workers and ensuring timely action. We have implemented grievance channels internally and are in the process of evaluating their reach and effectiveness in our supply chain. Over time, we will enhance these mechanisms to ensure they are accessible, confidential, and responsive, in offshore and subcontracted environments where risks may be less visible.

Implementation Plan 2025

Human Rights Commitments



Management Systems and Controls



Grievance Mechanisms and Remediation



Hanwha is committed to upholding human rights and eliminating all forms of modern slavery within our operations and supply chains. As part of our continued commitment to ethical and responsible business practices, we are enhancing our compliance and assurance mechanisms to proactively identify, assess, and mitigate modern slavery risks.

Hanwha Implementation plan seeks to build a robust framework into our daily operations and supply chain, a resilient, transparent, and ethical framework that reduces the risk of Modern Slavery and safeguards human rights.

Effectiveness of this assessment framework will be measured through, supplier code of conduct acceptance and questionnaire completion rates, internal awareness training completion rate, geographical and commodity modern slavery risk profiles trends and any modern slavery concerns raised via our grievance process or other mechanisms. These measures will be monitored through ongoing reviews that will inform continuous improvement measures. Assurance and Governance processes will oversee this approach.

Supplier Code of Conduct

- Suppliers will be required to adhere to a code that prohibits forced labor, debt bondage and child labor.
- A breach of these codes may result in contract termination.

Contractual Clauses

- The inclusion of Modern slavery compliance clauses in contracts with suppliers and subcontractors.
- Right to audit and inspect clauses.

Supplier Due Diligence and Audits

- Pre-screening and onboarding processes include modern slavery checks.
- Use of supplier self-assessment questionnaires (SAQs).
- Supplier audits including labor best practices, recruitment methods, and working conditions.

Modern Slavery Statement/Reports

- Modern slavery statements and reports aligned with Hanwha's Policy and legislation. (Australian Modern Slavery Act 2018)

Integration with ESG reporting

- Modern slavery metrics and KPIs included in ESG reporting.

Board-Level Oversight and Governance

- Appointed Compliance Risk Assurance Manager to oversee modern slavery risks.
- Regular reporting to the board and sub-committees via the ESG working group.

Modern Slavery Risk Assessment

- Conduct internal risk assessments across operations
- Conduct risk assessments in supply chains to identify where modern slavery risks are highest.

Internal Training and Awareness

- Mandatory training for all Hanwha Defence Australia staff via the training portal.
- Awareness campaigns across the workforce and contractor network.

Whistle Blower and Grievance Mechanisms

- Anonymous reporting systems or hotlines accessible to employees and suppliers.
- Internal procedures to respond and escalate potential modern slavery concerns.

Corporate General Manager & Board Director

This statement is signed by the Corporate General Manager and Board Director of Hanwha Defence Australia on behalf of the Board of Directors on the 27th June 2025

Signature:

Dean Michie, Corporate General Manager, Hanwha Defence Australia.

30 June 2025



Ph: +61 3 9115 7426
Hanwha Defense Australia Pty Ltd
Level 5, 550 Bourke Street, Melbourne VIC 3000
business@hanwha-defence.com.au