

SAMSUNG C & T CORPORATION

Modern Slavery Statement 2021



Introduction

This *Modern Slavery Statement 2021* has been prepared by Samsung C&T Corporation (“Samsung C&T”).

Samsung C&T has been committed to mitigating the risk of modern slavery occurring within its business, supply chains and business relationships.

Samsung C&T understands that modern slavery can take many forms and is committed to increasing awareness within its workforce of exploitative practices including human trafficking, forced labour, servitude, deceptive recruiting and child labour.

Samsung C&T does not tolerate modern slavery and will not knowingly engage in modern slavery with any consultants, suppliers, or contractors.

Samsung C&T is committed to having a robust framework and processes in place to minimise the risk of modern slavery in its business operations and supply chains.

Our Structure

Samsung C&T Corporation, which is not incorporated in Australia, (ABN 49 160 079 470) is a branch of Samsung C&T Engineering and Construction Group.

Samsung C&T Corporation was established in Australia in 2012, participating in major infrastructure construction projects.

The Samsung Group is a South Korean multinational conglomerate headquartered in Samsung Town, Seoul, South Korea. It comprises numerous affiliated businesses, most of them under the Samsung brand.

Notable Samsung industrial affiliates include:

- Samsung Electronics (information technology company, consumer electronics maker and chipmaker);
- Samsung Heavy Industries (shipbuilder);
- Samsung Engineering and Samsung C&T Corporation (construction);
- Samsung Life Insurance; and
- Cheil Worldwide (largest advertising agency).

Engineering & Construction

Building

Civil

Plant

SAMSUNG
SAMSUNG C&T

Building

- High-rise Building
- High-tech Building
- General Building
- Residential

Burj-Khalifa (2010)

828m

Top 10 Architectural Wonders of the World

Civil

- Road, Bridge & Tunnel
- Railway & Metro
- Harbor & Marine
- Water Infrastructure

Incheon Grand Bridge (2009)

21.27km

Plant

- Power Generation
- Nuclear Power plant
- Energy Storage
- Renewable Energy

Al Mourjan IPP (Rabigh 2) (2017)

2,060MW

Samsung C&T Corporation (Construction & Trading Corporation) (formerly Samsung Corporation) was founded in 1938 as a parent company of Samsung Group to engage in overseas sales operations.

Since 1995, it has been largely focused on global engineering and construction projects, trade and investment, fashion and resorts. We are governed by an 11-member Board of Directors, made up of the President and CEOs of its four working groups (Engineering & Construction, Trading & Investment, Fashion, and Resort), the corporation's CFO, and six independent members.

Samsung C&T Engineering & Construction Group specialises in engineering, procurement, and construction.

During this reporting period, this statement covers, Samsung C&T continued to form part of the Acciona, Samsung, Bouygues Joint Venture ("The contractor"), delivering the WestConnex M4-M5 Link Tunnels New South Wales.

As part our commitment to minimising the risk of modern slavery with this project we have continued to discuss details of the Modern Slavery Act 2018's reporting requirements with our joint venture partners. Further, we have undertaken a number of actions with our partners to address these requirements and worked with them in developing this Statement.

Our Commitment

Samsung C&T Corporation is committed to:

- Addressing identified modern slavery instances when they occur; and
- Seeking to prevent or mitigate any identified modern slavery instances/risks that are linked (directly or indirectly) to its business operations even where it has not knowingly or directly contributed to these.

Reporting Period

This statement is made in respect of the period ended 31 December 2021.

Engineering & Construction

Energy Solution

- Hydrogen
- SMR (Small Modular Reactor)
- PV

USA Guam Mangilao PV + ESS (2022)
PV 60MW + ESS 32 MWh

Smart City

- Modular
- Smart Village
- Smart Solution

Busan EDC Smartvillage (2021)
22 smart solution integrated in each unit

Home Platform

- Life Style Service
- Smart Healthcare Service

Raemian Home Platform

Operations and Supply Chains

Samsung C&T's registered address and principal place of business is Level 2, 44 Market Street Sydney NSW 2000.

Samsung C&T continues to form part of the Acciona, Samsung, Bouygues Joint Venture ("The contractor"), delivering the WestConnex M4-M5 Link Tunnels New South Wales.

There are 61 Samsung C&T employees who are employed in various roles across the project.

This Joint Venture has local procurement personnel on the project who are in charge of procurement operations, category management, subcontractor relationships and strategic sourcing. This procurement and commercial team report into the Joint Venture project leadership.

As part of its evaluation process, suppliers are required to perform mandatory on-site audits.

Mandatory compliance items including a ban on child labour, guarantee a minimum wage, adherence to hours regulations and a ban on inhumane treatment.

The contractor engages with various local and overseas suppliers who at times obtain commodities from European and Asian countries.

In addition to the Joint Venture, Samsung C&T Corporation is supplied with a range of goods and services Legal, Recruitment & Talent Sourcing and Contractor Management to support its branch office operations. These include:

- Cleaning
- Marketing suppliers
- IT consulting
- Payroll
- Catering

Suppliers, of these services and products, are generally located overseas although cleaning, IT consulting and catering are located in Australia.

Modern Slavery Risks

Samsung C&T is committed to identifying any possible modern slavery risks in its business operations and supply chains.

We acknowledge that in the industry sector and the supply chains we operate in, certain aspects of business operations and supply chains may have a higher risk of modern slavery practices.

During this reporting period, a review was undertaken regarding Samsung C&T's modern slavery risks. The review did not identify any modern slavery risks.

COVID-19 Considerations

Samsung C&T Corporation was impacted by COVID-19 during the reporting period. Our Employees in our branch office were provided with masks supplied from South Korea.

A direct impact of COVID-19 was that shipping rates during the reporting period remained high and are expected to remain high during the next reporting period.

However, there were no suppliers terminated due to COVID-19 related reasons.

Ethical Framework

In addressing and acknowledging modern slavery risks, Samsung C&T have the following ethical frameworks in place which govern our operations.

Global Core Values

As a member of the global Samsung group, our core values are as follows:

- People
- Excellence
- Change
- Integrity
- Co-prosperity

These core values, in conjunction with a rigorous code of conduct, are the cornerstone for the business decisions that we make.

Global Code of Conduct

The Samsung's group code of conduct sets clear expectations with respect to human rights.

These policy guidelines are supported by processes for the management of complaints and grievances including:

- Whistle-blower hotline;
- Pursuit of co-prosperity (where community, employees, country and humanity can prosper together); and
- Fair competition (complying with the laws and ethical standards of the countries and communities).

Samsung discloses its Global Code of Conduct ('Samsung Business Principles') to suppliers, customers, and other external stakeholders as well as to our employees through our ethics management website and provides a channel to report on any violation of ethical standards.

Sustainability Report

During the reporting period, Samsung C&T implemented its 2021 Samsung C&T Sustainability Report.

This report discloses information on the company's non-financial activities and the results of such activities to stakeholders in a transparent manner. The report addressed the following:

Human rights violation risk inspection

Inspection of human rights protection in business sites Samsung C&T uses checklists based on international regulations to inspect the ESG criteria for business sites in each group. Through this process, the company identifies labor and human rights issues and areas of vulnerability, and business sites where such issues and vulnerabilities are found and formulates plans for improvement. Execution of such improvement measures are regularly monitored to ensure that they are properly implemented and that actual improvements are made.

The inspection is basically done through document reviews to allow coverage of as many sites as possible, although on-site visits are also made for critical management sites.

In particular, external labor and human rights experts participate in the on-site inspections in order to ensure objectivity and professionalism. Various methods including document review, on-site inspection, and interviews are used to hear the voices of stakeholders and identify practical human rights issues.

Efforts to protect human rights

Samsung C&T agrees that forced labour and child labour represent serious human rights violations that cannot be permitted under any circumstance.

Samsung C&T is also participating in various efforts by the international community to eradicate such practices. Samsung C&T strictly forbids the use of forced labour and child labour in all business sites and partner companies. In order to prevent violations of human rights caused by faulty work contracts, the company's policy requires all business sites to prepare work contracts in the native language so that local workers can accurately understand the full content of the work contract.

The human rights risk evaluation process conducted by Samsung C&T for partner companies also includes items on forced labour and child labour.

Diversity and anti-discrimination

Samsung C&T respects the diversity of all employees, and it is the company's belief that organisations that embrace members from diverse backgrounds can achieve continuous innovation. Accordingly, Samsung C&T has implemented various policies that encourage integration of this promotion of diversity and tolerance into the corporate culture and policy.

Samsung C&T offers various training courses on this subject to all of its business groups in order to prevent inequalities concerning employment, dismissal, promotion, pay grade, education and training opportunities, and so on based on sex, race, age, disability, religion, and social status, and to raise awareness of employees regarding this matter.

Actions Taken To Assess and Address Modern Slavery Risks

During the reporting period, Samsung C&T, along with "The Contractor", have focused on addressing and actioning any modern slavery risks within business operations and supply chains.

As part of tender evaluations, The Contractor's procurement Lead performs a risk assessment of suppliers to identify any modern slavery risks by applying the following rating scale:

- **High** (goods are being manufactured in known area for slavery)
- **Medium** (goods are being manufactured in country known for slavery but not in known area)

- **Low** (goods are being manufactured overseas but not in a country known for slavery)
- **Nil** (supplier can account for the full supply chain and confirm there is no risk of slavery)

During the reporting period, the Contractor has undertaken risk mapping of the Contractor's supply chain regarding modern slavery. Details of the contractors/consultants engaged, the type of service performed, and the countries outside of Australia that goods are supplied are provided at Annexure A to this statement.

Samsung C&T has included modern slavery awareness training within its induction process.

Further, specific checks were completed by the Contractor on "risk country" supply and requesting either a modern slavery procedure, policy and/or statement from the Contractor's main suppliers.

In addition, the Contractor has addressed modern slavery risks with its supplier contracts. Specifically, the Major Works Subcontract contains the following clauses with regard to modern slavery:

- Commitments
- Prohibition of Modern Slavery
- Compliance statements
- Disclosure and Audit
- Rectification
- Consequences of breach

By way of example, the Major Works Subcontract contains the following clauses (at clause 72) with regard to Modern Slavery:

72. *"Modern Slavery*

72.1 **Commitments**

- (1) *The parties acknowledge their separate and joint responsibilities to respect Internationally Recognised Human Rights while conducting their businesses.*

- (2) *The parties acknowledge they will:*
- 1) *use all reasonable endeavours to minimise Adverse Human Rights Impacts caused by their activities under this Subcontract;*
 - 2) *address any Adverse Human Rights Impacts when they occur; and*
 - 3) *seek to prevent or mitigate Adverse Human Rights Impacts that are linked (directly or indirectly) to their operations by their Business Relationships, even if they have not contributed to those Adverse Human Rights Impacts themselves.*

72.2 Prohibition of Modern Slavery

- (1) *The Subcontractor warrants that it, and its directors, officers and employees, have not, do not and covenants that it and they will not engage in any form of Modern Slavery or in any activity that would constitute Modern Slavery if it took place in Australia.*
- (2) *The Subcontractor warrants that it has not and covenants that it will not engage any Secondary Subcontractor which in any way engages in any form of Modern Slavery.*
- (3) *The Subcontractor warrants that it has not and covenants that it will not give or receive goods, works or services from, or otherwise deal with, a Secondary Subcontractor which in any way engages in any form of Modern Slavery.*
- (4) *The Subcontractor undertakes to the Contractor that, insofar as the Modern Slavery Legislation is applicable to the Subcontractor, it has and shall maintain and implement:*
 - 1) *procedures to ensure compliance with Modern Slavery Legislation; and*
 - 2) *adequate procedures designed to prevent conduct that would give rise to an offence under Modern Slavery Legislation.*
- (5) *The Subcontractor must, in performing the Works, comply with the*

Contractor's anti-slavery policy and/or supplier code of conduct (if any) notified by the Contractor to the Subcontractor from time to time.

- (6) *If using labour hire service providers to perform any of the Works, the Subcontractor undertakes that it is and has ensured such labour hire service providers are compliant, where applicable, with the Labour Hire Licensing Scheme.*

72.3 Compliance statements

The Subcontractor will, on request by the Contractor:

- (1) *take all reasonable steps to include undertakings similar to those contained in this clause 72 in any contract it may enter into with Secondary Subcontractors for the purposes of the Works;*
- (2) *provide a written statement confirming that it has complied with its undertakings under this clause 72 and all its Related Bodies Corporate and Secondary Subcontractors are not in any way involved in any form of Modern Slavery; and*
- (3) *take all reasonable steps to procure a written statement from any entity in its Supply Chain confirming that that entity is not in any way involved in any form of Modern Slavery.*

72.4 Disclosure and Audit

- (1) *The Subcontractor must, whenever requested by the Contractor, disclose all subcontractors and suppliers of goods or services in its Supply Chains (as at the time of the request) relevant to the supply of goods, works or services to under this Subcontract, and all other information reasonably requested by the Contractor to ensure the Contractor and its Related Bodies Corporate can comply with Modern Slavery Legislation.*
- (2) *The Subcontractor must maintain adequate records to assist in verifying its compliance with the provisions of this clause 72.*

- (3) *The Contractor may request disclosure of such records or audit the Subcontractor (either by itself or a third party appointed by the Contractor) at any time requested by the Contractor during normal business hours to verify compliance with this clause 72, including by taking copies of such records and meeting with the Subcontractor's personnel. This clause 72 does not limit, restrict or interfere with in any way any other right of audit of the Contractor contained in this Subcontract.*
- (4) *The Subcontractor must co-operate fully and provide all necessary assistance throughout any audit conducted pursuant to this clause 72.*

72.5 Rectification

In the event the Subcontractor identifies an occurrence or risk of Modern Slavery or any other Adverse Human Rights Impacts in its own operations or within its supply chains, it will immediately:

- (1) *take reasonable and appropriate steps to rectify that occurrence or mitigate that risk (including provision of an appropriate remedy for the victim of that occurrence); and*
- (2) *notify the Contractor of that occurrence or risk and the steps taken by it to rectify that occurrence or mitigate that risk*

72.6 Consequences of breach

- (1) *Any breach of this clause 72 will entitle the Contractor to:*
- 1) *suspend performance of this Subcontract until it is satisfied (acting in good faith and reasonably) that the breach has been adequately addressed and rectified; or*
 - 2) *terminate this Subcontract for breach by the Subcontractor.*
- (2) *In the event of suspension or termination pursuant to this clause 72, the Contractor will not be required to pay any compensation to*

Subcontractor for that suspension or termination or any damages arising from such breach.

- (3) *This clause 72 does not limit, restrict or interfere with in any way any other right of suspension or termination given to the Contractor under this Subcontract.*
- (4) *The Subcontractor shall indemnify the Contractor against any losses, liabilities, damages, costs (including but not limited to legal fees) and expenses incurred by, or awarded against, the Contractor as a result of any breach of this clause 72 by the Subcontractor.*
- (5) *The Subcontractor acknowledges and agrees that it will not be entitled to any Claim or adjustment to the Subcontract Sum arising out of or in connection with its compliance with this clause 72."*

The above identical provisions are contained in each of the following agreements:

- Major Supply (Plant);
- Major Supply (Materials);
- Minor Services Agreement, Minor Works Agreement; and
- Minor Supply Agreement.

Further, the Contractor continued to implement during the reporting period Specific questions to address Modern Slavery included in its tender schedules.

In addition to the above measures, during this reporting period, the key actions Samsung C&T has undertaken to mitigate modern slavery risks has included the following:

- Reviewed existing and identify new policies, procedures and practices to better address modern slavery risks
- Implemented a Modern Slavery policy to ensure that:
 - 1) we are compliant with local, national and other applicable laws and regulations in the areas in which it operates; and

2) we act to prevent, mitigate, and where appropriate, remedy modern slavery in our operations and supply chains

- Roll out training for our targeted key groups including for all our staff
- Communicated with all contractors and suppliers
- Include section in the Samsung C&T employee handbook
- Developed a Modern Slavery questionnaire for new suppliers
- Having “Awareness Days” for Samsung C&T employees including awareness for Modern Slavery

Samsung C&T is committed during the next reporting period to implement a fully functioning risk management framework to further identify, mitigate and eliminate any modern slavery risks within its business operations and supply chains

Principal Governing Body Approval

This *Modern Slavery Statement 2021* was approved by the Board of Samsung C&T Corporation Branch in their capacity as principal governing body of Samsung C&T Corporation Branch for the purposes of the Commonwealth Modern Slavery Act 2018 on 30 June 2022.

Signature of Responsible Member

This statement was approved and signed by Mr. Daehyung Kim in his role as the Branch Manager of Samsung C&T Corporation Branch on behalf of the Board on 30 June 2022.



Daehyung Kim
Branch Manager of
Samsung C&T Corporation Branch
30 June 2022

Annexure A

During the reporting period, the Contractor has undertaken risk mapping of the Contractor's supply chain regarding modern slavery. As a result, the contractor has identified the contractors/consultants engaged, the type of service performed, and the countries outside of Australia that goods are supplied as outlined in the following table:

2020		
<i>Supplier</i>	<i>Commodity</i>	<i>Country of Origin</i>
AWV	Dampers	China
IAC Acoustic	Attenuators acoustic	China
Prysmian	Cables DC, HV	China
Triple M	Fire Suppression Pipes	India
TWK Steel	Tunnel brackets	China
Ningbo Yasheng Casting Industry (C/O DHK)	RH Track shoes	China
AUS Pits	Precast Pits and Covers	China
Techlight	Tunnel lighting	Italy
ABB	VSDs	Finland
CNG	PA Speakers	Germany
Witt & Sonh	Jet Fans	Germany
TWIN CITY CLARAGE	Axial Fans	US
ZTT	FO Cables	China

2021		
<i>Supplier</i>	<i>Commodity</i>	<i>Country of Origin</i>
CERATEC	Arch.Panels + Support steel frame	China
Promat	Fire boards protection	China
Siemens	HV Switchboards	China
Siemens	Dry Type Transformers	China
Siemens	Bus ducts	Vietnam
Eaton	UPS	Finland
EM SEAL	Foam and Aluminium products	Canada
Traffic Tech NZ	Moveable Median Strips	New Zealand



Samsung C&T Corporation

Level 2/44 Market St, Sydney
NSW 2000, Australia
Tel. +62-2-8732-1900
www.samsuncnt.com