



**RATCH-AUSTRALIA CORPORATION PTY LIMITED  
MODERN SLAVERY STATEMENT 2021**



## INTRODUCTION

This is the modern slavery statement (**Statement**) for RATCH-Australia Corporation Pty Limited (**RATCH-Australia**), as informed by the *Modern Slavery Act 2018* (Cth) (**Act**). It covers the company's financial year ending 31 December 2021.

Modern slavery describes situations where coercion, threats or deception are used to exploit victims and undermine their freedoms. The Act defines modern slavery as including eight types of serious exploitation: trafficking, slavery, servitude, forced labour, forced marriage, debt bondage, worst forms of child labour and deceptive recruiting for labour and services.

Modern slavery is an extremely important and complex global challenge.

At RATCH-Australia, we recognize that modern slavery can happen in any industry and take many forms. We are committed to conducting business in a responsible way and protecting human rights across all areas where our business operates. This includes minimising the risk of modern slavery in our operational and procurement practices.

The purpose of this Statement is to outline the framework and processes RATCH-Australia has implemented to achieve this.

This Statement covers the activities of RATCH-Australia and its controlled entities.

# OUR STRUCTURE, OPERATIONS AND SUPPLY CHAIN

## OUR STRUCTURE

RATCH-Australia is an independent power producer with a portfolio of energy generation assets totalling more than 1.2GW in capacity. We have been developing, building and operating projects in Australia for over a decade.

The RATCH-Australia fleet comprises both gas-fired and renewable (solar and wind) energy generation, with assets located across the country. RATCH-Australia's interests are managed via 34 subsidiary entities. Each subsidiary's consolidated revenue is below the reporting threshold under the Act.



*RATCH-Australia is a wholly-owned subsidiary of RATCH Group Public Company Limited, which is listed on the Stock Exchange of Thailand.*



## OUR OPERATIONS

As at 31 December 2021, RATCH-Australia, where the head office is based in Sydney, had 21 employees based across Australia, including on-site at our operating projects.

Key activities during the period included:

- Completion of the Collector Wind Farm, NSW
- Completion of Yandin Wind Farm, WA (a RATCH-Australia/Alinta Energy investment, managed by Alinta Energy)
- Development of new renewable energy generation and storage projects
- Operation and maintenance of energy generating assets
- Management of contracts to supply electricity



## OUR SUPPLY CHAIN

RATCH-Australia's direct suppliers are predominantly based in Australia. However, a number of suppliers source and manufacture materials overseas, including from countries classified as a higher risk for the prevalence of modern slavery practices than Australia.

RATCH-Australia's supply chain comprises:

- **Asset management:** Locally based engineers and technicians performing on-site maintenance work under long-term contracts. Contractors may also engage local sub-contractors where required, supplemented with specialist technical expertise, typically sourced within Australia. Equipment and parts may be sourced from overseas.
- **Construction:** Australian-based contractors appointed to manage construction of new projects. Contractors engage Australian sub-contractors for specific tasks such as civil engineering, electrical works and haulage. Equipment, such as wind turbines, is typically manufactured overseas and shipped to Australia.
- **Project development:** Australian-based consultants engaged to provide specialist advice to inform development applications and project feasibility studies.
- **Support services / corporate services:** RATCH-Australia engages some external consultants such as financial and legal consultants to support its activities both at a corporate level and at a project level throughout the life cycle of the project.



# IDENTIFYING MODERN SLAVERY RISKS IN OUR OPERATIONS AND SUPPLY CHAIN

RATCH-Australia conducts its business by prioritising health, safety, the environment and the community, and complies with all labour, employment and whistleblower laws of Australia, across all the states in which we operate.

During this reporting period, RATCH-Australia's modern slavery objective was to deepen our understanding and identification of our modern slavery risks. While we comply with all internal policies and procedures, we acknowledge that modern slavery has the potential to exist in our operations and supply chain through a variety of circumstances.

RATCH-Australia conducted a risk assessment of our operations to identify and consider the risks that could cause, contribute to, or be directly linked to modern slavery practices.

In undertaking this review process, RATCH-Australia's focus was on our largest suppliers by spend. We acknowledge that modern slavery risks are present in all suppliers regardless of spend size. RATCH-Australia will continue to work with suppliers to further understand vulnerabilities and ensure modern slavery risks across our supply chain are minimised. This approach enables us to establish where modern slavery risks exist that can develop in future years to improve business operations.

## OUR SUPPLY CHAIN

RATCH-Australia's operations span the energy and construction sectors. The company has identified the following areas that may pose risks of modern slavery:

- Labour rights, including forced or compulsory labour, wage rights and work hours;
- Occupational health and safety; and
- Labour practices used by manufacturers and their raw material suppliers, including forced or compulsory labour, wage and benefit rights, work hours and child labour (including unskilled, temporary or seasonal labour).

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## OUR WORKFORCE

RATCH-Australia considers the risk of modern slavery in its directly employed workforce to be very low, due to the highly regulated nature of the labour market in Australia. Direct employees work in environments with established industrial processes and procedures in place. Their salaries and workplace conditions are consistent with Australian law and reflective of market practices. Additionally, workplace health and safety is a very important priority at all RATCH-Australia sites.



# ASSESSING AND ADDRESSING THE RISK OF MODERN SLAVERY PRACTICES

## ASSESSING RISKS

- A Modern Slavery Working Group operates that includes representatives from each business unit, to ensure that all modern slavery risks are identified and considered. We followed the approach taken in preparing our 2020 Statement, in actively consulting with our suppliers to not only assess but to understand their operations. Understandably, any business' supply chain can be difficult where there is less visibility of the risks of modern slavery in complex, multi-tiered supply chains that might span across various countries. This complexity can limit the ability to have clear oversight of conditions which in turn can create risks for modern slavery issues.
- RATCH-Australia's commitment to untangling any complexities and better understanding its working relationships with key stakeholders is demonstrated with the recent completion of modern slavery questionnaires and review of modern slavery statements supplied by key suppliers. This process not only allowed RATCH-Australia to better understand suppliers' operations but to assure the company that the organisations undertaking business for RATCH-Australia are committed to mitigating any modern slavery risks and held accountable for any breaches of this Statement.
- Responsibility for assessing modern slavery risks was assigned to an identified individual to enable escalation of concerns and awareness of requirements at the Board level, as well as providing a point of contact for all staff.

- Our suite of risk-related policies and governance control measures was reviewed to ensure that modern slavery risk has been adequately considered and appropriately implemented within the business. Our control measures are reviewed annually and updated accordingly when applicable not only to better ensure a robust organisation but to also mitigate further risks. It will be an ongoing process for the year ahead to continually review our policies in place and ensure compliance.

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## ADDRESSING RISKS

RATCH-Australia has addressed the identified modern slavery risks in the following ways:

- Adapting to market changes and ensuring our policies are aligned with industry and regulatory standards;
- Annually reviewing and publishing a new Supplier Code of Conduct to ensure it is aligned with relevant industry and regulatory standards;
- Updating the Purchase Order Terms and Conditions, which expressly deals with modern slavery;
- Continuing to process our standard procurement contracts by including contractual clauses addressing modern slavery; and
- Provision of modern slavery training to our staff to reinforce our compliance obligations.

We have set out below in more detail what these changes entail.

## REVIEWING POLICIES

RATCH-Australia policies which relate to Modern Slavery are periodically reviewed and considered in light of the development of this Statement. The policies referred to above, Purchase/Service Order General Terms and Conditions and the Supplier Code of Conduct were updated at the time of our last Statement and still align to industry and regulatory standards.

## SUPPLIER CODE OF CONDUCT

In 2020, we developed, published and issued our first Supplier Code of Conduct which sets out:

- RATCH-Australia's commitment to act ethically and with integrity in all our business relationships;
- RATCH-Australia's expectations of its suppliers with regards to modern slavery and other socially responsible procurement practices; and
- the steps that will be taken by RATCH-Australia against suppliers who do not follow these standards.

As a business, RATCH-Australia is continually reviewing its procurement policies and its commitment to improve as a whole. RATCH-Australia will continue to monitor its performance against this Statement. Our people, suppliers, partners and those who represent us are all responsible for making sure we carry out our commitments.

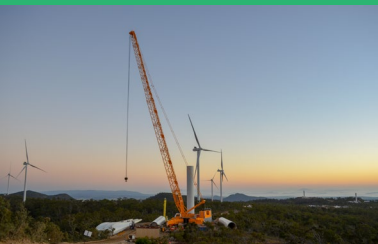
## CHANGES TO STANDARD PROCUREMENT CONTRACTS

RATCH-Australia continues periodically to review its standard form contractual arrangements and procurement processes to include contractual obligations relating to modern slavery compliance, where appropriate.

This includes clauses relating to compliance with the Supplier Code of Conduct, remediation actions including termination or suspension for breach of our modern slavery provisions and providing RATCH-Australia with the right to audit suppliers to ensure compliance with modern slavery obligations.

## IMPLEMENTED TRAINING FOR EMPLOYEES

To ensure awareness of modern slavery risks and to reinforce the standards of conduct expected from RATCH-Australia employees, a refreshed training program was implemented in 2020. Further to that, RATCH-Australia is considering how better to implement ways to create a more collaborative environment for employees to provide feedback relevant to their business line on potential improvements to modern slavery compliance.





## ASSESSING THE EFFECTIVENESS OF OUR ACTIONS

We believe that ongoing assessment of the effectiveness of RATCH-Australia's processes is critical to ensuring accurate, up-to-date and timely information is available and considered by the organisation in relation to modern slavery risks and compliance.

To ensure its actions minimise the risk of modern slavery in its supply chain, RATCH-Australia will continue to:

- **Require that suppliers complete RATCH-Australia's modern slavery questionnaires**

This will be done using the processes that RATCH-Australia developed in 2020 and on the basis of the Supplier Code of Conduct.

- **Closely scrutinise suppliers' responses to modern slavery questionnaires**

Responses to the initial surveys demonstrated that key suppliers have robust policies in place to prevent modern slavery practices entering the supply chain. These include detailed supplier review mechanisms, thorough screening procedures and comprehensive on-boarding programs.

This approach also enables RATCH-Australia to challenge suppliers in cases where procedures are not in place or fit for purpose. Consideration will be given in the coming year to expanding the reach of this effective tool to ensure we understand potential vulnerabilities in our supply chain.





- **Review policies and procedures**

RATCH-Australia will continue to review and refine its policies and procedures to ensure that measures to monitor and minimise the risk of modern slavery are embedded in our business practices. This includes ensuring that existing reporting avenues are sufficiently well adapted to allow the reporting of modern slavery and that the escalation principles enshrined in our whistleblower policy are effective in addressing and potentially remediating modern slavery incidents.

- **Engage with industry forums promoting best practice in this field**

In FY22, RATCH-Australia participated in the Clean Energy Council's Risks of Modern Slavery Working Group. We will continue to participate in relevant industry forums as relevant to our business needs.

- **Train and educate**

Regular training to RATCH-Australia employees on modern slavery risks will be provided so that compliance obligations are communicated to and understood by all members of the business.



## PERFORMANCE

To date there have been no known breaches to this Modern Slavery Statement at any of RATCH-Australia operations or throughout our supply chain.

## CONSULTATION

Yandin Wind Farm, is a joint investment between RATCH-Australia and Alinta Energy, managed by Alinta Energy.

Consultation between relevant personnel of the joint investment venture participants has been conducted. This included a review of the procedures implemented by the managing party to minimise the modern slavery risks associated with this project. RATCH-Australia is satisfied that the manager's processes are robust.

## IMPACT OF COVID-19

The COVID-19 outbreak and subsequent restrictions had a limited effect on RATCH-Australia's operations in 2021. Energy generation was classed as an essential industry, enabling construction and operations to proceed.

Working practices were closely examined and adapted to allow construction, asset management and corporate activities to continue safely, with stringent screening and social distancing measures imposed alongside policies introduced to limit visitors to sites.

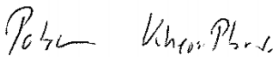
The majority of the workforce at any site that might have been under construction in the period were based in New South Wales and Western Australia respectively, with relatively few interstate workers.

RATCH-Australia's directive for its direct employees during the course of the ever

evolving restrictions imposed in 2021 was in line with State Government mandates: work remotely and minimize exposure. Staff returned to ad-hoc in office working arrangements towards the end of 2021 once certain State Government mandates were relaxed. Staff were consulted as management refined RATCH-Australia's procedures, to ensure they had input into decision making.

## GOVERNANCE

This Statement was approved by the Board of RATCH-Australia Corporation Pty Limited on 29 June 2022 for the year ending 31 December 2021.



**Polagorn Kheosiplard**

**Director and Chief Executive Officer**





**RAC**  
RATCH-Australia Corporation