

# TAIHAN ELECTRIC AUSTRALIA PTY LTD

## MODERN SLAVERY STATEMENT 2021





## Introduction

This modern slavery statement has been prepared by Taihan Electric Australia Pty Ltd (“Taihan”).

Taihan is committed to mitigating the risk of modern slavery occurring within its own business, in its supply chains and through other business relationships.

We understand that modern slavery can take many forms but fundamentally is a range of exploitive practices including human trafficking, forced labour, servitude, deceptive recruiting, and child labour.

We do not tolerate modern slavery and will not knowingly engage with any consultants, suppliers or contractors that engage in modern slavery.

## Purpose

We are committed to having a robust framework and processes in place to minimise the risk of modern slavery in our business operations and our supply chains.

## Our Structure

Taihan (ABN: 90 120 653 250) is a wholly owned subsidiary of Taihan Cable & Solution Co., Ltd. (“Taihan Cable & Solution”). Taihan is headquartered in Chatswood and has been operating in Australia since 2006.

Our main business function is the supply and installation of various cables for major infrastructure projects.

## Operations and Supply Chains

Our registered address and head office is located at Suite 704, 815 Pacific Highway, Chatswood NSW 2067.

We are currently employing various professional roles such as management, HR, accounting and finance.

We also engaged a number of subcontractors during the reporting period mainly to install the cables supplied by us to our customers.

Taihan generally purchases the cables and other raw materials directly from Taihan Cable & Solution.

Our business operations can be summarised into the following categories:

- power cables
- transmission and aluminium conductors
- busduct systems
- telecommunication cables
- copper rods

During the reporting period, our focus has been on two major projects which are summarised as follows:

#### *TransGrid*

Powering Sydney's Future (330kV Transmission Line Project from Potts Hill to Alexandria)

TransGrid has engaged Taihan Electric Australia Pty Ltd (TEA) to design, manufacture, deliver, construct and commission a 330kV Cable System for the Powering Sydney's Future Project which has been identified by the NSW Government as a Project of State Significance. The project will ensure a safe, reliable, and affordable electricity supply for more than 800,000 people working and living in Sydney's CBD and surrounding suburbs.

#### *Ausgrid*

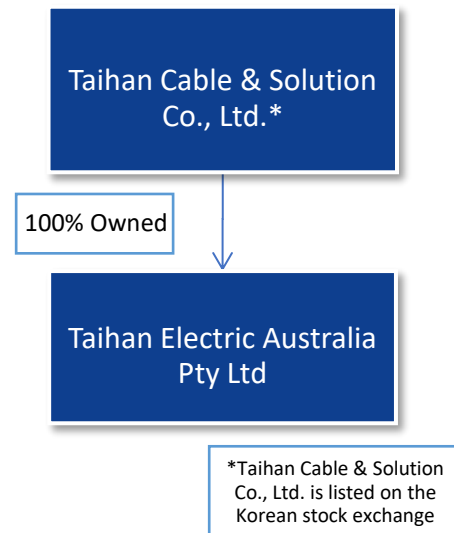
Matraville to Maroubra (132kV Transmission Line Project from Matraville to Maroubra)

The existing cable is approximately 40 years old and is ready to be retired. The project is part of a program to retire fluid filled cables and install brand new power cables across Ausgrid network.

## Reporting Period

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

## Group Structure



## Ethical Framework

In preparing this Statement, Taihan has consulted with Taihan Cable & Solution (its parent company) which fully supports Taihan's commitment to modern slavery in Australia.

This commitment is consistent with the following policies implemented by Taihan Cable & Solution for itself and its subsidiaries:

- Modern Slavery Statement
- The Supplier Code of Conduct
- Ethical Management.

These are explained in more detail below.

## Modern Slavery Statement

*"The Korean Labour Standards Act strictly prohibits slavery and forced labour. The Korean Labour Standards Act also obliges all businesses to have a moral duty to ensure that the goods and services are not products of modern slavery.*

*All companies in Korea are obliged to follow the Korean Labour Standards Act. We, Taihan Cable & Solution Co., Ltd., remain fully committed to ensuring that there is no slavery or human trafficking in our supply chain or in any part of our business, and will continue to commit to the fight against Modern Day Slavery."*

# Taihan Cable & Solution Supplier Code of Conduct

Taihan Cable & Solution's Supplier Code of Conduct aims to ensure that it is a respected company that contributes to the core values of 'human-oriented culture, customer value, and future orientedness'.

The purpose of the Taihan Cable & Solution Supplier Code of Conduct is to define the basic sustainability requirements stipulated for all Taihan Cable & Solution Suppliers. The Supplier Code of Conduct is based on the principles of the United Nations Global Compact and is divided into four sections:

- Human Rights
- Labour Standards
- Environment
- Business Principles

A Taihan Cable & Solution Supplier must confirm compliance with the Taihan Cable & Solution Supplier Code of Conduct by continuously documenting compliance providing information to Taihan Cable & Solution upon request and allowing audits on site by Taihan Cable & Solution or an accredited auditor company representing Taihan Cable & Solution.

If the results of such an audit or inspection leads Taihan to suspect that a supplier is not complying with the Taihan Cable & Solution Supplier code of conduct, the supplier must take the necessary corrective action in a timely manner, as directed by Taihan.

If a supplier fails to comply the Taihan Cable & Solution Supplier code of conduct, Taihan may take action against the supplier, including suspending or terminating the supplier's activities.

The supplier code of conduct is as follows:

## *Human Rights*

Taihan Cable & Solution requires all business in its supply chain to share its commitment to respecting, protecting, and promoting human rights.

At a minimum, the expectation is:

- safe and hygienic working conditions
- no use of child labour
- payment of a living wage
- no excessive working hours
- no discrimination (i.e. race, colour, gender, sexual orientation, marital status, parental status, religion etc)
- no harsh or inhumane treatment

## *Protecting the Environment*

Taihan Cable & Solution recognises the value of the natural environment and strives to ensure the sustainability of the environment in decisions about investment, procurement, and operations. Suppliers must comply with environment laws and regulations and must continue to improve environmental sources to preserve the water/climate atmosphere/soil environment. Taihan Cable & Solution encourages suppliers to include the following in its suppliers environmental management policy:

- Identifying and complying with national environmental laws and regulations
- Monitoring and improving environmental pollution sources
- Minimise resource consumption and minimize waste recycling
- Manage and minimize fuel and energy usage

## *Business Principles*

### 1) Legal compliance

Taihan Cable & Solution suppliers must comply with all applicable laws and regulations in all locations where suppliers conduct business.

In addition to complying with all applicable laws and regulatory requirements, suppliers are expected to act in accordance with high standard of business ethics.

Suppliers of Taihan Cable & Solution agree to safeguard the confidentiality of confidential information concerning Taihan Cable & Solution's business partners and customers, to



issue accurate and relevant financial and other information on Taihan Cable & Solution's business operations, and to compete fairly and ethically in all other aspects.

## 2) Anti-corruption and anti-bribery

The highest standards of integrity are expected from Taihan Cable & Solution suppliers, including their subcontractor and other entities acting on behalf of the supplier in all business interactions.

All forms of extortion, bribery, and corruption, including improper offers of payment to or from employees or organisations, are prohibited.

Taihan Cable & Solution encourages its suppliers to establish and maintain policies and procedures designed to prevent bribery and corruption that are applicable to the supplier and its group companies as well as its suppliers and contractors (if any).

## Ethical Management

As part of its global ethical management, Taihan Cable & Solution's executives and employees are required to fully understand compliance with Anti-Corruption laws and the importance of ethical management and adhere to the basics and principles and practice righteous management.

### *Anti-Corruption Program*

In its code of ethics, Taihan Cable & Solution stipulates the obligation to comply with Anti-corruption Laws such as OECD's International Commerce Bribery Convention and Korea's Act on the prohibition of Unfair solicitation and payment of money etc

Taihan Cable & Solution clarifies detailed standards and guidelines for the Anti-Solicitation Laws, collects third-party violations and conducts regular training. Taihan Cable & Solution has made the executives and employees submit ethical management pledges promising to comply with Anti-Corruption laws.

### *Risk Prevention*

According to the annual audit plan, Taihan Cable & Solution selects high-risk tasks or departments and conducts internal audits on them and continues to check the implementation of previous audit recommendations.

In addition, Taihan Cable & Solution communicated with employees via various channels to improve unreasonable or inefficient works to prevent risk in advance.

### *Promotion of Ethical Management Inside and Outside*

Taihan Cable & Solution sent a letter from its global CEO on the subject of ethical management to its employees in order to emphasise the practice of ethical management. The current status and new cases of ethical management are posted on the company's homepage and groupware to form a consensus on ethical management.

Taihan Cable & Solution has sent disposition forms on the subject of ethical management to its cooperating companies ensuring fair and transparent transaction. With all these initiatives across different communication and promotional channels, Taihan Cable & Solution is improving the ethics of not only its own staff, but also the staff members of cooperating companies.

## Taihan Cable & Solution - Background

Taihan Cable & Solution is approaching its half-century milestone in core competences, accumulating 67 years of excellence.

In 1955, when the national industrial development began, after Korean War, Taihan Cable & Solution Co., Ltd. was established as the first wire and cable company in Korea. During half a century, Taihan Cable & Solution has grown into a global company with high competitiveness in power, communication, and metal industry.

Now, Taihan Cable & Solution is standing shoulder to shoulder with the leading companies in the world in the power and communication cable through its steady improvement in technology and quality.

Cable and metal industries are more meaningful in that every members of society share its value together. Taihan Cable & Solution provides the quality products and services whenever and wherever customers need.

Taihan Cable & Solution is focused on developing and further expanding its involvement in growth industries such as submarine cable, HVDC cable, and renewable energy business.

Taihan Cable & Solution is committed to contributing to the value creation of our customers with the ceaseless change and innovation and maximises the Corporate value through its commitment. We will make every effort to be a company growing with customers.

## Our Commitment to Modern Slavery

We acknowledge that we will:

- Address any modern slavery instances when they occur; and

- Seek to prevent or mitigate any modern slavery instances that are linked (directly or indirectly) to its business operations even where it has not contributed to these any modern slavery instances itself

In addition to working with suppliers and subcontractors in the manufacturing industry, we were supplied with a range of goods and services to support its operations during the reporting period. These suppliers may include:

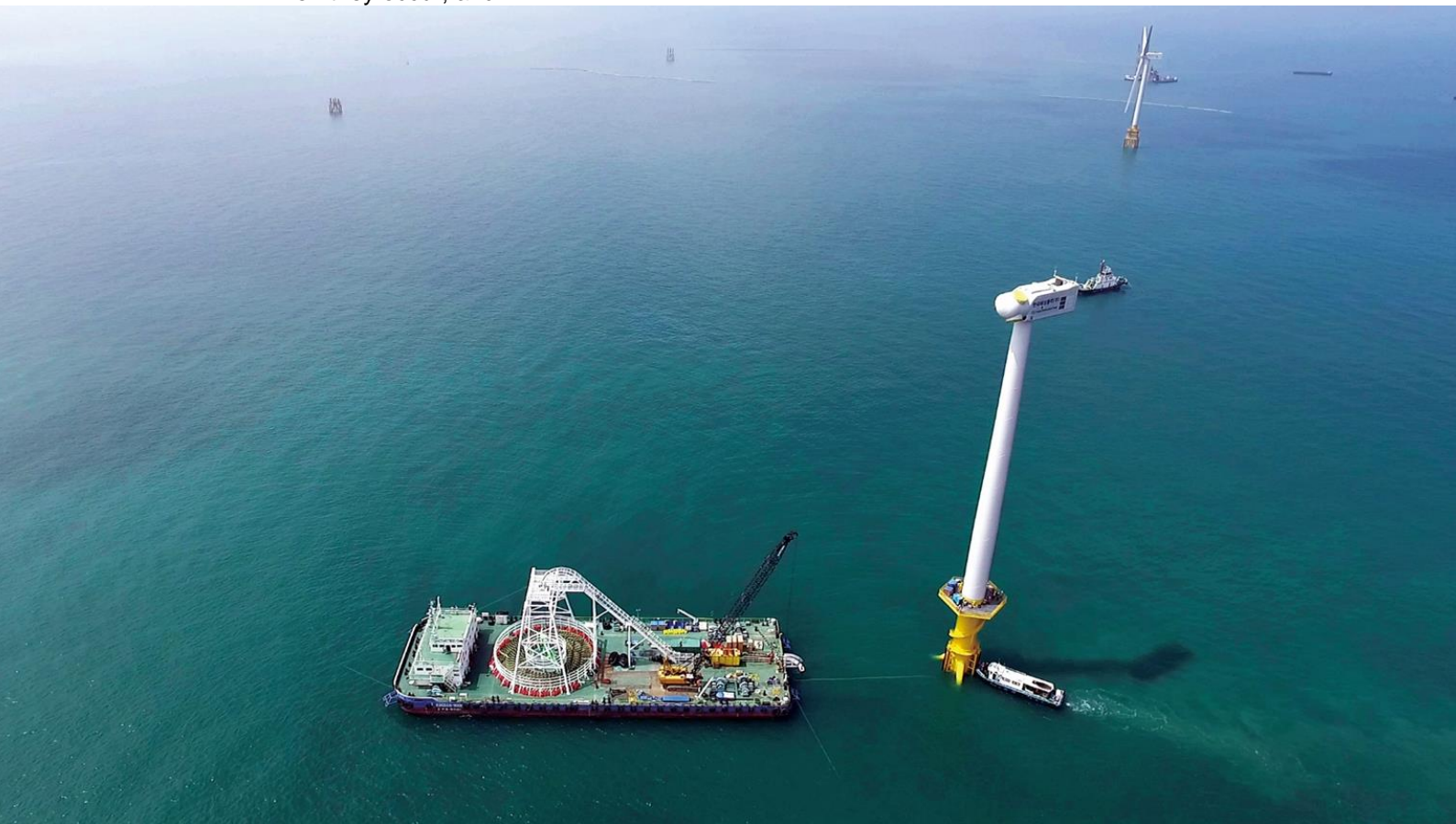
- office and marketing suppliers
- safety personal protective equipment (“PPE”)
- IT consulting
- contractor management
- other professional services

Suppliers of the above services are generally located in Australia.

## Modern Slavery Risks

We are committed to identifying any possible modern slavery risks in our business operations and supply chains.

We acknowledge that in the industry sector and the supply chains we operate in, certain aspects of our business operations and supply



chains may have a higher risk of modern slavery.

We have considered the following factors in evaluating the risk of modern slavery in our operations and supply chains:

- Industry risks – as an organisation that operates in the manufacturing industry, we understand that we are identified as a high-risk industry
- Product and service risks – we further understand that certain products used in our supply chains are identified as high-risk products
- Entity risks –our main supplier is Taihan Cable & Solution and we are not aware of any non-compliance with human rights or labour standards

## **Actions To Be Taken To Assess and Address Modern Slavery Risks**

*Accountability for modern slavery issues, with an identified risk owner*

Taihan acknowledges that it is accountable for addressing modern slavery issues in our business operations and supplier contracts. A nominated resource will be responsible for co-ordinating management of this risk.

*On-boarding and contracting*

Taihan will perform due diligence on all new suppliers to determine their risk level and control procedures in relation to ethical sourcing and modern slavery as appropriate for our business.

Taihan will have a process in place to consider the supplier's ethical sourcing and modern slavery performance during the supplier on-boarding.

*Training*

Taihan will ensure that all employees receive adequate training on its Modern Slavery

Statement and its Modern Slavery Policy and any supporting processes applicable to their role.

*Complaints mechanism*

Taihan will must have an accessible and well-publicised reporting mechanism for concerns or disclosure in relation to modern slavery which allows for confidential and anonymous reporting and provides protection from reprisal. There must be clear processes for investigating and reporting on the issues raised through the reporting mechanism.

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We recognise that our review and assessment of our actions to identify and address our modern slavery risks in our operations and across our supply chain will be an ongoing and evolving process that we are committed to continue to build upon.

In this regard, we have developed annual goals to commit to allow us to look back and assess the effectiveness of our approach and report on our path forward.

## **Minimum Standards Expected of Suppliers and Subcontractors**

*No forced or bonded labour*

Suppliers and subcontractors shall:

- not use any type of forced labour (any work or service extracted from any person under the menace of any penalty, which work has not been freely chosen by the person), bonded labour (work which is not for compensation received by the worker, but to repay a debt, which is often incurred by another person offering the worker's labour in exchange) or indentured labour (in which an employer forbids workers from leaving employment at the worker's discretion);

- respect the freedom of movement of their workers and not restrict their movement by controlling identity papers, holding money deposits or taking any other action to prevent workers from terminating their employment; and
- ensure that workers are free to leave their employer after reasonable notice.

#### *No child labour*

Suppliers and subcontractors must:

- be able to verify the age of all employees to ensure compliance; and
- accept the principles of remediation of child and underage workers, and where such labour is discovered suppliers must establish and implement appropriate remediation for such workers and introduce effective systems to prevent the use of child labour in the future.

#### *Wages, benefits, and transparent record keeping*

Suppliers and subcontractors must comply at a minimum with all laws regulating local wages, overtime compensation and legally mandated benefits. Record keeping must be accurate and transparent.

Workers must be provided with written and understandable information about their employment conditions before they enter employment and about their wages for each pay period.

#### *Working hours*

Working hours must comply with applicable local laws.

Workers should not be required to work more than the maximum hours per week as stipulated by local laws.

Overtime shall be agreed, shall not be excessive, shall not be requested on a regular basis and shall be compensated as prescribed by applicable local laws.

#### *No discrimination*

All conditions of employment must be based on an individual's ability to do the job, not on the basis of personal characteristics, such as gender, ethnic origin, religion, age, disability, personal beliefs, marital status, sexual orientation, union membership or political affiliation.

Suppliers and subcontractors must ensure that they provide an environment where their employees can work without distress or interference caused by harassment, discrimination, or any other inappropriate workplace behaviour.

#### *No harassment or abuse*

Workers shall be treated with dignity and respect.

Suppliers and subcontractors will provide a workplace free from harassment, including physical, sexual, verbal, or visual behaviour that creates an offensive, hostile, or intimidating environment.

## **Working Conditions**

Suppliers and subcontractors shall provide a safe and hygienic working environment that is without risk to health, taking into consideration knowledge of the relevant industry and any specific hazards.

Workers shall receive adequate and regular training to perform their jobs in a safe manner.

Personal protective equipment and machinery safeguards shall be supplied, and workers trained in their use.

Workers have the right to refuse work that is unsafe.

Suppliers and subcontractors must provide each of its workers with a clear, understandable labour contract containing all legally required employment terms, entitlements, and conditions.



## COVID-19 Considerations

We were impacted by COVID-19 during the reporting period. These key impacts included:

- New supply chains were established to source appropriate personal protective equipment, sanitising products and cleaning products; and
- Ensuring health protocols were followed by our employees and subcontractors engaged.

## Approval

This *Modern Slavery Statement 2021* has been authorised and approved by the Board of Directors of Taihan Electric Australia Pty Ltd for the purposes of the Commonwealth Modern Slavery Act 2018 and has been signed on behalf of the Board by Seong Woo Ju, Managing Director on 30 June 2022.



Seong Woo Ju  
**Managing Director**