

**MODERN SLAVERY STATEMENT
HYOSUNG HEAVY INDUSTRIES CORPORATION**

In relation to the period ended 31 December 2024

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1. Overview

1.1 Reporting Entity

Hyosung Heavy Industries Corporation ARBN 649 509 526 ("**Hyosung Heavy Industries**", "**the Company**", "**we**", "**us**" and "**our**") has prepared this Modern Slavery Statement pursuant to the *Modern Slavery Act 2018* (Cth) ("**Modern Slavery Act**") which requires us, as the reporting entity, to disclose our approach to identifying, assessing, and mitigating modern slavery risks in our operations and supply chains which includes our operations in Australia.

Hyosung Heavy Industries is committed to upholding human rights and eradicating modern slavery in all forms, including forced labour, human trafficking, servitude, deceptive recruiting, and child labour. We align our practices with the United Nations Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises. We do not tolerate modern slavery and will not knowingly engage with any consultants, suppliers, or contractors involved in such practices.

Our Australian branch continues to be committed in mitigating the modern slavery risks occurring within its business in Australia, complying with all applicable laws and our Board centred ESG governance framework.

1.2 Reporting Scope

This statement covers the reporting period from 1 January 2024 to 31 December 2024 ("**Reporting Period**") and has been developed in consultation with our Board of Directors, in line with our ESG governance framework.

This statement reports on the risks of modern slavery in the operations and supply chains, and actions to address those risks, in accordance with the reporting requirements under the Modern Slavery Act as set out in Appendix A (Mandatory Reporting Check).

1.3 Reporting Period Review

During the Reporting Period, Hyosung Heavy Industries:

- undertook a review of the modern slavery risks aligned with our business activities for the year;
- evaluated, and where relevant addressed, our organisational approach to modern slavery risk management;
- considered existing, potential or new areas of risk from suppliers and business partners, and where required, considered appropriate action plans; and
- monitored our status of compliance and alignment of disclosure against the above risks and actions taken to mitigate or address such risks.

No instances of modern slavery were detected in our operations or supply chains during the Reporting Period.

2. **About Hyosung Heavy Industries Corporation**

Hyosung Heavy Industries was established in 1962 and is currently a publicly listed company headquartered in Seoul, Republic of Korea. We are a global leader in the engineering, procurement, and construction of power systems, industrial machinery, and infrastructure projects.

2.1 **Business Divisions**

The Company is structured into the following two primary business divisions.

(a) **Power & Industrial Systems Division**

This division specialises in the manufacturing and global distribution of power and industrial equipment, including:

- transformers (high-voltage and ultra-high-voltage);
- Gas Insulated Switchgears ("GIS");
- electric motors and geared systems; and
- chemical process equipment.

Hyosung Heavy Industries is a market leader in Korea for ultra-high-voltage transformers and switchgears, and enjoys strong recognition in international markets for its technological excellence and product quality. The division is also actively expanding into the green energy and intelligent power infrastructure sectors, with new business areas such as:

- Energy Storage Systems (ESS);
- Static Synchronous Compensators (STATCOM);
- IT-based power asset management systems;
- hydrogen refuelling stations; and
- liquid hydrogen solutions.

(b) **Construction Division**

The Construction Division operates across a broad spectrum of domestic and overseas markets, delivering:

- residential and urban renewal projects;
- commercial and office developments;
- civil engineering and environmental infrastructure; and
- Social Overhead Capital (SOC) projects.

2.2 Global Operations

Hyosung Heavy Industries maintains a strong global footprint through our domestic manufacturing facilities and an extensive network of international subsidiaries and branch offices as set out in the table below. This global presence enables the Company to manufacture, sell, and service its products across key international markets.

Our Australia branch, which opened in Sydney in 2015, is primarily engaged in major infrastructure and renewable energy projects, supporting the Australia's transition to sustainable energy solutions.

Table: Global Subsidiaries and Branches

Classification		Location	Branch / Subsidiary
Asia	China	Nantong Hyosung Transformer Co., Ltd.	No.88 Xiaoxing Avenue, Haian Development Zone, Nantong City, Jiangsu Province, China
	India	Hyosung T&D India Pvt. Ltd.	Plot No. IP-11, Khed City, Village Nimgaon, Khed Taluka, Pune 410505, Maharashtra, India
	Vietnam	Hyosung Vina Construction Company Limited.	18th floor, CJ Building, 2Bis-4-6 Le Thanh Ton Street, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam
UK / Europe		Hyosung Vina Industrial Machinery Limited.	N3 Street, Nhon Trach 5 Industrial Zone, Hiep Phuoc Town, Nhon Trach District, Dong Nai Province, Vietnam
	United Kingdom	Hyosung Heavy Industries Corporation UK Branch	15th Floor, CI Tower, St George's Square, New Malden, KT3 4TE, Surrey, United Kingdom
Middle East	Netherlands	Hyosung Heavy Industries R&D Center Netherlands	Utrechtseweg 310 B38, 6812 AR Arnhem, Netherlands
	Saudi Arabia	Hyosung Heavy Industries Corporation Saudi Arabia Office	P.O.Box 2807 Jareer Street, Malaz, Riyadh, Kingdom of Saudi Arabia
North / South America	United Arab Emirates	Hyosung Heavy Industries Corporation Abu Dhabi Office	P.O.Box 133662, Office No.311 A&B, Al Fahim Building, Street No.10, Plot M4, Musaffah Industrial Area, Abu Dhabi, U.A.E
	Kuwait	Hyosung Heavy Industries Kuwait Office	Office No. C, Floor 19, Jasim Tower, Al-Soor St, Block 1, Mirqab, Kuwait
Oceania	United States	HICO America Sales and Technology, Inc.	Three Penn Center West, Suite 300, Pittsburgh, PA 15276, U.S.A.
	Chile	Hyosung HICO, Ltd	2865 Riverport Rd, Memphis, TN 38109, U.S.A.
Africa	Australia	Hyosung Heavy Industries Sydney Office	Office 308, Level 3, Cerro El Plomo 5855, Las Condes, Santiago, Chile
	South Africa	Hyosung South Africa(Proprietary) Limited	Suite 3, Level 3, 201 Miller Street, North Sydney 2060, Australia
			6th Floor, Fredman Towers, 13 Fredman Drive, Sandton, Johannesburg, Gauteng, Republic of South Africa

3. Operations and Supply Chains

3.1 Australian Operations

Hyosung Heavy Industries' Australian operations focus on the delivery of power infrastructure, renewable energy projects, and industrial facilities. Our direct workforce comprises 40 full-time employees in Australia, engaged in engineering, project management, procurement, and corporate functions. All employees are covered by industrial instruments that meet or exceed the National Employment Standards.

3.2 Global Operations and Supply Chains

Hyosung Heavy Industries operates through two main business divisions: the Power & Industrial Systems Division and the Construction Division. The supply chains of each division are structured and managed separately.

(a) Power & Industrial Systems Division

Hyosung Heavy Industries sources raw materials directly from over 1,500 global suppliers, of which approximately 1,200 are based in Korea. The division's international supplier network spans around 40 countries, with key sourcing countries including: China, Vietnam, Germany, India, Switzerland, the United States, the United Kingdom, and Japan.

Key raw materials such as electrical steel and copper products, as well as major design-based components including transformer tanks and welded enclosures for switchgears, are mainly sourced from Korea, China, and other Asian countries. Meanwhile, critical imported components such as bushings, on-load tap changers (OLTC), insulating oils, and insulation materials are predominantly procured from Europe and the United States.

In addition to material suppliers, the division also works with partners that provide services such as installation, maintenance, supervision and commissioning, as well as design, technical services, and subcontracted processing.

Contracts with Korean suppliers are based on the standard subcontract agreement issued by the Korea Fair Trade Commission, while agreements with global suppliers are governed by purchase order-based terms and conditions.

(b) Construction Division

The Construction Division sources a wide range of materials and equipment required for construction sites entirely from suppliers within the Republic of Korea. These materials and equipment sourced include basic construction materials such as steel, concrete, and timber; electrical equipment such as transformers and switchgears; various plant and industrial facilities; safety and environmental protection equipment; and heavy machinery and temporary facility materials.

The Construction Division manages a pool of approximately 2,500 registered Korean

partner companies and enters into subcontracting, procurement, equipment lease, and service agreements with around 400 suppliers annually.

4. Modern Slavery Risks

4.1 Risk Indicators

Hyosung Heavy Industries assesses modern slavery risks using the following indicators:

- country of origin of goods and services provided or received;
- industry sector risk profiles; and
- child labour practices and workforce composition

Hyosung Heavy Industries' **Power & Industrial Systems Division** sources raw materials and components from a global network of suppliers across approximately 40 countries, including China, Vietnam, Germany, India, Switzerland, the United States, the United Kingdom, and Japan. Given the broad geographic distribution of this supply chain, we acknowledge the potential risks of modern slavery practices such as forced labour, child labour, and other forms of involuntary or exploitative labour. These risks are considered particularly significant in countries with weak labour rights protections. Accordingly, the identification and management of modern slavery risks have been focused primarily on the Power & Industrial Systems Division.

As the **Construction Division** procures all materials exclusively from suppliers in Korea, the potential risks of modern slavery practices such as forced labour, child labour and other forms of involuntary or exploitative labour are assessed as being low.

4.2 Risk Assessment

Hyosung Heavy Industries conducts assessments on all suppliers within the Power & Industrial Systems Division to determine whether they have any record of forced labour or child labour, including screening against blacklisted entities. In addition, the company evaluates whether any suppliers engage in non-voluntary forms of labour.

Particular attention is given to conflict minerals, which are associated with high risks of modern slavery. For materials such as tin (used for plating) and tungsten (used for welding), Hyosung requires suppliers to submit a Conflict Minerals Reporting Template to confirm that these minerals are not sourced from conflict-affected or high-risk areas. The Company also investigates the use of conflict and responsible minerals across all suppliers. To date, no modern slavery-related risks have been identified.

5. Actions Taken to Address Modern Slavery Risks

5.1 Policy Framework

Hyosung Heavy Industries is committed to promoting and protecting human and worker rights across its operations and supply chain.

To support this commitment, we have implemented a comprehensive set of human rights policies designed to safeguard the rights of both internal and external stakeholders, including employees and suppliers. These include the Human Rights Policy, the Policy to Support the Elimination of Forced Labor and Human Trafficking, the Anti-Discrimination and Harassment Policy, and the Diversity, Equity, and Inclusion Policy.

After the end of the 2024 financial year, in January 2025, we reinforced this commitment by publicly announcing our Human Rights Management Declaration, signed by the CEO. This declaration affirms Hyosung's full support for internationally recognized human rights standards, including the UN Guiding Principles on Business and Human Rights, the Universal Declaration of Human Rights, the International Labour Organization conventions, and the Korean Labor Standards Act.

We regularly review and update our human rights policies to ensure they remain aligned with evolving global standards and best practices, continuously strengthening our commitment to human dignity and social responsibility across our business ecosystem.

5.2 Supply Chain Compliance

Hyosung Heavy Industries has established a Supplier Code of Conduct, which prohibits the use of forced labour and conflict minerals and outlines broader ESG-related compliance requirements. This Code is incorporated into all contracts as a signed declaration, requiring suppliers to acknowledge and manage compliance voluntarily. Where necessary, the Hyosung Heavy Industries reserves the right to verify adherence through on-site audits. The Sydney branch does not maintain a separate supply chain and operates within the supply chain managed by Hyosung Heavy Industries' head office. Accordingly, the Supplier Code of Conduct applicable to this supply chain applies equally to the Sydney branch.

Each procurement department is responsible for identifying and managing potential supply chain risks independently. For critical issues, updates and compliance status are reported to the Supply Chain Management Committee, which operates under the CEO. In addition, materiality assessments are conducted for supply chain-related issues. The results are reported to the company's ESG Management Promotion Committee, its highest decision-making body for ESG matters, and if necessary, escalated to the Board of Directors for review and decision-making. Supply chain-related issues involving the Sydney branch are addressed through the same committees and reporting lines.

Through this comprehensive governance framework of risk evaluation, supplier due diligence, and internal reporting systems, Hyosung Heavy Industries ensures that modern slavery risks to which it and its Sydney branch may be exposed are proactively managed and that its supply chains operate in an ethical and responsible manner.

6. Measuring Effectiveness

6.1 Forms of Assessment

Hyosung Heavy Industries measures the effectiveness of its actions through:

- annual ESG inspections of business sites and suppliers;
 - monitoring and follow-up of improvement actions where risks are identified;
 - regular review and update of policies and procedures;
 - tracking supplier compliance and feedback through surveys and questionnaires; and
 - ongoing training and awareness initiatives for employees and partners
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7. Consultation and Approval

7.1 Consultation

The human rights impact assessments of Hyosung Heavy Industries are conducted by external professional organisations and cover employees at the Company's headquarters and Korean business sites. The results of the assessments and the status of mitigation measures are reported to the Risk & Compliance Management Committee and the ESG Management Promotion Committee, which is chaired by the CEO.

The Company is also considering submitting these matters periodically to the ESG Management Committee, a sub-committee of the Board of Directors.

7.2 Approval

This Modern Slavery Statement was approved by the Board of Hyosung Heavy Industries Corporation Branch in their capacity as principal governing body for the purposes of the Modern Slavery Act on 30 December 2025.

This Modern Slavery Statement for Hyosung Heavy Industries Corporation was approved and signed by Jaeha Jun, Branch Manager of Hyosung Heavy Industries Corporation Sydney Office, on behalf of the Board on 30 December 2025.

A handwritten signature in black ink, appearing to read 'J. Jun', with a long horizontal stroke extending to the right.

Appendix A

Mandatory Reporting Check

No.	Criteria	Reference in Report
1.	Identify the reporting entity	Section 1 (Overview)
2.	Describe the reporting entity's structure, operations and supply chains	Section 22 (About Hyosung Heavy Industries Corporation) Section 3 (Operations and Supply Chains)
3.	Describe the risks of modern slavery practices in the operations and supply chains of the reporting entity and any entities it owns or controls	Section 4 (Modern Slavery Risks)
4.	Describe the actions taken by the reporting entity and any entities it owns or controls to assess and address these risks, including due diligence	Section 5 (Actions Taken to Address Modern Slavery Risks)
5.	Describe how the reporting entity assesses the effectiveness of these actions	Section 6 (Measuring Effectiveness)
6.	Describe the process of consultation with any entities the reporting entity owns or controls (a joint statement must also describe consultation with the entity giving the statement)	Section 7 (Consultation and Approval)
7.	Any other relevant information	Section 1.3 (Reporting Period Review)