



## **Modern Slavery Act Compliance Statement**

**By Doosan Power Systems SA and its subsidiaries**

This statement is made pursuant to the provisions of the Modern Slavery Act 2015 and constitutes as Doosan Power System SA's and its subsidiaries' ("Doosan") the compliance statement for the financial year ending 31 December 2018.

### **Introduction**

Doosan understands and acknowledges the increasing global problem of slavery, servitude, forced labour and human trafficking ("Modern Slavery") and takes action to promote ethical business practices and policies that protect workers from being abused and exploited in its organisation and global supply chains. Doosan has a zero tolerance to these illegal and immoral practices.

In this statement, Doosan details its actions to address the issues of Modern Slavery in its organisation, supply-chain and other stakeholders during the past financial year as well as its plans moving forward in order to further strengthen its efforts to combat Modern Slavery. Doosan aims to build on what it is doing year on year.

Doosan is an engineering, construction and services company engaged in the power, chemical, industrial, pharmaceutical and oil & gas sectors. It is incorporated in Luxembourg and is registered as a foreign company in the United Kingdom. Doosan has subsidiaries in Europe and the Middle East. Among the subsidiaries of Doosan is Doosan Babcock Limited, a company registered in the United Kingdom. Doosan through its subsidiaries is engaged in projects all over the world and has a global supply chain and understands that it has a responsibility to prevent Modern Slavery practices wherever it conducts its activities especially in areas of significant risks to Modern Slavery.

### **Policies and Procedures in relation to Modern Slavery**

Doosan has in place a Code of Conduct Policy (the "Code") which governs the practices of the company, its subsidiaries and all of its employees. The Code promotes honest, transparent and fair business practices by Doosan and its employees in its business relationships with clients, suppliers, subcontractors and third parties. The Code contains the guiding principles for all of Doosan including its subsidiaries worldwide. Doosan understands that abiding by the Code is indispensable to realizing its vision for the future as well as carrying out its social responsibility.

The Code mandates that Doosan employees comply with all existing laws and regulations including the Modern Slavery Act 2015. It includes a policy on Corporate Culture that prohibits any form of abusive practices by the company and its employees. It further includes Integrity, Anti-Competition, Anti-Bribery and Anti-Tax Evasion policies which enforce Doosan's mandatory principles of honesty and fair business practices. The Code also includes a policy on Corporate Social Responsibility promoting fair and responsible dealing by Doosan and its commitment to contribute to the economic development and enhancing the quality of life of its employees, local communities and society.

Doosan has in place a Whistleblowing policy that encourages its employees and other interested parties to report violations of the Code and existing laws and regulations to Doosan's designated Code of Conduct Manager.

Through consistent monitoring and inspection, Doosan ensures that all its work sites are free from illegal and Modern Slavery practices.

### **Supply Chain**

Doosan's standard supplier contracts require its suppliers and sub-contractors to comply with existing and applicable laws and regulations which include compliance with the Modern Slavery Act 2015. These further contain clauses providing for the obligations under the Anti-Bribery Act 2010 and enforcement and termination clauses in case of violation by the supplier or subcontractor.

Doosan carries out supplier due diligence pursuant to responsible procurement policies and conducts pre-contract checks using relevant criteria to ensure its suppliers and subcontractors are honest, transparent and reliable as well as have fair business practices. Doosan retains a preferred supplier list for suppliers and subcontractors which have proven their competence and integrity.

### **Reporting**

Doosan has a system for internal reporting related to status of work, working conditions on site, inspections of work and production areas as well as assessments of the performance and compliance of suppliers and subcontractors with its contracts and legal requirements. Doosan's employees are encouraged to report any violations of laws, contractual obligations and the Code to Doosan's management through Doosan's general policies of transparency, integrity and open communication. Doosan's Whistleblowing policy compliments its openness and transparency principles so that every Doosan employee will not be deterred or discouraged from reporting any violation or breach by any person.

### **Training**

Doosan's employees undergo mandatory training on the company's Code and compliance is closely monitored by the Human Resources Department in coordination with Doosan's Code of Conduct Manager.

Periodically, Doosan improves its training courses to reflect changes in the law, technology and business practices.

### **Compliance Actions for the 2019 Financial Year**

Doosan wishes to further strengthen its commitment to fight Modern Slavery in the year 2019 and intends to review and update its Code and training to further develop its policy against Modern Slavery. Further, Doosan's mandatory training on the Code will be updated to include the policy on Modern Slavery to ensure its employees are aware of Doosan's and their rights and obligations under the Modern Slavery Act 2015.

Doosan's supplier and subcontractor contracts will be reviewed to strengthen, as necessary, its non-negotiable clauses on compliance with the Modern Slavery Act 2015, the violation of which will allow Doosan to terminate its contracts with suppliers and subcontractors.

Doosan will continue to follow best practice and will reinforce its efforts on staff training and supplier assessments, various inspections and coordination with local authorities to ensure that it is doing what it can to help and actively contribute to the global fight against Modern Slavery.

### **Approval**

This statement was approved by the Board of Directors on 20 February 2019.

A handwritten signature in black ink, appearing to read 'Kang, S.J.', written over a horizontal line.

Suk Joo Kang  
Director