Modern Slavery Statement

2025



CONTENTS

Acknowledgement of Country 3
Statement on the Reporting Entities 3
Foreword by Managing Director 4
Varley Group Structure 5
About the Varley Group 6
Varley Defence 7
Varley Vehicles 7
Varley Services 8
Varley Systems 8
Subsidiary Brands 9
SEM Fire and Rescue 9
Varley Electric Vehicles - EMC 9
Norship 9
Integrated Design & Engineering Solutions 9
Norsta Maritime 9
Norsta North 9
Introspectus 9
Frame Group 9
Custom Quip Engineering 9
Consultation 10
Mergers & Acquisitions 10
Modern Slavery Risk Management 11
Modern Slavery Risk Management 12
Assessment of Risk of Modern Slavery 13
Varley Group Global Supply (2025) 15
Effectiveness of Approach 16
Future Actions to Assess Modern Slavery Risk 16

Registered Office

21 School Drive
Tomago NSW 2322

Acknowledgement of Country

Varley Group acknowledges and pays respect to the Traditional Custodians of Country throughout Australia and recognises their continuing connection to land, waters and community. We pay our respects to their Elders, past, present, and emerging.

Statement on the Reporting Entities

This statement has been published in accordance with the requirements of the *Modern Slavery Act 2018* (Cth) (the **Act**). It identifies the steps taken by Varley Group to identify, mitigate and prevent modern slavery and human trafficking in its business and supply chains during the period 1 January 2025 and 31 December 2025.

The following Varley Group entities are considered reporting entities under the Act:

- Coign Pty Limited ACN 142 667 043;
- Varley Group Pty Limited ACN 629 995 820; and
- G.H. Varley Pty Limited ACN 000 005 318.

The Varley Group also incorporates the following subsidiaries, on behalf of which Varley Group makes a voluntary declaration:

- Varley Holdings Pty Limited ACN 008 464 935;
- Varley Property Pty Limited ACN 090 568 728;
- Varley Electric Vehicles Pty Limited ACN 124 264 035;
- Varley Services Pty Limited ACN 062 906 352;
- Varley Specialised Vehicles Pty Limited ACN 086 435 369;
- Varley Defence Pty Limited ACN 630 262 994;
- Norship Pty Limited ACN 010 555 549;
- Norsta Maritime Pty Limited ACN 648 390 130;
- Norsta North Pty Limited ACN 660 979 644;
- Varley Power Services Pty Limited ACN 097 346 435;
- SEM Holdings Australia Pty Limited ACN 130 263 544;
- Integrated Design & Engineering Solutions Pty Limited ACN 100 616 868;
- SEM Fire & Rescue Pty Limited ACN 076 347 889;
- Varley Systems Pty Limited ACN 632 375 016;
- O'Nuallain Holdings Pty Limited ACN 619 932 464;
- MBITS Pty Limited ACN 123 920 481;
- Introspectus Pty Limited ACN 619 953 187;
- E8 Group Pty Limited ACN 116 861 244;
- The Frame Group Pty Limited ACN 095 369 403;
- CQE Varley Pty Limited ACN 678 297 473;
- Custom Quip Engineering Pty Limited ACN 116 132 435;
- CQE Trailer Rentals Pty Limited ACN 126 959 046; and
- R & C Engineering Pty Limited ACN 109 706 050.

Foreword by Managing Director

The Varley Group aspires to show leadership on serious social issues, by always doing business responsibly. We aim to protect our people and the communities and the environments in which we and our supply chains operate. Varley continuously monitors its systems and processes to ensure they are working to mitigate risks and prevent modern slavery in our operations and supply chain.

Working against modern slavery and human trafficking in all forms aligns with the core values of the Varley Group:

- *Safety* – maintain a safe and healthy workplace for all employees in compliance with al applicable laws and regulations;
- *Customer-focused* – we provide the best customer service through open and honest relationships;
- *Quality of workmanship* – we take price in our work to ensure we provide high quality produces, services and employees;
- *Acceptance of change* – we adopt to changes in customer needs, technology and social media demands;
- *Success* – we secure continuing financial, technical and market success.

The Varley Group is fully committed to operating responsibly and upholding high ethical standards, particularly in areas where there may be a risk of modern slavery. We recognise that modern slavery is a complex and evolving issue, and as our business continues to grow, so too does our awareness of the potential risks.

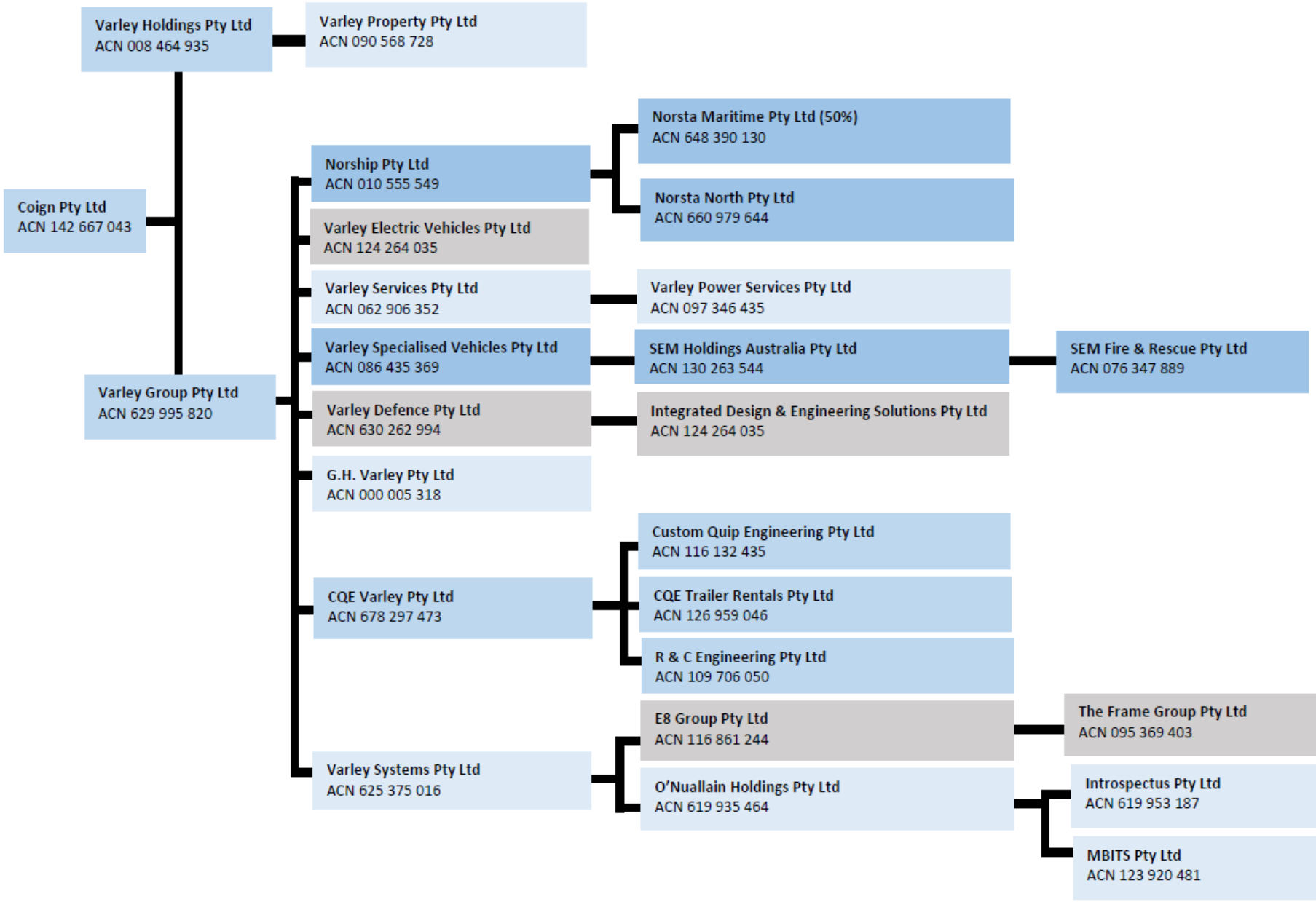
This Statement is made in accordance with the *Modern Slavery Act 2018* (Cth) and constitutes the Varley Group's Modern Slavery Statement for the reporting year commencing 1 January 2025 and ending 31 December 2025.

This Statement has been approved by the Varley Group Board of Directors.

Jeffrey Phillips
Managing Director
Varley Group
21 September 2026



Varley Group Structure



About the Varley Group

Founded in 1886, Varley Group is one of Australia's leading engineering and manufacturing companies, delivering turnkey solutions across sectors including defence, emergency services, healthcare, mining, marine, rail, and renewable energy.

As a recognised Australian Defence Prime, Varley maintains high industry standards through ISO 9001:2015 certification, Defence Industry Security Program membership, and National Institute of Standards and Technology 800-171 compliance.

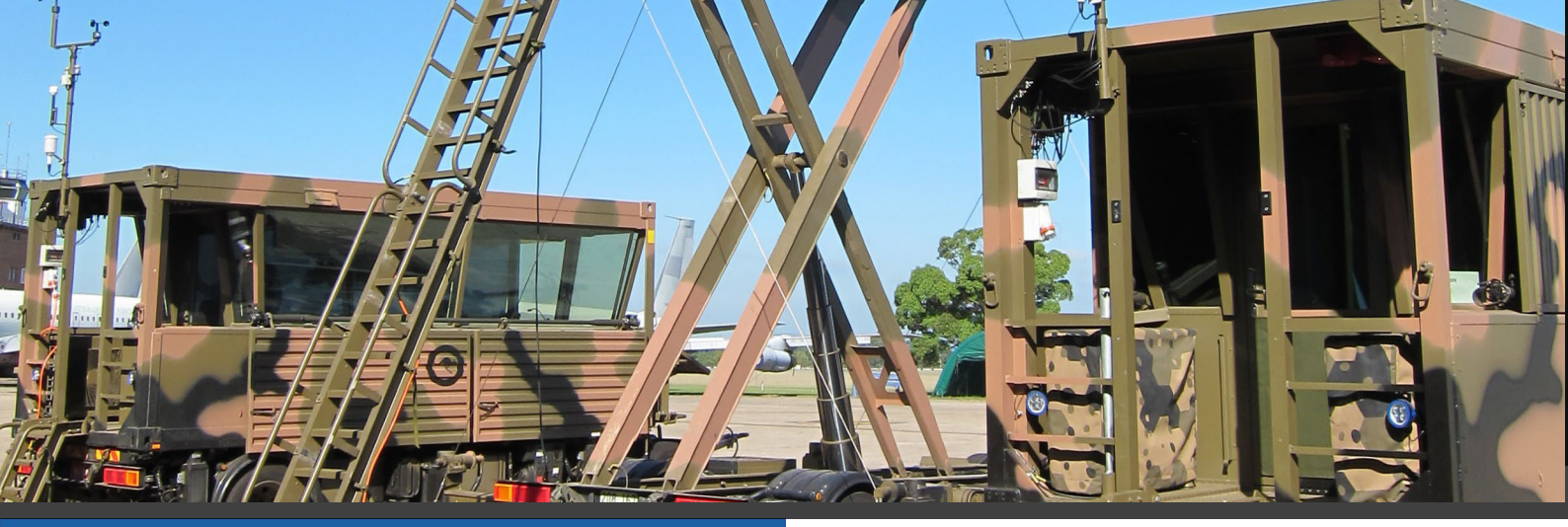
With over 1,200 employees, more than 20 service locations, and seven major manufacturing sites nationwide, Varley has the scale and capability to deliver complex projects efficiently. Operating through four core divisions — Varley Defence, Varley Vehicles, Varley Services, and Varley Systems — the Group provides a broad range of manufacturing, engineering, repair, and maintenance services to customers ranging from individuals to governments and global corporations.

Driven by a customer-focused approach and a highly skilled workforce, Varley continues to deliver innovative solutions across domestic and international markets.









Varley Defence

‘Design, Manufacture and Support of Innovative Solutions’

With over 30 years of operating in the Defence section, Varley Defence has become a leading Australian engineering and manufacturing firm, achieved global recognition for its highly skilled and diverse workforce, and for delivering innovative solutions across land, air, sea, space and cyber domains.

Our business specialises in design, manufacture, integration and sustainment. Our offerings include Deployable Military Shelters, Containerised Mission and Support Systems, Specialised Vehicles and Trailers, Aircraft Maintenance Docking Systems and Ground Support Equipment, Marine Watercraft, Ship Building, Maintenance and Repair, and ACSC-endorsed INTROSPECTUS® for Essential Eight compliance.







Varley Vehicles

‘Vehicle Solutions that Work for your Business’

With over 60 years of dedicated industry experience, Varley Vehicles has supplied government and commercial organisations with customised vehicle solutions.

Ranging from one-off builds to whole fleets, Varley Vehicles’ highly skilled team work with our customers from engineering, design, manufacture, through to delivery, ensuring all functional, operational and aesthetic expectations are met.

Developing a superlative platform in design and build methodology, Varley is recognized as providing exceptional customer focus, efficiency and quality certified products.

Our business integrates complete design, manufacturing, integrations and installation of solutions and concepts for a range of vehicles which include service trucks, utes, pods and vans, fire appliances, ambulances, health and community vans and trailers, mobile clinics, libraries and promotional vehicles, law enforcement vehicles, refrigeration vehicles, buses and coaches.

Varley Vehicles service also extends into vehicle refurbishment and testing for vehicle compliance.



Varley Services

‘Servicing Industries that Empower Australia’

Varley Services encompasses a broad range of work that enable Varley to provide incomparable serviceability to the energy and resources, marine, infrastructure and transport industries as a major supplier.

Since Varley’s founding in 1886 we have continued with our initial core ship repair services which today has expanded and diversified to marine and industrial services for ship repairs and marine salvage services, rail and hi-rail builds, maintenance and certifications, power, electrical, line boring, pumps and special projects.

With our diverse workforce we draw on a vast spectrum of skilled people including technical personnel, engineers, and support staff, enabling the company to carry out work in all areas of general and specialist areas throughout Australia.



Varley Systems

‘Sovereign Cyber and Technology for Government, National Critical Industries and Enterprise’

Varley Systems was founded in November 2021 to further diversify and grow Varley Group.

Through partnership with Introspectus we have quickly developed expertise in cyber, ensuring Varley Group has sovereign capability across operational domains including Land, Air, Sea and Cyber.

The acquisition of Frame Group in 2023 brought 20 years’ experience in technology, consultancy, project and managed services to Varley Systems.

Varley Systems has cyber specialists, business analysts, ICT consultants, project managers, software engineers, solution architects and systems engineers ready to serve our diverse portfolio of customers across government, national critical industries and enterprise.

Subsidiary Brands

SEM Fire and Rescue

semfr.com.au

SEM Fire and Rescue are specialist vehicle design and builders for the Australian and overseas market for front line rescue situations, including water rescue, control and a range of fire and rescue operations including, forest fire, house fires and commercial properties in and around Victoria, Australia.

Varley Electric Vehicles - EMC

varleyelectricvehicles.com.au

Varley Electric Vehicles is the largest electric vehicle manufacturer and supplier in Australia and has developed a reputation for producing and distributing world-class electric low speed vehicles and associated products.

Norship

norship.com.au

Norship have a 70 year history across the marine, manufacturing and engineering sectors. Their capabilities extend from concept, design, prototype, to construction, maintenance support through to docking, emergent repairs, complete refits and disposals.

Integrated Design & Engineering Solutions

ides.com.au

At IDES our experienced designers, engineers and project managers deliver optimum product solutions, while considering the often conflicting demands of project schedules, cost efficiency and design optimisation. IDES utilises advanced engineering and systems Integration to deliver operational capability outcomes.

Norsta Maritime

norsta.com.au

Norsta Maritime is a partnership between Tropical Reef Shipyard and Varley-owned Norship, providing maintenance and sustainment services for Defence and commercial clients. Norsta Maritime is the Regional Maintenance Provider – North East for the sustainment of the Australian Naval fleet in Cairns.

Norsta North

norsta.com.au

Norsta North is a wholly-owned subsidiary of the Varley Group, and sister organisation to Norsta Maritime, that provides maritime sustainment expertise to the northern regions of Australia. Norsta North is the Regional Maintenance Provider – North for the sustainment of the Australian Naval fleet in Darwin.

Introspectus

introspectus.com.au

Introspectus is powerful cyber security and data analytics software that provides organisations of all sizes with visibility into who is using applications, when they are using them, and for how long. This information can then be used by the organization to make evidence-based decisions.

Frame Group

framegroup.com.au

The Frame Group was established in 2000 to address the demand for independent, high-quality information and communication technology services – a demand which still exists today. Frame provides the insight and clarity required to excel in today's challenging business environment.

Custom Quip Engineering

customquip.com.au

Custom Quip Engineering (**CQE**) designs and manufactures custom built transport and agricultural equipment, including steel and aluminium tipping trailers, tankers, flat tops, drop decks and dollies. CQE also provide servicing, repair and maintenance to transport, agricultural and mining equipment, in-house blast painting services and heavy transport trailer rentals.

Consultation

This Statement was developed through a consultation process across the Varley Group. A final draft of the Statement was made available to each of the reporting entities, and the majority-owned and controlled entities voluntarily reporting through this Statement, prior to lodgement and publication.

The executive team, together with key senior management team members, worked together to appropriately identify the modern slavery risks related to each entity, and to assess and address these risks if necessary. Consultation was undertaken in a cross-functional process involving the Group Chairman, Group Chief Financial Officer, Group General Counsel and Group People Officer, and was endorsed by all divisional CEO's.

This process included:

- Identification of the modern slavery policies utilised by all entities comprising Varley Group, ensuring they are available to all personnel employed in or engaged by those entities.
- A self-assessment questionnaire for entities and their biggest suppliers designed to support the identification of modern slavery risks and foster collaborative efforts to address these risks.
- Providing guidance on each entity's risk levels and possible action to mitigate these identified risks areas

Our broad consultation process ensures that Varley Group entities and their respective employees are aware of our commitments on modern slavery and how they can support program implementation, improve transparency, and identify areas for further due diligence.

Mergers & Acquisitions

Varley Group is currently in a growth phase, with increasing operational scale, supplier engagement and governance requirements across the Group. Although Varley did not complete any new acquisitions during the reporting period, we continued to focus on embedding consistent modern slavery risk management practices across newer subsidiaries and integrating them into Varley Group's broader governance framework.

During this period, this work included aligning expectations across relevant business units, reinforcing procurement and supplier management processes, and continuing to build awareness of modern slavery risks among personnel involved in supplier engagement, labour hire, recruitment and operational delivery. This remains a staged process, reflecting the need to balance Group-wide consistency with the practical operating requirements of each business.

Our focus for the next reporting period is to continue bedding down these practices across the Group, including by improving supplier risk visibility, strengthening contract controls where appropriate, and supporting newer subsidiaries to adopt consistent reporting, escalation and due diligence processes. This work is intended to help Varley Group maintain a more consistent and mature approach to identifying, assessing and addressing modern slavery risks as the Group continues to grow.

Modern Slavery Risk Management

‘Our Approach’

Varley Group’s approach to modern slavery risk management is multifaceted, and guided by our policies and commitments. Our intention is to carry out due diligence in a systematic and consistent manner, and as a part of our everyday tasks in running our business.

Our due diligence is a continual process of identifying risks and impacts to people, taking action to address these risks and impacts, and accounting for how we respect human rights in practice.

1. Identify and assess risks

a. Ongoing risk assessments with suppliers

b. Conduct due diligence of potential suppliers, stakeholders and other business partners

c. Applying continuous improvement to our supplier due diligence checks for review and onboarding

2. Take action to address the risks

a. Ensuring policies and procedures are continually reviewed and updated, as appropriate

b. Complying with contractual obligations

c. Supply chain monitoring

3. Track, analyse and communicate

a. Reporting against Australia’s Modern Slavery Act

b. Responding to grievances and questions raised by stakeholders including customers, employees and shareholders, as and when they arise

4. Training and engagement

a. Internal training and review for the Varley Group board, as well as those employees in the Group with buying and procurement responsibilities

b. Training including understanding workers’ rights and employer responsibilities

c. Communicate procedures, policies and screening requirement updated to employees

Modern Slavery Risk Management

‘Varley Sustainability Program’

Varley Group’s activities this year were centred on continual improvement and embedding of our modern slavery program into everything we do at Varley Group.

The program has been coined the ‘Varley Sustainability Program’, or ‘VSP’, which communicates the foundations of our respect for human rights principles, and are designed to ensure our operations and our suppliers protect these rights. Our policies support our commitment to upholding our ethical commitment to eliminating Modern Slavery within our society.

Policies are communicated to employees through the company intranet, email, training modules, inductions and other forms of multi-media (such as videos) on Varley Group’s commitments.

The VSP comprises the following:

Modern Slavery Statement

Varley Group’s Modern Slavery Statement, which is updated annually to ensure it remains relevant and achievable.

Operating Systems

Continuous improvements to internal operating systems used to defines our standards, values, and expectations for how we operate as a business.

Supplier Sustainability Code

The Supplier Sustainability Code outlines our standards and business practice expectations for suppliers to align themselves with, and includes provisions for preventing forced labour practices and exploitation within our supply chain;

PreVent

Varley Group’s program and training policy which governs our whistleblower and grievance mechanisms and processes, and clearly defines our investigation and escalation processes. The policy prohibits any retaliation against those that report issues of misconduct within our operations and across our supply chain.

Audit Process

Our modern slavery policy and audit process demonstrates Varley Group’s position in relation to zero tolerance for any form of bribery or corruption.

Assessment of Risk of Modern Slavery

For the purposes of defining modern slavery, Varley Group refers to the Modern Slavery Act, which characterises modern slavery as situations in which offenders use coercion, threats or deception to exploit individuals and deprive them of their freedom. This includes practices such as human trafficking, slavery, servitude, forced labour, debt bondage, forced marriage and child labour.

Varley Group acknowledges that modern slavery risks may exist where our business causes, contributes to, or is directly linked to such practices through our operations and supply chains. We further recognise that the level of risk within our supply chains is influenced by a range of factors, including geography, industry, sector and product-specific considerations.

Varley Group has implemented a multidimensional approach to the identification and prevention of modern slavery across our business operations and supply chain. In 2025, we undertook the following actions to strengthen our understanding, governance and oversight of modern slavery risks:

Staff Training

Modern slavery awareness training has been developed for Varley Group employees. This training has been rolled out to Varley Group employees in relevant roles. There is ongoing refresher training for current employees and training for new starters.

Policies and Procedures

Varley Group's policies and procedures both inward and outward facing have been updated to incorporate modern slavery awareness, including:

- Code of Conduct
- Varley Group Supplier Ethical Sourcing Guiding Principles
- Varley Group Sustainability and Ethical Sourcing Procedure
- Modern Slavery Policy
- Whistleblower Policy
- Conflict Minerals Policy

Reporting

Varley Group has an established Whistleblower Policy and process which ensures that both employees, suppliers, customers and others out-with the Group can raise concerns regarding serious misconduct or improper circumstances (including illegal, corrupt or other inappropriate conduct) with protection from victimisation, harassment or discriminatory treatment.

Procurement Documentation and Contracts

We have embedded modern slavery clauses into both our procurement and sale documentation and contract terms. Varley Group's current and prospective suppliers are asked to read and sign up to the Varley Group Ethical Sourcing Guiding Principles before they are accepted as a supplier. These principles incorporate modern slavery and are available on our Supplier and Contractor Hub on our website.

Remediation

Where Varley Group identifies risk of modern slavery practices in its supply chain, trading with the supplier will be suspended until Varley Group is satisfied that the supplier has addressed and/or eliminated the risk.

Internet

Varley Group's commitment to modern slavery prevention is included in information on our public websites for both existing and potential future suppliers.

HR and Recruitment Practices

Varley Group has implemented policies and procedures aimed at preventing modern slavery within its workforce. Most trade employees are engaged under Enterprise Agreements, while professional employees are employed under individual contracts incorporating the requirements of the *Fair Work Act 2009 (Cth)*. All employees have the right to join a union if they wish.

Due to challenges in recruiting locally, some Varley Group subsidiaries have engaged a small number of offshore workers to provide administrative and accounting support. To facilitate this, Varley Group has used an Australian-based resourcing contractor that is compliant with Australia's modern slavery legislation and conducts regular audits of its suppliers and employees.

Through this process, Varley Group seeks to ensure that all workers engaged in providing services to the business, regardless of geographic location, are fairly remunerated and work in safe, lawful and ethical conditions. Varley Group has zero tolerance for forced labour, child labour, human trafficking and any other practices associated with modern slavery.

Supply Chain Analysis

Procurement is managed at the divisional level and supported by a consistent organisation-wide approach to managing modern slavery risks within the supplier base. This includes strategic sourcing practices, supplier assessment processes and onboarding procedures. Once a supplier has been onboarded, the business unit engaging that supplier is responsible for ongoing oversight, including the management of any identified modern slavery risks.

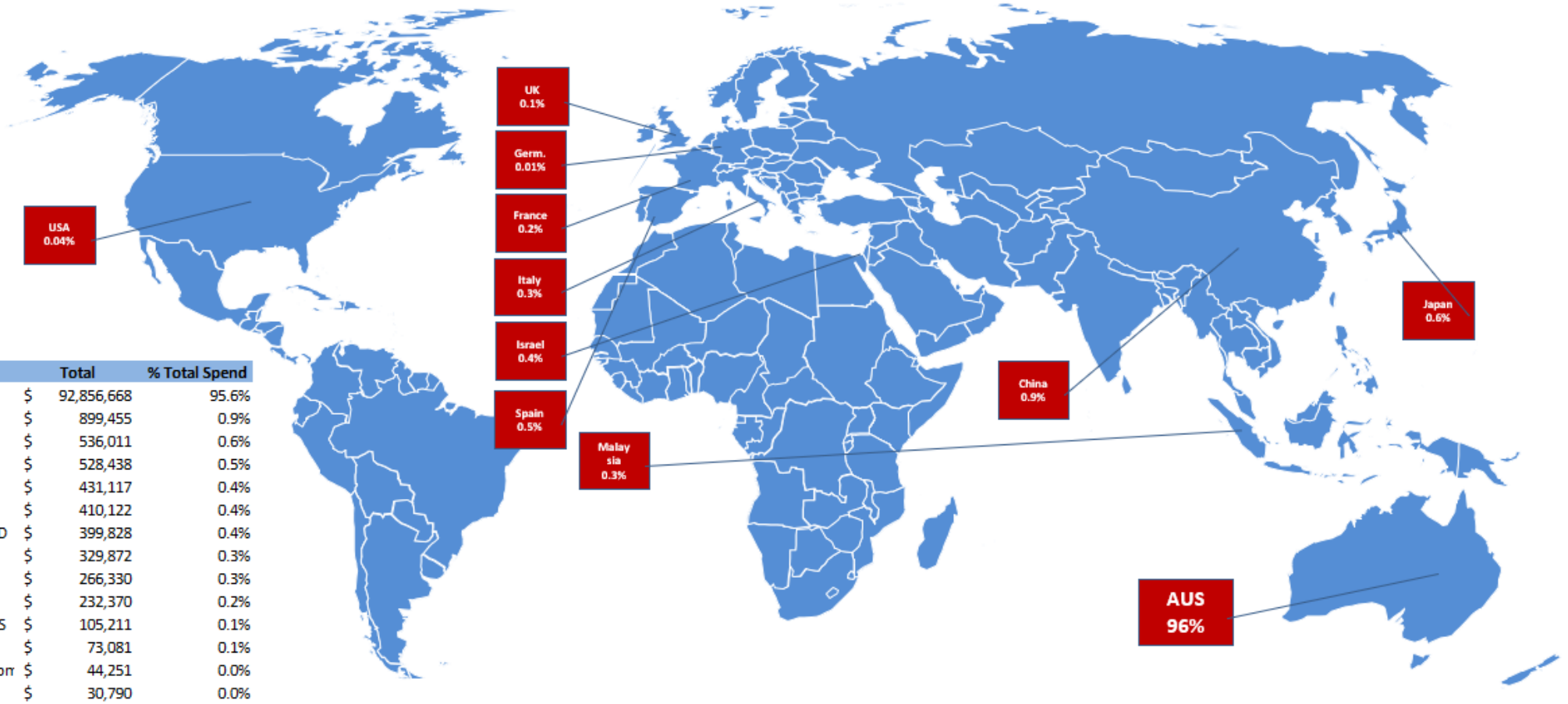
Varley Group seeks to develop relationships with reputable, responsible suppliers that are committed to the highest standards of ethics and business conduct. We have mapped our supply chain, reviewing the geographical distribution of our 2025 spend with suppliers. 95% of Varley Group's spend was with Australian based suppliers. This figure has remained consistent since our previous modern slavery submission, which reflects the steady and reliable relationships curated with our suppliers.

Varley Group does not currently have any first tier suppliers in countries with the highest prevalence of modern slavery or highest vulnerability to modern slavery based on the Global Slavery Index (North Korea, Burundi, Eritrea, Afghanistan, the Central African Republic, Mauritania, South Sudan, Pakistan, Cambodia, Iran, Syria, Chad, Democratic Republic of the Congo, Iraq, Yemen, Somalia, Sudan or South Sudan).We do not purchase products directly listed in the Global Slavery Index as at risk for import into G20 countries (cotton, cattle, sugarcane, gold, carpets, coal , fish, rice, brazil nuts, chestnuts, cocoa and diamonds).

In light of the above, and because of the more complex nature of the products we procure, we deem our modern slavery risk to be low. We do not have a significant risk of modern slavery within our operations or our workforce. Our internal policies and procedures are designed to provide a positive, safe working environment, ensure compliance with applicable law, and respect and protect human rights. We do recognise, however that modern slavery practices exist outside the countries and commodities listed in the Global Slavery Index and that we need to address risk not only in our first tier suppliers but also in their sub-tier supply base.

Varley Group previously conducted a modern slavery audit of key suppliers (our top 200 suppliers by spend) through its curated Modern Slavery Questionnaire in 2024, and no modern slavery breaches were reported within our supply chain. Although a full supplier audit has not been conducted in 2025, modern slavery due diligence checks continue to be undertaken for all new suppliers as part of the onboarding process. This assists in ensuring that suppliers newly engaged by the business, including those introduced through acquisitions, are assessed for relevant risks. Varley Group intends to conduct its next full supplier audit and desktop review at the end of 2026.

Varley Group Global Supply (2025)



Country		Total	% Total Spend
Australia	$	92,856,668	95.6%
China	$	899,455	0.9%
JAPAN	$	536,011	0.6%
SPAIN	$	528,438	0.5%
Israel	$	431,117	0.4%
United States	$	410,122	0.4%
NEW ZEALAND	$	399,828	0.4%
Italy	$	329,872	0.3%
MALAYSIA	$	266,330	0.3%
France	$	232,370	0.2%
NETHERLANDS	$	105,211	0.1%
Europe/USA	$	73,081	0.1%
United Kingdom	$	44,251	0.0%
Germany	$	30,790	0.0%
Thailand	$	9,393	0.0%
NORWAY	$	8,205	0.0%
	$	**97,161,142**	

Effectiveness of Approach

No reports or concerns about modern slavery and/or related issues have been received through Varley Group's reporting chains during 2025, and we have not otherwise identified any instances of modern slavery or human trafficking in our business or its supply chain. This is consistent with our assessment that overall, Varley Group's exposure to human trafficking and modern slavery is low.

Varley Group assesses the effectiveness of its modern slavery controls through a combination of governance oversight, risk-based supplier due diligence, internal reporting, training outcomes and periodic review of control performance. This includes monitoring whether modern slavery risk assessments are completed for higher-risk suppliers, whether supplier responses and audit findings are reviewed and escalated, and whether any corrective actions are completed within agreed timeframes.

Effectiveness is assessed by reference to both activity measures and outcome measures. Activity measures include the number and proportion of suppliers screened, the percentage of higher-risk suppliers subject to deeper due diligence, completion rates for modern slavery training, and the number of supplier contracts updated to include modern slavery obligations. Outcome measures may include (where relevant) identified risk trends, supplier remediation progress, repeat findings, grievance or whistleblower reports, and evidence that procurements decisions have changed where risk remains unresolved.

Varley Group also assesses whether its control remain proportionate to its risk profile. This involves considering changes in supply chains, sourcing locations, supplier categories, use of labour hire or subcontracting, and any new operations or acquisitions. Findings are reported to management and where appropriate, to the board of directors, so that modern slavery risk management remains integrated with procurement, legal, compliance and operational decision-making.

Future Actions to Assess Modern Slavery Risk

Modern slavery awareness and prevention is now embedded in our corporate policies and practices. Over the next year we will continue our role in modern slavery prevention and awareness through the following actions:

- Continued staff training for new and current staff, with a goal to ensure modern slavery is a topic regularly reviewed with employees
- Incorporation of modern slavery risk evaluation in our supplier audits with a particular emphasis on our supplier sub-tiers
- A heightened awareness of the risks of modern slavery when sourcing new work and onboarding new suppliers, with the aim to do business with reputable, responsible suppliers committed to high standards of ethics and business conduct
- Continuance of the effective practices implemented over the last year
- Continued vigilance throughout our operations due to the enhanced global risk of slavery due to the economic and social disruptions of conflict overseas
- Monitor the development of new laws and regulations relating to the prevention of modern slavery and human trafficking, to ensure our policies, practices and procedures remain current and compliant
- Re-evaluate our supply base through use of our Modern Slavery Questionnaire, with a particular focus on suppliers integrated through business acquisition

- Improve the screening of new suppliers through updates to the supplier assessment questionnaire, strengthening alignment with the requirements of the Modern Slavery Act.

We believe over the last year we have made significant steps to understand and mitigate the risk of modern slavery in our business operations. We recognize, however, that this is just the beginning of our journey and the policies and systems now embedded in our business practices must be continued and enhanced over the coming years. As part of ongoing enhancements, we have recently refined our Modern Slavery Policy.

Varley Group is committed to ensuring no modern slavery exists in any of our operations now and in the future.