

2024 Modern Slavery Statement



Bhagwan Marine Limited
ABN: 81 009 154 349

BHAGWAN
marine

1. About This Statement

This Modern Slavery Statement (“**Statement**”) is made under the *Australian Modern Slavery Act 2018 Cth* (“**Act**”) for the financial year ending 30 June 2024 (“**FY24**”) and is published on behalf of Bhagwan Marine Limited (ABN 81 009 154 349) and its subsidiaries (refer Annexure A), which operate throughout Australia (collectively referred to as “**Bhagwan Marine**”) (“**Statement**”).

This Statement is Bhagwan Marine’s first Modern Slavery Statement.

This Statement addresses the specific reporting criteria required in section 16(1) of the Act and describes the steps taken by Bhagwan Marine to address and mitigate modern slavery risks in our operations and supply chains.

Modern slavery is the severe exploitation of people for personal or commercial gain. Modern slavery is a major violation of human rights and covers serious crimes, including the following eight types of exploitation: human trafficking, slavery, servitude, forced marriage, forced labour, debt bondage, the worst forms of child labour, and deceptive recruiting for labour or services.

2. Our Commitment

Given the prevalence of modern slavery globally, Bhagwan Marine acknowledges that modern slavery practices may be present in its supply chains.

Respect for human rights is consistent with Bhagwan Marine’s values and is fundamental to the sustainability of the business and the communities in which we operate.

Bhagwan Marine does not accept any form of modern slavery in its business operations or supply chain and is committed to cultivating a sustainable future and preventing human rights abuse.

Key Activities in FY24

- Implemented Modern Slavery Policy and developed a Modern Slavery Management Plan.
- Training and awareness for Bhagwan Marine Procurement Personnel.
- Completed an initial analysis of Bhagwan Marine’s supply chain.
- Defined our governance approach to oversight of modern slavery risks

Disclosure Index of Mandatory Statement Criteria

The table below indicates the location of the disclosure within this Statement of the mandatory reporting criteria, as set out in section 16 of the Act.

Mandatory reporting criteria	Sections	Page No.
Identify the reporting entity	1	Page 1
Describe the reporting entity’s structure, operations, and supply chains.	4, 5 & 6	Pages 2 and 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.	7	Pages 3 and 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 and remediation processes.	2 and 8	Pages 1, 4 and 5
Describe how the reporting entity assesses the effectiveness of these actions.	9	Page 5
Describe the process of consultation on the development of the statement with any entities the reporting entity owns or controls (a joint statement must also describe consultation with the entity covered by the statement).	10	Page 6
Any other information that the reporting entity or the entity giving the Statement considers relevant.	11	Page 6

3. Statement from the Managing Director

On behalf of the Board of Directors of Bhagwan Marine, I am pleased to release our first Modern Slavery Statement.

Modern slavery is a serious violation of an individual's dignity and human rights. It can include human trafficking, slavery, servitude, forced labour and debt bondage. These are serious crimes under Australian law.

This statement articulates the initial steps we have taken to mitigate the risk of modern slavery and human trafficking within our business and supply chains to 30 June 2024.

Our approach to managing the risks of modern slavery in our supply chain is aligned with our approach to risk identification and management, sustainable business practices, and our company values.

Bhagwan Marine's goal over the coming year is to consistently integrate its Modern Slavery Policy into the way we do business. We are committed to respecting human rights and managing modern slavery risks in accordance with this Statement.

We recognise that the risks of modern slavery are complex and evolving and will continue to work to address the potential risks of modern slavery in our supply chain.

We are committed to actively engaging with our suppliers to assess and enhance the effectiveness of our approach to supply chain management and to identify and eliminate any form of modern slavery risk within our business and supply chain.

This Statement was approved by the Board of Directors of Bhagwan Marine on 27 November 2024.



Loui Kannikoski
Managing Director & CEO
Bhagwan Marine Limited
27 November 2024

4. Our Structure and Operations

Bhagwan Marine is headquartered at Level 3, 251 St Georges Terrace, Perth, Western Australia and is listed on the Australian Securities Exchange (ASX: BWN).

Bhagwan Marine is a national Australian marine services company that provides a diverse range of marine solutions in ports, nearshore, offshore, and subsea locations to industries including oil and gas, subsea, port, civil construction, renewables, and defence.

Bhagwan's operations are strategically located across Australia and close to the assets and operations of its clients.

Bhagwan Marine prides itself on its adaptability and proactive approach, which have earned us a reputation as a trusted partner in Marine Operations in Australia. Bhagwan Marine provides the best possible level of service, ensuring its clients' success and contributing to a sustainable future.

In FY24, Bhagwan Marine delivered services generating A\$303 million in revenue.

As at 30 June 2024, Bhagwan Marine employed 800 people (including contractors and labour hire).

For more information about Bhagwan Marine's business, refer to our 2024 Annual Report and our website.

Website: www.bhagwanmarine.com



PORTS

Services performed within or around a port, and generally within approximately 30 nautical miles of the shoreline



NEARSHORE

Operations that are undertaken within approximately 200 nautical miles of the shoreline, but outside the immediate port area



OFFSHORE

Operations that take place further out to sea, away from the immediate coastal areas, in deeper waters beyond approximately 200 nautical miles of the shoreline



SUBSEA

Relates to operations occurring beneath the sea surface

5. Our Approach to Modern Slavery and Governance

Bhagwan Marine is committed to respecting human rights, which is operationalised by Bhagwan Marine's **Modern Slavery Policy** and **Modern Slavery Management Plan**. Both documents set out Bhagwan Marine's approach to managing human rights and modern slavery risks in its operations and supply chains.

Bhagwan Marine recognises the value of continual improvement and the importance of assessing the effectiveness of its human rights and modern slavery framework to mitigate modern slavery risks.

Bhagwan Marine's approach to assessing and addressing modern slavery risk is managed via the same governance structure for managing Bhagwan Marine risks and opportunities.

Bhagwan Marine's procurement team are responsible for developing strategies to improve supply chain management and for reviewing the effectiveness of risk management actions in the supply chain, including mitigating potential risks of modern slavery.

The Board of Directors of Bhagwan Marine provides strategic direction and oversees the effective management and performance of Bhagwan Marine, and holds the ultimate responsibility for overseeing strategy, risk management, and policies, including modern slavery and approval of this Statement.

6. Our Supply Chain

Bhagwan Marine's supply chain consists of the procurement of goods and services.

Bhagwan Marine's procurement team is centralised and sits across the business to manage and coordinate procurement activity across the end-to-end procurement lifecycle, ensuring that the sourcing of goods and services is undertaken in accordance with Bhagwan Marine's policies and procedures.

Bhagwan Marine is committed to supporting local suppliers that operate businesses in the regions in which it operates. Bhagwan Marine's procurement teams actively source from local suppliers and include them in sourcing activities where their operational capability, quality control and assurance capabilities are assessed to meet Bhagwan Marine's requirements and standards.

Bhagwan Marine sources a diverse range of services and goods. The majority of its suppliers are located in Australia; however, we recognise that our suppliers' source products from elsewhere, presenting potential modern slavery risks deeper within Bhagwan Marine's supply chain.

For the year ending 30 June 2024, Bhagwan Marine had approximately 1,400 active suppliers and contributed \$180 million in payments to suppliers.

Approximately 85% of this expenditure was made within Australia, and the remainder was primarily spent in Europe, Canada, the United States of America, India, NZ, Parts of Africa and China.

Bhagwan Marine's supply chain encompasses a range of procurement activities for goods and services across its operations and projects:

- ❖ Marine Services
- ❖ Subsea Services
- ❖ Maintenance and Capital expenditure
- ❖ Support and Corporate Services

Bhagwan Marine's top 20 suppliers by category:

Category	% of spend
Fuel supply	6%
Engineering and marine support services	38%
Labour hire	15%
Machinery, heavy equipment, parts and service, freight haulage, equipment hire	10%
Vessels, plant and equipment, lease and hire of equipment	31%

7. Identification, Assessment and Mitigation of Modern Slavery Risks

Bhagwan Marine's procurement team is responsible for ensuring compliance with the Modern Slavery Act, undertaking risk assessments on suppliers, providing periodic updates on the procurement activities and monitoring the performance of our suppliers.

Management will also report to the Board if any incidents and/ or allegations of modern slavery in its operations, including its supply chain, are identified or disclosed, and if so, the steps taken to respond to these risks.

Identification and Assessment of Modern Slavery Risks

During the reporting period, Bhagwan Marine conducted an initial high-level risk assessment of its procurement activities to understand where human rights risks, including modern slavery risks, may exist. The assessment was undertaken by an external platform used to identify modern slavery risks.

A key part of this assessment was understanding modern slavery risks and identifying any potential suppliers deemed at high risk of modern slavery. The assessment included reviewing our suppliers' procurement practices, compliance, and policies for managing modern slavery risks. This survey was conducted across Bhagwan Marine's suppliers to understand and gain insights on potential risks, suppliers' existing controls and processes.

The assessment found that the risks were largely dependent on location, with higher risks linked to low socio-economic countries, where there are greater security issues, political unrest, and corruption.

Modern Slavery Risks in Our Supply Chain

Bhagwan Marine recognises that its suppliers rely on their own supply chains to provide goods and services to the business. These may be sourced from known potential high-risk areas and, therefore, will require further engagement and assessment.

The following categories have been identified as potential high-risks for modern slavery:

- ❖ fuel supply
- ❖ pumps, parts and consumables
- ❖ maintenance services
- ❖ clothing, gloves, protective wear

In the coming year, Bhagwan Marine plans to undertake a more detailed analysis to identify potential risks of modern slavery in its supply chain and improve its understanding of the supply chain.

Modern Slavery Risks in Our Direct Workforce

Bhagwan Marine considers the risks of modern slavery practices within its direct operations and workforce as low, as its employees are all working within Australia.

Modern slavery risks related to the direct workforce are assessed in the context of Bhagwan Marine's health, safety and human resources policies and practices, and behavioural conduct requirements as per Bhagwan Marine's Code of Conduct.

Bhagwan Marine is committed to providing workplaces where our people and contractors are physically and psychologically safe, healthy and well.

8. Key Actions Taken to Assess and Address Modern Slavery Risks

Key actions that Bhagwan Marine undertook during the reporting period included establishing its approach to Modern Slavery and conducting an initial assessment of modern slavery risks in its supply chain.

Additionally, Bhagwan Marine engaged an independent consultant to review employment and payroll governance to assess vulnerability to wage compliance obligations and associated risks.

Our Human Rights and Modern Slavery Framework

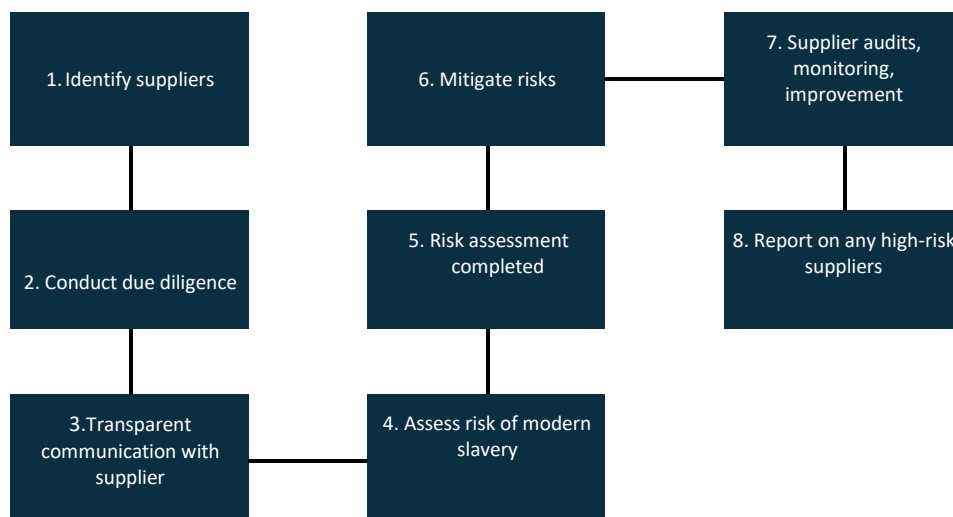
Following an initial assessment of Bhagwan Marine's supply chain, Bhagwan Marine developed a Human Rights and Modern Slavery framework that includes a Modern Slavery Policy and Modern Slavery Management Plan.

During the reporting period, Bhagwan Marine's Modern Slavery Policy was approved by the Board. The Policy is available at www.bhagwanmarine.com

Bhagwan Marine's Modern Slavery Management Plan sets out specific actions to further understand, respond to and manage human rights and modern slavery risks within Bhagwan Marine's operations and procurement supply chain. The Management Plan aims to drive continuous improvement in Bhagwan Marine's capacity to manage modern slavery risks in its operations and supply chain.

Bhagwan Marine's approach to Modern Slavery in its supply chain management is set out in diagram 1 below.

Diagram 1 – Supply Chain Management Process



Other Policies and Management Plans

Other initiatives implemented during the reporting period to help operationalise Bhagwan Marine's commitment to human rights include:

- ❖ **Whistleblower Policy** – Approved by the Board, this policy sets out the expectations that all employees and suppliers have a responsibility to help detect, prevent and report instances of misconduct, including breaches of Bhagwan Marine's Code of Conduct and suspected issues of modern slavery.

The Whistleblower Policy does not permit retaliation of any kind against those who have reasonable grounds to speak up about misconduct.

The appointed Whistleblower Protection Officer is available to receive confidential reports on any potential, suspected or actual modern slavery abuses in writing and by telephone. These reports are confidential and can be made on an anonymous basis.

- ❖ **Inclusion and Diversity Policy** – Approved by the Board, this policy sets out Bhagwan Marine's commitment to creating an inclusive, productive, and safe workplace, free from discrimination, harassment, and bullying.
- ❖ **Training and Awareness** – Increasing awareness of modern slavery is a critical aspect of identifying and addressing modern slavery risks. Bhagwan Marine provides ongoing e-learning training on human rights and modern slavery to employees who have a role in procurement. Employees determined to have greater exposure to modern slavery risks will be required to undertake this training on an annual basis.

9. Assessing the Effectiveness of Actions and Continuous Improvement

During the reporting period, Bhagwan Marine primarily focused on developing and implementing the governance measures required to identify, assess and respond to risks of modern slavery within our operations and supply chain, which will continue in the next reporting period.

Bhagwan Marine will continue to build on its understanding of the potential risks of modern slavery in its operations and supply chain and continuously improve the effectiveness of its modern slavery risk management approach. The areas of focus will include:

❖ Governance and Risk Management

Continue to implement and improve the processes and procedures that support the identification and treatment of modern slavery risks, with a focus on countries and jurisdictions that have an inherently high risk of modern slavery.

Incorporate Bhagwan Marine's Human Rights and Modern Slavery framework into our future sustainability reporting and risk management reporting.

❖ Modern Slavery Awareness and Training

Provide ongoing training to relevant employees to understand modern slavery risks within our supply chain and operations.

❖ Procurement and Due Diligence

The ongoing rollout of our Human Rights and Modern Slavery framework and process across Bhagwan Marine.

Continued screening of our supplier database for potential human rights risks and undertake enhanced due diligence, where required, supported by a newly developed supplier onboarding questionnaire.

❖ Supplier Terms and Conditions and Supplier Code of Conduct

Bhagwan Marine will review its supplier contracting arrangements and update its processes to enhance the management of modern slavery risks.

Bhagwan Marine will develop a Supplier Code of Conduct and revise its standard supplier terms and conditions contracts to include modern slavery warranties and obligations.

❖ Supplier Engagement and Supply Chain Knowledge

Engage with suppliers, mainly those considered high risk from a modern slavery perspective, to raise awareness and improve performance in relation to human rights, inclusive of modern slavery.

Undertake further analysis of Bhagwan Marine's supply chain to deepen its understanding of potential risks of modern slavery.

❖ Risk Assessments

Implement and undertake risk assessments to identify any high-risk suppliers to ensure compliance with human rights.

10. Process of Consultation

Identification and implementation of actions to assess and manage our modern slavery risks continue to involve consultation and engagement across Bhagwan Marine's business.

During the reporting period this Statement covers, we conducted consultations across corporate, procurement, and operational personnel regarding the development of our Modern Slavery Policy and the identification of potential modern slavery risks.

In preparing this Statement, Bhagwan Marine has actively engaged and consulted with senior executives, procurement personnel, and the Board of Directors of each entity in Annexure A. We discussed details of the Modern Slavery Act's reporting requirements and information regarding the actions we have taken and intend to take to address these requirements in the future. We also provided them with relevant materials and updates on human rights and modern slavery.

11. Any Other Relevant Information

None to report.

Annexure A– Disclosure Bhagwan Marine Group Entities

This report covers the following wholly-owned subsidiaries.

Name	Activities
Bhagwan Marine Limited	Holding company of Group and operator of the business
Bhagwan Employee Incentive Custodian Pty Ltd	Dormant
C-Side Marine Engineering Pty Ltd	Asset owner
DSL Marine Holdings Pty Ltd	Asset owner
Delta Subsea Australasia Pty Ltd	Dormant
Bhagwan Marine (NT) Pty Ltd	Asset owner
Barge Partners Group Australia Pty Ltd	Asset owner
Barge Partnership Pty Ltd	Asset owner
Ugly Boats Northern Australia Pty Ltd	Asset owner
Workboats Northern Australia 2 Pty Ltd	Asset owner
Bhagwan Marine Security Pty Ltd	Asset owner
RCWB Northern Australia Pty Ltd	Dormant
Workboats Northern Australia Pty Ltd	Asset owner
North Australian Barge Services Pty Ltd	Asset owner



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