

Sea Swift Modern Slavery Statement under the
Modern Slavery Act 2018 (Cth)

Reporting Period: 1 July 2020 - 30 June 2021

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This is the second Modern Slavery Statement made pursuant to the requirement of the of the *Modern Slavery Act 2018* (Cth) (the **Act**).

During the current reporting period, we have focused on the following key areas:

- Adding resources in the business that will contribute to addressing Modern Slavery risk.
- Assessing our operations, and supply chains for exposure to Modern Slavery risk.
- Incorporating Modern Slavery requirements into our procurement framework

Our Approach

Sea Swift Pty Limited ("**Sea Swift**") is committed to continuing the development of policies, systems and processes to respond effectively to the risk of Modern Slavery.

Sea Swift recognises that Modern Slavery and human trafficking can occur in many forms including slavery, servitude, human trafficking, forced marriage, forced labour, debt bondage, deceptive recruiting for labour or services and the worst forms of child labour. Sea Swift has taken and continues to take steps to improve our practices to combat Modern Slavery and human trafficking both within our business and in that of our supply chains.

Four Strategic Pillars underpin the Sea Swift strategy – People, Performance, Partnerships and Planet. Sea Swift will leverage these four pillars to address Modern Slavery risk by training its People, promoting Prosperity within the broader Sea Swift community and within the communities that Sea Swift serves, working in Partnership with its suppliers and promoting the sustainability of Sea Swift's supply chains (Planet).

Mandatory Reporting Requirements:

Reporting requirement 1: Identify the reporting entity:

The mandatory reporting entity under the Act is Sea Swift Pty Ltd ABN 16 010 889 040.

Identify the owned or controlled entities:

The following entities are owned and controlled entities of QGIF Taylor Holdco Pty Ltd Group, however they are not, individually, mandatory reporting entities pursuant to the Act:

- QGIF Taylor Holdco Pty Ltd
- QGIF Taylor Bidco Pty Ltd
- Sea Swift (Holdings) Pty Ltd
- Swift (Finance) Pty Ltd
- Sea Swift Pty Ltd
- Sea Swift (NT) Pty Ltd
- Perkins Lady Jan Pty Ltd
- Perkins Maritime Pty Ltd
- Sea Swift International Services Pte Ltd (incorporated in September 2020)



(together, “the Group” or “Sea Swift Group”)

The Group has engaged with representatives of the owned or controlled entities throughout the reporting period and in preparation of this statement.

Reporting requirement 2: Describe the reporting entity's structure operations and supply chains

The structure of the Sea Swift Group is as follows:

- The mandatory reporting entity, Sea Swift Pty Ltd is wholly owned by QGIF Taylor Holdco Pty Ltd Group.
- All other entities in the Group are also wholly owned by QGIF Taylor Holdco Pty Ltd Group.

During the current reporting period, the Sea Swift Group created a new entity, Sea Swift International Services Pte Ltd, ABN 93 133 094 334.

The Group has a Board of Directors responsible for directing and controlling the group's activities. The responsibility for day-to-day operations and administration is delegated by the QGIF Taylor Board to the Executive Management team, consisting of the following executive members:

- Chief Executive Officer.
- Chief Operating Officer.
- Chief Financial Officer.

The executive management team also includes the following senior executives;

- General Manager of NT Operations.
- General Manager of QLD Operations; and
- General Manager Engineering.

Sea Swift has a workforce of approximately 450 people and is headquartered in Cairns, Queensland, Australia. All our Sea Swift Pty Ltd controlled vessels are crewed by Australian Citizens.

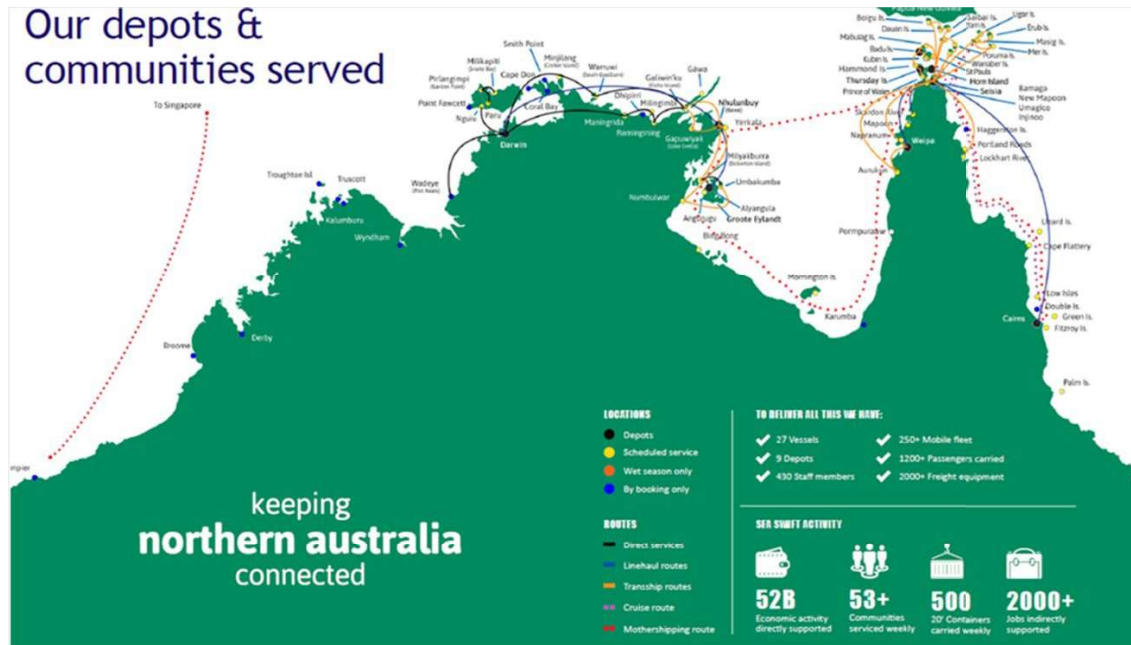
During the reporting period it had depots located at Horn Island, Thursday Island, Seisia (Bamaga), Weipa and Badu Island in Queensland and Darwin, Gove (Nhulunbuy), Groote Eylandt in the Northern Territory.

Sea Swift is Northern Australia's largest shipping company and has provided essential services moving general and project freight throughout the region since 1987. Sea Swift operates throughout Northern Australia's remote coastal and island communities, with an extensive distribution network across Far North Queensland and the Northern Territory. Other services provided include:

- Mother shipping support to the Northern Fishing Industry
- Vessel chartering
- Adventure Cruises (Qld) (inactive during the reporting period)
- Fuel Division transporting more than 60 million litres per annum to customers located throughout Northern Australia.
- Engineering support

With the creation of Sea Swift International Services Pte Ltd, Sea Swift has added an international shipping service to its list of services. Sea Swift has increased our use of shipyard services based in Indonesia during the current reporting period.

Figure 1: Sea Swift Group footprint



Sea Swift manages and operates a fleet of 27 vessels servicing the area of operation and has approximately 700 direct suppliers, which are predominantly located in Australia. Sea Swift also continues to engage with suppliers in other countries such as Indonesia, Singapore, United Kingdom and United States.

Sea Swift procures supplies for the operation and maintenance of its fleet of vessels, mobile equipment, container handling equipment and property including international shipyard services.

Describe the risks of modern slavery in the operations and supply chains of the reporting entity and any entities it owns and controls

No actual or suspected incidences of modern slavery were identified in our operations and supply chains during the reporting period.

During the current reporting period, the Sea Swift Group conducted a Modern Slavery risk exposure assessment, using geographical and industry categories and sub-categories to identify suppliers' risk ratings.

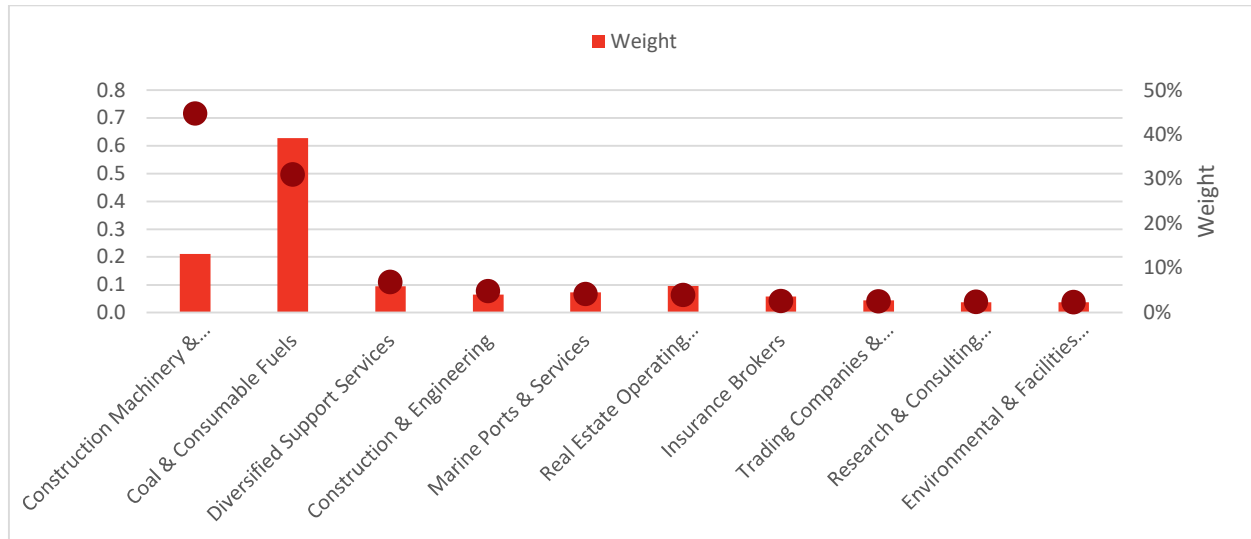
The assessment has identified that our two highest risk industries have not changed between the first and second reporting period and consist of:

- Construction Machinery & Heavy Trucks; and
- Fuel consumables

Sea Swift is aware that the ‘Construction Machinery & Heavy Trucks’ industry category, which includes our vessels and marine parts, is high risk due to the complex supply chains with low levels of visibility over the manufacturing and extraction of raw materials.

Given that these industry categories have been flagged over subsequent reporting periods, we will continue to focus on tailoring our future due diligence action towards these industries.

The following graph depicts our overall priority areas of potential modern slavery risk within our operations and supply chains as identified by our risk assessment.



The above diagram shows the industries in our operations and supply chains with the highest risk of modern slavery relative to spend.

Overall, the most material change in Sea Swift’s operations and supply chains during the subject reporting period has been the establishment of our Singapore-based entity, Sea Swift International Services Pte Ltd. As a result of this addition to the group, our risk assessment has identified a marginal increase in exposure to higher risk suppliers due to the corresponding growth in international procurement.

More broadly, Sea Swift is aware that it operates within a high-risk industry with respect to modern slavery. The shipping industry, particularly in Southeast Asia, is a known high risk jurisdiction due several compounding factors including a heavy reliance upon migrant seafaring workers that originate from high-risk geographies, including Indonesia, who are more susceptible to deceptive recruitment through migrant agents and debt bondage.

Sea Swift has sought to mitigate the risks arising from its presence in the Southeast Asian shipping industry. We note that all Sea Swift Pty Ltd employees are Australian residents. Sea Swift does not employ Indonesia crew members when our vessels are docked in Batam, Indonesia. Rather, our vessels are towed by contract vessels. For vessels operated by Sea Swift’s Australian entities, Sea Swift ensures that no labour hire services are engaged and that any third-party crew is Australian based and employed directly under a Sea Swift contract.



Sea Swift International Services Pte Ltd operates a vessel that operates in international waters. This vessel is crewed by non-Australian crew who are employed directly by Sea Swift through an overseas manning agency. Modern Slavery mitigations for this arrangement include:

- A formal contract between Sea Swift International Services Pte Ltd and the manning company that addresses Modern Slavery and requires the other party to undertake a comprehensive list of Modern Slavery mitigation actions.
- The Sea Swift Resources and Personnel Manual (MLC)
- The manning contract and Resources and Personnel Manual refer explicitly to the Maritime Labour Convention (2006)

As part of our ongoing due diligence response, during the next reporting period, Sea Swift will engage with the overseas manning agency to review their compliance with the modern slavery obligations in their contract.

Describe the actions taken by reporting entity and any entities it owns or controls to assess and address these risks, including due diligence and remediation processes

Our risk assessment process

During the reporting period we undertook a more comprehensive analysis of our direct suppliers, to provide us with deeper understanding our modern slavery risk profile. The insights gained from this assessment will be used to tailor any future due diligence measures.

Our policies and Risk Management approach

During the reporting period, we began the process of undertaking a gap analysis of our policy and procedure framework. This gap analysis is still in progress, however, we have made a preliminary finding of certain gaps within our Procurement practices and processes as they apply to Modern Slavery. During the reporting period, we have sought to address these issues through the following measures:

- We have centralised our Procurement governance through allocating resources to create a Procurement Team including a Procurement Manager, which is a new role within the Sea Swift Group. This team member will oversee the Group's efforts in relation to mitigating risks associated with modern slavery.
- Development a new Procurement Policy that now requires employees to ensure that any procurement on behalf of Sea Swift is undertaken in accordance with Modern Slavery legislation. This policy has been approved by the Board during the reporting period.
- Our standard procurement agreement now requires our suppliers to comply with the Act and warrant that they have no knowledge of any modern slavery instances within their operations and supply chains and will take reasonable steps to assess and address risks of modern slavery.
- We have amended the Terms and Conditions of our Purchase Orders to also include similar modern slavery specific provisions, including requiring our suppliers to warrant that they are not aware of any modern slavery in their supply chains and operations and will take



reasonable steps to provide Sea Swift with information about their modern slavery risk mitigation.

- We have started the process of creating corporate and strategic risk registers, including Procurement risks and risks associated with Modern Slavery.

These changes will assist by building capacity to address Modern Slavery risk within the procurement and risk frameworks.

We will seek to finalise our gap analysis during the next reporting period and address any further findings through broader policy development.

CASE STUDY: Tender Process

During the reporting period, Sea Swift issued a tender request for the procurement of new containers. Since we had identified, through our gap analysis, the need to further address modern slavery in our overall procurement practices, we sought to update our tender request. The proposal was drafted to outline our commitment to considering a potential supplier’s modern slavery practices. We noted that each bidder will be reviewed against modern slavery risk assessment criteria and included a request for each bidder to provide details of any steps taken to identify and address modern slavery risks in their supply chains.

Describe how the reporting entity assesses the effectiveness of these actions

During the reporting period, the Sea Swift Group has established the following framework to allow us to continually monitor our modern slavery response.

Action Area	Key Performance Indicator for FY22 and FY23
<i>Internal risk assessment</i>	Continued audit and review of our current business policies and processes regarding recruitment and treatment of employees.
<i>Supplier engagement</i>	<p>Increased risk assessment of total procurement spend.</p> <p>Incorporating modern slavery risk mitigation measures into supplier onboarding process.</p> <p>Issuing of supplier self-assessment questionnaires and internal review of responses, focusing on high-risk suppliers in the international shipping industry.</p> <p>Increasing number of suppliers that are assessed and subject to specific due diligence and / or audit, focusing on high-risk suppliers in the international shipping industry.</p>

<p><i>Continuous improvement of internal governance frameworks</i></p>	<p>Development of Supplier Code of Conduct and modern slavery policy</p> <p>Continued inclusion of modern slavery provisions in supplier contracts and purchase order terms.</p> <p>Continued development of modern slavery focused tender process</p> <p>Continued collaboration with key stakeholders</p>
<p><i>Modern slavery related internal education and training</i></p>	<p>Specific training provided to key teams, including procurement</p> <p>Awareness training provided to all staff members</p>
<p><i>Grievance procedures and whistleblower facilities</i></p>	<p>Update of existing Whistleblower policy to incorporate modern slavery provisions</p> <p>Regular analysis of level of uptake and use (or non-use) of grievance mechanism.</p>

Our next steps

During the next reporting period, Sea Swift intends to focus our resources on the following actions:

- Finalising our gap analysis and development of the risk register
- Training for Procurement Managers and the Board.
- Review Sea Swift’s suppliers and Procurement Plan to update the Group’s exposure to Modern Slavery risks.
- Develop a Modern Slavery Action Plan to address any risks identified.
- Keep the Sea Swift Board apprised of any Modern Slavery risks and action taken.

Describe the process of consultation with any entities the reporting entity owns or controls

We have undertaken all necessary consultation with each of the Group’s owned and controlled entities has occurred throughout the reporting period, and in the preparation of this Statement. The Sea Swift board is a group board that has oversight over the mandatory reporting entity and all owned and controlled entities, enabling communication regarding modern slavery risk to occur in a unified manner throughout the reporting period.

Consultation has also occurred between the Sea Swift Group and its investor, to identify modern slavery risks within its operations and supply chains. The Sea Swift Group will continue consultation



between Sea Swift Pty Ltd and controlled entities, including ongoing circulation of all communication relating to identifying, assessing, and addressing modern slavery.

All entities within the Sea Swift group remain committed to a collaborative effort in future reporting periods to assess and address modern slavery risks within the Group.

Impact of COVID-19

The nature of Sea Swift's business as an essential service provider has meant that there has been minimal impact on demand for its primary services. This has not created the same pressures seen in other businesses to vary supply contracts. One significant impact has been on the freedom of movement of Sea Swift marine personnel, some of whom live overseas. Sea Swift has aided its interstate and overseas workers until they were able to return to their country of origin.

Sea Swift's ability to manage its international supply chains has been impacted by the inability to travel internationally during the FY21 period because of international travel restrictions. This has prevented face to face engagement with suppliers in Indonesia and Singapore in particular. This risk has been mitigated with the engagement of a Country Manager who is Sea Swift's representative on site in Indonesia.

Sea Swift has also responded to this challenge by stepping up its Modern Slavery efforts with suppliers via the tender process by requiring tenderers to provide information describing their efforts to address Modern Slavery risk in their supply chains, as described above.

This statement has been approved by the Board of Directors of each of QGIF Taylor Holdco Pty Ltd, QGIF Taylor Bidco Pty Ltd, Sea Swift (Holdings) Pty Ltd, Sea Swift (Finance) Pty Ltd, Sea Swift Pty Ltd, Sea Swift (NT) Pty Ltd, Perkins Lady Jan Pty Ltd, Perkins Maritime Pty Ltd, and Sea Swift International Services Pte Ltd collectively known as the Sea Swift Group of Companies ("Sea Swift").

This Statement has been signed by:

A handwritten signature in black ink, appearing to read 'SR Boulton'.

STEVEN RONALD BOULTON (Dec-31, 2021 06:57 GMT+10)

Steve Ronald Boulton

Chairman

30 December 2021