

Modern Slavery Statement 2023

COVELYA GROUP LIMITED – MODERN SLAVERY STATEMENT

Covelya Group Limited (the “Company”), was formed in April 2020 and its wholly owned group companies, include Chelsea Technologies Limited, EIVA a/s, Sonardyne International Limited (and its subsidiaries), Wavefront Systems Limited, Voyis Imaging Inc., and Forcys Limited (together the “Covelya Group” or “Group”). We have a zero-tolerance approach to any form of modern slavery, and we are committed to acting in an ethical manner and with integrity and transparency in our business dealings.

The Company supports the provisions set out in the Modern Slavery Act 2015 (Act). This statement is made pursuant to section 54(1) of the Act and constitutes the Group’s slavery and human trafficking statement.

This statement outlines the steps taken by the Covelya Group in the financial year ending 31 December 2022 to ensure that slavery, any form of forced labour or human trafficking is not taking place within any part of our business or within our supply chains.

Our Organisation

The Covelya Group has its head office in the United Kingdom and is a leading provider of marine and subsea solutions worldwide, operating in a wide range of sectors within the energy, science, defence, and commercial markets. We have 550 employees located in offices across 6 countries including the United Kingdom, Denmark, United States of America, Singapore, Brazil and Canada and an agent and reseller network worldwide. In 2022 the companies now forming Covelya Group had a combined annual turnover of circa £70 million.

Our Supply Chains

Our companies develop and manufacture products from locations in the United Kingdom, Canada, and Denmark and supply to our customers for use within vessels, the oceans and waterways worldwide. The nature of materials we obtain through our supply chains mainly consists of raw materials; electronic components; ceramics; machined parts; fabricated parts; sensors; batteries; cables and connectors. Our supply chains are mainly located within the United Kingdom, Canada and Denmark.

Sonardyne International

This year, Sonardyne International met the criteria to report under the Act.

Sonardyne International Policies

Within Sonardyne International Limited the Modern Slavery Policy, Employee Code of Conduct, Ethics and Anti-Bribery Policy and Supplier Code of Conduct reflect the commitment to acting ethically and with integrity in all business relationships and to implementing and enforcing effective systems and controls to ensure as far as possible that slavery, any form of forced labour and human trafficking are not taking place within the company or within its supply chains. Policies are complemented by a

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compliance programme which includes training, risk assessments, audit assurance, monitoring and review processes.

Copies of the policies are available on the website, www.sonardyne.com.

Sonardyne International Due Diligence, Monitoring Risk and Ensuring Compliance

Sonardyne International Limited conducts a preliminary modern slavery risk assessment on all its suppliers as part of its New Supplier Approval process. This risk assessment is based upon geography, the nature of the supply and of the transaction. The supplier due diligence questionnaire includes analysis of modern slavery risks and is issued to new suppliers located in countries, or operating in markets, considered to be high risk. Regular compliance checks and onsite quality audits are performed with existing suppliers and includes checking for modern slavery red flags. Guidance is provided to the sourcing team to aid their onsite observations in this regard. Sonardyne International Limited operates a companywide whistleblowing process and all employees who have regular contacts with suppliers, including directors, undertake annual mandatory compliance training. Compliance will continue to be monitored on an ongoing basis, through:

- Identifying and mitigating potential risk areas in supply chains and third parties through risk assessment and due diligence.
- Reviewing suppliers' compliance with the Modern Slavery Policy, Supplier Code of Conduct, supplier pre-qualification procedures, Standard Terms and Conditions of Purchase, and other contractual terms. A copy of the Supplier Code of Conduct, which includes Modern Slavery obligations, is provided to suppliers in order that they can confirm their compliance.
- Reviews of suppliers' programme policy statements when onboarding and, where appropriate, during reviews to retain preferred supplier status.
- Compliance and monitoring potential risk areas in supply chains.
- Quality audits during supplier site audits.
- Reporting systems to encourage the reporting of concerns and the protection of whistle blowers.

Covelya Group

Supported by our audit, legal and business teams, on-going compliance within the Group is the responsibility of Group operating company Managing Directors who are required to monitor compliance and report concerns to their local boards and to the Group Chief Executive Officer who has overall responsibility for compliance.

This is a key area of focus and in order to support the group approach, we completed Modern Slavery risk assessments across the Group. This is supported by a group wide approach to ethical policies and guidelines including whistleblowing, code of conduct, code of ethics and Modern Slavery.

Our Modern Slavery Policy was disseminated to all operating companies within the Covelya Group and will be regularly reviewed and updated to include learnings from continuous improvement activities. Each business is required to take steps to ensure that its staff and its suppliers are aware of the policy

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and that they understand and comply with it.

Training

We provide training to selected groups of employees that are involved in supply chain activities, to ensure a high level of understanding of the risks of modern slavery and human trafficking in our supply chains and our business, such that all our companies located in the United Kingdom now include annual training in their training programs.

As Chief Executive Officer, I will continue to lead this important agenda for the Covelya Group and will report annually on the steps that we have taken and will be taking to prevent modern slavery.

A copy of this Statement is available on the Company's website at www.covelya.com and, at the Gov.UK Modern Slavery Statement Registry.

Groupwide Improvements

During 2022 we improved our programme by:

- Scheduling regular audits and risk assessments.
- Providing clarity on reporting requirements by inclusion in audit, internal controls and express instructions in the revised policy.
- Ensuring existing suppliers are included in ongoing compliance checks and quality audits, where risks are evident.
- Continuing provision of guidance, increasing awareness of Modern Slavery and advice for handling red flags and observed issues.
- Providing clarity on actions to be taken if issues are discovered or raised.

During 2023 we plan to continue to improve our programme by:

- Introducing a groupwide Purchasing Framework that includes a Supplier Code of Conduct.
- Strengthening standard contract templates, across the Group, to ensure contracts reflect the compliance obligations we expect suppliers and customers to abide by.
- Revising processes to show escalation paths for issues.
- Communicating awareness days to promote awareness and actions for countering Modern Slavery.

This statement was approved by the Board of Directors of the Company and signed on its behalf by:

Stephen Fasham

Chief Executive Officer

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Covelya Group Limited