



Modern Slavery and Human Trafficking Statement 2022

This statement has been published pursuant to the requirements under Section 54 of the UK Modern Slavery Act 2015 and the California Transparency in Supply Chain Act of 2010. It provides information regarding the business practices of IHC Merwede Holding B.V. and its subsidiaries (“Royal IHC”) and the steps Royal IHC has taken to ensure modern slavery and human trafficking is not taking place in its business and supply chains.

Our Commitment

Respecting human rights and protecting the interests of both Royal IHC employees as well as society is a given for Royal IHC. We choose to conduct business honestly and with integrity and we are committed to ensuring no form of modern slavery or human trafficking exists within its business or supply chain.

We expect the same commitment from everyone we do business with and will not knowingly engage any person or organisation who uses, or knowingly tolerates, modern slavery or human trafficking in their business or supply chain.

Our Business

Royal IHC is a diverse business, with operations around the world and employees in multiple jurisdictions. We recruit, develop and promote our people based upon their competences, talent, and commitment. Our business is very technically oriented, and so we rely on the expertise and skills of our people, many of whom are highly qualified engineers and technicians. Everyone is treated fairly and equally regardless of their race, colour, religion, national origin, gender, sexual orientation, age, disability or background. In addition, we are dedicated to reducing the environmental impact of our own production activities, our carbon footprint and the sustainability of our facilities.

We are a leading designer, builder and supplier of integrated vessels, equipment and services, enabling its customers to execute complex projects from sea level to ocean floor in the most challenging of maritime environments. And we are known to be reliable supplier of innovative and efficient equipment, vessels and services for the dredging, offshore, mining and defence markets.

The company is organised into four divisions, namely:

- IHC Dredging
- IHC Offshore Energy
- IHC Mining
- IHC Defence

IHC Dredging

IHC Dredging is the market leader for the design, build and delivery of reliable, integrated vessels, equipment and services in the dredging sector. Our broad spectrum of dredging vessels are utilised for the completion of all types of dredging projects, such as:

- port and harbour construction and maintenance
- land reclamation
- coastal protection
- offshore trenching
- environmental dredging
- lakes and reservoirs construction and maintenance
- aggregate dredging

IHC Offshore Energy

IHC Offshore Energy is a leading supplier of reliable and advanced vessels, equipment and services for numerous offshore industries, with a proven track record in delivering a wide range of offshore systems, including pipe and cable lay equipment, subsea vehicles, FPSO equipment and a wide range of integrated vessels.

IHC Mining

For every phase in the mining life cycle for raw materials, IHC Mining provides reliable, integrated solutions, fully tailored to specific demand for mineral resources. By means of the state-of-the-art equipment that we design and build – and the services we deliver – our customers can improve operational efficiency, lower the cost per tonne and make their activities more sustainable.

We have a proven track record in solutions for mineral sands, tailings rehabilitation, battery minerals, gold, diamonds, tin and other commodities.

IHC Defence

IHC Defence is a reliable partner to its customers globally, for the design, build and maintenance of navy vessels, equipment and accessories. We offer solutions and support for the full life cycle, encompassing: research and development; design and engineering; production; equipment; and services (ISS/ILS).

Our Supply Chains

Due to Royal IHC's diverse business activities, we have a diverse supply chain.

We are committed to preventing modern slavery and human trafficking throughout all our operations, and to working with our supply chain to achieve this. Essentially, we are promoting responsible business practices with our suppliers in order to build a global high-performance and sustainable supply chain.

Our ethical standards apply across the entire organisation and it is our goal to work with suppliers who embrace the same standards and comply with the same principles as our own. Working in accordance with these standards and in compliance with the legislative requirements of the countries in which we operate are a priority for us, in particular with respect to employment practices, labour rights, diversion and inclusion and equal opportunities.

As part of our contracting processes, we include specific prohibitions against the use of modern slavery and human trafficking, and we expect that our suppliers will in turn hold their own suppliers to the same standards. Pursuant to these terms, Royal IHC makes it incumbent upon its suppliers to prevent modern slavery and human trafficking, and Royal IHC reserves the right to terminate its commercial relationship with any supplier who is found to have been involved in modern slavery or human trafficking, or is unable or unwilling to provide relevant information upon request.

Policies relevant to modern slavery and human trafficking

We are working on the development of specific policy in this area and we have several policies and procedures in place which address modern slavery and human trafficking compliance requirements and standards. Details of these policies are outlined here.

Code of Conduct: Our Code of Conduct applies to all employees of Royal IHC and provides clarity to our employees around the actions and behaviours expected of them when representing the organisation. This includes a robust approach to anti-bribery and corruption. The organisation strives to maintain the highest standards of employee conduct and acting with integrity when operating abroad and managing its supply chain. Our Code of Conduct is available from our website and has been developed for all our stakeholders, including employees, contractors and suppliers, to ensure they are familiar with our key principles, values and policies, including those pertaining to the prevention of modern slavery and human trafficking.

Supplier Code of Conduct: We have rules and regulations in place for all contractors and (sub) contractors, outlining what is expected of them, including expectations around providing a safe working environment, treating workers with dignity and respect, as well as acting within the law in their use of labour.

SpeakUp: We have a SpeakUp line in place, and we encourage all stakeholders, including workers, customers, suppliers, (sub)contractors and other business partners to report any concerns related to our activities or the activities of our supply chains. This includes any circumstances that may give rise to an enhanced risk of modern slavery or human trafficking. The SpeakUp line can be used to report violations of our Code of Conduct, including modern slavery and human trafficking in any entity of Royal IHC and in any jurisdiction in which we operate. It is designed to make it easy for workers to make confidential disclosures, without fear of retaliation and concerns can be raised in local language by filling out an online form or dialling the SpeakUp line number.

Due Diligence and Supply Chain Risk Assessment

We consider the likelihood of modern slavery and human trafficking in Royal IHC controlled operations to be small due to the highly educated and skilled workforce requirements of our business.

We are aware that some of Royal IHC's suppliers have a higher risk of modern slavery in their own supply chains. The supply chain risks identified include the sourcing of raw materials for castings, the assembly of electronic and components in lower cost geographies, the sourcing of materials used in those electronics and components, and the use of subcontractors in areas such as cleaning and construction in countries that are known to have incidences of modern slavery in these areas.

In order to identify and address related risks, we may perform due diligence on our key suppliers and conduct on-site visits for review of their specific operations, allowing further analysis of the specific practices and procedures they have in place and requesting improvement where required. Risks identified during these visits may lead to further investigations and potentially a full audit. No incidents have occurred in recent years that have led us to perform such investigations or audits.

We are planning a more detailed risk analysis that will provide a picture of where the risks are in our supply chain.

Next steps

As part of our commitment to improving our procedures to identify and prevent modern slavery and human trafficking, Royal IHC will be taking the following modern slavery and human trafficking measures in the next financial year:

1. A full review of our Code of Conduct and associated materials.
2. Review and update of related policies.
3. Review and update of relevant contractual terms to include clauses specific to the UK Modern Slavery Act 2015 and the California Transparency in Supply Chain Act of 2010.
4. Roll out, throughout Royal IHC, a revised global and risk-based training and awareness program that specifically includes modern slavery and human trafficking awareness.

Approval

This statement has been examined and approved by the Board of Directors of Royal IHC on 24 October 2022.

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Chief Executive Officer

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Royal  **IHC**

Creating the maritime future