

Modern Slavery Statement.



2021

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Introduction.

As one of Australia's largest suppliers of workplace solutions for government, healthcare, education, industrial and professional services organisations, Winc Australia Pty Limited (ACN 000 728 398) and its related bodies corporate ('Winc') takes its responsibilities in ethical sourcing and conduct seriously. We recognise that our corporate and social responsibilities reside as much in our supply chain as in our own activities, and we are working with our suppliers to positively influence social and ethical performance.

This Statement has been prepared in accordance with the Modern Slavery Act 2018 (Cth) ('Modern Slavery Act'). It describes the risk of Modern Slavery in Winc's operations and supply chains in the period from 1 January 2021 to 31 December 2021 ('Reporting Period') and details the steps Winc has taken to minimise the risks of Modern Slavery and assess the effectiveness of our ethical sourcing practices.

This Statement has been made on behalf of Winc and its related bodies corporate. Each entity controlled by Winc is subject to a common set of governance policies and programs overseen by the Winc Social Agenda Committee. During the Reporting Period, Winc actively engaged and consulted with its related bodies corporate and entities controlled by Winc to identify Modern Slavery risks and coordinate strategies to mitigate those risks. To prepare this Statement, Winc's Social Procurement Team, which reports to the Winc Social Agenda Committee, consulted each entity owned or controlled by Winc to understand their actions during the Reporting Period and contribute to the content of the Statement.

Winc Social Agenda

In addition to the information contained in this Statement, you can view our targets and stay up to date with our progress by reviewing our Winc Social Agenda Progress Reports which are published bi-annually on the Corporate Social Responsibility page on our website: www.winc.com.au/services/about-us/corporate-responsibility





Message from Peter Kelly, Chief Executive Officer.

Modern Slavery is a big problem globally. Taking action to trade ethically and protect human rights in the procurement of goods and services on behalf of our customers is incredibly important to Winc. We understand we play a vitally important role in the supply chain of many other organisations around the country. That is why ethical sourcing is one of the six pillars of our Winc Social Agenda. Our Winc Social Agenda sets tangible, measurable goals to guide our progress and we have a cross-functional team working hard to reduce the risk of Modern Slavery in the supply chain.

This Statement sets out progress achieved during the Reporting Period in addressing the risks of Modern Slavery in our operations and supply chain.

Winc became a member of Sedex in 2020, a platform used to exchange data, manage risk, meet compliance and drive a positive impact on people.

While much of 2021 was spent onboarding our Own Brand suppliers to the Sedex platform with more to be done in 2022, this is what was achieved during the 2021 reporting period:

- 84% of Own Brand suppliers and production sites onboarded to Sedex
- 69% suppliers having completed Sedex Risk Assessment Questionnaires
- Social audits completed on 92% of high-risk production sites
- Increased awareness of Modern Slavery across our business with new training program engaging 500 team members

Since the end of the 2021 reporting period we have successfully onboarded all Own Brand suppliers to Sedex and have an exit strategy in place for two suppliers who chose not to participate.

Our company values are fundamental to all our business operations, one of which is to be accountable for today and tomorrow. Putting in place real action to reduce the risk of Modern Slavery in all its forms is an integral part of this value.

Modern Slavery is a complex and ongoing process. Winc and its controlled entities are committed to building on the achievements set out in this report and will continue to work together with our suppliers to address these challenges.

This Statement has the full support of Winc's relevant stakeholders and has been approved by the Board of Directors of Winc Australia Pty Limited in their capacity as the principal governing body of Winc.

Peter Kelly
Chief Executive Officer

Troy Swan
Director, General Counsel
and Company Secretary

Overview.

Winc is a large Australian company with over 1,100 employees. We are structured as a private company incorporated in Australia, with headquarters in Sydney and offices in Melbourne, Tasmania, South Australia, Perth, Darwin and Brisbane.

Winc works with over 700 suppliers to source, package and deliver everything a workplace needs to work, including office essentials, furniture, kitchen supplies, cleaning products, safety equipment and technology solutions. Included in our offering are Winc Own Brand label products under brands such as Amoroso, Business Interiors, Cleera, Codafile, Corporate Express, Milford, Office Elements, OfficeMax, Safe Choice, Simply, Victoria Gardens, Winc and Winc Earth. We pack and deliver close to 50,000 boxes to customers across Australia every business day. The sheer size of our operations and geographic reach necessitates stringent processes to ensure that risks within our business and supply chain are addressed and managed appropriately.



200 Winc
Delivery
Drivers



1,132
Employees



40,000
Browsable
products



Close to
50,000
Winc boxes
delivered daily



4 Major
Distribution
Centres



700
Suppliers



1,179,304
Online orders
in the last 12
months

In 2021, Winc announced the establishment of Mandura Pty Limited ('Mandura'), an Indigenous joint venture with Pauline E. McLeod Foundation Holdings Limited which commenced trading in September 2021. As minority shareholder of Mandura, Winc's supply chain will be leveraged by Mandura for the supply of Mandura products and services. By actively engaging with our joint venture partner and drawing on the expertise of Winc's Social Procurement Team, the same risk assessment and mitigation strategies employed by Winc in the management of its supply chain and operations are utilised to ensure that Modern Slavery risks are identified and addressed at Mandura.

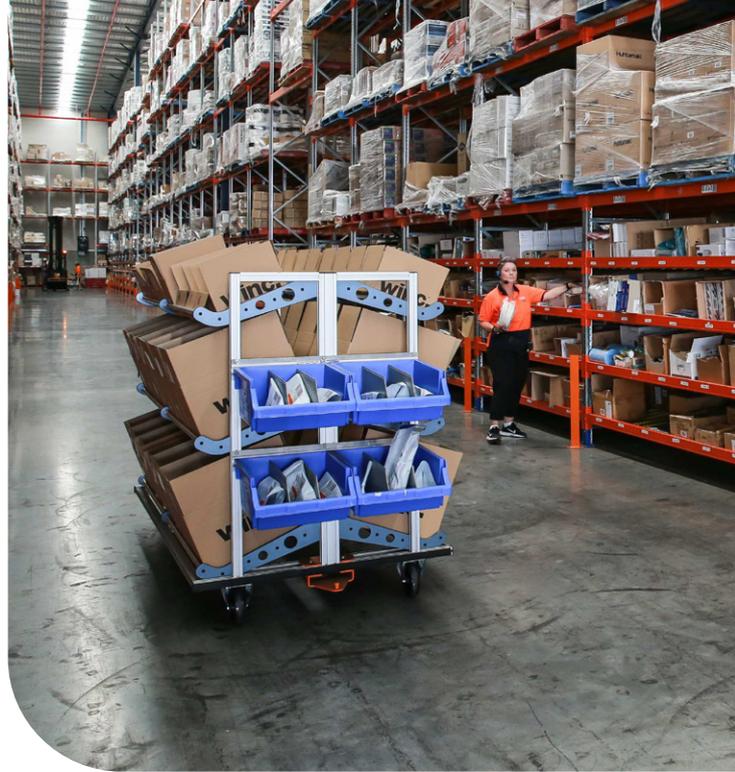


Mandura
a joint venture with **winc.**

Responses to COVID-19.

2021 was a year like no other and the impacts of COVID-19 were felt globally. With global supply chains challenged, many organisations took efforts to secure alternative sources of supply, heightening once again the importance of managing Modern Slavery supply chain risks.

In response to these challenges, Winc worked closely with its supplier base to order ahead wherever possible, and when securing alternative sources of supply, only worked with suppliers who met our strict Ethical Sourcing Policy and Supplier Code of Conduct. This enabled our supply chain to remain vigilant to the risks of Modern Slavery.



Our Committees & Governance.

Winc understands its underlying obligation to do the right thing by the communities in which we operate. In September 2021, Winc released its first Social Agenda with meaningful and measurable annual targets designed to work towards a more sustainable future. Winc’s Social Agenda Committee, chaired by CEO Peter Kelly, meets monthly to review our program, policy statements and progress toward achieving our six commitments, including our commitment to drive responsible sourcing practices throughout our supply chain, protecting human rights, and engaging with stakeholders around ethical and environmental issues.

Winc’s Social Procurement Team reports to the Social Agenda Committee and is tasked with driving ongoing improvements and a consistent approach to Modern Slavery issues. The team is made up of and led by staff experienced in responsible sourcing.

Pillar	Our Commitment
01 Safe Work Practices	Be proactive to keep our people safe ensuring they go home unharmed, every day
02 First Nations Peoples Support & Empowerment	Take action to address the imbalance in opportunity for First Nations Peoples
03 Climate Change	Reduce carbon emissions from Winc’s business activities
04 Responsible Packaging / Management of Waste	Improve the sustainability of our Own Brand packaging Improve Winc’s recycling rates and reduce waste to landfill Reduce the use of shipping cartons per thousand dollars of revenue Facilitate the move away from single-use plastic products
05 Gender Equality	Ensure inclusiveness and equality is expected and valued at Winc
06 Ethical Sourcing	Trade ethically and take action to protect human rights in the supply chain

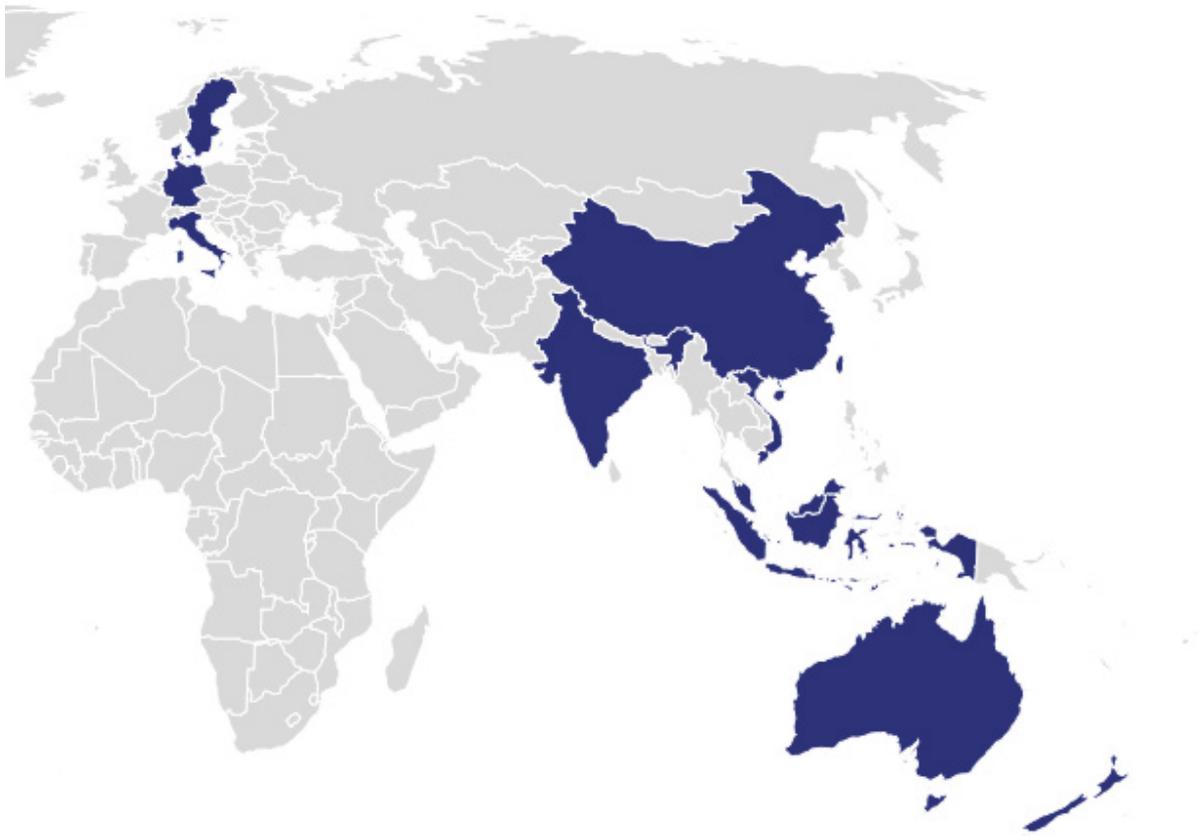
Modern Slavery Risk Overview.

Winc recognises that the goal to eliminate Modern Slavery can be achieved only through long-term partnership and collaboration between businesses, not-for-profit groups and governments. Winc is a member of Sedex (online supplier data exchange), an organisation dedicated to this common goal. Sedex is used by Winc to monitor and analyse Modern Slavery risks in our domestic and global supply chain.

Global Supply Chain Overview.

As the largest business-to-business workplace supplies company in Australia, Winc's footprint across the global supply chain is large. This map illustrates where Winc's Own Brand products are sourced. The map is based on Sedex data and the products we sell are currently sourced globally from 12 countries.

Overview of Winc's Supply Chain



Winc Own Brand.

Winc's commitment to eliminating Modern Slavery in the Reporting Period has prioritised Own Brand products. Work includes maintaining and continually assessing and enhancing our Sedex-Based Monitoring Program, which is delivered through our Sedex platform and Association of Professional Social Compliance Auditors approved third-party assessment bodies and auditors. Where issues are raised, suppliers are required to put corrective action plans in place. In addition, support is provided to address root causes through Winc's Supplier Improvement and Development Program.



Winc's Supplier Pre-Qualification Program helps ensure Own Brand suppliers are fully aware of our standards and expectations. This is achieved through a rigorous onboarding process that includes supplier manuals, contracts and mandatory social compliance assessments. Winc's onboarding process was overhauled in 2020 and enhanced in 2021. This will be further supplemented in 2022 by a supplier training webinar designed to explain Winc's ethical standards and assessment requirements, as well as share opportunities for suppliers to improve social and environmental compliance.

- 84% of Own Brand suppliers have completed at least 95% of their Sedex Risk Assessment Questionnaire ('SAQ')
- 31% of Own Brand suppliers have SAQs in progress or have not started
- 36% of Own Brand suppliers have updated their SAQ in the past six months

Audits are required for suppliers in medium to high-risk locations. The non-compliance issue most frequently detected by audit reports is health and safety, especially the sub-category of chemical management.

National Brands.

Winc defines National Brand products as items that are owned, designed, produced, and marketed by a vendor and distributed nationally under a recognisable brand name.

National Brand suppliers make up a significant portion of Winc's business; however, with a broad spectrum of supplier size and capability, a 'one size fits all approach' is not feasible. Instead, Winc's Social Procurement Team has developed a questionnaire designed to draw out qualitative information from suppliers detailing their ethical sourcing capabilities, including policies and documentation, ethical sourcing management, supply chain tracing and supply chain risk. From there, the Team categorises suppliers into one of the below categories.

- Low risk and advanced ethical sourcing program
- High risk and advanced ethical sourcing program
- Low risk and ethical sourcing program that needs improvement
- High risk and ethical sourcing program that needs improvement

There are different objectives and monitoring requirements for each of the four categories of suppliers. Suppliers with lower capabilities are offered additional support and are rolled into the Winc Own Brand program. Winc's Supplier Pre-Qualification Program ensures suppliers are fully aware of the requisite standards and expectations.

Services/Goods Not For Resale.

Goods Not For Resale ('GNFR') refers to products or services to support business operations. Winc engages with high-risk service suppliers to ensure they are aware of Modern Slavery risks in their business and are addressing them.

New and existing suppliers are required to agree to Winc's Ethical Sourcing Policy and complete the Sedex supplier SAQ, which covers four pillars – labour and human rights, environment, health and safety, and business ethics. Training has been delivered to Winc's internal teams on the roll out of this program in 2022.

We are working on including this assessment as a requirement in our tender process for new suppliers and setting a minimum score threshold that must be achieved within one year of the assessment.

Each GNFR supplier is categorised based on the exposure risk for Winc, which in turn determines Winc's level of direct involvement in addressing Modern Slavery risk in the supplier's supply chain. Please see below for a break-down:

- High risk services are classified as instances where work is being performed on a regular basis on site or by people who are representing Winc, but are not directly employed by Winc. For example:
 - Contracted drivers
 - Contracted cleaning
 - Security personnel services
 - Contracted IT services
- Medium risk services include individuals working on Winc's premises or suppliers of Winc-branded consumables. For example:
 - Winc branded consumables (i.e., delivery boxes, packaging)
 - Ad hoc on site services (i.e., electricians, plumbing)
- Low risk services have no direct association with Winc. For example:
 - Goods Not For Resale (i.e., furniture, fixtures, equipment)
 - Professional services (i.e., legal, accounting)
 - Recycling and waste management services

Australian Operations.

Winc engages over 1,100 employees in merchandising, sales, technology, finance, marketing, legal and warehousing roles across all states and territories in Australia. To reduce the risk of Modern Slavery in Winc's operations and provide a fair and safe working environment that is free from discrimination, we have processes in place to ensure Winc meets the same high standards expected of our suppliers.

Winc conducts yearly pay reviews to ensure employees are remunerated fairly, in line with market pay and above minimum wage. All employees and independent contractors are voluntarily engaged and free to join a union. Where Winc has entered Enterprise Agreements, we apply the agreements to determine pay rates and conditions for employees covered by those agreements. Working time is rostered for shift workers and casual employees to ensure there is no excessive overtime. All Winc employees are above the legal working age in Australia; the youngest employee is 18.6 years old at the date of this Statement.

Winc also engages casual labour in our distribution centres to manage fluctuations in demand. Service agreements governing our relationships with casual labour providers include robust clauses requiring compliance with Modern Slavery laws and mandatory reporting. In 2022, we intend to engage with our casual labour providers to seek greater visibility over their ethical sourcing practices.



Monitoring and Assessing.

Assessing risk.

As part of Winc’s standard risk assessment process, Winc Own Brand manufacturing sites must join Sedex and complete a SAQ. Manufacturing sites in high-risk countries must have an independent audit in place prior to approval or undergo a SMETA 4-Pillar Audit.

Following the launch of Sedex’s new SAQ in 2020, Winc’s focus has been on working with Winc Own Brand suppliers and other high-risk suppliers to complete the new questionnaire. In 2021, information from the SAQs was used to further develop Winc’s Sedex-Based Monitoring Program.

Managing and Mitigating Risk.

Winc does not rely on audits alone to tackle Modern Slavery and other labour rights issues. Winc also:

- Works with suppliers to understand the root cause of issues and agree on a course of action to resolve them fully
- Assesses suppliers’ capacity to manage risk using a supplier performance framework and provides assistance where required
- Provides supplier training and capacity building support
- Collaborates with suppliers to understand issues in the supply chain and identify solutions

Training and Awareness.

Winc continues to equip its own people with the skills they need to understand the complexities of Modern Slavery. Training on ethical sourcing practices for the Executive Team, sales and supplier-facing roles, including the Winc Procurement Team including those responsible for approving product selection and managing vendors, is delivered on a quarterly basis. During 2021, more than 500 team members participated in this training. Topic areas covered included the definition of Modern Slavery, indicators of Modern Slavery, Australian and global legislation, case studies, best in class practices and what to do if a colleague has concerns for someone’s safety.

Training Name	Summary
Ethical Sourcing Auditing Process	Process and pillars of an Ethical Sourcing Audit
Modern Slavery Update	Modern Slavery indicators and case studies
Ethical Sourcing Introduction	Importance of Ethical Sourcing and how to embed it into practices
Modern Slavery and Winc Statement & Policies	Winc’s approach to Modern Slavery
Global Ethical Sourcing Trends	Ethical Sourcing global legislation and Withhold Release Order cases

Effectiveness and Performance Indicators.

Winc aims to improve ethical standards in the supply chain through supplier engagement and ethical audits.

Supplier progress and the effectiveness of Winc's Sedex-Based Monitoring Program for production sites is monitored using a number of indicators. These include:

- In 2020 36% of Own Brand suppliers and production sites on the Sedex platform (currently 84% as at end 2021)
- Increase of percentage of SAQ completed (currently 69%)
- Increase of percentage of high-risk production sites with a social audit (currently 92%)
- Most common Modern Slavery risk indicators identified by category and regions (see table)

Region	Category	Identified Risk
Australia	<ul style="list-style-type: none"> • Cleaning • Maintenance • Security 	<ul style="list-style-type: none"> • Forced or bonded labour • Exploitation of migrant workers • Deceptive recruitment • Underpayment of wages • Excessive working hours
China	<ul style="list-style-type: none"> • Apparel • Furniture • Electronics • Office supplies 	<ul style="list-style-type: none"> • Forced or bonded labour • Exploitation of migrant workers • Deceptive recruitment • Underpayment of wages • Child labour • Excessive working hours
Taiwan	<ul style="list-style-type: none"> • Electronics • Apparel 	<ul style="list-style-type: none"> • Forced or bonded labour • Exploitation of migrant workers • Deceptive recruitment • Underpayment of wages
Malaysia	<ul style="list-style-type: none"> • Rubber gloves 	<ul style="list-style-type: none"> • Forced or bonded labour • Exploitation of migrant workers • Deceptive recruitment • Underpayment of wages • Child labour • Excessive working hours
India	<ul style="list-style-type: none"> • Apparel • General merchandise 	<ul style="list-style-type: none"> • Forced or bonded labour • Deceptive recruitment • Underpayment of wages • Excessive working hours

Winc uses this data to develop targeted programs tailored to the relevant supply categories and Modern Slavery risks, with a view to enhancing ethical sourcing practices and reducing the incidence of adverse indications in future audits.

Policies.

To effectively communicate Modern Slavery expectations, Winc has implemented policies and procedures that are designed to support high standards in ethical and responsible business and supply chain practices.



Policies and Processes.

Winc Code of Conduct

All Winc team members are required to comply with the Winc Code of Conduct. The Winc Code of Conduct details the company's values and behavioural expectations for team members, including high standards of integrity and ethical conduct. It outlines individual responsibilities at different levels of leadership and encourages team members and those who work with Winc, or who are associated with Winc, to speak up if they see any breaches or suspected breaches of the Winc Code of Conduct. Upon the commencement of employment with Winc, all team members are required to accept the Winc Code of Conduct and certify their undertaking to comply with its contents.

Winc's Supplier Code of Conduct

Winc strives to work with suppliers who treat their workers with dignity and respect, adhere to applicable laws and regulations and make their products in an environmentally sustainable manner. Accordingly, each supplier is required to comply with Winc's Supplier Code of Conduct.

The Supplier Code of Conduct helps to promote a culture where transparency, honesty and fairness are the norms. It sets out the responsibilities shared between Winc and our suppliers for meeting high ethical standards. It states that suppliers have a responsibility to prevent and minimise any potential breaches of the Code. The Code includes a section on Modern Slavery and states Winc's commitment to human rights and ethical sourcing.

Ethical Sourcing Policy

Winc's Ethical Sourcing Policy is guided by the UN Human Rights Declaration, the ILO Convention on labour standards and the Ethical Trading Initiative Base Code. It sets out key requirements for suppliers and the conditions of doing business with Winc. The policy must be implemented in conjunction with local applicable laws and will be regularly audited during inspections.

This policy applies to all parties that manufacture, assemble, or distribute any product or package bearing a Winc or other licensed brand, all National Brand product providers and all organisations that provide overhead and operational products and services to Winc and its subsidiaries, affiliates, franchisees, joint venture partners, divisions and agents.

Remediation process

If there are any breaches of Winc's Ethical Sourcing Policy or Supplier Code of Conduct, not only are suppliers required to undertake a root cause analysis of the non-compliance findings and develop a corrective action plan to improve their performance, but Winc also works with suppliers to develop an appropriate remediation and monitoring plan. The aim is to achieve better outcomes for all parties. Termination of the business relationship is the last resort and only used if the supplier does not show improvement or a willingness to improve.

Whistleblower Policy.

Winc's Whistleblower Policy enables staff and suppliers to report any improper behaviour, including Modern Slavery and other human rights violations. An independent and confidential whistleblowing hotline is available to all employees and suppliers (winc.com.au/hotline). All reports to the hotline are reviewed and, where necessary, investigated, with the outcome of such investigation reported to the Executive Team.

There were no reports relating to Modern Slavery made via Winc's whistleblowing hotline or other reporting channels during the Reporting Period. Winc requires suppliers to maintain a means by which workers can openly communicate and share grievances with management without fear of reprisal, intimidation or harassment. This requirement is included in Winc's Ethical Sourcing Policy and ethical audits are conducted to verify the presence of grievance mechanisms.

You can read more about Winc's policies at www.winc.com.au/services/about-us/corporate-responsibility

Embedding Policies into Procurement.

Winc's policies and Supplier Code of Conduct are embedded into our procurement processes in a number of ways:

- Potential new suppliers are informed of Winc's Supplier Code of Conduct, policies and ethical audit requirements during the tender process so they can take these into account when quoting to provide products or services.
- Supplier contracts include clauses requiring compliance with Winc's Supplier Code of Conduct, policies and standards.
- Winc's Procurement Team including those responsible for approving product selection and managing vendors review compliance with the company's ethical audit requirements before any supplier is offered a contract to supply goods or services.
- Winc's Social Procurement Team meet with new suppliers to assess their ethical sourcing proficiency and offer support where required.



Future Activities.

Risk Assessment and Intelligence Gathering

Moving forward, Winc will be:

- Continuing to evolve our risk management tools to drive further insight and impact
- Extending work on existing focus areas, including suppliers of Winc Own Brand products
- Expanding controls for Goods Not For Resale and National Brand suppliers
- Exploring the opportunity to establish and validate traceability for high-risk product sourcing to improve due diligence

Training and Awareness

Internal and supplier training and awareness of the indicators of Modern Slavery will be extended to ensure all stakeholders have access to the training tools and resources most relevant to them.

Additional reference tools and training methods will be developed to address more suppliers and support underperforming suppliers to improve their competency.

Collaboration and Impact

Winc will be developing Modern Slavery Risk Assessment metrics to assess, monitor, and track ethical sourcing efforts and support resource allocation in priority areas.

Collaboration with third parties to improve the alignment of policies and strategies will continue. This will include engaging with suppliers, non-government organisations and not-for-profit organisations, allowing Winc to enhance training across the business and supply chain.

In the case of suppliers, close collaborative relationships will continue to be nurtured to share learnings and best practice.



Appendix.

This Modern Slavery Statement was prepared in accordance with the criteria set out in the Modern Slavery Act. The table below outlines where information related to each mandatory reporting criteria can be found within the report.

Mandatory criteria for reporting statements	Location of information
Identify the reporting entity	Introduction
Describe the structure, operations and supply chains of the reporting entity	Introduction Overview
Describe the risks of modern slavery practices in the operations and supply chains of the reporting entity and any entities that the reporting entity owns or controls	Modern Slavery Risk Overview Australian Operations
Describe the actions taken by the reporting entity and any entity that the reporting entity owns or controls to assess and address those risks, including due diligence and remediation processes	Monitoring and Assessing Training and Awareness
Describe how the reporting entity assesses the effectiveness of such actions	Effectiveness and Performance Indicators
Describe the process of consultations with any entities that the reporting entity owns or controls	Introduction
Provide any other information that the reporting entity, or the entity giving the Statement considers relevant.	Policies Future Activities





For any questions, email us at socialcompliance@winc.com.au

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