



## Modern Slavery Statement 2022



# Our Commitment

This Statement covers the activities of Winning Appliances Pty Limited (ABN 94 002 193 688), a company incorporated in Australia, and each of its related entities, including Appliances Online Pty Limited (ABN 19 151 833 546), Winning Services Pty Limited (ABN 34 152 213 039), Home Clearance Pty Limited (ABN 55 615 069 095), Andoo Pty Limited (ABN 49 115 622 172), Spence and Lyda (ABN 43 094 430 574 and ORA Restaurant Pty Limited (ABN 42 649 181 340) (collectively, the Winning Group) for the financial year commencing 1 July 2021 and ending 30 June 2022 (FY22 Statement Period).

This Statement sets our commitment to assisting in the prevention, response and remediation of modern slavery in all business activities and within our supply chains.

It outlines the steps we have taken to ensure compliance with the Modern Slavery Act 2018 (Cth) (MSA).

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# Acknowledgment of Country

In the spirit of reconciliation, the Winning Group acknowledges the Traditional Custodians of Country throughout Australia and their connections to land, sea, and community. We pay our respect to their Elders past and present and extend that respect to all Aboriginal and Torres Strait Islander peoples today.

△ Western Australia

# Message from the CEO

I am honoured to present Winning Group's third annual Modern Slavery Statement, an update to our FY21 statement.

Winning Group is a fourth-generation, century-old family business. We have embarked on a business transformation journey with a mission to create the best experiences in the world, for the world – for our customers, our people, our communities, and the planet. Respect and care for people is deeply entrenched into our business. The Modern Slavery Act's due diligence requirements, provides an opportunity for us to implement policies and processes to further embed respect for human rights into our culture and address modern slavery risks across the business and our supply chain.

The purpose of this statement is to not only meet our obligations under the Modern Slavery Act, but to provide an update on our progress in understanding, assessing, and mitigating modern slavery and human rights issues, associated within our operations and supply chains. We want to inform and educate our customers, teams, partners, and our ecosystem on the issues of modern slavery, so they can make better choices in their businesses and purchasing decisions.

The COVID-19 pandemic has posed unprecedented challenges for workers and people affected by modern slavery. The International Labour Organisation (ILO) estimates that nearly half of the global workforce is at risk, with workers in the informal sector having been the most hard-hit, suffering "massive damage to their capacity to earn a living". These factors have increased people's vulnerability to exploitation. The latest research from the ILO, Walk Free, and the International Organisation for Migration also showed that in 2021, 50 million people worldwide were estimated to be living in conditions of slavery. The research found that 10 million more people were in modern slavery in 2021 than in 2016, with women and children "disproportionately vulnerable".<sup>1</sup>

Modern slavery and human rights violations are occurring all over the globe and as a business that relies on products that are manufactured and sourced from various nations, we acknowledge our responsibility to address the risks. Our risk assessments and due diligence processes continue to evolve and mature as our business grows.

Responsible Sourcing is a key pillar of our corporate sustainability strategy. A key focus of our actions in FY22, has been on implementing our due diligence framework and increasing engagement with our suppliers, on human rights and sustainability issues. In FY22 we surveyed 88% of our trade supply chain by dollar spend, with approximately 90% of these suppliers demonstrating alignment with our supplier code of conduct. We have also created a Modern Slavery Remediation Plan and have launched a Modern Slavery and Human Rights Policy for our business, ensuring our teams are well informed.

Whilst the path of supply chain transparency and traceability is long, we are steadfast in our commitment, and have made significant progress in our effort to identify, assess and mitigate the risks in our supply chain.

We look forward to continuing to tap into our innate potential to create a better world – for our families, our customers, our team members, our suppliers, our communities, and the broader world in which we engage.



**John Winning**  
CEO, Winning Group

<sup>1</sup> [https://www.ilo.org/global/about-the-ilo/newsroom/news/WCMS\\_855019/lang--en/index.htm](https://www.ilo.org/global/about-the-ilo/newsroom/news/WCMS_855019/lang--en/index.htm)

# Our Structure, Operations and Supply Chains

We're an experience company, driven by people, science and our mandate to leave the world a better place.

From retail to service, technology, education, people and creativity, Winning Group is forging new pathways to redefine what the best experience in the world looks like.



## The Winning Group at a Glance





## Our Purpose

### We deliver inspiration.

We're on a mission to create the best experiences in the world, for the world; for our customers, our people, our communities and the planet.

### We bring homes to life.

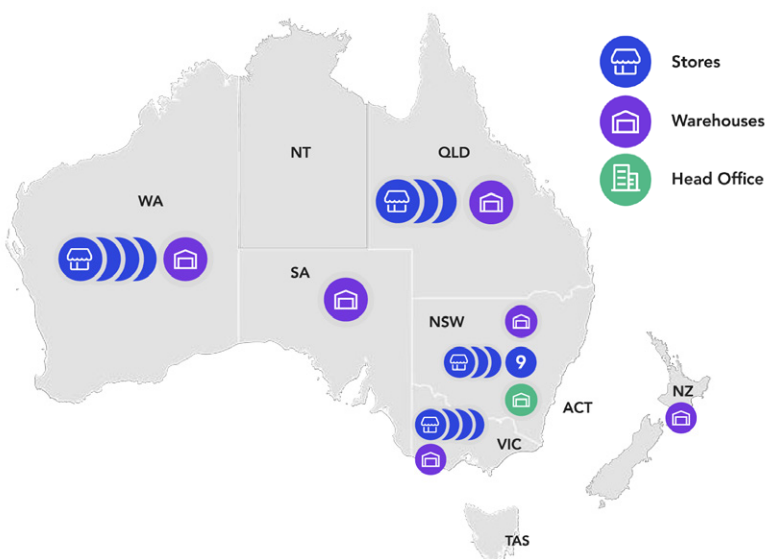
It's what we've done for more than a century.

And as we've done this, we've grown close to our customers and learned the importance of every stage and experience of their journey. Our promise to them, to provide the best experience in the world, is so they can live their best lives at home.

But home isn't just the four walls in which we live, it's the bigger space we all share and everything in it; our customers, people, communities and the environment.










It's why we're driven by people, science and our mandate to leave the world a better place. We're doing this one experience at a time, using our business and ecosystem as a force for good to help reconnect people to themselves, each other and the planet.

## The Group's Operation across Australia and New Zealand



During the FY22 Statement Period, the Group acquired Spence and Lyda, a furniture retailer. In addition, the Group opened ORA, a Japanese restaurant in Sydney. We also expanded our e-commerce retail operation with the launch of Andoo. We have over 1400 team members across our business, including general contractors. Our main core business functions are marketing, sales, buying, operations, legal, finance, sustainability, technology, customer service, and human resources.

For the purposes of this Statement, our key operating entities, operations, and associated supply chains during the FY22 Statement Period were as follows:

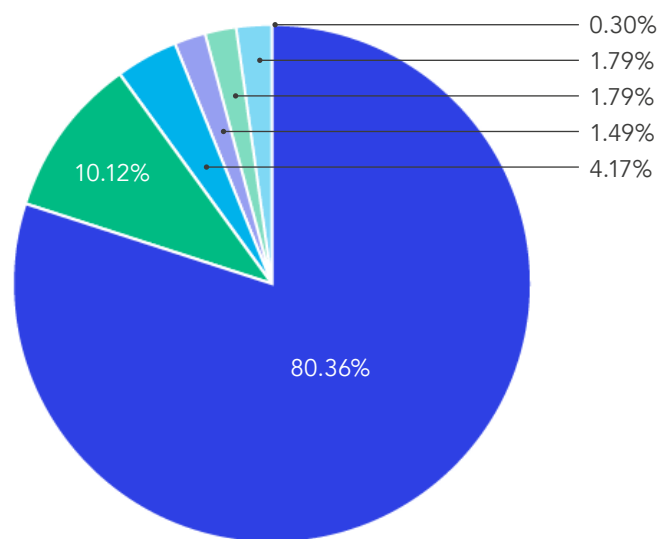
							
							
Bricks and mortar retail showrooms of home appliances and related goods.	Online retailer of home appliances and related goods, such as fitness equipment and consumer electronics.	Online retailer of end-of-line and T2 home appliances and related goods.	3PL, logistics, transport, warehousing, storage of home appliances and related goods.	Online retailer of home appliances, furniture, mattresses, and bedding.	Bricks and mortar retail showrooms of bathroom fixtures, tapware, kitchens and related goods.	Bricks and mortar retail showroom for furniture, lighting, textiles and homewares.	Japanese Restaurant and Bar.

## Structure of Supply Chain Arrangements

We have a variety of supplier agreements in place, both exclusive and non-exclusive, long-term, and short-term. Our supply chain arrangements are managed by the relevant commercial entities within the business and are overseen by Winning Group’s internal legal department so that all relevant laws are complied with, including in relation to the MSA. While the risk of modern slavery for each supplier varies, our contractual arrangements with our suppliers at every stage of the supply chain include explicit provisions, warranties, and obligations regarding modern slavery that the supplier must comply with. Winning Group places key emphasis on communication so that there is transparency and honesty about the supplier’s products, sourcing, and associated risks.

## Supply Chain Mapping

- Australia
- Europe
- China
- Singapore
- United Kingdom
- United States
- New Zealand



### Tier 1 Supplier Locations

Winning Group contracts directly with suppliers located in:

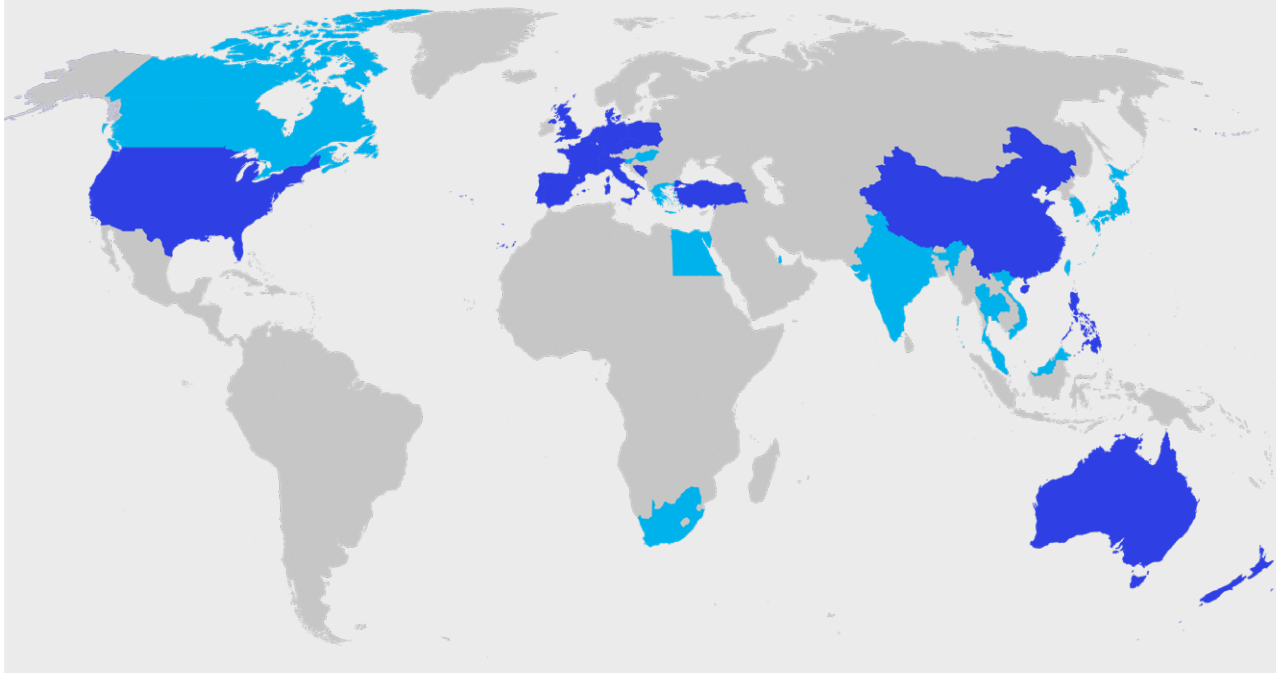
- Australia
- Belgium
- Bosnia and Herzegovina
- China
- Czech Republic
- Denmark
- France
- Germany
- Italy
- Netherlands
- New Zealand
- Philippines
- Poland
- Portugal
- Singapore
- Spain
- Switzerland
- Turkey
- United Kingdom
- United States

### Tier 2-4 Supplier Locations

Around 88% of our Tier 1 suppliers disclosed the following sourcing and manufacturing locations in the last financial year:

- Australia
- Belgium
- Bosnia
- Canada
- China
- Czechia
- Denmark
- Egypt
- France
- Germany
- Greece
- Hong Kong
- Hungary
- India
- Italy
- Japan
- Malaysia
- Nepal
- Netherlands
- New Zealand
- Philippines
- Poland
- Portugal
- Qatar
- Slovenia
- South Africa
- South Korea
- Spain
- Taiwan
- Thailand
- Turkey
- United Kingdom
- United States
- Vietnam

Figure 1: Winning Group Supply Chain Tiers 1-4



In FY22 we procured goods from **317** suppliers and services from **1529** suppliers.



## Trade Supply Chain

We define trade supply chain as the goods we buy from suppliers to resell to customers, this consists largely of local and international brands. Our trade supply chain spend accounted for approximately 53% of our total FY22 spend. We can further segment our trade supply chain into wholesale and branded suppliers versus own-brand and direct import supply chain arrangements.

### Wholesale and Branded Suppliers

- **99.75%** of trade supply chain spend
- 313 suppliers
- Key product categories are:
  - » Large home appliances including clothes washers, refrigerators, dishwashers, clothes dryers, ovens, stoves, and cooktops.
  - » Small household appliances including vacuums, floorcare, kettles, irons and cooking and baking appliances.
  - » Audio visual and consumer electronics including smart home and security, televisions, speakers and audio, home theatre, headphones, and DVD players.
  - » Outdoor living appliances including barbeques, outdoor kitchens, bar fridges, camping and portable appliances.
  - » Heating and cooling appliances including air conditioners, heaters, fans, air treatment, hot water systems, fireplaces, and related accessories.
  - » Bathroom furniture and fixtures including basins, toilets, showers, baths, tapware, and accessories.
  - » Furniture and lifestyle including lounges, chairs, accent chairs, beds, mattresses, home office furniture, lighting, and textiles.

### Own-Brand and Direct Import

- **0.25%** of trade supply chain spend
- 5 suppliers
- Key product categories are:
  - » Bathroom furniture and fixtures including basins, toilets, showers, baths, tapware, and accessories.
  - » Furniture including lounges, chairs, accent chairs, beds, mattresses, and home office furniture.

## Non-Trade Supply Chain

We define our non-trade supply chain as the services we procure from suppliers to operate our business. Our non-trade supply chain spend accounted for approximately 47% of our total FY22 spend.

### Service Suppliers

- **1529** suppliers
- Country of services: Australia, New Zealand, Indonesia, United States, Philippines, Poland
- Key categories:
  - » Cleaning service providers
  - » Uniforms and work attire
  - » Property rental
  - » Delivery and install contractors
  - » Customer service repair agents
  - » Waste and recycling service providers
  - » Forklift and equipment hire
  - » Insurance
  - » Temporary labour hire
  - » Office consumables
  - » Technology (hardware, software, and cloud services)
  - » Utilities
  - » Professional services and consulting
  - » Agriculture and seafood



# Governance for Modern Slavery

As a business we are continuously reviewing and improving our internal governance practices, to proactively mitigate risk and increase our organisational accountability and opportunity to use our business as a force for good. During the FY22 reporting period, we increased our in-house capability to identify, assess and mitigate modern slavery risks through additional resourcing within the sustainability team.

This team is accountable for ensuring that the appropriate supplier due diligence is conducted to support risk mitigation activities. Due diligence outcomes with potential issues were escalated to the Head of Sustainable Business and Corporate Social Responsibility and reported to the Responsible Sourcing and Modern Slavery Committee, as required.

Our cross-functional Modern Slavery and Responsible Sourcing Committee, consisting of senior leadership representation from our business units, including legal, procurement, strategy, marketing, and sustainability teams met regularly on a quarterly basis to oversee due diligence outcomes and progress against our KPIs. Ultimate accountability for human rights and modern slavery within our organisation sits with the Board of Directors.

Figure 2: Winning Group Modern Slavery Governance Structure



# Understanding Modern Slavery Risks in our Operations and Supply Chain

Winning Group understands that we, as every business, are exposed to human rights and modern slavery risks in our operations and supply chain and are firmly committed to conducting business in an ethical, legal and sustainable way.

In FY21 we assessed the risk of our supply chain and operations based on a social 'Life Cycle Assessment' approach, looking at inherent risks based on country of origin, industry, product, commodity and spend level. This included an analysis of practices such as child labour, forced labour, excessive working time, exploitation of migrant labour, gender equality, legal systems and corruption issues using the following:

- Social Hotspots Database (SHDB).
- Exiobase indicators on proportion of unskilled labour.
- Global Slavery Index's Prevalence and Vulnerability data.
- Child Rights Index and country due diligence response score.
- Evidence of modern slavery issues cited in an extensive literature review.

The prevalence of these factors are key triggers related to risks of modern slavery. The risk baseline that was outlined in the FY21 Modern Slavery Statement continues to underpin the Winning Group's approach. The opening of ORA restaurant has added the additional potential high-risk category of 'seafood' to our overall profile, triggering further risk controls, supplier engagement, and due diligence requirements.

The MSA is aligned with the United Nations Guiding Principles on Business and Human Rights (UNGPs), which have become the global standard for addressing and preventing human rights impacts associated with business activity.

The UNGPs discuss three separate concepts—cause, contribute, and directly linked—which form guiding principles to assist companies assess their connection to a negative impact and subsequent duty to provide a remedy.

The UNGPs framework provides guidance on how a company should respond depending on its relationship to the harm – that is, whether it has caused, contributed to, or is directly linked to the harm.

## Cause

A company causes harm when its activities (or omissions) in and of themselves result in harm. For example, if the Winning Group would engage in forced labour by not paying delivery and install employees.

## Contribute

A company contributes to harm when its activities (or omissions) significantly facilitate, enable, or incentivise a third party to cause harm. For example, if the Winning Group would engage a low-cost cleaning contractor that does not pay their workers adequately to service their office locations.

## Directly Linked

A company is directly linked to harm caused by a third party if the harm is directly linked to its products, services or operations through its business relationships. For example, if the Winning Group would purchase appliances from a supplier who has a manufacturing site that exploits their workers.

Figure 3: Winning Group Category Risks

Category	Risk Likelihood	Relationship to Potential Risks	Key Risk Factors
Seafood	Very high	Directly linked	Overseas fishing supply chains with limited freedom of movement with specific risks of deceptive recruitment practices, forced labour, debt bondage and physical and mental abuse.
Bathroom furniture, accessories and tiles	Very high	Directly linked	Overseas supply chains of the extraction and the manufacturing of timber, metal, plastic, ceramic, and leather products with specific risks of child labour, poor labour conditions, labour rights violations, health and safety, and governance issues.
Washbasins, bathtubs	Very high	Directly linked	
Furniture	Very high	Directly linked	
Leather furniture	Very high	Directly linked	
Bathroom furniture and accessories	High	Directly linked	
Tapware	High	Directly linked	
Appliances	High	Directly linked	
Mattresses	Medium	Directly linked	Overseas supply chains of raw material extraction and the manufacturing of textiles and metal products with specific risks of child labour and poor labour conditions.
Equipment hire	Medium	Directly linked	Overseas supply chains of raw material extraction and the manufacturing of machinery, equipment, and parts with specific risks of poor labour rights and health and safety issues.
Delivery and install contractors	Low	Cause + Contribute + Directly linked	Unskilled labour of services such as transport and logistics with specific risks of underpayment, indentured workers, and exploitation of migrants.
Temporary staff and labour hire	Low	Cause + Contribute + Directly linked	Subcontracted financial, administration, and business services, such as those involved in insurance, rent, and advertising with specific risks of poor labour rights in business-related services and professional services that may be offshored.

## Operational Risks

During FY22, the Winning Group re-assessed the potential risks of modern slavery occurring within our direct operations as being low.

Our workforce is primarily located in Australia, and we have robust recruitment and onboarding processes that ensure we comply with all relevant laws. A dedicated "Team Experience" team manages the onboarding process to ensure the candidate meets our values and culture. Our recruitment is largely managed in-house, which provides us with the opportunity to directly control and govern the process. Additional policies that communicate and reinforce

our expectations include our Code of Conduct, Equal Employment Opportunity, Recruitment Policy, and Speak Up / Whistleblower Policy.

In the FY22 statement period, we conducted a review of our policies and updated the Employee Handbook with additional policies including the Modern Slavery Policy and Remediation Plan. We also implemented enhanced health and safety policies, safety processes and procedures to safeguard our team members, including assistance in the prevention and reduction of the spread of Covid-19.

Whilst the risk of us causing modern slavery in our directly controlled operations is low, we understand that there is a risk we may be contributing to, or are directly linked to, human rights issues in our operations due to the use of subcontracting of services including transport, logistics, and cleaning, as well as services that may be sent offshore. These issues may include underpayment, indentured workers, and exploitation of migrants in contracted and subcontracted services, such as transport and logistics.

## Supply Chain Risks

99.75% of our trade supply chain is wholesale, contributing to a lower visibility, understanding and control of risks in this supply chain, compared to supply chains with a high percentage of own-label brands or direct import models. With such long and multi-tiered supply chains, there is lower visibility and control over recruitment and employment practices of tier 2-4 suppliers and their subcontractors that may operate in multiple high-risk countries, with low-regulated environments, low levels of education and public awareness, and high levels of corruption.

During FY22, the acquisition of a furniture retail business and the launch of a restaurant business has increased the number of high-risk product categories the Winning Group is exposed to within the timber and seafood industries. These risks have been identified and are outlined below.

### Category risks associated with electronics and appliance supply chains

#### 1 Mineral extraction

The minerals used in the manufacturing of electronic components and appliances are largely linked to the mining of conflict minerals in the Democratic Republic of Congo (DRC) and surrounding countries. Mineral extraction within the DRC and surrounding regions has high risks of forced labour, child labour, and funds armed conflict within the region.<sup>2</sup>

#### 2 Manufacturing

Due to use of low-skilled workers within the appliance manufacturing supply chain and high presence of women and migrant workers there are high risks of forced labour, deceptive recruitment practices, excessive working hours and unsafe working conditions.<sup>3</sup>

### Category risks associated with seafood supply chains

There is evidence that the depletion of global fish stocks has correlated with the rise in seafood slavery. Unregulated and illegal fishing tends to deplete nearshore fisheries, causing fishing fleets to travel longer distances for their catch, which in turn results in higher fuel and labour costs. These abuses occur aboard vessels in both domestic and international waters, as well as on land at aquaculture sites and seafood processing plants.<sup>4</sup> Limitations on freedom of movement result in seafarers being on ships for years with poor and unsafe working conditions, limited communication with family and excessive working hours.<sup>5</sup> Additional risks to people include deceptive recruitment practices, forced labour, debt bondage, and physical and mental abuse.

### Category risks associated with timber supply chains

Our lifestyle entities Andoo and Spence and Lyda both procure goods containing timber—a raw material with a high modern slavery risk. The risk profile varies based on the country of harvest, processing, and manufacture. However, common risks include employment of low-skilled workers that can be subjected to deceptive recruitment practices, debt bondage, forced labour, and excessive overtime hours.<sup>6</sup>

<sup>2</sup> <https://www.verite.org/wp-content/uploads/2017/04/EO-and-Commodity-Reports-Combined-FINAL-2017.pdf>

<sup>3</sup> International Organisation for Migration, Submission 57, p.3.

<sup>4</sup> <https://www.americanprogress.org/article/seafood-slavery/>

<sup>5</sup> <https://www.globalslaveryindex.org/2018/findings/importing-risk/fishing/>

<sup>6</sup> <https://news.mongabay.com/2017/03/investigation-reveals-slave-labor-conditions-in-brazils-timber-industry/>; [https://www.ilo.org/wcmsp5/groups/public/---ed\\_norm/---declaration/documents/publication/wcms\\_111297.pdf](https://www.ilo.org/wcmsp5/groups/public/---ed_norm/---declaration/documents/publication/wcms_111297.pdf)

# Actions Taken to Assess and Address our Modern Slavery Risks

## Policy and Governance

### Supplier Code of Conduct

As outlined in the FY21 Statement, we developed our Supplier Code of Conduct and launched it to all suppliers in June 2021. The policy has also been made public through our Winning Group website and our brand websites such as Appliances Online. Suppliers are asked to acknowledge their compliance with the policy by providing a signature or submitting their equivalent policy for mutual recognition. **Of the suppliers we reviewed during the period, 77% either signed the policy or provided an equivalent policy.** In addition, our terms and conditions of supplier agreements were amended to reference the Supplier Code of Conduct as part of all agreements.

### Human Rights and Modern Slavery Policy

During FY22, we developed and launched the Group's Human Rights and Modern Slavery Policy. The purpose of this policy is to support our actions to prevent and limit human rights violations and modern slavery in our business and supply chain. The policy underpins our commitment and supports our Modern Slavery Action Plan and our obligation to report under the Modern Slavery Act. The policy has been reviewed and endorsed by the Modern Slavery and Responsible Sourcing Committee and the Board of Directors. It is accessible to all team members via our intranet and provided to all new team members as part of the induction process.

### Additional Policies

We outlined our policies in the FY21 Statement including our Speak Up / Whistleblowing Policy, Employee Code of Conduct, Equal Employment Opportunity, and Recruitment Policy. **During FY22 we have conducted a review and refresh of our policies, with 18 policies reviewed and 9 new policies implemented,** including:

- Anti-Discrimination Policy.
- Anti-Bullying, Anti-Harassment and Anti-Violence Policy.
- Employee Assistance Program Policy.
- Working From Home Policy.
- No Smoking Policy.
- Accepting Gifts Policy.
- Referral and Sign On Bonus Policy; and
- Waste Management Policy.

## Training

### Training of Internal Teams

During the FY22 Statement period, we conducted one-to-one training sessions with all our Buying team members to educate them on the newly developed supplier on-boarding process, **totalling 12 hours.** We continued to conduct group refresher training on an ad hoc and as-needed basis throughout the period to ensure the Buying team was continually aware of emerging risks in the respective product categories and supply chains. We also conducted group training with our senior leadership and HR team.

### Training of Sustainability Team in Timber Due Diligence

Prior to the launch of our lifestyle and furniture business Andoo and the acquisition of Spence and Lyda, the Winning Legal, Sustainability and Buying teams completed training on the specific modern slavery and environmental risks associated with timber products and the requirements of the Illegal Logging Prohibition Act 2012 (Cth), totalling **80 hours.** The training was provided by an external consultant with expertise in timber legality and sustainability frameworks. A dedicated resource within the Sustainability team was included in the training and received further 1:1 coaching to be skilled for performing due diligence on our timber supply chain.

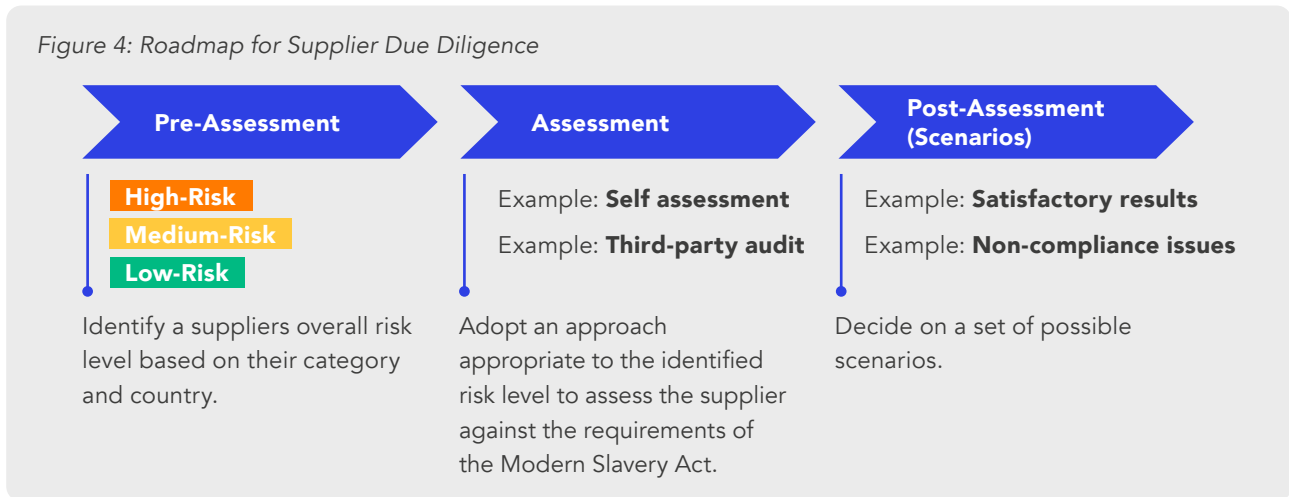
# Due Diligence Measures

## Pre-Assessment

The Winning Group risk framework is based around the following factors, which determines the subsequent level of due diligence to conduct with each supplier:

- Product category or service risk (based on 2021 category heat map and risk assessment),
- Country of origin, and
- Annual spend.

Figure 4: Roadmap for Supplier Due Diligence



A key focus of our FY22 actions has been to embed our due diligence framework into business-as-usual processes to ensure that we increase the visibility and transparency of our supply chain and develop an understanding of how modern slavery risks are managed by our suppliers. We prioritise high-risk categories, which are predominantly within our trade supply chain.

All suppliers within medium and high-risk categorisation are required to:

- Acknowledge Winning Group’s Supplier Code of Conduct, which sets out the minimum expectations of suppliers in relation to health and safety, labour right, modern slavery, business ethics, and environment; and
- Complete a comprehensive Modern Slavery Self-Assessment Questionnaire (MSSAQ); and
- Submit supporting documentation to enable verification of responses by our internal Sustainability Team.

High-risk suppliers may be required to undergo an independent third-party social compliance audit to ensure there are no practices which contravene the Winning Group requirements or local laws. (In the instance of non-conformance, please see ‘Remediation’ below for details on actions taken by the Winning Group).

The Winning Group has and will continue to be committed to implementing and improving risk management systems and controls to mitigate modern slavery and human rights risks across our operations and supply chains.

Scenario 1: Management Hierarchy for Low-Risk Suppliers	Scenario 2: Management Hierarchy for Medium-Risk Suppliers	Scenario 3: Management Hierarchy for High-Risk Suppliers
<b>Step 3:</b> Request and review evidence of policies and certifications that demonstrate alignment to Code	<b>Step 4:</b> Review supplier annually	<b>Step 4:</b> Review supplier annually
<b>Step 2:</b> Receive commitment to Supplier Code Of Conduct	<b>Step 3:</b> Request and review governance framework and policies	<b>Step 3:</b> Conduct and review meetings and follow up on MSSAQ
<b>Step 1:</b> Share Supplier Pack including Code of Conduct	<b>Step 2:</b> Request and review Modern Slavery Statement	<b>Step 2:</b> Request or conduct social compliance audit
	<b>Step 1:</b> Send MSSAQ	<b>Step 1:</b> Research supplier’s business history

## Actions and Results

A key focus of our action during FY22 was to engage with our suppliers through the MSSAQ which we developed in FY2021.

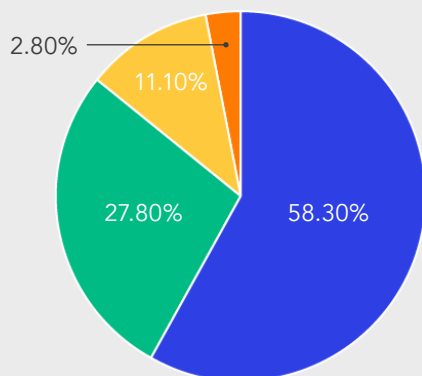
Most of our suppliers had commenced the foundational work for mitigating the risks of modern slavery within their organisations and supply chains through developing policies, performing risks assessments and providing training to their internal team members. Our review revealed that many are still developing formal due diligence processes, likely to be implemented within the next reporting period.

Many of our suppliers have head offices and sustainability teams located offshore which slowed the engagement process, in some instances taking up to three months to complete. It was crucial to the Winning Group that the correct internal stakeholders within each organisation were identified to ensure that accurate information was collated, suppliers were appropriately scored, and any required actions were communicated to the responsible individuals and teams.

**Throughout the FY22 reporting period we completed the assessment of over 88.06% of suppliers (by sales) across the Winning Appliances, Appliances Online, Rogerseller, and Spence and Lyda businesses. Of the 88.06% of suppliers the below distribution of scores were achieved:**

### FY22 Supplier MSSAQ Results

- Ideal Performance
- Compliance with local laws
- Progress beyond general compliance
- Non compliant, situation improving
- Non compliant, no data (0%)



### Areas of good performance

- 94.4%** of suppliers are aware of modern slavery.
- 90.3%** of suppliers have a Supplier Code of Conduct.
- 94.4%** of suppliers have commenced mapping their supply chain.
- 88.9%** of suppliers have conducted a risk assessment of their organisation.
- 76.3%** of suppliers have conducted training on modern slavery with their staff.

### Areas for improvement

- 55.6%** of suppliers have a formal supplier assessment process in place.
- 55.6%** of suppliers have a Modern Slavery Remediation Plan in place.
- 29.1%** of suppliers have conducted training on modern slavery with their suppliers.

Aligned to the continuous improvement methodology that underpins our approach to responsible sourcing and sustainability as whole, the Winning Group will periodically engage our suppliers to ensure that actions to manage the risks of modern slavery are being strengthened over time.

Where suppliers have indicated as implementing an initiative or actions within the next 12 months, having commonly scored 'Compliance with local laws', the Winning Group will require the supplier to be re-assessed within 12 months and provide evidence that agreed initiatives have been implemented.

Where a supplier has scored 'Non-Compliant, situation improving' or 'Non-Compliant, no data', the Winning Group will take immediate action to engage with the supplier. It was found that these suppliers often do not have obligation to report under the Modern Slavery Act, and therefore lacked an awareness of modern slavery risks. The Winning Group took an educational and consultative approach in such instances to help suppliers understand the specific risks to their industry and successfully implement foundational actions such as developing policies, conducting risk assessments and/or requesting independent third-party social compliance audits from their suppliers.



## Case Study

# Due Diligence Timber Supply Chain

Commencing due diligence on our timber supply chain came with its own set of challenges such as engaging suppliers at all stages of our supply chain down to raw materials, willingness of suppliers to share information, verification of documentation/evidence, and language barriers. Whilst this proved to be a complex exercise at times, it gave us the opportunity to better understand the environmental and modern slavery risks in the timber industry and refine our due diligence process over the course of the period. To mitigate these specific risks, the Winning Group performs due diligence on our timber supply chains and preferences those that have:

- Forest Stewardship Council (FSC) or Programme for Endorsement Forest Certification (PEFC); and
- Harvesting and processing origins within jurisdictions that have robust timber legality frameworks or low modern slavery risks.

**42%** of our suppliers use FSC/PEFC certified timber in their products.

## Seafood Supply Chain

In FY22, the Winning Group developed a specific due diligence questionnaire for our seafood supply chain with supplier assessment commencing in FY23. The questionnaire focuses on assessing the modern slavery and environmental risks associated with different species of seafood and their origins, capacity building and awareness within supplier organisations and its supply chains, due diligence processes, and independent certifications.

## New Supplier Onboarding

During FY22 we developed a robust due diligence process for new supplier onboarding. Understanding the suppliers' strengths and areas of improvement is achieved through assessing the evidence provided. Governance processes, quality management, labour conditions, environmental impacts, and supply chain due diligence approaches are key focus areas. A dedicated responsible sourcing team member within the sustainability team, leads the review and assesses supplier evidence to determine the effectiveness of processes and systems in place to mitigate modern slavery risk.

The key relationship manager will engage with the supplier to communicate their supplier score, as well as request for any required information needed, and any relevant recommended actions to be agreed to.

The action plan and timeframe to achieve those actions must be mutually agreed as the action plan will form a part of the contract and agreed outcomes will be monitored and measured.

The supplier assessment and any agreed action plan underpins the ongoing relationship, which is tailored to that supplier.

Specific contract clauses, site audits, regular meetings and ongoing reporting may be required as a result of the findings from the assessment.

Formalising the relationship involves endorsement from key internal leads before finalisation:

- Winning Group sustainability team: endorse the sustainability action plan.
- Winning Group legal team: draft and approve the final contract.
- Winning Group key relationship manager: issue the final contract, establish the timeframe for meetings to monitor progress and clear communication channels, place the order(s).

True collaboration allows for two-way communication. Ongoing and regular meetings with suppliers provides both organisations the opportunity to discuss barriers or challenges, areas for improvement as they occur, and fosters alignment of growth, innovation, productivity and quality.

Figure 5: The Assessment Process



## Industry Partnership with National Associated Retail Traders Association (NARTA)

Since January 2021, the Winning Group has been involved in the NARTA Modern Slavery Initiative as a committee retail member. This partnership was established to support how businesses review their supply chain practices to meet reporting requirements under the MSA. Its purpose is to create a collaborative environment between retailers and suppliers to uphold their collective social responsibilities. The committee met regularly during FY22 to discuss questionnaire responses and continuous improvement opportunities.

## Supplier Engagement

The Winning Group acknowledges that many suppliers are at different stages of their sustainability journey. Progress in this area, particularly in relation to modern slavery, is often commensurate with the size and capacity of business. The Winning Group takes an educational approach to supplier engagement by providing practical advice and actions for suppliers to implement, helping suppliers to understand the risks of modern slavery in their supply chain, and improve transparency and due diligence measures.

To support our efforts in engaging suppliers in meaningful conversations on sustainability and ethical supply chains issues, we developed a partner engagement toolkit to facilitate collaboration towards meaningful change. This includes:

- Supplier Sustainability Partner Deck.
- Supplier Code of Conduct.
- Supplier Engagement Letter.
- Supplier MSSAQ (tailored to risk profile based on pre-assessment of category risk).

The Winning Group has also facilitated one-to-one sessions with a portion of our top suppliers to share learnings, facilitate transparent conversations and discuss opportunities for collaboration to tackle the risks of modern slavery within the supply chain.

Where due diligence has revealed that suppliers are yet to commence taking actions on modern slavery, the Winning Group has taken the opportunity to educate these suppliers on key areas of action to take.

For high-risk suppliers where independent third-party social compliance audits are required, the Winning Group again takes an educational approach if non-conformances with our Supplier Code of Conduct arise by educating suppliers on why these types of practices are unacceptable and helping to develop a corrective action plan to ensure non-conformances do not occur again in the future.

# Grievance Mechanisms and Remediation

## Speak Up / Whistleblowing Policy

We actively encourage the reporting of any actual or suspected wrongdoing or any other issues that may affect a team member's well-being at work or that may be affecting the Group, its customers, or suppliers, through our Speak Up/Whistleblower Policy. We recognise the importance of ensuring a safe, supporting, and confidential environment where people feel confident to 'Speak Up' about wrongdoing and feel supported throughout the process. We have had no reported complaints in FY22.

## Remediation Plan

The Winning Group Modern Slavery Remediation Plan has been developed to ensure each instance of suspected or actual case of modern slavery is investigated and appropriately addressed by the Group. The plan has been communicated to all team members and is accessible through the intranet.

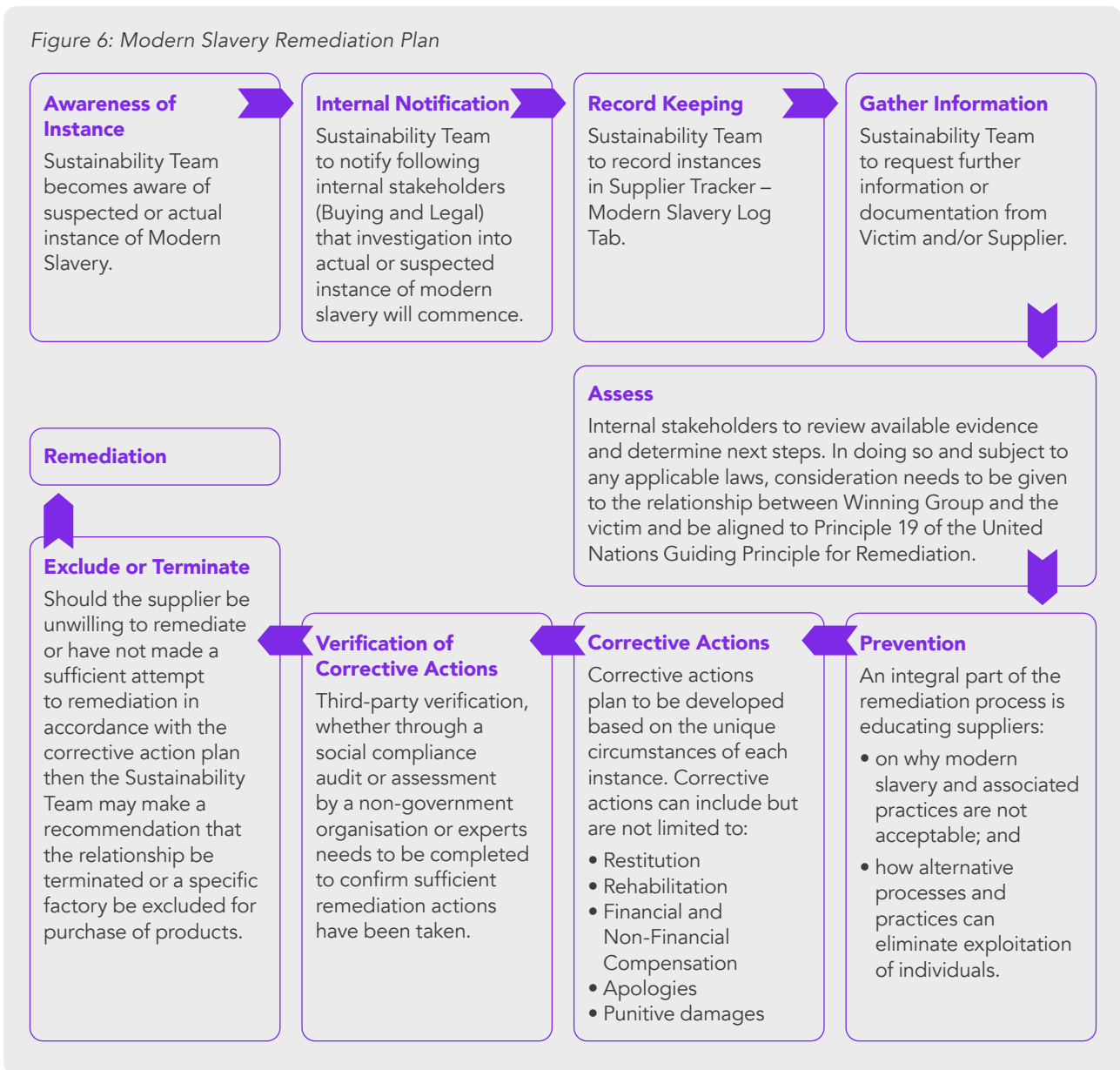
'Remediation' in the context of our plan is the process of taking active steps to assist in the correction of harm experienced by victims of modern slavery. The concept of 'remedy' aims to restore individuals or groups that have been harmed (in this case by a business's activities) to the situation they would have been in had the impact not occurred or as close to that point as possible.

As the United Nation Guiding Principles set out, 'remedy' in the judicial context is understood to include: "apologies, restitution, rehabilitation, financial or non-financial compensation, and punitive sanctions (whether criminal or administrative, such as fines), as well the prevention of harm through, for example, injunctions or guarantees of non-repetition."

It is important to acknowledge that there is no 'one-size-fits-all' approach to remediation and that each of the steps set out in the Winning Group's remediation plan, will need to be considered in the context of the situation and adjusted accordingly.

The Winning Group's ability to implement remediation processes is largely dependent on the nature of the relationship between the victim and the Group. Regardless, a victim-centred approach to remediation that focuses on the well-being, safety and protection of the victim is paramount.

Figure 6: Modern Slavery Remediation Plan



**Case Study**

## Remediation of Non-Compliance in Supplier Factory

Through our new supplier onboarding process, a review of an independent third-party social compliance audit revealed an instance of modern slavery relating to migrant workers in the manufacturing factory of the supplier. The described practices included deceptive recruitment, retention of identity documents, and payment of excessive recruitment fees.

Rather than exiting the relationship, the Winning Group chose to use its influence to ensure the non-compliance was remedied and workers did not incur further harm. Key members of the Modern Slavery and Responsible Sourcing Committee were consulted to inform the approach.

Working with the supplier, the Winning Group took an educational approach and provided guidance to work with the manufacturer in developing a corrective action plan to remediate the instances with a victim-centred approach. Onboarding was put on hold until a follow-up audit was conducted two months later.

The independent third-party follow-up audit evidenced that non-compliances had been corrected and workers were reimbursed recruitment fees.

# Assessing the Effectiveness of our Actions

Assessing the effectiveness of our actions is key to driving continuous improvement on our approach to identifying, managing, and mitigating modern slavery risks.

## Responsible Sourcing Roadmap

As part of our 2025 Sustainability Strategy, we have developed a responsible sourcing roadmap and set key measures of success and expected outcomes for policy and governance, engagement and training, due diligence measures, and grievance mechanisms. We are conducting annual evaluations of the outcomes achieved and based on the learnings, will incorporate this into actions for the following years to ensure that we are continuously improving and that our actions have a measurable impact.

Roadmap Focus Areas	Objective	Key Actions FY22	KPI FY22	Outcomes FY22
<b>Governance, Systems and Processes</b>				
<b>Policy and Governance</b>	Provide oversight of MS risks and management frameworks to guide our decision-making and continuous improvement.	<ul style="list-style-type: none"> <li>Hold quarterly cross-functional Modern Slavery and Responsible Sourcing Committee meetings.</li> <li>Develop a Modern Slavery Policy.</li> </ul>	<ul style="list-style-type: none"> <li>Members attend 85% of all quarterly meetings from each functional area.</li> <li>Finalised Modern Slavery Policy is approved by the Board of Directors.</li> </ul>	<ul style="list-style-type: none"> <li>Divisional representatives and executives attended four quarterly cross-functional Modern Slavery Committee meetings.</li> <li>Modern Slavery Policy developed and communicated across the business and made available via the intranet.</li> <li>Increasing the maturity and oversight across relevant business divisions will continue to be a focus into FY23.</li> </ul>
<b>Continuous improvement / Innovation</b>	Continuously identify ways to improve the response and management of sustainability and modern slavery risks and opportunities.	<ul style="list-style-type: none"> <li>Engage external consultants with expert knowledge to align to industry best practice and drive continuous improvement.</li> <li>Develop methodology and framework to identify more sustainable suppliers and products.</li> <li>Review our policies and frameworks for continuous improvement.</li> </ul>	<ul style="list-style-type: none"> <li>Independent external consultant engaged to review our actions and feedback incorporated into business practice.</li> <li>Methodology and framework developed to identify more sustainable suppliers and products and benchmarked against global best practice in consultation with external consultants.</li> </ul>	<ul style="list-style-type: none"> <li>The Winning Group has assessed relevant policy expectations against the UNGPs, and reviewed policies, standards and guidelines against each other to provide consistency.</li> <li>Risk profiling and rating systems are refined.</li> </ul>
<b>Risk Management and Due Diligence</b>				
<b>Risk Identification and due diligence measures - trade supply chain</b>	Effectively identify and address modern slavery risks in the Winning Group's trade supply chain.	<ul style="list-style-type: none"> <li>Develop a new supplier onboarding due diligence process.</li> <li>Review and evaluate completed supplier MSSAQ responses during the period, including providing feedback on the evaluation and developing an action plan.</li> </ul>	<ul style="list-style-type: none"> <li>Assess 70% of trade supply chain spend.</li> <li>Assess 100% of own-brand suppliers.</li> </ul>	<ul style="list-style-type: none"> <li>88.06% of supply chain spend was assessed.</li> <li>100% of own-brand suppliers were assessed.</li> <li>Ability to report on supplier due diligence processes.</li> <li>New supplier onboarding due diligence process was developed and adopted as business as usual.</li> </ul>

<b>Risk identification and due diligence measures - non-trade supply chain</b>	Effectively identify and address modern slavery risks in Winning Group's non trade supply chain.	<ul style="list-style-type: none"> <li>Develop non-trade MSSAQ for logistics and cleaning suppliers.</li> <li>Identify risks specific to the seafood supply chain.</li> <li>Develop seafood supply chain MSSAQ.</li> </ul>	<ul style="list-style-type: none"> <li>MSSAQ developed to include specific questions that are appropriate for non-trade suppliers.</li> <li>MSSAQ developed to include specific questions that are appropriate for seafood suppliers.</li> <li>Category specific risk assessment developed for the Winning Group's seafood supply chain.</li> </ul>	<ul style="list-style-type: none"> <li>A due diligence approach was designed and delivered for non-trade suppliers based on category risk segmentation.</li> </ul>
<b>Grievance mechanism and remediation</b>	Ensure adequate and effective grievance mechanisms include a remediation process to manage human rights impacts.	<ul style="list-style-type: none"> <li>Develop Modern Slavery Remediation Plan.</li> </ul>	<ul style="list-style-type: none"> <li>Ensure that every identified instance of modern slavery where the Winning Group is linked to is remediated and that corrective action is taken.</li> </ul>	<ul style="list-style-type: none"> <li>Modern Slavery Remediation Plan developed in consultation with experts and internal stakeholders.</li> <li>One case of modern slavery detected and remediated.</li> <li>Strong management systems for due diligence established and applied within key procurement and supplier management processes.</li> </ul>
<b>Training, Awareness and Engagement</b>				
<b>Internal capacity building, engagement and training</b>	<ul style="list-style-type: none"> <li>Continue implementing modern slavery training to support identification and management of modern slavery risk.</li> <li>Develop specific modern slavery training for staff in key roles of responsibility as well as areas where modern slavery is more likely to occur e.g. Procurement, Legal, Sales and HR teams.</li> </ul>	<ul style="list-style-type: none"> <li>Recruit Responsible Sourcing resource.</li> <li>Conduct timber sustainability and due diligence training.</li> <li>Communicate responsible sourcing updates to business.</li> <li>Hold one-to-one training sessions with Buying teams.</li> </ul>	<ul style="list-style-type: none"> <li>Experienced Responsible Sourcing resource recruited.</li> <li>Timber sustainability and due diligence training conducted for 100% of relevant staff.</li> <li>Quarterly Responsible Sourcing updates provided.</li> <li>Modern slavery training held with 100% of Buying team.</li> </ul>	<ul style="list-style-type: none"> <li>Responsible Sourcing resource onboarded in November 2021.</li> <li>80 hours of timber sustainability and due diligence training completed.</li> <li>Four quarterly sustainability updates communicated which included responsible sourcing information.</li> <li>12 hours of one-to-one training sessions held with Buying teams.</li> </ul>
<b>External engagement and capacity building</b>	Increase collaboration with suppliers and other stakeholders to improve their capacity to address modern slavery risks.	<ul style="list-style-type: none"> <li>Develop supplier engagement toolkit.</li> <li>Develop a partner deck.</li> <li>Hold top supplier engagement sessions.</li> <li>Hold capacity building session with suppliers requiring additional support.</li> </ul>	<ul style="list-style-type: none"> <li>Supplier engagement toolkit developed including tailored MSSAQs based on risk profile.</li> <li>Partner deck developed with customised content for each supplier.</li> <li>Five supplier engagement sessions held with strategic suppliers.</li> <li>10 hours of capacity building sessions held with suppliers requiring additional support.</li> </ul>	<ul style="list-style-type: none"> <li>Suppliers have an increased awareness of the Winning Group's minimum expectations regarding modern slavery due diligence.</li> <li>Partners have greater capacity and ability to identify, mitigate and address modern slavery in their business operations.</li> </ul>
<b>Monitoring and Reporting</b>				
<b>Reporting</b> Meet legal obligations under the <i>Modern Slavery Act 2018 (Cth)</i>	Communicate our commitment to assist in the prevention, response and remediation of modern slavery and meet compliance obligations under the Modern Slavery Act.	<ul style="list-style-type: none"> <li>Publish MSS FY22.</li> </ul>	<ul style="list-style-type: none"> <li>A compliant MSS FY22 is publicly accessible.</li> </ul>	<ul style="list-style-type: none"> <li>MSS FY22 publicly available on the Australian Border Force register and the Winning Group website.</li> </ul>

# Our FY23 Commitments

Winning Group acknowledges that eradicating modern slavery requires continuous improvement and dedication from our business, our suppliers and the wider ecosystem we engage with. Our responsible sourcing roadmap is still relatively new, but we are firmly committed to implementing actions across our key focus areas. We thank our suppliers and partners for their engagement and collaboration to assess and mitigate modern slavery risks in our operations and supply chains.

Moving forward into FY2023 and beyond we will continue to progress our responsible sourcing roadmap and set key actions, measures of success and expected outcomes for governance, systems and processes; risk management and due diligence; training, awareness and engagement; monitoring and reporting as outlined below:

Roadmap Focus Areas	Objective	Key Actions
<b>Governance, Systems and Processes</b>		
<b>Policy and Governance</b>	Provide oversight of modern slavery risks and management frameworks to guide our decision making and continuous improvement.	<ul style="list-style-type: none"> <li>• Hold quarterly cross-functional Modern Slavery Committee meetings.</li> <li>• Integrate sustainability and modern slavery risk management KPIs into each business unit.</li> </ul>
<b>Continuous improvement / Innovation</b>	Continuously identify ways to improve the response and management of sustainability and modern slavery risks and opportunities.	<ul style="list-style-type: none"> <li>• Engage external consultants with expert knowledge.</li> <li>• Launch project to highlight more sustainable suppliers and products to customers and capture data demonstrating effectiveness.</li> </ul>
<b>Risk Management and Due Diligence</b>		
<b>Risk Identification and due diligence measures - trade supply chain</b>	Effectively identify and address modern slavery risks in the Winning Group's trade supply chain.	<ul style="list-style-type: none"> <li>• Review and improve MSSAQ.</li> <li>• Assess new business high-risk supply chains.</li> </ul>
<b>Risk Identification and due diligence measures - non-trade supply chain</b>	Effectively identify and address modern slavery risks in the Winning Groups's non-trade supply chain.	<ul style="list-style-type: none"> <li>• Issue MSSAQ and conduct due diligence on responses for the seafood supply chain.</li> <li>• Issue MSSAQ and conduct due diligence higher-risk operational supply chain - cleaning and logistics service providers.</li> <li>• Re-conduct hotspot risk analysis for additional supply chains gained through business acquisitions.</li> </ul>
<b>Grievance mechanism and remediation</b>	Ensure adequate and effective grievance mechanisms include a remediation process to manage human rights impacts.	<ul style="list-style-type: none"> <li>• Review grievance mechanisms against UNGP effectiveness criteria with actions identified for improvement.</li> <li>• Review Modern Slavery Remediation Plan.</li> <li>• Identify partnerships and external stakeholder relationships to provide immediate victim support services to engage when needed.</li> </ul>

Training, Awareness and Engagement		
<b>Internal capacity building, engagement and training</b>	<ul style="list-style-type: none"> <li>• Continue implementing modern slavery training to support identification and management of modern slavery risk.</li> <li>• Develop specific modern slavery training for staff in key roles of responsibility as well as areas where modern slavery is more likely to occur e.g. Procurement, Legal, Sales and HR teams.</li> </ul>	<ul style="list-style-type: none"> <li>• Deliver general sustainability training, including high level modern slavery training to all teams.</li> <li>• Operations team trained on modern slavery risks relevant to their category.</li> <li>• Sustainability team to attend external conferences and best practice training on modern slavery and responsible sourcing for continued professional development.</li> <li>• Review and adapt modern slavery training to be hosted in new learning management system.</li> </ul>
<b>External engagement and capacity building</b>	Increase collaboration with suppliers and other stakeholders to improve their capacity to address modern slavery risks.	<ul style="list-style-type: none"> <li>• Host supplier town hall session and two online sessions.</li> <li>• Develop new relevant partnerships.</li> <li>• Invite every own-brand supplier to a one-to-one capacity-building session.</li> </ul>
Monitoring and Reporting		
<b>Reporting</b> Meet legal obligations under the <i>Modern Slavery Act 2018 (Cth)</i>	Communicate our commitment to assist in the prevention, response and remediation of modern slavery and meet compliance obligations under the Modern Slavery Act.	<ul style="list-style-type: none"> <li>• Publish MSS FY23</li> <li>• Publish sustainability progress report.</li> </ul>

## Process of Consultation and Approval

The related reporting entities covered by this joint statement have been consulted and informed of the reporting requirements of the MSA. The respective General Managers of each of the Winning Group businesses meet regularly to discuss and consult on their individual obligations in relation to Modern Slavery, as well as the ways in which their units feed into the larger Group operation. As responsible sourcing is at the heart of the Winning Group’s business and Sustainability Strategy, senior management of our Marketing, Sales, Buying, Operations, Strategy, Legal, Finance, Sustainability, Technology, Customer Service and HR units have all collectively discussed and engaged with the MSA, and the ways in which the Winning Group can make a positive impact on reducing the risk of modern slavery within our supply chains. The various training, information sessions, dissemination of MSSAQs, Supplier Code of Conduct, and collaborative supplier engagement conducted by the various entities demonstrate the consultation that has been undertaken between the relevant reporting entities.

This statement was resolved as approved by the Board of Directors of Winning Appliances Pty Limited at a Meeting of the Board of Directors of Winning Appliances Pty Limited on 21 November 2022.



**John R Winning**  
 Director, Winning Group



**John W Winning**  
 CEO, Winning Group



**Amy E Cowper**  
 General Counsel and Company Secretary



# Appendix

Appendix A: The following table summarises how this statement meets the reporting obligations under the Commonwealth Modern Slavery Act 2018.

Modern Slavery Act reporting requirement	Addressed in Section...
1. Identify the reporting entity	Our Commitment <b>Page 2</b>
2. Describe the reporting entity's structure, operations, and supply chains	Our Structure, Operations and Supply Chain <b>Page 5</b>
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.	Understanding Modern Slavery Risks in our Operations and Supply Chain <b>Page 11</b>
4. 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.	Actions Taken to Assess and Address our Modern Slavery Risks <b>Page 14</b>
5. Describe how the reporting entity assesses the effectiveness of such actions.	Assessing the Effectiveness of our Actions <b>Page 21</b>
6. Describe the process of consultation with (i) any entities the reporting entity owns or controls; and (ii) for a reporting entity covered by a joint statement, the entity giving the statement	Process of Consultation and Approval <b>Page 24</b>

