

2023

# Modern Slavery Statement.





Winc Australia Pty Limited (ACN 000 728 398), along with its related bodies corporate ('Winc'), is one of Australia's leading suppliers of workplace solutions. We take our ethical and social responsibilities very seriously and recognise the role we play in ensuring ethical conduct and sourcing throughout our supply chain. As a result, we are actively working with our suppliers to track, measure and improve social and ethical performance.

This Statement has been prepared in accordance with the Modern Slavery Act 2018 (Cth) ('Modern Slavery Act') and provides details of the measures Winc has taken to identify and mitigate the risks of Modern Slavery in our operations and supply chains during the reporting period 1 January 2023 to 31 December 2023.

## Acknowledgement.

In the spirit of reconciliation, at Winc we acknowledge Australia's First Nations Peoples as the Traditional Custodians of the lands on which we conduct our business. We pay our respects to Elders past, present and emerging. We are committed to honouring the unique cultural and spiritual relationships our First Nations Peoples have to the land, waters and seas, and their rich cultural contribution to society as the oldest continuing cultures in the world.

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## A Message from Peter Kelly.

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 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. During the reporting period we have:

- Introduced a new cloud-based tool to help us manage and analyse risk among our National Brand supplier base.
- Continued to work with Low risk Own Brand sites to complete annual Self-Assessment Questionnaires (SAQ) to verify risk status.
- Worked with all Own Brand High and Medium risk sites to conduct independent physical audits with swift and appropriate action required to address any critical non-compliances identified on a 12-month audit cycle.

Our company values are fundamental in 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. Winc and its related bodies corporate are committed to building on the progress set out in this report and we will continue to work together with our suppliers to double down on our efforts.

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*

**Peter Kelly**  
Chief Executive Officer  
Winc Australia Pty Limited

*Troy J Swan*

**Troy Swan**  
Director, General Counsel and Company Secretary  
Winc Australia Pty Limited



In addition to the information contained in this Statement, you can view our targets and stay up to date with our progress by scanning this QR code.



# Winc's Approach to Modern Slavery.

As one of Australia's largest workplace supplies companies, Winc recognises the importance of managing the risk of Modern Slavery in its supply chain.

The company's governance structure and policies, overseen by the Group General Counsel and Company Secretary, ensures that responsibility for managing Modern Slavery risks is clearly defined across the business. The Ethical Sourcing team, working closely with the Winc Legal team, actively oversees Winc's response to Modern Slavery risks through regular reporting. The company also collaborates with suppliers to identify and address potential risk areas, provides education and training, and supports suppliers in developing their own ethical sourcing policies.

Winc works closely with suppliers and stakeholders to support socially responsible sourcing practices, while holding ourselves to the highest standards of professionalism and ethical behaviour.

## Our Committees & Corporate Governance

Winc's Modern Slavery Statement outlines the company's commitment to combatting Modern Slavery across all entities under its control. This commitment is enforced through a comprehensive framework of governance policies, procedures, and programs. These are overseen by key leadership bodies within Winc, including the Group General Counsel and Company Secretary, the Winc Social Agenda Committee and the Executive Leadership team.

Winc takes an active approach to addressing Modern Slavery risks by engaging with all entities under its control, including related bodies corporate and other affiliated entities, to identify potential risks and develop strategies to mitigate them. This collaborative effort ensures a coordinated approach across the organisation to tackle Modern Slavery.

Winc's Ethical Sourcing team plays a crucial role in this process by consulting with key departments within the organisation to gain insights into potential areas of vulnerability and tailor strategies accordingly. The Ethical Sourcing team also contributes to the development of the Modern Slavery Statement, ensuring that it accurately reflects the organisation's efforts and achievements in combating Modern Slavery.

In executing its commitment to combat Modern Slavery, Winc collaborates closely with key departments including Category, Supply Chain, Sales, Legal and HR. These departments serve as the operational arms responsible for implementing actions aimed at addressing Modern Slavery risks and promoting ethical sourcing practices. The Ethical Sourcing team works closely with the Category team to ensure suppliers adhere to ethical standards.

The Ethical Sourcing team consults with Winc's Legal team on an ongoing basis to ensure ESG policies are up to date, and to ensure there are appropriate procedures in place for handling and investigating any potential Modern Slavery risks.

Winc's Group General Counsel and Company Secretary is a member of the Social Agenda Committee to ensure Winc's ongoing compliance with its legal requirements. This includes relevant labour rights and Modern Slavery regulations, while also ensuring the proper assessment and management of risk is followed, and to ensure compliance with Winc's ESG policies and Code of Conduct.

Overall, Winc demonstrates a proactive and collaborative approach to addressing Modern Slavery, integrating ethical sourcing practices throughout its operations, and ensuring accountability at all levels of the organisation.

Winc requires employees and suppliers to be aligned with the principles of dignity and respect, and to comply with relevant laws and environmental sustainability practices in their work practices and operations. In addition, every stakeholder is required to adhere to Winc's policies and procedures including the Winc Code of Conduct. This approach fosters a culture of transparency, honesty, and fairness, outlining the mutual responsibilities of Winc and its suppliers in upholding high ethical standards. It emphasises suppliers' obligation to prevent and mitigate any potential violations of the Code, which encompasses provisions addressing Modern Slavery and underscores Winc's dedication to human rights and ethical sourcing.



### Code of Conduct

At Winc, we have a purpose to help every Australian achieve a better work-life. The Code of Conduct (and related policies and procedures) guide us on doing what is right. No team member is exempt from the Code. The Code of Conduct applies to all of us and establishes the principles our business believes in and the parameters in which we conduct business.

### Working Together Respectfully

Winc is a diverse, inclusive, and respectful workplace and we are committed to maintaining this. We are committed to fostering a safe workplace environment and culture where all team members can feel free to be themselves without fear of bias, labels or negative behaviour.

### Anti-Corruption

This policy supplements our Code of Ethics and explains our requirements to help prevent bribery and corruption with the OECD Anti-Bribery Convention in Australia and other applicable laws. Winc does not accept this as an excuse for behaving unethically, failing to comply with this policy or violating the law. Winc's Group General Counsel and Company Secretary, who is a member of Winc's Executive Leadership Team ("ELT"), has established this policy to make it easier for employees and other individuals acting on our behalf to identify and deal with some the potential grey areas that could jeopardise our business interests and relationships, if not handled properly.

### HSEQ Policy

At Winc, we value the health and safety of all our employees, contractors, customers as well as the communities and the environment in which we operate. Our goal is to ensure everyone goes home safely. That is the fundamental obligation we have to every employee, and it is an essential building block of Making Winc a Great Place to Work. As such, we will ensure our management practices safeguard against adverse health, safety, environmental, or quality (HSEQ) impacts arising from our decisions, actions or behaviours.

### Whistleblower Policy

Managed by Winc's Group General Counsel and Company Secretary, the purpose of this policy is to encourage the reporting of anyone suspected of fraud or corrupt conduct or any other form of improper behaviour. This includes, but is not limited to, breaches of the Code of Conduct or Ethical Sourcing Policy which refer to Modern Slavery and other human rights violations (reportable conduct).

### Winc Ethical Sourcing Policy

Our Winc 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 to be followed by our suppliers as a condition of doing business with Winc. The policy must be implemented in conjunction with local applicable laws and is regularly audited during inspections.

### Winc Ethical Sourcing Risk Management Procedure

This document covers the risk management plan of Winc's Ethical Sourcing team for recognising and eliminating Modern Slavery risks through long-term partnership and collaboration between businesses, not-for-profit groups and governments.

Stakeholders	Government and Regulators	Investors	Shareholders	Employees	Community
Board	Board of Directors				
Management responsibility	Group General Counsel Company Secretary	Executive Leadership Team	Social Agenda Committee, chaired by Group HR Director		
Business Processes	<b>Ethical Sourcing Team</b> Responsible for the implementation of our Modern Slavery mitigation program.	<b>Human Resources</b> Responsible for ensuring employees are subject to relevant awards or industrial instruments.	<b>Legal Team</b> Responsible for responding to our whistleblower grievance mechanism.		
	<b>Category Team</b> Responsible for the day-to-day management of supplier relationships and supporting the implementations of modern slavery risk management across our supply chain.	<b>Supply Chain Team</b> Responsible for day-to-day interactions with suppliers for stock replenishment and identification of Modern Slavery risks within our operations and supply chain, consistent with company values.	<b>Operational Team</b> Responsible for the identification of Modern Slavery risks within our operations and supply chain, consistent with company values.		

## Our Workforce.

Winc employs more than 1,000 employees directly, which allows for direct visibility of employment terms and conditions regulated by Australian employment laws and modern awards.

**51%**  
of senior leaders are female

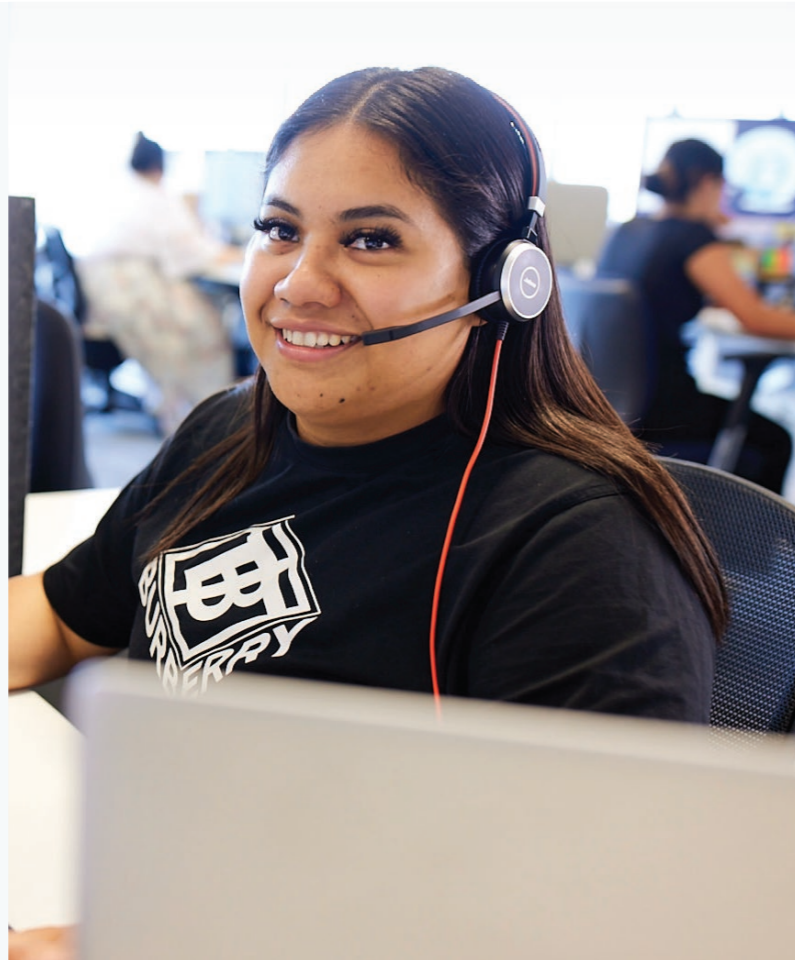
**2.4%**  
of team members identify as First Nations Peoples

**72.7%**  
of internal promotions between 1 January 2023 and 31 December 2023 were female

**Our team members are:**

Permanent part time:	Permanent full time:
<b>7.4%</b>	<b>90%</b>

Fixed term:	Casual:
<b>2.3%</b>	<b>0.3%</b>



Our **head office** is located in Mascot, Sydney with a corporate office in Melbourne.

We have **12 regional sites** across Australia.

**Major distribution centres** are located in Sydney, Melbourne, Brisbane, Adelaide, Perth and Hobart.



### Direct Workforce Processes.

The percentage of Winc's directly employed workforce engaged in warehouse operations or transport duties is 34.2%. At Winc, we have an uncompromising, organisation-wide commitment to safety and wellbeing, placing paramount importance on all aspects of Health, Safety and Environment (HSE).

In 2023, we conducted over 7,300 Proactive Safety Interactions, encompassing various activities such as leader-led safety walks, safe act observations, safety committee meetings, workplace inspections and Chain of Responsibility (CoR) checklists. These initiatives are aimed at ensuring that safety remains a constant focus throughout our operations.



### Total Recordable Injury Frequency Rate.

As at the end of 2023, Winc's Total Recordable Injury Frequency Rate (TRIFR) was 5, marking a significant **72% decrease** in workplace injuries since April 2020.

### Here are some of the safety initiatives implemented by Winc in 2023.

- Winc's Life Saving Rule No 1 promotes separating people and mobile plant. New barricades and gates were installed in our VIC and NSW Distribution Centres to help achieve this.
- According to Winc's latest employee engagement survey, 90% of team members believe Winc's commitment to employee wellbeing is genuine. Winc prioritises the mental health and wellbeing of its employees through various support mechanisms. This includes providing access to a confidential counselling service, the Access Employee Assistance Program.
- Winc invested in training 30 new leaders in Mental Health Mastery. This is in addition to the 192 Winc people leaders already trained in Mental Health Mastery across 2021 and 2022. These leaders are equipped with skills to identify and support team members facing mental health challenges, fostering psychological safety within the organisation.

To ensure fair remuneration, Winc conducts annual pay reviews aligned with market and minimum wage standards. Employees and independent contractors are encouraged to join unions voluntarily. For employees covered by Enterprise Agreements, pay rates and conditions are determined accordingly. Shift workers and casual employees have rostered working hours to prevent excessive overtime. The youngest permanent Winc employee is 19 years old.

Winc also engages casual labour in Distribution Centres to manage demand fluctuations. Service agreements with casual labour providers include robust clauses to ensure compliance with Modern Slavery laws and mandatory reporting, underscoring Winc's commitment to ethical labour practices.

## Indirect Workforce Processes.

### Agency.

Throughout the reporting period, Winc enhanced its due diligence processes concerning the hiring of labour through agencies. Over the reporting period, an average of 94.8 workers were hired through three key labour hire agencies across all sites. This was consolidated down from seven in the previous reporting period. These workers, employed through Labour

Hire Providers (LHPs), operate under the stipulations outlined in relevant Industrial Enterprise Agreements, with health and safety managed as mandated by work health and safety regulations. Winc maintains a documented legal agreement with the LHPs, delineating the responsibilities and obligations of each party toward the workers provided by them.

Same Pay: All people engaged indirectly through an agency are compensated at least as favourably as our direct workforce engaged under any enterprise agreement.

### Delivering customer orders.

Every business day, with the help of our direct and indirect workforce, Winc picks, packs and delivers 45,000 Winc boxes to organisations Australia-wide.



### Contracted.

All departments within Winc engage suppliers for essential services like cleaning, security, and maintenance. These suppliers may rely on or employ low-skilled and migrant workers who are particularly susceptible to exploitation. Factors such as limited education, unfamiliarity with workplace regulations, language barriers, and a lack of community and familial support systems increase the vulnerability of these workers. Additionally, any personal challenges related to their backgrounds or immigration status, may further complicate their ability to report issues or seek assistance. In response, Winc actively monitors its service suppliers in Australia. During the reporting period, Winc conducted reviews of its cleaning providers and implemented enhanced controls for procuring labour services. To further mitigate risks and promote ethical practices throughout its supply chain, Winc also introduced a formal Ethical Sourcing Policy Acknowledgement system as part of the site induction process for all contractors visiting Winc sites.



## Our Supply Chain.

Winc provides customers with a diverse range of product categories including office supplies, kitchen essentials, health and safety items, cleaning and hygiene products, educational materials, technology equipment, furniture and packaging supplies. Additionally, we offer comprehensive solutions ranging from furniture and technology installations to print and marketing services. Our trading arrangements with suppliers are structured as follows:

### Winc Own Brand.

Winc's Own Brands encompass a diverse range of labels including Winc, Winc Earth, Business Interiors, Cleera, Codafile, Corporate Express, Office Elements, OfficeMax, Simply, Xpress and Victoria Gardens. Throughout the current reporting period, we collaborated with 58 Own Brand suppliers operating from 154 sites across 12 countries, manufacturing goods across eight distinct categories. To uphold ethical standards, information on these suppliers is updated in our Ethical Sourcing Database every month.



### Our categories.



### National Brand.

Winc defines products as National Brand if they are created, owned, produced and marketed by a supplier, and are widely available across the country under a supplier's own brand name. Throughout the reporting period, we collaborated with suppliers who provide National Brand products across various categories. While these suppliers are integral to Winc's operations, their sizes and capabilities vary, necessitating a flexible approach. As such, Winc's Ethical Sourcing team has developed a questionnaire to gather qualitative information from suppliers regarding their ethical sourcing practices. This includes policies, documentation, management of ethical sourcing, supply chain tracing and risk assessment. Monitoring requirements are then tailored based on the level of risk identified.

### Services/Goods Not For Resale.

Goods Not For Resale (GNFR) encompass products or services essential for supporting business operations. Winc actively collaborates with high-risk service suppliers to ensure they are cognisant of and actively addressing Modern Slavery risks within their operations. Both new and existing suppliers are obligated to adhere to Winc's Ethical Sourcing Policy. Additionally, we have implemented a checkpoint to verify that all contractors working onsite at Winc are fully informed of and have acknowledged their compliance with our Ethical Sourcing Policy.

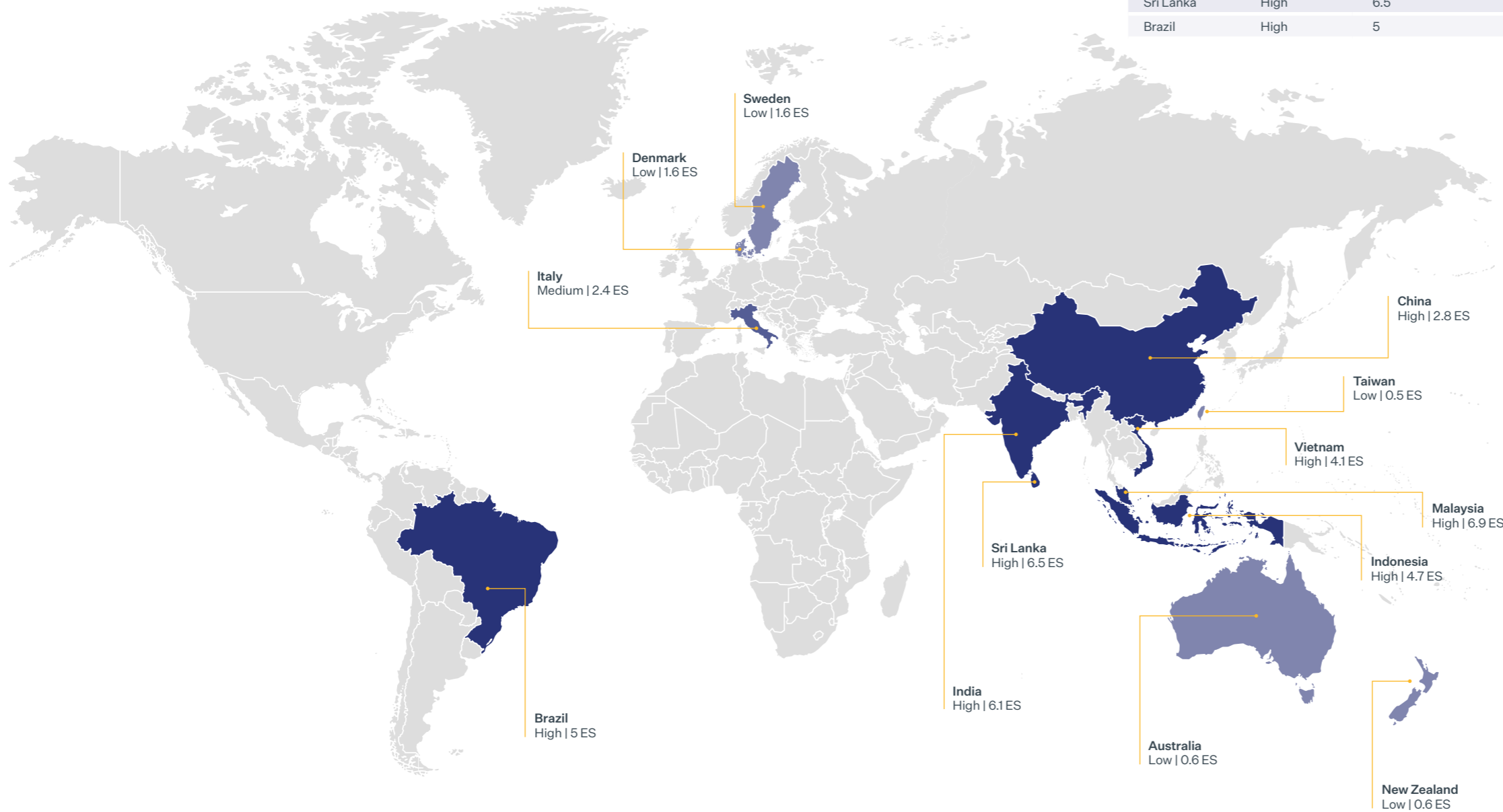
## Risk management plan for Ethical Sourcing.

International human rights reports underscore the prevalence of Modern Slavery in certain countries, often due to factors like weak rule of law, inadequate governance practices, conflicts, migration patterns and socio-economic disparities such as poverty. Utilising data from The Global Slavery Index 2023, we assess the risk associated with countries from which we source goods. We categorise those with an estimated prevalence rate exceeding 2.5 per 1,000 population as high risk. Additionally, certain industries, irrespective of location, are inherently more susceptible to Modern Slavery risks, like Lack of regulation,

informality, dependence on low-skilled labour and low wages are some of the common drivers of this risk. Leveraging insights from The Global Slavery Index 2023, the Ethical Sourcing team categorises the risks of product categories and solutions, enabling targeted mitigation strategies to ensure ethical practices across our supply chain.

Here is a list of countries from which Winc Own-Brand SKUs are sourced, along with their risk rating based on the Global Slavery Index 2023, updated last year.

Country	Risk	Estimated prevalence. (per 1,000 population)
Australia	Low	0.6
Taiwan	Low	0.5
Malaysia	High	6.9
China	High	2.8
Denmark	Low	1.6
India	High	6.1
Italy	Medium	2.4
Indonesia	High	4.7
New Zealand	Low	0.6
Sweden	Low	1.6
Vietnam	High	4.1
Sri Lanka	High	6.5
Brazil	High	5



### Risk level.



High Medium Low

Regions Winc doesn't source from

ES = Estimated prevalence. (per 1,000 population)

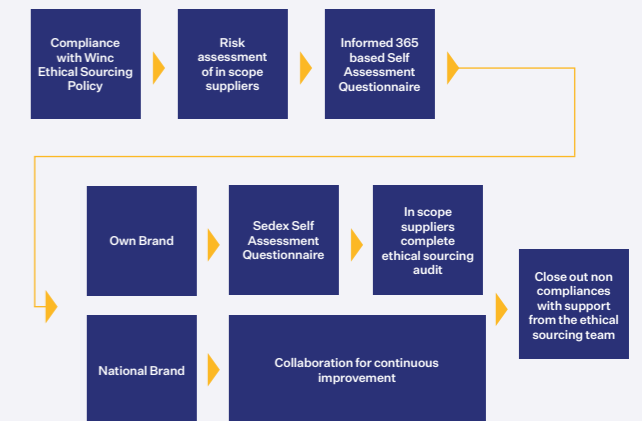
## Evaluating Risk

Our Ethical Sourcing team employs diverse multi-factor risk assessment methodologies to evaluate the inherent risks associated with Winc's supply chain and suppliers. In doing so, they align with the varied operations and industries represented within Winc's supplier base. Several factors contribute to determining the level of risk, including product category, raw materials utilised, manufacturing processes, whether the product is Own Brand or National Brand, the geographical location of manufacturing or procurement services and the supplier's spending value.

To gauge inherent risk, our Ethical Sourcing team examines Self-Assessment Questionnaires (SAQs) completed by suppliers, conducts independent audits and external research to understand supplier risk profiles. This research encompasses reports such as the Withhold Release Orders and Findings List from the US Department of State, the Global Rights Index from the International Trade Union Confederation, the Global Slavery Index from Walk Free, labour statistics from the International Labour Organization's ILOSTAT, and the Global Estimates of Modern Slavery published by the International Labour Organization. Furthermore, we review Third-Party Audit Reports from supplier ethical trade membership organisations such as Sedex.

We recognise that our exposure to Modern Slavery risk is not static and may evolve over time, prompting us to adopt a continuous approach to risk management.

### Following is the graphical representation of the risk management plan for ethical sourcing:



## Winc Own Brand.

Throughout the reporting period, Winc has remained steadfast in its commitment to overseeing the performance of its Own Brand suppliers. This involves sustaining, assessing and enhancing monitoring through the Sedex platform and auditors accredited by the Association of Professional Social Compliance Auditors. In instances where issues arise, suppliers are mandated to devise corrective action plans, with Winc offering support to address underlying causes.

Winc's Supplier Pre-Qualification Program ensures that Own Brand suppliers are fully acquainted with the company's standards and expectations. This initiative encompasses an onboarding process that includes contractual agreements and compulsory social compliance evaluations. In 2023, Winc refined its onboarding procedures and intends to conduct additional supplier training sessions to explain its ethical standards and assessment criteria while affording suppliers opportunities to enhance their social and environmental compliance. As a result of these measures, Winc has taken further steps to mitigate the risk of Modern Slavery:

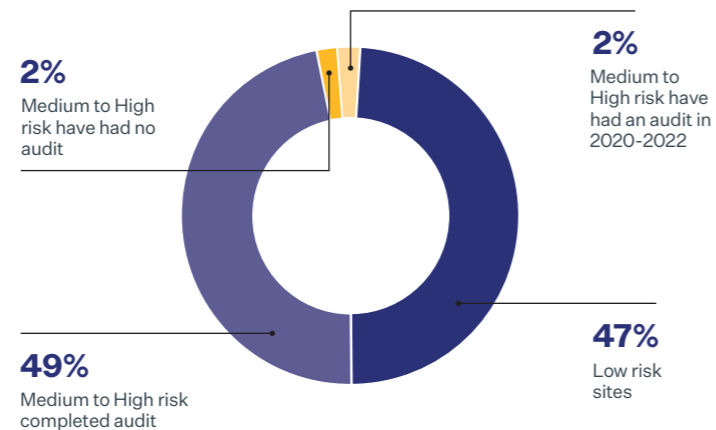
1. Low risk sites continued to complete annual Self-Assessment Questionnaires (SAQ) to verify their risk status.
2. Heavy focus on all Own Brand High and Medium risk sites to conduct independent physical audits and action any critical non-compliances identified on a 12-month audit cycle.
3. Collaboration with Winc's Ethical Sourcing team to address the non-compliances raised during the accepted standards:
  - Sedex 4 pillar (preferred)
  - Sedex 2 pillar
  - BSCI
  - WRAP
  - SA8000
  - Office Depot social compliance audit
4. Long-term Corrective Action Plans created and implemented.



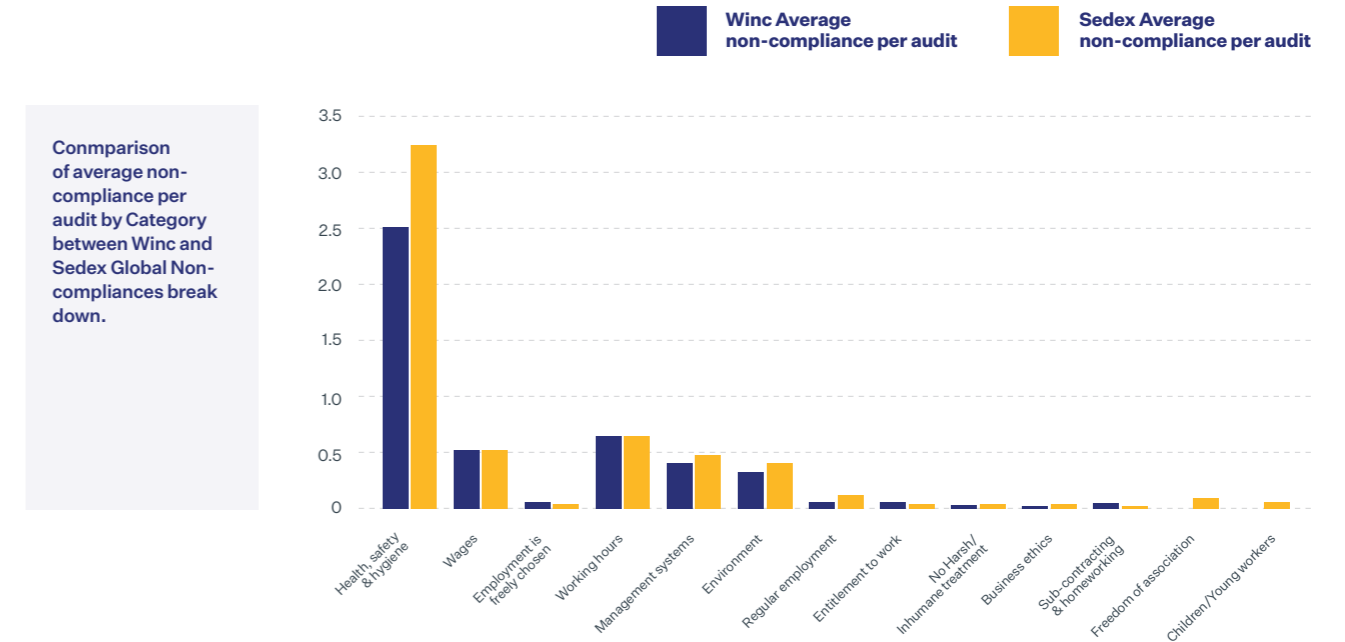
## Key findings: Audit Statistics.

As part of our commitment to ethical sourcing practices within our supply chain, Winc requires regular third-party audits. These audits serve as independent assessments of our suppliers' adherence to ethical standards, labour laws and social responsibility commitments. By monitoring outcomes, we gain valuable insights into our suppliers' operations. This enables us to identify areas for improvement and mitigate risks associated with unethical practices such as Modern Slavery and unsafe working conditions. Our recent audit results demonstrate our dedication to this process, with a completion rate of 92.5% of all high risk sites audited in 2023. This proactive approach underscores our ongoing efforts to uphold ethical sourcing standards and promote responsible supply chain management.

## Percentage of sites.



## Trends of Common Findings by Category.



The table presents a comparison between Winc's and Sedex's global number of non-compliance instances per audit against various categories. In the health, safety and hygiene category, Winc's average non-compliance per audit is 2.5, slightly lower than the Sedex average of 3.3, indicating a relatively better performance in ensuring health, safety, and hygiene standards within its operations. Similarly, in the Wages and Working hours category, both Winc and Sedex report an average of 0.5 and 0.7 non-compliance instances per audit respectively, suggesting compliance with the regulations. Together these three categories make up 83% of the non-compliance raised in Winc's in-scope suppliers in 2023.

Furthermore, in categories such as No harsh / Inhumane treatment and Entitlement to work, Winc's performance is relatively better, with lower average non-compliance instances per audit compared to the Sedex average. The only areas where Winc demonstrates a slightly lower performance compared to the Sedex average is in Environment and Regular employment. While there are a higher number of non-compliance instances per audit, the actual numbers are too low to detect a notable pattern.

Demonstrating a strong commitment to upholding fundamental labour rights, Winc reports zero non-compliance instances in Freedom of association and Children / Young workers.



## Case Study.

During a management interview and site observation for one of Winc’s suppliers, it was noted that migrant workers’ passports were stored in a locker and accessibility to these passports was found to be lacking. Workers needed to request access from HR personnel and obtain guardhouse clearance, particularly on weekends or holidays. Additionally, two critical non-compliances remained unresolved, concerning excessive working hours of up to 96 hours per week and 26 consecutive days without a day off.

### Winc’s Approach:

Upon discovering these issues, Winc promptly reached out to the site to understand their plan for rectifying the non-compliances. In addition, Winc requested a date for a follow-up audit while offering support. The supplier initially responded, stating that a verification audit was scheduled, and actions were being taken to address the identified issues. The facility also confirmed passports had been returned to all foreign workers. Despite the initial communication, the supplier then ceased responding to all further correspondence and follow-up attempts.

### Resolution:

In response to the lack of communication and unresolved non-compliance, an improvement request was submitted, and a commercial analysis was conducted. Ultimately, Winc ceased its commercial relationship with this supplier due to their failure to address the identified issues and maintain open communication. A local Non-Governmental Organisation (NGO) was contacted and provided with the details for further investigation.

### Lessons Learned:

This case highlights the importance of promptly addressing non-compliance and maintaining open communication between suppliers and stakeholders when it comes to the treatment and rights of migrant workers. It also underscores the need for continuous monitoring and follow-up to ensure that corrective actions are effectively implemented. Through proactive measures and decisive action, companies like Winc can uphold their commitment to ethical sourcing practices and promote a culture of compliance and accountability within their supply chains.

## Case Study.

### Ensuring Safe Working Hours in the Supply Chain.

#### Introduction:

Winc’s Ethical Sourcing team analysed working hours across its supply chain, which revealed a conflict between local labour laws and international ethical standards. Despite the conflict, 96.3% of sites were found to comply with the ETI base code and recorded no instances of employees working over 60 hours per week. This is despite several regions where Winc operates having local laws permitting longer working hours. This adherence to international ethical standards underscores Winc’s commitment to ensuring the wellbeing and safety of workers across its supply chain.

#### Action:

To address the conflict between local laws and international ethical standards, Winc initiated an improvement request process. This involved a comprehensive analysis of the prevailing laws and regulations in each region, coupled with guidance documents outlining the steps necessary to align local practices with the ETI base code. Additionally, Winc provided guidance and support to suppliers, emphasising the importance of adhering to international ethical standards and offering assistance in navigating regulatory frameworks to ensure compliance with safe working hour requirements.

#### Result:

Through proactive measures and collaborative efforts with suppliers, Winc successfully navigated the complexities of local laws and international ethical standards to uphold safe working hours throughout its supply chain. By prioritising the wellbeing of workers and promoting adherence to ethical sourcing practices, Winc demonstrated its commitment to fostering a sustainable and responsible business ecosystem. Introduction:

Winc’s Ethical Sourcing team analysed working hours across its supply chain, which revealed a conflict between local labour laws and international ethical standards. Despite the conflict, 96.3% of sites were found to comply with the ETI base code and recorded no instances of employees working over 60 hours per week. This is despite several regions where Winc operates having local laws permitting longer working hours. This adherence to international ethical standards underscores Winc’s commitment to ensuring the wellbeing and safety of workers across its supply chain.

## National Brands

Winc uses an Ethical Sourcing platform, Informed 365, to collect and analyse supplier data to determine the maturity of suppliers to manage Modern Slavery risks in their supply chains. All National Brand suppliers were required to complete a customised Winc Self-Assessment Questionnaire (SAQ) through the Informed 365 platform. The Winc SAQ is an important tool for businesses to evaluate their compliance and identify areas for improvement. In 2023, the Winc team used the SAQs to gain valuable insights into the risk profile of a supplier. Based on the information provided through the SAQ, the Ethical Sourcing team worked with different risk-level suppliers to mitigate Modern Slavery risks. The SAQ, integrated with the risk mitigation strategies, was communicated to all the National Brands through one-on-one meetings.

## Key Findings:

In addition to assessing supplier risk, the SAQs served as a platform for productive meetings aimed at understanding how anti-Modern Slavery efforts were strengthened during the reporting period. Through these meetings, Winc engaged with suppliers to delve deeper into their anti-Modern Slavery initiatives, discussing measures implemented to combat exploitation and uphold ethical standards within their operations. These discussions provided valuable insights into the progress made by suppliers and encouraged collaboration to enhance anti-Modern Slavery strategies. By fostering an open dialogue and partnership with suppliers, Winc seeks to drive continuous improvement and promote a collective commitment to combatting Modern Slavery throughout its supply chain.

The following responses were received from completed SAQs:

Questions in SAQ	% of suppliers who answered ‘Yes’
Has your organisation assessed the risks relating to Modern Slavery in its operations and supply chains?	83.6%
Do you have an anti-corruption and bribery policy	82.1%
Do you have overtime hours and overtime wage rates policy.	76.1%
Does your organisation have a formal process for regular auditing or a regular assurance process for your organisation’s high-risk operations?	79.1%



APP Indonesia Mill Visits: March 2024.



# Effectiveness and Performance Indicators.

To measure the effectiveness of our approach to managing the risk of Modern Slavery in our supply chain, we use of number of metrics including:

## Results of Self-Assessment Questionnaire.

The SAQ results indicate varying levels of compliance and preparedness among surveyed organisations. A significant majority (83.6%) of respondents have assessed the risks associated with Modern Slavery in their operations and supply chains. This proactive stance indicates a commitment to ethical sourcing practices and a recognition of the importance of upholding human rights throughout the supply chain. It also reflects a willingness to confront challenging issues head-on and take meaningful action to mitigate the risks of Modern Slavery.

The SAQ results also highlight the need for conversations around the implementation of formal policies and procedures within organisations. While a significant majority have assessed the risks related to Modern Slavery, there are relatively lower percentages of organisations with anti-corruption and bribery policies (82.1%), policies on overtime hours and wage rates (76.1%), and formal auditing processes for high-risk operations (79.1%). These findings underscore the importance of encouraging suppliers to develop and implement policies and procedures that address these critical areas. By initiating conversations and collaboration among stakeholders, organisations can work towards establishing the frameworks needed to promote ethical conduct, transparency, and compliance throughout their operations and supply chains.

## Closure of Non-Compliances:

In 2023, Winc increased factory audits by 108.3% and a total of 142 non-compliances were actioned. Winc is working with suppliers on closing out any remaining by completing thorough root cause analysis to understand the underlying issues and implement corrective actions plans. This metric has helped us gauge the effectiveness of our corrective measures and track

the progress made in addressing ethical breaches. With a focus on addressing the business critical and critical non-compliances (in line with Sedex Guidelines), Winc has successfully addressed and closed 78.6% of the business critical and critical non-compliances. As at the end of 2023, the pending 21.4% are still in the timeframe given to address them.

Below is the percentage graph of the non-compliances closed out for in-scope suppliers in the reporting period.

Category	Percentages for non-compliances.	Percentages for non-compliances already addressed.
Management systems	5%	5%
Employment is freely chosen	7%	0.7%
Entitlement to work	1%	1.4%
Environment	3%	2.8%
Business ethics	1%	0.7%
Health, safety & hygiene	71%	71.1%
Wages	5%	5%
Working hours	8%	7.7%
Regular employment	6%	4.2%
Sub-contracting and homeworking	7%	0.7%
No harsh / inhumane treatment	7%	0.7%

## Whistle-blower Policy

Winc's Whistleblower Policy, overseen by the Group General Counsel and Company Secretary, facilitates the reporting of any improper behaviour, including Modern Slavery and other human rights violations, by employees and suppliers. An independent and confidential whistleblowing hotline ([winc.com.au/hotline](http://winc.com.au/hotline)) is accessible to all employees and suppliers.

Reports to the hotline are thoroughly reviewed and, if necessary, investigated in compliance with legal requirements, with corrective actions implemented as needed. The Whistleblower Policy, compliant with the Corporations Act 2001 (Cth), undergoes annual review by Winc's Legal team to ensure its currency and compliance. Non-retaliation measures are clearly outlined to protect whistleblowers, encouraging all employees and suppliers to report concerns about unethical, illegal or improper behaviour.

Winc strongly encourages suppliers to maintain grievance mechanisms to enable workers to openly communicate and share grievances with management without fear of reprisal, intimidation, or harassment, as outlined in Winc's Ethical Sourcing Policy. Ethical audits are conducted to verify the presence of these mechanisms. Further details about Winc's policies can be found at [winc.com.au/csr](http://winc.com.au/csr).

## Training and Awareness

Throughout 2023, Winc conducted training sessions for Winc employees focused on Modern Slavery, addressing various aspects including legislation and activism, remediation processes, Self-Assessment Questionnaires (SAQs), industry risk factors and third-party auditing. These training sessions, approved by the Group General Counsel and Company Secretary, were conducted across key departments such as Category, Supply Chain, Sales and HR. The aim was to equip our teams with a comprehensive understanding of topics such as the legal framework surrounding Modern Slavery and the significance of activism in advocating for change, the remediation process for addressing slavery in our supply chains, the role of SAQs in evaluating current practices and identifying areas for improvement, industry-specific risk factors, and the importance of third-party auditing in verifying compliance and ensuring continuous progress.

### Training.

Over 260 Winc team members attended at least one training on Modern Slavery during the reporting period.



# Future Activities.

Managing the risk of Modern Slavery in the supply chain requires constant focus. These are just some of the actions and next steps we are taking as we look to step up our efforts.

## 1. Enhancing Supplier Support and Action by Leveraging Supplier Self-Assessment Questionnaire.

Informed 365's SAQ serves as a valuable tool for assessing and addressing critical areas of concern within our operations and supply chains. The findings obtained from the SAQ demonstrate the importance of engaging with suppliers to develop and implement robust policies and procedures that address these identified areas. Moving forward, we will leverage these insights to initiate meaningful conversations and collaboration among stakeholders, including suppliers, to drive positive change.

**1. Identifying Critical Areas:** The SAQ allows us to identify critical areas such as Modern Slavery risks, environmental sustainability, labour rights and ethical business practices within our supply chains. These findings highlight the need for targeted action to address these challenges effectively.

**2. Initiating Conversations:** The SAQ findings provide a basis for initiating conversations with our suppliers to discuss the identified areas of concern and collaborate on implementing improvements. These discussions will foster a culture of transparency, accountability and continuous improvement across our supply chains.

**3. Collaborative Action:** Through collaboration with our suppliers, we can work towards establishing comprehensive frameworks aimed at addressing the identified challenges. By pooling our resources, expertise and efforts, we can make meaningful progress towards our shared goals of ethical sourcing and sustainability.

In conclusion, the findings from the Supplier SAQ provide valuable insights that will guide our future activities in supporting and collaborating with our suppliers. By harnessing these insights and engaging in proactive discussions and actions, we can strengthen our commitment to ethical sourcing, transparency and compliance, while driving positive impact throughout our supply chains.



## 2. Strengthening Own Brand Compliance.

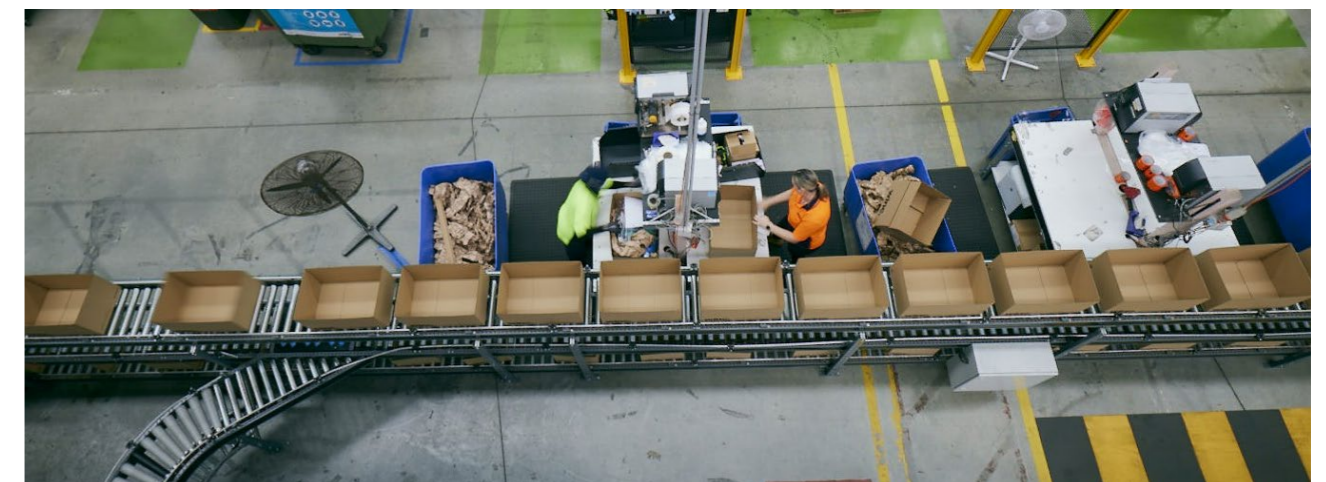
Looking ahead, it's imperative for Winc to reinforce compliance requirements for our Own Brand products. Some future activities to ensure Own Brand compliance include:

- Adopting a continuous improvement approach for addressing non-compliance issues ensures systematic change over the long term. Rather than viewing non-compliance as isolated incidents, we will implement systematic changes to address root causes and prevent recurrence.
- Offering assistance and guidance to suppliers, we can foster a culture of collaboration and accountability throughout our supply chain. We will be developing a proactive support framework to assist suppliers in identifying and addressing emerging compliance issues. This may include providing training sessions, resources, and tools, conducting regular audits and assessments, and offering personalised assistance based on the specific needs of each supplier. Additionally, we will establish clear communication channels for suppliers to report any challenges or concerns they encounter, facilitating timely resolution and continuous improvement.
- As our supplier network expands, it's crucial to onboard new suppliers effectively and ensure alignment with our compliance requirements from the outset. This proactive approach lays the foundation for sustainable partnerships built on shared values and principles. To achieve this we will collaborate closely with new suppliers to establish mutual understanding and commitment to compliance standards, fostering transparency and trust from the beginning of the partnership. Additionally, we will provide ongoing support and guidance to new suppliers as they integrate into our supply chain, ensuring a smooth transition and adherence to compliance requirements.

By implementing these future activities, Winc can strengthen compliance for our Own Brand products, promote ethical sourcing practices and foster sustainable partnerships with suppliers across our supply chain.

# Appendix.

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 Our Committees & Corporate Governance Modern Slavery Overview Our Committees & Corporate Governance Modern Slavery 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	<ul style="list-style-type: none"> <li>• Modern Slavery Overview</li> <li>• Our Operations</li> <li>• Our Supply chain</li> </ul>
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	<ul style="list-style-type: none"> <li>• Modern Slavery Overview</li> <li>• Our Operations</li> <li>• Our Supply chain Pro- Active Risk Mitigation Training and Awareness</li> </ul>
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.	<ul style="list-style-type: none"> <li>• Our Policies</li> <li>• Future Activities</li> </ul>





For any questions, email us at  
[socialimpact@winc.com.au](mailto:socialimpact@winc.com.au)

[winc.com.au](http://winc.com.au)