



# Modern Slavery Statement.

2022

**winc.**<sup>®</sup>

## Introduction.

Winc Australia Pty Limited (ACN 000 728 398 ‘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 2022 to 31 December 2022. This Statement has been made on behalf of Winc and its related bodies corporate.

All entities controlled by Winc are subject to a common set of governance policies, procedures and programs overseen by Winc’s Group General Counsel and Company Secretary, the Winc Social Agenda Committee and Winc’s Executive Leadership Team. Winc actively engaged with its related bodies corporate and other entities controlled by Winc during the reporting period to identify Modern Slavery risks and coordinate strategies to mitigate those risks. Winc’s Ethical Sourcing Team, consulted

with each department function within Winc to understand their actions during the reporting period and contribute to the content of this Statement.

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

### Acknowledgement.

In the spirit of reconciliation, we at Winc 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 Australia’s First Nations Peoples’ unique cultural and spiritual relationships to the land, waters and seas, and their rich contribution to society as the oldest continuing cultures in the world.

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## A Message from Peter Kelly.

Chief Executive Officer.



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

This Statement sets out progress achieved during the reporting period in addressing the risks of Modern Slavery in our operations and supply chain. During the reporting period we have:

- Maintained and improved Winc’s Sedex-Based Monitoring by onboarding all Winc Own Brand suppliers to the platform.
- Developed a risk framework based on product category and geography to assess the Modern Slavery risk of National Brand suppliers.
- Collaborated with Own Brand and National Brand suppliers to ensure the appropriate management and closure of Non-Compliances.

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

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

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

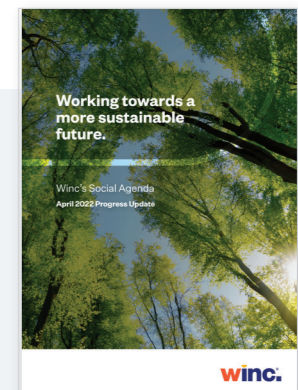
**Peter Kelly**  
Chief Executive Officer

**Troy Swan**  
Director, General Counsel  
and Company Secretary

### Winc Social Agenda.

In addition to the information contained in this Statement, you can view our targets and stay up to date with our progress by reviewing our Winc Social Agenda Progress Reports which are published bi-annually on the Corporate Social Responsibility page on our website:

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



## Overview.

Winc is a large Australian company with over 1,000 employees. We are structured as a private company incorporated in Australia, with headquarters in Sydney and offices in Melbourne, Tasmania (Hobart), South Australia (Adelaide), Perth, Darwin and Brisbane.

Winc works with over 700 suppliers to source, package and deliver everything a workplace needs to work, including office essentials, furniture, kitchen supplies, cleaning products, safety equipment and technology solutions. Included in our offering are Winc private label products under brands such as Amoroso, Business Interiors, Cleera, Codafile, Corporate Express, Milford, Office Elements, OfficeMax, Safe Choice, V'eau,

Victoria Gardens, Winc and Winc Earth. We pack and deliver approximately 45,000 boxes to customers across Australia every business day. The size of our operations and geographic reach necessitates stringent processes to ensure that risks within our business and supply chain are addressed and managed appropriately.

## About Winc.



1,000+ Employees



37,000 Browsable Products



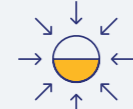
More than 45,000 Winc Boxes Delivered Daily



200+ Winc Delivery Drivers



19 Locations including 8 Distribution Centres



700+ Suppliers



1.7 Million Online Orders in the last 12 months



## Winc's Approach.

As one of Australia's largest workplace supplies companies, Winc recognises the importance of managing the risk of Modern Slavery in its supply chain and takes its commitment to ethical sourcing extremely seriously. The company's governance structure and policies overseen by the Group General Counsel and Company Secretary ensure that responsibility for managing Modern Slavery risks is clearly defined across the business, and the Ethical Sourcing Team actively oversees the 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.

We work closely with our suppliers and stakeholders to ensure that our sourcing practices have a positive impact on the environment and society, and we hold ourselves to the highest standards of professionalism and ethical behaviour.

## Our Committees & Governance.

Winc understands its underlying obligation to do the right thing by the communities in which we operate. In September 2021, Winc released its first Social Agenda with meaningful and measurable annual targets designed to work towards a more sustainable future. Progress reports are published bi-annually.

Winc's Social Agenda Committee, chaired by CEO Peter Kelly, meets monthly to review our program, policy statements and progress toward achieving our six commitments, including our commitment to drive responsible sourcing practices throughout our supply chain, protecting human rights, and engaging with stakeholders around ethical and environmental issues.

Winc's Ethical Sourcing Team reports the monthly updates to the Social Agenda Committee and is tasked with driving ongoing improvements and a consistent approach to Modern Slavery

issues. The team is made up of and led by staff experienced in responsible sourcing. The Ethical Sourcing Team consults with Winc's Legal Team including the Group General Counsel and Company Secretary 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 in order 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.

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

## Our Policies.

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

### Winc Code of Conduct.

All Winc team members are required to comply with the Winc Code of Conduct. The Winc Code of Conduct details the company's values and behavioural expectations for team members, including high standards of integrity and ethical conduct. It outlines individual responsibilities at different levels of leadership and encourages team members and those who work

with Winc or who are associated with Winc to speak up if they see any breaches or suspected breaches of the Winc Code of Conduct. Upon the commencement of employment with Winc, all team members are required to accept the Winc Code of Conduct and complete legal compliance modules and certify their undertaking to comply with relevant contents.



### Winc's Ethical Sourcing Policy.

Winc strives to work with suppliers who treat their workers with dignity and respect, adhere to applicable laws and regulations, and make their products in an environmentally sustainable manner. Accordingly, each supplier is expected to comply with Winc's Ethical Sourcing Policy.

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

**Ethical Sourcing Policy:** Our Ethical Sourcing Policy is guided by the UN Human Rights Declaration, the ILO Convention on labour standards and the Ethical Trading Initiative Base Code. The policy involves assessing and addressing risks associated with suppliers and supply chains, promoting responsible business practices, and respecting human rights. It outlines the fundamental principles for ethical sourcing practices. It consists of nine principles covering topics such as working conditions, child labour, forced labour, discrimination, and freedom of association. Companies that follow the Ethical Trading Initiative (ETI) Base Code are expected to uphold the highest standards of ethical conduct in their operations and supply chains. The implementation of this policy must be done in compliance with relevant local laws, and it will undergo periodic inspections for auditing purposes. This policy applies to all entities involved in the manufacturing, assembly or distribution of products or packaging that carry the Winc or other licensed brand, as well as all providers of National Brand products, overhead and operational products, and services to Winc, its subsidiaries, affiliates, franchisees, joint venture partners, divisions, and agents.

**Onboarding New Suppliers:** Onboarding a new supplier involves a thorough vetting process to ensure compliance with the Ethical Sourcing Policy. All suppliers are expected to comply with the ETI Base Code, and any non-compliance is addressed through remediation. Winc expects its suppliers to treat their workers with respect and follow relevant laws while making their products in an environmentally sustainable manner. To ensure this, Winc expects that every supplier complies with Winc Ethical Sourcing Policy.

**Remediation of Suspected Unethical Conduct:** Any suspected unethical, illegal, fraudulent, or undesirable conduct within the operations and supply chain is taken seriously and addressed through remediation. This includes investigating, identifying the root cause of the issue, and developing an action plan to remedy the situation. We work closely with our suppliers to support ongoing monitoring activities. Each action plan is dependent on a wide range of contributing factors and specifically tailored to suit the issue. Our Ethical Sourcing Team tracks the progress of the improvement plans and works collaboratively with suppliers to achieve positive outcomes. If the supplier is not cooperative and transparent in remediating ongoing issues, the relationship will be terminated.

To view our Ethical Sourcing Policy please visit [winc.com.au/csr](http://winc.com.au/csr)



## Our Workforce.

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

### Where do we Operate?

We have coverage all across Australia, from large Distribution Centres in the major cities to smaller offices in regional towns



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

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

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

As of 31 December 2022:

**52%**  
of senior leaders are female

**2.85%**  
of team members identify as First Nations Peoples

**59.5%**  
of internal promotions between 1 January 2022 and 31 December 2022 were female

Our team members are:

Permanent part time:	Permanent full time:
<b>7.78%</b>	<b>90.22%</b>
Fixed term:	Casual:
<b>1.5%</b>	<b>0.5%</b>

The Modern Slavery risks are further mitigated by policies, team member training, accessible grievance mechanisms and ongoing monitoring. To reduce the risk of Modern Slavery in Winc's operations and provide a fair and safe working environment that is free from discrimination, we have initiatives in place to ensure Winc meets high standards.

### Direct Workforce Initiatives.

47.2% of the Winc workforce operate within our warehouse environments or are on the road. At Winc, we take Health, Safety, and Environment (HSE) seriously and keeping people safe and healthy is our top priority. In 2022, over 6,900 Proactive Safety Interactions were conducted. These interactions include leader led safety walks, safe act observations, safety committee meetings, workplace inspections and CoR (Chain of Responsibility) checklists – activities to ensure safety is always top of mind.



### Wellbeing.

The company supports the mental health and wellbeing of employees with access to a free confidential counselling service, Access Employee Assistance Program. In addition, in 2022, 22 new Winc Leaders were trained in Mental Health Mastery, bringing the total number of Winc Leaders trained in Mental Health Mastery to 192. This has equipped these leaders with the skills to recognise and support team members experiencing mental health issues and to create and promote psychological safety at Winc.

Winc has also invested in the training of Mental Health First Aiders, team members across all sites who can recognise the signs and symptoms of common mental health problems in adults, provide mental health first aid in a crisis situation using a practical, evidence-based action plan and assist people to find professional help. An additional 11 Mental Health First Aiders were trained in 2022, bringing our total to 38 accredited Mental Health First Aiders across Winc sites.

Winc conducts yearly pay reviews to ensure employees are remunerated fairly, in line with market pay and above minimum wage. All employees and independent contractors are voluntarily engaged and free to join a union. Where Winc has entered Enterprise Agreements, we apply the agreements to determine pay rates and conditions for employees covered by those agreements. Working time is rostered for shift workers and casual employees to ensure there is no excessive overtime. All Winc employees are above the legal working age in Australia. The youngest employee is 18.6 years old at the date of this Statement. Winc also engages casual labour in our distribution centres to manage fluctuations in demand. Service agreements governing our relationships with casual labour providers include robust clauses requiring compliance with Modern Slavery laws and mandatory reporting.

### Total Recordable Injury Frequency Rate (TRIFR).

Our full year 2022 Total Recordable Injury Frequency Rate (TRIFR) was 5.6, which represents a 72% reduction in workplace injuries since the start of 2020.





### Indirect Workforce Processes.

**Agency Workers:** During the reporting period, we strengthened the due diligence on labour hiring for our 100 agency workers through seven labour hire agencies. The Labour Hire Provider (LHP) workers are employed in line with the provisions of relevant Industrial Enterprise Agreements and their health and safety managed as required by work health and safety laws. Winc has a written legal agreement in place with the LHP for the provision of workers, which clearly outlines each party's responsibilities and obligations to LHP workers. The LHP's responsibilities include but not limited to:

- Not taking any money from workers related to their employment.
- Ensuring all workers have the appropriate citizenship, visas or working rights to work at Winc at all times.
- Not placing any restrictions on the freedom of movement of workers.
- Not keeping any valuable items belonging to workers, including identity papers.
- Providing all entitlements to workers, in line with the relevant Award/Agreement and the Fair Work Act.
- Providing workers with the Fair Work Information Statement and the Fair Work My Employment Checklist.
- Using age verification procedures to ensure no child labour is used at any time.
- Providing adequate induction and training to workers when required.

**Contracted:** All divisions of Winc engage suppliers to offer services such as cleaning, security, and maintenance. Such suppliers may depend on or hire low skilled and migrant workers who are vulnerable to exploitation. These workers are more at risk due to various factors, such as lack of education, unfamiliarity with workplace laws, language barriers, and disconnection from community and family support systems. They may also face personal challenges related to their background or immigration status. This makes it difficult for them to report issues and seek help. To prevent such risks, Winc monitors its suppliers of services in Australia. In the reporting period, Winc reviewed its cleaning providers and introduced stronger controls for procuring labour services. In the reporting period, Winc introduced a system to record a formal Ethical Sourcing Policy Acknowledgement as part of the site induction process for every contractor that visited a Winc site.

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



## Our Supply Chain.

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

Potential risks in our supply chain include the use of vulnerable workers such as migrants or unskilled labour, unauthorised subcontracting, potential involvement of children in hazardous work, extreme working conditions, underpayments of wages or social insurances, and lack of transparency and collaboration.

Global supply chains have increased exposure to Modern Slavery risks in emerging economies. We address these risks through contractual agreements, codes and policies, ethical sourcing actions with our suppliers.

### Overview of Winc's Supply Chain.



### Winc Categories.

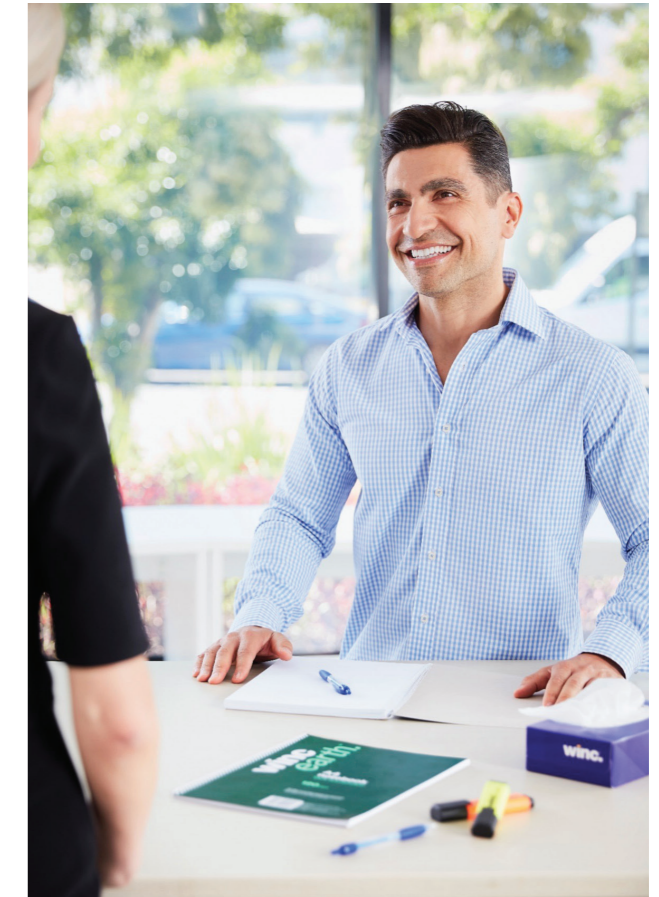
The product categories Winc supports its customers with include office products, kitchen products, health & safety supplies, cleaning & hygiene supplies, education supplies, technology, furniture and packaging supplies. We also support customers with solutions from furniture and technology fit outs to print & marketing services. The trading arrangements we have with our suppliers are defined in the following ways:

### Winc Own Brand.

Winc Own Brands include Winc, Winc Earth, Business Interiors, Cleera, Codafire, Corporate Express, Milford, Office Elements, OfficeMax, Simply, Amoroso and Victoria Gardens. In the current reporting period, we had 49 Own Brand suppliers sourcing from 135 sites manufacturing goods across 10 different categories. These factories and sites are situated in 12 countries, and information on these suppliers is updated in our Ethical Sourcing Database monthly. In 2023, we will put in place additional steps to gain a deeper understanding of our Own Brand supply chain. This will include transitioning to a new Winc Modern Slavery Assessment Platform to provide us with a more in-depth view of risk factors in our supply chain.

### National Brands.

Winc considers products to be National Brand if they are created, owned, produced, and marketed by a vendor and sold across the country under a recognisable brand name. We work with over 70 suppliers who provide National Brand products across different categories in the reporting period. These types of suppliers are a significant part of Winc's business, but due to the varying sizes and capabilities of suppliers, a uniform approach cannot be implemented. Instead, Winc's Ethical Sourcing Team has created a questionnaire to collect qualitative information from suppliers about their ethical sourcing capabilities, including policies and documentation, ethical sourcing management, supply chain tracing, and supply chain risk. Different monitoring requirements are then adopted based on level of risk.



### Services/Goods Not For Resale.

Goods Not For Resale ('GNFR') refers to products or services to support business operations. Winc engages with high-risk service suppliers to ensure they are aware of Modern Slavery risks in their business and are addressing them. New and existing suppliers are required to agree to Winc's Ethical Sourcing Policy. We have a checkpoint in place to ensure that all contractors working on site at Winc are aware of and have acknowledged compliance with our Ethical Sourcing Policy.

### Our Categories.



## Evaluating Risk.

Our Ethical Sourcing Team utilises a variety of multi-factor risk methodologies to evaluate the inherent risk associated with Winc’s supply chain and suppliers, which is consistent with the diverse operations and industries represented amongst Winc’s supplier base. Several factors influence the level of risk, including the product category, raw materials used in production, manufacturing processes, whether the product is Own Brand or National Brand, the location of manufacturing or procurement services, and the supplier’s spending value.

To assess the inherent risk, our Ethical Sourcing Team considers Self-Assessment Questionnaires completed by suppliers and information obtained from independent audits. In addition, external research is completed to understand the risk profile of our suppliers.

This research includes reports such as:

- Withhold Release Orders and Findings List by The US Department of State
- Global Rights Index (GRI) by the International Trade Union Confederation
- Global Slavery Index by Walk Free
- ILOSTAT: the leading source of labour statistics by the International Labour Organization
- Global Estimates of Modern Slavery published by the International Labour Organization
- Third Party Audit Reports by supplier ethical trade membership organisations like SEDEX
- We acknowledge that our risk of Modern Slavery is not fixed and may change over time which is why we have developed a continuous approach.

## Industry.

Some industries, and therefore products, are more prone to Modern Slavery risks regardless of their location. High risk industries are often informal and lack proper regulation, depend on low-skilled workforces, and offer low wages. Based on The Global Slavery Index 2018, our Ethical Sourcing Team has categorised the risks of the categories of products and solutions we offer to our customers.

## Geography.

International human rights reports indicate that Modern Slavery is more prevalent in certain countries. This is often linked to weak rule of law, inadequate governance practices, conflicts, migration patterns, and socio-economic factors like poverty.

Based on The Global Slavery Index 2018, we have assigned risk to the countries through which we source our goods. We assign high risk to any country that has estimated prevalence (per 1,000 population) over 2.5.

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	4.5
Sri Lanka	Medium	2.1

## Winc Own Brand.

During the reporting period, Winc has maintained its focus on the performance of its Own Brand suppliers. This has involved prioritising the maintenance, assessment, and improvement of Winc’s Sedex-Based Monitoring, which is delivered through the Sedex platform and auditors approved by the Association of Professional Social Compliance Auditors.

Whenever issues arise, suppliers are required to develop corrective action plans, and Winc provides support to address root causes.

In addition, Winc’s Supplier Pre-Qualification Program ensures that Own Brand suppliers are fully aware of the company’s standards and expectations. This program involves an onboarding process that includes contracts and mandatory social compliance assessments. Winc overhauled its onboarding process in 2021 and further enhanced it in 2022.

Additionally, in 2023, the company plans to conduct a further supplier training to explain its ethical standards and assessment requirements and provide opportunities for suppliers to improve their social and environmental compliance.

As an output of the 2021 Modern Slavery Statement, we have further mitigated the risk of Modern Slavery in the following ways:

1. Own Brand High and Medium risk sites are required to conduct independent physical audits and action any critical non-compliances identified within the required timeframe. Key metrics are measured on a 12-month audit cycle.
2. Auditing inspections: Suppliers are required to complete a Social Compliance Audit on a yearly basis. The preferred standard is a Sedex 4 pillar audit. The following audits can be accepted on a case-by-case basis after review by the Ethical Sourcing Team.
  - Sedex 2 pillar
  - BSCI
  - WRAP
  - SA8000
  - Office Depot social compliance audit
3. Low risk sites continued to complete annual Self-Assessment Questionnaires (SAQ) to verify their risk status.

In the previous reporting period, any ethical sourcing audits completed prior to and in the year 2021 were included in Winc’s data analysis. The percentages reported in this Statement covers audits completed in 2022.



In 2021 Winc became a member of the Supplier Ethical Data Exchange (Sedex). Sedex allows Winc to share audit data on the practices of suppliers.

## Case Study.

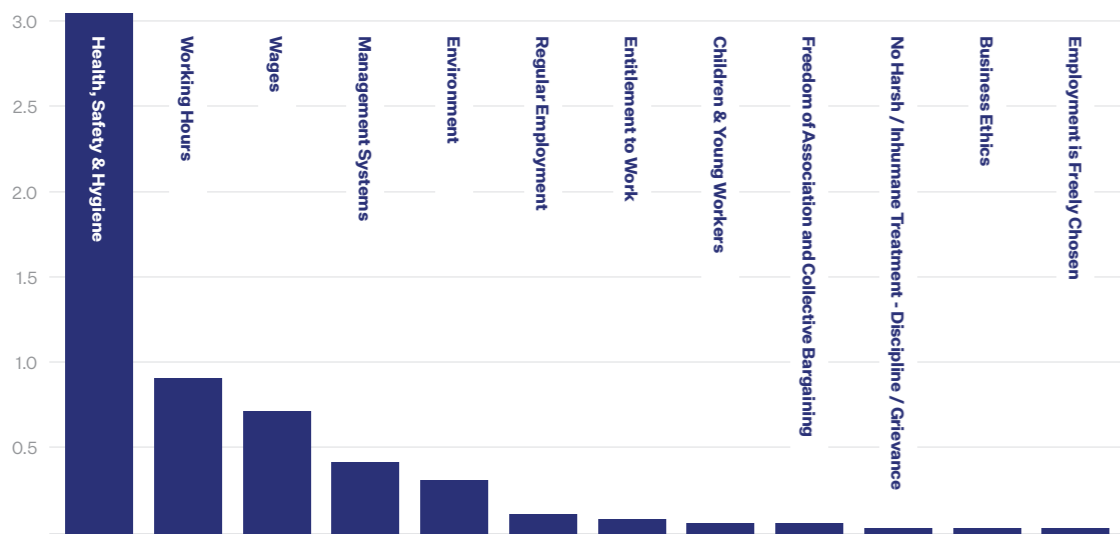
During interviews of the factory’s security guards for a supplier audit conducted at a factory in Malaysia, it was revealed that these guards had no access to their passports. Their employer, an Agency hire company, kept them in a secure area. A root cause analysis was conducted at the facility which revealed it involved two guards, the other agency workers at the site did not face this issue. The supplier took prompt actions with consultation with the Winc Ethical Sourcing Team and worked with agency for resolution and education on the potential Modern Slavery risks. In addition, the factory owner has committed to ensuring adherence to the Foreign Migrant Worker Standard at all sites. The Winc team continues to work with the supplier and monitors Compliance.



## Trends of Common Findings by Category.

Overall Winc's findings are in line with Sedex global benchmarks. We work closely with suppliers to identify areas of improvement and provide support and resources to help them remediate any non-compliances.

### Non-Compliance for Each Issue Category: Winc.

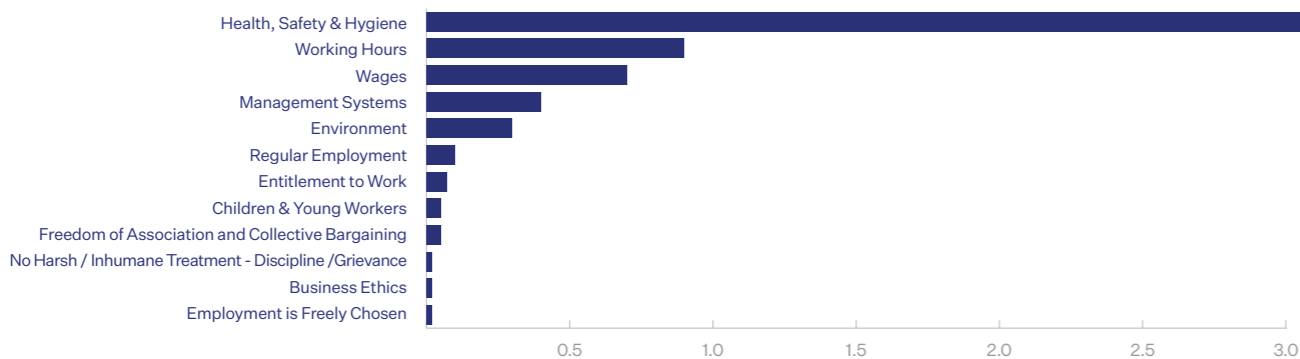


Health, safety and hygiene were the most common category of Non-Compliances. Among these, fire safety accounted for majority (28.88%) followed by chemical handling (21.48%).

Excessive working hours was the second most common category of Non-Compliances in our supply chain base (15.4%)

Wages was the third most common finding in our supply chain base, with the majority (91.67%) raised against the subcategory Benefits & Insurance. Other subcategories include record keeping and documentation (8.33%).

### Non-Compliance for Each Issue Category: Sedex Global Benchmarks.



## National Brands.

As it is not possible to have a universal approach to all National Brand suppliers due to varying sizes and capacities, Winc's Ethical Sourcing Team has created a survey that focuses on obtaining information from suppliers about ethical sourcing practices, including policies, documentation, supply chain tracing, and risk management. The purpose of implementing the survey was to calibrate the competency of the National Brands to address the Modern Slavery risks in these supply chains and identify opportunities to assist in the most relevant and effective ways.

In addition to collaborating with suppliers to mitigate Modern Slavery risks, Winc provides support to suppliers by sharing knowledge, best practices, and resources to help improve practices and protect against Modern Slavery. Winc has supported suppliers on a range of topics, including, implementing appropriate due diligence and monitoring procedures, and developing effective policies and procedures to address Modern Slavery risks.



### Key Findings.

In 2022, we used Self-Assessment Questionnaires and inherent risk evaluation to assess supplier risk. This was used to determine the level of monitoring and oversight required, including recommended program upgrades and the frequency of social compliance audits.

Typically, suppliers engage with an independent audit body to fulfill the Modern Slavery requirements of companies such as Winc. However, Winc reserves the right to conduct its own audits or commission an audit body to do so, which may be announced, semi-announced or unannounced.

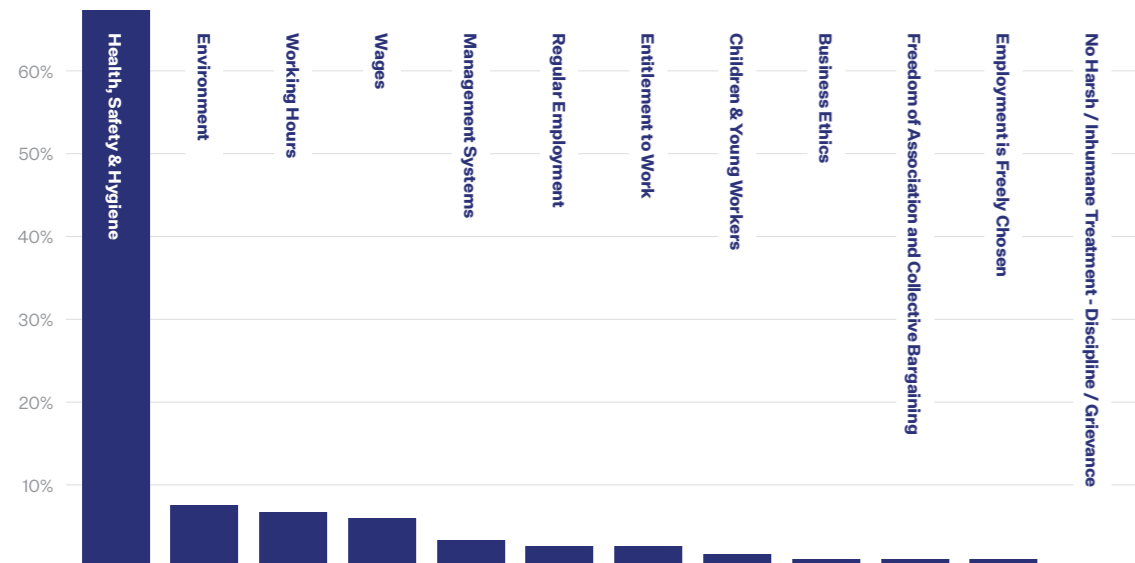
## Effectiveness and Performance Indicators.

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

### Closure of Non-Compliances.

Winc works closely with suppliers to work through a root cause analysis and corrective actions plans are put in place if a Non-Compliance is identified. This work is completed over an agreed timeframe with multiple check ins throughout. In 2022, a total of 115 Non-Compliances were closed from 38 audits. Ongoing tracking of 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 (as per Sedex Guidelines),

Below is the percentage graph of the Non-Compliances per issue category closed in the Winc supply chain in the reporting period.



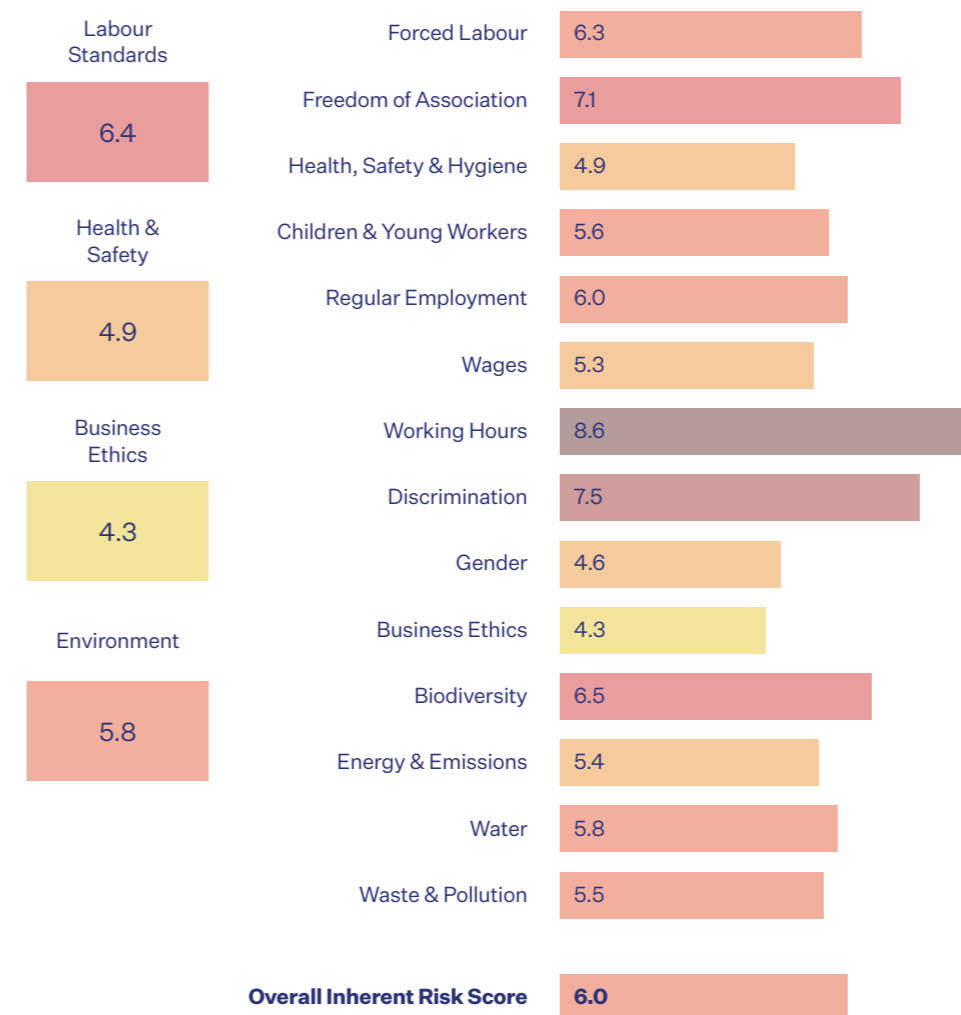
Where appropriate, long term action plans are created for major Non-Compliances – please see page 19 for further information.

## Wages - Benefits and Insurance.

From all the findings raised against Benefits and Insurance in Winc's supply chain, 90.9% were raised in the factories based in East Asia. The remaining 9.1% are minor issues as per Sedex guidelines. To mitigate the risks associated with wages Non-Compliances, Winc has taken a comprehensive approach focusing on proactive measures to ensure compliance and promote fair and ethical practices. The social insurance system in China includes five mandatory components: pension insurance, medical insurance, work-related injury insurance, unemployment insurance and maternity insurance. Winc's approach involves conducting thorough due diligence to verify that workers are paid fair wages followed by understanding the details of the exact type of insurance the factory is defaulting.

Despite the existence of national insurance schemes, with the first passed into law in 1951, less than one-third of China's workforce of 770 million have a basic pension and only half are enrolled in an insurance scheme. Furthermore, many workers are under-insured.

Winc establishes clear and transparent corrective action plans with the relevant suppliers to clearly outline the expectations and requirements for wages, benefits, and insurance, and specifies the responsibility of suppliers to adhere to these requirements.





### Hours Worked Actions.

A common issue raised in Winc's overseas supply chain is excessive working hours. To address this issue, we have adopted a Working Hours Framework that is guided by the Ethical Trading Initiative (ETI) Base Code. Applied in conjunction with local legislation and legal requirements specific to the country, the framework sets a maximum working hours per week.

In all instances of working hours Non-Compliances, we have developed action plans in collaboration with our suppliers to decrease excessive hours in our supply chain in steps. These action plans have taken into consideration local living wage and country laws. We acknowledge this is a global issue that requires collaboration between businesses, governments, NGOs, and other key stakeholders. We will continue to invest suitable resources and work collaboratively with our suppliers to improve working conditions in our supply chain.

### Supplier Complaints.

We track the number of supplier complaints received and resolved. By promptly addressing and resolving complaints, we demonstrate our commitment to maintaining a robust and accountable supply chain. We received zero complaints from suppliers in 2022 which reflects our dedication to fostering positive relationships with our suppliers and addressing any concerns promptly.

### Suppliers Onboarded to Sedex.

One of the most important metrics is the percentage of suppliers onboarded to Sedex as it demonstrates their commitment to transparency and responsible sourcing. In 2022, we have onboarded 100% of our Own Brand suppliers to Sedex. In the process, two Own Brand factories refused our requests. As a result, we no longer trade with these two factories.

### Proactive Risk Mitigation.

Proactive risk mitigation is at the core of our ethical sourcing strategy. By conducting due diligence, fostering open communication, monitoring our supply chain, and investing in supplier capacity building, we strive to identify and address risks. Through these measures, we uphold our commitment to responsible sourcing, mitigate potential risks, and contribute to a more sustainable and ethical supply chain.

### Whistle-blower Policy.

Winc's Whistleblower Policy is managed by Winc's Group General Counsel and Company Secretary and enables staff and suppliers to report any improper behaviour, including Modern Slavery and other human rights violations. An independent and confidential whistleblowing hotline is available to all employees and suppliers ([winc.com.au/hotline](http://winc.com.au/hotline)). All reports to the hotline are reviewed and, where necessary, investigated with the outcome of such an investigation reported with the legal requirements. All required corrective actions are implemented.

The Whistleblower Policy is compliant with the Corporations Act 2001 (Cth) and reviewed annually by Winc's Group General Counsel and Company Secretary and the rest of the Winc Legal Team to ensure the Whistleblower Policy is up to date and remains compliant. The Whistleblower Policy clearly outlines that there are non-retaliation measures to protect the discloser. All employees and suppliers are encouraged to raise any concerns about unethical, illegal or improper behavior.

Winc requires suppliers to maintain a means by which workers can openly communicate and share grievances with management without fear of reprisal, intimidation or harassment. This requirement is included in Winc's Ethical Sourcing Policy and ethical audits are conducted to verify the presence of grievance mechanisms.

You can read more about Winc's policies at [winc.com.au/csr](http://winc.com.au/csr).

### Training and Awareness: Internal Training.

Throughout 2022 Winc delivered internal training on Modern Slavery covering legislation and activism, the remediation process, Self-Assessment Questionnaires, industry risk factor and third-party auditing. The training, which was approved by the Group General Counsel and Company Secretary, has been delivered across key departments, including Category, Supply and Demand Planning, Sales and HR. This has allowed our teams to understand:

- The legal framework surrounding Modern Slavery and the role of activism in advocating for change.
- The remediation process and how we can take steps to identify and address slavery in our supply chains.
- The role Self-Assessment Questionnaires play in evaluating current practices and identifying areas for improvement.
- What our industry risk factors are.
- How third-party auditing verifies compliance and ensures ongoing progress.

## Future Activities.

### Introduction of Winc Modern Slavery Assessment System hosted by Informed 365

Winc is in process of updating its risk management system in order to have access to real-time updates on potential Modern Slavery risks and issues. This platform is hosted by Informed 365 which uses advanced analytics and monitoring tools to track and analyse data from multiple sources, including internal and external data sources. It will help Winc maintain a clear understanding of our risk exposure and allow us to take proactive measures to mitigate risks before they become critical issues.

### Customised Self-Assessment Questionnaire (SAQ).

In 2023, to align our supply chain strategy with our sustainability goals, the Winc Ethical Sourcing Team will create a customised Self-Assessment Questionnaire (SAQ) which, together with the inherent risk, will serve as guideline for rolling out the Ethical Sourcing Program covering both Own Brand and National Brands. The customised Winc SAQ will be an important tool for businesses to evaluate their own compliance and identify areas for improvement.

When integrated into risk assessments, the Winc SAQs will provide valuable insights into the risk profile of a supplier or vendor. By using SAQs as part of the risk assessment process, a business can gather information about a supplier's internal policies and procedures related to ethics, human rights, and environmental sustainability. This information will be combined with other data, such as external audit results and industry benchmarks, to create a comprehensive picture of supplier risk. SAQs will also be used to monitor supplier compliance over time, allowing businesses to identify areas where improvement is needed and track progress towards goals.

### Roll out the Ethical Sourcing Program to high-risk sectors for National Brands.

Integrating SAQs and audit data into a centralised system will help Winc continue to improve our approach working with suppliers to manage risk. In 2023, we will finalise and roll out our Ethical Sourcing Program to high-risk sectors for National Brands. The program will be designed to be collaborative in nature to facilitate learnings and improved outcomes for both Winc and our Suppliers and include initiatives such as independent physical audits, processes to address Non-Compliances.

### Roll out the Ethical Sourcing Program to high-risk operations.

In the 2023, Winc will conduct surveys among the high-risk workforce to assess compliance with labour hire policies and hold focus groups to gain insights into the challenges they face.

Based on supplier feedback, Winc will provide simple guidance and recorded materials to share with their Labour Hire Providers (LHPs) outlining their role in meeting compliance expectations. LHPs include:

- Contracted drivers
- Contracted cleaning
- Security personnel services
- Contracted IT services

Examples of procedures may include but are not limited to:

- The LHP giving regular wage records
- Interviewing workers
- Educating workers about their rights
- Providing workers with a grievance process

If evidence is found that workers supplied by LHP are not receiving their rights and entitlements under workplace laws, Winc will take appropriate corrective actions as per the remediation procedure.

## Appendix.

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

Mandatory Criteria for Reporting Statements	Location of Information
Identify the reporting entity	Introduction
Describe the structure, operations and supply chains of the reporting entity	Introduction 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	Modern Slavery Overview Our Operations Our Supply chain
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	Modern Slavery Overview Our Operations Our Supply chain Pro- Active Risk Mitigation Training and Awareness
Describe how the reporting entity assesses the effectiveness of such actions	Effectiveness and Performance Indicators
Describe the process of consultations with any entities that the reporting entity owns or controls	Introduction
Provide any other information that the reporting entity, or the entity giving the Statement considers relevant.	Our Policies Future Activities





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

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