Communication on Progress: Winya Indigenous Furniture Pty Ltd, Australia.

December 2017 to December 2018

1. Statement of Continued Support

18 December 2018



To our Stakeholders:

Winya is a small company. But we believe that the Global Compact Principles and the Sustainable Development Goals are just as relevant to small businesses as to multinationals. The Principles are especially important for every small business who wants to become bigger business and be proud of what they are doing on their journey.

I am very pleased to confirm that Winya Indigenous Furniture Pty Ltd (Winya) reaffirms its support of the Ten Principles of the United Nations Global Compact in the areas of Human Rights, Labour and Anti-Corruption, as well as our commitment to the operation of our business under the United Nation's Sustainable Development Goals.

We have chosen to use the Small Business template because of our limited resources, but also to demonstrate how simple it is to make this commitment to a better future.

In this annual Communication on Progress, we describe our actions to continually improve the integration of the Global Compact and its principles into our business strategy, culture and daily operations. We are also committed to sharing this information with our stakeholders and other interested parties, to assist their progress on this journey.

Sincerely

Greg Welsh Director <u>www.winya.com.au</u>

2. Description of Actions

Winya values people. Winya has been recognised with multiple Awards for the way we engage with our staff, suppliers and the community in our extended supply chain. Winya is now Australia's most Awarded furniture company:

2018 Awards:

- Greg Welsh, Director of Winya was awarded a United Nations Award for Leadership Sustainable Development Goals. (economic empowerment of Indigenous peoples)
- Australian Sustainability Award for best product Innovation: e-Board
- Chartered Institute of Procurement and Supply (CIPS): Award for Best Corporate Social Responsibility and Best overall business in Austral-Asia
- Procurement and Supply Association (PASA) Best Supplier Business
- City of Sydney. 4 Awards for Sustainability, Diversity, Best small business, Best Overall Business
- NSW State Chamber of Commerce Awards for Diversity

2018 Finalist:

- Facility Manager's Association (FMA)
- Banksia Foundation Award for Indigenous Leadership in Sustainability

2017 Awards:

Winya won both the

- Building Industry Sustainability Award for best product and
- the Banksia Sustainability Award for Indigenous Leadership.

Winya endeavours to set an example to all business by suppling the highest level of workplace safety for our employees, including sit-stand desking, seating and other ergonomic furniture and accessories to optimise employee health and well-being.

Winya's staff policies and staff employment contracts specifically address our non-acceptance of bullying, discrimination or any form of harassment and clearly state the company actions in relation to any of these actions should they occur.

Winya regularly inspects the factories in its supply chain both in Australia and overseas to verify safe work practices. Additionally, as part of Winya's supplier compliance measures, Winya surveys its supply chain down two tiers to seek to verify workplace practices and that the workplaces are well managed and free of threats and intimidation of any sort.

This includes periodic site visits to our remote supplier locations and to the Prisons where we are engaged in workplace training for Indigenous inmates.

Winya deliberately seeks to engage and support remote Indigenous communities into its supply chain. We do this to create employment and income opportunity in remote communities where there is little or no employment.

Winya's Award winning e-Board allows Winya to manufacture Australia's most sustainable office furniture, taking back old desks and diverting this otherwise scrapped product from landfill and converting this into new board, to make new office furniture.

Winya specifies the use of water-based adhesives and finishes in its manufacturing. Winya's timbers are specified (and tested by Winya) as zero VOC (particularly Formaldehyde). Winya ensures its powder-coatings and paints are free from heavy metal. Winya avoids the Chrome plating of its metal products to avoid environmental risk and to assist in post use recycling.

And as a further statement of our commitment to our people and the environment, in 2018 Winya became **<u>B-Corp</u>** Certified.

Labour

Winya specifically targets its Modern Slavery compliance down two levels within its supply chain.

Winya is also particularly cognizant of this area of the Global Compact Principles because of the works we seek to do within the prison system, to provide training and accreditation for Indigenous inmates to assist them in to become employable upon their release. The prison training work is both voluntary and receives some payment. The product is supplied in a closed loop to government agencies who are supporting Winya's prison training initiative. The product from this process is not going into general commercial circulation.

Why does Winya choose to do this work with the prisons? It's a key part of our Indigenous engagement program. In Australia, Aboriginal and Torres Strait Islanders comprise 3% of the population yet represent up to 28% of the prison population and 46% of youth in detention. And a key driver of this is lack of employment opportunity.

Winya's staff and supplier's staff are paid well above the Statutory Minimum wage in each of there jurisdictions. No bonded labour occurs, hourly staff are paid for additional work. No documents are withheld and no other possible bonded processes exist down to two tiers in our supply chain. As a small business, checking beyond this level is currently beyond our resources.

Environment

Winya is ISO9001-2015 Certified and has comprehensive processes that direct all our procedures.

Winya also operates an ISO14001 Environmental Management System. This is not yet third party certified but Winya is looking to compete this in 2019.

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Anti-Corruption

Australia has criminal Legislation covering corruption, collusion, fraud and other unethical business behaviours which also extend to international operations and behaviours.

That said, Winya also now specifically addresses its behaviour expectations in each staff member's employment contract and in the staff handbook.

We are aware of some competitors providing international travel to potential buyers and specifiers to "see their manufacturing" in America and Europe. This practice is unacceptable in our view as it is a "bribe".

Winya's supplier engagement program around our Modern Slavery process extends to questions covering bribery, corruption and employment practices down two tiers.

3. Measurement of Outcomes

Employment and Diversity Goals

Winya has >50% female ownership

Winya has > 50% Indigenous ownership

Winya has 50% female staff

We have tried to have majority Indigenous staff but this has become increasing difficult as Winya has become a poaching ground for companies seeking trained Indigenous staff, so we are renewing our focus on increasing our remote community work programs and particularly those focused on supporting Indigenous women.

Winya has won both the City of Sydney and the NSW Chamber of Commerce Diversity in Employment Awards in 2019, as well as the Chartered Institute of Procurement and Supply's best Corporate Social Responsibility award in Australasia.

The most significant recognition was when Winya Director Greg Welsh was recognised by the United Nations as a Pioneer in the United Nation's Sustainable Development Goals

Sustainability

Winya has always sought to be a leader in Sustainability.

In 2017 Winya won both the Australian Sustainability Award and the prestigious Banksia Foundation Award (the world's longest running Sustainability Award) for its lounge seating range that took minesite cleared timbers, from remote Australia with an Indigenous labour force. These timbers would have otherwise just been burned.

In 2018 Winya won the Australian Sustainability and the City of Sydney Awards for its new recycled melamine and MDF e-Board product. This was introduced in June 2018. Unfortunately the take-up

so far has been below our expectations as it seems Australia disappointingly likes to talk more about sustainability than actually doing something about it. Winya is continuing to grow this part of our business with a view to having all its customers order e-Board tables and desks in 2019 and then extending the use of e-Board into lounges and other products.

Winya is a rapidly growing small company. We believe that the Global Compact Principles and the Sustainable Development Goals are just as relevant to small business as big ones.

Australia's leading Indigenous furnisher