

MAJESTIC WINE MODERN SLAVERY STATEMENT 2024

April 2023 – March 2024

STATEMENT

The following statement is published in accordance with Section 54 (1) of the UK Modern Slavery Act (2015). It sets out how Majestic Wine approaches business and human rights and describes our commitments towards mitigating the risk of modern slavery in our supply chain.

Modern slavery encompasses slavery, servitude, human trafficking and forced labour. Majestic Wine has a zero-tolerance approach to any form of modern slavery.

We are committed to acting ethically and with integrity and transparency in all our business dealings and to establishing effective systems and controls to safeguard against any form of modern slavery taking place within the business or our supply chain.

“We do the right thing for our people, customers and suppliers. We oppose slavery in all its forms and will seek to identify and prevent it by any means that we can.” Robert Cooke, Chief Operating Officer

ABOUT MAJESTIC WINE

Majestic is the UK's largest specialist wine retailer and the UK's only national omni-channel retailer specialising in wines, beers, and spirits.

Founded in 1980 by Sheldon Graner, who set up a North London warehouse under the name ‘Majestic Vintners’, Majestic has grown to a national wine retailer for the United Kingdom, operating more than 200 physical stores and serving 3 million customers. At the time of writing, Majestic is responsible for 5.9% of total wine sales in the UK.

In addition to retail, Majestic operates a wholesale business in the United Kingdom, supplying hospitality and hotel chains, major events, stadiums and corporate gifting.

Revenue is generated from five distinct channels across retail and commercial:

UK Stores	Online & Subscription	Local on-trade	National sales
63%	28%	7%	2%

This combined capability enables us to offer tailored, locally relevant ranges, at great value, supported by our national buying power.

Our business

Majestic Wine’s head office is based in Watford, UK, with a distribution centre in nearby Hemel Hempstead. Across the operation we directly employ more than 1,400 people:

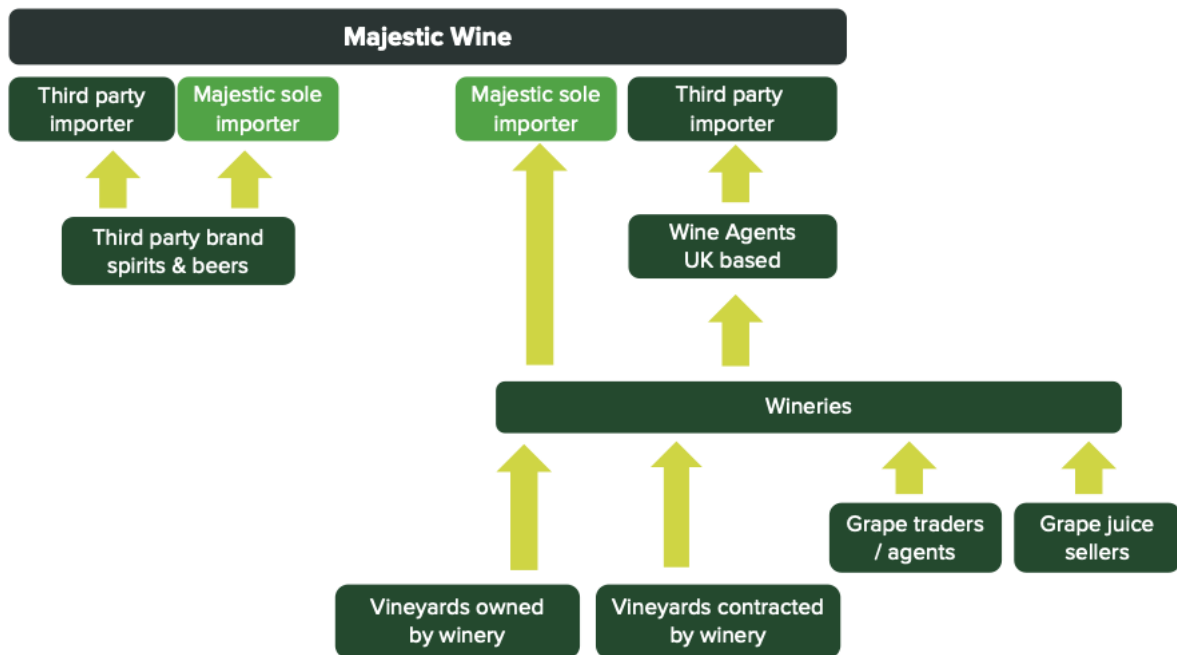
Hemel Hempstead Warehouse	65
UK store colleagues	1,135
Head Office	200

We also work with GXO, a third-party logistics provider in West Hallam, Derbyshire.

The Director responsible for human rights is the Chief Operating Officer. This role is supported by the Trading Director and Majestic Wine Buying team (supply chain) and the Human Resources Director (employees).

Our supply chain

We source wines, spirits and beers through both direct routes, trading with producers, and indirect routes where we are trading with agents and importers. Over 90% of our product range is wine. We have focused our responsible sourcing programs in this area initially.



Products are sourced globally from Asia, Africa, North America, South America, Australia, Europe, and Oceania. Our top five wine sourcing countries, by volume, are France, Italy, Spain, the USA, and New Zealand.



Our brands and suppliers

Majestic has spent over 40 years building relationships with growers and producers across the globe, from big brand names to small family vineyards. We frequently carry out visits to wineries in order to source new products, explore new producing regions and to educate our teams at every level in the business.

Our Majestic owned label and wines exclusive to Majestic include Definition, Chosen By Majestic and The Parcel Series. We also have exclusive single SKU brands owned by Majestic such as Primo Appassimento. These wines represent up to 15% of our sales and are sourced in close partnership with a small number of wineries.

Agents provide additional expert sourcing services and producer relationships in countries that we cannot easily visit ourselves. By working with wine agents in this way, we can draw on their in-country expertise and access a diverse product range for our customers.

We also source beers, wines, and spirits from international third-party brands.

Risk

In 2021, Majestic Wine's leadership team carried out an ESG risk assessment using a SASB (Sustainable Accounting Standards Board) aligned assessment tool. The company's primary sector is *Alcoholic Beverages*. However, the *Agricultural Products* sector was also included in the assessment to ensure that labour risks associated with wine production were reflected.

The overall inherent risk rating was 'Moderate' with the top five ESG risks for Majestic Wine (as defined by SASB) rated out of 10 as follows: Water Stress (5.7) Health and safety (5.7) Energy management (5.5) Product packaging (5.2) and GHG Emissions (4.9). Sourcing regions scoring high risk for labour practices include Greece (7), Hungary (7), Lebanon (7), Romania (7) and the USA (7).

The Majestic leadership team has identified the need for further examination of modern slavery and labour practices risks in its wine supply chain and has requested a process of further risk assessment and due diligence to identify, prevent and remediate modern slavery and other human rights issues within its supply chain in 2023.

The industry is characterised by a geographically widely spread mix of very many small, medium, and larger wineries. Wineries may own the vineyards from which the grapes they use are sourced, but may also source grapes from a third party, and/or purchase grapes or juice as a commodity item within their producing region. Grape-picking, as with other seasonal agricultural activities, carries multiple inherent risk factors for modern slavery, for example:

- Migrant workers;
- Low paid work;
- Workers paid in cash;
- Temporary work;
- Workers living on site in temporary housing provided by employer;
- Low levels of unionisation.

Formal approaches to assessing labour and social risk are not as widespread in the wine industry as in other sectors. There is a lower consumer awareness of wine supply chains and the processes involved in manufacturing. Recent NGO reports have highlighted some of the risks outlined above that are found in wine producing regions. As a leading brand in the sector, we recognise our responsibility to work with our stakeholders, including employees, suppliers, agents and industry bodies to raise

awareness and take action to prevent modern slavery and improve human rights and labour conditions in wine supply chains.

Policies

Employees: Majestic Wine has internal human resource policies relevant to preventing modern slavery, which include:

- Whistleblowing;
- Recruitment policy and checks.

Supply chain workers: Majestic Wine is currently updating its Supplier Code of Conduct which, when published, will also be reflected in revised supplier assessment processes as part of our labour practices due diligence approach.

Existing Supply Chain assessment tools include:

- Producer visits – we conducted 190 visits to our Suppliers during 2023.

In addition, learning experiences visiting wine producers are offered to store employees to build an understanding of the manufacturing process – in 2023, 12 trips were conducted for 72 colleagues.

Since our last statement, the Majestic Wine buying team's programme of supplier visits was significantly affected by the COVID-19 pandemic. The supplier visit programme has now been fully reinstated. As an output of the high-level risk assessment, we recognised that our policies and due diligence systems in relation to modern slavery and human rights risks needed review and improvement. We therefore make the following commitments for the reporting year 2024/25:

- Conduct a country level risk assessment of high risk/priority wine sourcing regions for Majestic Wine;
- Publish an updated Supplier Code of Conduct and share with all suppliers;
- Instigate an assessment process against the Code of Conduct for top suppliers;
- Commence mapping of our direct wineries and associated vineyards;
- Train buyers and supply chain colleagues on modern slavery and social risks;
- Develop an online resources library on country risks and make available to all employees;
- Create a data capture template for gathering information during supplier meetings and supply chain visits.

Employee training

- Board and senior managers – approaches to mitigating modern slavery in supply chains;
- Buying team – modern slavery awareness;
- Store colleague briefing – recognising the signs of modern slavery.

Approvals

This statement was approved by the Majestic Wine board March 2024

John Colley
Executive Chairman & CEO
March 2024