

Forced Labour in Canadian Supply Chains

Annual Report for Fiscal Year Ended December 31, 2023

Introduction

This joint report is prepared pursuant to Section 11 of the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (the “**Act**”) on behalf of Wanzl GmbH & Co. Holding KG and Technibilt Ltd. DBA Wanzl North America (collectively, “**we**” or “**Wanzl**”). The statement is issued for the fiscal year that ended December 31, 2023.

Wanzl does business in Canada through Technibilt Ltd. DBA Wanzl North America (Business Number 82339 2923 RC0001), a wholly-owned subsidiary of Wanzl GmbH & Co. KGaA. Wanzl Ltd. and Wanzl (Ireland) Ltd, a subsidiary of Wanzl Ltd, also publishes statements on its efforts to address the issue of forced and child labour in compliance with the [United Kingdom’s Modern Slavery Act 2015](#).

Wanzl Corporate and Supply Chain Overview

Wanzl is a leading manufacturer of shopping carts and enhances retailer’s customers’ shopping experience through superior solutions in design, innovation and customer service. Wanzl GmbH & Co. KGaA, also known as Wanzl Group, is a family-owned company headquartered in Germany with operations in 8 countries. Technibilt Ltd. DBA Wanzl North America, was acquired by Wanzl Group in 2012, and serves Wanzl customers in the United States, Canada, and Mexico. Wanzl North America is headquartered in Newton, NC and employs approximately 500 people.

99% of all shopping carts sold by Wanzl in the United States and Canada are manufactured at Wanzl North America’s Newton, North Carolina manufacturing facility, with the remaining 1% produced at a Wanzl site in China. The company purchases five main categories of direct goods for the North American market, including retail systems, access systems and digital, material handling, shop solutions, and services. Direct spend, which includes raw materials used in manufacturing, comprises 87% of Wanzl’s total North American spend. Raw materials and finished goods are sourced from North America (77%), Europe (16%), and Asia (7%). In addition to purchasing from 3rd party suppliers, Wanzl North America purchases shelving and other similar products from Wanzl subsidiaries in Europe and Asia, which are then sold to customers in the United States, Canada, and Mexico.

Identification of Supply Chain Risks

Wanzl conducts regular risk assessments of both internal operations and its global supply chain to identify risk areas. All employees and partners across the Wanzl supply chain are encouraged to share any concerns that they have identified, on which the business then can take the appropriate action.



Technibilt, LTD dba Wanzl North America

Wanzl has identified three potential activities that may carry a risk of forced labour or child labour being used, including manufacturing operations, the use of subcontractors, and raw materials purchased from China and Vietnam.

In addition to its standard due diligence policies and practices, the company also takes the following steps to assess and manage identified risk areas:

1. Ensures employment agencies perform the appropriate checks and audits for all internal Wanzl staff, and convey the same requirements to all staffing agencies placing temporary or contingent labor in Wanzl North America manufacturing facilities. Similar policies also exist across other Wanzl subsidiaries.
2. Conducts finished goods manufacturing at Wanzl-owned manufacturing facilities across the globe
3. Has an employee team in Wanzl China called the Wanzl Asia Pacific Sourcing (WAPS) team. They perform sourcing services for Wanzl North America for China, Vietnam, and Taiwan suppliers, including vetting and conducting on-site reviews for these Asian suppliers.

Policies and Due Diligence Practices

Wanzl takes its responsibilities to prevent and reduce the risk that forced labour or child labour is used at any step of the production of goods in Canada or elsewhere seriously. We understand that we cannot be complacent and that we need to ensure that we are constantly reviewing all areas within our business and supply chain regularly. We strive to ensure that engagement with all our stakeholders (employees, customers, suppliers) is as transparent as possible. Wanzl respects human rights in accordance with Resolution 217 A (III) adopted by the United Nations General Assembly on 10th December 1948 (The Universal Declaration of Human Rights) and supports their observance. Wanzl strictly rejects any form of forced and child labour and expects the same from its suppliers and business partners.

Wanzl has deployed numerous policies and procedures in each of the geographic regions in which it operates to prevent forced labour and child labour.

Internal policies

Wanzl prohibits the use of forced labour or any form of Human trafficking within the organization or its sub-contractors. All workers must be able to freely move around and give reasonable notice to leave the employment of Wanzl or the agency they are employed by. Under no circumstances are Wanzl employees or employment agencies allowed to withhold a workers' personal documentation or identification papers. Suitable checks and audits must also be performed for all staff, whether internally hired or engaged through an approved staffing agency.

All employees must comply with [Wanzl's Code of Conduct](#) which governs the fundamental practices when dealing with co-workers, customers, business partners, the environment and society. The Code of Conduct includes a strict rejection of the use of any form of forced or child labour, internally or across suppliers and business partners. The health and safety of employees in the workplace constitute a fundamental objective for Wanzl.



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Supply chain due diligence policies and procedures

Wanzl also embeds responsible conduct into supplier-facing practices and policies. Wanzl has a [Code of Conduct for Suppliers and Business Partners](#) that all Tier 1 suppliers are issued. Suppliers in producing goods that are imported into Canada must sign this letter as part an annual acknowledgement process. The Code of Conduct binds suppliers and business partners to the Universal Declaration of Human Rights of 10 December 1948, and expressly prohibits any form of forced labour. Wanzl actively tracks the number of suppliers who submit their responses and follow up is conducted for non-responsive suppliers. Wanzl also conducts supplier site visits where the situation merits. Wanzl North America has hired an additional resource to support expanded supplier due diligence practices in FY2024.

Employee Training on Forced and Child Labour

We aim to ensure everyone in the organization is aware of the risks of modern slavery. This is to ensure that informed decisions are made in a timely way to mitigate and manage these risks, and to monitor the implementation of relevant policies. All Wanzl North American new and current employees are required to annually read and sign the Wanzl North America Code of Conduct for Employees, in which forced labor is specifically addressed. Wanzl employees in all regions and subsidiaries must conform to the Wanzl Global Code of Conduct which contains similar language rejecting any form of forced and child labour. Wanzl North America currently does not provide training to employees specifically focused on forced and child labour.

Wanzl has a whistleblower system in place if there is a specific case of modern slavery identified with clear instructions to contact an immediate manager, HR, or any member of the management team.

More information on both the Code of Conduct and whistleblower policies are available on our website: https://www.wanzl.com/en_DE/wanzl-inside/compliance.

Remediation Measures

As of December 31, 2023, Wanzl has not identified any instances or suspected instances of forced labour or child labour in our activities or supply chains and has therefore not had to take actions to remediate such situations. Wanzl also has not identified any loss of income to vulnerable families resulting from measures taken to eliminate the use of forced labour or child labour in our activities and supply chains.

Assessing Effectiveness

Wanzl has time and attendance processes that monitor the hours our external team and internal (non-staff/management) team work to ensure there is no forced labor occurring within our internal operations. Staffing agency partners operating in North America must also track that all contract, contingent, and temporary labor operating in Wanzl's North American plant have been appropriately screened.



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The company also tracks which companies have signed off on Wanzl's Supplier Code of Conduct and tracks the outcome of supplier audits that are performed. Globally, the company currently does not have other uniform policies in place to assess its effectiveness in ensuring that forced labour and child labour are not being used in its external supply chain.

Approval and Attestation

In accordance with the requirements of the Act, and in particular section 11 thereof, I attest that I have reviewed the information contained in the report for the entity or entities listed above. Based on my knowledge, and having exercised reasonable diligence, I attest that the information in the report is true, accurate and complete in all material respects for the purposes of the Act, for the reporting year listed above.

[Ben Hinnen]

[Lynda Farrell]

[CEO]

[CFO]

[May 31, 2024]

[May 31, 2024]

I have the authority to bind Wanzl GmbH & Co. Holding KG and Technibilt Ltd. DBA Wanzl North America.