

The Warehouse Group – Vaccination policy for suppliers and service providers.

Policy overview

As a retailer and supply chain operator, TWG team members have a high risk of exposure to COVID-19 and opportunity for transmission given the customer facing nature of the work we do and the interactions between our Team Members and our suppliers and service providers. While we follow public health measures such as physical distancing and the wearing of face coverings, we believe these are not effective in sufficiently minimising the risk in our retail and supply chain context.

As TWG's is committed to the protection of team members, our contractors, and our customers and along with the vaccination of our own team members, critical to delivering this protection is ensuring that we only allow contract workers on to our sites who are fully vaccinated against COVID-19. This will come into effect from the 16 January 2022.

TWG has taken this action after completing a risk assessment in line with guidance from WorkSafe and in consultation with Professor Rod Jackson and epidemiologist with Auckland University.

Post the commencement date 16 January 2022 it is the sole responsibility for TWG suppliers and service providers to ensure any person sent to a TWG site for the purposes of undertaking work will be required to be fully vaccinated.

Their vaccination status will also be required to be sustained in accordance with the New Zealand Ministry of Health, Public Health Orders and Guidance regarding the administering of vaccine boosters.

1. Purpose

The Warehouse Group (TWG) is committed to keeping its Team Members, customers and other people who come into contact with us healthy and safe in the context of the COVID-19 pandemic (Pandemic). In support of this objective, this policy sets out TWG's expectations and commitments in relation to COVID-19 Vaccinations (Vaccination).

We have an obligation under the Health and Safety at Work Act 2015 (HSWA) to manage all risks to our Team Members and others, and this extends to ensuring we control the likelihood of spread and infection within our stores, distributions centres and offices.

It is well established that COVID-19 presents an immediate and significant health and safety risk to TWG's Team Members, customers, contractors, and other persons that TWG Team Members may come into contact with. According to the Ministry of Health, mutations of COVID-19, including the Delta variant, have become dominant and are of particular concern due to people contracting variants becoming sick faster and more seriously ill, making them at higher risk of hospitalisation and potentially death. People who contract these variants can become infectious within 48 hours so that people are more likely to transmit the virus before they have symptoms and know they are infectious.

Concerningly, these mutant variants of COVID-19 are also more transmissible than previous variants of COVID-19. This increased transmission is why Delta outbreaks are happening so quickly in New Zealand, and around the world.

The health and safety issues created by the Pandemic may evolve as the COVID-19 virus mutates and/or as the number of cases in the community changes. TWG's vaccination policy may change accordingly to manage these issues.

2. Scope

This policy applies to all of TWG (which includes each of its subsidiary companies) and therefore applies to all suppliers and service providers (e.g. contractors, consultants, and suppliers of goods, services or works)

3. Vaccination requirement for suppliers and service contractors attending a TWG facility

Any visits to a TWG facility will be undertaken in compliance with this policy. Those attending a TWG site of location will also be required to follow the requirements of the applicable Government alert level at all times.

Any supplier or service provider must be vaccinated and provide official evidence of their vaccination status before they can commence their engagement and/or enter a facility. TWG reserves the right to terminate the contractor's engagement if the contractor does not provide sufficiently acceptable evidence of their vaccination status.

Even after vaccination, contractors will be required to continue to wear mandated PPE and follow required hygiene standards in line with Government and TWG requirements.

4. COVID-19 testing

Although this policy relates primarily to vaccinations in the workplace, TWG reserves the right to ask suppliers and service providers to undertake a rapid antigen test at some locations if required to work at those locations. At these sites, refusal to take the test will also result in not being allowed to work.

5. Provision of vaccination status

TWG relies on accurate information about vaccination from official medical sources and government agencies such as the Ministry of Health.

Organisations contracted to TEG for the provision of Supplying goods or services will be required to provide assurance that any of their workers who attend a TWG Site or Location will be fully vaccinated.

Individuals may be required to provide evidence of their status at point of entry to a TEG site or location. Refusal to provide this evidence or evidence not deemed as being an official record of vaccination will result in the access to the site being denied.

Suppliers and service providers who share false, misleading and/or medically unverified information about vaccination may have their ability to provide goods or services to TWG terminated.

6. Breaches of this policy

Where any individual is dishonest about their vaccination status, or dishonest about being infected with COVID-19 or potentially being exposed to COVID-19, their actions may be grounds for refusal to provide further goods or services to TWG, where the company holds a contract with TWG this may constitute grounds for termination of that contract.

7. Privacy

While TWG will request information from individuals regarding their vaccination status for the purposes of entry to a site or location, it will not copy or store this information in anyway, nor will it disclose and individual's status to any third party.

TWG will only disclose information about an individual's vaccination status where it is required to do so to achieve the purposes set out within this policy.

8. Policy changes

The content of this policy may change on an ongoing basis in line with evidence-based practice, levels of community spread, changes in Government restrictions or controls, and as our understanding of the virus and how it spreads develops. Potential changes to the risk profile may occur when New Zealand opens its borders. We would communicate any such change with those organisations affected by any change.

9. Responsibilities

- All supplier and service provider companies are responsible for familiarising themselves with the content of this policy and complying with its requirements.
- All workers of company's providing good and services to TWG who are required to attend a TWG site or location are to follow this policy which must be discussed with them by their employing company prior to them attending a TWG site or location.
- All TWG managers or leadership positions are responsible for managing procedures associated within their functional area so that policy is adhered to.
- All team members and people leaders engaged in activities under the direct control of TWG are responsible for meeting the requirements this policy relevant to the work they undertake.

10. Additional information

TWG COVID-19 Risk assessment for contractors

11. Approved by

Chief Human Resources Officer

12. Content Owners

Chief Product Officer

Chapter Area Lead – HSW

Appendix B

TWG risk assessment into vaccination and its effect on infection and transmission of COVID-19, as it relates to the presence of Suppliers or Service Providers in TWG places of work.

Overview

The purpose of this Risk Assessment is to determine if vaccination against COVID-19 is necessary to keep our Team Members, contractors, customers, and visitors safe. We have undertaken this in-line with the guidance from WorkSafe, with the intent to determine if the work undertaken by roles within TWG are required to be performed by a vaccinated person.

This assessment applies to our workplace, which is dominated by our retail activity including our supply chain. Based on this activity, as prescribed in the Health and Safety at Work Act (2015), TWG has a primary duty of care to its workers and others. TWG therefore has an obligation consider the risk of infection and transmission of COVID-19 to the following:

- Our approximately 12,000 team members
- Customers – more than 2,000,000 people visit our stores each week
- Delivery and Transport – more than 200 truck and courier drivers interact with our DC and Store staff on a weekly basis
- Contractor personnel- in any given week we estimate more than 500 contract maintenance or capital work contractors are working within our business
- Visitors – our records show that in some weeks more than 500 people visit our offices to interact with our support staff.

The purpose of this risk assessment is to determine the risk of transmission and infection of COVID-19 in the workplace, with a particular emphasis on whether vaccination is a necessary step.

Controls to reduce the risk of infection and transmission

There are a number of controls used to reduce the risk of infection or transmission. Some of these are through regulation and others through guidance from the Ministry of Health. As part of this Risk Assessment we have considered the efficacy of these below.

Regulated controls

Through regulation, safe distancing and face coverings are currently legally required under alert levels 2,3 and 4¹. They are normally followed by most customer and Team Members in a reasonable way, noting that some people are exempt from wearing a face covering.

¹ At the time of writing this Risk Assessment the New Zealand Government has indicated a move away from an Alert Level system to a new traffic light framework. It is that at the various levels within this system that the use of face coverings and safe distancing will remain.

When considering this risk assessment, we note that the Ministry of Health determines these as appropriate methods of reducing the risk. However, we have determined that the efficacy of these controls as a method to control transmission of COVID-19 is doubtful, considering:

- These are controls that require individuals to follow the guidance correctly every time to be effective. As behavioural based controls they are considered a lower level control on the hierarchy of controls (see below).
- As controls, they have not been effective in controlling the community spread of Delta, even at Alert Level 3 & 4 within the Auckland region, and similarly in Melbourne or Sydney.
- The Government position that those in their care (health and education workers) are not protected enough from the risk of COVID-19 through these mitigations.

While undertaking this Risk Assessment we have considered the hierarchy of control thinking which is well described in health and safety best practice literature, and covered in the WorkSafe NZ Guide entitled Identifying, Assessing and Managing Work Risk (2017)²

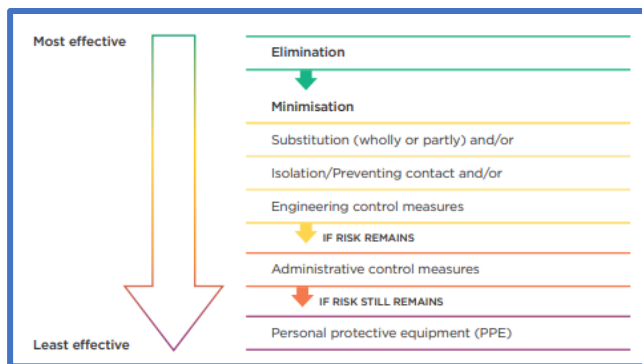


Figure 1 -Hierarchy of Controls - WorkSafe NZ

This guide prescribes a hierarchy of control types nominated as most effective through to least effective. This model is shown in figure 1.

From this model we can see that PPE, in this case face coverings, are the least effective form of control.

There is plenty of literature from occupational health and safety sources that describe the issue of reliability of a mask

when used as a control. In particular to be completely effective it is dependent on:

- a. The individual wearing a mask when required.
- b. is the mask being worn properly.
- c. The mask being fitted correctly; and
- d. is the mask in a safe condition

The guide also states that “PPE is only used when other control measures alone can’t adequately manage the risk. PPE should not be the first or only control measure considered and WorkSafe expects you to give preference to other control measures that protect multiple at-risk workers at once.”

When we consider the idea of safe or physical distancing against the hierarchy of controls this also sits as a lower order control. While isolation/preventing contact shows as a higher-level control in the hierarchy, this does not align with safe or physical distancing as a control in reality. In literature describing how to apply the isolation/preventing control this is described as physical barriers, guard rails, or partitions. The application of a 2 metres safe distancing rule for interaction between customers and Team Members or a 1 metre safe distancing rule between Team Members relies completely on the behaviour and spatial awareness of each individual, and therefore at best sits in the

² WorkSafe NZ Quick Guide located on <https://www.worksafe.govt.nz/assets/dmsassets/zero/839WKS-5-HSWA-identifying-assessing-managing-work-risks.pdf>

administrative level of the hierarchy. This is supported by the WorkSafe document that describes both having a business rule of people walking between two painted lines to create separation on a factory floor, or exclusion zones so workers don't go near noisy or dangerous equipment, as examples of administrative controls.

Other controls used to reduce the risk of infection and transmission

Guidance from health agencies and government have prescribed other controls to also reduce the risk of infection and transmission. These include:

- Ventilation
- Work From home
- Surveillance Testing
- Cleaning
- Hand Hygiene
- Staggered Shifts
- Avoidance of sharing tools and personal objects

When considering these controls and their efficacy, we can also use the hierarchy of controls to understand their effectiveness. As with face coverings and safe distancing, cleaning, hand hygiene and staggered shifts and not sharing personal items, are all administrative controls.

We again draw the conclusion that if these approaches created the necessary controls to prevent infection and transmission community spread would not occur.

While ventilation and working from home sit higher in the hierarchy, we need to consider the following for each.

Work from home – is an effective way of isolating people, however, as this policy applies to suppliers and service providers who attend our sites, work from home is not relevant in this risk assessment context.

Ventilation – is also an effective way to provide protection, but in itself may provide supplementary risk, as COVID-19 risk predominately comes from aerosol contact. While moving air helps clear the risk, it also initially moves these aerosol particles within spaces, potentially increasing initial opportunity for infection. Ventilation systems, including air-conditioning, in most non-medical or hazardous atmosphere installations is designed around comfortable operating parameters not around air filtration for removal of contaminants. Retro-fit or changing of systems is expensive and not something that can be considered as a scalable option for all TWG sites.

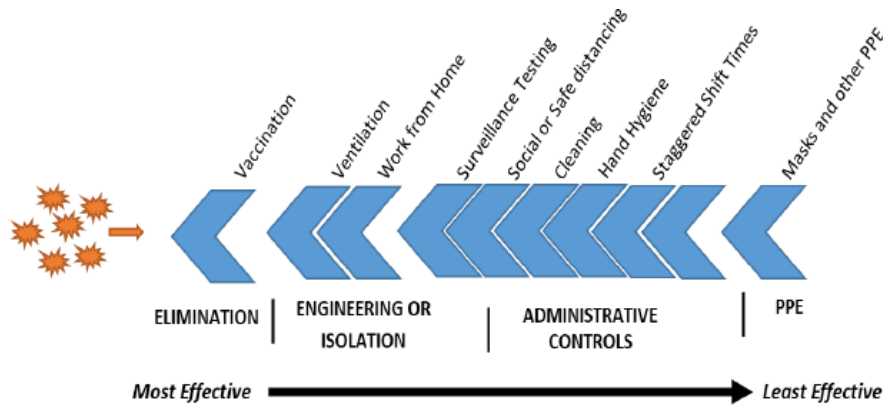


Figure 2- COVID-19 Controls and their position in the hierarchy of Controls

Figure 2 left is a diagrammatic representation of the different controls used to prevent infection and where they sit in the hierarchy of controls.

Overall, our view is that that these controls do not adequately provide protection from infection or transmission of COVID-19 and that the likelihood remains high for our team members (workers under HSWA) and our customers, visitors, contractors and volunteers (others under HSWA).

Therefore, our view is that we need to consider the further control of vaccination, and what roles in our business should carry the requirement for vaccination to limit the likelihood of infection and transmission.

The role of vaccinations as a control and its effectiveness.

When we consider the role vaccination plays in risk reduction we need to move into a different discipline of health and safety and consider the approach taken in process safety and most importantly layers of protection thinking. Layers of protection thinking identifies safeguards for protecting a consequence occurring, and also assesses the dependency of the safeguard or the likelihood of it working when required. Most notably it talks about independent protection layers. As safeguards, independent protection layers have the following features:

- They mitigate or prevent the consequences of hazard or exposure to the hazard.
- They have an independence from needing behavioural intervention; they work when needed.
- They have a known dependability that they will work to a prescribed level.
- They have auditability; we will know they are present.

This aligns to the role vaccination plays in preventing or mitigating harm to our team members. Once present, it works to significantly reduce the risk of infection from COVID-19, or if infected, it significantly reduces the likelihood of severe illness from COVID-19. Once vaccinated the individual does not have to ‘turn-on’ their protection. It is present and will work to known effectiveness levels should they come into contact with an infected person. Research into the Pfizer vaccine has demonstrated its dependability and while vaccine breakthrough cases are known to occur, these happen at a significantly lower rate³ for vaccinated people than those who are not. Finally, the presence of the vaccine can be audited through immunisation records.

³ Centre for Disease Control in the US shows that as at 12 October 2021, for 187 million persons vaccinated in the US, only 31,895 people had COVID-19 Vaccine breakthrough infection. Ref - <https://www.cdc.gov/vaccines/covid-19/health-departments/breakthrough-cases.html>

This establishes vaccination as an independent protection layer, which would at best sit within the elimination level in the hierarchy of controls, and at worst puts in within the engineering controls for effectiveness.

When you consider that vaccination has the two-pronged effect of providing a barrier to infection and also significantly reduces the impact of infection, it stands out as the most effective way to protect our team members from the likelihood of infection from COVID-19 while at work.

Vaccinations - both a preventer and a mitigant

When being considered for its effect on this risk assessment vaccination plays two parts. It greatly reduces the likelihood of being infected and significantly reduces the consequence of the infection in the majority of cases.

Again, the CDC has completed research⁴ into this across the period 4 April 2021 to 19 June 2021 across 13 US states which provides the following data.

	Total Cases in Study	Hospitalisations		Deaths	
		Not fully Vax	Full Vax	Not fully Vax	Full Vax
Totals	615,454	34,972	2,976	6,132	616

This data shows that of the 616,000 cases within the study period, 38,000 became hospitalised and of those only 0.47% or 2,976 were people fully vaccinated. Further to this, of the 616,000 cases, there were 6,748 deaths of which 616 deaths or 0.1% of all cases were from fully vaccinated people. Of those deaths people over the age of 65 accounted for 59%.

All in all, this data shows a significant decrease in the potential consequences as an outcome of becoming infected with COVID-19 for those who are fully vaccinated against those who are not.

For the purposes of this risk assessment we are not attempting to define the likelihood of contracting COVID-19 but of being exposed to someone who has COVID-19.

For our role types we have used the risk assessment to determine the likelihood of possible exposure, given the key work activity undertaken by the role, and the interactions the role has with OTHER team members, contractors, visitors and customers to TWG facilities.

Our view from this assessment is that the majority of work completed by our team members has considerable interaction with suppliers and service providers. This in itself creates the situation of high risk for exposure to, or transmission of COVID-19 for our team members while suppliers and service providers are undertaking work or visiting our premises.

While exposure of team members to our suppliers and service providers is considered high risk, based on the studies by the CDC, we have determined that the likelihood of infection from this those visiting

⁴ https://www.cdc.gov/mmwr/volumes/70/wr/mm7037e1.htm?s_cid=mm7037e1_w#F1_down

our facilities who are fully vaccinated reduces this risk significantly, as anyone double vaccinated is less likely to be infectious and sheds less virus should they become infected with COVID-19.

Consequences

For the purposes of this risk assessment, the consequences of becoming infected with COVID-19 when working closely with unvaccinated suppliers or service providers is considerable, and we have assessed this as major. We believe this aligns with the view of the World Health Organisation and the New Zealand Government.

Based on the CDC studies showing the strength of vaccination as a mitigant to significant outcomes if exposed, we have determined the consequences as minor at a controlled risk level when our suppliers and service providers have been vaccinated. This serves to support their health and safety and that of our own team members and customers.

Conclusion

We have through this risk assessment determined that without further control the likelihood of infection or transmission of COVID-19 from a supplier or service provider is high and we have also provided that the consequence of infection with COVID-19 is moderate. This outcome is the residual risk after the application of existing controls. This residual risk has been determined by TWG as not acceptable and requiring further control to be implemented.

TWG– Health Risk Matrix						
			Risk Score			
Likelihood Risk Rating	High Expected to Occur	5	10	20	40	80
	Medium Likely to Occur	3	6	12	24	48
	Low Could occur but not consider likely	1	2	4	8	16
			2	4	8	16
			Negligible	Minor	Moderate	Major
			Effect on Team Member			
Health Effect			No health effect	Isolation and minor medical treatment	Hospitalisation and significant treatment	Significant health effect resulting death

With the effect on both the likelihood of transmission moving to low once vaccinated and the consequences moving to minor – we have determined that the residual risk once vaccination is applied is acceptable.

On this basis, this risk assessment concludes that the requiring of vaccination for supplier and service providers who attend TWG Sites and locations is necessary. Vaccination will ensure the safety of our team members, customers, contractors, and visitors, from infection and transmission of COVID-19.