

Summary statement by Vinmonopolet Impact Mitigation in the Lebanese supply chain April 2024

A need for more information

To meet the Norwegian market's interest in Lebanese wines, Vinmonopolet have doubled the amounts of Lebanese products available in our basic range in 2024. Lebanon is a country with many challenges, and to strengthen our due diligence process, we appointed Economic Development Solutions (EDS), a Lebanese Consulting and Research Company, to undertake a rapid Human Rights Impact Assessment (RHRIA) of the wine supply chain in Lebanon. RHRIAs are a tool for responsible businesses to understand human rights risks and to provide Vinmonopolet with insights to evaluate current and potential human rights impacts.

Challenges in the Lebanese wine sector

The findings of the assessment reflect on the complexity and interconnectedness of human rights issues within Lebanon's wine supply chain. It also considers Lebanon's humanitarian and economic crises, including the Syrian refugee crisis.

The wine sector in Lebanon has proven to be flexible, innovative, and robust industry with favourable terroir and quality production. The sector also faces challenges related to labour rights (for both Lebanese and Syrian workers), informal employment of migrant workers and refugees and inter-communal tensions.

Vinmonopolet deems this report as the beginning of a Due Diligence journey with our Norwegian and Lebanese supply chain partners. Given the socio-economic challenges in Lebanon, and the informality of the agricultural sector, we will need to adjust our approach to the local context and have to engage over a longer period than originally anticipated.

Process for impact mitigation and management going forward

Vinmonopolet is now entering a process to address the identified impacts and how they are linked to the products in our stores. One of Vinmonopolet's strategic goals is to be a



responsible retailor and a driving force with respect to human rights and decent working condition in our supply chain. We believe that by keeping products in our assortment despite facing a high risk, we are in the position to create positive change as long as importers and producers are willing to address the risk and meet our contractual requirements and the principles stated in the amfori BSCI Code of Conduct and the Norwegian Transparency Act.

Our methodology and work going forward will follow the Danish Institute for human rights recommendations.

In the months of February, March and April 2024, we have presented the initial findings and have requested importers and producers for their input on the findings in the report and contacted proxy rightsholders. In the coming months, we will be entering the impact mitigation and management phase where we want to work together with local stakeholders and rightsholders to develop a plan for prioritization and actions for preventing and addressing potential impacts.

Vinmonopolet is committed to this work and want to ensure that actions are prioritised by the affected stakeholders and that actions are approached with the needed sensitivity to create lasting positive change.

Gratitude and acknowledgement

Vinmonopolet would like to thank EDS Consultants, our Norwegian importers, the Lebanese wine and grape producers, workers and rightsholders for their time, transparency, and open dialogue around the assessment process and identified issues. This assessment has increased our knowledge on the context within which the producers operate, business relationships with key stakeholders and provided us with greater understanding of human rights risks and how to approach mitigation.