



MODERN SLAVERY STATEMENT 2023



CASELLA
FAMILY BRANDS

Modern Slavery Statement 2023

This statement covers the activities of Casella Wines Pty. Limited ABN 96 060 745 315 from JAN 2023 to DEC 2023 to understand and implement actions to minimise the risk of modern slavery in our operations and supply chain.

Casella Family Brands (CFB) is the trading name of Casella Wines Pty. Limited and will be referred to throughout this statement. CFB is committed to acting responsibly throughout the organisation and the supply chain. Our corporate values and sustainability framework are integral to creating an ethical workplace culture, both internally and externally across our activities with all stakeholders.

Note: Casella Family Brands has adjusted their reporting period to the calendar year

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INTRODUCTION

This Modern Slavery statement for CFB (the “Statement”) has been prepared in response to the Australian Federal Government’s Modern Slavery Act 2018.

The purpose of this statement is to provide information pertaining to the processes adopted by CFB to address the modern slavery risks to our business and across our supply chain in accordance with The Act.

CFB operates with a ‘continuous improvement’ philosophy, and we commit to an ongoing review of actions taken. This is to mitigate risks associated with modern slavery to ensure the highest standards of integrity are upheld. We commit to strengthening our policies and performance in line with the requirements of the Australian Modern Slavery Act 2018.

ABOUT CASELLA FAMILY BRANDS (CRITERIA 1&2)

Casella Family Brands’ (CFB) vision is to create a portfolio of distinct and outstanding beverages that bring joy to life’s moments shared with family and friends, while positively impacting the world around us.

From humble beginnings making wine in the Riverina area of New South Wales in 1969, today CFB is Australia’s largest family-owned drinks company. With Headquarters in Yenda, New South Wales, the company is led by Managing Director John Casella.

Propelled to the forefront of the export arena in 2001 by the hugely successful [yellow tail] wine brand, CFB is committed to showcasing Australian regional and winemaking excellence across the globe with a portfolio of wines, beer, spirits, and ready-to-drink (RTD) for every price point and occasion.

In 2022 CFB acquired full control of the Australian Beer Company (ABCo). This brewery operates within the

company’s Yenda facility, and has owned and third-party bottling and brewing contracts. In 2023, CFB acquired NOSH and Ampersand Projects in the RTD category.

In late 2022, CFB sold 35 vineyards.

OUR STRUCTURE, OPERATIONS AND SUPPLY CHAIN (CRITERIA 1&2)

Casella Family Brands (CFB) operational structure comprises five wineries, a distillery and a brewery. Also included are vineyards, in-house bottling, canning and warehousing capabilities plus two corporate offices.

Key operational sites

- Casella Family Brands Yenda NSW (winemaking, vineyards, brewery operations and bottling and canning operations).
- Peter Lehmann Wines Tanunda SA (winemaking and vineyards).
- Brand’s Laira Coonawarra SA (winemaking and vineyards).
- Baileys of Glenrowan VIC (winemaking and vineyards).
- Morris of Rutherglen VIC (winemaking, vineyards and spirits distillery).

Key owned brands

WINE

- [yellow tail]
- Peter Lehmann Wines
- Brand’s Laira
- Morris of Rutherglen
- Baileys of Glenrowan
- Casella Family Wines
- Atmata

BEER/CIDER

- Yenda Beer
- Pressman’s Cider

- Son Of A Nun
- Alehouse
- POETS.

RTDs

- Ranga Tang
- NOSH
- Ampersand

SPIRITS

- Morris Whisky

Operations and supply chains

- Total processing capacity of over 230,000 tonnes of grapes across its five wineries.
- Sources over 40 varieties of fruit from over 250 growers across Australia.
- Produces over 138 million litres of wine per year.
- Exports approximately 80% of its packaged wine to over 60 countries.
- Accounts for over 15% of the volume of all exported Australian wine.
- Employs over 800 people.
- Works with 5,000 domestic and international suppliers and service providers.

Main Operations

The main business operations across our global supply chain include the following activities:

Grape Growing and Sourcing

- Growing grapes on company owned vineyards.
- Sourcing grapes from a network of growers across Australia.
- Receival of Australian grapes, grape juice and bulk wine.
- Receival of imported bulk wine.

Wine Production

- The production of still, sparkling and flavoured wine.
- The packaging of company-owned still, sparkling,

organic and flavoured wines under its own brand.

- Dispatch of packaged still, organic, sparkling and flavoured wines to domestic and export markets.
- The dispatch of grape juice and wine in bulk.
- The contract packaging of beverage products under customers' own brands.

Wine Distribution

- Export products are packed into shipping containers and transported by road and rail to the port for shipment by sea.
- Domestic products are delivered to their destinations by road and rail.

Sales and Marketing

- A dedicated global Sales and Marketing team ensures our wines are distributed to importers, retailers and consumers across the globe.

Procurement

- A centralised purchasing department for all winery operations with headquarters in Yenda.

Supply Chain

Our supply chain is geographically diverse and encompasses small businesses through to global multi-national corporations.

In any given year, CFB procures goods and services from approximately 5,000 direct and indirect suppliers based in regions including Australia and New Zealand (ANZ), Americas, Asia and Europe, Middle East and Africa (EMEA).

Direct suppliers include those from whom CFB buys grapes, bulk wine, glass, cardboard, labels, packaging, machinery and other dry goods. Indirect suppliers include those from whom CFB procures services, including marketing, legal, consultancy and technology-based services.

- Glass.

- Packaging materials.
- Raw materials.
- Machinery.
- Technology (hardware, software and cloud services).
- Uniforms and work attire.
- Office consumables and promotional merchandise.
- Grower services across Riverina and Barossa.

ASSESSING THE RISKS OF MODERN SLAVERY PRACTICES (CRITERIA 3)

CFB's Sustainability Strategy and Framework was set in 2023. What we make and how we make it affects the planet, the people, and communities in, and around our business. Our framework outlines our approach to integrating sustainability practices across our business, in three key areas:

1. Connected communities
2. Protecting our planet
3. Better together

Our Better together pillar includes working with suppliers to ensure our supply chain is responsible, sustainable and innovative. Continuous improvement and strengthening of our governance and due diligence processes is also included as a strategic imperative in our sustainability performance.

CFB are responsible for respecting human rights and support the United Nations Guiding Principles on Business and Human Rights (UNGPs).

The following areas are CFB's highest potential modern slavery risks:

- Material suppliers where products are sourced domestically and internationally.
- Material suppliers that import all, or part of their products.
- Labour hire companies who provide labour to some grape growers and vineyards.

- Grapegrowers, grape harvesting and cartage contractors.
- Recruitment of seasonal and migrant workers.
- Transport companies who transfer the finished product and deliver material inputs between the different facilities, suppliers and retailers.

Lower risk areas include all operational activities that are directly undertaken by CFB employees and covered by our internal processes that we have more operational control over.

ADDRESSING THE RISK OF MODERN SLAVERY PRACTICES (CRITERIA 4)

Following the release of CFB's Sustainability Strategy in 2023, an updated human rights risk assessment will be performed in 2024 to ensure the above risks identified (Criteria 3) are still reflective of our most material risks.

CFB is committed to operating responsibly and will not tolerate any known forms of slavery including but not limited to; human trafficking, forced labour, debt bondage, child labour, deceptive recruiting for labour or services in our business.

CFB is wholly opposed to the use of slave or child labour in all forms, including cruel, subhuman or degrading punishments, and any attempt to control or reduce freedom of thought, conscience and religion.

In compliance with international standards, including the Universal Declaration of Human Rights, The United Guiding Principles on Business and Human Rights, and Australian laws, CFB will not knowingly employ underage children and does not permit child labour exploitation under any circumstances.

All forms of human trafficking and forced labour, such as withholding deposits, salary and benefits or the retention of identity documents from workers are not knowingly undertaken.

Workers shall have the right to leave the workplace premises after completing the standard workday and be free to terminate their employment, provided that they give reasonable notice to their employer.

CFB does not knowingly enter into any business arrangement with any person, company or organisation which fails to uphold the human rights of its employees or who breaches the human rights of those affected by the organisation's activities.

POLICIES AND PROCEDURES

Outlined below are the existing CFB policies and procedures working towards the mitigation of human rights and modern slavery risks for our employees.

CFB has a process whereby employees report any concerns regarding unethical or illegal conduct in relation to modern slavery or human trafficking. Employees can report to their manager, or report through a dedicated CFB feedback system via email or phone.

CFB's cross functional working group (Modern Day Slavery Committee) is responsible for identifying and implementing process improvements and compliance. Overseen by the Sustainability Manager, the committee also includes the Head of Communications, Human Resources Manager, General Manager Procurement & Supply Chain, Quality Systems Administrator and others as required.

The Committee is responsible for leading our ongoing commitment to prevent violations of human rights including modern forms of slavery. The Committee's remit includes reviewing and assessing policies and procedures, implementing changes and improvements, and updating the Company's Modern Slavery Statement on an annual basis.

CFB's policies and procedures reflect our values, and set the expectations of our employees to ensure a fair

and ethical workplace. These include:

- Anti-discrimination, Anti-harassment and Anti-bullying Policy – No employee shall be unduly harassed, discriminated or bullied due to their race, gender, religious beliefs, sexual orientation or personal activities.
- Equal Employment Opportunity Policy - CFB is committed to ensuring that all employees enjoy equal employment opportunity (EEO). This means that employees are treated fairly and equally when employment decisions are made and that unlawful discrimination does not take place.
- Procurement Policy – CFB aims to work with suppliers that have similar values and operate with integrity.
- Code of Conduct – Expectation of employees to observe the highest standards of ethics, integrity and behaviour during their time with the company.
- Workplace Health & Safety Policy - Commitment to achieving an incident and injury free workplace.
- Employee Assistance Program - EAP provides consultation services with referrals to local community treatment sources for all employees.
- CFB adhere to the requirements of Fair Work Australia legislation.
- Employees subject to award schemes or rates have these applied and specified before and during employment.
- Employees hired under a 'labour hire' arrangement are subject to the health and safety protections afforded to everyone on our sites and are expected to follow CFB's own health and safety standards. CFB follow the guidance set out by Safe Work Australia.
- Potential seasonal employees are VEVO checked (The Australian Governments Visa Entitlement Verification Online system check) for valid working rights prior to interviews taking place. If employed,

they are paid under the appropriate Australian award/agreement.

ACTIONS TAKEN DURING THE 2023 REPORTING YEAR (CRITERIA 4)

- Developed an updated Modern Slavery Action Plan where we have identified a work plan to progress key projects in 2024. For example, identification of material suppliers to CFB and a supplier due diligence questionnaire. We now have assigned roles, responsibilities and a plan to track against.
- Set a Sustainability Strategy which includes integration of social responsibility, such as modern slavery. Human rights was determined as a material issue to the business through this process.
- To better understand how new suppliers are appointed across operational and corporate functions a flowchart was developed to step this out. This has identified the best opportunities to integrate improved due diligence associated with modern slavery.
 - Identified that by using our digital supplier requisition platforms, integrating checks into quality reviews and supply questionnaires presents the best opportunity for this.
- In 2023, CFB constructed a solar farm at our Yenda NSW Facility. In 2023, some solar panels made in China were linked to claims of forced labour. Through engagement with our supplier on this project, panels in our farm did not originate from companies in China linked to modern slavery abuses.

ASSESSING THE EFFECTIVENESS OF OUR ACTIONS (CRITERIA 5)

We will continue to develop and modify our approach as required to ensure that it meets our commitments and that we uphold the highest ethical standards.

Once actions are put into place, we will ensure there is a coherent assessment process to ensure that we can measure the effectiveness of our actions and continue to improve our efforts in this space.

In our 2025 Modern Slavery Statement, we will report on the following actions we have planned for the 2024 year:

- Establish a criteria to identify our most material suppliers.
- Develop a questionnaire to assess these suppliers and their progress with addressing modern slavery risks.
- Draft a modern slavery due diligence process to assess tendering suppliers prior to award of business with CFB.
- Review and update our Whistleblower Policy.

PROCESS OF CONSULTATION WITH ENTITIES CASELLA WINES PTY. LIMITED OWNS OR CONTROLS (CRITERIA 6)

Casella Family Brands Europe Ltd. (CFBE)

CFB will work closely with CFBE to ensure we are sharing best practice and strengthening our policies and performance in line with the requirements of the UK Modern Slavery Act.

This statement has been approved by the Board of Directors of Casella Family Brands Pty Ltd.



John Casella



Joe Casella