

Australian Vintage Limited

Modern Slavery and Human Trafficking Statement

(Statement)

Introduction

Australian Vintage Limited (ACN 052 179 932) condemns modern slavery and is committed to preventing and addressing modern slavery and human trafficking in its global operations.

This Statement is published on behalf of Australian Vintage Ltd and its subsidiaries (collectively referred to as “**AVL**”) for the financial year ended 30 June 2020. The Statement is made pursuant to section 54(1) of the *Modern Slavery Act 2015* (UK) and section 13(1) of the *Modern Slavery Act 2018* (Cth).

1. Who is Australian Vintage Limited?

Australian Vintage Limited is a leading Australian wine business listed on the Australian Securities Exchange. AVL owns, operates and manages vineyards, and specialises in boutique and bulk wine production, packaging, marketing and distribution. AVL is a significant vineyard owner and manager in Australia and prides itself on producing quality wines.

2. AVL's Structure, Operations and Supply Chains

Structure

Australian Vintage Limited is the parent company of a number of wholly-owned subsidiaries listed in Annexure A to this Statement. Australian Vintage Limited is responsible for the operations of the business and is the entity that engages all employees, contractors and suppliers. The risk of modern slavery in AVL's business lies with Australian Vintage Limited and not its subsidiaries. .

AVL's workforce consists of approximately 450 employees, all of which are either engaged by Employment Contracts or Enterprise Bargaining Agreements. All employees, regardless of the jurisdiction in which they reside, are employed by Australian Vintage Limited.

Operations & Supply Chains

AVL is a global business which operates principally in Australia, with all owned vineyard and production facilities based in Australia.

AVL's headquarters are located in Adelaide. The company's Sales and Marketing offices are located in Melbourne, Sydney, London and Hong Kong. AVL has wineries in Buronga Hill and the Hunter Valley and a packaging facility in Merbein. The company operates three cellar doors; two in the Hunter Valley and one in the Adelaide Hills.

Further information regarding AVL's business and structure is contained in its Annual Report available at <http://www.australianvintage.com.au/investors/>.

Key Brands

AVL's main brands are McGuigan Wines, Tempus Two, Nepenthe and Barossa Valley Wine Company. AVL also owns the Austflavor brand, which specialises in grape juice, concentrates and winemaking products.

3. The Risks of Modern Slavery Practices at AVL

The risks of modern slavery in AVL's supply chain can be categorised into the three following categories:

1. AVL may cause modern slavery practices;
2. AVL may contribute to modern slavery practices; and
3. AVL may be directly linked to modern slavery practices.

AVL considers that its risk of causing modern slavery is extremely low. AVL believes in the fair treatment and remuneration of employees. It complies with all applicable employment legislation and industrial awards, and none of its employees are paid less than the minimum wage in their relevant jurisdiction. AVL also invests in the safety, health and wellbeing of its staff, which is overseen by the company's global People & Culture department.

The risk that AVL may contribute to modern slavery practices is considered to be low to moderate. Although pricing is a relevant consideration to AVL in any negotiation with a supplier or service provider, AVL takes other factors into consideration and does not engage providers solely on the basis of cost.

AVL considers the risk that it might be directly linked to modern slavery practices to be moderate. AVL endeavours to discuss modern slavery with key suppliers as part of the negotiation and/or contractual process.

There is further detail on AVL's next steps on modern slavery below under 'Next Steps'.

4. AVL's Mitigation, Due Diligence & Remediation Processes

Policies and Practices

AVL has certain policies in place to assist in ensuring that modern slavery is not taking place in its business or operations, as described in further detail below. Internal policies are available on the intranet for employees to access and peruse at their convenience and external policies are available at <http://www.australianvintage.com.au/investors/corporate-governance/>.

- **Social Compliance Policy:** outlines AVL's commitment to core human and labour rights, fair compensation, the prevention of child and forced labour, freedom of association and other employment requirements and standards. The policy was implemented by AVL based on the principles in the Business Social Compliance Initiative, a leading supply chain management system designed to improve working conditions in supply chains in factories and farms worldwide.
- **Ethics and General Conduct Code of Conduct:** describes AVL's principles of business conduct and basic legal and ethical obligations which bind the directors, officers and employees of AVL. The code provides guidelines for acceptable behaviour in ethical decision-making, addressing issues such as compliance with laws and regulations and the reporting of unlawful and unethical behaviour.

- **Remuneration Policy:** is in place to ensure that AVL appropriately compensates employees for the services they provide to AVL, determines their remuneration in a way that ensures a level of equity and consistency across AVL and complies with all relevant legal requirements.
- **Equal Opportunity and Diversity Policies:** affirm AVL's commitment to treating employees and prospective employees fairly, irrespective of their personal characteristics, such as race, age, physical or mental disability and religion.

Due Diligence & Remediation

Other steps AVL takes to prevent and protect against modern slavery include the following:

- **Employees:**
 - All employees are engaged via Employment Contracts or Enterprise Bargaining Agreements.
 - AVL undergoes an extensive negotiation process for each of its Enterprise Bargaining Agreements with the relevant operational sites and provides all employees with the right to negotiate their employment terms (with the option for employees to be represented by a union representative at all negotiations).
- **Service Providers and Suppliers:**
 - AVL seeks to ensure that its Services Agreements with service providers contain provisions with respect to the treatment of those service providers' employees.
 - AVL endeavours to discuss the importance of its modern slavery requirements with key suppliers when negotiating or re-negotiating Supply Agreements and seeks to insert a provision on modern slavery which sets out the supplier's obligations and AVL's rights in the event of a breach of those obligations.
 - AVL's onboarding safety program requires that all labour hire providers provide evidence of labour hire certification, as required by legislation in their relevant jurisdiction, prior to commencing services for AVL.
- **Viticulture Department:**
 - AVL has prepared training material for its Viticulture department with respect to resourcing its owned and leased vineyards. The Legal and People & Culture departments are available to assist the Viticulture department with resourcing questions as they arise.
 - AVL's Grower Liaison Officer and Senior Viticulture Officer liaise directly with all grape growers regarding the arrangements for the sale of grapes to AVL (including, but not limited to, executing a Grape Supply Agreement and answering any queries or concerns). With effect from Vintage 2020, AVL has endeavoured to ensure that its new Grape Supply Agreements contain a reciprocal modern slavery provision.

Monitoring & Management of Risk

The Risk & Sustainability Committee (**Committee**), governed by the Risk & Sustainability Charter (**Charter**), monitors and reviews the system of risk management which AVL has established to identify, assess and manage operational and compliance risks.

The Committee is responsible for, among other things, AVL's risk profile, overseeing and approving risk management strategy and policies and internal compliance. This includes monitoring compliance with applicable legislation and regulations and the policies listed above under 'Policies and Practices' and ensuring procedures, controls and reporting mechanisms are in place to prevent breaches.

The Charter is available at <http://www.australianvintage.com.au/investors/corporate-governance/>.

5. Effectiveness of Actions Taken at AVL

Assessing Modern Slavery Risks

Each department at AVL, including the People & Culture department, participates in an annual risk review in consultation with the Risk Manager. A risk register is then prepared by the manager of each department and those risks are monitored and reported against to the Committee.

Addressing Modern Slavery Risks

AVL has People & Culture representatives designated for each department in the business. As such, employees can contact their respective representative to raise any human resources-related concerns. The People & Culture department have procedures in place for investigating and resolving issues raised by employees.

AVL has been working with some of its suppliers in its supply chain by complying with requests to complete supplier questionnaires addressing AVL's supply chain and Modern Slavery risks. AVL takes Modern Slavery seriously and is committed to continue to work with its suppliers.

In financial year ending 2021, AVL has done the following to address its Modern Slavery risks:

1. Appointed a dedicated Supply Chain Manager who is responsible for overseeing and managing the AVL supply chain, logistics and procurement strategy. Key duties relevant to the prevention of modern slavery in AVL's business, include the management of the procurement function of AVL, the coordination of the tender process including review of the modern slavery prevention practices of a potential new supplier and the conduct of supplier and external business partner reviews in conjunction with the finance, sales, procurement and logistics departments.
2. Implemented a global Modern Slavery training module provided to all employees globally for completion. This training module provided employees with information on the actions in a workplace that amount to Modern Slavery, the risks of Modern Slavery in AVL's workforce, and how to address those risks.

3. Created and implemented an internal response framework (**Framework**) for employees to report any risks of Modern Slavery risks to nominated representatives. Those nominated representatives are:
- A member of the AVL Legal Department; or
 - A member of the AVL People and Culture Department; or
 - A member of AVL's Executive Committee.

The Framework provides the guide how the nominated representatives deal with a report of modern slavery including a stepped approach on gathering information, investigating the report and providing support to a complainant. This Framework is beneficial to the business in providing a set response strategy and aligning the interests and values of the nominated representatives. The aligned approach to modern slavery complaints ensures that all complaints are dealt with fairly, and in the same manner.

Raising Concerns

The People & Culture department is available to discuss any concerns or queries with employees in relation to the employment policies and practices of AVL. Further, the Supply Chain Manager is available to discuss any concerns relating to modern slavery in AVL's global supply chain. Any reported concerns will be addressed, and action taken, as required.

6. Other Entities

Australian Vintage Limited is the primary entity in relation to the functions and operations of AVL. Australian Vintage Limited is responsible for the operations of the business and is the entity that engages all employees, contractors and suppliers. The risk of modern slavery in AVL's business lies with Australian Vintage Limited and not its subsidiaries. As such, Australian Vintage Limited does not deem it necessary to have consultation with the other entities. It is noted that the Company Secretary of each of the entities is aware of the preparation of this Statement.

7. Approval

This Statement has been approved by AVL's Board of Directors.

A handwritten signature in black ink, appearing to read 'Craig Garvin', with a long horizontal flourish extending to the right.

Craig Garvin

Chief Executive Officer, Australian Vintage Limited

Annexure A

Wholly-Owned Subsidiaries of Australian Vintage Limited (ACN 052 179 932)

AUSTRALIAN SUBSIDIARIES

| Company Name | ACN |
|---------------------------------------|-------------|
| Australian Flavours Pty Ltd | 066 117 575 |
| Australian Vintage (Domestic) Pty Ltd | 072 676 825 |
| Austvin Holdings Pty Ltd | 066 595 542 |
| Austvin Pty Ltd | 060 649 783 |
| Barossa Valley Wine Company Pty Ltd | 095 481 262 |
| Buronga Hill Pty Ltd | 002 671 605 |
| Coldridge Development Pty Ltd | 066 595 515 |
| McGuigan Simeon Wines Pty Ltd | 071 495 942 |
| Miranda Family Investments Pty Ltd | 089 816 660 |
| Miranda Wines (Leasing) Pty Ltd | 000 403 234 |
| Miranda Wines Holdings Pty Ltd | 089 815 038 |
| Miranda Wines Pty Ltd | 003 506 438 |
| Mourquong Pty Ltd | 002 860 059 |
| Simeon Wines Pty Ltd | 002 775 751 |
| Vintners Australia Pty Ltd | 007 654 462 |

INTERNATIONAL SUBSIDIARIES

| Company Name | Company Number |
|---|----------------|
| Australian Vintage (UK) Limited A company registered in the United Kingdom | 2972516 |
| Australian Vintage (Europe) Limited A company registered in Ireland | 676932 |