

# J O V A L   W I N E   G R O U P

## 2021-2022 STATEMENT ON HUMAN RIGHTS AND MODERN SLAVERY

### 1. **Reporting Entity and consultation with its subsidiary**

- (a) Joval Wine Group Pty Ltd (ACN 004 564 069) (**JWG**) is a leading Australian wine distributor, operating two divisions known as “red+white” and “Mezzanine The Fine Wine Specialist”. Privately owned, and operating since 1963, JWG represents approximately 200 Australian, New Zealand and international wine brands, selling them to all areas of the Australian wine retail and hospitality sector. JWG prides itself on representing many of the most prestigious and reputable wine brands in the world.
- (b) Joval Wine Group (NZ) (**JWGNZ**) is a New Zealand based private company wholly-owned by Joval Wine Group Pty Ltd. JWGNZ owns two vineyards in New Zealand (Marlborough and Central Otago). At the Central Otago vineyard JWGNZ operates a cellar door. At both vineyards JWGNZ grows grapes and sells them at industry pricing.

Collectively (**JOVAL**)

JWGNZ employees and its operations have been considered and employees consulted with during preparation of this statement. All JWG policies cover JWGNZ and all actions are on behalf of both entities.

This is Joval’s second year of reporting under *the Modern Slavery Act 2018* (Cth) (the **Act**).

This Statement is published by Joval for the financial year 1 July 2020 to 30 June 2021 and:

- Describes the process of consultation with JWGNZ as it’s only owned subsidiary company (as per above)
- Includes an updated statement on our structure, operations and supply chains
- Includes an updated assessment of our risks of modern slavery practices in our operations and supply chains
- Describes the actions we have taken during the past reporting period to assess and address these risks
- Includes an assessment of the effectiveness of the actions taken
- Sets out further actions for the next reporting period

### 2. **Joval’s Structure, Operations and Supply Chains**

#### **Structure**

- (a) JWG is privately owned, and employs approximately 180 staff, all of whom are engaged under Employment Contracts which, at minimum, meet award conditions.

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All employees, regardless of the jurisdiction in which they reside, are employed by JWG.

- (b) JWG is a New Zealand based private company. This company employs 3 permanent staff plus casual staff on Employment Contracts which all meet minimum legal conditions.

## **Operations and Supply Chains**

- (a) JWG's head office is in Melbourne, Australia, with sales and marketing offices in all major Australian capital cities.

JWG is a distributor of wine, purchasing bottled wine from around 200 Australian and international wine producers. JWG enters into distribution agreements or letters of appointment with these wineries, giving it exclusive rights to sell their wines in some or all segments of the Australian liquor market.

JWG outsources its international and domestic logistics operations to other parties.

- (b) JWG owns two vineyards in New Zealand which are operated and managed by its own permanent and casual staff and one contract vineyard management company who is paid according to industry standards and who is insured for all its liability risks.

JWG grows grapes and sells them at industry pricing.

JWG suppliers are based in New Zealand. Labour hire for harvest is facilitated through the RSE scheme (Recognised Seasonal Employer) scheme which is overseen by the NZ Government. There is no risk of modern slavery practices for these seasonal workers. Other suppliers to JWG are New Zealand based for example vines and vineyard equipment are purchased from local suppliers at industry pricing.

## **3. The risks of modern slavery practices at Joval**

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

- (a) **Joval may cause modern slavery practices**

Joval believes that its risk of causing modern slavery is extremely low. Joval believes in fair remuneration and conditions for its employees. It complies with all relevant employment laws and awards, and none of its employees are paid below the relevant minimum wage. Joval invests in the health and safety of its employees, and this is overseen by the People and Culture department. All staff have access to a company-funded third party Employee Assistance Program.

(b) **Joval may contribute to modern slavery practices**

Joval considers the risk that it may contribute to modern slavery practices as being low. JWG is a premium wine distributor, and while it attempts to enter into favourable commercial arrangements, price is never the only factor under consideration when negotiating with a potential supplier. JWG sells very little wine that retails at under A\$10 per bottle, meaning that in most instances, if not all instances, suppliers earn more than enough to pay their employees fairly. JWGNZ is a vineyard owner and sells grapes at industry standard pricing and its seasonal labour is overseen by the New Zealand Government.

(c) **Joval may be directly linked to modern slavery practices**

Joval considers the risk that it might be directly linked to modern slavery practices is low to medium. JWG and JWGNZ endeavours to discuss modern slavery with key suppliers and is upgrading its contractual processes. However, it acknowledges that further work can be undertaken in this area. While JWG and JWGNZ carefully selects its suppliers and ensures they have a strong reputation, further investigation and assessment can be conducted to determine whether there are risks of modern slavery practices further down the supply chain.

**4. Actions we have taken to assess and address these risks including due diligence and remediation processes and effectiveness of actions**

(a) **Update and Development of Internal Policies**

Existing

Joval has policies in place such as Joval's Whistle-blower policy and Discrimination, Harassment and Bullying policy. These policies aim to encourage the reporting of suspected wrongdoing, including activity which may breach the law or otherwise prejudice Joval's reputation. We support an environment in which staff and suppliers can report and raise any modern slavery-related concerns, and in which Joval will use our best endeavours to rectify any compliance concerns in a timely and appropriate way. Joval also has a publicly available set of detailed values and beliefs published online at <https://www.jovalwinegroup.com.au/#/valuesandbeliefs> demonstrating Joval's commitment to a fair and equitable approach in everything the business does.

Update from last statement

- We have reviewed and revised our Environmental, Sustainability and Ethical Policy.

## Effectiveness of action/s

- The revised Environmental, Sustainability and Ethical Policy will be published and rolled out prior to 30 June 2022 and will be a welcome reminder to all employees of Joval's stance on Modern Slavery and its aim to encourage all suppliers to investigate their own supply chain and address any risks.

## (b) **Supply Chain and Due Diligence**

### Update from last statement

In our last statement Joval made a commitment to contact existing suppliers worldwide to gather information and to map out our existing supply chain. Joval contacted over 250 suppliers in December 2021 to complete a Modern Slavery Risk Factor Self-Assessment Questionnaire. Links to further information in regards to the Act and how suppliers can prevent, respond to or report suspicions of modern slavery were also included in the correspondence.

In addition, Joval offered its top 20 key suppliers free of charge access to the online training that Joval organised for its employees. The offer was to build awareness around modern slavery and its risks in the supplier's organisation and supply chains.

### Effectiveness of action/s

The responses will help Joval:

- (i) Identify any risks in its supply chain
- (ii) Assist with how we manage ongoing awareness of modern slavery risks with suppliers
- (iii) Assist with preparation of a new supplier evaluation process including a corrective action plan
- (iv) Give our key suppliers access to free online training

The Modern Slavery Risk Factor Self-Assessment Questionnaire forms a part of our commitment to implementing a total due diligence process for all new suppliers to JWG and JWGNZ.

Joval's aim is to continue to assess new suppliers and to encourage suppliers to investigate their own supply chain and address the risks that may allow modern slavery to thrive.

## (c) **Employee Training**

### Update from last statement

Joval has provided Modern Slavery education to all employees using an external platform to educate personnel as to what modern slavery is, how to identify modern slavery and how to minimise the risks of modern slavery. It is mandatory for all Joval employees to complete this training with a pass rate of at least 80% by the end of January 2022.

## Effectiveness of action/s

Joval is pleased so far with the number of employees who completed the training module and passed the test.

### (d) **Joval's Standard Contracts**

#### Update from last statement

In our last statement Joval made a commitment to make amendments to its terms and conditions in its supplier contract to ensure that suppliers are aware of their obligations under Modern Slavery legislation.

Joval has commenced reviewing its terms and conditions in the supplier contract and will include an obligation on suppliers to take reasonable steps to identify, access and address risks of modern slavery practices in the options and supply chains used in the provision of the goods and/or services.

Joval aims to have the legal amendments made to its terms and conditions in its supplier contract by 30 June 2022.

#### Effectiveness of action/s

Action not yet completed.

### (e) **COVID-19 Response**

We recognise the significant impact that the COVID-19 pandemic has had on the lives and livelihoods of people around the world. Increased demand pressures coupled with shutdowns, workforce reductions, border closures, extended lockdowns have disproportionately affected supply chain workers and exacerbated their exposure to modern slavery and other forms of exploitation and harm.

The transport and logistics industry continued to be considered an essential service and as such, we could continue operating. We closely monitored our supply base to identify key risks such as site shut-downs, reduced workforce and logistic delays to implement alternative options when required.

Joval will continue to leverage the strong policies and processes it has in place to ensure the highest health and safety protocols are always adhered safeguarding the safety of all employees, suppliers, customers and sub-contractors.

### **5. Further action for next reporting period**

Joval is committed to continuously improving our approach to human rights and modern slavery.

Looking ahead we plan to:

# JOVAL WINE GROUP

- Roll out our revised Environmental, Sustainability and Ethical Policy to the entire organisation
- Complete our analysis of responses to our existing supplier self-assessment questionnaire form sent in December 2021 and take all appropriate remediation action if required
- Prepare our new supplier due diligence process and remediation process
- Finalise the legal amendments to the terms and conditions in our supplier contract
- Continue to build the expertise of our people through training and communication, especially those that work directly with third parties or those that rely on contractors in their workforce, so they can better identify and act on any indications of modern slavery

## Approval

This statement covers the period from 1 July 2020 to 30 June 2021 and has been approved by Joval Wine Group's Board of Directors.



Frank Kraps  
Executive Chairman

Joval Wine Group Pty Ltd



Tim Menting  
Chief Executive Officer

Joval Wine Group Pty Ltd