

2020 STATEMENT ON HUMAN RIGHTS AND MODERN SLAVERY

**Treasury Wine Estates
Limited (TWE) is
committed to
protecting human
rights and preventing
modern slavery in
all its forms, including
forced labour and
human trafficking,
across its corporate
activities and global
supply chain.**

At TWE, we believe that human rights recognise the inherent value of each person and encompass the basic freedoms and protections that belong to all of us, and that our business, people and communities can only thrive when human rights are safeguarded.

We endeavour to respect and uphold the human rights of our people and everyone who touches our business, either directly or indirectly.

TWE acknowledges that addressing modern slavery and protecting human rights requires an ongoing commitment to undertaking due diligence across our operations and through our supply chain to build a more comprehensive understanding of human rights and modern slavery risks.

TWE is committed to continuous improvement in this area, and ensuring that our processes, systems and interventions are as effective as possible in preventing and remediating modern slavery and protecting human rights.

TWE's 2020 Statement on Human Rights and Modern Slavery (Statement) sets out the actions taken by TWE Limited and its reporting entities to understand, mitigate, and address human rights and modern slavery risks for the financial year 1 July 2019 to 30 June 2020 (F20).

This Statement has been approved by TWE's Corporate Responsibility (CR) Council and the TWE Board.

The Statement is publicly available via the homepage of the Company's website at www.tweglobal.com.

Key milestones in F20

During F20, TWE:

- Completed a human rights impact assessment (HRIA) across TWE operations to better understand its human rights risks, and how the business can improve its policies, procedures and processes.
- Following the completion of the HRIA, TWE established an internal working group comprising representation from People and Capability, Global Supply, Procurement, Global Business Services, Risk, Legal and Corporate Affairs to develop and commence implementation of a dedicated human rights action plan.
- Implemented a robust supplier onboarding and risk assessment platform and commenced rollout to suppliers. The platform is designed to assess TWE's current supplier network and alert TWE to supplier risks using public and private intelligence databases.
- Conducted internal risk workshops and updated its environmental and social risk register, and specifically progressed work to better understand the potential modern slavery risks arising from TWE's use of external labour hire.
- Began updating TWE's core policies and processes to explicitly express its commitment to upholding the principles within the UN Universal Declaration of Human Rights, the United Nations Guiding Principles on Business and Human Rights, the ILO 1998 Declaration on Fundamental Principles and Rights at Work and Modern Slavery Acts. Policies updated to reflect this commitment included the Working



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Together Policy, Disciplinary Process Policy and Resolving Workplace Issue Process for Australia and New Zealand, as well as its Asia regions, as well as the Code of Conduct.

- Introduced an artificial intelligence (AI) tool into the Company's recruitment and selection process to mitigate the risk of discrimination and bias in decision making.
- Continued to report under the California Transparency in Supply Chain Act and UK Modern Slavery Act.
- Aligned priority United Nations (UN) Sustainable Development Goals (SDGs) to the Company's Corporate Responsibility (CR) framework and initiatives.

About TWE

TWE is one of the world's largest wine companies, listed on the Australian Securities Exchange (ASX). With an outstanding portfolio of wine brands from diverse countries of origin and some of the most prized viticultural assets in the industry, the Company's commitment to delivering shareholder value is underpinned by its passion for crafting, marketing and selling quality wine for consumers, as well as building sustainable partnerships with customers, globally.

TWE employs approximately 3,000 employees across four principal regions across the world; Australia and New Zealand (ANZ), Americas, Asia as well as Europe, Middle East and Africa (EMEA)

TWE owns, leases and operates over 8,600 planted hectares of vineyards within Australia and New Zealand, over 3,200 planted hectares within California and 190 hectares within Europe as well as multiple vinicultural assets across these regions with wine sold in more than 70 countries around the world.

The company's operational structure comprises, approximately 127 vineyards, 18 wineries, eight corporate offices and a vertically integrated global supply chain that operates with four principal activities.

These being:

Grape growing and sourcing

TWE sources grapes from a mix of company-owned and leased vineyards, grower vineyards and the bulk wine market globally. The Company's sourcing mix varies by region.

Wine production

TWE owns world class wine production and packaging facilities in Australia, New Zealand, Italy, France and the United States.

Wine marketing, sales and distribution

TWE markets, sells and distributes its wines to customers in more than 70 countries, tailoring its route-to-market model by country to capitalise on regional opportunities.



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Procurement

TWE's supply chain is geographically diverse and encompasses small businesses through to global multi-nationals.

In F20, TWE procured goods and services from more than 11,000 direct and indirect suppliers based across its operating regions including Australia and New Zealand (ANZ), Americas, Asia and Europe, Middle East and Africa (EMEA).

Direct suppliers include those from whom the Company buys grapes, bulk wine, glass, card, labels, and business to business packaging, among other goods. Indirect suppliers include those from whom the Company buys services, including marketing, legal, corporate and consulting services.

TWE's Responsible Procurement Code sets out the expectations of suppliers with regards to respect for human rights, including labour rights of the workers in our extended supply chain. We expect partners to implement and adhere to the principles in the Responsible Procurement Code and to ensure transparency, remedy any short comings and drive continuous improvement.

Reporting entities

The following are the reporting entities covered by the 2020 Human Rights and Modern Slavery Statement:

Treasury Wine Estates Limited
Treasury Wine Estates Vintners Limited
Treasury Wine Estates Australia Limited
Treasury Wine Estates (UK) Holding Co Pty Ltd
Wolf Blass Wines Pty Ltd
Bilyara Vineyards Pty Ltd
Aldershot Nominees Pty Ltd

Further details on the Company's trading names, operating structure and joint ventures are outlined in detail in its 2020 Annual Report, which is available via www.tweglobal.com/investors.

Understanding our human rights risks

In F20, TWE used an independent third party to undertake a human rights impact assessment (HRIA) to better understand its more salient Human Rights risks and identify opportunities to strengthen its commitment to Human Rights, and to understand areas in which TWE could improve and align to best practice examples. The HRIA identified the following human rights risks across TWE's operations in all parts of the value chain.

<i>Value Chain</i>	<i>Human Rights Risks</i>
Grape growing	Modern Slavery Health and Safety Migrant Labour
Dry good procurement (corks, labels, glass)	Modern Slavery
Wine production (wineries and bottling)	Modern Slavery Pollution
Imports/exports	Modern Slavery



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The HRIA undertaken in F20 considered where there is potential risk that TWE has situations of modern slavery occurring at various points along the value chain, specifically grape growing, wine production and imports/exports, given that the presence of forced labour and exploitation of seasonal and migrant workers in agricultural supply chains has been documented in some of TWE's sourcing countries, including Australia, Italy, USA, NZ and the UK.

This risk is relevant for the activities where temporary and contracted labour is being used, especially in developing markets with high presence of migrant workers. There is a risk that contractors and temporary agency workers are victims of forced labour at bottling facilities and wineries that TWE is unaware of. Many of the workers at bottling facilities either do not speak English or have a limited command of the language (predominantly USA and Italy) and are therefore at increased risk and are more vulnerable to exploitation.

Given this, TWE recognises that it needs to better understand those risks as it relates to directly to our business and our supply chain. TWE will now undertake further risk assessment work in F21 to progress our understanding of modern slavery risk in our operations as well as in our supply chain.

Risk mitigation and remediation

Given TWE has not yet fully assessed the risk of modern slavery, the business is not able to outline risk mitigation and remediation actions that specifically address modern slavery.

Outlined below are the global policies, programs and frameworks already in place to mitigate human rights and modern slavery risks for our team and everyone who touches the business.

The *Looking Ahead* section of this report outlines the actions TWE intends to take in F21 to better assess and address risks to ensure the Company drives continuous improvement.

It is also worth noting that this financial year (F21), TWE has released its Human Rights Charter which articulates our commitments to human rights, including Modern Slavery Acts, as well as our commitment to remedying human rights and encouraging all stakeholders to report and express concerns relating to suspected violations of our policies, including the Charter, through TWE's Whistleblower Policy where they do not feel comfortable raising them directly.

Policy Framework:

The TWE policies, procedures and programs listed below reflect our values (TWE DNA), ways of working and expectations of our team and suppliers.

<i>Policy</i>	<i>Overview</i>
Anti-bribery and Corruption Policy * and Guidelines	TWE does not tolerate any forms of bribery or corruption. The Anti-bribery and Corruption Policy aligns with best practice and emerging governance requirements including the revised third edition of the ASX Corporate Governance Principles & Recommendations.

* Policy can be found on the Company's website, at www.tweglobal.com/investors



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Code of Conduct*	Outlines the Company's expectation of employees to conduct themselves and their business at the highest standards and behave in an ethical and responsible manner. Failure to abide by TWE's Code of Conduct may constitute a disciplinary offence and can result in termination of employment.
Diversity and Inclusion Policy	Sets out TWE's commitment to creating a diverse and inclusive culture and its expectations of employees, suppliers and customers in upholding our diversity and inclusion commitments.
Employing and Engaging Minors Policy	The Employing and Engaging Minors Policy sets out the Company's commitment to safeguard a minor's employment circumstances when they are employed or engaged by TWE or a third party on behalf of TWE.
New Market Entry Policy	Before entering any new market, TWE undertakes a risk assessment in accordance with the New Market Entry Policy. This assessment includes an analysis of the likelihood and consequences of a range of risks, including legal and reputational risk.
Responsible Procurement Code*	<p>The Responsible Procurement Code (RPC) sets out TWE's expectation that suppliers conduct business in accordance with the highest ethical standards and internationally proclaimed human rights.</p> <p>Regarding suppliers, failure to abide by the RPC can result in termination of the supply arrangement. In F20, there has been no findings of supplier termination for non-compliance to the RPC.</p>
Risk Management Policy*	Provides guidance and direction on risk management related to the Company and states our commitment to the effective management of risk to reduce uncertainty in the Company's business outcomes.
Whistle Blower Policy*	Adopted to ensure that people can raise concerns regarding actual or suspected contravention of TWE's ethical standards or the law without fear of reprisal or feeling threatened by doing so. The Policy is supported by a confidential whistleblower service, which is maintained by an external service provider, and operates across TWE operations globally, with the service available in a range of languages relevant to TWE's locations



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	Matters raised under the Whistleblower Policy are periodically reported to the Board through the Audit and Risk Committee. In addition, the Board is informed of any material incidents raised for the purposes of maintaining good corporate governance and oversight of TWE's culture. All issues are resolved by way of investigation and action as required.
Workplace Health, Safety and Wellbeing Policy*	The Workplace Health, Safety and Wellbeing Policy sets out TWE's commitment to achieving an incident and injury free workplace. Supporting the Company's journey to "Destination Zero Harm" are three guiding principles: safe people; safe plant; equipment and environment and safe systems of work; with specific commitments agreed for each principle.

Employee Assistance Program

The Employee Assistance Program (EAP) provides TWE employees and eligible immediate family members with a range of services and support. It is voluntary, confidential and easy to access, with support available for personal and work-related issues including performance, dealing with grief, stress management and career pathing.

Human Resources Assist

TWE's Human Resources (HR) shared service operation is the first point of contact for all general HR queries and support. A HR Assist team and regional HR Hotline is available in the Australia and New Zealand, Americas and Asia regions. Employees based in the Europe, Middle East and Africa region can access the service in either the Americas or Australia.

Pay Equity Review

Each year, TWE undertakes a pay equity review to ensure that remuneration decisions are fair, competitive, market-relative, and reflective of performance. Additionally, each year TWE reviews gender pay equity and where inequity is identified, adjustments are made. TWE conducts reviews to ensure compliance against minimum wage requirements across the Company's various jurisdictions. These processes are underpinned by TWE's Remuneration Policy.

TWE Risk Management Framework

To oversee and manage risk, the Board and its Audit and Risk Committee (ARC) have approved a Risk Management Policy and a Risk Management Framework, both of which are reviewed annually. The Risk Management Policy provides guidance and direction on the management of risk related to the Company and states our commitment to the effective management of risk to reduce uncertainty in the Company's business outcomes.

TWE intends to use the risk management framework to develop the supplier governance framework and refine the risk factors used for supplier onboarding and monitoring.



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As previously outlined, in F20 TWE implemented an online system which is designed to assess TWE's current and potential supplier network and alert TWE to supplier risks using public and private intelligence databases. Currently, if a supplier is identified as high risk, the Procurement team is notified, and an engagement and escalation process is followed to determine remedial actions, if required. If a supplier is identified as high risk, TWE will investigate and work with that supplier to remediate as appropriate.

Corporate Responsibility Framework

TWE's Corporate Responsibility (CR) Framework supports the Company's strategy and is underpinned by four key strategic pillars being, Performance, Planet, People and Product. The People pillar of the CR Framework comprises a focus on human rights and labour practices.

Training and Communication

TWE ensures executive management, senior leaders and employees are aware of and understand the policies which reflect the Company's commitment to promote ethical and responsible behaviour and prevent human rights and modern slavery breaches within its global operations.

New employees are required to complete compliance training covering the Company's Code of Conduct, Anti Bribery and Corruption, and Whistleblower policies and programs within the first three months of their employment. Thereafter, employees are required to complete these modules every two years. Non-desk-based employees receive training on TWE policies at a site level and compliance is monitored through the People and Capability function.

The *Managing People at Treasury* learning platform includes courses, training and resources to help managers mitigate bias from people processes. Manager training sessions are conducted regularly to address bias cognizance in talent review and performance management processes. The *TWE People Manager Charter* (mandatory for all People Managers to read and sign) reinforces expectations around bias management.

United Nations Global Compact

As a signatory to the United Nations (UN) Global Compact, TWE has provided a Communications on Progress (COP) since 2011. Through UN Global Compact Principle 4, TWE is committed to the elimination of all forms of forced and compulsory labour.

The F20 COP is published alongside TWE's 2020 Sustainability Report, which is available, at www.tweglobal.com/sustainability.

Managing COVID-19 impacts

In F20, there has been a strong focus on supporting the safety, health and wellbeing of employees and contractors given the health and economic impacts of the COVID-19 global pandemic. TWE implemented a COVID-19 management plan globally which included the introduction of additional paid leave, robust safety and hygiene practices, and enhanced mental health and wellbeing programs. For more information please refer to TWE's 2020 Sustainability Report, which is available, at www.tweglobal.com/sustainability.



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Assessing Effectiveness

While TWE has not yet fully assessed the risk of modern slavery, TWE regularly reviews and assesses the effectiveness of policies, codes and frameworks as part of our risk management framework. In F20, TWE conduct risk workshop and specifically progressed work to understand the potential modern slavery risks arising from TWE's use of external labour hire.

TWE will continue to develop and modify its approach as required to ensure that it meets its commitments and upholds the highest ethical standards.

The TWE Board governs the Company, and its responsibilities including actively promoting ethical and responsible decision-making within TWE. The Audit and Risk Committee (ARC) and the Human Resources Committee (HRC) assists the Board in overseeing the processes used by management to monitor and ensure compliance with laws, regulations, ethical guidelines and other requirements.

Further, management has established the Risk, Compliance and Governance Committee (RCGC), which is responsible for overseeing and advising the Executive Leadership Team on:

- processes used to monitor, communicate and comply with the Company's policies, laws, regulations, ethical guidelines and other relevant requirements; and
- employee behaviour with respect to governance, risk and compliance.

Consultation and approval process

In performing the F20 milestones outlined in this Statement, consultation included engagement with:

- Human Rights working group, various levels of management and business unit representatives across the business including People and Capability, Global Supply, Procurement, Global Business Services, Risk, Legal and Corporate Affairs.
- Corporate Responsibility Council, which includes members of the Executive Leadership Team.

The policies, processes and systems described in this Statement apply to TWE Limited and the entities covered by this Statement.

The TWE Board, as well as its Audit and Risk Committee and the Human Resources Committee retain oversight of our human rights and modern slavery risks through our risk management framework.

Looking Ahead

TWE is committed to continuously improving the practices, procedures and relevant education related to human rights and modern slavery to support its prevention.

Looking ahead we plan to progress the following in F21 and beyond:

- Launch TWE's Human Rights Charter.
- Assign actions to Executive Leadership Team members specifically related to upholding TWE's commitments to human rights as prescribed in the TWE Human Rights Charter and aligned with TWE's Human Rights Roadmap.



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- Assess TWE's supply chain for modern slavery risk, utilising and refining its supplier onboarding tool and supported by a new Supplier Governance Framework. Where flags are raised, TWE will investigate and Work with suppliers to ensure robust systems and processes are in place to identify and remediate any instances of modern slavery.
- Identify and highlight country of origin for key commodities in future reporting.
- Continue to update core policies and processes to reflect TWE's commitment to upholding human rights, including the Diversity and Inclusion Policy, Recruitment and Selection Policy and the Americas Employee Handbook.
- Align the Company's Inclusion and Diversity strategy with its Human Rights agenda.
- Continue to build 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, building transparency.



Paul Rayner
Chairman
December 2020



Tim Ford
CEO
December 2020

