

CAMPARI GROUP

AUSTRALIA

MODERN SLAVERY STATEMENT 2023



Campari Australia Pty Ltd
1st January - 31st December 2023 (Reporting Period)

TOASTING LIFE TOGETHER

CAMPARI

AUSTRALIA PTY LTD

ABN 72 137 554 726 of Level 21, 141 Walker Street, North Sydney NSW 2060, has carried on business in Australia during the reporting period with a consolidated revenue greater than AU\$100 million and publishes this Modern Slavery Statement as the appropriate reporting entity for the purposes of the Modern Slavery Act 2018. _____

STRUCTURE & OPERATIONS

Campari Australia is the local subsidiary of the Campari Group (the **Group**), owned by Davide Campari-Milano N.V., domiciled in the Netherlands and listed on the Italian stock exchange. Campari Group is a leading company in the global branded spirits industry and was founded in Milan in 1860 where Gaspare Campari created his now world famous eponymous red aperitif.

Campari Group owns, markets, and distributes a portfolio of more than 50 premium and super premium brands in over 190 countries worldwide, and holds market-leading positions with many of those brands in Europe and the Americas. In addition to Campari, the Group's major brands include Aperol, Appleton Estate, Grand Marnier, SKYY Vodka, and Wild Turkey. As of 2023, Campari Group employs approximately 5,000 people.



26

DIRECT MARKETS

190

COUNTRIES IN WHICH
WE DISTRIBUTE OUR
PRODUCTS

22

MANUFACTURING
PLANTS GLOBALLY



The Group's corporate headquarters are in Sesto San Giovanni in Milan, Italy, and as at 31 December 2023, the Group owned 22 manufacturing plants and had a proprietary distribution network in 26 countries. Campari Group has a deep belief in strong corporate values, including, **"Integrity"**, which is highlighted in its Sustainability Report for the year ended 2023:

“We recruit, develop and reward employees that work with utmost integrity and transparency. Integrity means being a responsible corporate citizen and treating all of our stakeholders correctly and with respect. Most importantly, it means ensuring that fairness, honesty and consistency are the hallmarks of our business transactions and the guiding light for our employee's professional lives”.

In addition, the Campari Group Behaviours guide the actions of Camparistas, including, “**Respect others and the planet**”, which, as noted in our 2023 Sustainability Report, directs us to, “behave as proper members of our Company community and responsible citizens of this planet, and proactively commit to their development.”

These values are at the heart of Campari Group’s commitment to all forms of corporate social responsibility. This includes not knowingly participating in, causing, contributing to, or being linked to modern slavery practices in any of our operations and supply chains, and a further commitment that we will make efforts to mitigate the risks of modern slavery within those operations and supply chains.

Campari Group supports the United Nations Universal Declaration of Human Rights and the International Labour Organisation’s Declaration on Fundamental Principles and Rights at Work.

Campari Australia was incorporated in 2009. The regional headquarters is in Singapore and Campari Australia is responsible for the distribution of its products in Australia, New Zealand, and the Pacific Islands.

Campari Australia runs its business from its headquarters in North Sydney, with three small state offices, one each in Brisbane, Melbourne, and Perth, a beverage manufacturing plant in Derrimut in the west of Melbourne and some remote workers in regional areas of Australia. Campari Australia employs 222 people in marketing, sales, administrative and professional, technical, and manufacturing roles in both casual, part-time capacities and full-time permanent employment.

The local Campari business is quite complex, comprising a range of activities in the alcoholic beverage business from importation, manufacturing, and marketing, to distribution of its products to Australian wholesalers and New Zealand and Pacific Islands retailers.

Campari Australia contract packs and manufactures finished goods, referred to as ready-to-drink and ready-to-serve beverages for Campari Australia and Campari New Zealand during the Reporting Period as well as manufacturing finished goods for a number of third party beverage companies. The bulk of this manufacture occurs at the Derrimut manufacturing plant. Ingredients and other inputs are sourced from a range of suppliers. Some are Campari's own preferred suppliers, and some inputs are sourced at the instruction and selection of the relevant third party beverage owner.

SHAREHOLDINGS

Campari Australia is also the holding company of **Campari New Zealand Ltd** (NZ Company no. 942 903 876 2680) (**Campari New Zealand**), and during the Reporting Period, Campari Australia became the majority shareholder in Thirsty Camel Limited (NZ Company no. NZBN 9429048651400) (**TCL**), based in Auckland. This Modern Slavery Statement is also made on behalf of Campari New Zealand and TCL.

GOVERNANCE & VALUES

Campari Group is organised according to the Dutch corporate governance model. It has both a board, and a supervisory body which has been in place since 2001. One of the supervisory body's main roles is to ensure compliance with the Group's governance model and the law, focusing on preventing offences against administrative and corporate controls, as well as breaches of health and safety regulations. This ensures that matters relating to Modern Slavery are overseen and reported at the highest levels.

As noted by Campari Group's CEO during the Reporting Period in the Group's Code of Ethics, "Compliance goes beyond simply adhering to local laws, it is about acting ethically, responsibly and with integrity towards customers, partners, stakeholders, the environment, our community and, ultimately, each other."

Employees, associates, suppliers, and customers, as well as anyone who has had dealings with the Group are able to report violations of the Code of Ethics or any other Campari Group policy or applicable law through the Campari Safe Line and pursuant to a whistleblower policy which enables a confidential report to be sent directly to the Chairman of the Group's Board and to the head of the Group's internal audit function. The whistleblower is also protected against retaliation or any other consequences arising from the report.

Below is a summary of Campari Group's governance standards and policies which relate to dealing with suppliers:



Code Of Ethics

Sets out the Group's values and its fundamental expectations of conduct and dealing with shareholders, colleagues and associates, consumers and the community, as well as enforcement of its provisions.



Corporate Social Responsibility and Supplier Code

Includes the Campari Group Supplier Code and sets out the Group's ethical values which suppliers and their employees undertake to sign, adhere to, and ensure compliance throughout their respective supply chains.

These ethical values are:

- o Integrity, loyalty, and honesty;
- o Objectivity and immediate communication of real or potential conflicts of interest;
- o Confidentiality;
- o Transparency and completeness of information;
- o Rejection and condemnation of any type of discrimination;
- o Ban on forced and child labour;
- o Health and safety in the workplace;
- o Compliance with environmental law and ecological standards;
- o Prevention and reduction of environmental pollution;
- o Ban on unfair competition; and
- o Compliance with the Group's Code of Ethics, and its Quality, Health, Safety & Environmental Policy.



Campari Group Global Procurement Policy

The objective of the Procurement Policy is to standardise and define the roles, responsibilities, and rules of conduct for the management of Procurement processes, in keeping with the fundamental principles of the decision-making process, including transparency, impartiality, fairness and traceability.



Quality, Health, Safety & Environment Policy

Since 2013, this Policy has governed and protected the environment, health and safety of the Group's employees and consumers as well as the quality and food safety of products. The Policy applies to all Group locations and divisions and is regularly reviewed to ensure it remains appropriate for the nature and size of the Group and its corporate objectives. The Policy is also shared with all suppliers, investors and employees.



Employees & Human Rights Policy

Issued in 2017, this Policy supports the UN Universal Declaration of Human Rights and the ILO's Declaration on Fundamental Principles and Rights at Work and requires legal compliance with national human rights legislation in every country in which the Group operates. Where differences arise between Group policies and national regulations, the Group applies the most stringent of the requirements. The Policy covers: non-discrimination, forced labour, child labour, harassment, diversity, working conditions (including hours and remuneration), freedom of association and the right to collective bargaining, training and personal development, community involvement and quality, health, safety & environment.

CAMPARI GROUP & SUPPLY CHAINS

Campari Group has a specialist Procurement Team which managed approximately 22,000 suppliers globally during the Reporting Period. The Procurement Team manages suppliers classified according to the following categories:

(PR)

Product Related

Materials that go into the final product, they are part of the Bill of Materials (BOM), such as packaging materials (e.g. glass bottles), raw materials (e.g. sugar) and semi-finished materials (e.g. distillates);

(NPR)

Non
Product Related

Goods and services that do not go into the final product; they are purchased to enable or support the business and its operations, such as: Media & Marketing, Logistics, Capital Expenditure, etc.

Categories are mapped in a Portfolio Matrix, managed by Procurement, based on their supply risk and business impact. The Category Portfolio Matrix is updated from time to time, to reflect changes in external and internal environments.

Campari Group looks for local sourcing options to fulfil its aim of reducing its environmental impact along the supply chain, and continues to do so, all other commercial parameters being equal (such as competitiveness, quality, and availability of materials).



MANUFACTURING PLANTS



Of the 22 plants worldwide which Campari Group owns, the plant in Derrimut, Victoria is the only local supplier. The Derrimut plant manufactures Wild Turkey and American Honey RTDs and Truly hard seltzer products. As previously noted, the Derrimut plant also manufactures products for third parties under contract for distribution in Australia, New Zealand, and some other parts of Asia.

Campari Australia purchases many of its products as finished goods from the international plants in Italy, Jamaica, Mexico, United States of America, Brazil, Canada, United Kingdom and France.

Some of these products may be manufactured in Australia using local and imported ingredients.

The situation is similar for Campari Group products which are sold through TCL, except that TCL does not have a local Campari-owned manufacturing facility like the Derrimut plant. Coruba rum is shipped in bulk from Jamaica to New Zealand where it is made into ready-to-drink beverages by a third party manufacturer. In addition, TCL sources products for distribution from third parties.

COMPLIANCE & RISK MITIGATION

 *Campari Group is committed to developing good business practices for its suppliers and distributors as well as its own activities and business units. Responsible and transparent sourcing from commercial partners with similar values is, in fact, a prerequisite for ensuring high-quality and safe products.* 

Campari Group drives sustainability compliance through its implementation of the Group's Supplier Code in all geographies. The Group sees responsible and transparent sourcing from commercial partners with similar values as a prerequisite for ensuring high-quality and safe products that create value in local economies.

Campari Group has a risk management system in place for its own operations which is managed by its Internal Audit function and aimed at identifying, assessing, managing and monitoring potential events or situations that could impact Campari Group's activities and the achievement of its objectives.

The risk management system also captures and monitors compliance, and personnel management, in terms of both health and safety, guaranteeing workers' rights and identifying environmental risk. Campari Group reserves the right to verify suppliers' compliance with this Code, to monitor their performance and operations in this regard, and to terminate any agreements in the event of violations of the Supplier Code, if considered necessary.

In addition, Campari Group has been a member of Sedex (Supplier Ethical Data Exchange) for many years, demonstrating its commitment to managing its supply chain responsibly and transparently. Sedex is the world's largest shared platform through which member users can report and share their commercial practices in the key areas of labour law, health and safety, environment, and business ethics. Campari Group uses Sedex to inform its risk assessments and mitigation. Campari Group encourages its suppliers to join Sedex to assist with due diligence assessment.

RISKS OF MODERN SLAVERY PRACTICES

Campari Australia continues to remain vigilant about modern slavery risks in its supply chain and operations.

For the Reporting Period, Campari Australia has identified minimal risks of modern slavery in its supply chain and operations. However, Campari Australia has identified that it has further risk mitigation work to do in respect of:

- Third party supply of point-of-sale printing services; and
- Suppliers to the TCL business, as no due diligence risk assessment has been undertaken on these suppliers.

ACTIONS TAKEN BY CAMPARI AUSTRALIA, CAMPARI NEW ZEALAND AND TCL DURING 2023 TO REDUCE MODERN SLAVERY RISKS

Further to the ongoing risk mitigation measures noted and implemented in Campari Australia's prior three reporting periods, during the Reporting Period, Campari Australia has consulted with other related entities to understand the further steps it can take to address modern slavery risks.

This Reporting Period is the first year in which TCL is included in this Modern Slavery Statement, as Campari Australia took a majority shareholding in TCL during the Reporting Period. Initial steps were taken by TCL to reduce modern slavery risks, including:

- Introducing modern slavery compliance clauses into contract templates and agreements with third parties; and
- Liaising with the TCL management team to advise them of the risks of modern slavery, compliance requirements and potential steps which can be taken to address these risks.

At a global level, Campari Group has started to define a roadmap for sustainable procurement, with the support of an external consultant, identifying "protection and respect of human rights" throughout its value chain as key topic to monitor. This will lead the Group to identify any current and potential impact and risk in this area, and, if they arise, ways to mitigate or, where possible, prevent, these risks. As Campari Australia and its subsidiaries import the majority of their products from other entities within Campari Group, this is an important step in addressing modern slavery for Campari Australia and its subsidiaries.

The further steps which Campari Australia has identified to be undertaken over the next 12 months are:

1.	2.	3.
Continue working with Campari Group Sustainability team and Procurement team, and other Campari Group entities with modern slavery reporting obligations, to establish harmonised and comprehensive reporting and risk mitigation;	Work with the TCL business in New Zealand, gain a better understanding of the supply chains and operations of its tier 1 suppliers to understand any modern slavery risks; and	Ensure that it has contracts in place with point-of-sale printing suppliers who source printing plates from overseas, and ensure that these contracts include modern slavery compliance clauses.

EFFECTIVENESS ASSESSMENT

During the Reporting Period, there has been greater awareness within the business of modern slavery risks in the industry. This is evident from greater interest in modern slavery risks by Campari Australia, Campari New Zealand and TCL employees. The interest continues to be prompted by queries from customers and other third parties,, employees who want to ensure the business’ supply chain and operations are sustainable and ethical, and the Legal department repeatedly raising the issue of modern slavery both at a management level and with individual employees within the business.

In addition, Campari Group checks the compliance of all its operating units against its human rights commitments by monitoring and analysing its grievance mechanisms as appropriate. As reported in Campari Group’s 2023 Sustainability Report, there were no reports of human rights violations.

CONSULTATIONS WITH SUBSIDIARIES

Further to the risk mitigation measures and due diligence reported in prior reporting periods and already implemented by Campari New Zealand, during the Reporting Period, Campari Australia has liaised with Campari New Zealand and TCL regarding Campari Australia’s approach to addressing modern slavery risks and actions to date, as set out above.

APPROVAL & SIGNATURE

This **Modern Slavery Statement** has been approved by the board of **Campari Australia Pty Ltd** (ABN 72 137 554 726, the reporting entity) on 27TH June 2024 and is signed below for and on behalf of both Campari Australia Pty Ltd, and **Campari New Zealand Ltd and Thirsty Camel Ltd** to indicate that approval:



Simon Durrant
Managing Director
Australia and New Zealand
27.06.2024

APPENDIX

MANDATORY REPORTING CRITERIA

Criterion	Disclosure Reference
1. Identify the reporting entity	<p>Campari Australia Pty Ltd (ABN 72 137 554 726), per the first paragraph of the Statement.</p> <p>Campari New Zealand Ltd (NZ Company no.942 903 876 2680), on page 5, in the 11th paragraph of section Structure and Operations.</p> <p>Thirsty Camel Ltd (NZ Company no.NZBN 942 904 865 1400), on page 5, in the 11th paragraph of section Structure and Operations.</p>
2. Describe the reporting entity's structure operations and supply chains	Structure and Operations section, and Campari Group Supply Chain section
3. Describe the risks of modern slavery practices in the operations and supply chains of the reporting entity and any entities it owns or controls	Risks of Modern Slavery practices section
4. Describe the actions taken by the reporting entity and any entities it owns or controls to assess and address these risks including due diligence and remediation processes	Actions taken by Campari Australia and Campari New Zealand to reduce Modern Slavery risks section
5. Describe how the reporting entity assesses the effectiveness of these actions	Effectiveness Assessment section
6. Describe the process of consultation with any entities the reporting entity owns or controls (a joint statement must also describe consultation with the entity giving the statement)	Consultations with Subsidiary section
7. Provide any other relevant information	None required



Note:

Please note that this **Modern Slavery Statement** has been prepared and published in compliance with the requirements of the Modern Slavery Act 2018 and is accurate and correct as at 29 June 2023, the date of publication. The purpose of the statement is to provide general non-financial information only with the aim to illustrate to Campari Australia's stakeholders its steps taken in the 2023 calendar year to address Modern Slavery concerns. Interested stakeholders may choose to review the Campari Group's **Sustainability Report**, available on the Campari.com website, to review the Campari Group's global strategy and direction in this and other sustainability matters.



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