



Accolade
Wines

MODERN SLAVERY

FY24 STATEMENT



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Accolade Wines is committed to preventing slavery and human trafficking within its operations and its global supply chain. Tackling modern slavery is a key pillar of our global sustainability agenda.



01. Introduction

Accolade Wines has a zero-tolerance approach to modern slavery in its operations and supply chains.

As a leading wine company with a global sourcing footprint and operations in every continent, we understand the importance of responsible procurement and ensuring that ethical and social considerations form part of our decision-making processes.

We recognise the inherent risks of modern slavery in global supply chains, particularly in industries with complex and diverse supply chains like ours, and regions where vulnerable individuals are most at risk.

We take these risks seriously and are committed to proactively identifying and addressing such risks.



A handwritten signature in blue ink that reads "Ben Clarke".

Benedict Robert Clarke
Executive Chairman



This statement

This statement is made pursuant to Part 2 of the Modern Slavery Act 2018 (Australia), section 54(1) of the Modern Slavery Act 2015 (UK) and the California Transparency in Supply Chains Act 2010. This statement constitutes Accolade Wines' modern slavery and human trafficking statement for the financial year ending 30 June 2024. It was approved by the Board of Directors of Accolade Wines Australia Limited on 18 December 2024, the Board of Directors of Accolade Wines Limited on 18 December 2024 and the Board of Directors of Accolade Wines North America, Inc. on 18 December 2024.

Reporting and consulted entities

This statement covers the Australian, UK and US activities of Accolade Wines, including Accolade Wines Australia Limited (our Australian trading company), Accolade Wines Limited (our UK trading company) and Accolade Wines North America, Inc. (our US trading company). Entities owned by each of these entities have been consulted on their operations and supply chains to the extent that they differ from the operations and supply chains of the reporting entities.

The reporting entities covered by this statement are:

- Accolade Wines Australia Limited, ACN 008 273 907 of Level 10, 10 Franklin Street Adelaide, SA 5000 (AWAL)
- Accolade Wines Limited, Company No. 137407 of Thomas Hardy House, 2 Heath Road, Weybridge, Surrey KT13 8TB (AWL).
- Accolade Wines North America, Inc. of 1300 First Street , Suite 368, Napa, CA 94559 (AWNA).



02. About Accolade Wines

Who we are, what we do and where we operate

Structure

Accolade Wines is a global company owned by a consortium of institutional investors, including Samuel Terry Asset Management, Sona Asset Management, Intermediate Capital Group, Capital Four and other lenders, and led by Bain Capital Special Situations (part of Bain Capital). Accolade Wines underwent a change of control in January 2024 from the Carlyle Group to the investor group.

- AWAL is structured as a public company (unlisted), incorporated in Australia, with offices across Australia and its headquarters in Adelaide, South Australia.
- AWL is structured as a private limited company incorporated in the UK, with its headquarters in Weybridge.
- AUNA is structured as a C corporation incorporated in the State of California in the United States, with its headquarters in Napa, California. Its principal business activity code identifies it as a winery.

Accolade Wines has vineyards, production sites (including wineries) and offices across the globe. Accolade Wines has over 1,000 employees.

Operations

Accolade Wines is a global, vertically integrated wine business with core operations including:

- Grape growing & sourcing
- Winemaking & production
- Sales & marketing

Grape Growing & Sourcing: Accolade Wines sources its grapes through a combination of owned and leased vineyards, and from third party growers under supply contracts. Grapes are sourced from vineyards all over the world, including Australia, New Zealand, Chile and South Africa. Accolade Wines also sources bulk wine from third party suppliers across the world under supply contracts.

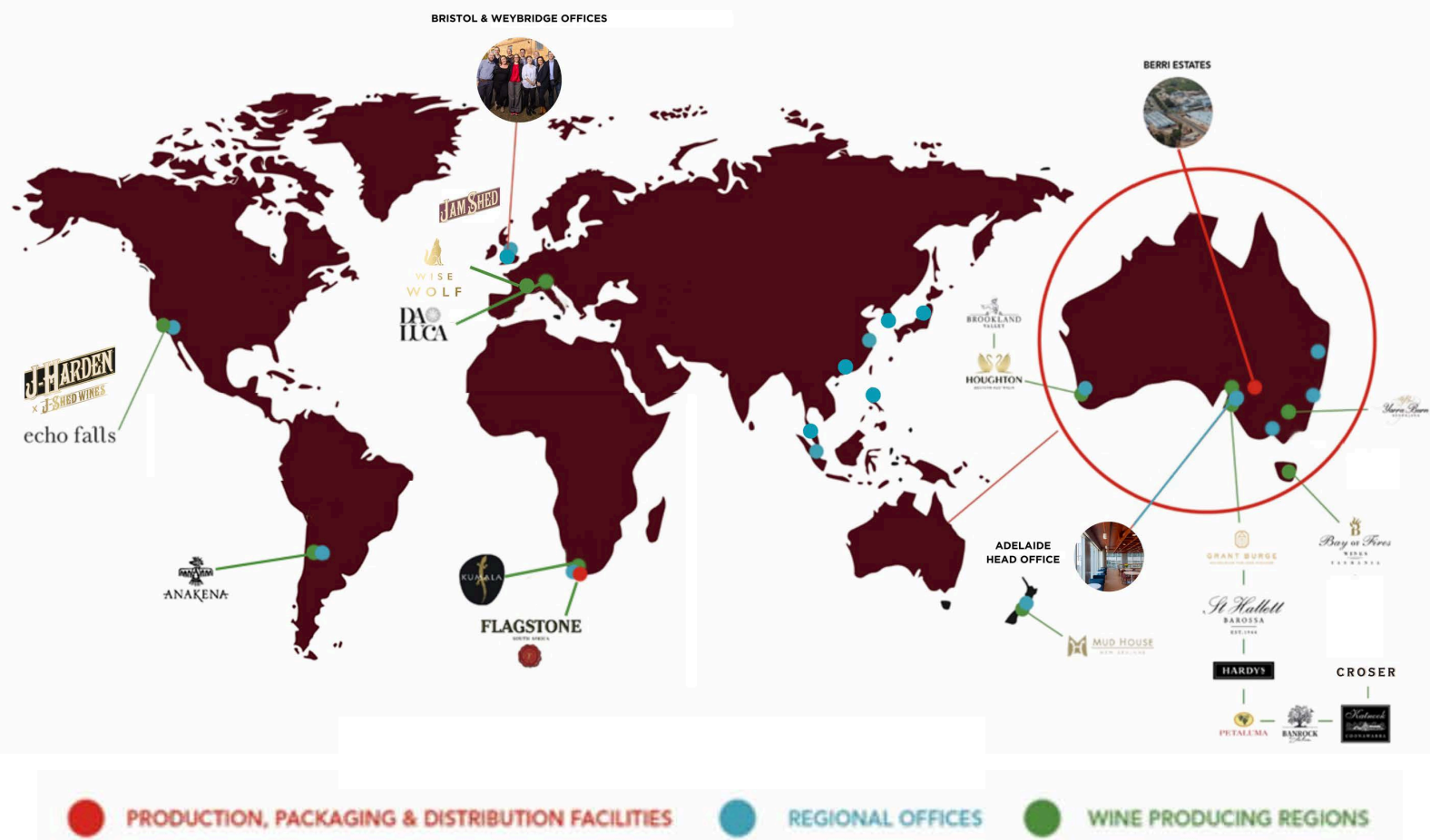
Winemaking & Production: Accolade Wines has operations in Australia, New Zealand, the UK and South Africa. Accolade Wines processes and bottles wine at its own production facilities located in Australia and South Africa. Berri Estates, Accolade Wines' production facility in the Riverland (South Australia), is the largest grape processor in the Southern Hemisphere, and the largest cask manufacturing facility in Australia. Berri Estates has a crush capacity of 220,000 tonnes of grapes per year (5,000 tonnes per day) and employs around 265 staff year-round and up to 415 during the vintage season. Accolade Wines also operates two smaller premium production facilities in South Australia and uses a third party in South Australia for its traditional method sparkling for its Croser brand. In South Africa, Accolade Wines operates a production facility and uses third parties to provide bottling services on a contract basis. In the UK and New Zealand, Accolade Wines uses third parties to provide both processing and bottling services on a contract basis.

Operations (continued)

Marketing & Sales: Accolade Wines markets, sells and distributes its wines to customers in more than 130 countries. With a deep understanding of its markets, Accolade Wines uses its own dedicated marketing and sales teams, as well as carefully selected distributors and agents. Accolade Wines also markets its products through its own e-commerce site, wine clubs, and through its cellar doors across Australia, New Zealand and South Africa.



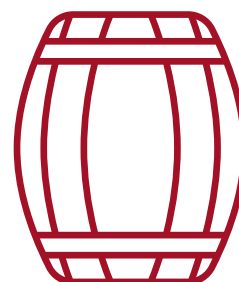
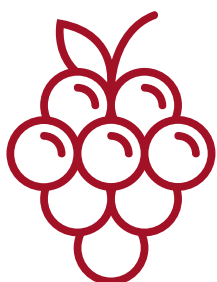
Our facilities, offices and wine producing regions



Our supply chain

The journey from grape to glass

An overview of the key elements in our supply chain:



VINEYARD (OWNED, LEASED OR THIRD-PARTY)

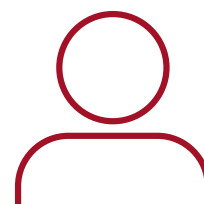
- P&E
- EQUIPMENT HIRE
- LABOUR HIRE (INCLUDING VINTAGE CASUALS)
- VINEYARD SUPPLIERS (INCLUDING VINES, SOIL, TRELLIS, IRRIGATION AND CHEMICALS)

(OR) BULK WINE

- BULK WINE PURCHASE
- BULK WINE SWAPS

WINERY

- P&E
- HARDWARE
- EQUIPMENT HIRE
- LABOUR HIRE
- PACKAGING MATERIALS (INC. GLASS, CAPSULES, LABELS AND CARTONS)
- REPAIRS AND MAINTENANCE
- PPE
- UTILITIES
- WINEMAKING SUPPLIERS (INC. BARRELS, OAK, CHEMICALS, WATER AND ADDITIVES)
- CONTRACT PROCESSING
- CONTRACT PACKAGING
- STORAGE



DISTRIBUTION

- DOMESTIC FREIGHT
- EXPORT FREIGHT
- DISTRIBUTORS
- WHOLESALERS
- WAREHOUSING PROVIDERS
- 3PL PROVIDERS

CONSUMER

- MARKETING AGENCIES
- MARKETING CAMPAIGNS
- ADVERTISING
- SEASONAL STAFF
- POS SYSTEM PROVIDERS

OTHER

ACCOLADE WINES' SUPPLY CHAINS ALSO INCLUDE OTHER GOODS AND SERVICES, SUCH AS:

- PROFESSIONAL SERVICE PROVIDERS/CONSULTANTS
- CLEANING AND SECURITY COMPANIES WHO SERVICE OUR SITES
- SOFTWARE/HARDWARE VENDORS
- INSURANCE PROVIDERS
- TRAINING PROVIDERS

03. Identifying Risk

Risk assessment

Accolade Wines takes a proactive and multifaceted approach to monitoring modern slavery risks within its operations and supply chains. This includes using the risk mapping register below, which was developed with the assistance of LSEG Data & Analytics (formerly Refinitiv), being a provider of due diligence and screening for third party risk management, to identify risks in operations and supply groups. The register informs Accolade Wines' due diligence activities and training provided to the business and suppliers to help identify and address modern slavery risks.

Risk in Operations	Risk Description			
Supply Group	Vulnerable Population	High Risk Category	High Risk Geography	High Risk Business Model
Grape Growers	Yes - migrant and low-wage labour used for pruning and picking	Yes - raw material	Yes - often rural areas	Yes - often labour hire used
Freight	Yes - likely to use low-wage labour	Yes - service procurement	No	Yes - often outsourced
Labour Hire	Yes - likely to use low-wage labour	Yes - service procurement	Yes - often rural areas	Yes - often labour hire used and second/third tier
Packaging	Yes - likely to use low-wage labour	Yes - likely to source raw materials	No	Yes - often labour hire used
Export Freight	Yes - likely to use low-wage labour	Yes - service procurement	Yes - often leaves by boat	No

Accolade Wines leverages third-party tools and databases to also assess risks. This includes use of screening checks through LSEG Data & Analytics and use of the Supplier Ethical Data Exchange (Sedex) platform, which is the largest collaborative platform for sharing ethical supply chain data.

Accolade Wines also monitors risks by engaging directly with suppliers through audits and site visits, distributing self-assessment questionnaires to suppliers, engaging in industry and multi-stakeholder forums and through confidential whistleblowing mechanisms which are available to workers and stakeholders to raise concerns.

New risks identified in FY24

The following additional risks were also identified during FY24:

Increased migrant workforce

- A large number of seasonal and migrant employees and contractors continue to be engaged, including at Accolade Wines, due to the enhanced visa opportunities for foreign workers to be employed in the agricultural sector and in regional areas.

Disruption to monitoring

- The disruption to traditional monitoring mechanisms, such as on-site audits and inspections, due to travel restrictions have allowed certain practices, particularly in lower tiers of supply chains, to go unnoticed.

Global supply chain crisis generally

- The shipping disruptions caused by the blockages in the Panama Canal and the Red Sea shipping crisis have increased the commercial pressure on suppliers, in particular freight supplier, to deliver goods quickly and cheaply. This has created conditions where exploitative practices are more likely to occur, particularly in lower tiers of supply chains.

Broader geopolitical instability

- Existing supply chain issues have been greatly exacerbated by conflicts such as the Russia-Ukraine war and Israel-Hamas war. Those conflicts create instability, displacement and economic hardship that leaves vulnerable populations at greater risk of exploitation.

Oversupply of wine in Australia

- Changes in consumer preferences and reduced access to export markets have created a permanent structural oversupply of commercial grade wine grapes in Australia, which has resulted in winemakers and growers experiencing serious financial pressure, potentially increasing the risk of modern slavery within the industry.



Proactively Identifying Risk

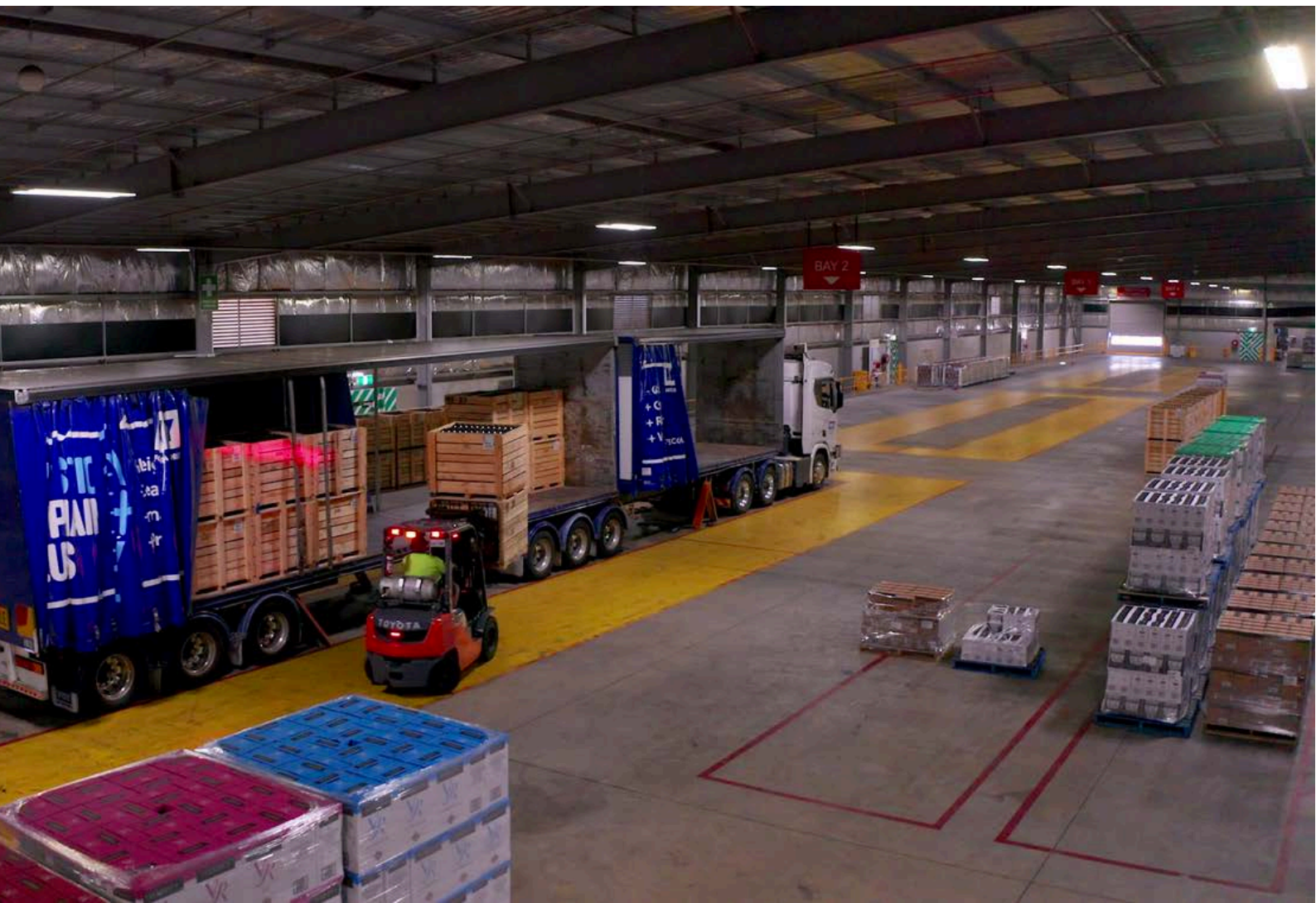
GSI Mapping and Assessment

Following on from FY23, Accolade Wines carried out an assessment of all new third parties to whom it sold, and from whom it purchased, goods and services, in FY24 using the LSEG Data & Analytics platform.

Accolade Wines then cross-referenced all such third parties with countries of origin identified on the Global Slavery Index (GSI) maintained by Walk Free (walkfree.org/global-slavery-index) as having a prevalence score of 10 or higher. The GSI prevalence score estimates the number of people in modern slavery per 1,000 population.

At the time the assessment was conducted, only third parties in two countries were identified as having a prevalence score of 10 or higher, and all of those third parties were customers. Accolade Wines also continued to monitor its relationship with a supplier of goods or services, which was identified in the FY23 assessment as being from a country with a prevalence score of 10 or higher. That supplier is now a member of the UN Global Compact on Human Rights.

This exercise reaffirmed that Accolade Wines' risk exposure is low as the bulk of its suppliers are situated in Australia and the UK, which have low incidences of modern slavery.



04. Addressing Risk

Steps taken

Longstanding protections

Accolade Wines' global sustainability strategy identifies key areas where we believe we can make real change, including corporate governance. Our governance program has been designed to ensure our employees and suppliers operate sustainably, ethically, and safely. Modern slavery is a key pillar of the strategy.

A corporate governance program supported by clear policies and processes plays a critical role in mitigating the risks of modern slavery in our operations and supply chains. Given our global footprint, we have global policies and processes, as well as local policies and processes to ensure that we comply with relevant market labour laws and best practice. We review our policies and processes on a regular basis to ensure that they are up-to-date and effective. We also regularly train our staff on these important policies and processes.

Our policies and processes are listed below.

- Supplier Code of Conduct: This code sets out our zero-tolerance approach to modern slavery and establishes the high standards we expect from suppliers, as a TISC Report affiliate.
- Modern Slavery Policy: This internal policy complements the Supplier Code of Conduct by setting out our expectation for all employees to act ethically and with integrity in all business dealings and relationships. The policy helps ensure transparency in our operations and implements systems to ensure modern slavery is not taking place anywhere in our business.
- Global Flexible Working Policy: This internal policy addresses the ability of employees and contractors to work remotely if the role permits.
- Code of Conduct: This internal code sets out ethical standards of behaviour we expect from all our employees.
- Workplace Bullying and Harassment Policy: This internal policy sets out our commitment to providing a safe and healthy environment in which all employees are treated fairly, with dignity and respect, and free from bullying and harassment.
- Diversity and Inclusion Policy: This internal policy sets out our commitment to creating a diverse workforce that embraces gender equality and inclusion.
- Contractor and Labour Hire Code of Conduct: This Australian code addresses expectations of contractors and other workers engaged through labour hire agencies, including the health, safety and welfare of workers.
- Child Labour Policy: This policy confirms our zero-tolerance position on child labour and our commitment to protecting a child from economic exploitation and performing work that is hazardous, interferes with education, or is harmful to its health or physical, mental, spiritual or social development.

Longstanding protections (cont.)

- Grievance and Complaints Policy: This policy sets out how our employees, contractors, suppliers and visitors can raise any concern or complaint relating any aspect of employment or the work environment they believe is unfair or unjustified.
- Whistleblower Policy: This policy compliments the Grievance and Complaints Policy and encourages employees and other external persons to disclose any concerns regarding actual or suspected non-compliance with laws or other standards of behaviour. The policy ensures that disclosures can be made confidentially and with appropriate protections.
- Anti-Corruption and Bribery Policy: This policy confirms our zero-tolerance approach in relation to the payment or receipt of bribes, and establishes a robust procedure for tracking, approving and auditing hospitality and entertaining given to or received from third parties.
- Procurement Policy: This policy sets out our expectations for all our providers of goods and services, which the business must consider as part of the selection process and includes our approach to managing modern slavery risks with suppliers.
- Contracts: Our standard contract terms include modern slavery clauses to help identify and mitigate modern slavery risks by setting clear expectations, creating enforceable obligations and ensuring accountability throughout the supply chain.
- Work, health and safety initiatives:
 - To monitor working conditions, we have in place an electronic reporting system to keep track of statistics across all our operational sites. In FY24, the Global Total Recordable Incident Frequency Rate (8.3) and Lost Time Injury Frequency Rate (7.78) saw an increase from FY23, however a total injury reporting statistics (including first aid) saw a reduction of 16% from FY23. Hazard reporting (leading and proactive measure of culture) also saw a decrease from FY23.
 - We provide training to employees through a combination of online training modules and in person training to ensure that they are aware of our safety policies and procedures and ensure that they can perform their duties safely. We have a database which keeps track of all the training that has been delivered and sets reminder for refresher training.
 - We invest in mental health first aid training and have mental health first aid officers at our sites in Australia, New Zealand, the UK and South Africa. The Managing Regional Director for Asia is also a mental health first aid officer.
 - At Berri Estates, we provide onsite physiotherapy one day per week for preventative treatment of work related and non-work related musculoskeletal injuries and to assess high risk manual tasks to identify risk reduction strategies.

Longstanding protections (cont.)

- Training: We run regular training for our global executive leadership, senior leadership, human resources, procurement and viticulture teams in relation to modern slavery. We also run annual modern slavery training for the UK procurement, human resources and compliance functions. Training in relation to modern slavery also forms part of employees' onboarding process.
- Employee Assistance Program: This program, which is a completely free and confidential services, is available to assist employees with work-related or personal problems that may affect their productivity, morale or general well-being.
- Due diligence screening: Screening checks are conducted on all suppliers, customers and third-party contractors through LSEG Data & Analytics before we agree to do business with them. The screening process considers any adverse findings in relation to anti-money laundering, fraud, corruption and criminal convictions, and any adverse media coverage.
- Sedex Self-Assessment Questionnaire: We have completed a self-assessment questionnaire for multiple sites, which we update on an annual basis. This self-assessment has become increasingly important for certain customers and audits that are carried out by or on behalf of customers assist to identify any gaps in our practices and pinpoint areas for improvement.
- Wine and Agricultural Ethical Trade Association (WIETA): We are a member of WIETA, which is a multi-stakeholder organisation that actively promotes ethical trade in the wine industry value chain and is a globally recognised ethical auditing body registered with the Global Social Compliance Programme. We require all our grape and wine suppliers in South Africa to be members of WIETA.



Steps taken

Progress against FY24 objectives

Accolade Wines undertook the following actions in FY24 to reduce the risk of modern slavery in its operations and supply chains:

FY24 OBJECTIVE	PROGRESS AGAINST OBJECTIVE
Extend rollout of modern slavery supplier survey to top 100 suppliers for the business and grape growers of contracted grapes	<ul style="list-style-type: none">• Review of top 100 suppliers for the business and grape growers of contracted grapes.• Groundwork done to rollout survey, but the survey was not rolled out due to other priority projects.
Rollout of optimum modern slavery training programs through comprehensive internal online training platform – seed	<ul style="list-style-type: none">• Review of all training videos available through Seed, being our internal online training platform, and selection of suitable training videos.• Groundwork done to rollout training program, but the program was not rolled out due to other priority projects and other mandatory training that was rolled out as noted below.
Rollout of online training through UTS Anti-Slavery Australia to goods suppliers, grape growers, bulk wine suppliers and co-pack contract processing suppliers	<ul style="list-style-type: none">• Review of grape growers and suppliers to be included in the training rollout.• Review of additional resources that grape growers and suppliers can utilise instead of training through UTS Anti-Slavery Australia which is a paid service.• Groundwork done to rollout training program, but the program was not rolled out due to other priority projects.
Hire of dedicated sustainability officer	<ul style="list-style-type: none">• Decision was made not to proceed with a dedicated sustainability officer due to priority projects.• A sustainability officer will be considered as part of the organisational design under our proposed merger with Pernod Ricard's wine businesses in Australia, New Zealand and Spain.
Refresh relevant policies, including Modern Slavery and Whistleblower Policies, and including against WHO and UNHCR best practice	<ul style="list-style-type: none">• Code of Conduct and Workplace Bullying and Harassment Policy were updated in March 2024.• Mandatory training in relation to the updated Code of Conduct and Workplace Bullying and Harassment Policy was rolled out in April 2024.• Whistleblower Policy was updated in May 2024.• Review of Anti-Corruption and Bribery Policy in light of changes to the foreign bribery laws that were passed on 29 February 2024
Complete Stronger Together Employer Good Practice Checklist	<ul style="list-style-type: none">• Checklist completed and areas for improvement noted and added to risk assessments.
Creation of modern slavery assets for identifying and reporting	<ul style="list-style-type: none">• Factsheet to raise awareness of modern slavery risks was developed for suppliers.• Round table discussion in relation to other internal and external modern slavery assets to be developed to help identify and report risks of modern slavery.

Steps taken (cont.)

As noted above, there were a number of objectives which we were unable to advance or complete due to priority projects, including:

- Change in ownership of Accolade Wines. This occurred under a recapitalisation plan that was agreed with our lenders and saw a consortium of institutional investors, including Samuel Terry Asset Management, Sona Asset Management, Intermediate Capital Group, Capital Four and other lenders, and led by Bain Capital Special Situations (part of Bain Capital) take equity ownership, resulting in a change of control from existing shareholders.
- Negotiations with Accolade Wines' biggest grape supplier, CCW Co-operative (who purchases grapes from more than 500 growers who are members of the CCW Co-operative), on a proposed new supplier agreement and development of a financial package to support growers who are members of the CCW Co-operative to exit their contracts. This project took priority given the possibility that it would address structural issues within the wine industry, particularly oversupply.
- Proposed acquisition of Pernod Ricard's wine businesses in Australian, New Zealand and Spain, which was done to create a more financially sustainable future for the business and mitigate against declining export markets where there is a significant pricing pressure for bulk and bottled wine.

Outside of the FY24 objectives, in FY24:

- An independent environmental, social and governance due diligence was conducted on Accolade Wines by ERM at the request of its new owners. This included a review of Accolade Wines' modern slavery policies and procedures and recommendations for improvement. These will be factored into future risk assessments and deliverables.
- To address the structural oversupply of wine identified earlier in this statement, Accolade Wines worked with CCW Co-operative to negotiate a more sustainable supplier agreement moving forward. With this negotiation, Accolade Wines offered a package, which included a financial package to support growers who are members of the CCW Co-operative to exit their contracts and reduce the levy payable by them to the CCW Co-operative. Accolade Wines was the only body, corporate or government, offering a sustainable package to assist with the oversupply. Unfortunately, this package was voted down by the growers. Accolade Wines continues to work with the CCW Co-operative to find a sustainable future for the wine industry.
- Accolade Wines was made a member of the Sustainable Wine Roundtable, a global multi-stakeholder platform committed to advancing sustainability standards for wine, which go beyond the vineyards and wineries and look at the rest of the supply chain, including labour conditions.
- Accolade Wines undertook a review of the right to work requirements in each country where it had a workforce. This was followed by a global update to confirm that it had up-to-date records of all employees' right to work documentation.
- Accolade Wines took part in an on-site audit by a large international retailer, which also included an audit of its third-party packaging and logistic providers.

Steps taken (cont.)

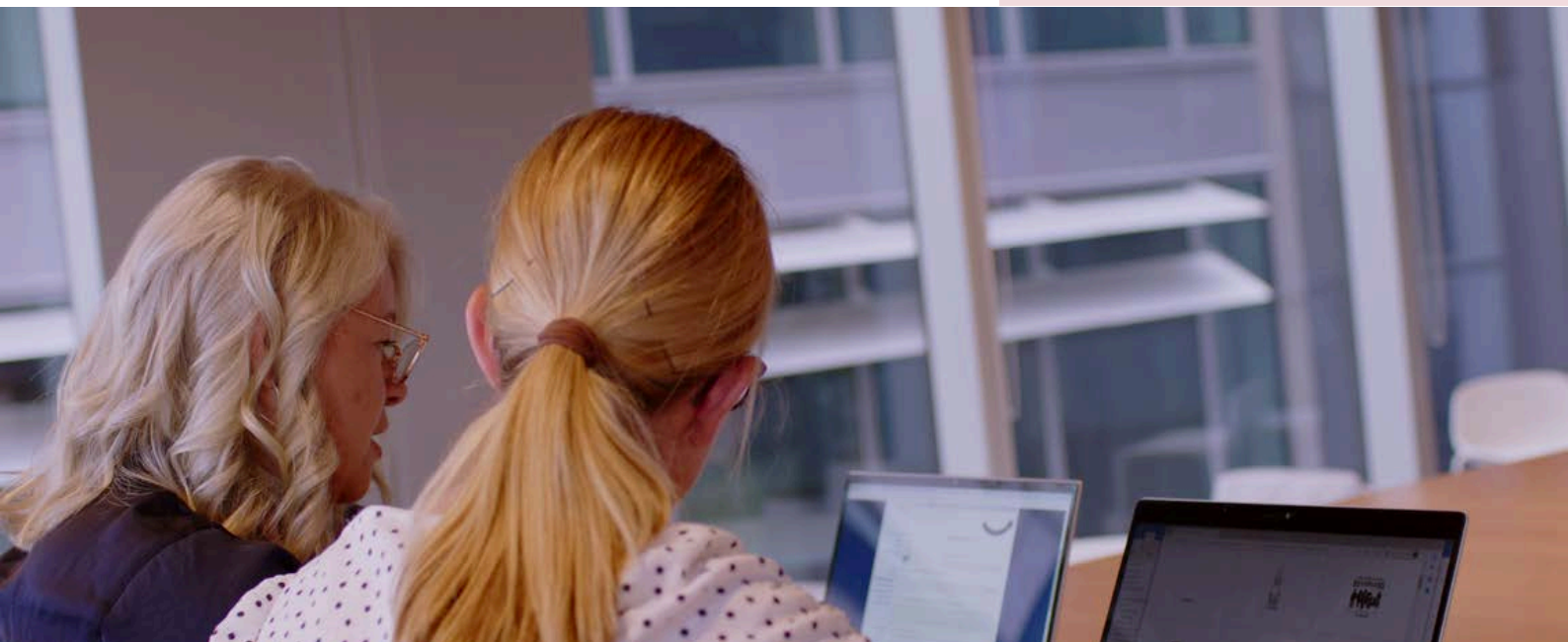
- From a work, health and safety perspective, Accolade Wines:
 - Engaged an external consultant to undertake a comprehensive review of traffic management at Berri Estates and used that review to develop a traffic management action plan.
 - Undertook a review of all work, health and safety systems in place to ensure that they appropriately address and manage psychosocial hazards. That review identified various items for the business to action.
 - Undertook a review of maintenance systems of all gantry and cranes at Berri Estates to ensure risks associated with such equipment is reduced.
 - Incorporated a video-based training module as part of its improved induction program across its wineries.
 - Consolidated standard operating procedures across its wineries, vineyards and cellar doors to bring efficiencies, consistency in operations and reduction of risk.
 - Expanded its onsite physiotherapy offering at Berri Estates to a full day each week. Half of the day is dedicated to preventative treatment of work related and non-work related musculoskeletal injuries and the other half of the day is dedicated to assessing high risk manual tasks to identify reduction strategies.

Steps to be taken

Objectives for FY25

Accolade Wines has identified the following objectives for FY25:

- Rollout to top 100 global suppliers factsheet developed to raise awareness of modern slavery risks
- Develop grower specific factsheet to raise awareness of modern slavery risks
- Continue to analyse modern slavey risks of all third parties using the LSEG Data & Analytics platform and cross-referencing the country of origin of those third parties to the Global Slavery Index
- Engage external provider to provide targeted training to key departments, including human resources, procurement and viticulture in relation to modern slavery risks
- Create further modern slavery assets to build awareness, and to identify and report, risks of modern slavery
- Undertake due diligence on Pernod Ricard's environmental, social and governance practices (including modern slavery) as part of the proposed merger
- Update risk matrix based on the Stronger Together Employer Good Practice Checklist and due diligence conducted by ERM and add mitigations to roadmap





**Accolade
Wines**

accoladewines.com/modern-slavery-act/