

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 the subsidiaries exist only for historical or legislative reasons.

AVL's workforce consists of approximately 430 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, Brisbane, 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 costs.

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 but acknowledges that further work can be undertaken in this area. AVL intends to undergo an assessment of its supply chain to better understand which service providers and suppliers may be considered a high risk of engaging in modern slavery practices.

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 Management Committee (**Committee**), governed by the Risk Committee Terms of Reference and 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 is taking the steps listed above under 'Due Diligence and Remediation', including liaising with suppliers regarding AVL's modern slavery requirements.

Once the Draft Action Plan is approved by the business, AVL will have a clear understanding of the steps it will be taking to address its modern slavery risks. The first initiative that AVL will be implementing is to have its global workforce undertake basic modern slavery training, incorporating a brief assessment regarding modern slavery and the associated risks. There is further information on AVL's Draft Action Plan below under 'Next Steps'.

AVL also 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.

6. Other Entities

Australian Vintage Limited is the primary entity in relation to the functions and operations of AVL. The other entities remain in existence due to historical or legislative reasons. 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. AVL's Next Steps

Action Plan

AVL's Legal department has developed a draft Modern Slavery Action Plan (**Draft Action Plan**) to reduce the risk of modern slavery occurring in its operations. The Draft Action Plan is a comprehensive step-by-step guide of the actions the business will take, and initiatives it will implement, to address modern slavery risks. The Draft Action Plan is specifically tailored to AVL's business and focuses on the departments that represent a higher modern slavery risk, namely Procurement and Viticulture.

AVL aims to finalise the Draft Action Plan by 30 June 2021, following an internal consultation and approval process involving the relevant departments in the business. While this consultation process occurs, AVL's staff globally will undertake the basic modern slavery training referred to above.

Raising Concerns

AVL takes modern slavery very seriously. 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 Procurement department 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.

Approval

This Statement has been approved by Australian Vintage Limited'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
MGW Executive Options Pty Ltd	113 305 445
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