



Accolade
Wines

MODERN SLAVERY STATEMENT FY 2022



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Accolade Wines is committed to preventing slavery and human trafficking within its business activities and its global supply chain.

Tackling modern slavery is a key pillar of our global sustainability agenda "Making Every Drop Count".

1 Introduction

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

Having a global sourcing footprint and operations in every continent, we understand how important it is that we ensure everyone in our supply chain is treated fairly.

Accolade Wines recognises that, as a global business, the risk of modern slavery occurring in our supply chains must be taken seriously.

It is of the utmost importance to Accolade Wines to proactively identify and tackle any such risks.



Robert Buchman Foye



1 Introduction

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 2022. It was approved by the Board of Directors of Accolade Wines Australia Limited on 13 December 2022, the Board of Directors of Accolade Wines Limited on 13 December 2022 and the Board of Directors of Accolade Wines North America, Inc. on 13 December 2022.

Reporting 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).

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 Valley, CA 94559 (AWNA).



2 About Accolade Wines

Who we are, what we do and where we operate

Structure

Accolade Wines is a global company owned by the Carlyle 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.
- AWNA 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 1,500 employees.

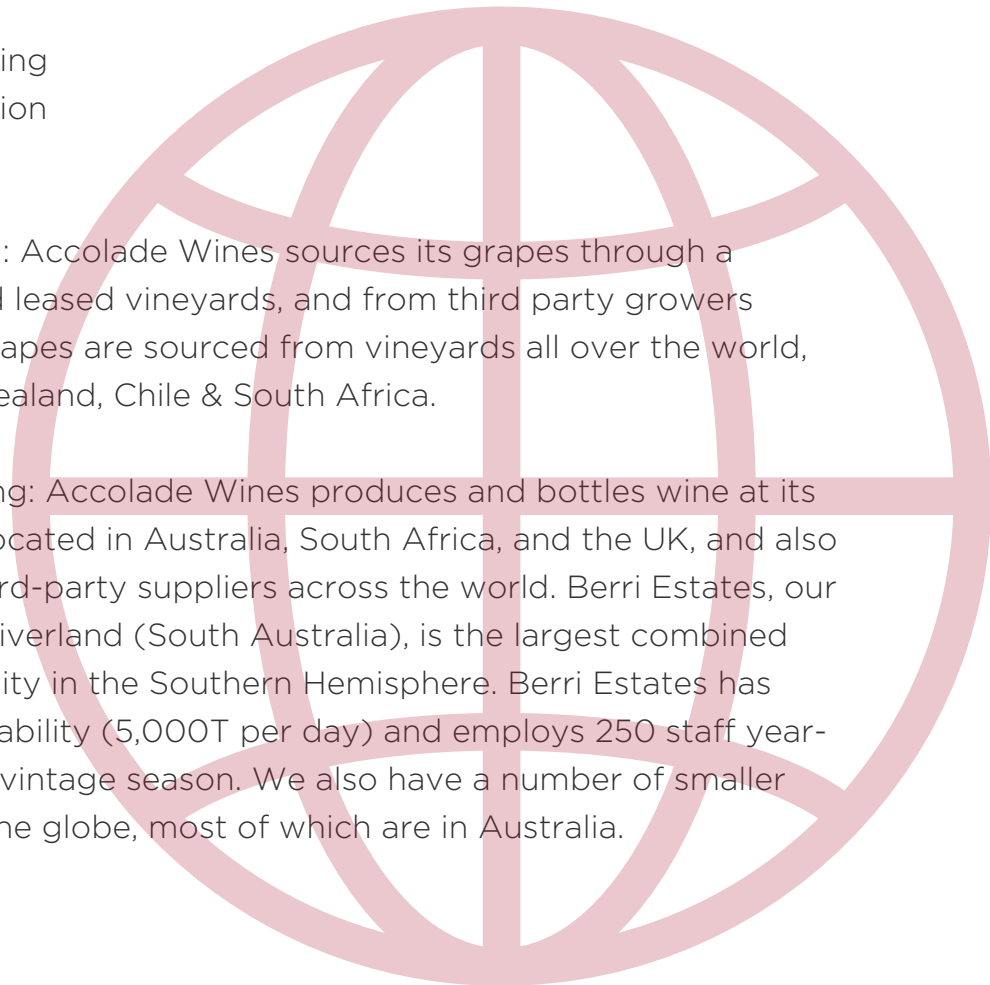
Operations

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 & South Africa.

Wine Production & Sourcing: Accolade Wines produces and bottles wine at its own production facilities located in Australia, South Africa, and the UK, and also sources bulk wine from third-party suppliers across the world. Berri Estates, our production facility in the Riverland (South Australia), is the largest combined winery and packaging facility in the Southern Hemisphere. Berri Estates has 220,000 tonnes crush capability (5,000T per day) and employs 250 staff year-round and 500 during the vintage season. We also have a number of smaller premium wineries across the globe, most of which are in Australia.



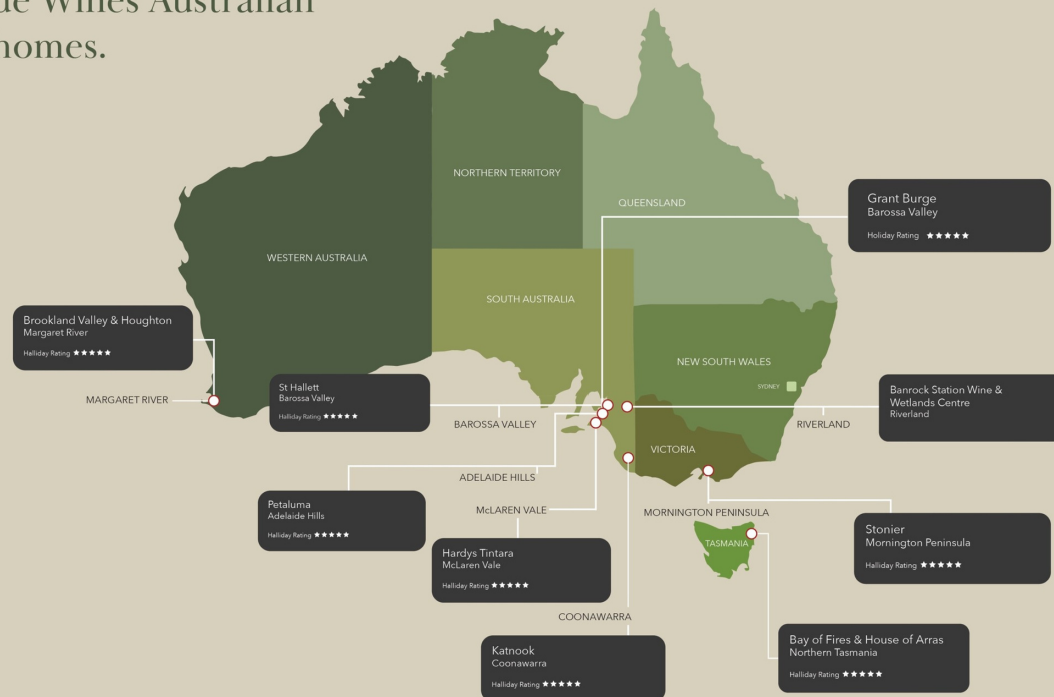
2 About Accolade Wines

Who we are, what we do and where we operate

Operations (continued)

Marketing & Sales: Accolade Wines markets, sells and distributes its wines to customers in more than 130 countries. With a deep understanding of our markets, we use our 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 and New Zealand.

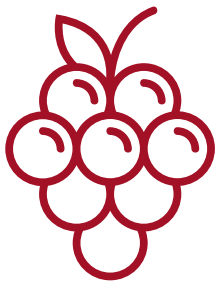
Accolade Wines Australian brand homes.



2 About Accolade Wines

Our supply chain - the journey from grape to glass

An overview of the key elements in our supply chain:



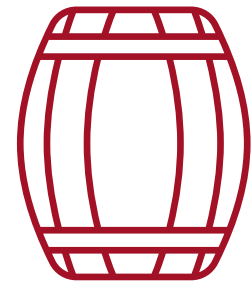
VINEYARD (OWNED, LEASED OR THIRD-PARTY)

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



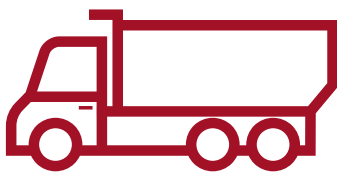
(OR) BULK WINE

- 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, SUGAR, WATER AND ADDITIVES)
- CONTRACT PROCESSING
- CO-PACKERS
- STORAGE



DISTRIBUTION

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



CONSUMER

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



OTHER

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

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

3 Identifying Risk

Risk assessment

Following on from FY21, in FY22, Accolade Wines continued and refreshed its risk assessment of its supply chains. Despite pricing pressures, Accolade Wines maintained a focus on addressing modern slavery risks.

The following risk areas were considered as part of this assessment:

- Vulnerable populations
- High-risk categories
- High-risk geographies
- High-risk business models

Developed with assistance from Refinitiv, a third-party provider of due diligence and screening, Accolade Wines uses the following register of high-risk supply categories to identify risk. Accolade Wines monitors this register on an ongoing basis and uses this resource to inform due diligence activities and training sessions provided to the business.

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

3 Identifying Risk

New risks identified in FY22

The following additional risks were also identified during FY22:

COVID-19: Working from home

- In FY22, significant numbers of staff (at Accolade Wines and at our suppliers) continued to work from home.
- Accolade Wines continues to have an open dialogue with staff and suppliers to ensure the wellbeing and safety of all those who work for or with Accolade Wines.
- Lack of mobile workforce due to border restrictions.

Global supply chain crisis generally

- Continued effects of COVID-19.
- Global supply chain crisis continues to affect many industries, including freight in particular, creating difficulty in contracting for freight and in packaging materials for export. Risks increased of unethical business practices in light of instabilities and commercial pressures.
- Extended lead times and uncertainty have seen many companies holding more product in warehouses than they did pre-pandemic. In Australia, products are commonly stored on wooden pallets provided by global companies. The increase in demand for the pallets supplied by these companies has given rise to a severe shortage of pallets available.

Invasion of Ukraine; Broader geopolitical instability

- Existing supply chain issues greatly exacerbated by ongoing events in Ukraine. Risks of exploitation of wartime refugees.



4 Addressing the Risk

Steps taken - longstanding protections

At Accolade Wines, we have important policies and processes in place to help mitigate the risks of modern slavery in our supply chains. These ensure we comply with local 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.

- **Making Every Drop Count:** Our 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.
- **Supplier Code of Conduct:** This establishes Accolade Wines' expectations of its suppliers when providing goods and services to us. All suppliers are required to comply with the Code under our contracts with them. The Code sets out our zero-tolerance approach to modern slavery and sets out 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.
- **Contractor and Labour Hire Code of Conduct:** This Australian code addresses expectations of contractors and labour hire, including the health, safety and welfare of workers.
- **Whistleblower Policy:** This policy encourages employees to disclose any unethical behaviour and any malpractice, misconduct or conflicts of interest. The policy ensures that disclosures can be made confidentially and with appropriate protections. Its operation includes not only employees but extends to external persons including past employees and family members.
- **Modern Slavery Statement:** Accolade Wines' published Modern Slavery Statements can be found on the Accolade Wines website.
- **Anti-Bribery & Corruption Policy:** This policy confirms our zero tolerance approach on the giving or receiving of bribes, and establishes a robust procedure for the tracking, approval and auditing of the giving and receiving of proposed gifts and hospitality.

4 Addressing the Risk

Steps taken - longstanding protections

- Work Health & Safety key priority focus:
 - OHS Officer Duties training was conducted in FY22 for all Senior Members of Accolade Wines Australia.
 - Hazard identification and proactive reporting of activities in the workplace was given considerable focus during the year, culminating in a considerable reduction in key performance indicator metrics for work related injury statistics (our Global TRIFR is currently 3.33 and LTIFR is 2, and has never been that low before).
 - FY23 will see the completed roll out of a new HSEQ electronic reporting which will provide immediate access to the system via smart technology (PDA) and encourage dynamic reporting and mitigation of risks that have been identified. This will also consolidate many existing programs to manage multiple operating systems in one location.
- Contracts Policy: This internal policy makes modern slavery compliance a requirement for all supplier contracts.
- Due diligence screening: Screening is conducted on all Suppliers, customers and third-party contractors, before we agree to conduct business with them. The screening considers any adverse findings on topics such as money laundering, fraud, corruption, criminal convictions, adverse media coverage.
- Supplier Risk Assessment Questionnaire for Bulk Wine suppliers.
- Training: Regular training is hosted for the Executive Leadership, Senior Leadership, Procurement, HR and Viticulture teams regarding the risks of modern slavery. Annual modern slavery training for UK procurement, HR and compliance functions takes place in the UK.
- Employee Assistance Program: This program anonymously assists employees with any issues and includes free counselling and coaching.
- Global Procurement Policy and Procedure: This global approach ensures the company is united in its approach to procurement, including its approach to managing modern slavery risk through its procurement practices.
- Child Labour Policy: This Policy confirms Accolade's zero tolerance position on child labour and that the rights of the child will be protected from economic exploitation. This includes that children will not perform work at Accolade that is hazardous, interferes with education, or is harmful to a child's health or physical, mental, spiritual or social development.

4 Addressing the Risk

Steps taken - progress against FY21 objectives

Accolade Wines undertook the following actions in FY22 to reduce the risk of modern slavery in its operations and supply chain:

FY21 OBJECTIVE	PROGRESS AGAINST OBJECTIVE
Reviewing and updating policies and procedures, including Modern Slavery Risk Assessment and Modern Slavery Policy	<ul style="list-style-type: none">• Reviewed and updated modern slavery risk assessment in partnership with Refinitiv• Reviewed and updated Anti-Corruption and Bribery policy and procedure• Review of Modern Slavery Policy to occur in Q1 of 2023
Develop sustainability strategy and roll-out	<ul style="list-style-type: none">• Implemented a new global sustainability agenda - 'Making Every Drop Count':<ul style="list-style-type: none">◦ Accolade Wines' global sustainability strategy was signed off by our CEO and Executive Leadership Team in January 2022.◦ Our new ESG roadmap incorporates modern slavery as a key pillar of action.◦ Sustainability committee meetings were held through FY22 and these included reports on Accolade's modern slavery approach
Update Supplier Survey and Supplier Code of Conduct to reflect new sustainability strategy	<ul style="list-style-type: none">• Continued meetings were held with suppliers throughout FY22 to share requirements of the new sustainability strategy and sustainability initiatives of Accolade Wines.
Training	<ul style="list-style-type: none">• Hosted internal training for key teams (including Procurement, Supply Chain and HR)• Modern Slavery awareness training provided to all new starters within three months of commencing with Accolade Wines• Australian legal team attended external training programs on modern slavery risks• Reviewed training opportunities for key non-reporting suppliers• New self-learning platform (Seed) makes various modern slavery training programmes available to staff
Ongoing checks of whistleblowing logs	<ul style="list-style-type: none">• Logs reviewed on ongoing basis

4 Addressing the Risk

Steps taken - additional steps taken in FY22

ACTIVITY	DETAIL
Monitoring global modern slavery legislation that affects Accolade's supply chain	<ul style="list-style-type: none"> • Monitored and responded to developments (actual and potential) in legislation affecting Accolade Wines' supply chains, e.g. The Modern Slavery Bill in the UK
Mapped GSI data for suppliers and staff	<ul style="list-style-type: none"> • Using Refinitiv software, we mapped the locations of third parties we work with around the world and the GSI risk areas; this exercise confirmed that our risk exposure is low as the bulk of our customers are situated in Australia and the UK
Consolidation of third-party freight and warehouse suppliers	<ul style="list-style-type: none"> • Extensive process conducted to consolidate freight and warehousing providers in key Australian market • Obligations included in our standard freight and warehouse contracts • Worked closely with freight and warehouse suppliers to address concerns
<p>Australian Border Force visits at key sites</p> <p>Reviewed US Customs & Border Protection WROs</p>	<ul style="list-style-type: none"> • Hosted Australian Border Force for staff information and training sessions at key production locations (e.g. Berri Estates and Katnook Estates) • Ongoing checks of the CBP WRO register
Contribution to Australian supply chain crisis assessments and initiatives	<ul style="list-style-type: none"> • ACCC annual stevedoring report • Productivity Commission maritime logistics report
HR due diligence on existing and new staff	<ul style="list-style-type: none"> • Ongoing checks conducted by HR teams • Checks on visas and other requirements for new staff
Reviewing and updating due diligence screening process for Suppliers	<ul style="list-style-type: none"> • Carried out thorough performance review of current due diligence provider (Refinitiv) and researched possible benefits of using an alternative provider; investigating possible additional third-party partnerships for FY 2023 • Implemented a comprehensive new supplier set-up system (K-Rise) including mandatory early background checks for risks
<p>Review of best practice Modern Slavery reports globally across FMCG sector</p> <p>Collaboration with industry associations to address risk</p>	<ul style="list-style-type: none"> • Alignment of strategy to take into account identified opportunities • Exploration of further third party partners to assist in addressing risks in supply chains • Review of alternative methods of assessing unknown risks • Work with wine industry associations

4 Addressing the Risk

Steps to be taken - objectives for FY23

Accolade Wines has identified the following objectives for FY23:

- Deeper implementation of the supplier questionnaire process through Refinitiv
- Continued regular employee and contractor training on modern slavery risks and expansion of training and education to broader supplier cohort
- Conduct global audit and refresh of due diligence screening based on 'Top 10' customers and suppliers in each primary region within which we operate - including review of third party audit options
- Continued execution of our global sustainability roadmap
- Continued expansion of sustainability and incorporated modern slavery strategy priorities to suppliers, including training and education
- Review options for establishment of a modern slavery committee within the business to focus attention on identification, assessment and addressing of risks
- Identify additional third-party partners to assist in mitigating and addressing risks, including further involvement with Sedex International
- Align strategy with global leaders such as the UNHCR and the WHO





Accolade Wines



accoladewines.com/modern-slavery-act/