TREASURY WINE ESTATES

CULTIVATING A BRIGHTER FUTURE
REPORT 2026

Important information

This *Cultivating a brighter future* Report ("the Report") is in summary form and is not necessarily complete. Information in the Report is current as at 30 June 2026 unless otherwise stated. It should be read together with the Company's other announcements lodged with the Australian Securities Exchange, including the 2026 Annual Report, which are available at **asx.com.au**. In this Report, references to 'TWE', 'Company', 'we', 'us' and 'our' are to Treasury Wine Estates Limited and/or, except where the context otherwise requires, its subsidiaries. All currency referred to in the Report is in Australian dollars, unless otherwise stated.

This Report contains forward-looking information that is based on projected and/or estimated expectations, assumptions, or outcomes. Forward-looking statements, opinions and estimates are not guarantees or predictions of future performance and involve known and unknown risks and uncertainties and other factors. A number of factors could cause actual results or performance to materially differ from such forward-looking statements, opinions and estimates, including:

- evolving policy environment across our operating markets
- shifting consumer preferences and priorities
- uncertainty as to the rate of development and adoption of related technology
- the outcomes of future innovation
- the inability to accurately predict the future climate and its impacts on our operations, as well as stakeholder responses.

While the Company has prepared this information with due care based on its current knowledge and understanding and in good faith, there are risks, uncertainties and other factors beyond the Company's control which could cause results to differ from these forward-looking statements, opinions and estimates.

Except where required to satisfy its disclosure obligations, the Company undertakes no obligation to update any forward-looking statement after the date of this Report, subject to disclosure obligations.

This Report is unaudited, however independent assurance has been obtained in relation to a limited set of performance metrics and disclosures. Refer to the **About this report** section for further detail.

Certain information included in this report has been obtained from third-party sources, including industry and market publications, research reports, surveys, studies and information provided directly by third parties (for example, greenhouse gas emissions data used in the estimation of certain scope 3 emissions). Except where otherwise stated, TWE has not independently verified the accuracy, completeness or reliability of information obtained from public or third-party sources.

Climate-related information

In relation to the scenario analysis disclosed in this Report and in the Sustainability Report (within the 2026 Annual Report), there are inherent limitations with this analysis. These are scenarios not forecasts and the scenario analysis must not be interpreted as guidance from TWE.

It is difficult to predict which, if any, of the scenarios might eventuate. The scenarios do not constitute definitive outcomes or probabilities, and scenario analysis relies on assumptions that may or may not be, or prove to be, correct or may not eventuate. Scenarios may also be impacted by additional factors to the assumptions disclosed.

In addition, due to inherent uncertainties and limitations in measuring greenhouse gas emissions data, such information is necessarily based on estimates.

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About Treasury Wine Estates

100+
Countries

Consumers in more than 100 countries enjoy our iconic wines, available in major retailers, premium wine outlets, restaurants, bars, and online channels.

2,700+
Team members

Our world-class team has a presence across Australia, New Zealand, Asia, the Americas, the United Kingdom, Europe and the Middle East.

9,500+

Hectares

Our global multi-regional sourcing model is at the heart of our business. It includes vineyards and production assets in some of the world's best wine regions in Australia, New Zealand, the US, France, Italy, and China.

3

Brand portfolio divisions

Penfolds, Treasury Collective and Treasury Americas are supported by centralised business services, supply, and corporate functions.

Penfolds®

TREASURY Collective

TREASURY AMERICAS

Message from the Chairman and CEO

Sustainability remains central to how we create long-term value. As a global wine business with viticulture at its heart, our success depends on healthy ecosystems, resilient supply chains and thriving communities. Since refreshing our sustainability strategy in 2021, we have continued to strengthen these foundations while advancing our transformation into a more focused luxury wine company.

John Mullen
Chairman

Sam Fischer
Chief Executive Officer

This year's *Cultivating a brighter future* Report outlines our continued investment in the long-term sustainability of our business. The clarity and focus of our sustainability strategy has continued to strengthen our leadership position in the global wine category against a backdrop of declining consumption and shifting consumer preferences. The progress outlined in this document complements our inaugural Sustainability Report, published as part of our 2026 Annual Report alongside our financial results in August, which outlines climate-related risks and opportunities facing our business.

We have progressed our sustainability priorities alongside the launch of our multi-year transformation program, Ascent, during the 2026 financial year. Targeted action to sharpen our portfolio, strengthen execution, and reshape our operating model and supply chain will position the business to take advantage of the long-term opportunities in the luxury wine category. Alongside our transition to a simpler and more focused wine company, our commercial sustainability and long-term growth outlook also depend on a deep understanding of the climate-related risks we face as a global wine business with viticulture at its heart. The broader industry environment concurrently presents challenges and opportunities: despite the lowest wine consumption levels in more than 50 years, premiumisation and emerging trends such as lower-alcohol refreshment alternatives have seen strong growth in recent years.

As we reshape our business through Ascent, sustainability remains an important enabler of long-term performance. Understanding climate-related risks, managing natural resource dependencies and improving operational efficiency are critical to building a more resilient business capable of delivering sustainable returns.

Embedding sustainability principles across our team of more than 2,700 people across four primary operating regions has helped us strengthen safety leadership, advance decarbonisation, adapt to climate change, and promote sustainable sourcing. We're cultivating a brighter future for our people, our business, the industry, and the dozens of regional communities we're part of, with our sustainability agenda enabled by our global sourcing model, targeted adaptation programs and continued investment in research and development.

Safety remains our first priority. We've built momentum in our Build Safe Together program, and continued to support leaders to create a culture that starts with safety - for every shift, at each site, every day. During the year, our 3-year rolling Serious Safety Incident Frequency Rate improved to reach its lowest-ever level thanks to our focus on managing hazards causing serious harm and psycho-social wellbeing, and a strong safety culture underpinned by lead indicators such as safety conversations taking place across our business – which also increased during the year. Acknowledging the impact that organisational transformation initiatives such as Ascent can have on teams, we bolstered the resources to support leaders to effectively navigate change.

Producing wine across our renowned portfolio of brands that's appreciated by people in more than 100 countries is resource intensive – particularly in water and energy. We've invested in deepening our understanding of expected climate risk for our viticultural assets to inform our overarching business strategy, our global asset footprint, and the way we allocate capital across our portfolio.

Producing wine across our portfolio requires access to reliable water resources. Water security remains one of our most significant long-term priorities. Guided by our *Treasuring Water* strategy, our investment in metering technology across all our production sites in high- and medium risk catchments gives our operational teams richer data inputs to guide their local decisions about using available water resources more efficiently – complemented by technology and AI solutions.

Sustainable growing practices support vineyard health, biodiversity and long-term productivity. In F26, 100% of eligible owned and leased vineyard and winery sites were sustainability certified, while continued engagement with growers and bulk wine suppliers increased certification coverage across our sourcing network.

Following our milestone of achieving 100% renewable electricity across our global operations last financial year, we maintained the target across our global operations in the 2026 financial year, reducing operational emissions and exposure to energy price volatility. Our ongoing investment in renewable electricity - including through onsite solar generation, renewable energy certificates and power purchase agreements - is an important component of our commitment to reach net zero (scope 1 and 2) by 2030.

To further support our net zero commitment, we secured significant co-funding from the Australian Renewable Energy Agency for a multi-year project to decarbonise our Barossa Valley Winery and Packaging Centre in South Australia. Building on our existing investment to transform the site into a global hub of sustainability and innovation in winemaking, decarbonisation initiatives across electrification, biogas, hot water and thermal, and battery energy storage will reduce our greenhouse gas emissions and build operational resilience at our largest production site.

Managing the impacts of a changing climate across our economic system and natural environment will require long-term cooperation within and between industries, as well as partnerships with governments, research organisations and academic institutions. We proudly collaborate with a range of partners to tackle complex challenges, and routinely share our progress and insights with the global beverages sector to help improve outcomes for the industry, and the regional communities that depend on a thriving wine category for continued economic growth.

With a commitment to responsible consumption and providing consumers with information and lower-alcohol wine options to help moderate their intake, we've continued to invest in our no- and low-alcohol portfolio. Following our significant investment in industry-leading dealcoholisation technology at our Barossa Valley site last year, our innovation winemaking team has continued to produce high-quality wine options that are lower in alcohol in response to consumer interest in this growing segment of the category. The facility was recognised with a Best Technology award at the 2026 Food & Drink Business Hive Awards.

Sustainability will continue to support operational resilience and long-term value creation. Our understanding of climate-related risks, water security and natural resource dependencies helps inform how we allocate capital, prioritise adaptation investments and strengthen the resilience of our vineyards, operations and supply chain.

We take great pride in the progress made by our teams and partners across the world. While our work is far from complete, we are confident the foundations we are building today will strengthen the long-term resilience of our business. Through continued investment, innovation and collaboration, sustainability will remain an important contributor to long-term value creation, business resilience and our ambition to be the world's most desirable luxury wine company.

John Mullen
Chairman

Sam Fischer
Chief Executive Officer

Sustainability highlights

We're committed to renewable electricity

Maintained 100% renewable electricity across our global operations[1]

We're accelerating decarbonisation

Obtained 50% co-investment from the Australian Renewable Energy Agency (ARENA) for a large-scale decarbonisation project in the Barossa Valley

We're treasuring our water

Completed a pilot irrigation efficiency assessment in the Barossa Valley, building on installation of more than 380 smart water meters

We're planning for the future

Developed a deep understanding of future climate risk for our viticultural assets across Australia

We're improving safety

Improved our 3-year rolling Serious Safety Incident Frequency Rate

We're building diverse teams

Women in senior leadership increased by 0.9 ppts to 49.3%[2]; overall representation of women increased by 1.2 ppts to 46.4%[3]

We're creating more choice

Expanded no- and low-alcohol options across key markets, supporting responsible consumption and providing greater consumer choice

We're increasing certification

Achieved sustainability certification across 100% of our eligible owned and leased winery and vineyard sites[4]

1 Includes owned/leased production assets (vineyards, wineries, packaging centres), warehouses, cellar doors, joint ventures under TWE's operational control, and offices with more than 20 employees.
2 TWE defines leadership roles as senior leaders, professionals and specialists, including general, department and functional management. Senior leaders are the CEO and members of the Executive Leadership Team (ELT); as well as senior management classified internally as Group A and B who hold leadership responsibilities and accountabilities with decision-making and business influence.
3 In line with ASX Recommendation 1.5, the gender diversity data in our Annual Report is based on our population of permanent and fixed-term employees. The data in our annual *Cultivating a brighter future* Report also includes casual, seasonal, and on-call employees, and Directors.
4 No sustainable certification scheme currently applies to our viticulture or winery operations in China.

Our approach to sustainability

Against dynamic regulatory and market conditions, we continued to embed sustainability into business planning, reporting, decision making, and our broader strategic objectives. We're building a more resilient business, producing sustainable wine, and prioritising the wellbeing of our people, communities, and consumers to support our ambition of cultivating a brighter future.

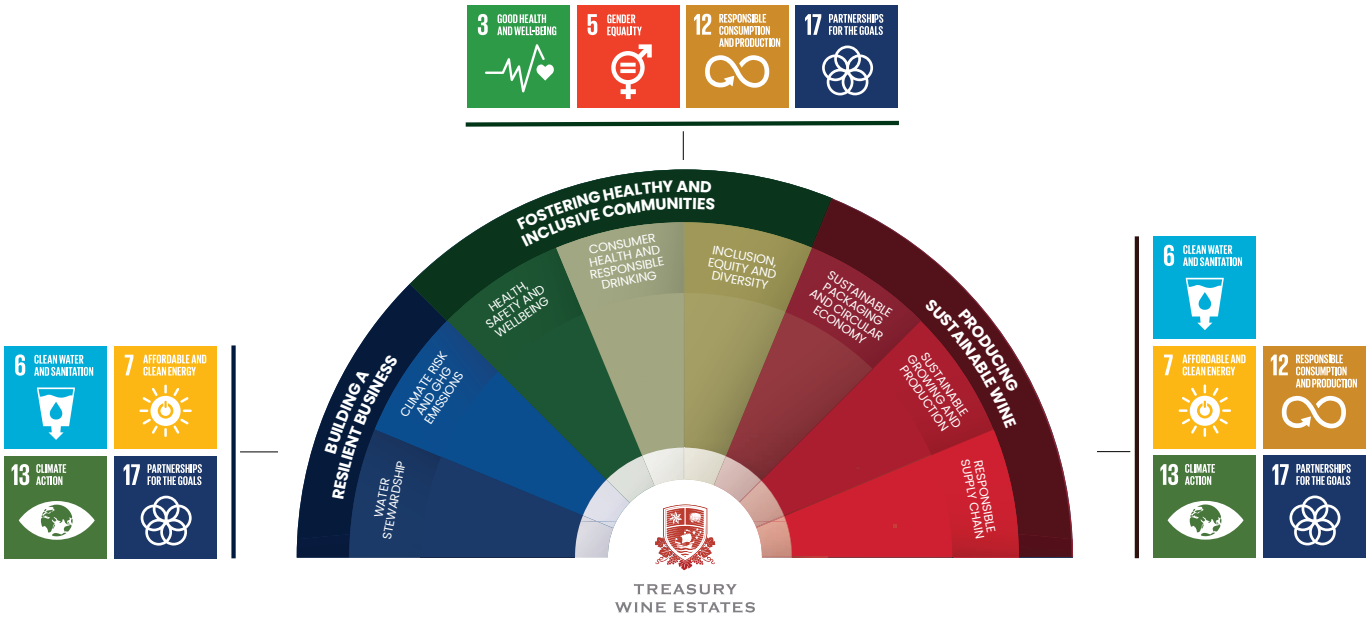
Throughout the year, management focused on delivery against our sustainability priorities, using strategic roadmaps to track progress. Building on the focus of prior years, we emphasised reporting readiness, data quality and internal accountability to prepare for mandatory reporting obligations. We focused effort on our material topics, identified through a structured process and reflecting stakeholder expectations as well as business priorities - the **Our material topics and commitments** section contains further detail.

Our sustainability approach extends to every area of our operations and continues to evolve in response to changing expectations across our markets, value chain and regulatory environment. We're committed to innovation, meaningful partnerships, positive change, and leadership in sustainability across the wine and beverages sectors. Our progress and outcomes reflect the collective effort of our global team, partners, and the broader industry. Over the year we worked with stakeholders to support action on shared challenges across our operating markets, including emissions reduction, water stewardship, packaging and responsible sourcing.

Our sustainability strategy reflects the areas where we can make the greatest impact. We have aligned our efforts with the United Nations Sustainable Development Goals (UN SDGs), and our work responds to global issues across a range of sustainability themes. Our eight material topics are captured in three focus areas:

- **Building a resilient business:**
  We want to ensure our business is resilient in the face of increasing uncertainty, complexity, and change. Refer to the **Building a resilient business** section for more detail.
- **Fostering healthy and inclusive communities:**
  We want to foster safe, sociable, and connected communities where our brands are promoted, and our wine is consumed safely and responsibly. Refer to the **Fostering healthy and inclusive communities** section for more detail.
- **Producing sustainable wine:**
  We want every consumer to experience wine that is sustainably grown, made, and packaged. Refer to the **Producing sustainable wine** section for more detail.

Cultivating a brighter future



We made meaningful progress during the year, recognising that sustained action is required to build resilience over the long term. Our strategy continues to help us prepare to effectively manage risks and identify emerging opportunities, particularly as the climate and global operating environment change. We take our position of industry leadership seriously, and understand our role in cultivating a brighter future for everyone who is connected to our business.

We remain focused on improving data quality, deepening the integration of sustainability considerations across our business, especially carbon and water, and preparing for more rigorous reporting and assurance expectations.

Sustainability governance

Governance remained a key enabler of sustainability delivery in F26. Progress against strategic roadmaps for each of our public commitments, alongside key enablers such as communications, reporting, and data, was reported monthly to our executive sponsors, with regular reporting to the Executive Leadership Team (ELT). Internal steering committees continued to support delivery across material areas, including mandatory ESG reporting. The Wine Operations and Sustainability Committee (WOSC), a sub-committee of the Board, provided expert consideration and advice on a range of matters, including supply chain sustainability and this annual *Cultivating a brighter future* Report.

The Board oversees TWE's approach to, and management of, sustainability (or ESG) matters and receives updates on key priorities, risks and initiatives. The Board also has oversight of our key ESG disclosures, including this *Cultivating a brighter future* Report and the inaugural mandatory Sustainability Report, located within our 2026 Annual Report.

For further details of our corporate governance practices, refer to page 19.

Our material topics and commitments

Materiality is a stakeholder-led process that identifies the environmental, social and governance (ESG) issues and associated risks, opportunities, and impacts for an organisation.

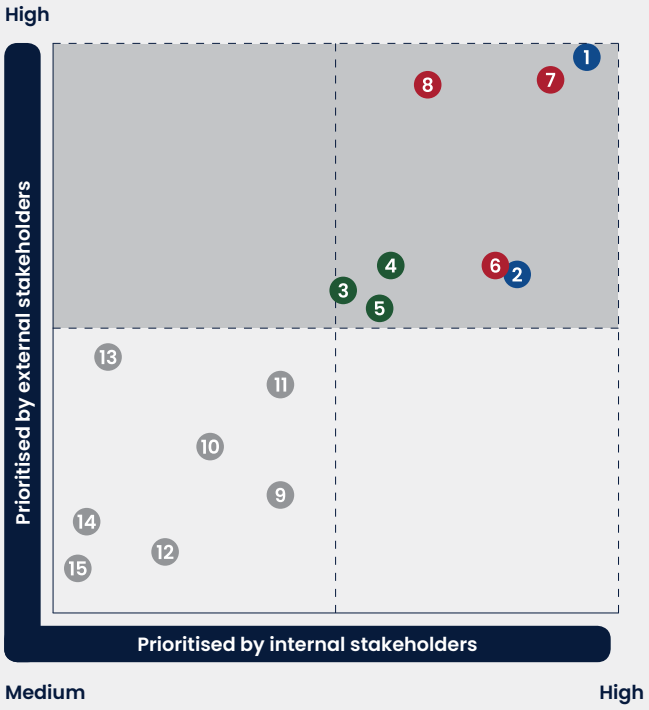
Our materiality assessment considers the key forces shaping our business, from the growing focus on protecting nature and transparent reporting to economic and market uncertainty affecting consumers, labour markets and global supply chains.

Information from a range of sources, including peer organisations, recognised sustainability leaders, relevant reporting standards and stakeholder engagement, has informed the identification of our material sustainability topics. Our approach reflects established materiality practices, incorporating consideration of stakeholder perspectives alongside the potential impacts, risks and opportunities relevant to our business. The assessment has been guided by the Global Reporting Initiative (GRI) Standards and the AA1000 Accountability Principles, with reference to climate-related disclosure frameworks and emerging approaches to nature- and people-related reporting to support a balanced and decision-useful set of disclosures.

The assessment included a review of consumer research, investor insights, global megatrends, industry analysis and sustainability reporting practices, as well as input from stakeholders such as TWE's Executive Leadership Team, investors, industry representatives and customers.

The issues and topics were prioritised based on actual or potential positive and negative impacts on our business performance and external stakeholders, including society and the environment. Eight high-priority and seven medium-priority topics were identified in the assessment, and are detailed in the materiality matrix below. The high-priority topics are reflected in our sustainability strategy and their materiality was confirmed through a strategic review with the ELT at the end of F25. Further information on each of these topics, their relevance, and our performance, is provided throughout this report.

F26 materiality matrix



TWE's material topics

Building a resilient business

1. Climate risk and GHG emissions
2. Water stewardship

Fostering healthy and inclusive communities

3. Inclusion, equity and diversity
4. Consumer health and responsible drinking
5. Health, safety and wellbeing

Producing sustainable wine

6. Sustainable packaging and circular economy
7. Sustainable growing and production
8. Responsible supply chain

9. Talent attraction, development and retention
10. Community engagement and consultation
11. Governance
12. Quality and traceability
13. Markets and regulatory change
14. Technology and automation
15. Cyber security

Our material topics and commitments

F26 commitments

To support delivery of our sustainability strategy and maintain accountability, we have a suite of commitments aligned to each of our material topics for F26 and beyond. These commitments guide our priorities and enable us to track progress against areas where we can deliver the greatest impact. Our commitments are aligned to the United Nations Sustainable Development Goals (UN SDGs) and support long-term value creation for our business and stakeholders. Our progress against these commitments is set out below.

Topic	Commitment	Status	Progress	SDG	Reference in this report
Building a resilient business					
WATER STEWARDSHIP	Pilot an irrigation health assessment in the Barossa Valley and develop a roadmap for rollout across operating sites in high- and medium-risk catchments in Australia		> A desktop assessment was completed across our Australian vineyards, complemented by a vineyard irrigation health assessment pilot in the Barossa Valley. Building on the findings, the F27 roadmap will focus on updating irrigation plans and strengthening maintenance inspection across all vineyard operations to help ensure our irrigation remains as effective as possible.	6	See pages 32–36
CLIMATE RISK AND GHG EMISSIONS	Net zero by 2030 (scope 1 and 2)[1]		> We maintained our commitment to 100% renewable electricity, completing an additional nine solar installations in F26. Alongside investments in metering and efficiency, we allocated significant effort to our detailed application for co-funding from the Australian Renewable Energy Agency (ARENA), a strategic enabler for this target.	13	See pages 37–45
	Remove 5,000 tonnes of glass from our products by the end of F26		> The reduction was delivered through bottle lightweighting and packaging redesign initiatives implemented across brands in our global portfolio. Glass reduction initiatives included 19 Crimes, Squealing Pig, and Penfolds brands.	13	See pages 72–74
	Invest $100m by the end of the 2030 calendar year to help our business adapt to a changing climate[2]		> Adaptation is an important component of our response to climate change. We invested $12.8m in initiatives that help build our resilience, largely centered around vineyard developments (e.g. irrigation capacity, rootstocks).	13	See pages 37–45
	Reduce total scope 1 and 2 emissions from our Barossa Valley winery and packaging centre by >80% by the end of F29, relative to an F21 baseline[1]		> We completed our 8th Barossa Valley solar project, bringing total installed capacity to over 3MW. 1.07 MWh of battery storage was commissioned alongside preparations for a significant decarbonisation project with ARENA.	13	See pages 37–45
Fostering healthy and inclusive communities					
HEALTH, SAFETY AND WELLBEING	Maintain or improve our SSIFR 3 year rolling average of 0.33, by driving active participation in our safety culture and wellness programs, while also sustaining employee survey safety and wellbeing scores at or above 2025 TWE baseline		> Our three-year rolling Serious Safety Incident Frequency Rate improved slightly to 0.32 over F26. Our employee survey safety and wellbeing scores each increased by 2ppts above the 2025 baseline to 89% and 82% respectively.	3	See pages 48-49
CONSUMER HEALTH AND RESPONSIBLE DRINKING	100% of TWE brand product labelled from 2027 will include energy information (excluding products below 375ml)		> We are working to provide consumers with access to energy information on pack or in digital format. This approach maintains our commitment to product transparency and supporting informed consumer choice across the markets where we operate while meeting evolving regulatory obligations.	3	See pages 54-55
	Increase engagement with responsible consumption content on owned channels by 5ppts YoY and advance our agenda through NFP and industry partnerships		> Responsible consumption engagement continued to strengthen through expanded digital communications, consumer education and strategic partnerships. During the year, moderation-focused content increased across our owned channels, and we launched our internal 'Shared responsibility' ambassador program. We strengthened collaboration with key industry organisations to continue to promote informed consumer choice and responsible consumption.	3	See pages 54-55

1 Measured using scope 1 and scope 2 (market-based) emissions, excluding biogenic CO_2 emissions.
2 Target will undergo review in light of changed business circumstances in F27.

Topic	Commitment	Status	Progress	SDG	Reference in this report
Fostering healthy and inclusive communities					
CONSUMER HEALTH AND RESPONSIBLE DRINKING	>90% completion of new global Alcohol Policy and Responsible Consumption training by all desk-based employees by the end of F26	●	› During F26, we updated our Commitment to the Responsible Consumption of Alcohol Policy, supported by refreshed mandatory training. Completion reached 94.1% of eligible desk-based employees, exceeding our target.	3	See pages 54-55
	Commit >5% of TWE's premium portfolio to no- and low-alcohol offerings by the end of 2030	●	› We continued investing in NoLo innovation and production capability to expand consumer choice, with NoLo representing approximately 2.5% of the premium Treasury Collective portfolio globally by the end of F26. Investment during the year focused on scaling production capability, expanding consumer availability and supporting long-term category growth.	3	See pages 54-55
INCLUSION, EQUITY AND DIVERSITY	At least 40% women, at least 40% men, and up to 20% any gender[3]	●	As at 30 June 2026: › 49.3% of leaders are females (+0.9 ppts from F25)[4] › 46.4% of workforce is female (+1.2 ppts) › 4 of our 9 Directors are female (44.4%).	5	See pages 51–53
	A gender-balanced Board (at least 40% women/at least 40% men/up to 20% any gender)	●			
Producing sustainable wine					
SUSTAINABLE GROWING AND PRODUCTION	Continue to increase sustainability certification of our brands	●	› Over F26, 100% of our eligible owned and leased sites were certified[5], and 97.3% of our total grape intake[5] was grown on certified vineyards. We continued to collaborate with our growers and bulk wine providers to pursue certification and work to increase the display of certification on our brands.	12, 17	See pages 62-65
	Benchmark agricultural practice against our farming framework and stock take monitoring and measurement systems	●	› Our regional viticulture teams have reviewed the framework against key certifications and are defining the baseline metrics, shared definitions and consistent measurement that will underpin the framework.	12, 13	See pages 62-65
RESPONSIBLE SUPPLY CHAIN	Complete secondary risk assessments for 100% of high-risk contracted suppliers by the end of F26	●	› We completed secondary risk assessments for all in-scope high-risk contracted suppliers. All newly engaged contracted suppliers were also assessed. Where residual risk remains, suppliers will be contacted for further information and additional controls will be developed to address identified risks.	17	See pages 70-71
SUSTAINABLE PACKAGING AND CIRCULAR ECONOMY	Develop solutions to known challenges to further progress our ambition of 100% recyclable, reusable or compostable packaging by the end of the 2025 calendar year	●	› We continued to address known packaging challenges through packaging design improvements, supplier engagement and industry collaboration. This included actions to reduce problematic materials, improve recyclability and support new recycling and reuse pathways. While some packaging components continue to present industry-wide challenges, particularly screw cap liners, capsules and pouches, we remain committed to innovation and collaboration to identify and progress solutions.	12, 13	See pages 72–74
	100% of product packaging to comprise 50% recycled content by the end of the 2025 calendar year[6]	●	› Based on our 2025 calendar year production, we exceeded our target, with more than 53% of packaging materials by weight comprising recycled material. We continue to work closely with suppliers, particularly our glass manufacturers, to increase recycled content in the packaging components we source.	12, 13	See pages 72–74

● ACHIEVED
● ON TRACK

3 In line with ASX Recommendation 1.5, the gender diversity data in our Annual Report is based on our population of permanent and fixed-term employees. The data in our annual *Cultivating a brighter future* Report also includes casual, seasonal, and on-call employees, and Directors.
4 TWE defines leadership roles as senior leaders, professionals and specialists, including general, department and functional management. Senior leaders are the CEO and members of the Executive Leadership Team (ELT); as well as senior management classified internally as Group A and B who hold leadership responsibilities and accountabilities with decision-making and business influence.
5 Excluding China, where no scheme exists.
6 Recycled content target and performance apply to primary and secondary product packaging only. Tertiary packaging is excluded.

Our value chain

Our connections with people, communities, ecosystems, and businesses across the world mean that our economic, social, and environmental impacts extend beyond our operations and direct control.

We're focused on cultivating meaningful, long-term partnerships and networks that utilise our size and scale to create positive change across our material topics and broader stakeholder groups. The complexity and urgency of climate change makes collaborative action critical. We engage across our value chain - from producers and manufacturers that supply our raw materials, to our customers and consumers – with our latest analysis showing that approximately 95%[1] of our greenhouse gas emissions occur in our value chain.

The graphic below shows the components of our value chain. To learn more about the material topics and relevant UN SDGs for each stage, visit **tweglobal.com/sustainability/value-chain**.

TWE's value chain

Climate risk and opportunity in our value chain

We continue to embed strategies to identify and assess risks and opportunities for each stage in our value chain with the expertise of our risk, strategy, procurement, packaging, finance, legal, supply, investor relations, and sustainability functions alongside a range of industry, peer and scientific perspectives.

Changes in yield, quality, and vintage timing resulting from physical climate risks can have broader impacts on growing and winemaking, with flow-on effects across the supply chain. Regulatory changes and stakeholder pressures (including from global geopolitical events, investors, local communities where we operate, and consumers) could impact each stage of our value chain in areas such as water security, carbon pricing mechanisms, packaging, and land management practices. Our climate modelling has involved in-depth risk and opportunity assessments for a range of scenarios and timeframes that help us understand the possible strategic, operational and financial implications. For further information refer to the **Climate risk and GHG emissions** section.

1 Based on reported scope 1 emissions, scope 2 emissions (market-based) and scope 3 emissions, excluding biogenic CO_2 emissions.

Stakeholder engagement

We engage with stakeholders through face-to-face discussions, surveys and research, participation in government and industry forums, and long-term relationships across the broader business community. By being transparent, responsive and accountable, we build trust with the individuals and groups who influence or are affected by our business.

Progress

The following table lists our key stakeholder groups and engagement topics during F26.

Stakeholder and description	Key topics over F26
Consumers Millions of consumers around the world enjoy our wines responsibly.	> Responsible consumption, including resources and labelling changes that help consumers make informed choices > Product innovation, including in no- and low-alcohol wine > Sustainability performance and credentials, including regional certification > Product traceability, including the link to regional winemaking and viticulture practices
Customers We market, sell, and distribute wine to customers in more than 100 countries, and engage in regular business reviews across all regions.	> Opportunities to reduce environmental impact, including through packaging format innovation > Sustainability performance and credentials, including greenhouse gas emissions, regional sustainability certification and modern slavery > Responsible consumption as part of a broader health and wellness trend, and our investment in the no- and low-alcohol product range
Employees We have 2,700+ employees across our operating regions.	> Health, safety, and wellbeing > Inclusion, equity, and diversity, including input on our strategy and engagement opportunities through our Employee Resource Groups > Engagement drivers and opportunities to strengthen our culture and performance > Responsible consumption, including an education campaign tailored to employees > Sustainability strategy and associated performance
Communities Our teams actively engage with local communities – including non-profit organisations and community groups.	> Community health and wellbeing, with a focus on responsible consumption > Collaboration on industry, community, and regional development issues > Our sustainability performance and priorities > Support for regionally-relevant causes through partnerships, donations, volunteering, and in-kind support - including the rollout of the Penfolds Evermore grant program in France and China
Governments We routinely engage with all levels of government across our operating regions.	> Engagement with relevant Ministers, advisers, local members of parliament and their departments on regulatory reviews, and the development and passing of legislation relating to our industry > Trade, market access and export conditions, including regulatory requirements in key international markets > Alcohol taxation, excise and other fiscal policy settings > Responsible consumption, labelling and consumer information requirements > Packaging, circular economy and broader sustainability regulation > Engagement on industry, agricultural and regional economic priorities
Regulators We engage with regulators and standards bodies across our operating markets.	> Compliance with applicable product, marketing, labelling and advertising requirements, including relevant self-regulatory codes and pre-vetting arrangements > Engagement on alcohol policy, consumer information and responsible consumption > Support for regulatory enquiries, investigations and reviews, where required > Collaboration with industry and community partners on responsible consumption education and harm-minimisation initiatives
Investment community Our investor community comprises institutional investors, analysts, proxy advisors and around 81,000 domestic shareholders in Australia.	> Leadership transition following CEO change > Evolution of consumer and category trends across TWE's key markets > Initiatives to ensure brand and channel health and their corresponding impact on near-term financial performance > TWE's multi-year strategy, including the Ascent transformation program and changes to brand portfolio, operating model and supply chain > Capital management > Mandatory climate reporting and sustainability performance

Stakeholder engagement

Stakeholder and description	Key topics over F26
Industry bodies We regularly engage with industry associations in our key operating regions.	> Advocacy through national and regional industry bodies in key operating markets, including Australian Grape & Wine, China Alcoholic Drinks Association, Alcohol Beverages Australia, Portman Group and Drinkaware (UK), World Business Council for Sustainable Development, DrinkWise (Aus) and the Wine Institute (US) > Coordinated advocacy on trade, taxation, regulatory reform and market access > Responsible consumption, consumer information and marketing standards > Sustainability, packaging and circular economy policy reform > Sector resilience, capability and long-term competitiveness
Suppliers Over F26 we engaged with more than 4,800 suppliers from 50 countries.	> Revised supplier onboarding and risk assessment processes covering labour and human rights, ethics, cyber security, environmental practices and sustainable procurement > Supply chain and logistics risk management and cost management > Ongoing integration of sustainability practices, including sustainable packaging and decarbonisation

We're a signatory to, participant in, or supportive of voluntary sustainability initiatives:

- Sustainable Wine Roundtable (SWR)
- Australian Packaging Covenant
- Swedish Beverage Industry's Climate Initiative
- Carbon Disclosure Project (CDP)
- RE100
- United Nations Global Compact (UNGC)
- United Nations Sustainable Development Goals (UN SDGs)
- Task Force on Nature-related Financial Disclosures (TNFD)
- Global Reporting Initiative (GRI)

Sustainability certifications for our vineyards, growers and bulk wine are covered in detail in the **Sustainable growing and production** section of this report.

Corporate governance

Transparent and robust governance practices are critical to delivering value to shareholders. They promote investor confidence, and are in line with our vision of being the world's most desirable luxury wine company.

TWE's Compliance Management Policy and supporting Compliance Management Framework (the Framework) promote the Company's compliance culture and form part of its system of internal control. In particular, the Framework provides an overarching structure for centrally-driven oversight and reporting procedures, as well as decentralised business-led accountabilities and systems supporting the management of TWE's key compliance obligations. The Framework is based on continuous improvement, informed by legal and regulatory changes, annual compliance risk assessments and management attestations, as well as incident identification and management processes.

The Board oversees TWE's approach to, and management of, sustainability matters and receives updates on sustainability and the status of key priorities and initiatives. The Wine Operations and Sustainability Committee (WOSC), established in 2021, enables greater focus on strategic, long-term planning and operational issues in winemaking, sustainability and supply chains. The Audit and Risk Committee (ARC) oversees the financial disclosures and assurance process related to the climate-related financial disclosures.

The Board and WOSC also have oversight of the company's key sustainability disclosures, including this *Cultivating a brighter future* Report and the Sustainability Report. The Board approved the full suite of TWE's sustainability targets outlined in the **Material topics** section of this report.

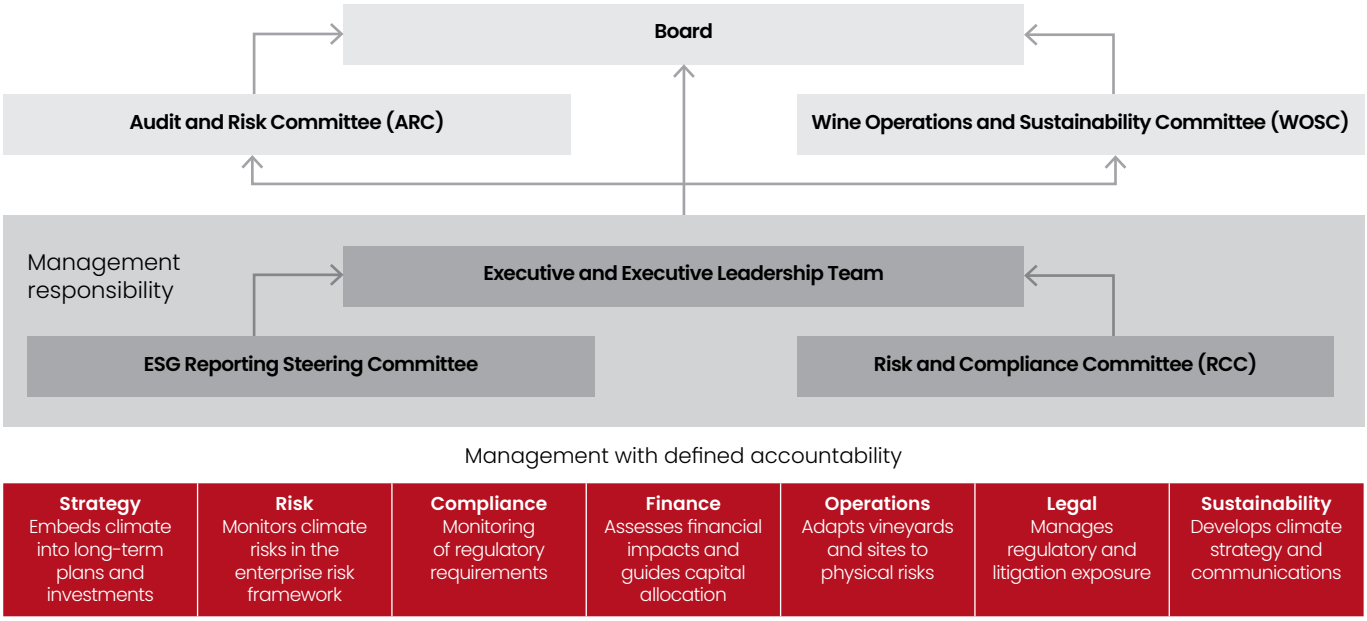
TWE's sustainability governance structure is represented below.

TWE's governance practices provide for continuous monitoring and reporting of sustainability risks across the organisation. Management reports to the Board and its sub-committees at least bi-annually on a range of topics, including Inclusion, Equity and Diversity, compliance incidents (including breaches of company policies, environmental, health and safety, and HR compliance matters), whistleblower reports, litigation and internal audit outcomes. Private sessions are also held between the Board and internal and external audit.

The TWE DNA is our 'cultural code' which underpins how we think and act, and what we value. The three strands of the TWE DNA are:

- We bring our whole self
- We are courageous
- We deliver together.

Sustainability governance



Corporate governance

Progress

In F26, TWE continued to progress and develop its corporate governance framework.

TWE's centralised global platform for tracking legal and regulatory changes has been fully operationalised, with over 80 proposed regulatory changes impacting TWE being tracked and responded to by the organisation. The platform enhances TWE's visibility and comprehension of global legal and regulatory risks and helps identify changes to legal and regulatory frameworks across the regions where we operate.

Management continued to oversee delivery of TWE's sustainability agenda through strategic roadmaps aligned to our public commitments. Progress against these roadmaps, together with key enablers including communications, reporting, and data, was monitored through monthly reporting to executive sponsors and regular updates to the ELT.

In F26 the Board and its Committees endorsed the Company's first Sustainability Report. In doing so, the Board, the ARC and the WOSC performed their defined roles in relation to sustainability reporting as follows:

- The WOSC received numerous sustainability reporting updates throughout the year and reviewed and recommended to the Board for approval the Company's first mandatory Sustainability Report
- The ARC also received sustainability reporting updates throughout the year with a focus on financial modeling of climate change scenario outcomes and assurance activities. The ARC reviewed and recommended to the Board for approval the financial disclosures included in the Sustainability Report and oversaw the assurance process.
- The Board approved the end-to-end Sustainability Report for release with the Company's 2026 Annual Report.

The WOSC's remit and reporting cadence was again updated in F26 providing greater focus by the Committee on the Company's sustainability strategy and initiatives, sustainability reporting and winemaking.

The WOSC met regularly in F26, engaging on a broad range of topics including seasonal and regional vintage outcomes, sustainability certifications and global benchmarking of wine standards, business continuity, the use of AI in winemaking, global sustainability policy developments, mandatory climate reporting, climate risks, opportunities and adaptations, decarbonisation and reduction initiatives, water stewardship, consumer health and responsible supply chain.

In F26 two education sessions were also held for the Board of Directors providing deep dives on the requirements for mandatory sustainability reporting and the Company's climate-related risks and opportunities. Both education sessions were delivered in partnership with external advisers and TWE's Sustainability team.

Engagement

In F26, nearly 2,500 employees participated in TWE's annual WhaT'WE Think engagement and inclusion survey. This represents a 90% participation rate, reflecting continued confidence in the survey process. Inclusion remained strong at 75%, while engagement declined to 65% amid a period of significant organisational change, returning to levels consistent with those seen during previous transformation activity.

Employees continued to report positive experiences of safety and support, with strong scores for manager accessibility, role clarity and flexible ways of working. Survey results highlighted opportunities to strengthen confidence in TWE's future direction and leadership. In response, TWE is focused on increasing clarity, transparency and visible leadership to help employees navigate change and build confidence in the future.

People-related compliance

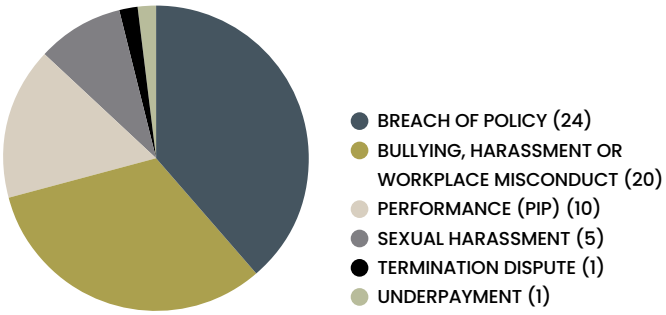
TWE promotes a 'speak up' culture. During F26, 61 people-related matters were reported, representing 2% of our workforce. Six were handled under the Whistleblower Policy, and 42 (69%) were fully or partially substantiated.

Actions taken in response to substantiated matters include:

- 14% - coaching, counselling or training intervention
- 38% - end of employment/engagement
- 48% - formal warnings (including final written warnings)

For further information, refer to the **Code of Conduct reporting** section of our 2026 Annual Report.

F26 Code of Conduct matters reported



F26 Corporate Governance Statement

A comprehensive summary of TWE's corporate governance practices for the year ended 30 June 2026 can be found in its Corporate Governance Statement available at tweglobal.com/investors/corporate-governance.

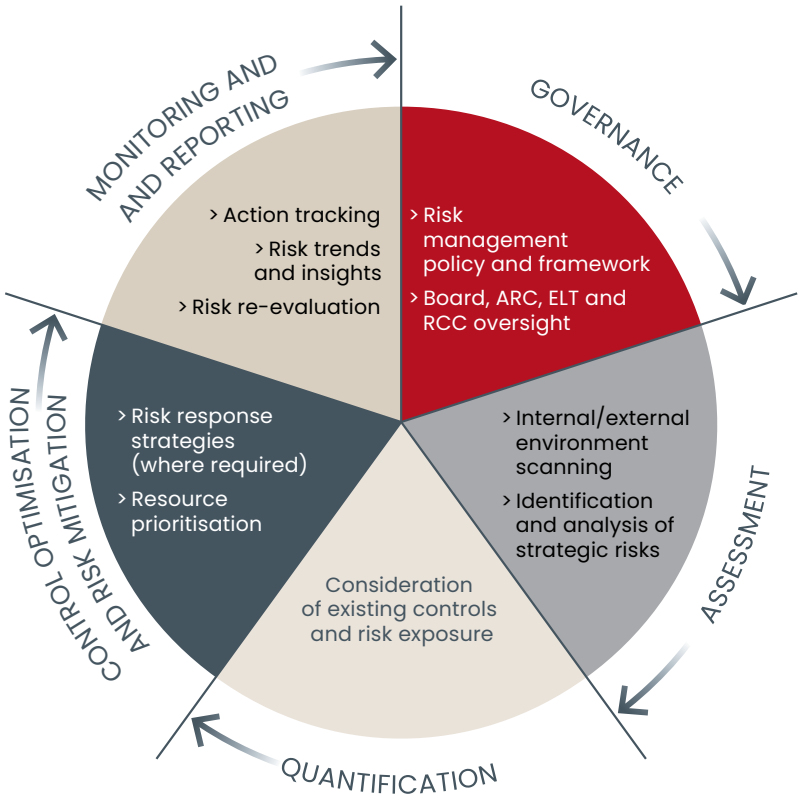
Risk management

Our continued growth and success depends on our ability to understand and respond to the challenges of the environments we operate in. By understanding and managing risk, we provide greater certainty and confidence for all our stakeholders that we will achieve our growth ambitions in a sustainable way.

TWE has implemented a strategic and consistent enterprise-wide approach to risk management, underpinned by a risk-aware culture. TWE's Risk Management Framework (the Framework) was reviewed in June 2026 with no significant changes. The Framework defines the approach and standards for risk assessment including periodic identification, analysis, and evaluation of material financial and non-financial risks at group level and in each major function or region. It includes both financial and non-financial risks, such as environmental and social risks. TWE's material business risks and their management are set out in the **Operating and Financial Review** of the **2026 Annual Report**.

TWE's environmental and social risks are reviewed annually and endorsed by the Audit and Risk Committee. This includes climate change, which is considered a group-level material risk to the business. Consequently, we continue to build our understanding of the risks and opportunities presented by climate change and monitor emerging trends and changes across the regulatory environment. Further detail is outlined in the **Climate risk and GHG emissions** section of this report. TWE's first mandatory **Sustainability Report**, included within the 2026 Annual Report and prepared in accordance with AASB S2 Climate-related Disclosures, provides additional information on the climate-related risks and opportunities that could reasonably be expected to affect TWE's prospects.

Risk management framework overview



Tax transparency

We place significant importance on transparency and maintaining high standards of tax governance and compliance.

Our Tax Governance Policy includes the following core guiding principles:

- comply with all tax laws in the countries in which TWE operates
- maintain effective relationships with revenue authorities in countries in which TWE operates
- adhere to the Board-approved Tax Risk Management Framework.

Progress

TWE paid approximately $178.2[1] million tax within Australia in respect of its operations in the 2026 income tax year, which is made up of a number of different costs relating to employee Fringe Benefits Tax, Wine Equalisation Tax (net of producer rebates), Goods and Services Tax, Excise Tax and Company Income Tax (net of research and development credits).

Tax Transparency Report

TWE produces an annual Tax Transparency Report which meets the voluntary tax transparency code principles and outlines:

- tax governance and strategy
- income tax reconciliation
- Australian federal tax contribution
- international related party dealings.

TWE's most recent Tax Transparency Report is available at **tweglobal.com/sustainability**.

1 Note this amount includes an estimate of the final income tax payment due in relation to the 2026 income year and is based on the current income tax liability disclosed in TWE's 2026 Annual Report. This number will be finalised after the completion of the Australian income tax return in December 2026.

Managing human rights

Protecting human rights is fundamental to how we do business. We're committed to respecting them and seek to support and uphold the principles of the United Nations (UN) Universal Declaration of Human Rights, the UN Guiding Principles on Business and Human Rights, the International Labour Organization's 1998 Declaration on Fundamental Principles and Rights at Work, as well as specific legislation in the markets where we operate.

Progress

TWE's Human Rights Charter (the Charter) sets out our commitment to upholding human rights and preventing modern slavery. The Charter establishes the expectations across our business from our Board of Directors to our brands – and the role each need to play. The Charter was formally reviewed in F26 to ensure it continues to operate as intended and remains aligned with relevant legal obligations. It is underpinned by global policies and programs.

The Charter sets out three core commitments:

1. **We protect human rights** – we believe in acting fairly and making decisions based on merit
2. **We respect human rights** – we believe respect for human rights is the cornerstone of a culture where everyone can contribute and feel included, so we strive to conduct business in a way that respects the rights and dignity of people and avoids complicity in human rights abuses
3. **We remedy human rights violations** – we encourage all stakeholders to report and express concerns relating to suspected violations of our policies, including the Charter.

This *Cultivating a brighter future* Report provides an overview of our progress and performance in human rights in its broadest sense. The **Fostering healthy and inclusive communities** section of this report contains more detail on key policies, metrics and focus areas relating to people within our business and across our value chain.

Training

Human rights and modern slavery training is undertaken by all new permanent, desk-based employees, repeated every two years. The training raises awareness of human rights, the alignment between human rights and our values, culture, and policies, and outlines the risks of modern slavery. In F26, eligible desk-based employees were required to complete two training modules:

Human rights: 91.8% completion rate

Topics include:

- The connection to other policies to ensure a fair, inclusive, safe, and respectful workplace and responsible decision making
- Each employee's role in living and breathing TWE's human rights commitments
- The application of human rights to hiring practices, inclusion, equity and diversity, and flexible work arrangements
- The application of human rights to treating colleagues with dignity, health and safety, including safety at home
- Fair wages and employment rights.

Modern slavery: 93.3% completion rate

Topics include:

- What modern slavery is and TWE's commitment to preventing it in any area of our business
- TWE's specific modern slavery risk areas
- 'Red flags' that may indicate modern slavery
- What employees can do to prevent and report modern slavery.

Non desk-based employees in the US complete online training using site-based kiosks and a comprehensive employee handbook that lists key policies. Non desk-based employees in Australia and New Zealand attend face-to-face training covering a range of our governance documents and topics: Code of Conduct, TWE DNA, Anti-Bullying, Harassment and Discrimination Policy and Raising a Concern.

Temporary or contracted labour in our vineyards

Due to the seasonal nature of viticultural work, we use a combination of labour hire and subcontracted labour to support peak periods such as pruning and harvest. While they're not employed directly, TWE takes its obligations and responsibilities in workplace entitlements for, and working rights requirements of, all workers very seriously. We use our legal and commercial controls (such as contracts, purchase order conditions and expectations set out in our Responsible Procurement Code) as well as operational controls including engagement and due diligence, to ensure that suppliers understand and meet the expectations outlined in TWE's Human Rights Policy and have appropriate policies and practices in place to minimise the risk of modern slavery in the supply chain. More detail will be available in our 2026 Modern Slavery Statement, scheduled for release later this year.

Statement on Human Rights and Modern Slavery

TWE's statement on Human Rights and Modern Slavery sets out the actions taken by TWE Limited and its reporting entities to understand, mitigate, and address human rights and modern slavery risks. It is available at: tweglobal.com/sustainability.

About this report

TWE's 2026 corporate reporting suite comprises the *Cultivating a brighter future* Report (this report), the Annual Report (which includes the inaugural mandatory Sustainability Report) and our Corporate Governance Statement. These documents are designed to be read as a suite, with cross-references included where relevant. Our reports, policies, technical information and other disclosures referenced throughout this report are available at tweglobal.com.

This report

This annual *Cultivating a brighter future* Report outlines TWE's approach, progress, and performance across our most material topics. It follows the structure of our Sustainability Strategy and complements the climate-related financial disclosures in our Sustainability Report.

Our material topics were identified through a materiality assessment that was formally refreshed in F23 and continues to be reviewed regularly. These topics guide how we prioritise sustainability issues that matter most to our business and stakeholders.

Unless otherwise stated, this report discloses performance information for the financial year 1 July 2025 to 30 June 2026 (F26, or the 2026 financial year).

Alignment with ESG reporting standards and frameworks

This report has been prepared with reference to a range of sustainability reporting standards and frameworks, including the International Sustainability Standards Board's (ISSB) International Financial Reporting Standards (IFRS), the Australian Accounting Standards Board's (AASB) S2, the Global Reporting Initiative (GRI) Standards, the United Nations Global Compact (UNGC) and the Sustainable Development Goals (SDGs). We continue to monitor developments in ESG reporting and strengthen the governance, systems, controls and data that support our disclosures.

Our scope 1 and 2 greenhouse gas emissions inventory has been prepared in accordance with the GHG Protocol Corporate Accounting and Reporting Standard and AASB S2. Our scope 3 greenhouse gas emissions inventory has been prepared in accordance with the GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard. Further information on renewable electricity and scope 3 greenhouse gas emissions methodologies is available in the Basis of Preparation on tweglobal.com/sustainability.

Sustainable Development Goals

The SDGs provide a blueprint to achieve a better and more sustainable future by 2030. TWE has aligned its sustainability strategy to seven priority SDGs relevant to our Company and associated operations which are highlighted on page 10. Our work to drive action towards these goals is highlighted throughout this report.

Verification and assurance

We use a range of internal verification processes and controls to help ensure the completeness and accuracy of the information in this report. They relate to data collection, collation, analysis, and presentation for reporting purposes.

KPMG completed limited assurance over selected disclosures in this report, including renewable electricity consumed of 100%, female representation in senior leadership roles of 49.3%[1], overall female representation of 46.4%[2], and scope 3 GHG emissions of 320.7kt CO_2-e[3]. KPMG's limited assurance report is available on tweglobal.com/sustainability.

Our F26 UNGC Communication on Progress is completed online through the UNGC's portal, and is expected to be available later in 2026.

1 TWE defines leadership roles as senior leaders, professionals and specialists, including general, department and functional management. Senior leaders are the CEO and members of the Executive Leadership Team (ELT); as well as senior management classified internally as Group A and B who hold leadership responsibilities and accountabilities with decision-making and business influence. In line with ASX Recommendation 1.5, the gender diversity data in our Annual Report is based on our population of permanent and fixed-term employees. The data in our annual Cultivating a brighter future Report also includes casual, seasonal, and on-call employees, and Directors.

2 In line with ASX Recommendation 1.5, the gender diversity data in our Annual Report is based on our population of permanent and fixed-term employees. The data in our annual Cultivating a brighter future Report also includes casual, seasonal, and on-call employees, and Directors.

3 This figure reflects scope 3 GHG emissions for F25. Given the 1-year lag in reporting scope 3 emissions we are unable to provide a figure for F26.

1844
Magill Cellar 3

Key non-financial performance indicators

Metric	Measure	F24	F25	F26	F26 trend*
Water stewardship					
Total water consumed[1]	Gigalitre (GL)	20.9	21.0	18.7	↙
Total water consumed in regions with high or extremely high baseline water stress[2]	% of total water consumed	30.4	37.5	31.6	↙
Water efficiency[3]	L/9LE	34.6	26.8	32.2	↗
Fuel and electricity consumption					
Total energy consumed[1]	GJ x 10^3	388.6	377.7	325.6	↙
Total fleet fuel consumption	GJ x 10^3	24.9	28.5	33.1	↗
Total electricity consumed[1]	GJ x 10^3	205.3	203.6	185.6	↙
Renewable electricity[4]	GJ x 10^3	164.3	203.6	185.6	↙
Renewable electricity[4]	% of total electricity consumed	80.0	100	100	–
% energy from grid electricity[5]	Per cent (%)	47.0	49.1	49.8	↗
Energy efficiency[3]	MJ/9LE	11.7	10.0	10.7	↗
GHG emissions inventory (scopes 1, 2 and 3)[6]					
Scope 1 (excluding biogenic emissions)[7]	Kilotonnes CO_2-e	11.4	21.5	16.5	↙
Scope 2 (excluding biogenic emissions - location-based)[8]	Kilotonnes CO_2-e	16.5	12.6	10.1	↙
Scope 2 (excluding biogenic emissions– market-based)[9]	Kilotonnes CO_2-e	4.8	0.0	0.0	-
Total scope 1 and 2 CO_2-e emissions (excluding biogenic emissions – location-based)	Kilotonnes CO_2-e	4.8	34.1	26.6	↙
Total scope 1 and 2 CO_2-e emissions (excluding biogenic emissions – market-based)	Kilotonnes CO_2-e	351.0	21.5	16.5	↙
Total scope 3[9]	Kilotonnes CO_2-e	351.0	320.7	–[10]	↙
Scope 3 - biogenic CO_2 emissions[11]	Kilotonnes CO_2	9.2	12.0	–[10]	↗
Upstream emissions (category 1-8)	Kilotonnes CO_2-e	331.8	310.7	–[10]	↙
Downstream emissions (category 9-15)	Kilotonnes CO_2-e	19.2	10.0	–[10]	↙
Total scope 1, 2 and 3 (location-based)[12]	Kilotonnes CO_2-e	378.9	354.8	–[10]	↙

* A red arrow indicates a negative trend, a green arrow indicates a positive trend, and a grey line indicates no or immaterial trend.
^ Annual movement between F25 and F26 represents a change in emissions composition rather than a performance trend.

1 Absolute figures (total water consumed, total energy consumed, total electricity consumed, solid waste diverted from landfill) include owned/leased production assets (vineyards, wineries, packaging centres), warehouses, cellar doors, joint ventures under TWE's operational control, and offices with more than 20 employees.
2 We have adopted the industry-relevant metric from the Sustainability Accounting Standards Board, which uses the World Resources Institute's Aqueduct Water Risk Atlas to classify regions with high or extremely high baseline water stress. Consistent with this methodology, we report the proportion of total water consumed in these high-stress regions as a percentage of our overall water consumption.
3 Water and energy efficiency for TWE's wineries, packaging centres and warehouses include non-TWE volumes packaged at our facilities under contract. TWE uses a unit of nine litre equivalent (9LE) to represent volume. Efficiency is based on production and what is bottled. It does not include water or energy used at Company-owned or leased vineyards, offices, cellar doors or third party packaging facilities. Production of wine is a multi-year process (i.e. grapes crushed may not be bottled in the same year) meaning efficiency may not be reflective of what is bottled that year. Water and energy consumed on vineyards, offices and cellar doors is captured in absolute figures.
4 Renewable electricity used across our operations is either generated onsite at owned or leased facilities or procured through offsite renewable sources that meet RE100's technical criteria (available at there100.org). This includes retail contracts, Energy Attribute Certificates (primarily linked to solar and hydroelectric systems), and Power Purchase Agreements.
5 The percentage of energy supplied from grid electricity is calculated as purchased grid electricity consumption divided by total energy consumption.
6 Includes owned/leased production assets (vineyards, wineries, packaging centres), warehouses, cellar doors, joint ventures under TWE's operational control, and offices with more than 20 employees.
7 Scope 1 emissions comprise emissions from fuel combustion (stationary and mobile sources), refrigerant losses, wastewater treatment, winemaking activities, agricultural activities and land use change.
8 Scope 2 emissions are disclosed using both location-based and market-based methods in accordance with the GHG Protocol Scope 2 Guidance. Location-based emissions reflect average grid emission factors, while market-based emissions reflect the impact of contractual instruments and supplier-specific factors, where applicable, through the application of relevant emission factors.
9 Scope 3 emissions comprise indirect value chain emissions assessed across the categories defined by the GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard. Category 14 – Franchises has been assessed as not relevant to TWE. Scope 3 emissions are reported in a one-year reporting lag, with F25's scope 3 emissions disclosed in F26 reporting. Scope 3 emissions are subject to limited assurance.
10 There is a 1-year lag in reporting scope 3 emissions. This will be reported in F27.
11 Biogenic CO_2 emissions from scope 3 sources are reported separately in line with the GHG Protocol. These emissions are excluded from total scope 3 figures, as they are considered part of the natural carbon cycle and do not contribute to net atmospheric CO_2 increases.
12 Totals and percentage contributions are calculated using either location-based or market-based scope 2 emissions, as indicated. Total scope 1, 2 and 3 emissions represent the sum of scope 1, scope 2 and scope 3 emissions on the respective basis.

Metric	Measure	F24	F25	F26	F26 trend*
GHG emissions inventory (scopes 1, 2 and 3)[7]					
Total scope 1, 2 and 3 (market-based)[12]	Kilotonnes CO_2-e	367.2	342.2	–[10]	↙
Scope 1 (of total scope 1, 2 and 3 – location-based)[12]	Per cent (%)	3.0	6.1	–[10]	—^
Scope 2 – location-based (of total scope 1, 2 and 3 – location-based)[12]	Per cent (%)	4.4	3.5	–[10]	—^
Scope 3 (of total scope 1, 2 and 3 – location-based)[12]	Per cent (%)	92.6	90.4	–[10]	—^
Scope 1 (of total scope 1, 2 and 3 – market-based)[12]	Per cent (%)	3.1	6.3	–[10]	—^
Scope 2 – market-based (of total scope 1, 2 and 3 – market-based)[12]	Per cent (%)	1.3	0.0	–[10]	—^
Scope 3 (of total scope 1, 2 and 3 – market-based)[12]	Per cent (%)	95.6	93.7	–[10]	—^
Carbon emission intensity ratio (location-based)[13]	kg CO_2-e/9LE	0.8	0.8	0.7	↙
Carbon emission intensity ratio (market-based)[13]	kg CO_2-e/9LE	0.4	0.3	0.3	—
Environmental incidents					
Incidents reportable to environmental authorities	Number	2	1	2	↗
Fostering healthy and inclusive communities					
Employee engagement	Score in annual survey (%)	64	71	65	↙
Inclusion	Score in annual survey (%)	71	76	75	—
Lost time injury frequency rate[14]	Lost time injuries per million hours worked	4.2	3.5	3.6	—
Serious Safety Incident Frequency Rate (3-year)[15]	Serious incidents per million hours worked over 3 years	0.55	0.33	0.32	—
Safety conversation frequency rate	Safety conversations per million hours worked	1,009	1,163	1,267	↗
Female representation in senior leadership roles[16]	Per cent (%)	47.2	48.4	49.3	↗
Overall female representation[17]	Per cent (%)	43.7	45.2	46.4	↗
Female representation on TWE's Board	Per cent (%)	42.9	55.6	44.4	↙
Alcohol Policy training[18]	Per cent (%)	95.0	95.8	94.1[19]	↙
Non-compliance findings with marketing regulation or voluntary codes	# of findings	1	1	0	↙
Non-compliance findings with labelling codes or regulations[20]	# of findings	0	0	0	–
Producing sustainable wine					
Total solid waste generated[1]	Kilotonnes	33.3	33.3	26.2	↙
Solid waste diverted from landfill	Per cent (%)	93.7	93.9	92.1	↙
% of owned/leased sites certified to relevant standard[21]	Per cent (%)	99.2	98.4	100	↗
Number of production facilities[22]	# of facilities	21	23	23	–

13 Carbon emissions intensity (location-based or market-based) is calculated as scope 1 and scope 2 emissions excluding biogenic emissions from TWE's wineries and packaging centres divided by total production volume, including winery, packaging and third-party (non-TWE) volumes packaged under contract, expressed in nine-litre equivalents (9LE).
14 Global frequency rate calculations incorporate all TWE regions, all employees and casual workers. Contract workers not under the direct supervision of TWE are not included in the calculations.
15 In F24 TWE moved from a 12-month rolling Serious Safety Incident Frequency Rate to a 3-year rolling Serious Safety Incident Frequency Rate.
16 TWE defines leadership roles as senior leaders, professionals and specialists, including general, department and functional management. Senior leaders are the CEO and members of the Executive Leadership Team (ELT); as well as senior management classified internally as Group A and B who hold leadership responsibilities and accountabilities with decision-making and business influence. In line with ASX Recommendation 1.5, the gender diversity data in our Annual Report is based on our population of permanent and fixed-term employees. The data in our annual Cultivating a brighter future Report also includes casual, seasonal, and on-call employees, and Directors.
17 Includes casual, seasonal, and on-call employees, and Directors. In line with ASX Recommendation 1.5, the gender diversity data in our Annual Report is based on our population of permanent and fixed-term employees.
18 Training applies to desk-based employees.
19 A new 'Responsible alcohol consumption' training was developed in partnership with Drinkaware, replacing an existing module on the same topic. The new module expands on the communication of our global Alcohol Policy to further improve alcohol health literacy among our global teams. Completion of the old module was 95.8% at the time of being decommissioned.
20 TWE defines a non-compliance as 'a proven contravention of a compliance obligation applicable to TWE'.
21 The scope of this metric includes applicable certifications for owned/leased vineyards and wineries for Australia, New Zealand, the US, France, and Italy only. The sustainability certification scheme varies between regions.
22 Scope includes our globally operated packaging facilities, wineries and warehouses.

Building a resilient business

Long-term value relies on protecting the health of our planet, supporting the communities where we operate and thoughtfully using the natural resources our business depends on. To reduce our impact and remain resilient in the face of increasing uncertainty, complexity and change, we are responding by implementing mitigation and adaptation measures, fostering strategic partnerships and investing in long-term solutions.

We're committed to renewable electricity

Maintained 100% renewable electricity across our global operations[1], with an additional 9 on-site solar installations completed in F26

We're accelerating decarbonisation

Obtained 50% co-investment from the Australian Renewable Energy Agency (ARENA) for a large-scale decarbonisation project in the Barossa Valley focused on removing scope 1 emissions

We're treasuring our water

Completed a pilot irrigation efficiency assessment in the Barossa Valley following the installation of more than 380 smart water meters

We're planning for the future

Deepened understanding of future climate risk for our viticultural assets across Australia to inform strategy, footprint, and capital allocation

1 Includes owned/leased production assets (vineyards, wineries, packaging centres), warehouses, cellar doors, joint ventures under TWE's operational control, and offices with more than 20 employees

PENFOLDS

Water stewardship

Water is one of our most critical assets. Maintaining long-term access to reliable, high-quality water is a key focus of our sustainability strategy. We recognise our responsibility to support the resilience of water resources in the regions where we operate, particularly as growing competition for water from urban demand, agriculture and environmental water requirements increases pressure on finite supplies.

Climate change is expected to make many of our key growing regions warmer and drier over time, increasing water stress and the importance of effective water management. Water scarcity is a material risk to our operations. Our global water strategy, *Treasuring Water*, guides our actions as responsible stewards of this shared resource. It is underpinned by our vision of being responsible, mindful, and sustainable leaders across the communities where we operate.

Our strategic objectives are:

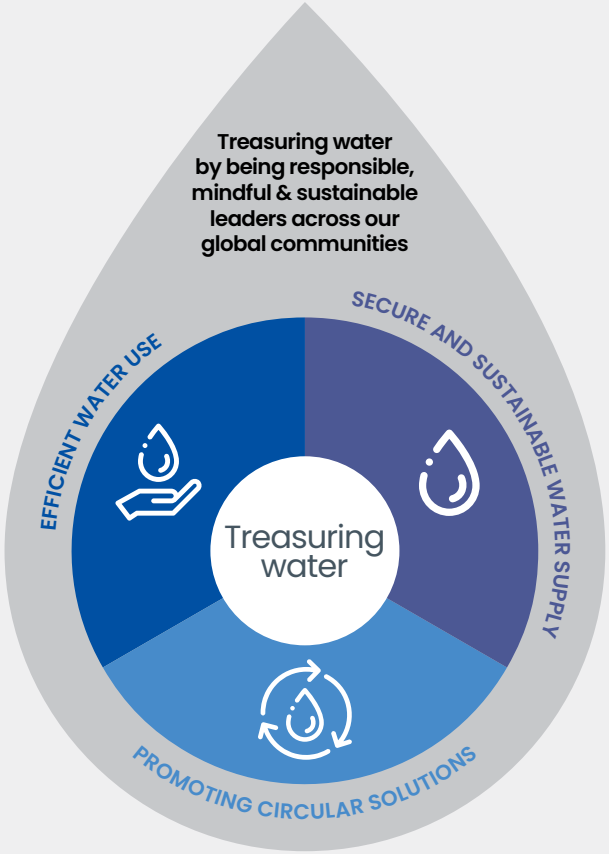
- Secure and sustainable water supply
- Efficient water use
- Promoting circular solutions.

Progress

In F26, we strengthened our water stewardship capabilities by integrating data from smart water meters at high- and medium-risk sites into enhanced monitoring and reporting tools. This provided greater visibility of water use, helping identify opportunities to improve efficiency and supporting targeted irrigation assessments and water reuse and recycling initiatives.

We continued to assess future water security risks, including the potential impacts of climate change on water availability, informing long-term planning for a secure and sustainable water supply for our vineyards and wineries.

Our global water strategy: *Treasuring Water*



SECURE AND SUSTAINABLE WATER SUPPLY

Quality water supplies are secure across our operations, and will be resilient as we face climate change. We use only what we need, and are considerate of the water needs of others who share the resource, including the environment. We will support partners in our supply chain to manage their water sustainably.

PROMOTING CIRCULAR SOLUTIONS

Wastewater recycling, water reuse and resource recovery will feature across our operations to drive better outcomes for our business, local communities and the environment. We will pursue opportunities to sustainably and productively manage the nexus between water and energy.

EFFICIENT WATER USE

We value our precious water resources and use water productively and effectively across our operations. We seek out and implement cost effective opportunities to prevent losses and optimise use in our vineyards, wineries and packaging operations.

Secure and sustainable water supply

Water is a critical resource for wine production, with the majority of our annual water use occurring in vineyards. Many of these vineyards are located in catchments that are considered to have high baseline water stress due to the combined impacts of water supply constraints, demand pressures and stakeholder expectations.

Recent years have been characterised by drier-than-average conditions across several of our grape-growing regions. These conditions have reduced natural water replenishment and increased reliance on irrigation to support vineyard productivity. In particular, consecutive years of below-average winter rainfall have also brought the timing of irrigation forward, meaning careful management is required over the season.

Over F26 we strengthened our understanding of water use in our Australian vineyards, examining historical patterns and future requirements under climate change scenarios. Water needs at each site are influenced by several factors, including grape variety, soil type, and specific climatic conditions such as rainfall and temperature.

As outlined in the Climate risk section, we continue to assess projected changes in aridity and temperature to better understand their implications for water availability, vineyard water requirements and irrigation demand. In several regions, we continue to engage with stakeholders on water allocation plan reviews, while sharing insights on climate risk and potential impacts on future water availability. During F26, we further developed our water quality modelling capabilities in the Barossa Valley, following another lower-than-average rainfall year in F26. This work informs our understanding of how prolonged dry conditions can affect water quality and supports planning to strengthen regional water security. Our multi-year dam covering and lining program in Australia is scheduled to recommence in F28.

Efficient water use

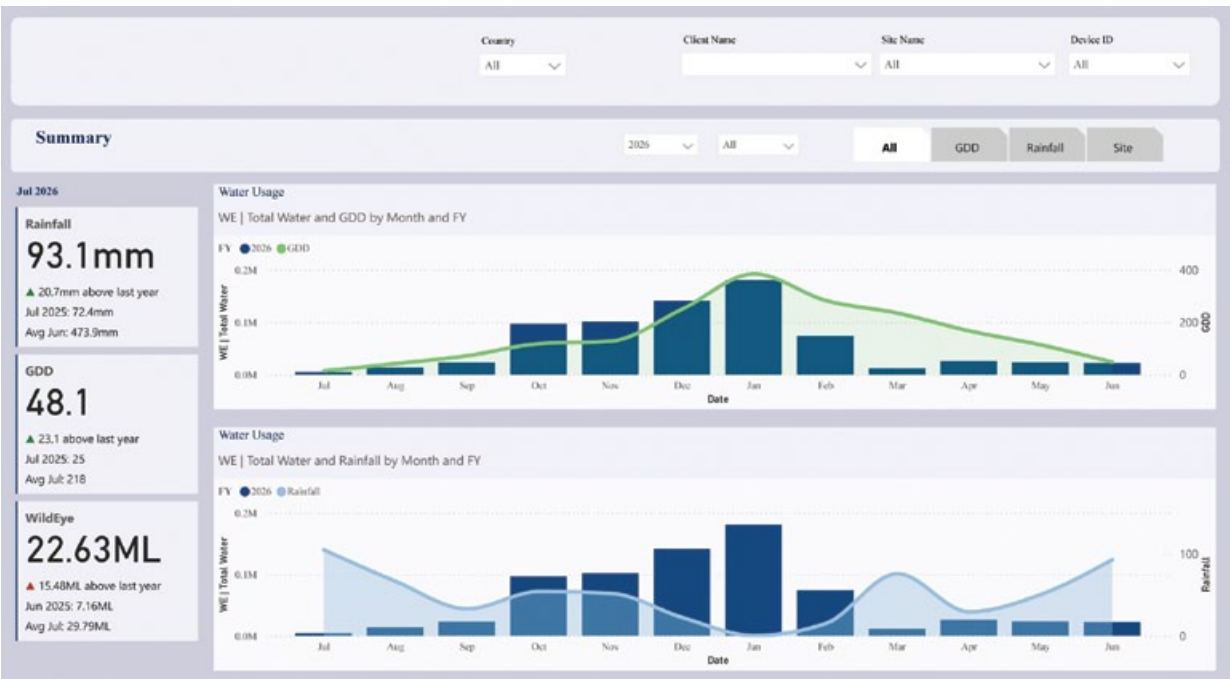
Most of our water use is for vineyard irrigation. Efficient irrigation relies on both well-performing infrastructure and accurate water use data to support informed irrigation decisions and the early identification of leaks and inefficiencies.

Since implementing our global water strategy, we have installed more than 380 smart meters across high- and medium-risk locations, significantly improving visibility of water use across our vineyard operations.

During F26, our focus shifted to improving the quality and accessibility of water data. This included validating performance to ensure data quality and integrating smart meter data into centralised systems. These improvements will continue to strengthen our ability to monitor water use, identify anomalies and support more informed decision making.

We developed interactive dashboards that give vineyard teams near real-time visibility of water consumption alongside rainfall and growing season conditions, supporting more informed irrigation decisions and more efficient water use. Water use can be tracked at estate, vineyard and site level, allowing benchmarking between vineyards, comparison against previous seasons, and monitoring against annual water allocation limits and site water budgets. By consolidating operational and climate data into a single view, the platform supports proactive water management, strengthens water security planning and provides a foundation for future capabilities such as automated leak detection and irrigation performance monitoring.

We started a trial of irrigation system health checks in key Barossa Valley vineyards to establish baseline performance, identify inefficiencies and prioritise actions to improve irrigation efficiency and water productivity.



Example dashboard view of a vineyard.

Water stewardship

Improving efficiency through irrigation health checks

A review of key irrigation assets across our Australian vineyards, including pumps, filters and drip irrigation infrastructure, included an evaluation of asset age and expected service life to identify future replacement requirements and support long-term capital planning.

Given the strategic importance of the Barossa Valley and its exposure to increasing water security risks, we also completed detailed irrigation system health checks at selected vineyards. Delivered in partnership with specialist irrigation consultants, the assessments combined desktop hydraulic analysis with field-based inspections to evaluate irrigation system performance, efficiency and reliability. The reviews covered filtration systems, water delivery infrastructure, irrigation control systems and critical irrigation blocks, with a focus on identifying opportunities to improve system performance and irrigation uniformity.

The health checks allowed consolidation of irrigation system information and hydraulic design data, providing a more complete understanding of existing infrastructure and its ability to meet vineyard water requirements. The assessments are informing future maintenance, renewal and irrigation optimisation across the region.

The project provides a clearer understanding of future irrigation infrastructure needs and supports reliable water delivery across our vineyard operations. By strengthening irrigation planning, we are building resilience in future water security and climate-related challenges while supporting sustainable grape production.

Promoting circular solutions

Circular water solutions reuse and recycle water to minimise waste and conserve fresh water. We source recycled water, including from nearby townships, to support vineyard irrigation where possible. Alternative recycled water supplies are used by sites including McLaren Vale and Great Western in Australia, and Asti, Etude, Stanly Ranch, and Stags' Leap Ranch in California. We also reuse recycled water from our winery network for vineyard and landscaping irrigation. In the Barossa Valley for example, stormwater and winery effluent capture systems provide an alternative water source for vineyard irrigation. The winery produces up to 240 ML of recycled water annually and supplies three Barossa Valley vineyards covering 329 Ha as well as the local golf club.

During F26, we completed a chemical reuse initiative at the Barossa Valley winery to help improve recycled water quality. The project enables crossflow cleaning chemicals to be recovered and reused for tank cleaning, reducing chemical consumption and minimising waste. Through F27, we will monitor chemical reuse performance to optimise operational benefits from the initiative.

We carefully manage recycled water in our vineyards to balance operational water security with long-term soil and vine health. Ongoing monitoring of water quality, soil condition and vineyard performance helps ensure recycled water is applied sustainably, with particular focus on managing salinity and other water quality risks in the fragile soils of the Barossa Valley. This approach supports both vineyard productivity and the long-term resilience of our land and water resources.

Our water management practices

Our management approach varies at each site, depending on available water sources, quality parameters and local regulatory requirements. Many of our vineyards are in high-risk catchments, so our immediate focus is on the risks and opportunities in those locations given their significant impact on our business, the environment, and the community.

In F26:

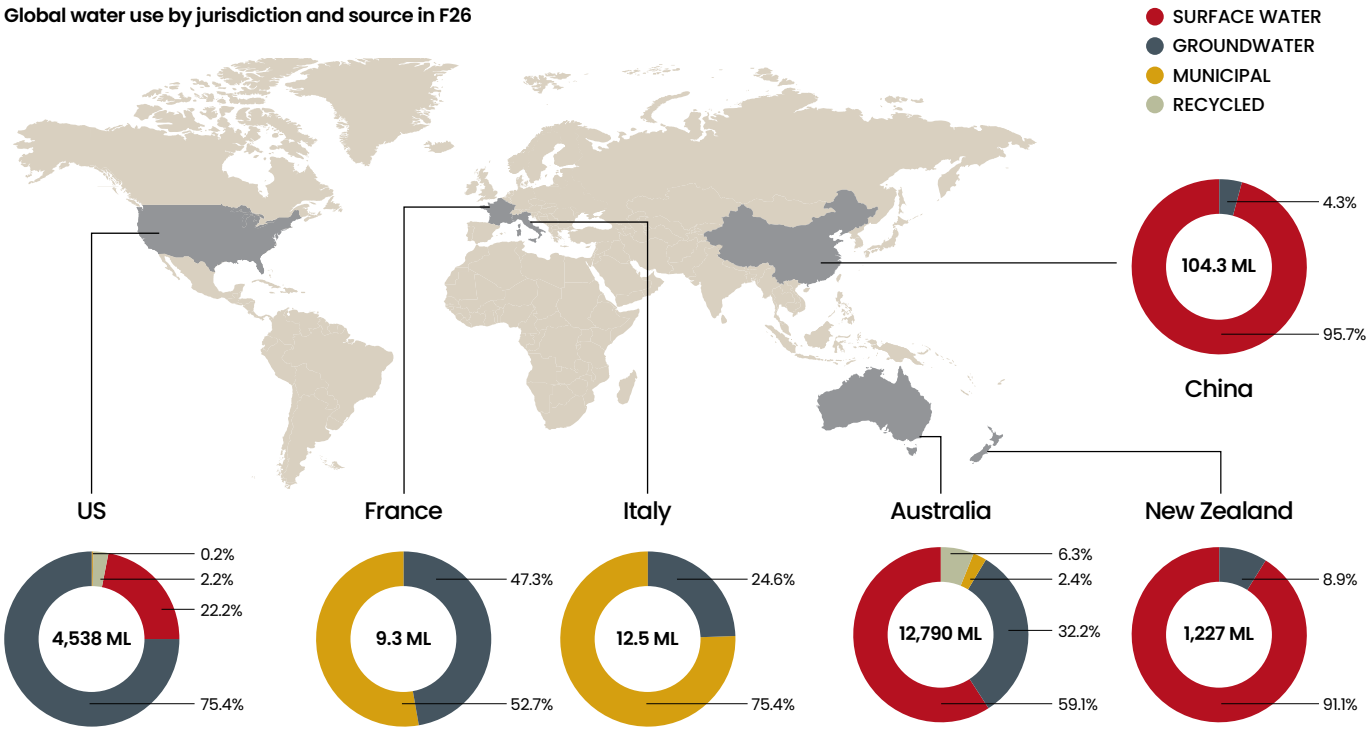
- 97% of TWE's water usage occurred in our vineyards
- 68.5% of global water use was in Australia, with most of the remaining consumption in California, followed by New Zealand
- Water was mainly sourced from a combination of ground and surface water systems in Australia, predominantly surface water in New Zealand, and primarily groundwater in the US.

Our range of water management practices include:

- Smart meters to help monitor, manage and conserve water resources, with data to track usage and identify efficiency opportunities
- Trial irrigation technologies use soil moisture, weather and operational data to optimise water application while maintaining grape quality and yield
- Water availability and security is part of our climate resilience and risk management processes, supporting informed operational and long-term planning
- Water consumption is monitored through our environmental management and sustainability reporting systems to improve water use efficiency
- We invest in water security and conservation to strengthen long-term sustainability and operational resilience.

Projects such as health checks, pressure bomb trials and smart water meters contribute to irrigation optimisation. Health checks analyse system performance, pressure bomb trials improve knowledge of vine water requirements and irrigation timing, and smart water meters deliver accurate water use data. Together, these initiatives are creating the knowledge base and data for efficient, sustainable irrigation management.

Global water use by jurisdiction and source in F26



Performance

Weather conditions have a material impact on annual water consumption, particularly in our vineyards. Over F26, we consumed 18.7 gigalitres of water across our viticultural, wine production and packaging operations globally, a decrease from the prior year.

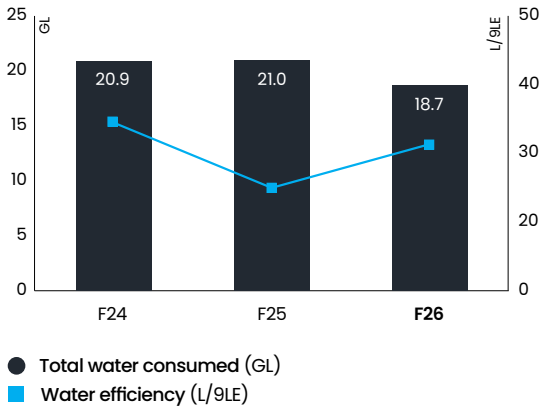
Water consumption in Australia decreased by 20.5% compared to F25. Despite a drier than average winter, multiple heatwave events and elevated irrigation demand during summer, water consumption did not increase uniformly across Australian vineyards. Disrupted flowering and reduced fruit set lowered crop loads and vine water requirements in many regions. Above-average rainfall during October-November and again during late February-March also reduced irrigation requirements at key stages of the season. Consequently, some vineyards recorded lower total water use than the 2025 vintage despite warmer and drier summer conditions.

Temperatures in New Zealand were generally above average during the 2026 vintage, particularly in Marlborough and Nelson, with Marlborough recording one of its warmest recent vintages. Rainfall was above long-term averages across all regions, resulting in a 7.4% decrease in water consumption in vineyards compared to the 2025 vintage.

In California, the V25 growing season was preceded by average-to-dry winter rainfall conditions with few spring frost events. The growing season was unusually cool and without significant heatwaves, which led to lower water demand by the grapevines and a later start to the irrigation season. The start of the V26 growing season saw late rainfall which delayed the onset of irrigation; as a result, overall water consumption decreased by 10.4% compared to F25. Water application accuracy improved in vineyards where smart irrigation technology had been installed, allowing us to better match plant water requirements.

Our transition to a luxury-led business since F21 has meant smaller parcels of fruit and wine. These smaller batches require additional handling and more frequent cleaning of tanks, barrels, and production equipment, including filtration technologies such as high-pressure membrane cross-flow systems. Despite these operational changes, global water consumption decreased by 15% compared with F25. However, water use efficiency declined from 26.8 L/9LE in F25 to 32.2 L/9LE in F26, reflecting the greater water intensity associated with processing smaller batch volumes.

Total water consumed (GL) (3-year)



Water stewardship

Data-driven irrigation decisions

As water resources become increasingly valuable, data is helping improve irrigation efficiency and support sustainable vineyard management. At our Padthaway vineyard, we're trialling Midday Stem Water Potential (MSWP), a measurement of the vine's water status that informs irrigation decisions based on what the vine needs rather than soil moisture or fixed schedules. MSWP is measured by bagging a shaded leaf, then using a pressure chamber – known as a pressure bomb - to determine the pressure required to force water back to the cut leaf stem, which reflects the vine's water stress level. Measurements are taken around midday when water demand is highest, with negative pressure values indicating greater plant water stress.

Over the past two growing seasons, weekly MSWP monitoring across four vineyard blocks has given us a detailed understanding of how much water the vines need. One block was irrigated primarily using MSWP thresholds as the decision making tool. The trial showed that irrigation water application could be reduced by 0.5ML/Ha while maintaining comparable fruit quality. The results also improved our understanding of vine water requirements throughout the season and highlighted opportunities to better align irrigation timing with plant demand.

This work demonstrates the value of combining traditional irrigation management practices with plant-based monitoring to support more precise, evidence-based decisions. By understanding how vines respond to their environment, we can use water more efficiently, maintain vineyard performance, and continue to strengthen our commitment to sustainable water stewardship.

Climate risk and GHG emissions

The global viticulture sector remains challenged by the changing climate, and we're focused on minimising and mitigating the negative impacts of our operations while building resilience. The latest science highlights the increasingly severe impacts of a warming climate on people, ecosystems, and agriculture.

We support the aim of the Paris Agreement - to limit global temperature rise to 1.5°C above pre-industrial levels – and our industry-leading work to embed decarbonisation and climate resilience ensures that we're playing our part. The Agreement's science-based benchmark guides us, including our commitment to achieve net zero scope 1 and 2 emissions by 2030[1].

We're engaging with our supply chain to encourage decarbonisation and further understand our associated scope 3 emissions profile; a longer-term program of work given the complexities involved.

Progress

A range of weather events continued to affect our operations in F26, including the impacts of longer-term climatic trends. The Adapting our business section outlines the key weather and events that reinforce the need for urgent climate action. The significant variability experienced in F26 also highlights the importance of mitigating emissions and adapting our business.

Playing our part

We recognise the need to transition to a lower-carbon economy and our responsibility to decarbonise our business operations and broader value chain impacts. Over F26 we played our part by maintaining our commitment to 100% renewable electricity and prioritising the delivery of our public commitments as well as working across our broader value chain to enhance data quality, understand the proposed decarbonisation pathway for high-emission sources, and collaborate with government and regulators on decarbonisation opportunities and compliance.

Our GHG emissions footprint (scope 1 and 2) was calculated in F21 at just over 47.6[2] kilotonnes CO_2-e. In F26, our operations emitted around 16.5 kilotonnes CO_2-e[3], the substantial progress largely from the adoption of 100% renewable electricity as well as investment in metering, energy efficiency and electrification of equipment.

Keeping our stakeholders informed

In September 2024, the Australian Accounting Standards Board (AASB) finalised the standards and implementation approach for mandatory sustainability reporting in Australia. Our first report, for the 2026 financial year, is available within our Annual Report.

Energy and emission performance[4]

A range of energy sources power our global operations, and we have a diverse greenhouse gas (GHG) emissions inventory. Our scope 1 and 2 market-based emissions, excluding biogenic emissions, were 16.5 kilotonnes CO_2-e in F26. The reduction since our updated baseline was driven by a range of factors, notably the transition from 0.1% renewable electricity in the baseline year to 100% renewable electricity from 2024, and changes in our operational footprint including site divestments.

In F26 we reviewed our greenhouse gas inventory boundary and reporting systems for compliance with the mandatory Australian sustainability reporting scheme. Structural changes are anticipated across our global business; a comprehensive review of baseline recalculation requirements will be completed as part of the F27 inventory update. Changes will be assessed in accordance with our GHG Emissions Recalculation Policy.

In absolute terms, our overall electricity consumption has decreased 23.2% since F21 and our overall energy consumption has decreased by 30.1% (13.8% since F25) thanks to a range of energy efficiency measures. Production volumes have also decreased by approximately 45% since F21. However, a significant share of electricity consumption supports infrastructure and systems that operate relatively independently of production volumes, including:

- Climate control for wine storage facilities, lighting and other building services
- Operational machinery for cellaring and wastewater treatment, which remain relatively constant regardless of production levels - particularly as we transition to a luxury-led business with expanded storage and maturation requirements.

At the same time, our business model is becoming increasingly focused on luxury, resulting in reduced volumes but a larger share of fruit and wine being handled as individual parcels or batches in the winery, flowing into smaller runs in packaging centres. Our energy and water efficiencies are impacted by the higher number of tanks and specialised equipment that require cleaning after each use. These combined effects have meant our energy efficiency has declined around 26.9% since F21.

1 Measured using scope 1 and scope 2 (market-based) emissions, excluding biogenic CO_2 emissions.
2 The F21 inventory has been updated to integrate methodological refinements applied in F25 and to account for relevant structural changes.
3 Scope 1 and 2 (market-based) emissions excluding biogenic emissions.
4 The emissions data presented in this chapter supports our public sustainability commitments and is prepared on a different basis to selected disclosures in our mandatory Sustainability Report. Our Sustainability Report presents gross scope 1 and 2 emissions, while this chapter focuses on progress toward our public commitments using scope 1 and 2 (market-based) emissions excluding biogenic emissions.

Climate risk and GHG emissions

Climate change governance

We have clearly articulated roles and responsibilities for climate change governance at TWE

Board

Overseeing the Company's sustainability, and environmental, social and governance (ESG) performance and initiatives, including in relation to:

- climate change risks and opportunities
- the climate resilience of the Group's strategy and business model
- implications for the Group's financial position, financial performance and cash flows
- approving any external climate-related targets.

Audit and Risk Committee (ARC)

- Reviewing and endorsing climate-related financial estimates, assumptions, judgments and disclosures included in sustainability reports to the Board
- Maintaining a sound system of risk oversight and management, and internal control, which identifies, assesses, manages and monitors financial and non-financial risks, including climate-related risks
- Responsible for overseeing the assurance process with respect to climate-related disclosures prepared in accordance with applicable sustainability reporting standards

Wine Operations and Sustainability Committee (WOSC)

- Providing advice to the Board on the Company's sustainability strategy and initiatives, including consideration of climate-related risks and opportunities, the setting of climate-related targets, and monitoring of the Group's progress towards, and resource allocations in relation to, those targets
- Strategic wine asset management and supply chain sustainability
- Sustainability reporting, including the structure and content of the Company's Sustainability Report and *Cultivating a brighter future* Report, and other climate-related public disclosures and reporting

Management responsibility

Executive and Executive Leadership Team

- Endorse and recommend external sustainability commitments to the Board (for its approval)
- Review and approve relevant sustainability disclosures
- Sponsor and support the delivery of our sustainability objectives (ELT KPO)
- Receive updates on sustainability progress

ESG Reporting Steering Committee

- Provide governance and oversight of ESG reporting and assurance processes
- Identify and resolve or escalate any relevant disclosure risk or compliance matters
- Support alignment of ESG disclosures with broader strategy, brand positioning, risk management, and stakeholder expectations
- Monitor evolving ESG reporting standards and regulatory requirements, recommending changes to ensure compliance

Risk and Compliance Committee (RCC)

- Oversight of material climate-related risks/opportunities (similar to its role over other TWE Group risks/risks with a notable trend)
- Oversight of compliance with new and emerging regulatory requirements (similar to its role over other key compliance areas)

Management with defined accountability

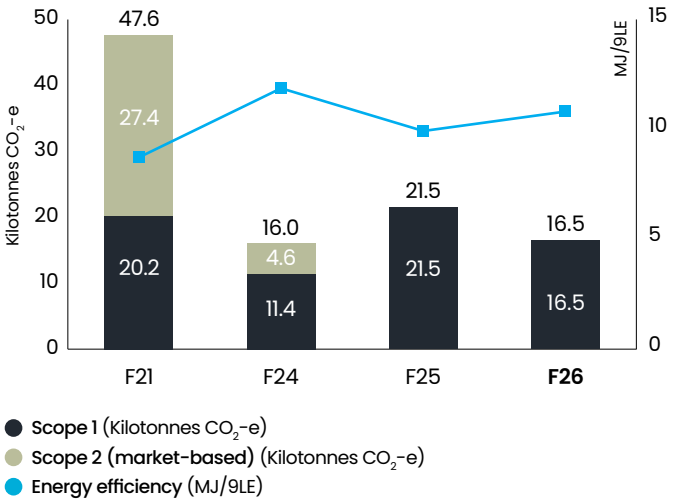
Strategy	Risk	Compliance	Finance	Operations	Legal	Sustainability
Embeds climate into long-term plans and investments	Monitors climate risks in the enterprise risk framework	Monitoring of regulatory requirements	Assesses financial impacts and guides capital allocation	Adapts vineyards and sites to physical risks	Manages regulatory and litigation exposure	Develops climate strategy and communications

Working groups focused on specific aspects of AASB S2 compliance

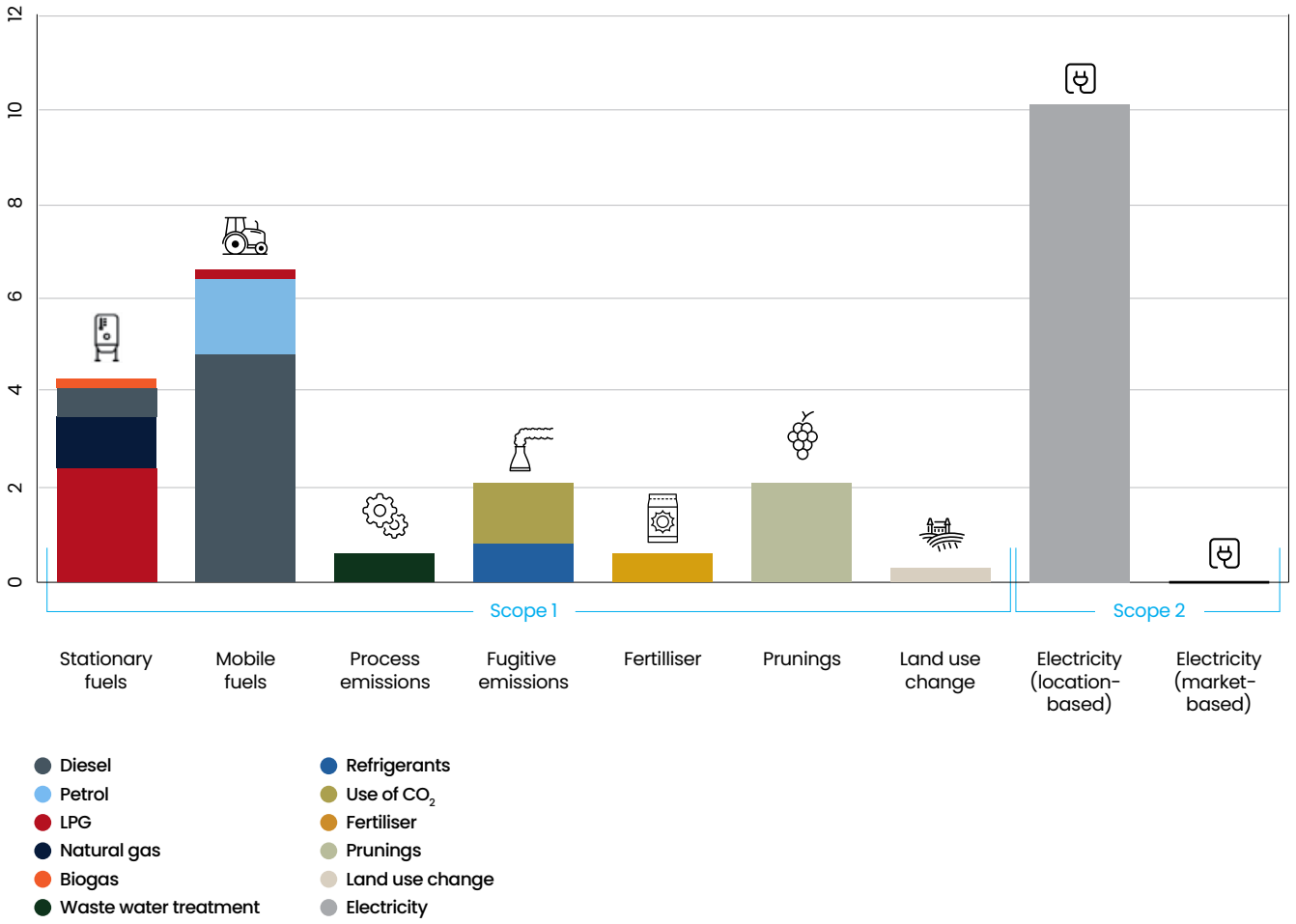
As highlighted throughout this report, we continue to investigate and adopt efficiency opportunities and invest in upgrades and enhancements across our global operational footprint.

The chart below shows the varied sources of greenhouse gas emissions across our business.

Our global GHG emissions and energy efficiency footprint



F26 GHG emission by source (Kilotonnes CO_2-e)



Climate risk and GHG emissions

Reporting treatment of biogenic emissions

Biogenic emissions arise from biological processes, including grape fermentation and biomass combustion, and reflect the release of carbon recently absorbed through vine growth and other biological activity as part of a short-cycle carbon process. As these emissions do not represent the release of fossil carbon, they are excluded from this *Cultivating a brighter future* Report and TWE's public climate commitments, including our net zero by 2030 (scope 1 and 2) target and our commitment to reduce scope 1 and 2 emissions from our Barossa Valley winery and packaging centre by more than 80% by the end of F29 relative to an F21 baseline. Emissions outlined in this Report may therefore differ from the accompanying Sustainability Report, where scope 1 emissions are reported on an absolute gross basis and include biogenic emissions.

Switching to renewables

When we set our commitment to switch to 100% renewable electricity in 2021, around 60% of our scope 1 and 2 footprint was linked to electricity usage. Switching to renewables allowed us to have the biggest positive impact in a relatively short period of time. We established a clear roadmap across our global footprint and have made significant progress since commencing our journey in F21 at 0.1%. We achieved 100% renewable electricity at the end of the 2024 calendar year, and continued to ensure our approach aligns with the RE100 technical criteria over F26.

As at the end of F26, we had completed 43 onsite solar installations across our global operations, with an investment of approximately $28.4m[5]. Together, they generated more than 7,600 MWh of renewable electricity, equivalent to powering 1,388 homes[6]. Solar installation projects through F26 included additional capacity at our Barossa Winery in South Australia and Matua Winery in New Zealand. In the US, we completed the construction of Beaulieu Winery and Paris Valley Vineyard as well as the first stage of the solar installation at Sterling Winery. Additional installations are underway at Sterling and Paso Robles Wineries.

Alongside these installations, we continue to purchase certified renewable electricity and Energy Attribute Certificates (EACs). We take a best practice 'active' approach to renewable electricity procurement, where our renewable electricity claims are based on our actions instead of reliance on the percentage of renewable electricity in the national grid (for example, 40% of electricity in Australia is currently renewable[7]; we don't use this metric as the starting point in our renewable electricity claim). This ensures our business is focused on renewable electricity capacity in each of our operating regions.

In F24, we started to procure renewable electricity for our operations, scaling up in F25 to include all eligible electricity contracts across our operating markets. Renewable electricity contracts have reduced our market-based footprint by approximately 66% in F26.

We procured EACs to cover our operations in New Zealand and China, our offices in Shanghai, Singapore, and London, as well as a portion of our operations in the United States, France, and Australia. In F26, we purchased EACs and retired them to account for our use in these markets, given the nature of some existing agreements (i.e. leases with embedded energy agreements).

We intend to use a combination of behind-the-meter solar generation, certified renewable electricity, power purchase agreements, energy storage, alternate fuels and EACs to maintain our 100% renewable electricity goal.

Advancing renewable energy in the Barossa Valley

In F26, we progressed the solar program at our Barossa Valley Winery and Packaging Centre, expanding onsite renewable energy generation and installing our first large-scale battery energy storage system (BESS).

The project included the installation of a 178kW solar system supporting the wastewater treatment plant and a 147kW solar system servicing refrigeration, tank farms and fermentation operations. This brings total generation onsite to over 3.1MW. Revised network settings removed previous export limitations, enabling greater utilisation of existing solar generation during periods of lower site demand.

The project also delivered two 535 kWh battery systems supporting packaging and wastewater treatment operations. The batteries will help optimise energy use, manage peak demand and enhance the value generated from onsite renewable electricity.

Ground-mounted solar panels and the large-scale battery energy storage system installed at our Barossa Valley Winery and Packaging Centre in South Australia.

5 The number of solar installations and associated capital investment reported in F26 exclude four solar systems located at a site divested in October 2024. Accordingly, reported F26 totals differ from prior projected figures, which included these assets.
6 Based on the average Australian electricity consumption of 5,475 kWh per annum (reference: Table 9: Average electricity consumption by DNSP (kilowatt hours, kWh), Residential energy consumption benchmarks Final report for the Australian Energy Regulator, 9 December 2020).
7 Clean Energy Council (2025), Clean Energy Australia 2025 Report. Retrieved from https://www.cleanenergycouncil.org.au/resources/resources-hub/clean-energy-australia-2025-report

We are a member of RE100, a global corporate renewable energy initiative bringing together hundreds of large and ambitious businesses committed to 100% renewable electricity. It provides guidance and best practice technical criteria to help organisations make the switch to renewable electricity in a way that supports the growth of that market.

Energy efficiency

Our decarbonisation efforts focus on optimising the efficiency of our operations to ultimately reduce our overall use of energy, and work towards achieving net zero carbon emissions (scope 1 and 2) by 2030. Achieving our 100% renewable electricity commitment takes us partway to our net zero goal, with about 40% of baseline year emissions from scope 1. We expect to sequester any remaining emissions that are difficult or uneconomical to decarbonise, anticipated to be approximately 15-20% of our footprint[8]. Alternative fuel availability and price, as well as the broader pace of innovation, remain uncertain.

The source of our scope 1 emissions varies considerably. We expect the transition to lower-carbon solutions will be a lengthy and non-linear process. Scope 1 emissions are typically harder to abate or decarbonise as they're directly linked to processes and equipment with longer operating lives. For example, a key challenge in our vineyards is diesel or propane-powered frost fans – with no commercially viable alternatives, ongoing innovation and industry partnership is needed to decarbonise. In contrast, the boilers used in our wineries are typically powered by natural gas or propane. These have a useful life of up to 20 years but have a range of viable and available alternatives such as electrification, heat pumps and solar hot water.

Our net zero emissions roadmap captures a range of fuel-switching (i.e. electrification or alternative fuels) and efficiency-based projects to reduce our scope 1 emissions.

We revisited our roadmap in F26 as part of an annual process to re-test our assumptions, technical parameters, resourcing and progress to ensure the commitment remains feasible and reasonable. Around 100 opportunities have been identified, covering areas such as lighting, compressed air, heating, ventilation and air-conditioning (HVAC), refrigeration, hot water, process heating and cooling, and motor efficiency. Each opportunity has been assessed according to the technology landscape, forecast emissions reduction potential, and ease of implementation.

In F26, we delivered a range of minor efficiency and upgrade projects across our global footprint. We also continued rolling out EV charging capability at priority sites to support the transition to hybrid and electric vehicles. In the US, we installed 17 EV chargers at our Etude and Beaulieu Vineyard winery cellar doors. In New Zealand we started installing EV chargers at Matua Winery, with the project set to conclude in F27.

We continued to invest in sub-metering, continuing the rollout of smart electrical and gas meters to help detect unusual usage patterns, identify potential savings and provide insights to manage our overall usage more efficiently. Across the Barossa Valley Winery and Packaging Centre, more than 135 electrical submeters installed over the past two years provide live and historical information for validation of new energy reduction opportunities. We continue to actively explore and trial emerging low carbon technology.

Barossa Valley decarbonisation project

In F26, we entered into an agreement with ARENA (Australian Renewable Energy Agency) to decarbonise our Barossa Valley precinct. The project will build on existing monitoring and energy infrastructure by:

- Identifying opportunities to reduce hot water demand
- Implementing biogas reuse from wastewater treatment to offset LPG
- Electrifying hot water generation and other thermal energy uses
- Installing and utilising sub-metering, demand management systems, and a battery energy storage system to optimise load and integration of renewable energy
- Showcasing the integration of various technology solutions
- Electrifying key vineyard equipment (pumps) using hybrid solar diesel systems.

The project is expected to be completed in F29 and will be conducted across two phases: front end engineering and detailed design, followed by implementation. ARENA's contribution of 50% of project costs seeks to support commercially-available technology that requires further support for full industry uptake. Insights from the project will be shared in a range of industry forums, given the replicability of the project's initiatives across the broader food and beverage sectors.

8 F21 baseline is 47,630 tonnes CO_2-e.

Climate risk and GHG emissions

Scope 3 emissions

Scope 3 emissions are the indirect emissions from our value chain, including activities we rely on to package our goods, operate our business and provide products to our customers and consumers. This includes emissions generated upstream (e.g. by our suppliers when manufacturing packaging) and downstream (e.g. through the transportation of goods to customers and consumers) of our operations. They are difficult to accurately measure because they are often out of our direct control. Scope 3 emissions account for a significant portion of our overall footprint: around 320,700 tonnes CO_2-e, approximately 20 times our scope 1 and 2 footprint (market-based).

We continue to build a better understanding of the various sources and associated emission profiles that make up our scope 3 footprint. In accordance with the GHG Protocol[9], our greenhouse gas emission disclosures include all relevant scope 3 emission categories[10]. Within these categories, purchased goods and services (category 1) and upstream transportation and distribution (category 4) contribute to most of our scope 3 emissions; 62% and 23% respectively. During the year, we updated our detailed scope 3 assessment methodology, which is available at **tweglobal.com**.

A significant portion of our scope 3 data relies on informed assumptions and estimates. This year, we continued to improve our scope 3 methodology and data quality, including greater country-level granularity, refined treatment of selected categories and updated emission factor calculations. We also refined our reporting boundary to include base building emissions from leased offices under upstream leased assets (category 8) from F25. These improvements support more accurate, complete and consistent reporting over time, while recognising that scope 3 measurement remains an area of evolving practice. Our relevant categories are summarised in the **graphic on this page**.

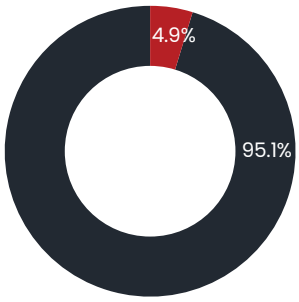
We are improving the quality of our scope 3 emissions data through structured supplier surveys and targeted outreach with key suppliers. In F25, primary emissions data from 18 suppliers was incorporated into our scope 3 inventory, where data quality was considered sufficient. To avoid double counting, supplier-specific emissions were separated from relevant aggregated activity data across purchased goods and services, including bottling and packaging and professional services, and upstream transportation and distribution, including sea freight logistics and warehousing.

Supplier engagement remains critical to improving our scope 3 reporting. We work with suppliers to improve understanding of the data collection requirements and process, and the role we need them to play. We will continue to engage with our suppliers and support them as their data, support and focus on decarbonisation is essential.

Most of our scope 3 data continue to be based on spend across our supply chain, which comes with additional uncertainty that requires estimates and assumptions. As we continue to measure our future footprint, we will use the most relevant and accessible methodologies and boundaries at the time of review, which may mean variation in our carbon footprint baseline numbers. We report data with a one-year lag, allowing for the sourcing effort required. This is an area of maturing practice and standards, and we're committed to transparency in re-baselining movements, as well as providing relevant contextual information. Details of movements in each of our material scope 3 categories between this year (F25) and the previous year (F24) are available in our **scope 3 emissions methodology**.

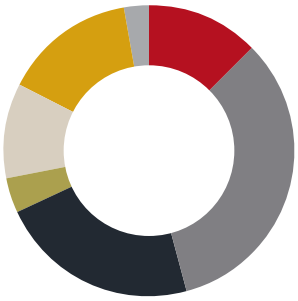
Scope 3 emissions represent approximately 95% of our overall emissions footprint and are therefore a key focus area for future decarbonisation efforts. We continue to improve data quality and use supplier engagement to increase the accuracy of reporting and better understand decarbonisation pathways and opportunities across our value chain.

Scope 1 and 2 emissions (F26) and scope 3 emissions (F25) overall, excluding biogenic CO_2 (Kilotonnes CO_2-e/year)



- Scope 1 **16.5**
- Scope 2 (market-based) **0**
- Scope 3 **320.7**

F25 scope 3 emissions by activity, excluding biogenic CO_2 (Kilotonnes CO_2-e/year)



- TWE operations **41.3**
- Bottling and packaging **108.0**
- Logistics, warehousing and distribution **72.7**
- Plant and equipment **12.3**
- Vineyard **30.1**
- Winemaking: grapes, bulk wine & additives **47.3**
- Sold products **8.9**

9 WRI/WBCSD (2011) *Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard.*

10 Reported scope 3 emissions are rounded and exclude biogenic CO_2 emissions. Biogenic CO_2 emissions associated with relevant scope 3 categories are disclosed separately by category in the Basis of Preparation in accordance with the GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard. Refer to the Basis of Preparation for further information on the scope 3 methodology, calculation approach and biogenic emissions disclosures. Relevant scope 3 categories are: 1 – Purchased goods and services (197,600 tonnes CO_2-e/year); 2 – Capital goods (19,300); 3 – Fuel and energy related activities (6,000); 4 – Upstream transportation and distribution (73,800); 5 – Waste generated in operations (1,200); 6 – Business travel (5,600); 7 – Employee commuting (6,100); 8 – Upstream leased assets (1,100); 9 – Downstream transportation and distribution (5,800); 10 – Processing of sold products (500); 11 – Use of sold products (2,500); 12 – End of life treatment of sold products (500); 13 – Downstream leased assets (700); 15 – Investment (50).

Adapting our business

According to the World Meteorological Organization, the 2025 calendar year was one of the three warmest on record globally. Global average surface temperature was approximately 1.44°C above the 1850–1900 pre-industrial average. It is evident that ongoing climatic changes and extreme events are causing disruption, and the ongoing success of our business will depend on building and enhancing resilience.

The F26 growing season (encompassing vintages from the northern hemisphere in 2025 and the southern hemisphere in 2026) was characterised by challenging conditions. Alongside a longer-term warming and drying trend, climate change is increasing variability both within and across growing seasons. Key features of each region's vintage are outlined in the table below.

Climatic events experienced in F26

Location	Physical challenges experienced	Impact to TWE
Australia	> Below average winter rainfall and reduced soil moisture leading into budburst > Cool, wet and low radiation conditions during flowering > Frequent summer heatwaves and above-average late-season rainfall and humidity during ripening	> Some regions experienced a 'double disruption' – poor flowering followed by extreme heat at veraison > Delayed phenology and maturity, increased Botrytis and disease pressure, extended harvest window and challenges in achieving target fruit quality and ripening consistency
California[11]	> Cool, mild growing season with below-average temperatures, especially late season > Harvest-season rain events increased disease risk > Localised but impactful wildfire smoke exposure	> Harvest delayed 2+ weeks in many regions > Late-ripening fruit in some blocks was left unharvested due to stalled sugar accumulation and rising disease pressure > Smoke-affected fruit rejected
New Zealand	> One of the warmer recent vintages, cooler conditions post-Christmas slowed ripening > Despite above average rainfall, disease pressure remained low	> Excellent flowering conditions supported strong crop potential and steady fruit development
France[11]	> Good rainfall in the leadup to season, extending into flowering > Warm July and August temperatures, with more than 20 days over 35°C > Rainy, cooler back end of the season in Bordeaux, in particular over September	> Late growing season rain meant disease pressure (Botrytis) as fruit ripened in Bordeaux > Careful monitoring of blocks to enable fruit to be picked ripe due to cooler end of season
Italy[11]	> Rainy spring with highly variable temperatures > Unusually hot June with temperatures between 32°C and 38°C > Heavy rainfall between the end of August and mid-September	> Imbalance in shoot development > Difficult management of harvest and grape health, with multiple anti-mould and fungal treatments needed
China[11]	> Above-average precipitation throughout Yunnan region over spring and summer; late season heat wave > Ningxia experienced a cool vintage with multiple late season rain events	> Rainfall caused rapid berry enlargement, triggered downy mildew and Botrytis > Sudden heat put pressure on phenological ripeness and picking decisions > Increased disease pressure, compounded by late season rains

11 Information relates to the northern hemisphere vintage in 2025.

Climate risk and GHG emissions

Our strategic approach to climate change

Our strategic response to climate change considers the projected physical and transitional impacts, as well as opportunities. Our assessment of climate risk is informed by our Enterprise Risk Management Framework, and a range of approaches to anticipate short-term weather conditions and longer-term climate impacts.

Building our capability in climate risk – from a data and management perspective – will be increasingly critical to ensure we make informed, strategic decisions considering longer-term possible future conditions. A critical starting point is a climate-adaptive business strategy. Our multi-regional sourcing features an agile, efficient production and processing footprint designed to increase our resilience to a changing climate and provide greater flexibility.

A range of operational measures and equipment also support the delivery of our strategy, providing greater control over production consistency and quality. This includes detailed weather data and forecasting, as well as technology to measure factors such as moisture at various soil depths and canopy stress. Development of vineyards incorporates the latest thinking (e.g. row orientation and optimised irrigation technology) and agronomic practices such as delayed pruning. Together with altered vine canopy architecture, these factors help manage temperature, sun burn, moisture demand, and help to ensure quality.

We collaborate with academic institutions and industry experts on research and development relating to new and emerging technologies. In Australia, we've partnered with the national science agency, the Commonwealth Scientific and Industrial Research Organisation (CSIRO), on a long-term project that utilises traditional breeding methodologies to combine disease-resistant traits with genetics from our heritage vines. In the US, we continue to participate in a variety of research projects and work with a range of startups, applying new thinking and technology. Globally, we actively take part in industry forums to help inform our thinking on the emerging policy and regulatory landscape and share our approach, challenges, and progress with peers and interested stakeholders.

Our climate scenario analysis indicates that physical climate risks become materially more severe under higher warming pathways. These results are informing long-term vineyard investment, redevelopment, water security planning and adaptation programs.

Further detail is available in our **Sustainability Report.**

Potential impacts of climate change to TWE

Unless we take reasonable steps to strengthen our overall business adaptability and resilience, our ability to grow, make, and market quality wines will be affected by various climate risk factors in the future. We continue to be exposed to a changing climate, which creates challenges for our business, strategy, and operations. The level of global emissions will drive the significance, timing and impact of climate-related risks and opportunities. Our climate modelling suggests that climate-related risks are materially more severe under a high (i.e. 4°C) emissions scenario.

Climate scenario analysis shows that our viticulture assets will experience a range of physical impacts from the middle of this century (2050), including:

- Variations in yield, quality and fruit expression as flavour and colour development decouple from sugar ripening at elevated temperatures.
- Changes in growing season temperatures, which could lead to compressed vintages and changes in varietal suitability across regions where we operate.
- Increasing aridity will change water availability and supply, likely driving increased demand. This could lead to a risk in water security, yield and quality, as well as escalation of purchasing prices of water.
- Increased frequency and severity of extreme weather events such as frost, high winds, hail, heavy rain and flooding, heatwaves, and extreme heat factors.
- Increased pest and disease pressure, bushfire and wildfire risk, and smoke taint.

We're also exposed to a range of transition risks including those arising from policy, legal, technology, market and reputational changes associated with the transition (or lack thereof) to a low-carbon economy. We continue to monitor and understand emerging trends, policy developments, and changing customer and consumer preferences. There is significant opportunity and value in responding to climate change and its impacts - businesses that collaborate with industry to take the lead will be well-placed for resilience and future success.

Our climate modelling and scenario analysis helps translate global climate science into practical tools for managing our most significant climate-related risks and opportunities. This supports better operational and strategic decisions, strengthening our overall business resilience.

Exposure to acute and extreme events

We have used several models to predict our potential exposure to extreme/acute weather events. These provide uniform assessment of risks across our global operations and a worst-case scenario (i.e. not considering any mitigations and assuming the entire asset is lost). As expected, we have more exposure to bushfires than flood or sea level rise. Several management controls and hazard reduction efforts help manage risk; our **F26 Sustainability Report** provides more information, including financial quantification.

Chronic risk assessment

Our climate modelling suggests that climate risks are materially more severe under the high emissions (4°C) scenario, however all regions and individual sites will have their own set of circumstances and challenges. This is a feature of viticulture and explains the subtle differences between individual blocks in a vineyard that contribute to changes in yield, quality, flavour and aromas.

Our current chronic risk assessment focuses on:

- Growing Season Temperature (GST): the mean atmospheric temperature at screen height (two metres above the land surface) between October and April (southern hemisphere) of each annual cycle.
- Annual aridity: annual rainfall divided by annual pan evaporation. Low values are dry locations; high values are wet locations.

We use a range of additional metrics (e.g. number of extreme heat days, annual rainfall, non-growing season rainfall) to validate model outputs and provide further insight into adaptation requirements.

Our Australian company operations under future potential scenarios and timeframes are likely to see changes in these metrics. Our modelling shows the evolution of these metrics in terms of the direction, magnitude, and timing of change across our portfolio. It also allows us to identify locations that are more (or less) impacted by climatic changes. Our F26 Sustainability Report provides more information, including detailed modelling of our Australian portfolio of Shiraz.

Climate adaptation

Viticulture is a process of continual adaptation as we refine our methods and techniques over time. Our climate modelling and scenario analyses help us understand how TWE's business model and operations need to adapt to climate-related risks. This includes both changes in where and how we grow grapes and produce wine (business model), and detailed operational adaptations in viticulture and wineries. The impacts are not uniform, and nor are the responses given the unique terroir. Importantly, as we adapt, we also see opportunities – new varietals, new regions, and innovations that can assist us to reduce our impacts and to produce sustainable luxury wine.

Our climate modelling and scenario analysis show that physical risks will intensify across different warming trajectories. We anticipate ongoing adaptation will be required for our viticultural assets. To remain resilient, we are building a menu of adaptation options that range from immediate operational measures to long-term strategic shifts.

The table at right outlines a selection of adaptation measures underway or in development.

Not all adaptations require investment, and many have already been integrated into 'business-as-usual' practices. We have also reviewed our standards to ensure they adopt the latest thinking and practices and our approach to M&A is increasingly sensitive to future climate challenges.

We do recognise the need for a pipeline of innovation and development, particularly through strategic long-term partnerships (such as our work with the CSIRO and breeding for disease resistance) through to start-ups with a good idea.

To support this, adaptation is embedded in our capital planning. From F26, TWE has committed to invest $100 million in adaptation by 2030, with all major projects tracked through the capital allocation process to ensure resources go to the sites of greatest need.

Adaptation in viticulture

- Frost fans
- Metering, automation and data collection
- Insights and analysis related to weather predictions and patterns, informing yield and intake planning models
- Research and development (e.g. clone, rootstock, rapid breeding)
- Soil health (cover crops, inputs to improve soil function, carbon sequestration, farming approach, grazing, etc)
- Fire risk reduction
- Water security (e.g. construction of dams, lining and covering existing dams, irrigation infrastructure and automation, licenses)
- Vineyard redevelopment (as varietal suitability shifts, clonal selection, row orientation, vine spacing, trunk heights)
- New locations and growing regions (M&A)
- Heat and sun protection (canopies, netting, sprays)

Adaptation in wineries and production

- Fire- and flood-proofing of buildings
- Tank insulation and covers
- Heating, Ventilation and Cooling (HVAC) and refrigeration upgrades
- Climate control system
- Winery upgrades to handle vintage compression (e.g. intake capacity increase)
- Water savings and efficiency initiatives (e.g. rainwater harvesting, water recycling, reviewing water quality and cleaning procedures, stormwater management)
- OHS – heat stress management, air conditioning in buildings and equipment, shades for truck drivers, etc.
- Input and alcohol adjustments, as well as testing procedures for smoke taint

Fostering healthy and inclusive communities

Behind every bottle of wine is a passionate team helping to cultivate an inclusive, equitable and safe workplace. We are committed to fostering a culture where our people can thrive, supporting healthy and sociable communities where we operate, and promoting the responsible enjoyment of our wines.

We're improving safety

Slightly improved our 3-year rolling Serious Safety Incident Frequency Rate through ongoing focus on managing hazards causing serious harm and psycho-social wellbeing

We're building diverse teams

Women in senior leadership increased by 0.9 ppts to 49.3%[1]; overall female representation increased by 1.2 ppts to 46.4%[2]

We're fostering engagement

Achieved an engagement score of 65% and inclusion score of 75% in our annual survey

We're creating more choice

Expanded no- and low-alcohol options across key markets, supporting responsible consumption and providing greater consumer choice

1 TWE defines leadership roles as senior leaders, professionals and specialists, including general, department and functional management. Senior leaders are the CEO and members of the Executive Leadership Team (ELT); as well as senior management classified internally as Group A and B who hold leadership responsibilities and accountabilities with decision-making and business influence.
2 In line with ASX Recommendation 1.5, the gender diversity data in our Annual Report is based on our population of permanent and fixed-term employees. The data in our annual *Cultivating a brighter future* Report also includes casual, seasonal, and on-call employees, and Directors.

Health, safety and wellbeing

Each of our team members should be able to come to work, contribute their best and return home safe, healthy and well. Our approach to health, safety and wellbeing extends beyond preventing injuries to creating environments where people feel supported, connected and empowered to thrive.

Health, safety and wellbeing are embedded into the way we operate. Through proactive risk management, leadership engagement, wellbeing initiatives and employee participation, we continue to build workplaces where safety, health and care are shared responsibilities.

We recognise that a thriving workplace supports both physical and psychological wellbeing. By creating environments where people feel safe to speak up, ask for support and look out for one another, we strengthen individual wellbeing together with organisational resilience and performance.

Progress

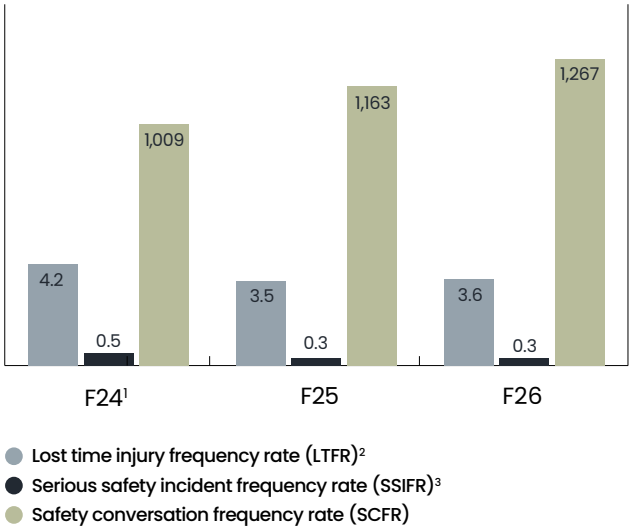
In F26, we continued building a culture where health, safety and wellbeing are shaped by the everyday actions and conversations of our people.

Across our global operations, employees were supported with practical tools, resources and guidance to strengthen capability and encourage active participation in creating safer and healthier workplaces. From vineyards and wineries to warehouses and offices, safety is a shared responsibility, embedded in the way teams work together, identify opportunities for improvement and support one another.

Meaningful participation remained central to this approach. Employees are actively engaged in safety conversations, wellbeing initiatives and local programs that encourage collaboration, learning and shared ownership. These interactions help build trust, strengthen awareness and build a culture where everyone contributes to creating positive workplace experiences.

During the year, safety engagement increased by 10%, with employees holding more than 1,267 safety conversations per million hours worked - equivalent to around 1,000 additional conversations, demonstrating the active engagement of team members. Our three-year rolling Serious Safety Incident Frequency Rate also improved to 0.32, remaining below our public commitment of 0.33. While metrics provide one measure of progress, the true value lies in the conversations, behaviours and actions that help create workplaces where people feel safe, supported and empowered to contribute.

Building safer workplaces through participation and prevention



Supporting wellbeing through connection and conversation

Throughout F26, we continued strengthening our focus on employee wellbeing, recognising that healthy, connected and supported employees are fundamental to creating positive workplace experiences.

Across our regions, employees participated in wellbeing campaigns and initiatives that encouraged open conversations about stress, resilience, mental wellbeing and healthy work practices. During Stress Awareness Month, practical resources helped our people better understand the impact of stress and build strategies that support wellbeing at work and beyond – skills that are particularly relevant in the context of organisational change and uncertainty. As we continue to evolve as an organisation, we have invested in initiatives that strengthen resilience, support leaders and equip our people with the skills and resources to navigate change successfully. By fostering connection, confidence and healthy ways of working, we support employee wellbeing while enabling sustainable performance and long-term success.

1 All figures in F24 exclude DAOU and Weta.
2 Global frequency rate calculations incorporate all TWE regions, all employees and casual workers. Contract workers not under the direct supervision of TWE are not included in the calculations.
3 In F24 TWE moved from a 12-month rolling Serious Safety Incident Frequency Rate to a 3-year rolling Serious Safety Incident Frequency Rate.

Teams also came together to recognise World Day for Safety and Health at Work, which highlighted the important relationship between wellbeing, psychological safety and workplace health. These activities encouraged reflection, learning and discussion, helping reinforce the understanding that looking after wellbeing is an important part of creating safe and healthy workplaces.

Employee-led activities such as Wellness Wednesday created opportunities for colleagues to connect, share experiences and discuss topics including resilience, managing change and maintaining wellbeing during periods of growth and transition. These regular conversations help foster a culture of care, connection and mutual support across the organisation.

By encouraging open dialogue and creating opportunities for people to support one another, we continue to build workplaces where wellbeing is part of everyday culture rather than a standalone program.

Creating healthier workplaces for the future

As workplace expectations continue to evolve, so does our approach to health, safety and wellbeing.

During F26, we expanded our focus beyond traditional safety management to consider the broader factors that influence employee wellbeing, engagement and sustainable performance, including psychosocial safety and what helps people perform at their best, such as role clarity, manageable workloads, supportive leadership and positive workplace relationships. This broader perspective was informed by insights from our 2025 employee engagement survey, WhaT'WE Think, in which 76% of respondents reported a favourable experience of psychosocial safety. Independent analysis by workforce resilience and employee health organisation International SOS showed TWE's performance as strong relative to external benchmark organisations. By considering these factors alongside physical safety, we are helping create work environments that concurrently support wellbeing and business performance. This approach recognises that healthy workplaces are shaped not only by the absence of harm, but by conditions that enable people to contribute, grow and thrive.

Embedding these considerations into broader organisational planning reflects our commitment to creating workplaces that are resilient, sustainable and fit for the future. As we continue to evolve our ways of working, health, safety and wellbeing remain important contributors to employee experience, organisational capability and long-term success.

Building a culture of ownership: Safety Production Month at Penfolds Ningxia Winery

Creating a strong safety culture starts with individual ownership and shared accountability.

At the Penfolds Winery in China's Ningxia region, team members came together in June to participate in Safety Production Month, a national initiative focused on strengthening safety awareness and engagement with an overarching message that safety is everyone's responsibility.

Every team member signed a safety accountability letter that reaffirmed their personal commitment to safety in the workplace. The initiative was supported by discussion and learning opportunities alongside emergency preparedness activities, including evacuation exercises and CPR training, providing practical opportunities to build skills, confidence and readiness.

The initiative reflects a broader commitment to creating workplaces where people are empowered to take ownership, look out for one another and contribute to a culture of care.

Employees at Penfolds Ningxia Winery participating in Safety Production Month activities, including emergency response exercises and CPR training.

Inclusion, equity and diversity

The diversity of our people, like the wines we craft all over the world, makes us unique. We work hard to create a workplace where everyone is respected, valued and able to grow.

Inclusion, Equity and Diversity (IE&D) is fundamental to our culture, and reflects our commitment to human rights. The diversity of our team and their contribution to the business broadens our collective knowledge and capabilities. It's a source of competitive advantage, helping us understand and connect more effectively with our customers, consumers, communities, and each other. It is fundamental to realising our vision of being the world's most desirable luxury wine company.

Progress[1]

As at 30 June 2026, TWE has achieved:

- 49.3% female representation in leadership roles[2], 0.9 ppts up from F25, exceeding our target of 40%
- 46.4% female representation overall, a 1.2 ppt increase from F25, exceeding our target of 40%.

At TWE, our inclusion, equity and diversity ambition is to boldly cultivate a place where we all belong and thrive. In F26, we made progress embedding inclusion, equity and diversity into our leadership practice and talent processes. Our inclusive leadership and equitable systems are shaping a workplace where diversity is valued, barriers are removed, diverse voices are welcomed, and our people thrive.

Our progress in F26 reflects our ongoing commitment to building a culture where everyone feels they belong, their contributions are valued, and their differences are celebrated. Periods of change and uncertainty can test employees' experience of inclusion and belonging. To support the multi-year transformation underway at TWE, we provided extra support for leaders to create inclusive environments where people were able to do their best work. Inclusion is continuous, and we remain focused on embedding IE&D into our leadership and practices so it's a core part of how we grow, lead, and succeed together.

TWE's commitment to IE&D is governed through a policy and strategy overseen by the Board and the global IE&D council, and supported by regional IE&D committees and Employee Resource Groups. IE&D commitments are included in the Key Performance Objectives of Executive Leadership Team members. The TWE Board comprises directors with diverse skills, experience and backgrounds, including gender, cultural, and geographic diversity. Further information on diversity can be found in our Corporate Governance Statement.

The following initiatives were delivered across the strategic pillars of our F26 IE&D strategy:

Inclusion

We are focused on cultivating an inclusive culture where everyone feels valued, respected and safe to bring their whole selves to work. Inclusive cultures are shaped by leaders who actively model and champion inclusion, particularly during periods of change. In F26, we embedded inclusive leadership into how we lead and operate, supporting leaders to create inclusive team environments through transformation.

We maintained a strong inclusion score of 75% in our annual employee engagement and inclusion survey, holding a strong experience of inclusion and belonging during a period of organisational transformation and change.

Inclusive leadership and wellbeing were integrated into key leadership and change programs, including Lift Up (our senior leadership development program) and change leadership training, helping leaders support their teams with clarity and care. This was complemented by the launch of a dedicated IE&D hub, giving leaders practical tools and guidance to apply inclusive practices in their day-to-day leadership - creating environments where people feel safe to speak up, contribute and perform at their best.

Our Employee Resource Groups (ERGs) continued to play a vital role in fostering connection and belonging. ERGs led global campaigns, community and cultural initiatives to build a stronger inclusive culture across the organisation.

Equity

Equitable systems and processes are critical to unlocking the full potential of our people, and we implement fair practices and remove barriers so everyone can succeed. In F26, we strengthened our approach to equity with more consistent, rigorous and transparent talent and hiring practices.

As we designed our new operating model, we ensured fairness in talent decisions with globally-consistent capability frameworks and structured assessment standards across internal talent processes. By grounding decisions in defined, role-relevant capabilities, we improved consistency and objectivity, reduced reliance on subjective judgement and mitigated the risk of bias.

We complemented this with targeted capability building for our People & Culture team, equipping them to actively identify and challenge bias in talent calibration discussions. We also piloted inclusive hiring practices, inviting candidates to request adjustments so they can fully participate in the recruitment process and demonstrate their true capability and potential.

1 In line with ASX Recommendation 1.5, the gender diversity data in our Annual Report excludes Directors, and the data in our annual *Cultivating a brighter future* Report includes Directors.
2 TWE defines leadership roles as senior leaders, professionals and specialists, including general, department and functional management. Senior leaders are the CEO and members of the Executive Leadership Team (ELT); as well as senior management classified internally as Group A and B who hold leadership responsibilities and accountabilities with decision-making and business influence.

Inclusion, equity and diversity

Snapshot of TWE employees across the world[3]

Global

53.6% Male

46.4% Female

49.3% Females in leadership roles

Permanent	91.3%
Temporary	8.7%
Full time	95.0%
Part time	5.0%

Americas

51.8% Male

48.1% Female

0.1% Undisclosed

46.2% Females in leadership roles

Permanent	97.5%
Temporary	2.5%
Full time	95.3%
Part time	4.7%

EMEA

48.8% Male

51.2% Female

50.0% Females in leadership roles

Permanent	84.6%
Temporary	15.4%
Full time	96.2%
Part time	3.8%

Asia

43.0% Male

57.0% Female

57.4% Females in leadership roles

Permanent	50.5%
Temporary	49.5%[4]
Full time	100.0%
Part time	0.0%

ANZ

58.6% Male

41.3% Female

0.1% Undisclosed

49.3% Females in leadership roles

Permanent	97.9%
Temporary	2.1%
Full time	93.4%
Part time	6.6%

3 The information in this table is current as of 30 June 2026 and includes directors, casuals, on call, and seasonal employees.
4 The Asia region has a higher proportion of employees identified as 'temporary' due to common legal practice in China to place employees on three-year fixed term contracts. After 10 years, an employee is considered permanent.

Diversity

We thrive when our teams reflect and connect with the consumers and communities we serve, with varied perspectives, experiences and ideas. In F26, we continued to invest in building and nurturing a diverse workforce.

We launched our refreshed IE&D strategy in partnership with key groups across the business including People & Culture, regional IE&D councils, and Employee Resource Groups - reinforcing diversity as both a strategic advantage and a shared responsibility.

We continued to invest in developing emerging and under-represented talent through Empower Essentials, our global leadership program for new and aspiring leaders. Designed to broaden access to leadership development and strengthen our diverse leadership pipeline, the program engaged 67 participants and delivered strong outcomes with 100% of participants reporting an improved growth mindset, over 90% feeling more confident to contribute and influence, and many gaining greater clarity on their career direction.

As part of our commitment to equitable people practices, we reviewed our global gender pay gap to assess differences in earnings between male and female employees across our global workforce, taking into account the distribution of employees across roles and levels. Following this analysis, eight cases were identified for review. The current organisational transformation provides an opportunity to resolve these cases as roles are redesigned and aligned, supporting more consistent and equitable outcomes across the organisation.

Celebrating and supporting LGBTQIA+ communities

Our commitment to inclusion is reflected in our brands and the communities we operate in. Our limited edition Squealing Pig Pride labels returned this year, refreshed with new poems shaped by the lived experiences of members of our TWE Pride network.

From the nerves of coming out to the relief of being seen at work, and the comfort of finding your people - these everyday moments sat on shelves, festival bars and dinner tables, adding personal voice and visibility to our celebration of LGBTQIA+ communities.

We continued to actively support and celebrate LGBTQIA+ communities globally - sponsoring Sydney's Gay and Lesbian Mardi Gras, becoming the official wine partner of San Francisco Pride (2025 and 2026) and Pride Toronto (2026), and major sponsor of New Zealand's Pride Wairau.

Our commitment was recognised externally, with Gold Tier Status in the 2026 Australian Workplace Equality Index Awards for the second year running. This reaffirms our position as an employer of choice for diverse talent and reflects our ongoing efforts to build a workplace and a brand portfolio where everyone feels welcomed, respected and valued.

Consumer health and responsible drinking

Wine has been part of cultures around the world for thousands of years, and we are proud that our brands contribute to this heritage. As a leading producer of premium and luxury wines enjoyed by millions of adults in more than 100 countries, we recognise our responsibility to promote moderation and help reduce alcohol-related harm.

TWE's approach acknowledges that the harmful use of alcohol can affect individuals and communities. Our F26 priorities and progress continue to be informed by the World Health Organization's Global Alcohol Action Plan, including its ambition to reduce the harmful use of alcohol by 20% by 2030 against a 2010 baseline, and UN Sustainable Development Goal 3, Target 3.5, which calls for stronger prevention and treatment of substance misuse.

Progress

We continued embedding the commitments of our *Commitment to the Responsible Consumption of Alcohol* Policy, strengthening how we educate consumers, build employee capability, expand consumer choice and work collaboratively with governments, industry and community partners. We enhanced our approach to product transparency, expanded responsible consumption resources and continued investing in no- and low-alcohol (NoLo) innovation to provide consumers with greater choice.

We strengthened our employee education through the implementation of our updated *Commitment to the Responsible Consumption of Alcohol* Policy, supported by refreshed mandatory training, and advanced partnerships that support balanced, evidence-based alcohol policy and the reduction of harmful alcohol consumption.

We support informed consumer choice, responsible marketing and collaborative action, and are crafting a growing selection of quality wines that are lower in alcohol or alcohol free for people choosing to moderate their consumption.

More flexibility for different occasions

We continued investing in NoLo innovation, building on our award-winning production capability in the Barossa Valley and expanding our portfolio of premium NoLo wines. By the end of F26, NoLo represented approximately 2.5% of the premium Treasury Collective portfolio globally.

Our focus continues to be on expanding availability, improving quality and increasing consumer awareness, supported by ongoing investment in research, technology and product innovation. This supports our long-term commitment to providing greater consumer choice while responding to changing consumer preferences.

Product transparency

Providing clear, relevant and accessible information helps consumers make informed choices. During F26, we updated our *Commitment to the Responsible Consumption of Alcohol* Policy to reflect an evolving global regulatory landscape and changes in the way consumers access information.

Alongside product information, we enhanced the TWE Responsible Consumption Hub on our website with practical tools and evidence-based information to improve alcohol health literacy. We published a suite of content in collaboration with organisations including DrinkWise, Drinkaware and the International Alliance for Responsible Drinking, helping consumers better understand moderation and health-related topics to make informed consumption choices.

We continued to work towards having 100%[1] of TWE branded products providing access to energy information, either on the product or digitally, from 1 January 2027.

Responsible marketing

TWE is committed to marketing and selling its wines responsibly across every market, channel and consumer touchpoint.

During F26, our Responsible Marketing Guidelines increased the capability of our teams, and supported governance processes and compliance with evolving regulatory and platform requirements. Global marketing teams completed relevant alcohol policy and social media training, supported by guidance to ensure our marketing reflects community expectations and promotes responsible consumption.

We also worked closely with Australia's Alcohol Beverages Advertising Code (ABAC) Scheme and global partners such as the Portman Group to uphold high standards and remain responsive to emerging expectations and industry best practice.

Building on updates introduced in F25, we continued to review our practices, apply lessons from regulatory decisions and reinforce internal training.

1 Excluding products below 375ml unless required by law, in accordance with local regulatory requirements and market conditions.

Partnering for greater impact

Reducing harmful alcohol consumption requires collaboration between industry, governments and community organisations. Through the year, we continued strengthening partnerships with social organisations, industry associations and governments across our key markets to promote responsible consumption and support balanced, evidence-based alcohol policy. Our engagement focused on advancing consumer education, supporting practical initiatives that reduce alcohol-related harm and contributing constructively to policy discussions that encourage responsible consumption while preserving informed consumer choice.

Our partnerships span key industry and responsible consumption bodies globally, and include DrinkWise, the Alcohol Beverages Advertising Code Scheme, Australian Grape & Wine, Alcohol Beverages Australia and Wine Australia in Australia and New Zealand; the Wine Institute and Wine America in the United States; Drinkaware, the Portman Group, Community Alcohol Partnerships and the Wine and Spirit Trade Association in the United Kingdom; and the China Alcoholic Drinks Association in China.

TWE executives also hold Board and Committee positions across several of these organisations, reflecting our long-term commitment to industry leadership and constructive policy engagement.

In the US, we continued engaging through Wine Institute and Wine America to support balanced, evidence-based alcohol policy and responsible consumption initiatives. In the United Kingdom, we supported Community Alcohol Partnerships' parental research campaign, Drinkaware's national Drinking Check tool and contributed to the Wine and Spirit Trade Association's consumer health policy working group.

Collectively, these partnerships help strengthen alcohol health literacy, support responsible service and reinforce TWE's commitment to reducing harmful alcohol consumption through education, collaboration and evidence-based policy.

Alcohol in the workplace

Creating a culture of responsible consumption begins with our own people.

During F26, we updated our *Commitment to Responsible Consumption of Alcohol* Policy and continued embedding responsible consumption across our onboarding process and leadership communications.

Policy training remains mandatory for all desk-based employees upon commencement and every two years thereafter. During the year, 94.1% of eligible employees completed the training, exceeding our target of 90%.

Ambassadors in action

Our new 'Shared responsibility' ambassador program brought together a global network of employees to champion responsible consumption across Australia, Asia, Europe and the Americas.

Meeting quarterly, ambassadors share market insights, identify emerging responsible consumption and NoLo trends, and engage employees in their regions and divisions. During the year, the network developed communications resources, supported partnerships with responsible consumption organisations, and built the capability of our teams to champion our NoLo product range and resources for those seeking to moderate their consumption.

The program is helping translate TWE's global commitments into locally-relevant action across the regions where we operate, while giving employees an active role in shaping a culture of responsible consumption.

Product quality and food safety

We are committed to producing wine that meets our standards for quality and food safety, and complies with regulatory requirements in every market where we operate. This commitment extends across the value chain and is supported by robust food safety, quality assurance and traceability systems to make sure our products are safe, authentic, and consistently meet consumer expectations. Consistent quality and product integrity are essential to maintaining consumer trust in our brands, particularly as we continue to grow our luxury portfolio.

Progress

Maintaining high standards of quality and food safety remains fundamental to our success. Delivering premium wines consistently requires collaboration across our value chain, from grape sourcing and winemaking through to packaging, distribution and customer experience.

During F26, we strengthened partnerships with key suppliers to address opportunities identified through product quality feedback, packaging performance and consumer insights. Initiatives focused on reducing manufacturing and packaging defects, and increasing 'right first time' performance across supplier operations and TWE production facilities.

We continued to strengthen our quality monitoring and continuous improvement programs, using data-driven insights to identify recurring issues and share learnings across regions and sites. This improved root-cause analysis and decision making, helping drive greater consistency across our operations.

Our training and onboarding programs are built around core quality and food safety principles. During F26, refreshed content helped embed a strong quality culture among operational employees, reinforcing individual accountability for product quality, food safety and compliance, while helping new starters understand how their roles contribute to delivering premium products to consumers.

Building on the new food safety and quality culture section in our employee engagement survey in F25, the F26 survey expanded to measure awareness, ownership and engagement with quality systems. Engagement levels remained broadly consistent with the F25 baseline, indicating that food safety and quality continue to be embedded across our operations while also highlighting opportunities for further improvement.

We maintained our third-party quality and food safety certifications across key operating regions, including Hazard Analysis and Critical Control Points (HACCP), Brand Reputation Compliance Global Standard (BRCGS) and Food Safety System Certification 22000 (FSSC 22000). These certifications support a systematic and science-based approach to managing quality and food safety risks throughout our operations.

Our quality management systems are embedded throughout production processes, helping teams consistently deliver products that meet our standards. During F26, we strengthened change management, specification control and product review processes to improve consistency, governance and knowledge sharing across our global operations. Together, these programs help ensure our wines meet quality, style and regulatory requirements in the markets where we source, make, package and sell wine.

Traceability

Traceability is critical to our food safety and quality framework, supporting consumer trust and regulatory compliance. Our systems provide end-to-end visibility across grape sourcing, wine-making, packaging materials and finished products, to verify product composition and provenance.

During F26, we strengthened traceability to support evolving global regulatory requirements, including digital declaration of ingredient and nutritional information for wines sold into the European Union. Customers have access to product information with QR-enabled digital disclosures, which also comply with region-specific regulatory requirements.

These systems have improved traceability processes for winemaking materials and inputs across our global production network - supporting regulatory compliance, as well as improving transparency of product information and strengthening supply chain visibility.

Our traceability systems are routinely tested and verified through robust internal and external assurance processes, so we can effectively trace products through the supply chain and maintain the high standards expected by our consumers and stakeholders worldwide.

Penfolds Bin 389 label with QR code digital disclosure.

Community

A significant portion of our business operates in regional areas, and we're proud to contribute to local communities as an employer, purchaser and through community engagement. We're committed to making a positive impact through strong, long-term relationships - including collaboration through partnerships, volunteering, caring for Country, and regional economic development initiatives.

Through two days of paid volunteer leave each year for fundraising and volunteering activities, our teams are active in local communities. In F26, our global teams engaged in a range of activities alongside community organisations, including environmental restoration projects, food relief initiatives and education-focused programmes, while our charitable partners received financial and volunteering support as well as product donations to support their fundraising activity.

TWE teams participating in community volunteering initiatives.

Local relationships, global impact

Australia

Team members from McLaren Vale Vineyards and Magill Estate volunteered at Kanyanyapilla in the Willunga Basin, a site of local Indigenous significance undergoing cultural, ecological and spiritual renewal. Working alongside Traditional Owner Karl Winda Telfer and community members, the team supported regeneration activity including native planting and weeding, fencing and installing a donated water tank. The day also provided an opportunity to learn about the site's significance, hear stories of reconnecting community and Country, and strengthen TWE's ongoing relationship with Kanyanyapilla and its custodians.

US

Teams from Etude, Beaulieu Vineyard and Stags' Leap Winery volunteered at the Mission Farm operated by St. John's Lutheran Church of Napa, a volunteer-run farm that donates its harvest to the Napa County Food Bank. The group assisted with crop planting and rotation, irrigation, fertilising and weeding, and harvested fresh produce for donation to local families through the food bank.

TWE team members helped install a donated water tank to support ongoing regeneration efforts at Kanyanyapilla.

Teams from Etude, Beaulieu Vineyard and Stags' Leap Winery volunteering at the Mission Farm.

Community

France

The team at Château Lanessan in Bordeaux partnered with local environmental association Arbres et Paysages en Gironde and students from a local vocational college through the Essai Vin Cœur programme. The initiative brought together young people, community partners and the Château Lanessan team to learn about sustainable viticulture, biodiversity and agroforestry through a hands-on tree-planting experience, strengthening local connections and raising awareness of careers in the wine industry and environmental stewardship.

Students, community partners and the Château Lanessan team planted trees as part of the Essai Vin Cœur programme

China

Through the Penfolds Fund, TWE continued its partnership with China Agricultural University to support the next generation of wine industry talent. In F26, 25 students received scholarships recognising academic achievement and passion for the wine industry. The program also provided wine education and cultural exchange opportunities, helping students deepen their understanding of global wine regions, winemaking traditions and career pathways. Now in its fourth year, the program continues to support the long-term development of wine education in China.

China Agricultural University students were presented with the annual Penfolds Fund Scholarship Awards.

Cultivating local connections in Australia and New Zealand

Following the successful trial launched in F25, Supply teams across Australia and New Zealand continued to support local communities with volunteering and donations. Site-based teams provided funding and wine donations to local organisations and community groups, including sporting clubs, schools, charities, wildlife organisations, and health services. In F26, 77 community organisations and clubs were supported with nearly $24,000 in funding and donations of more than 1,600 bottles of wine for locally-relevant causes.

Penfolds

EVERMORE

Penfolds Evermore

Evermore commits to making a positive contribution towards a world where future generations can thrive through three strategic priorities:

- Community and culture - supporting Penfolds communities, local and global, to thrive through fostering connection and culture.
- Future winemaking - advancing winemaking and viticulture through ongoing innovation and supporting the next generation of bold and curious winemakers.
- Towards sustainability - taking steps to help preserve our natural world focused on production practices and innovative low-impact winemaking and viticulture.

Through Penfolds Evermore, $183,000 was awarded to 30 scholarship recipients in F26.

Evermore grant program - France

The French instalment of the Evermore grant program saw projects progressing across the focus areas of community, winemaking and viticulture in F26.

- **L'Appel de la vigne – The call of the vine**

  An industry-led initiative supported by six wine estates, L'Appel de la vigne continued to highlight the diversity of careers within the wine industry in F26. The initiative hosted 14 sessions across the Gironde region, including Bordeaux, Libourne and Pauillac, engaging more than 1,000 people in industry career pathways.

- **Pépite Raisin – Pépite antifungal**

  The Pépite antifungal project continued to develop a grape-based solution for protecting vineyards against fungal disease using grape seed extracts. In F26, Pépite Raisin brought together six groups for experimentation, insight sharing with viticulture experts on grapeseed extract and downy mildew, and facilitated online experimentation.

- **INRAE/EGFV - Rootstock optimisation for water efficiency and sustained yield**

  The rootstock optimisation project, delivered in partnership between the University of Bordeaux's Institute of Vine and Wine Science and INRAE, used the GreffAdapt experimental vineyard to assess how rootstocks influence water efficiency and yield. In F26, the team conducted experiments in water strategies, growth efficiency and resilience under water-limited growing conditions.

Evermore grant program with Ningxia Huimin

In F26, Penfolds Evermore partnered with Ningxia Huimin to support the Women's Weaving Dreams and Rural Empowerment Project, a six-month community program focused on economic empowerment for women, together with children's literacy and rural community engagement.

The program delivered 12 tailored workshops across rural communities, including handicraft skills training, reading and family support activities, community engagement initiatives and the establishment of longer-term structures such as cooperatives, reading spaces and partnerships with local workshops.

The partnership included:

- Training in local handicrafts to generate sustainable income sources
- Ongoing employment opportunities through an Intangible Cultural Heritage Handicrafts Cooperative
- Organised activities for more than 200 local families
- Rural Reading Leadership roles to champion community literacy, complemented by reading spaces
- Women's volunteer teams leading community and environmental services.

Producing sustainable wine

As one of the world's largest wine companies, we have a responsibility to lead positive change across our value chain. We want every consumer to experience wine that is sustainably grown, made, and packaged. Our efforts include ensuring our asset base and grower network meet sustainability criteria, and extend to innovation and collaboration that addresses the industry's shared challenges.

We're increasing certification

Achieved sustainability certification across 100% of our eligible owned and leased winery and vineyard sites where recognised certification schemes are available[1]

We're partnering with growers

Continued collaboration with our growers and bulk wine providers to enable sustainability certification of brands, with more than 33 million litres of wine sustainably certified in Australia in F26

We're diverting waste

Achieved a waste diversion from landfill rate of 92.1% across our global operational sites

We're assessing risk

Completed secondary risk assessments for high-risk contracted suppliers

1 No sustainable certification scheme currently applies to our viticulture or winery operations in China.

Sustainable growing and production

We are committed to implementing and promoting sustainable wine growing practices wherever we operate. Producing wine is energy and water intensive, and sustainable agricultural practices help ensure resources are being used efficiently.

Approach

We aim to maintain and improve nature-related interdependencies such as soil health, biodiversity, access to clean water and habitat protection. Sustainable practices can also enhance natural ecosystem services, which can reduce negative impacts from invasive species, catastrophic wildfires, excessive flooding and extended drought. Carefully measuring the resources we use and adopting lower-carbon technologies can collectively support our commitment to long-term sustainable growing and production.

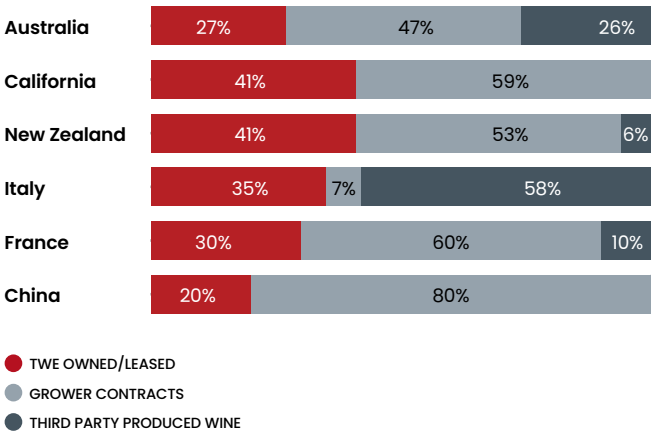
Growing grapes and crafting wine in a way that leaves natural resources intact for others that share those resources and the next generation is the entire point of sustainable growing and production. Our environmental management system gives us the structure to monitor, review and continually improve how we manage energy, water, waste and biodiversity, guided by our Environment Policy. Protecting ecosystem health and the long-term success of our business are directly linked: we meet our regulatory obligations while anticipating where environmental standards, retail expectations and community values are heading. Embedding sustainability in daily decisions - in the vineyard, the winery and the supply chain - makes us more efficient, and more resilient to a changing climate.

Progress

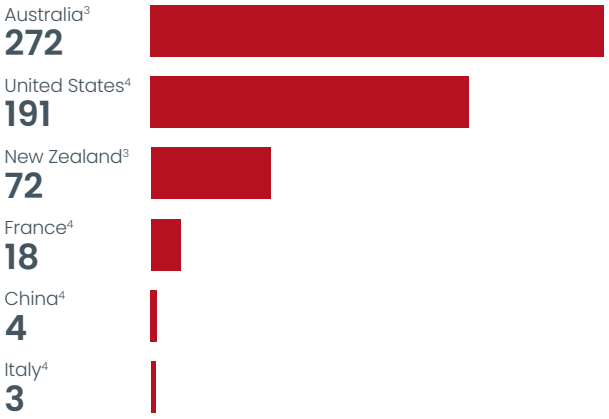
Third-party sustainability certification creates transparency, continuous improvement and accountability in wine production. Certification against independent, regionally appropriate standards keeps our sustainability claims substantiated, verifiable and aligned with evolving regulation of environmental claims. Scheme adoption underpins our multi-regional sourcing strategy and market access. We currently report performance through two metrics: certification of our owned and leased sites, and certification of grape intake sourced from owned vineyards and grower partners.

Each regional scheme tests compliance with a range of metrics that generally include environmental, social and ethical criteria. As regulation and retail expectations evolve, certification underpins compliance, market access and consumer trust in our brands. This year, we maintained certification at 100% of our eligible owned and leased winery and vineyard sites globally[1].

TWE's regional sourcing model[2]



Grape growing partners



1 Figures related to certification relate to TWE's global operations excluding China, where no certification scheme currently exists.
2 Regional sourcing is historical data for the northern hemisphere 2025 vintage and the southern hemisphere 2026 vintage.
3 Figure relates to 2026.
4 Figure relates to 2025.

Certifying our wines with regional programs

Over F26, 97.3% of our grape intake (excluding China) was grown on certified vineyards. All fruit from our owned and leased vineyards was certified, while 95.5% of fruit from our grower partners was certified. This outcome reflects work over multiple years to raise awareness of and promote the benefits of certification throughout our network. Given current industry conditions, retention of growers in these schemes remains a focus.

- **Australia:** 99% of grower fruit was certified by Sustainable Winegrowing Australia (SWA) in V26, alongside 100% of our own fruit from all owned and leased vineyard sites. Including third-party produced wine, which represented 26% of Australian intake, overall certification was 93.4%.
- **New Zealand:** 100% certification by Sustainable Winegrowing New Zealand was maintained across our owned and leased vineyards, our winery, and all contracted grower partners and bulk wine purchased. Matua Winery has now reached the milestone of holding certification since 2007/08, entering its 20th year in the scheme this upcoming harvest.
- **United States:** 90% of all fruit received was sustainably certified by one or more schemes – 100% of our own fruit, and 83% of grower fruit. Schemes include California Sustainable Winegrowing (CCSW), Fish Friendly Farming, Napa Green, California Certified Organic Farmers (CCOF), Lodi Rules, LandSmart and Oregon LIVE.
- **France:** Both estates, Château Cambon La Pelouse and Château Lanessan, hold Haute Valeur Environnementale (HVE) Level 2 and ISO 14001 through the collective certification of the Première Association pour le SME du Vin de Bordeaux.
- **Italy:** Castello di Gabbiano holds VIVA Sustainability and Culture certification, alongside ISO 14001 for environmental management, ISO 45001 for occupational health and safety and the SA8000 Social Accountability Standard, reflecting sustainability in viticulture as well as respect for labour rights.

No sustainable certification scheme currently applies to our viticulture or winery operations in China.

Sustainable growing and production

Communicating certification

Certifying a vineyard or winery and sharing the benefits of certification with consumers are distinct and important aspects of the certification landscape.

The mechanics of using a sustainability trust mark on a label differ by region, though in all cases the process is more complex than simply procuring sustainable fruit. Each scheme sets a minimum proportion of certified content before a wine qualifies – for example, Sustainable Winegrowing Australia requires at least 85% certified grapes, while Sustainable Winegrowing New Zealand requires 100% certified grapes processed in 100% certified facilities. This means that blending decisions made for style, supply, or commercial reasons can bring an individual wine below the required threshold. Beyond eligibility, applying a trust mark means tracking the qualifying volume, designing artwork and bringing it to market.

The lag between certification and a wine's release to consumers is a result of maturation and can be accentuated in situations of over-supply. Our reporting is evolving to better track the presence of certified trust marks in market.

Environmental compliance

TWE is subject to a range of environmental laws and regulatory frameworks that govern the use of energy and water, as well as waste and greenhouse gas emissions. Our Environment Policy sets out that commitment, and a suite of policies, procedures and management systems that also emphasise compliance, resource efficiency and continuous improvement.

Our environmental management system includes protocols for responding to, managing, and learning from environmental incidents.

During F26, we received a formal council notice relating to two non-compliances associated with the Matua Winery wastewater resource consent in New Zealand. Corrective actions addressed the underlying causes, strengthened operational controls and reduced the risk of recurrence. We also received notification that we exceeded our quarterly permitted water usage at one site in a prior operating year. No environmental harm was identified and the annual water allocation was not exceeded.

Farming framework

Our viticultural assets encompass a range of terroirs and geographies, so locally-tailored approaches are critical. While every region and site has distinct characteristics, our practices are guided by a consistent set of principles.

Our farming framework set out below outlines philosophies, strategies and enablers in caring for our people, planet and product. Its broad scope reflects our holistic approach to viticulture and encompasses ecological and soil health, biosecurity, pest and disease management, data and insights, alternate fuel and autonomous tractors, and community engagement.

With alignment in our viticultural teams, and benchmarking completed, our next focus is taking a global stocktake of practices already in place, developing baseline metrics, and sharing knowledge between regions. Plans for each region will be based on local factors including site characteristics, management practices and lab testing regimes. The resulting framework will be underpinned by common metrics, shared definitions and consistent measurement.

TWE's farming framework

Soil health	Treasuring water	Ecological health
Enhancing soils to build resilience, function, and water retention	Promote responsible stewardship of this shared resource	Promoting biodiversity and supporting ecosystem services

Biosecurity	Pest and disease management	Climate risk and adaptation
We have the privilege of having some of the world's oldest vines and genetics and it is our duty to protect them	Reducing our reliance on pesticides, fungicides and herbicides	Viticulture is climate exposed, we need to understand the specific challenges and respond

People and community	Certifications	Carbon emissions and waste
Community engagement, Supply Way and modern slavery	Providing confidence to consumers that their wine has been produced sustainably	Playing our part in mitigating emissions and waste

Strengthening soil health through research and collaboration

We have partnered with the Adelaide University on doctoral research exploring innovative approaches to improve soil health, nutrient retention and vineyard resilience. The research focuses on biochar and soil-plant interactions to support sustainable grape growing and long-term vineyard productivity.

A 3-month internship at McLaren Vale Vineyards translated academic research into practical vineyard applications, and featured a comprehensive soil health assessment across more than 400 hectares over eight vineyards in the region. Through spatial mapping, targeted soil sampling and laboratory analysis, the project developed a practical and scalable framework for evaluating soil health.

The work identified a set of indicators to monitor soil health over time and support data-driven management decisions. These findings will support more consistent soil health monitoring and reporting, enabling vineyard teams to better understand soil variability, optimise nutrient management and support long-term vineyard resilience.

GXLab soil zoning map combining soil and environmental data layers to support soil health assessment and vineyard management decisions.

Research and development

Research and development improves product quality and operational efficiency, while driving product innovation and reducing risk. We collaborate with research organisations, academic institutions, start-ups, innovation funds and industry experts to support our research and innovation agenda.

Innovation is central to our sustainability strategy, supporting product development, enhancing resource efficiency and building resilience across our vineyards, wineries, and supply chain. Working with research institutions, industry partners and technology providers, we explore solutions that support long-term business resilience while maintaining a strong focus on quality and sustainability outcomes.

Our winemaking capability is supported by world-class analytical testing and a structured sensory evaluation program that combines science, technology and expert judgement. These capabilities provide critical insights into wine composition, quality and consumer preferences, enabling informed decision making throughout the winemaking process. Beyond maintaining quality standards, these capabilities are a key enabler of research, development and innovation. They support the exploration of new grape growing and winemaking practices, the evaluation of product and packaging innovations, and the continual improvement of wine quality and consistency. Translating data and sensory insights into practical outcomes enhances our wines, strengthens our portfolio, and helps us respond to consumer preferences.

Example of assistive technology installed in our Barossa Packaging Centre.

Progress

In F26, we continued to expand consumer choice, strengthen the resilience of our vineyards and evaluate new technologies to enhance operational performance and sustainability.

Expanding consumer choice

Building on previous work in no- and low-alcohol wine, we continued to improve flavour retention, aroma recovery and product quality, while investigating new beverage concepts and fermentation technologies. Research also explored extracting flavour and colour from grapes to improve raw material use, product quality, and production efficiency. Patent applications relating to flavour preservation during dealcoholisation further strengthened our intellectual property portfolio and focus on developing beverages aligned with evolving consumer preferences.

Building climate resilience in vineyards

We invested in research on climate adaptation and vineyard optimisation, including climate modelling, canopy management, grapevine breeding, and harvest-date and yield prediction technologies. This work is improving our understanding of vineyard performance and vintage resource planning under changing conditions. Research into drought tolerance and vineyard resilience also continued, helping identify sustainable winegrowing practices that can maintain grape quality, operational efficiency and long-term vineyard viability.

Applying technology to improve operations

We continued to explore emerging technologies as inputs into decision making, productivity and operational resilience. Predictive analytics can facilitate harvest intake forecasting, optimise winery operations and support more effective resource use across the value chain. Potential applications extend from vineyard intake through winery processing, packaging operations and warehousing activities and will help identify opportunities to improve efficiency and data-driven decision making.

We evaluated automation and robotics technologies that could enhance workplace safety, product quality, productivity and operational consistency while reducing manual handling. Projects included robotic handling for oak staves in winery environments, automated delivery of dry goods to packaging operations and robotics-assisted gift packaging applications.

Pesticide use and management

Pesticides protect grape crops from the insects, weeds and microorganisms that threaten them, and organic and inorganic fertilisers replace nutrients removed at each harvest. Some pesticides can have adverse effects on people, non-target species, soil and aquatic ecosystems, while excess fertiliser can move off farms into surface water, groundwater and neighbouring native vegetation. We aim to minimise the whole-of-lifecycle impact of grape growing and winemaking, managing agrochemical use to local conditions, water demand, energy use, carbon footprint, crop health, employee wellbeing and production efficiency as a single, connected set of considerations.

Striking a balance depends on increasingly complex circumstances. A changing climate, combined with the growth of global trade and travel, is creating new pathways for invasive pests and diseases to spread into regions once protected by geographical separation or cooler climates. Managing this exposure is part of our approach to climate risk, and we continue to invest in monitoring, practices and industry partnerships to exclude or contain these threats.

Agrochemical management also has a role in adapting to a warmer climate. In suitable sites, reducing herbicide use to maintain a living or mulched vineyard floor lowers the heat reflected and radiated into the fruit zone during extreme heat, and reduces the associated sunburn, heat stress and yield loss.

Our approach

Our approach to pesticides is grounded in integrated pest management. We combine biological, cultural and chemical controls to manage risk while keeping inputs as low as possible, balancing environmental stewardship, fruit quality and compliance with regulatory frameworks.

- **Weather modelling:** Forecasting, disease modelling and autonomous spore monitoring reduce crop risk and the frequency of chemical applications.
- **Cultural practices:** Pruning, mulching, trellising, and canopy management suppress pest and disease pressures (for example, not pruning at the beginning of the rainy season avoids the highest pressure of wood canker-causing spores). We also control equipment movement to limit cross-contamination between blocks.
- **Agrochemicals:** Applied only when necessary, with rotations to avoid resistance. Nutrient inputs are managed to reduce runoff and limit emissions.
- **Traceability and compliance:** All applications on internal and grower vineyards are fully documented and audited for adherence to global export market standards.
- **Innovation:** Tools including multispectral aerial imaging, AI image recognition, autonomous equipment and genetic disease detection techniques improve precision, reduce inputs, and lower costs.
- **Alternative approaches:** Expanded herbicide-free management in appropriate climates through mechanical cultivation, grazing, mowing and cover crops. This builds on our experience transitioning away from herbicides in Rutherford, the organic practices at DAOU Vineyards and long-standing weed management practices in Italy that improve soil health and reduce temperatures during heatwaves, while reducing chemical management.

Managing employee health and safety

Our approach to health and safety is outlined in the Health, safety and wellbeing section. Safe agrochemical handling is a priority; everyone working with the materials:

- Is trained and has accreditation in local programs (e.g. ChemCert in Australia, licensing through California's Department of Pesticide Regulation, the New Zealand Agrichemical Education Trust's Growsafe program, Certiphyto opérateur or décideur in France, and Patentino Fitosanitario in Italy)
- Follows rigorous safety protocols, PPE standards, and site operating procedures
- Uses chemical safety documentation and takes part in regular risk assessments
- Is protected by increasing automation and remote application, reducing direct exposure.

All plant protection products undergo rigorous analysis before being approved for use, including health and safety evaluation, technical suitability, efficacy, redundancy, resistance management, environmental impact, export compliance and application practicality.

Ensuring consumer health

In addition to ensuring product quality and safety, we conduct regular residue testing of fruit and finished wine to ensure compliance with applicable domestic and export standards.

Biosecurity and pest management in a changing climate

Keeping destructive pests and diseases out of our vineyards has never been more important. Increased trade and travel can spread pests more quickly, while warmer conditions reduce some of the natural barriers that once limited their movement and survival.

This risk is relevant across all our regions. In Australia, grape phylloxera is established in parts of Victoria and New South Wales but remains absent from South Australia, a recognised Phylloxera Exclusion Zone. This has helped preserve some of our oldest own-rooted vines, including the 1880-planted Penfolds Block 42. In California, warmer conditions support the glassy-winged sharpshooter, which spreads Pierce's Disease.

Protecting these vineyards relies on disciplined day-to-day practices including: biosecurity preparedness, biosecurity standards, managing the movement of people, machinery and plant material through controls such as wash-down stations, quarantine procedures, site sign-in requirements and training.

Biosecurity also depends on industry collaboration. TWE representatives hold board positions with Vinehealth Australia and California's Pierce's Disease and Glassy-winged Sharpshooter Board, contribute to regional preparedness activities, and help shape industry response plans.

This approach also informs how we manage organic production. While we support organic farming where conditions allow, our priority is to minimise long-term environmental impact. In some cases, that means acting early to prevent or eradicate an invasive pest, avoiding the need for ongoing treatment and management.

Responsible supply chain

Sourcing goods and services from suppliers in around 50 countries means our social, ethical, and environmental impacts reside in the operations of our suppliers alongside our own activities. In F26, we bought $1.5 billion worth of goods and services, largely from Australia, the United States, the United Kingdom, and New Zealand.

Through careful supplier selection, risk management and investment in developing long-term relationships, we ensure our partners share our commitment to socially responsible and sustainable business practices.

Our approach includes:

- Clearly defined acceptable standards for suppliers via the Responsible Procurement Code (RPC)
- Working with key suppliers to improve performance and to ensure key risks and opportunities are identified and managed
- Ensuring a fit for purpose risk assessment platform to address key risks in our supply chain.

Progress

In F26, 94% of our procurement expenditure was concentrated in Australia, the United States, the United Kingdom, and New Zealand. Our network includes more than 4,800 suppliers, with approximately 63% of activity in a group of 140 primary suppliers. We manage responsible sourcing and compliance risks across our network of suppliers with a governance framework.

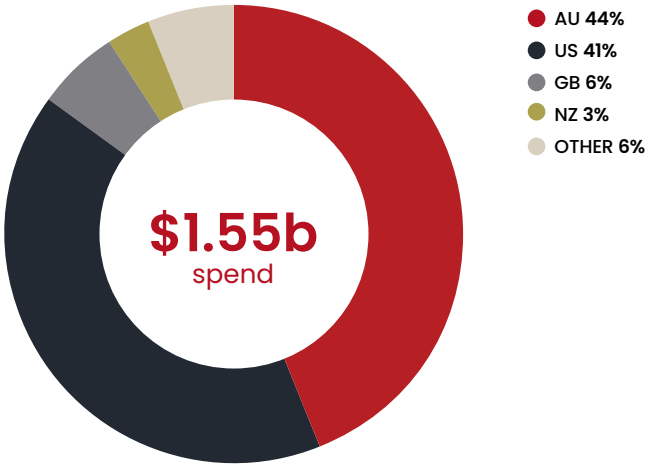
Supplier governance framework

Our supplier governance framework assesses suppliers against seven categories of risk (refer to the table on the next page), supported by a new supplier onboarding and risk assessment platform and updated policies – namely our Procurement Policy and Responsible Procurement Code.

Building on enhancements to the supplier governance framework last year, we further simplified onboarding while introducing stronger controls across the seven risk categories. The refined framework provides a more consistent approach to identifying and managing higher-risk suppliers while supporting efficient supplier governance processes. Supplier assessments are completed through a combination of internal expertise and third-party assessment providers, supporting effective management of sustainability risks and compliance obligations among our suppliers.

Our new streamlined process incorporates a dedicated supplier portal and is supported by a third-party sustainability assessment platform. Together, these tools provide a more transparent, consistent, and risk-informed approach to supplier engagement, supporting our broader sustainability and responsible sourcing objectives.

F26 procurement expenditure by region



Summary of supplier expectations by risk category

Risk category[1]	Our expectations of suppliers
Conduct	Follow all relevant laws and regulations. We work with partners that act fairly, responsibly and with integrity.
Bribery and corruption	Bribery, corruption and improper business practices are not acceptable. Suitable controls should be in place to support compliant conduct.
Modern slavery and labour practices	Workers' rights and human rights must be respected across operations and supply chains.
Health and safety	Safe and healthy working conditions must be provided for all workers.
Environmental management	Environmental impacts should be managed and reduced where possible, supported by clear environmental practices and policies.
Privacy	Personally Identifiable Information and any systems hosting them must be protected. This includes keeping data secure, confidential and accurate.
Cyber security	Suppliers must ensure adequate system and process controls to: > prevent loss, damage or compromising of assets and interruption to business activities > control access to TWE information.

Responsible Procurement Code

TWE continues to strengthen supplier sustainability and ethical sourcing practices through its Responsible Procurement Code (RPC). The RPC sets out supplier expectations across human rights, employee wellbeing, health and safety, anti-discrimination, and environmental management. It is embedded in supplier selection, onboarding, contracting and purchasing processes. During the year, we continued to assess supplier alignment with these requirements, working with suppliers to address identified gaps and taking further action where material issues were uncovered during onboarding.

Supplier risk assessment

TWE's supplier onboarding process incorporates a primary risk assessment to evaluate compliance with key policies, including the RPC and purchase order terms and conditions (or other agreed terms governing the supplier relationship), while also identifying potential risks across our seven priority risk categories.

Suppliers with elevated risk characteristics progress to a secondary risk assessment, conducted internally or by external specialists to support risk identification, mitigation and promote responsible sourcing practices across our supply chain. Certain goods and service types that carry known risk factors, such as labour rights and human rights considerations, may trigger a secondary assessment regardless of supplier spend.

Tailored questionnaires for supplying grape growers have been developed covering responsible sourcing topics such as health and safety, labour hire practices and employee rights. Information security assessments are also conducted for technology suppliers with access to TWE systems to help evaluate cyber security and data privacy risks. External assessment providers are also engaged to evaluate suppliers against a range of environmental, social and governance (ESG) criteria, including environmental performance, labour and human rights practices, ethical conduct and sustainable procurement capabilities. Where risks are identified through the secondary assessment process, appropriate mitigation actions are required before supplier onboarding can proceed.

We achieved our commitment to complete secondary risk assessments for 100% of high-risk contracted suppliers by the end of F26. Secondary risk assessments were completed for 128 active suppliers. We also onboarded more than 1,000 new suppliers during the year. All new suppliers completed a primary risk assessment as part of the onboarding process, with those identified as requiring further due diligence progressing to a secondary risk assessment. For suppliers where residual risks were identified, we're working collaboratively on additional controls and mitigation actions.

1 Business continuity is managed as part of the category management process for key strategic suppliers.

Sustainable packaging and circular economy

We uphold the highest quality standards across our wine portfolio. Glass remains the ultimate vessel for storing wine, and while we continue to develop alternative formats, we're focused on ensuring our glass is as sustainable as possible by increasing recycled content and reducing weight. Across all packaging formats, we're committed to aligning with post-consumer recycling conditions in our key markets.

Achieving our ambitions relies on close collaboration with our suppliers. We continue to share our priorities, align on sustainable packaging and circular economy outcomes, and make progress in material reduction, recycled content and design for recyclability. We're also continuing to refine and mature our governance and reporting, with a particular focus on improving data quality across our dry goods materials - supporting more robust performance measurement and transparency for our customers and consumers.

Progress

We continued to consolidate, reduce, and remove materials across our packaging portfolio in F26 to reduce our overall material use and improve recyclability outcomes. Many priorities are consistent with previous years, including improving data integrity to support regulatory compliance and decision making.

We work with dry goods suppliers to improve the quality and granularity of packaging data relating to material composition, recycled content and recyclability. This work is critical to a more accurate understanding of our packaging footprint, including end-of-life outcomes, and strengthens our response to increasingly complex regulatory and customer reporting requirements across our key markets.

Strengthening packaging data for regulatory readiness

Building on the F25 baseline, in F26 we focused on quality, consistency and traceability of material composition and recycled content data across our global network of approximately 65 dry goods suppliers. This included more standardised data collection, supplier evidence, supporting documentation, and stronger internal validation processes to build a more mature, auditable view of our packaging data.

This work also helps position us to respond to evolving packaging-related regulatory requirements globally, including Extended Producer Responsibility (EPR) schemes and the European Union's Packaging and Packaging Waste Regulation (PPWR). By improving the underlying data, we can respond more efficiently to these increasingly complex requirements across markets, including differences in reporting scope, material composition, recyclability classifications and evidence expectations.

We'll continue building on this foundation by extending evidence-based validation and broadening the scope of material data captured to align with evolving regulatory and reporting requirements.

Designing for recyclability and reduced material use

Some dry goods used in packaging remain difficult to recycle in current systems, with limited end-of-life pathways beyond landfill or incineration. We're focused on reducing these materials across our portfolio, removing components where they are not essential or replacing them with more recyclable alternatives. Key initiatives in F26 included:

- Reducing the use of problematic plastic by removing PVC tear tabs from sparkling wine hoods across selected sparkling wine products.
- Working closely with our Australian label supplier to reduce the thickness of the liner used on one of our label specifications, delivering a 26% reduction in liner weight, while retaining 30% post-consumer recycled content. Introduced late in F26, this change is expected to save over 8 tonnes of plastic waste in F27.
- Redesigning the tap used in our bag-in-box packaging sold in the UK and Europe, moving from multiple plastic materials to a mono-material polyethylene (PE) solution. This change improves recyclability through increased compatibility with existing recycling systems, while maintaining functional performance and consumer experience.
- Replacing plastic components from our Penfolds special release gift boxes with paper-based alternatives that support recyclability.

While these actions are meaningful, we acknowledge that challenges remain – particularly with problematic materials such as screw cap liners, capsules and bladders/pouches. We remain committed to innovation and collaboration to address these shared challenges and progress toward more sustainable packaging solutions.

Increasing recycled content

Based on our 2025 calendar year production, more than 53% of primary and secondary product packaging materials by weight comprised of recycled content, exceeding our target of 50%. We aim to maintain this performance and increase recycled content where opportunities exist across our packaging portfolio.

Glass is the most significant driver of our recycled content performance. We continue to work with suppliers to increase recycled glass (cullet) content in our bottles, including by expanding colour tolerance. Cullet content in our glass bottles ranges between 25% and 80%, depending on colour and manufacturing location.

While glass is the largest contributor to our overall recycled content position, cartons are our second most significant packaging format by weight and already contain high levels of recycled content: typically above 40%, and up to 100% in some formats. We work with our carton suppliers to maintain and, where possible, further increase recycled content across our carton portfolio, supported by well-established fibre recycling systems in our key operating markets.

Reducing glass weight

Alongside increasing recycled content, reducing glass weight is one of the most effective ways to reduce embodied GHG emissions in our packaging. Building on our accelerated work in the 2025 financial year, we continued to reduce bottle weights in F26, supported by consumer research, supplier engagement and product strategy development of prior years.

Reductions were delivered across our portfolio globally, including brands such as 19 Crimes, Squealing Pig and Penfolds. As a result, we achieved our commitment to remove 5,000 tonnes of glass from our products by the end of F26[1] (based on F25 production volumes).

Glass lightweighting remains a key focus and a core lever in reducing our scope 3 emissions footprint. We have not set a glass reduction target for F27 given expected changes in our brands and product portfolio as part of our multi-year transformation program, Ascent. We will re-visit this target for F28.

Collection and circularity

Container deposit schemes (CDSs) continue to evolve globally and in our key operating markets. In Australia, the confirmed expansion of state-based schemes to include wine bottles across Queensland, Western Australia, New South Wales, South Australia and the Northern Territory is a significant step towards a more nationally-consistent approach and is expected to increase recovery and recycling rates for wine glass.

Many of our alternate formats (e.g. cans and PET bottles) already operate under CDSs or equivalent schemes globally. We support the harmonisation of these schemes to improve resource recovery and circular economy outcomes, and are actively engaged with industry and government to help ensure effective and workable implementation as well as greater availability of high-quality recycled material.

We continue to maintain recycling and material recovery programs across our owned packaging operations, helping keep materials such as glass, carton and pallet stretch wrap in circulation. Further information on waste diversion performance is available in the **Waste management** section.

We commenced a bottle reuse pilot at Etude in California during F26. Conducted in partnership with glass reuse company Revino, the trial focused on collecting and redeploying tasting room bottles to better understand the opportunities and challenges associated with reuse systems. Results from this small-scale trial will be evaluated in F27.

Exploring alternative packaging formats

As consumer and customer expectations continue to evolve across markets, we also explore alternative packaging formats where they align with local sustainability objectives and recovery systems.

During F26, we produced our first wine in paper-based Tetra Pak packaging through the Lindeman's brand. The initiative responded to growing demand in Nordic markets for lower-impact packaging alternatives and demonstrates how formats may vary across markets depending on local consumer preferences and recovery infrastructure.

Lindeman's in paper-based Tetra Pak packaging

1 Glass reduction is measured as the reduction in glass packaging weight achieved through bottle lightweighting and other packaging design changes, relative to a baseline derived from F25 production volumes and packaging specifications. The metric is calculated using changes in bottle weight multiplied by relevant F25 production volumes. The target applied globally across products manufactured and sold by Treasury Wine Estates' three operating divisions and brands within the reporting boundary. Calculations are based on approved packaging specifications and production records and may not reflect minor variations in actual bottle weights arising from manufacturing tolerance.

Lightweighting Penfolds proprietary bottles

As part of our commitment to remove 5,000 tonnes of glass from our products by the end of F26, several proprietary bottles across the Penfolds portfolio were redesigned to be lighter in weight while maintaining the brand's luxury presentation. The new designs also incorporate the iconic Penfolds 'P', enhancing on-shelf brand recognition while supporting sustainability outcomes.

A key initiative was the consolidation of four proprietary Penfolds Claret bottle formats into a single design. Depending on the existing format, bottle weights were reduced by between 53g and 153g per bottle. Based on F26 production volumes, this initiative saved approximately 1,200 tonnes of glass.

The proprietary Burgundy and Flute bottle formats were also redesigned to be lighter in weight, helping embed lightweighting as a long-term design principle within premium and luxury categories.

Waste management

In F26, we diverted 92.1% of our waste from landfill, continuing our focus on responsible and sustainable waste management across our operations. Our approach prioritises avoiding waste where possible, while seeking opportunities to reduce, reuse, recycle and recover materials.

During the winemaking process, a large proportion of organic waste - including stalks, stems, and marc - is repurposed. These by-products are commonly provided to local livestock owners as supplementary feed or used as compost. Grape skins and seeds may also be further processed to create value-added products such as grape-derived alcohol and tartaric acid.

Across our wineries, packaging centres, cellar doors, and offices, we separate materials including cardboard, glass, plastics and organics for reuse, recycling, and composting. In Australia, we continue to partner with key suppliers to enable closed-loop systems for glass, carton packaging and stretch wrap at our Barossa Packaging Centre - reducing waste and increasing the recycled content in our packaging materials.

During the year, we reviewed waste streams and diversion opportunities across several US production sites, including our Sonoma Bottling Centre. The analysis helped us improve material segregation and identified recycling or reuse pathways for materials including cardboard, plastic film, pallet materials and organic winemaking by-products.

Across our vineyards, we seek to recover materials at the end of their useful life, with recycling pathways for materials including irrigation drip tube, used vine guards and metals to reduce waste where practical.

These initiatives reflect our focus on reducing waste, recovering valuable resources and supporting more circular approaches across our operations. We will continue working with our teams, suppliers and local partners to identify further opportunities to improve waste diversion.

Recycling plastics at McLaren Vale vineyards

As vineyard infrastructure reaches the end of its useful life, we recycle materials and keep valuable resources in use. In South Australia, finding viable recycling pathways for agricultural plastics is challenging, particularly for materials such as irrigation drip tube and vine guards. The McLaren Vale vineyard team has worked to secure local recycling partners to support these waste streams.

In F26, more than 10 tonnes of plastic materials, mainly irrigation drip tube, from McLaren Vale vineyards was sent for recycling and eventual use in manufacturing applications.

The vineyard team also identified a new recycling pathway for used vine guards. The first collection recovered more than 3 tonnes of material, with McLaren Vale coordinating collection across our other South Australian vineyards, including Barossa Valley and Eden Valley.

This initiative broadened the range of vineyard plastics diverted from landfill and demonstrated the value of persistence, collaboration and local partnerships in overcoming challenging waste streams. Our vineyard teams continue to identify new waste diversion opportunities and share learnings across regions.

Our F27+ commitments

Focus area	Target
Building a resilient business	
WATER STEWARDSHIP	> Implement a vineyard irrigation health check and improvement program across Australian owned vineyards to optimise irrigation performance and water use efficiency
CLIMATE RISK AND GHG EMISSIONS	> Net zero by 2030 (scope 1 and 2)[1] > Invest $100m by the end of the 2030 calendar year to help our business adapt to a changing climate[2] > Reduce total scope 1 and 2 emissions from our Barossa Valley winery and packaging centre by >80% by the end of F29, relative to an F21 baseline[1]
Fostering healthy and inclusive communities	
HEALTH, SAFETY AND WELLBEING	> Maintain or improve our SSIFR 3 year rolling average of 0.33, by driving active participation in our safety culture and wellness programs, while also sustaining Employee Survey Safety and Wellbeing scores at or above 2025 baseline
CONSUMER HEALTH AND RESPONSIBLE DRINKING	> 100% of TWE brand product labelled from 2027 will include energy information (excluding products below 375ml) > Commit >5% of TWE's premium portfolio to no- and low-alcohol offerings by the end of 2030
INCLUSION, EQUITY AND DIVERSITY	> At least 40% women, at least 40% men, and up to 20% any gender > A gender-balanced Board (at least 40% women/at least 40% men/up to 20% any gender)
Producing sustainable wine	
SUSTAINABLE GROWING AND PRODUCTION	> Continue to increase sustainability certification of our brands > Benchmark agricultural practice against our farming framework and stock take monitoring and measurement systems
RESPONSIBLE SUPPLY CHAIN	> Build procurement team awareness and capability by delivering three targeted sustainability briefings on topics relevant to procurement decision making
SUSTAINABLE PACKAGING AND CIRCULAR ECONOMY	> Develop solutions to known packaging challenges to progress towards our ambition of 100% recyclable, reusable or compostable packaging > Continue to promote the use of recycled content in our product packaging, maintaining >50% on average

1 Measured using scope 1 and scope 2 (market-based) emissions, excluding biogenic CO_2 emissions.
2 Target will undergo review in light of changed business circumstances in F27.