

ENVIRONMENTAL, SOCIAL AND GOVERNANCE COMMITMENTS

At Shaw + Smith, sustainability is central to the way we farm, make wine, manage resources and work with our people, suppliers and community. Our focus is practical and measurable: reducing emissions, improving soil and biodiversity outcomes, conserving water, increasing renewable energy use, minimising waste and strengthening long-term business resilience.

Our vineyards at Balhannah and Lenswood are ACO certified organic, with organic practices also applied across Piccadilly and Lobethal. We are certified members of Sustainable Winegrowing Australia across both winery and vineyard operations, and signatories to the Australian Packaging Covenant Organisation (APCO) and Australian Recycling Label (ARL) Program. We have completed annual scope one, two and three greenhouse gas audits since 2021.

Our near-term initiatives aim to build on this foundation through heightened focus on regenerative farming, exploration of solar and battery expansion for energy independence, furthering of circular packaging initiatives and a workplace culture that supports safety, education and community participation.

KEY INITIATIVES AT A GLANCE

Focus area	Key initiatives
Organic and regenerative viticulture	ACO-certified organic vineyards at Balhannah and Lenswood; organic practices across Piccadilly and Lobethal; composting, vermiculture, mid-row biodiversity, grazing and native revegetation projects.
Renewable energy and emissions reduction	Annual scope one, two and three greenhouse gas audits since 2021; 376kW solar capacity, with ambition for further expansion facilitating 95% energy independence; transition to 100% GreenPower from December 2025.
Water stewardship	Winery operations run entirely on rainwater; 100% of winery wastewater recycled for vineyard and lawn irrigation.
Sustainable packaging	Lightweighting across Sauvignon Blanc and The Other Wine Co.; CapR removable closure technology; increased recycled content; local sourcing of glass, cartons and closures; APCO and ARL participation.
Circularity and recycling	Closed-loop recycling programs for cardboard, glass, paper, plastic and label backing; halved consumption of plastic pallet wrap; supplier partnerships to reduce freight and waste.
People, community and governance	Carbon offsetting for business travel; flexible work; paid parental leave; WHS committee and training; wine education support; annual charity and volunteer programs.

OUR OBJECTIVES

- Build on organic certification through best-practice viticulture, improved soil health, mulching and mid-row biodiversity to reduce irrigation demand.
- Develop revegetation projects across all vineyard sites that promote biodiversity and support credible carbon sequestration opportunities.
- Recycle 100% of water generated through winery processes and reuse, recycle or repurpose all vintage outputs wherever practicable.
- Net zero scope two emissions - target 95% energy independence through solar and battery upgrades, while maintaining GreenPower for any purchased residual.
- Work with suppliers to reduce freight-related emissions, via backloading and consolidated shipments with regional neighbours.
- Plastic-free packing and logistics for all Direct to Consumer sales.
- Increase recycled content, further lightweight packaging and reduce plastic consumption through bottling.



LAND, VITICULTURE AND BIODIVERSITY

Growing exceptional grapes requires long-term stewardship of vine health, soil health, water and biodiversity.

Organic inputs and pest management

- Organic practices, modern equipment and mechanical weed control to eliminate herbicides and systemic fungicides from owned vineyards.
- Organically certified products for pest and disease control, while reducing reliance on copper to avoid soil toxicity.
- Apply organically certified composts, kelp products and onsite vermiculture outputs as core fertiliser inputs.

Soil health and biodiversity

- Maintain permanent grass swards and mid-row biodiversity to reduce erosion, build soil carbon, improve natural water-holding capacity and support beneficial insect populations.
- Minimise machinery movements to reduce soil compaction.
- Beehives, chickens, goats and winter grazing with Merino ewes to support biodiversity, natural pest control, mowing and fertilisation.
- Revegetation projects earmarked for all vineyard sites, including native wetlands, targeting credible biodiversity and carbon benefits.

Water efficiency and low-emissions operations

- Use of continuous logging soil moisture probes to monitor and optimise irrigation.
- Operate an electric ATV charged from onsite solar, with longer-term plans to progressively electrify the vineyard fleet.

WINERY OPERATIONS, WATER AND ENERGY

Responsible winemaking at Shaw + Smith focuses on renewable energy, efficient winery design, careful water use and continuous emissions reduction.

Certification and benchmarking

- Maintain Sustainable Winegrowing Australia certification across winery and vineyard operations to support benchmarking, planning and continuous improvement.

Renewable energy and emissions

- 376kW solar upgrade in 2023, reducing reliance on purchased energy by 20%, with plans for further expansion and battery storage to yield 95% energy independence.
- Net zero scope two emissions achieved October 2025, though a switch to GreenPower for all purchased energy requirements.
- Phase two objective of vineyard solar installation, aligning to mid-term goal of net zero vineyard emissions.
- LED lighting installed throughout the winery, warehouse, bottling and office buildings to reduce electricity use.

Water and process efficiency

- Winery operations run entirely on rainwater.
- The 2020 wastewater upgrade allows 100% of water used onsite to be diverted to vineyard and lawn irrigation.
- Efficient winery layout, high-pressure low-volume barrel washing, cross-flow filtration where required and refrigeration heat recovery reduce water use, product loss and resource intensity.
- Energy efficient air compressor, reducing energy usage by 35%.

PACKAGING, WASTE AND CIRCULARITY

We work closely with suppliers to minimise the impact of packaging, increase recyclability and develop local circular economy economies.

Packaging innovation

- Sauvignon Blanc – our largest product by volume - transitioned to lighter weight glass, saving more than 64 tonnes compared with previous vintages.
- Use of ultra-lightweight, 360g glass bottles for The Other Wine Co., reducing bottle weight by 34% compared with previous vintages.
- 100% domestically sourced, 750mL glass, significantly reducing the emissions factor per glass bottle.
- CapR, removable wine closure technology, to be introduced across all products from vintage 2026, facilitating the separation of aluminium sleeves from bottles and supporting more efficient recycling.
- Use of 100% aludium 'eco-green' aluminium for CapR capsules, reducing closure-related emissions by approximately 50%.

Local sourcing and freight reduction

- Procure glass, cartons and closures from Adelaide-based domestic suppliers to reduce freight-related emissions.
- Develop circular freight solutions, including backloading dry goods deliveries with finished goods dispatches to reduce total transport movements.

Recycling and waste reduction

- Reduced plastic consumption through 12 micron pallet wrap for finished pallets, halving usage compared with the prior year.
- Reduced carton inserts across standard packaging, with all required materials being on 100% biodegradable stocks.
- Closed-loop recycling systems are in place across our key waste streams. Cardboard and glass are returned directly to our suppliers for recycling and reprocessing, supporting greater material recovery and reducing landfill.
- Recycle glassine label backing through Avery Dennison's AD Circular initiative, diverting approximately 1,500kg from waste.
- Compliance with Sustainable Packaging Guidelines and ARL recommendations, with continued APCO reporting and improvement programs.
- Embedded culture of practical recycling and reuse across office, winery and tasting room operations, including multi-stream bins, divider reuse and paperless or biodegradable marketing materials where possible.

PEOPLE, COMMUNITY AND GOVERNANCE

Our ESG approach extends beyond environmental performance, to include workplace culture, safety, education, community support and governance discipline.

People and workplace

- Equal opportunity across departments; female employees currently comprise 50% of the workforce and 30% of senior leadership positions.
- Average employee tenure of 6.4 years.
- Education support provided for full-time staff, with 18% of team members currently undertaking further study.
- Paid parental leave and flexible workplace policy extended to all employees, irrespective of gender.
- Dedicated ESG Committee, ensuring alignment of core business strategy with ESG ambitions.
- Workplace health and safety is prioritised through a dedicated WHS committee and formal, ongoing training.

Community and industry contribution

- 100% of team travel, including flights, accommodation and car hire, is offset through the TEM platform.
- Long-standing, gold-level sponsorship of the Len Evans Tutorial, supporting education and development for emerging winemakers and sommeliers.

- Support for annual staff-nominated charities, currently Cancer Council and R U OK?, with additional support for Breakthrough Mental Health Research.

Governance and accountability

- Review sustainability performance through annual greenhouse gas reporting, Sustainable Winegrowing Australia certification, APCO and ARL reporting, and internal review of key environmental initiatives.
- Continue strengthening data collection, supplier engagement and internal accountability to ensure sustainability claims are accurate, measurable and aligned with recognised industry frameworks.

CONTINUOUS IMPROVEMENT

Sustainability is an ongoing discipline rather than a fixed endpoint. Shaw + Smith will continue to measure, review and improve performance across vineyards, winery operations, packaging, supply chain and workplace practices, with a focus on credible action and transparent progress over time.

Annual Report and Action Plan

Company Name: **Shaw and Smith Pty Ltd**

Trading As: **Shaw and Smith**

ABN: **88008265816**

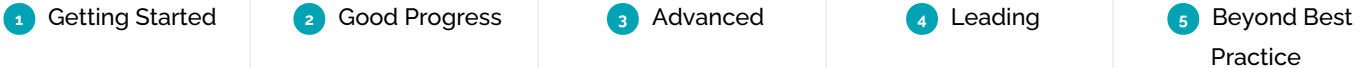
About APCO

Australian Packaging Covenant Organisation (APCO) is a co-regulatory not-for-profit organisation leading the development of a circular economy for packaging in Australia. APCO's vision is a packaging value chain that collaborates to keep packaging materials out of landfill and retains the maximum value of the materials, energy and labour within the local economy.

Each year, APCO Brand Owner Members are required to submit an APCO Annual Report and an APCO Action Plan. This document is the Annual Report and Action Plan output for the organisation listed above. This document provides the overall performance level of the organisation, as well as any commitments they have made to work towards on their packaging sustainability journey. This document may also include additional information provided by the Member in their report.

Overall Performance **Beyond Best Practice**

The chart below indicates the overall performance level of this organisation listed above in the 2025 APCO Annual Report. The organisation's reporting period was **January, 2024 - December, 2024**.



Understanding APCO Annual Reporting performance levels:

- 1 Getting Started:** You are at the start of your packaging sustainability journey.
- 2 Good Progress:** You have made some first steps on your packaging sustainability journey.
- 3 Advanced:** You have taken tangible action on your packaging sustainability journey.
- 4 Leading:** You have made significant progress on your packaging sustainability journey.
- 5 Beyond Best Practice:** You have received the highest performance level and have made significant progress on your packaging sustainability journey.

Contact

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Additional Information

The information below indicates additional information that the organisation included in their APCO Annual Report.

Please tell us about any innovative packaging sustainability initiatives you have implemented during your chosen 12 month reporting period.

A move to aludium eco green caps, carrying a 50% lower emissions profile.
We are also investigating new aluminium caps, which can be fully removed from the bottle prior to recycling, avoiding contamination in the waste stream.

APCO Action Plan Commitments

For each of the Packaging Sustainability Framework criteria listed below, a description is provided along with the commitments made by the organisation in their APCO Action Plan.

Criteria 1:

Governance & Strategy:

This criteria considers actions to integrate packaging sustainability into business strategies.

- Develop a strategy that includes goals for packaging sustainability that addresses the Sustainable Packaging Guidelines (SPGs) or equivalent.
- Include a commitment to the 2025 National Packaging Targets and aim to integrate it within business processes.
- Communicate and promote packaging sustainability objectives and targets within your organisation and to external stakeholders (suppliers, final consumers, community groups etc.).

Criteria 2:

Design & Procurement:

This criteria considers actions taken to ensure that sustainability principles are considered in the design or procurement of both new and existing packaging through use of the Sustainable Packaging Guidelines (SPGs).

- Use the Sustainable Packaging Guidelines to review our packaging to identify opportunities for improvement.
- Record the outcomes of reviews or packaging using the Sustainable Packaging Guidelines so that any team member can refer back to them in future and for auditing purposes.
- Conduct packaging reviews using the SPGs for 50% of our packaging.

Criteria 3:

Recycled Content:

This criteria considers actions taken to increase or optimise the amount of recycled material used by your

organisation.

- Develop a policy or procedure to buy products and/or packaging made from recycled materials.
- Aim to use recycled materials in any packaging where this is feasible, including:
 - Primary packaging
 - Secondary packaging
 - Tertiary packaging

Criteria 4:

Recoverability:

This criteria considers actions taken to improve the recovery of packaging at end-of-life and increase use of reusable packaging.

- Investigate whether all of our packaging is recyclable at end-of-life and identify any gaps and opportunities for greater reuse or recycling.

Criteria 5:

Disposal Labelling:

This criteria considers the extent to which packaging has been labelled to help consumers determine what to do with packaging at end-of-life.

- As packaging is updated or refreshed, add on-pack information for consumers on recyclability or correct disposal.

Criteria 6:

On-site Waste:

This criteria considers progress in increasing the amount of on-site solid waste being diverted from landfill.

- Develop a system to collect and recycle used packaging generated at our facilities.

Criteria 7:

Problematic Materials:

This criteria considers the extent to which organisations are actively phasing out problematic and unnecessary single-use plastic packaging and preventing/reducing litter.

- Undertake the following to help reduce the impact of litter:
 - Conduct regular clean-ups on-site
 - Look for opportunities to redesign packaging to eliminate components that may have the

propensity to become litter

Further commitments:

These commitments look at additional actions the organisation may take to improve reporting.

No commitments have been made for this criteria this year.