

TASKFORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES

TWE acknowledges the challenges and impacts posed by climate change and the opportunities and risks (both physical and transitional) it presents for the Company.

For TWE, the physical impacts of climate change include acute risks resulting from increased severity of extreme weather events and long-term risks resulting from changes in climate patterns. Transitional risks and opportunities arise from a variety of policy, legal, technological and market responses to the challenges posed by climate change and the transition to a lower carbon economy.

During F19, TWE considered in detail the recommendations of the TCFD. In particular, the Company conducted a detailed gap analysis and benchmarking of TWE's existing frameworks, practices and disclosures against the TCFD recommendations and current market practice.

The analysis identified areas where TWE is performing well, acknowledging that TWE has been investing in minimising and adapting to climate change impacts for more than a decade. The analysis also highlighted areas for improvement, including the need to continue to build a whole-of-business approach to assessing climate-related risk and opportunity.

TWE has since developed an internal roadmap to enable the business to draw on these findings and drive future action as appropriate, with a view to enhancing the Company's practices and disclosures relating to climate change. The following summarises the actions undertaken in line with the four core elements of climate-related financial disclosure.

GOVERNANCE

TWE's Board is responsible for the overall corporate governance of the Company, assisted by its committees. One of the Board's objectives is to optimise TWE's performance and shareholder value within a framework of appropriate risk assessment and management, including in relation to climate change.

In F19, the Board approved amendments to the Risk Management Framework to incorporate specific responsibilities relating to ESG risks; enhance the categorisation of a number of risks, including climate and environment risk; and reference the Company's consideration of the TCFD recommendations.

Further, the Environment Policy was updated during the year to emphasise TWE's commitments in relation to assessing climate change impacts, monitoring environmental performance and engaging with management and the Board to drive environmental sustainability.



In F19, TWE became a signatory to the Porto Protocol, a global forum and commitment to sharing and learning best practices that help reduce the impact of climate change. This commitment will enable TWE to align with organisations across the world to ensure good environmental practices guide business activity.

STRATEGY

TWE considers its business strategy suitably enables it to leverage opportunities and minimise the risks posed by climate change. Effectively managing these impacts is a very important part of our commitment to creating long term value and we are committed to ongoing dialogue with our stakeholders to identify and address the impacts and opportunities associated with climate change.

Flexible multi regional sourcing, expanding our country-of-origin offerings and premiumising of our portfolio of world-class wines ensures TWE is agile and adaptive, whilst our focus on supply chain optimisation encourages efficiencies and innovation. For more information on risks and mitigating actions relating to climate change, see Figure 3 on page 8 and the Planet section of this Report.

RISK MANAGEMENT

During F19, a group of Senior Leaders, including those from the ELT and the Risk, Compliance and Governance Committee, participated in a climate change impact workshop. The workshop was held to specifically identify the most impactful risks and opportunities for the organisation and elevate consideration of the transitional and non-supply focused physical impacts of climate change.

Outcomes of the workshop were then used to inform the Company's material business risks as well as this Report and actions within the CR roadmaps that sit under the CR pillars – Performance and Planet.

METRICS AND TARGETS

TWE monitors and reports annually against several environmental metrics, including carbon emissions and intensity, water and energy use and efficiency, and waste generated and diverted from landfill.

Greater detail on these metrics and how they are measured is found in the Planet section and Key Performance Indicator table of this Report.