

ACO Leading Harvest Summary Audit Report

The purpose of this audit was verification of conformance with the requirements of the Leading Harvest Farmland Management Standard 2020, through a sampling process of the information available by examining operating procedures, materials relating to farmland management practices and on-the-ground field performance, and through meetings or correspondence with employees, contractors and other third parties (e.g. government agencies, community groups, affected Indigenous Peoples, conservation organisations), as appropriate.

Audit Details	
Trading Name	The Trustee for Southern Premium Vineyard Trust (commonly known as 'SPV')
Crop(s) (scope of certification)	Wine Grapes
Leading Harvest Program User ID or Membership Number	13552
Leading Harvest Contact Person	Matt Alexander (Chief Executive Officer) Brett Sharpe (General Manager, Production and Sustainability)
Total Number and Area of Farms Managed	48 Vineyards, 5,967.55 ha
Sites Audited	<p>Determination of sites chosen 2023: (Sample calculation: $\sqrt{\text{total number of farms (minimum 7 sites)}}$, 2 picked at random(*), 5 based on larger size and complexity of vineyards) Regional representation from the Clare Valley, Langhorne Creek & Currency Creek, and Limestone Coast.</p> <p>South Australia:</p> <ul style="list-style-type: none"> • Clare Valley Region – Tullymore • Limestone Coast Region - Heathfield North & South; Howcroft • Langhorne Creek & Currency Creek - *Twin Rivers; Mitchell's <p>New South Wales:</p> <ul style="list-style-type: none"> • Riverina Region - Dunvar; *Valeri, (known locally as Wilga)
Auditee Position/Title	<p>South Australia: Advanced Viticulture & Management (AV&M) General Manager, Vineyard Managers</p> <p>New South Wales: General Manager, Vineyard Managers, Viticulturist / Technical Manager</p>
Type and Scope of Audit	Initial Certification Audit

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<p>Auditor Team</p>	<p>Sam Ponder – On-site Auditor (<i>M Bus. (Agribusiness). Social Audits – Regulatory Framework & Methods, ROA. Quality & Environmental Management Systems, PWC Training Academy</i>)</p> <p>Michael Holford – Documentary Review (<i>B. Applied Science (Ecology). Grad. Cert. Plant Protection. Social Audits – Regulatory Framework & Methods, ROA. Quality & Environmental Management Systems, PWC Training Academy</i>)</p> <p>Shaun Hudson – Technical Review (<i>B. Agricultural Science (Honors), Social Audits – Regulatory Framework & Methods, ROA. Quality & Environmental Management Systems</i>).</p>
<p>Audit Dates Onsite</p>	<p>28-30 November 2023 1 December 2023 6-7 December 2023</p>
<p>Audit Dates Offsite</p>	<p>9-10 December 2023</p>
<p>Audit Plan</p>	<p>Opening Meeting summary:</p> <ol style="list-style-type: none"> 1. Introductions 2. Scope of the audit 3. Estimated duration of the audit. 4. Confidentiality 5. Conflict of interest 6. Audit outline 7. Authorised personnel present. 8. Changes that affect the management system since the last audit 9. Effectiveness of corrective actions taken in relation to previous audit non-conformities, if applicable. 10. Rationale for substituted or modified indicators, if applicable. 11. Effective control of the use of certification marks, if applicable. <p>Description of the audit process:</p> <p>South Australia: Introduction and discussion with key staff members (including Advanced Viticulture & Management General Manager) at Heathfield. This was followed by inspection of Howcroft with the SPV General Manager, senior SPV and Vineyard Managers, and Natural Resources Asia Pacific management representatives. An inspection of the other farming operations which featured field work and spraying activities</p>

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	<p>together with inspection of equipment and facilities. The remainder of the time was spent sourcing examples by reviewing/verifying documentation and management practices consistent with Leading Harvest Standards requirements.</p> <p>New South Wales: The audit of NSW operations commenced the following week with key operational staff members at the Dunvar office followed by vineyard inspections of both farms and facilities.</p> <p>Closing Meeting summary:</p> <p>There were no non-conformances identified during the audit. However, several observations for consideration were made. Surveillance audits are scheduled for a selection of the farms mid to late 2024 – prior to busy season.</p>
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Executive Summary

Overall site assessment:

The current area is as stated - 48 vineyards, 5,967.55 ha.

The farms consist of mostly mature vineyards. There are central machinery sheds and chemical storage sheds, wash down and chemical filling areas with all appropriate bunding and spill kits/showers available.

Grape varieties grown on the farms visited include: Shiraz, Pinot Noir, Chardonnay, Lambrusco, Malbec, Merlot, Sauvignon Blanc, Grenache, Traminer, Petit Verdot.

Yields vary considerably from region to region and by variety with soil varieties, water availability and seasonal conditions contributing to final yield as well. Forward management of the vines is determined during the business budgeting process as this is dependent on the previous year's soil test/petiole results and Grape Supply Agreement with the wine maker customer. Inputs - both using fertigation and foliar applications of fertiliser are timed for various stages of the vines growth, budding/flowering and grape set, together with foliar disease related sprays of copper/sulphur and any insecticides required for pest management.

Regionally based General Managers oversee ongoing operations across their respective geographic areas and are supported by Technical Managers / viticulturalists and Farm Managers. Vineyard management activities including spraying, slashing/trimming, pest scouting, harvesting, irrigation/fertigation etc. are conducted in accordance with an annual approved schedule/management plan, with pruning typically conducted by licensed labour hire contractors.

From an operational context the sites are in conformance with Leading Harvest Standards

Overall management system assessment:

The management plan has a central controlling executive management team overseeing operations. There is significant input from the Viticulturalists as to the strategies employed for following vintages. These are largely based on previous history, known soil types with petiole testing results (taken during the growing season) to determine the following years fertilizer program. Soil tests are taken post vintage. Climatic forecasting and seasonal conditions together with harvest yields and quality targets required (e.g. quality targets and tonnages expected x region). Nutrition is applied by fertigation and /or foliar application. External agronomists are utilised when required to assist with review or development of technical programs. Finance, administration, and WHS functions are supported by a shared services team.

Ongoing vineyard operations include pruning, vine trimming, slashing mulching of the inter-row, sprays to control disease (adopting a prevention versus curative), strategy, irrigation management and harvesting ..

The nutrition and, pest and disease management programs for the vineyards are based on a preventative versus curative basis.

GHG inventory data is being compiled for fuel, electricity, soil inputs.

Audit team recommendation regarding certification:

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Recommend that certification to Leading Harvest commence.

Next audit timing (month and year):

Mid to late 2024 (Surveillance audits)

Specific focus for next audit, if any, based on risk or opportunities for improvement:

GHG Data

Auditors Signature:



Reviewers' comments regarding certification: Certification recommended following response to minor-non conformances raised.

Reviewers signature:



S.H. 9 January 2024

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Standard Elements
<p>Objective 1. Sustainable Agriculture Management</p> <p>To practice sustainable agricultural stewardship to improve crop production and ensure long-term agricultural sustainability.</p>
<p>Performance Measure 1.1 Sustainable Agricultural Stewardship: <i>Standard users shall demonstrate their commitment to sustainable agricultural stewardship of farmland.</i></p>
<p>Summary of Evidence:</p> <p>SPV demonstrate a commitment to sustainable agricultural stewardship of farmland through implementation of an <i>Environmental and Sustainability Policy</i>, made available to all staff. In addition to <i>Leading Harvest</i>, SPV participates in another voluntary sustainability certification scheme. SPV's recognition of sustainable management of the business, people and stakeholders is demonstrated through a top-down approach. <i>Leading Harvest</i> principles were shared with all staff by the CEO and a variety of policies and strategic plans (i.e. <i>Responsible Sourcing</i>, <i>Cultural Heritage</i>, and <i>Biodiversity and Biosecurity</i> policies; SPV and WHSE strategic plans) are being implemented.</p> <p>Sustainability goals are further articulated in their biodiversity conservation activities, regenerative viticulture practices and initiatives focused on social, local community and corporate responsibility. Their intent is to use prime farmland for vineyards and any land conversion will be appropriately considered through multiple soil parameters, water access, topography, historical yield performance, and operational improvements (i.e. tree planting or increasing floral diversity). Such decisions will be made in consultation with the General Manager, Vineyard Managers and CEO.</p>
<p>Audit Observations:</p> <ul style="list-style-type: none"> • Documentary evidence of SPV Leading Harvest roadshow. • Companywide staff update on Leading Harvest principals. • Organisational wide operational based management training. • 2023-24 Viticulture Plan. • 2023-24 CAPEX Budget. • GANTT chart for CAPEX projects and discussion of CAPEX projects. • Comprehensive budgeting records by farm block and vine variety.
<p>Performance Measure 1.2 Critical External Factors: <i>Standard users shall manage for potential impacts of critical external factors to help ensure long-term profitability and sustainability of each farm or farm management unit by the Standard user.</i></p>
<p>Summary of Evidence:</p> <p>SPV identifies primary critical external factors and manage these through the implementation of a Critical Control Risk and Environmental Risk registers, in-field observations, onsite interviews, internal audits, and monthly reports. They have also undertaken an external review of irrigation systems, soil analysis reports, petiole analysis of nutrients and pesticide application planning.</p>

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Audit Observations:

- Quarterly management meetings.
- Staff contribution and advice in various institutes.
- Key management attend industry events.
- 2023-24 Viticulture Plan.
- 2023-24 CAPEX Budget.
- Earthworks incorporate concrete pads, bunding and sumps at chemical sheds and for waste water control.

Objective 2. Soil Health and Conservation

To maintain or enhance soil health to optimize crop yield and protect long-term soil productivity on agricultural lands.

Performance Measure 2.1 Soil Health: *Standard users manage nutrients and apply practices to achieve crop yield and maintain or enhance soil health of cropland.*

Summary of Evidence:

SPV demonstrate application of agricultural best management practices for soil fertility and characteristics by undertaking plant tissue and nutrition analysis, soil moisture monitoring, soil profiling and mapping, and trace element analysis. Activities across the farms are guided by these analyses and tests as well as historic records, yield expectations and targets, seasonal conditions, and product efficacy. These are monitored by appropriately qualified staff via extensive record keeping and data analysis (i.e. graphs, spreadsheets) which include input application records and fertigation summary at various crop growth stages at each farm. A Viticulture plan (incorporating N budgets and fertiliser plans) along with annual application, management and site plans are implemented.

Cover cropping is implemented with records maintained. Crop residue management is utilised across various vineyards and includes residue being left in field, incorporated into the soil or mulched; grass coverage is also maintained.

Audit Observations:

- Annual soil testing (critical success factor). *Soil results determine product recommendations. Quarterly reports are provided to Technical and Executive teams.*
- Technical team academic qualifications.
- Comprehensive budgeting.
- Electronic record keeping for vineyard activities.
- Vendor Tax invoice.
- Inspection of fertigation pump sites and facilities.
- Sample of chemical inventory stock-on-hand.
- Mid-row groundcover and vine trimmings mulched to enhance organic matter.

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Performance Measure 2.2 Soil Conservation: *Standard users shall implement agricultural practices to minimize soil erosion and avoid degradation of agricultural lands.*

Summary of Evidence:

SPV recognises the importance of soil conservation and aim to manage soil erosion, compaction and salination utilising best management practices. Appropriately qualified staff manage these issues through reduced machinery passes via equipment/machinery upgrades and activity amalgamation, minimal tillage practices, restricted access of heavy vehicles to vineyard, and avoided machinery use in non-ideal weather conditions. These practices are outlined in the SPV *Sustainability Document*. On-site observations are relied on for signs of soil mismanagement along with review of farm soil profiles. Organic material is maintained year-round to reduce evaporation and cool the soil surface. Mid row vegetation and Biomass from trimmings is incorporated back into the soil as muck to enhance soil health.

Audit Observations:

- Inspection of vineyard, riparian corridors, and vegetated areas.
- Under vine livestock grazing.
- Gravelled main access roads.
- Soft tyres to reduce compaction.
- Mulch left for organic matter and nutrition.
- Ongoing operational practices.
- Soil testing.

Objective 3. Water Resources

To protect water resources and manage water for efficient agricultural productivity.

Performance Measure 3.1. Water Use: *Standard users shall conserve water resources and manage water use to avoid long-term depletion and maintain crop productivity.*

Summary of Evidence:

SPV aims to improve their water security, efficiency, management practices and site, variety, and rootstock selection through innovative and best management practices. Each farm implements frequent water monitoring, record keeping and budgeting of their permitted volumetric limit/s. This ensures the health of the river, downstream availability & ground water systems. Vineyard Managers, Viticulturalists, Technical Managers, and General Managers are responsible for monitoring water withdrawal. This is articulated in the SPV *Sustainability Document*. Water records are also cross checked with online Government data to ensure accuracy and compliance with volumetric limits.

Industry bodies are engaged for current research and ongoing research relating to best management practices. This is circulated to senior management and vineyard General Managers. Some SPV staff are members of multiple different regional committees and industry bodies, including the Gulbali Institute which emphasises productivity for farmers, improvement of natural environments, and reduction of risk in agricultural and environmental management.

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Along with frequent business wide water infrastructure maintenance, innovative and best management practices, such as soil moisture sensors, drip irrigation systems and water infrastructure maps, are implemented. Practices are continually monitored for improvement with consideration given to soil type, yield and quality targets, capacity of the system, required timeframe and grape variety (including rootstock).

Audit Observations:

- State Government allocated water rights, budgets, and schemes.
- Real-time irrigation data (rate, line breakages, etc.).
- Program maintenance and records.
- Water infrastructure - storage dams, pump stations, fertigation equipment, drip system.
- Irrigation system map.
- Moisture probe efficacy.

Performance Measure 3.2. Water Quality: *Standard users shall apply a program to properly manage the use of fertilizers and other soil amendments, crop protectants, and other inputs and avoid release of sediment and nutrients from agricultural lands into groundwater and surface water.*

Summary of Evidence:

SPV apply regional agricultural best management practices for fertiliser, soil amendment, crop protectant and other agricultural inputs to avoid and control groundwater contamination. These practices are backed by extensive management plans, SOPs, induction, and internal training. Vineyard Managers and responsible staff have adequate experience and hold appropriate qualifications. Targeted spraying is preferred with timing of application determined by experienced and qualified viticulturalists taking into consideration the developmental stage of the crop, weather conditions and neighbouring properties.

Employment of minimal tillage and grassed swards is used to slow runoff of any agricultural input, conserve soil water moisture, and enhance the soil microbiome. SOPs relevant to input application and wastewater provide clear instruction on application, disposal, and spill responses to reduce any contamination events. Retention and containment infrastructure is referenced throughout these SOPs.

Agrichemical and fertiliser records, and management plans are maintained across the vineyards.

Audit Observations:

- Record spraying practices and product/s.
- Mid-row ground coverage with natural mulch, grassed and vegetated riparian/dam areas.
- Bunded chemical sheds and storage areas with safety equipment.
- No till management.
- Minimal wheel tracks in rows.

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<ul style="list-style-type: none"> Natural drainage systems.
<p>Objective 4. Crop Protection</p> <p>To achieve crop protection objectives while protecting people and the environment.</p>
<p>Performance Measure 4.1. Integrated Pest Management: <i>Standard users shall protect crops against pests by implementing an Integrated Pest Management program that uses regional agricultural best management practices to achieve crop protection objectives.</i></p>
<p>Summary of Evidence:</p> <p>SPV implement a variety of different pest control processes including biosecurity signage, visitor and biosecurity logs, restricting property access, vehicle washdown facilities, monitoring and reporting biosecurity threats, sourcing plant and nursery materials from certified suppliers, and maintaining records for all vegetative inputs to assist in traceability. These processes are articulated in the <i>Sustainability Document</i>. Extensive records, such as scouting ledgers, spray records, sample reports and weather forecasts, are used in conjunction with the on-site monitoring by viticulturists, vineyard managers and staff observations to predict when vines will require additional protection; industry notices are also utilised.</p> <p>The <i>Biodiversity & Biosecurity Policy</i> provides the framework for farm specific Integrated Pest Management (IPM) plan development for preventing excessive crop loss from pests, crop protectant resistance, build-up and spread of pests and the use of lowest risk, most selective treatment options to achieve crop protection goals whenever appropriate. At first instance, biological control practices are used (i.e. plant selection on resistant traits, soil health management, removal of pest harbouring weeds, removal of stagnant water (Phylloxera)) and use of less hazardous pesticide and herbicide treatments are then prioritised with application only to be undertaken by qualified and trained staff.</p>
<p>Audit Observations:</p> <ul style="list-style-type: none"> Farm biosecurity induction for visitors, extensive signage, lockable sheds and access gates. Rodent bait stations. Pre-application spray calibration. Pesticide plan. Records of pests & disease sighting kept by staff. Use of biological controls. Preventative disease measures over curative. Scouting and spray records. Online record keeping. IPM program. Insectaries and mid-row ground cover. Target specific interventions to maintain beneficials. Vendor invoice. Chemical rotation to minimise resistance buildup.

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- Vine varieties selection for natural disease resistance.
- Spray staff ChemCert accredited with records maintained.

Performance Measure 4.2. Crop Protectant Management: *Standard users shall select, use, and store crop protectants in accordance with label instructions and regulatory requirements.*

Summary of Evidence:

SPV articulate chemical storage and application requirements through their *Sustainability Document* and *Chemical Management SOP*. These require each farm to store chemicals on impervious, bunded surfaces in secure, well-ventilated areas designed to protect the applicants from weather conditions. SDS' (accompanied by a QR Code access system) and spill kits must also be available at all storage areas. Staff applying chemicals hold appropriate qualifications with application of crop protectants made according to label instructions and regulatory requirements with a focus to protect employees, farm workers, public health, and the environment and avoid spray drift.

Audit Observations:

- Locked chemical storage sheds with signage.
- Separation by applicant type and bunded.
- Hardcopy SDS and label folders.
- Staff ChemCert license records.

Objective 5. Energy Use, Air Quality, and Climate Change

To conserve energy used by agricultural operations and minimize adverse impacts to the atmosphere and the global climate.

Performance Measure 5.1 Agricultural Energy Use and Conservation: *Standard users shall conserve energy resources, especially fossil fuels, used by agricultural operations.*

Summary of Evidence:

SPV's *Sustainability Document* outlines energy conservation strategies such as reduced machinery passes through multi-row equipment and amalgamation of machinery operations (i.e. slasher and trimmer) (where practicable), regular fleet maintenance supported by appropriate service records, and use of diesel exhaust fluid (i.e. AdBlue). CAPEX agenda focuses on fuel efficient equipment upgrades (i.e. hydromechanical over hydrostatic transmission) and solar energy where financially viable. A fuel storage upgrade program has been conducted as required across the organisation with replacement preference given to solar powered fuel pumps as operationally suitable. Solar power soil moisture probes are situated on several sites across the organisation..

These OPEX and CAPEX improvements are backed by fuel use, electricity use, refrigerant use, fertiliser use and soil details (tillage practices, soil type, organic matter, pH) monitoring. GHG data has been collated and analysed by third party consultants.

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Audit Observations:

- Operational efficiency practices (i.e. multirow spray with vine trimming and slasher; minimal tillage practices).
- Efficient irrigation practices (i.e. dripper irrigation and fertigation; real-time irrigation and water data to increase efficiency).
- CAPEX proposals – equipment efficiency.
- Variable speed drive technology for energy efficient irrigation.
- Solar weather stations.
- Bridging spray.

Performance Measure 5.2 Air Quality: *Standard users shall minimize adverse impacts to air quality from agricultural operations.*

Summary of Evidence:

SPV emphasise use of modern equipment and multi-row technology to reduce emissions. Vineyard managers were consulted for preferred equipment for CAPEX to ensure continual emission improvement. Sward coverage is encouraged to mitigate dust as well as use of water carts on gravel dirt roads, air filter monitoring and speed limit enforcement. Tractor cabs are also air-conditioned and pressurised for worker safety. Consideration is also given to the effect on neighbours when choosing the time of day to slash or apply chemical.

Audit Observations:

- Soft tyres on running equipment.
- Double row herbicide and foliar spray units and triple-row foliar spray units used across the organisation.
- Multifunction units used across the organisation (i.e. front-mounted vine trimmers with rear mounted slashers).
- VSD motors used.
- Cover crop / grassed mid rows and headlands.
- Gravelled, main on-farm access roads.
- Water carts to suppress dust during harvest.
- PPE / respirators available for staff.
- Air conditioner and pressurised tractor and harvester cabs.

Performance Measure 5.3 Climate-Smart Agriculture: *Standard users shall apply the principles of climate-smart agriculture to reduce adverse impacts to the global climate and adapt to climate change.*

Summary of Evidence:

The use of minimal and conservation tillage, and soil conservation practices (outlined under Performance Measure 2.2) are implemented to enhance carbon sequestration in the soil. SPV have a CAPEX pro forma to utilise multi-row and amalgamating practices to reduce fuel use and purchase assets which are in line with their sustainability objectives. SPV

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have a team in the viticulture group qualified to suitably research & query new technology with an aim to reduce GHGs. This team can also utilise the advice of expert, third party GHG consultants contracted by SPV.

Resilience and adaptation practices implemented include weather monitoring and recording, foliar applications to stimulate growth and optimise vine health, sustainable irrigation practices based on climate and soil moisture data and infield observations by experienced staff. SPV also maintain insurance policies, with certificates of currency provided, as part of their emergency preparedness for increased severity in climatic events. They also have various Emergency Action Plans in place, encourage swards coverage to control soil erosion / run off and 'sunscreen' application to various blocks with appropriate records.

SPV note that climate change reports are an important component of any due diligence activity during acquisition activities.

Audit Observations:

- Zero tillage.
- Mid-row / headland vegetation and ground cover.
- Annual vine trimming to optimize fruiting.
- Drip line fertigation and foliar application for nutrients.
- Double row herbicide and foliar spray units and triple-row foliar spray units used across the organisation.
- Multifunction units used across the organisation (i.e. front-mounted vine trimmers with rear mounted slashers).
- Emergency Management Response Plan.
- Emergency Response signage across Vineyards.

Objective 6. Waste and Material Management

To manage waste, agricultural chemicals and other materials from agricultural operations to minimize their adverse impacts to agriculture and the environment.

Performance Measure 6.1 Management of Waste and Other Materials: *Standard users shall minimize solid waste and hazardous waste from agricultural operations and manage waste and agricultural chemicals in compliance with applicable laws, statutes, and regulations.*

Summary of Evidence:

Through their *Sustainability Document*, SPV outline processes of best management practices for waste disposal, recovery, and management. SPV dispose out-of-date and no longer used products and empty containers through appropriate waste disposal centres. Potential contaminant waste is stored in areas where spills can be contained and securely stored to reduce the risk for impact to the environment. SPV engage local and broader recycling service programs for specific waste types, such as grape marc, tyres, drip tube, wire, chem containers (drumMUSTER® and ChemClear®). Grape marc is also composted, and old trellis posts are sold or donated to graziers and other landholders for re-purposing if appropriate.

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Responsible agrichemical management is backed by extensive SOPs available to all staff. SPV staff are required to hold relevant chemical handling certificates. The following is also implemented to minimise harm and risk: spill kits, secure storage locations, internal housekeeping audits, 6-monthly fire audit inspections, electronic monitoring of fuel storage and alarm system for overfill or puncture, chemical storage in IBCs, and PPE.

Audit Observations:

- Recycling of various materials.
- Conforming EH&S waste bins.
- drumMUSTER compounds.
- IBC collection points.
- Monthly chemical inventory list.
- Chemical spill kits and safety equipment (bundling, concrete pads, chemical shower facilities, PPE, locked chemicals storage sheds).
- Electronic records of ChemCert license.

Performance Measure 6.2 Food and Agricultural Waste Resource Recovery: *Standard users shall ensure efficient handling and recovery of agricultural products and agricultural waste.*

Summary of Evidence:

Formal SOPs (*Hand Harvesting and Machine Harvesting*) are in place. Vineyard managers are responsible for enforcing routine cleaning and maintenance to harvest and storage equipment to mitigate risk of vermin and mould. Crop losses are monitored through grape yield and harvest records. Pre-harvest and weather monitoring are used to minimise crop losses through the identification of adverse events/conditions.

Audit Observations:

- Annual Viticulture Plan.
- On-site equipment maintenance.
- Calibration records.
- Reduced handling procedures from vineyard to winery.
- Zero on-site storage of harvested grapes.
- Mid-row/headland vegetation and trimming waste used as mulch.

Objective 7. Conservation of Biodiversity

To manage farmland in a manner that maintains agricultural production while conserving biodiversity where appropriate or legally required.

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Performance Measure 7.1 Species Protection: *Standard users shall protect threatened and endangered species and viable occurrences of at-risk species.*

Summary of Evidence:

SPV have in place a *Biodiversity and Biosecurity* Policy which provides processes for species protection, wildlife habitat conservation, fauna management, clearing, and excavation practices to conserve flora and fauna. Desktop assessment of all SPV farms is conducted using *Atlas of Living Australia*; no threatened species have been identified on farm, but a number within two kilometre radii (i.e. Superb Parrot, Murray Cod, Grey-headed Flying Fox, and Diamond firetail).

SPV propose to obtain a Threatened & Endangered Species report from the appropriate government agency during the due diligence phase of any acquisition to highlight any threatened flora and fauna of a site.

Audit Observations:

- Searches through *Atlas of Living Australia*.
- Conservation areas maintained.
- Zero at-risk species identified.
- Many water birds sighted around dams.

Performance Measure 7.2 Wildlife Habitat Conservation: *Standard users shall conserve native habitats, wildlife habitat, natural communities, and Ecologically Important Sites on enrolled farmland.*

Summary of Evidence:

SPV's *Biodiversity & Biosecurity* Policy outlines practices for maintenance or conservation of native habitats, natural communities and threatened ecological communities. This is proposed to be used for staff training and education. SPV recognise the importance of riparian zones across their farms and intend to protect water ways by fencing off, where appropriate, and maintain vegetation for additional protection. Threatened & Endangered Species reports help identify sensitive areas and chemical application SOPs outline procedures to avoid contamination of natural areas.

The use of minimal tillage, preservation of remnant vegetation and integrated pest and disease management is proposed to create temporary habitats for mammals, birds, soil organisms, flora and fauna and aquatic habitats.

Audit Observations:

- Management staff aware conservation responsibilities.
- Minimal fencing to allow native fauna roaming.
- Cover cropping made up of naturally occurring grasses and herbage.
- Insectaries.
- Cover cropping mulched to reduce compaction and increase soil nutrition and microbiology.
- Natural conservation areas (i.e. revegetated bush, riparian zones, tree lines).

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<p>Performance Measure 7.3 Avoided Conversion: <i>Standard users shall avoid conversion of natural forests, other natural communities, and Ecologically Important Sites.</i></p>
<p>Summary of Evidence:</p> <p>SPV do not engage in the conversion of natural forests or native vegetation. Their commitment to minimising any impact to fragmentation of threatened ecological communities is outlined in their <i>Biodiversity and Biosecurity Policy</i>. SPV have a zero-deforestation mandate that aligns with the relevant laws and regulations of the States and Territories and the Accountability Framework initiative (AFi)'s Science Based Targets initiatives (SBTi) which states “zero deforestation targets must be set for no later than 2025”.</p>
<p>Audit Observations:</p> <ul style="list-style-type: none"> No land set aside or has been deforested on farms
<p>Performance Measure 7.4 Crop Diversity: <i>Support crop diversity on cropland.</i></p>
<p>Summary of Evidence:</p> <p>SPV grow and maintain over 30 varieties of grapevines across their farms. Crop species are selected using local expertise and factoring in climatic conditions, soil attributes and terroir. A crop “variety list” is maintained and details each vineyard including region, planted hectares and varieties planted.</p>
<p>Audit Observations:</p> <ul style="list-style-type: none"> Grape/vine varieties based on winery requirements. Ground cover encouraged in mid-row and headlands to increase nutrition, cool soil surface temperatures during hot dry periods and minimize evaporation. Mid-rows/headlands comprise a variety of naturally occurring grasses and herbage.
<p>Objective 8. Protection of Special Sites</p> <p>To manage Special Sites on farmland that are geologically or culturally important in a manner that recognizes and respects their unique qualities.</p>
<p>Performance Measure 8.1 Special Site Management: <i>Standard users shall manage Special Sites in a manner appropriate for their unique qualities.</i></p>
<p>Summary of Evidence:</p> <p>As part of SPV’s due diligence for new and current sites, a search of the State Government cultural heritage databases (Taa Wika – South Australia; Aboriginal Heritage Information Management System – New South Wales) has been undertaken. No culturally significant artefacts or sites have been identified on any of the farms – evidence of these search results have been provided, along with contact details of local Indigenous Groups for South Australia in case items are found on farm.</p>

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Their *Cultural Heritage* Policy provides detail for staff and manager roles and responsibilities in managing discovered artefacts and human remains, as well as site preservation until consultants are engaged and any other relevant parties (i.e. police for human remains). All tasks that can impact a known special site must be supported by an approved work instruction outlining the controls to prevent interaction. The Policy also outlines stakeholder engagement activities including engagement with regulatory bodies, local communities and indigenous groups, and the requirement for written agreements where required.

It is intended for the *Cultural Heritage* policy to form part of the staff site induction.

Audit Observations:

- Sample of evidence - AHIMS Web Service.
- South Australia search evidence - Taa Wika Service.
- Nil sites identified across all farms.

Objective 9. Local Communities

To operate safely and responsibly; contribute to the economic well-being, social networks, and health of local communities; and to recognize and respect the rights of local communities and Indigenous Peoples in regions of agricultural operations.

Performance Measure 9.1 Economic Well-Being: *Standard users shall foster the economic vitality of local communities through business practices that support sustainable agriculture and the local economy.*

Summary of Evidence:

SPV are audited by one of Australia’s top 4 accounting firms to ensure compliance with relevant statutes. Several vendor invoices were provided to demonstrate SPV’s use of local businesses for required farm purchases/services. SPV also confirmed they provide traineeships/internships to local residents; evidence of a school-based traineeship was provided for a South Australian based vineyard.

Audit Observations:

- Fairwork Australia Commission Enterprise Agreement.
- Contractor rates based on appropriate award.
- All staff live in local area.

Performance Measure 9.2 Community Relations: *Standard users shall engage local communities to increase community awareness and support for the practice of sustainable agriculture and maintain or enhance Standard user reputation.*

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Summary of Evidence:

SPV contribute to both agricultural community engagement events and community clubs. Appropriately qualified managers / expert staff have been guest speakers and/or participated in local agricultural workshops relating to various sustainable and innovative viticulture practices. SPV also provide sponsorships to local sporting clubs and have a proposed plan to invest in local conservation type organisations.

A contact list of community contacts was observed on-site.

Audit Observations:

- Work with neighbouring farms to coordinate pest control/spray drift issues.
- Senior managers attend viticulture industry events/workshops, field days and farm walks, involvement with research projects.

Performance Measure 9.3 Local Communities and Indigenous Peoples: *Standard users shall recognize and respect rights of local communities and the treaty rights of Indigenous Peoples.*

Summary of Evidence:

SPV's *Cultural Heritage and Environment and Sustainability Policy* states "...[SPV] operate safely and responsibly, contributing to the economic well-being, social networks and health of local communities and indigenous people in regions of our operations." SPV engages external independent and expert consultants to provide insight into any special sites, water, hunting, fishing, wild food procurement and other land access rights for proposed property acquisitions; these experts are invited to be present on site and provide the necessary input before a purchasing decision is made.

SPV have contact details of managers on external facing signage as well as a contact page on their website - <https://spvineyards.com/contact/> - managed by the CEO's Assistant. The *Whistleblower Policy* outlines ways in which people can raise concerns confidentially either via the Australian Securities and Investment Commission's confidential hotline, or via SPV's parent company's confidential hotline.

Audit Observations:

- Management maintenance of community outreach programs.
- Employ local employees in both fulltime/casual roles across SPV farms.
- No current land tenure rights.
- Traditional Custodians acknowledgement in staff facilities.

Performance Measure 9.4 Public Health: *Standard users shall apply measures to protect public health from adverse impacts of enrolled farmland.*

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Summary of Evidence:

SPV require all employees, contractors, and visitors to undergo a job specific induction and training relating to the SOPs for the task; these SOPs are available to staff online or in hardcopy. High risk chemical handling is only permitted by staff who hold a current ChemCert or relevant license, a register of which is maintained by SPV. Legislative updates are circulated internally to all key staff.

SPV undertake operational planning which dictates spraying to occur only during appropriate weather conditions, using inputs with targeted impact and taking into consideration the potential impact of exposure in each scenario. It was observed on-site, SDS' are maintained for crop protectants and appropriate materials and supplies for spills are maintained to protect employees and the environment.

SPV also maintain an Asbestos schedule and an Incidents, Hazards and Actions register to ensure appropriate identification and remediation of incidents. Toolbox talks are regularly implemented.

Audit Observations:

- Staff access to safety information and hard copy SDS at chemical storage facilities.
- Neighbours informed of spraying events, if necessary, and signage placed at public entry and exit points.
- Toolbox training and attendance forms.
- Emergency Plan, Emergency Contact lists and accompanying documents.
- Farm signage, safety equipment.
- WHS meeting minutes.

Objective 10. Personnel and Farm Labor

To provide a safe and healthy working environment, fair compensation and training for Standard user personnel, contract management company employees and contract farm labor necessary to improve the practice of sustainable agriculture.

Performance Measure 10.1 Safe and Respectful Working Environment: *Standard users shall foster a culture of safety and respect among Standard user personnel and contract management company employees to minimize injuries, help establish safe routines and enhance employee productivity.*

Summary of Evidence:

SPV outline in their *Sustainability Document* they are committed to "...proactively remove barriers that may prevent flexibility, adaptability and the capacity to accommodate employee's needs. This includes the provision of supporting parental leave throughout SPV." SPV note this commitment is articulated through their *Equal Opportunity, Harassment and Bullying Policy, Code of Conduct*, and *Induction Videos*. A *Responsible Sourcing Policy* ensures immigrant workers of suppliers have the right to work in Australia, no ID retention practices, or fee/deposits practices are in place against the employee.

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The SPV *Employee Handbook* outlines SPV's mission, management, acceptable values, and behaviours. Their *Sustainability Document* states "...SPV has zero tolerance for all matters relating to discrimination against employees including bullying, harassment, and sexual harassment". This is backed by employee training, bullying and harassment induction videos, and other initiatives that underpin a safe and healthy culture. Human Resources staff are trained to respond to and manage any complaints that may contravene a safe, gender equitable and professional work environment.

Audit Observations:

- Workplace Procedures accessible to staff.
- Interview of acting General Manager of HR.
- Induction for all employees.
- Enterprise Agreement and induction checklist examples.
- Safety / emergency management signage.
- Contractor Agreement and contractor staff inducted with appropriate workplace management program.
- Policy & Procedures displayed.
- Staff facilities and toilets provided.
- Internal promotion practiced where practical.

Performance Measure 10.2 Occupational Training: *Standard users shall provide training for Standard user personnel and ensure adequate training for contract management company employees necessary to improve the knowledge and practice of sustainable agriculture.*

Summary of Evidence:

SPV maintains a training matrix outlining mandated training, job specific training and corporate training requirements, and on-site inductions for all employees, contractors and visitors. SPV's *Sustainability Document* notes that all third-party contract labour hire employees are inducted in a manner that clarifies safety, behaviour and conduct expectations of SPV; ongoing communication occurs between contractors and vineyard managers to ensure support is provided as needed. Employee certificates and diplomas were provided as examples of record maintenance.

Audit Observations:

- Training competency records in appropriate workplace management program.
- Spray sheets, PPE and SDS information supplied before application.
- Multiple licensed qualified applicators are on staff.
- Employment contract sample.
- Academic qualifications of WHS Advisors and senior management.

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Performance Measure 10.3 Supporting Capacity for Sustainability: *Standard users shall require appropriate training of Standard user personnel and contract management company employees so that they are competent to fulfill their responsibilities under the Leading Harvest Standard.*

Summary of Evidence:

SPV have a dedicated resource, General Manager of Production and Sustainability, to oversee the implementation of a holistic Sustainability and Environment program. SPV intend to progressively imbed sustainability throughout the business and will have access to high-level specialised assistance resources available to them. They also intend to create an annual internal audit program to measure compliance and identify opportunities for continuous improvement.

Suitably qualified staff provided Leading Harvest training and information session to staff across the organisation, including Vineyard managers, CEO, CFO, GM's and safety staff. Many key staff attend a number of different sustainable viticulture and agriculture workshops. Periodic performance reviews of employees are conducted annually, with a focus on Leading Harvest principles and responsibilities and professional development objectives.

Audit Observations:

- Reviewed staff noticeboards.
- *Leading Harvest* update from the CEO.
- SPV *Leading Harvest* roadshow.
- August 2023 training of farm managers.
- Organisational charts AV&M and SPV roles and responsibilities.
- Confirmed academic qualifications for managers and senior technical (Viticultural) roles.
- All relevant records maintained in appropriate workplace management program.

Performance Measure 10.4 Compensation: *Standard users shall ensure adequate livelihood for employees and contract management company employees to attract and retain a stable workforce.*

Summary of Evidence:

SPV note in their *Sustainability Document* that “all employees are employed under an appropriate industrial instrument compliant with the relevant legislation such as a Modern Award, an Enterprise Agreement and the National Employment Standards.” Furthermore, employees are provided their employment terms and conditions along with Fair Work Information Statements.

If staff employment is terminated, SPV ensures this is conducted in line with relevant policy and is fair and lawful. Termination payments are calculated in line with the National Employment Standards, and relevant legislation.

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Audit Observations:

- Compensation based on appropriate industry award.
- Reviewed employee engagement contracts.
- Reviewed pay slip/salary template.
- Reviewed timesheet.

Performance Measure 10.5 Farm Labor: *Standard users shall monitor contract management Companies or farm labor contractors to help ensure farm labor working conditions consistent with the Principles and Objectives of Leading Harvest Standard.*

Summary of Evidence:

SPV's *Responsible Sourcing* Policy outlines their commitment to "ethical and responsible sourcing of products and services" which extends to all people engaged by SPV, including third-party labour hire providers. All contractors employed by SPV are inducted using a HR Management system and background checks for public liability, Superannuation, and business registration compliance. SPV also engage contractors through labour hire agencies.

Audit Observations:

- Labour hire contracts.
- Contracted labour hire employees inducted using an appropriate workplace management program.

Objective 11. Legal and Regulatory Compliance

To comply with applicable federal, state, and local laws, statutes, and regulations.

Performance Measure 11.1 Legal Compliance: *Standard users shall comply with applicable federal, state, and local agricultural and related social and environmental laws, statutes, and regulations.*

Summary of Evidence:

SPV employ several different strategies to ensure employee awareness of relevant regulations and to demonstrate their commitment to legal compliance. Regulatory requirements are posted, physically, in public areas (i.e. tea rooms) as well as within their online safety system to allow ease of access for all employees. Updates to regulation are also regularly communicated via toolbox talks. SPV intend to launch a new Human Resources Information System which will act as an intranet and provide a forum for easy access to all internal announcements without the reliance on email. At induction, the *Employee Handbook* is given to all employees; this contains relevant policies and WHSE requirements based on legislative requirements.

Going forward, SPV intend to conduct annual internal safety, environment, and critical control audits to ensure continued compliance with legislation and appropriate Standards. Currently, frequent site inspections (covering equipment, facility and safety on-site) are undertaken; any non-conformance is recorded in a hazard report which is reviewed and / or investigated and resolved. Some systems currently in place to meet legal and regulatory compliance include, Chemcert registers for all chemical handlers, water licence register, contractor procurement through external and approved third

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party agencies, along with several internal policies (i.e. *Responsible Sourcing; Work Health and Safety; Finance; Equal Opportunity, Discrimination and Harassment*; and Fair Work Statement).

To demonstrate a commitment to ongoing improvement and compliance, a Peak Safety and Sustainability Committee has been created which can escalate matters directly to senior management.

Audit Observations:

- Workplace signage, SDS', Policies & Procedures provided at staff induction.
- Manual time sheets
- Toolbox talks or workshops recorded for staff training.
- ChemCert license details sighted.
- Workplace Policy & Procedures requirements and safety / emergency management on staff noticeboards.
- Spray / calibration records.
- Safety Policies on staff noticeboards.
- Safety signage installed on entry to and around the farm indicating speed, safety requirements, hazards etc.

Performance Measure 11.2 Legal Compliance Polices: *Standard user shall take appropriate steps to comply with all applicable social laws at the federal, state, and local levels in the jurisdictions where the Standard user operates.*

Summary of Evidence:

SPV's commitment to comply with relevant social laws is outlined in their *Sustainability Document*. SPV articulates its serious commitment to corporate citizenship through strict adherence to their policies from employees to directors, suppliers and third-party labour hire providers. Their policies include, but are not limited to, "...provisions for business integrity and ethics; bribery and corruption; brand and reputation, anti-discrimination and harassment and SPV's positive duty, equal rights, modern slavery, hiring, disciplinary and termination practices; forced labour; freedom of association; working conditions; child labour; wages and benefits; hours of work; discrimination; grievance mechanisms; harsh or inhuman treatment; immigration; environmental compliance".

The commitment outlined above is evidenced in several of SPV's policies and documents to ensure the principles of the International Labour Organization on Fundamental Principles and Rights at Work are upheld – namely their Employee Handbook, Responsible Sourcing Policy, Work Health and Safety Policy, Code of Conduct, Finance Policy, Whistleblower Policy, Equal Opportunity, Discrimination and Harassment Policy.

Audit Observations:

- Enterprise Agreement employment contracts.
- Toolbox Talk records and attendance sheets.
- Policies available on staff noticeboards, in staff communications and during induction.
- Relevant industry award in place.

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- No tenants on SPV controlled land.

Objective 12. Management Review and Continual Improvement

To promote continual improvement in the practice of sustainable agriculture by conducting management reviews and monitoring performance.

Performance Measure 12.1 Farm Review and Continual Improvement: *Standard users shall establish a management review system to examine findings and progress in implementing the Leading Harvest Standard, improve resource-use efficiency of agricultural production, make appropriate improvements in programs, and inform their employees of changes.*

Summary of Evidence:

SPV's *Sustainability Document* outlines a performance review process of systems and employees to ensure the ongoing commitment to the *Leading Harvest* Standard and achieving set goals. They have developed an annual strategic plan outlining key objectives and measures to monitor and review progress against key objectives. For the 2024 Financial Year, these objectives are: 1) operate safely and sustainably (key to maintaining *Leading Harvest*); 2) achieve financial budgets; and 3) invest in people and capability. Regarding *Leading Harvest*, the General Manager of Production & Sustainability, in conjunction with the General Manager of WHSE, is responsible for implementing measures and performance indicators for relevant managers and employees; currently an audit template is in draft and the timeline for implementation is Q2 of 2024. The Peak Safety & Sustainability committee will be responsible for the management and monitoring of *Leading Harvest* compliance, GHG inventory progress as well as the workplace health and safety remit.

Team meetings across varying levels of management (i.e. Board, executive, general managers, Peak Safety & Sustainability committee) and varying frequencies (i.e. monthly, quarterly) have been scheduled for the upcoming year to ensure objectives, goals and targets are on track. The Executive Team meets quarterly with *Leading Harvest* performance a continual agenda item. In addition, KPIs and objectives are set annually and the Executive Team to review annual performance of these measures. The CEO also undertakes periodic performance reviews of executive staff.

Monthly viticulture reports are utilised to provide updates on relevant topics and plans (i.e. pest & disease issues, nutrition, phenology, and *Leading Harvest*). General Managers implement seasonal Pest and Vineyard Management Plans which act as living documents allowing for an agile approach to managing continuous employment as climate and conditions change. SPV's management system tracks operations against the Vineyard Management Plans which assists with identifying opportunities for improvement.

SPV have collated baseline GHG emissions data (through an external consultant) so they can begin monitoring emissions and set reduction targets, sequestration processes and projects. CAPEX programs consider efficiency (for both fuel and operational) in all machinery purchases. SPV receive emails from Wine Australia whom provide information on emissions reduction roadmaps and guide. The Technical Manager has also helped implement a pest management trial at one of their vineyards.

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Audit Observations:

- Staff interviews and review of documents.
- Input management recorded in timesheets.
- Management systems allow real-time data management.
- Feedback loop to management.
- Toolbox Talks recorded.
- Quarterly meeting minutes (management, WHSE, Technical Committee).
- Monthly workshop meetings are held monthly.
- Budgeted business plan for Financial Year 23/24 –includes CAPEX evaluations.

Performance Measure 12.2 Support for Sustainable Agriculture: *Standard users shall individually and/or through cooperative efforts support science-based agricultural research programs or partnerships or other efforts by associations to improve soil health, agricultural productivity, and sustainable agriculture.*

Summary of Evidence:

SPV have established a Technical Committee, comprised of experienced, credentialed Viticulturalists, designed to identify opportunities for continuous improvement across all aspects of their operations. There is an allowance for the committee to conduct or participate in research trials and invite shared peer-to-peer learning across the SPV operation. SPV allow staff to participate in collaborative and individual research; For example, a technical manager, who is a member of the technical committee is currently on the advisory board of an agricultural research institute apart of a leading tertiary education provider and is participating in a respected agrichemical company pest management field trial.

Audit Observations:

- Water budgets –based on measurements with full history with ongoing monitoring and data control mechanisms.
- Reviewed 23/24 CAPEX applications.

Objective 13. Tenant-Operated Operations

To promote the use of regional agricultural best management practices on farmland leased by farmland tenants to broaden the practice of sustainable agriculture and to promote the efficient use of agricultural inputs and the management of adverse environmental impacts

Performance Measure 13.1 Leased-Land Management: *Standard users shall clearly define and implement strategies to ensure that farmland tenant activities adhere to the principles of sustainable agriculture.*

Summary of Evidence:

Not applicable. Nil tenants or leased land.

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<p>Audit Observations: Not applicable. Nil tenants or leased land.</p>
<p>Performance Measure 13.2 Leased-Land Monitoring: <i>Standard users shall monitor agricultural practices used by farmland tenants to ensure their consistency with regional agricultural best management practices.</i></p>
<p>Summary of Evidence: Not applicable. Nil leased land.</p>
<p>Audit Observations: Not applicable. Nil leased land.</p>

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Nonconformity	Non-conformance	Standard Element	Result
3.2.2 – Review of Chemical Wastewater SOP in progress. Timeline for completion required.	Minor non-conformance	3.2.2	Corrective Action Approved
7.1.1 – Threatened and Endangered Species: General Manager considerations for native vegetation clearing to be documented.	Minor non-conformance	7.1.1	Corrective Action Approved
Opportunities for improvement (description and evidence)		Standard Element	
Consistency in Southern Premium Vineyards farm signage at entry points.			
Consolidate and centralise naming of sites. Internal review being conducted with update to be provided upon completion.			
Vineyard managers and street addresses for all sites to be provided prior to the 2024 surveillance audits.			
Information/updates to be provided on planned or current participation in regional water conservation programs/groups relating to responsible agriculture water conservation and use.		3.2.1	