



SUSTAINABILITY
REPORT

—
2014
—

EMILIANA

ORGANIC  VINEYARDS

*Look deep into Nature
and you will understand everything better.*

*Mira profundamente la Naturaleza
y entenderás todo mejor.*

www.emiliana.bio

SUSTAINABILITY REPORT

2014

COMPANY NAME:
VIÑEDOS EMILIANA SOCIEDAD ANÓNIMA

TAX PAYER: *No 96.512.200-1*
TYPE OF COMPANY: *Publicly Traded Corporation*

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EMILIANA
ORGANIC  VINEYARDS

DEAR READERS

The year 2014 will forever be marked in the history of Emiliana for the death of José Guilisasti Gana. At this time José was our CEO, but even more importantly, he was the person who developed and led the company's concern for the quality of life of its workers and for the environment in which our industry exists. With his conviction and force, he was capable of transmitting to all our workers that sustainability is fundamental for the development of the sector and that it is not an accessory but rather a basic principle for the development of the country. His closeness with our workers, his authentic respect for nature and his efforts in innovation remain in each and every one of us and we will all work to continue his legacy.

During 2014 we continued our efforts to strengthen our financial position, improve the quality of life of our workers and minimize our environmental impact. We consolidated the sale of organic products with a

growth of 27% in comparison to the previous year. Our production work, based on ethical standards of Fair Trade, resulted in a 40% increase in the resources available to our workers for projects related to improving their quality of life and the environment. In 2014 we also took steps to definitively address Climate Change within our management, focusing on both mitigation and adaptation efforts.

We hope you enjoy this sustainability report prepared internally by Viñedos Emiliana. We believe that it shows the heart of our company: the commitment to the environment, people and the communities in which our operations are located.

I would like to thank everyone in Emiliana for their effort on a daily basis, and their part in ensuring that our company fulfils our mission of being leaders in making sustainable wine.

CRISTIAN RODRÍGUEZ LARRAÍN

Emiliana CEO

July 2015



REPORT PROFILE

For the sixth consecutive year, Viñedos Emiliana S.A. provides an account of its Social Responsibility, Environmental and Economic management, based on the principles and methodology of the Global Reporting Initiative (GRI). This report has been prepared in accordance with the GRI G4 methodology, under the option “Core”. This document discloses the economic-financial, social and environmental performance of the company for the period of 1 January to 31 December 2014, with a comparison to the same period in 2013, where applicable. It is important to note that the key performance indicators were evaluated for the agricultural year, which was from June 2013 to May 2014. The contents of this report were approved by Emiliana’s Management Committee.

SUSTAINABILITY REPORTING CONTACTS


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2014

EMILIANA

ORGANIC  VINEYARDS

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VALUE
CHAIN

*Grape Producers
Goods and Services Suppliers*

*Internal logistics
Agriculture
Wine making
Bottling, Labelling and Packaging*

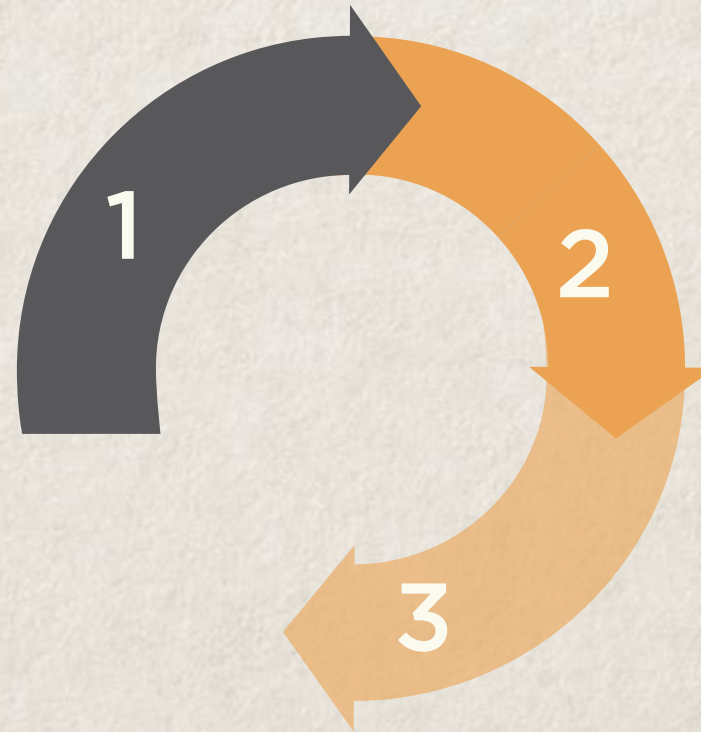


1 SUPPLIERS

Grape producers



Suppliers of goods and services



2 OPERATIONS



Agriculture



Wine making



Bottling, Labelling
& Packaging



Internal logistics

3 CLIENTS

1.1 SUPPLIERS



Grape producers

In 2014 we made a significant effort to incorporate new organic grape producers in our process. We went from having 1.394.702 kilograms of grapes from producers in 2013 to 3.078.410 kilograms in 2014. This is an increase of 120%. This was a major challenge for us, taking into consideration the quality of our strategic partners with whom we have begun long term relationships. In 2014 we began work on transferring technology to our grape producers with the aim of advising them on issues such as organic certification, pest management, machinery, among others. In addition, we informed them about social responsibility initiatives, Fair Trade, environmental management and how the responsibility for these issues extends to Emiliana's suppliers.







1.1 SUPPLIERS

Suppliers of Goods and Services

Emiliana has a large number of suppliers in different areas of the business. We work with suppliers at the local level (eg: services), national (eg: fuels) and also international (eg: casks). We have long term relationships with the majority of our suppliers. Emiliana's Code of Ethics establishes an evaluation for the selection of suppliers, ethical behaviour and payment in 30 days, amongst other elements which allow us to have a relationship that is both in line with the law and the company's ethical principles.

Emiliana's philosophy of caring for its workers and for nature is transmitted to and required by its suppliers. Agricultural services contracts explicitly include compliance with national laws, prohibition of discrimination, freedom of association and assurance of healthy working conditions. Suppliers of inputs, which consists of companies that develop their products, are required to minimise their environmental impact, resulting in products which are recognised by organic regulations and the biodynamic standard.

THE FOLLOWING ARE EMILIANA'S PRINCIPLE SUPPLIERS, BY AREA:

 AGRICULTURE	 WINE MAKING	 PRODUCTION	 EXTERNAL TRADE
EQUIPMENT Tractors Harvesters Weed cutters Leaf strippers	EQUIPMENT De-stemming Vats Tanks Pumps	EQUIPMENT Labelling line Bottling	CUSTOMS AGENCY
INPUTS Fertilizers Agricultural products Fuels	INPUTS Laboratory items Casks Wine making products	INPUTS Lables, Corks, Bottles, Cases, Partitions, Capsules, Caps, Tapes	
SERVICES Irrigation Water treatment Labour force	SERVICES Laboratory (Water and Wine analysis) Machinery maintenance Producers of Grapes and Wine Yeasts	SERVICES Machinery maintenance Training on equipment External freight External labour force Pest control Refrigeration	TRANSPORTERS

1.2 OPERATIONS

Agriculture

The agricultural area is responsible for the sustainable management of Emiliana's farms, its workers and the natural resources. This is a special concern for strict compliance with social and economic policies and environmental protection. For this reason in 1998, Emiliana began producing organic grapes and subsequently biodynamic.

Wine making

The Enology area is responsible for converting grapes to wine. The wine-making process has to comply with organic and biodynamic certification standards, which demand a greater effort and innovation by our enology team in order to obtain quality, natural and sustainable products. The products have to compete on quality with any other product on the market, no matter what production method was used. It is in this stage that the advantages of producing organic grapes is demonstrated, since the minimal application of inputs allows for the characteristics of the terroir to be noted.

Bottling, Labelling & Packaging

Once the wine has been made, the production area is responsible for the bottling, labelling and packaging. This is done both internally and through the hiring of external services.

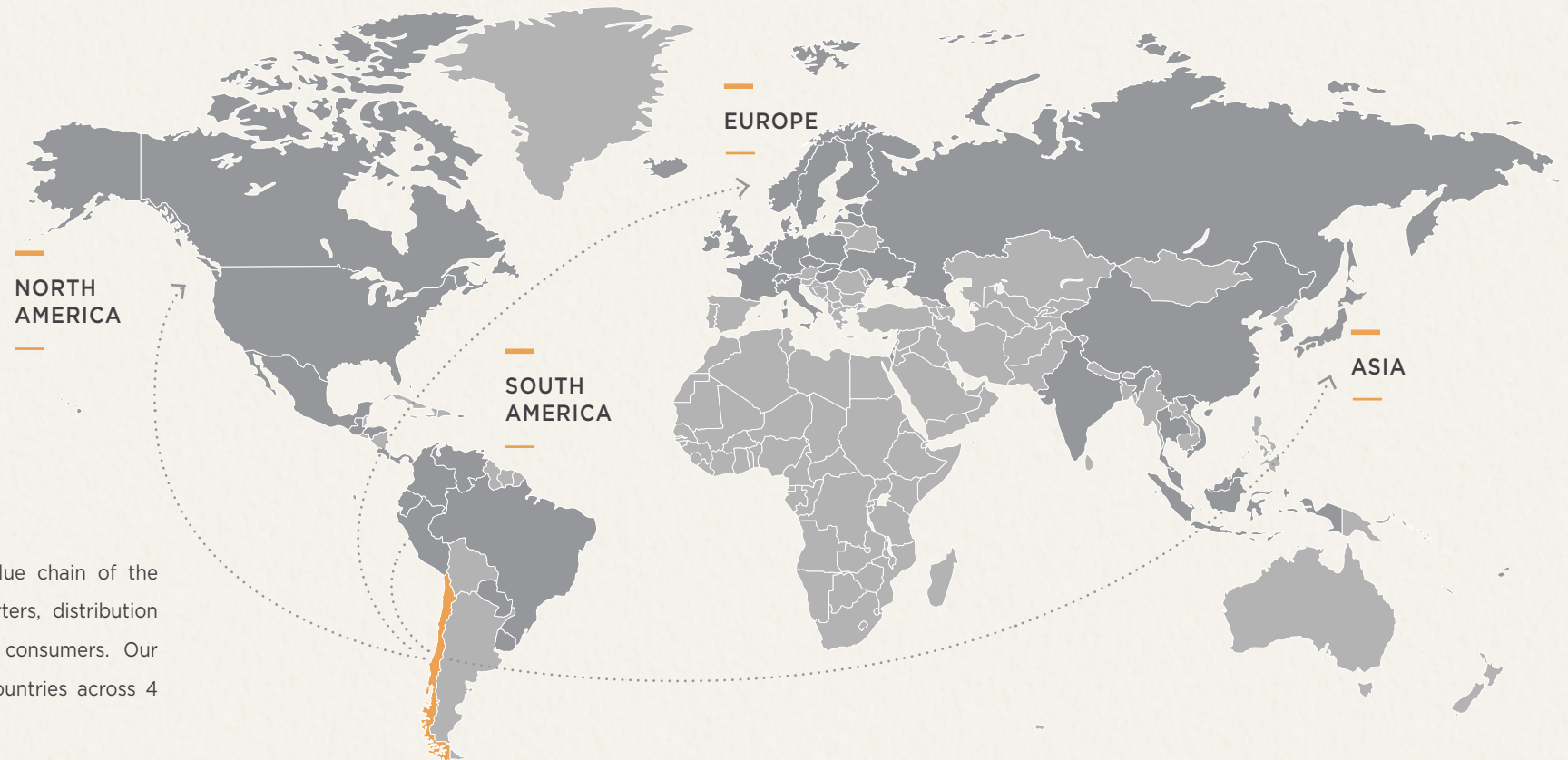
Internal logistics

Includes all procedures and tasks related to the distribution of information within the company. Due to the distance between some of the operational centres, good coordination is required between the 8 estates and 4 wineries, as well as with the central head office in order to provide a product that complies with quality, social responsibility, environmental protection and profitability standards demanded by the company.





1.3 CLIENTS



Our clients are the final stage in the value chain of the company, and include international importers, distribution companies, hotels, restaurants and final consumers. Our clients are distributed in more than 50 countries across 4 continents.



2

EMILIANA

Ethics and Transparency
Corporate Governance
Sustainability Governance

Products and Markets
Sales and Financial Situation



EMILIANA'S HISTORY



2.1 EMILIANA'S HISTORY

Emiliana's history dates back to 1986 and since its beginnings it has been characterised as an innovative vineyard. Initially the company sought to differentiate itself based on its varieties, by seeking the best valleys in Chile with the aim of finding the best places to develop each variety. Continuing its innovative spirit, Emiliana began to introduce pioneer grape varieties into the country. At the end of the 90's the brothers Rafael and José Guilisasti proposed the creation of wines which could compete in quality with any wine in the world, but which respected natural cycles and protected the company's workers. Thus Emiliana started on its transition from conventional to organic agriculture after having planted its own vineyards across Chile in order to promote different red and white varieties. Currently, Emiliana has become one of the biggest organic and biodynamic vineyards in the world, and its strong commitment to its workers and the community is evident in its diverse certifications.

Its 880 hectares planted across the most important wine making valleys of Chile reflects the harmony between the high quality of its wines, the expression of its origins and the respect for its workers and the environment. From this, Emiliana's philosophy can be summarised in just one phrase: "Let Nature get back to Work".



To achieve its objective, Emiliana's team has developed its work focused on sustainable production, free of products which are toxic to people and the environment, in order to return control to the earth and also to its workers. It was thus, that little by little the company began its conversion from conventional vineyards to a system of organic and biodynamic agricultural management, alongside the development of social responsibility programs. A decade later, what began as a dream, became a complete and differentiated portfolio of the highest quality wines.

During this process it has been critical to be able to be transparent and guarantee our practices via different certifications which are recognised internationally:

IMO Chile for the Organic Markets in the USA, Europe, Brazil, Japan, Korea and Chile, since 1998. In addition, we have been certified Fair Trade (**FFL**) and Socially Responsible (**FL**) since 2007.

COFCC for Organic China since 2014.

Demeter for the Biodynamic market since 2006.

DNV ISO 14001:2004 since 2001.

FLO Fair Trade for **Fair Trade International** since 2001.

CarboNZero (Enviro Mark Solutions) and previously **TUV SUD** for the measurement and neutralization of the Ge and Coyam carbon footprints since 2009.

Wines of Chile Sustainability Code since 2012.

2.2 EMILIANA'S PROFILE



Vision

To be the most recognized organic and biodynamic vineyard in the world, given the high quality of its wines, resulting from this type of agriculture.



Mission

Provide the highest quality wine to our consumers, with a unique terroir expression, through the benefits granted by organic and biodynamic agriculture, with deep respect for our employees, the community and the environment.



Values

- QUALITY:** Search for excellence in all aspects of Emiliana.
- PASSION:** Commitment, strength and coherence in every action, idea or project.
- NATURAL:** Respect for nature, authentic, pure and real.

The objective is the exploitation of the wine industry in all its forms and related activities which are required in all stages of the process, whether with our own musts or those bought from third parties, using our own or rented agricultural lands, the sale of services related to bottling and cellar activities and winery services in general, and investment in transferable values of any type. The company Sociedad Comercializadora La Uva is associated with Emiliana, which supports Emiliana with national commercialization.



As part of its commitment and support for the National Wine Association, Emiliana is part of **Wines of Chile**, the training organisation **OTIC Chile Vinos** and the **Casablanca Valley** organization which brings together businesses in the Casablanca Valley.

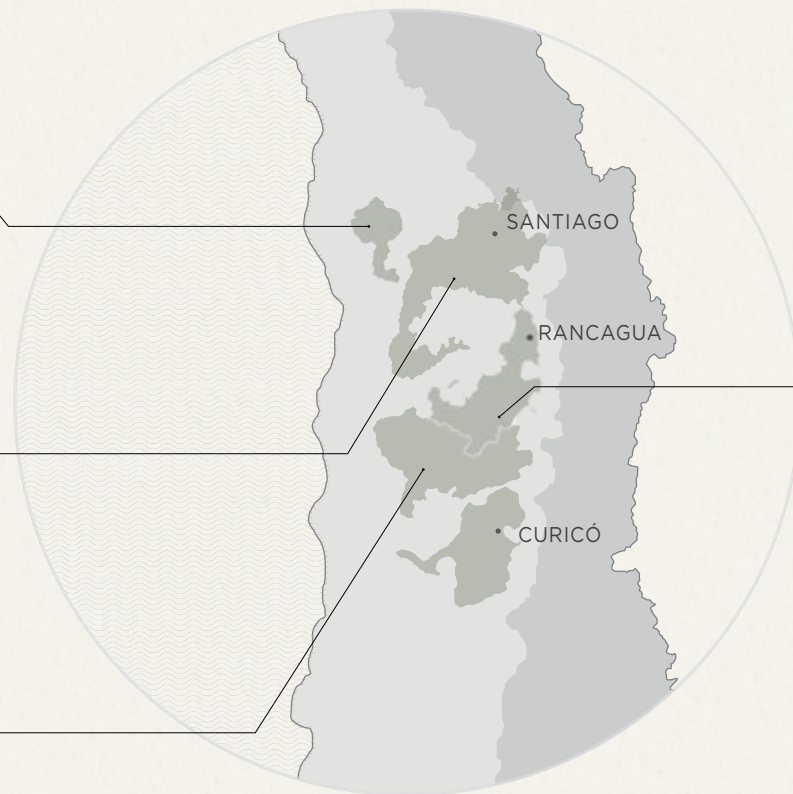
IN DECEMBER 2014 THE COMPANY HAD PRODUCTION IN 8 AGRICULTURAL ESTATES

These estates are located in the following Valleys:

CASABLANCA
251,99 Ha.

MAIPO
106,85 Ha

COLCHAGUA
363,41 Ha





CACHAPOAL
158,48 Ha

With a total of
880,73
HECTARES

All the farms are duly equipped with adequate infrastructure and machinery for their optimal functioning.

During 2014 Emiliana finalised the purchase of 131 hectares of land in the Cordillera Farm in the Casablanca Valley, which were previously under a rental agreement, in order to ensure the supply of white organic grapes which comply with the company strategy.

PLANTED SURFACE AREA IN EMILIANA'S ESTATES

ESTATE			Total Surface Area in Ha
	Area planted with wine grapes in Ha	Native vegetation (and others) in Ha	
CASABLANCA	128,47	16,44	144,91
CORDILLERA	123,52	757,5	881,02
LAS PALMERAS	177,11	18,03	195,14
LIHUEIMO	37,4	16,86	54,26
LINDEROS	70,49	6,01	76,50
LOS MORROS	36,36	10,94	47,30
LOS ROBLES	148,903	654,65	803,55
TOTIHUE	158,48	15,31	173,79
TOTAL	880,73	1495,74	2376,473

WINERY CAPACITY IN LITRES BY TYPE OF WINE CELLAR

WINERY						TOTAL
	CEMENT	STAINLESS STEEL	WOOD	CASKS	VATS (EGGS)	
PALMERAS	7.706.920	5.855.600	4000	734.025	12.200	14.312.745
MAIPO	1.899.666	2.447.640				4.347.306
PEDEHUE	2.275.500	860.000				3.135.500
LOS ROBLES		582.475	90.000	292.800	16.400	981.675
TOTAL	11.882.086	9.745.715	94.000	1.026.825	28.600	22.777.226



2.3 GOVERNANCE



Ethics & Transparency

In Emiliana, our Code of Ethics establishes the principles and requirements for ethical and transparent behaviour, and anticorruption. This is the basis of our commitment to develop a work of excellence, with the highest level of integrity and ethics, and has characterised us since our beginnings. We believe that work based on honesty, responsibility, loyalty, tolerance and commitment is essential to conserve the confidence and credibility between our clients, shareholders, workers and other stakeholders with which the company interacts. The Code establishes the ethical principles of the company and regulates internal relations and management, as well as relationships with external stakeholders. Emiliana's ethical principles are: Honesty, Loyalty, Responsibility, Legal Compliance, Protection of confidential information, Transparency and Protection of the environment.

Internally, issues related to the Code of Ethics are managed through a formal complaints reporting system. This system is available to all workers in each of our operations. Additionally these issues are addressed in different moments of participation between workers, middle management and the Management Committee.



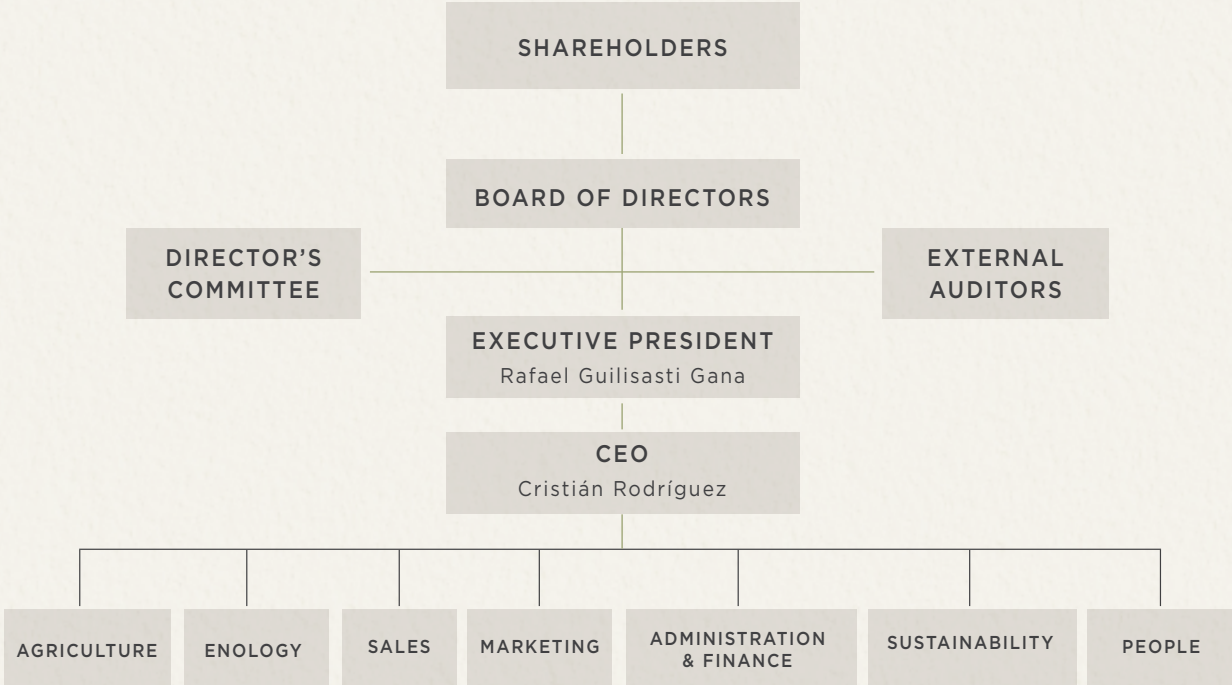


Corporate Governance

The Company’s CEO, who is assigned by the Board of Directors, leads the seven different areas of the business, which are made up of professionals from multiple disciplines who all have the necessary qualifications and skills to undertake the work in the different areas of the company.

Viñedos Emiliana S.A. is managed by a Board of Directors consisting of seven members appointed by the Shareholders. The members of the Board of Directors may be shareholders or outsiders, and they remain in their positions for three years. At the end of this period, the Board must be completely renewed and its members may be re-elected indefinitely in consecutive periods.

The Shareholders meeting of 30 April 2014 confirmed the total renovation of the Board. In this session the following people were elected as directors: Mr. Rafael Guilisasti Gana (Presidente), Mr. Sergio Calvo Salas (Vice-President), Mr. Alfonso Larrain Santa Maria, Ms. Maria Isabel Guilisasti Gana, Mr. José Antonio Marín Jordán, Mr. Matias Concha Berthet and Mr. Jorge Marshall Rivera. In addition to the Board, Viñedos Emiliana S.A. has a Directors Committee which is made up of Misters Matías Concha Berthet, Jorge Marshall Rivera and José Antonio Marín Jordán, who is president.



AMONGST THE ISSUES DEALT WITH BY THE DIRECTOR’S COMMITTEE, THE FOLLOWING SHOULD BE HIGHLIGHTED:

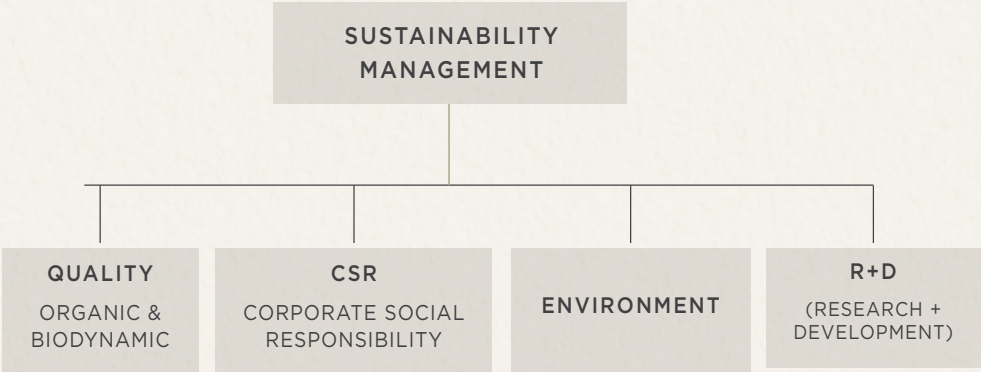
- Review the External Audit reports on the Financial Statements and Balance which are presented by the Company’s administration.
- The proposal of the External Auditors which will be presented to the shareholders.
- Examine the background related to the operations which is

referred to in Articles No 44 and No 89 of the Law of Publicly Traded Companies.

- Analysis of the internal control system which is used in the company.
- Review the remuneration system and compensation plans for principle Managers and Executives.



Sustainability Governance



In order to improve Emiliana’s sustainability management, in 2014 we strengthened our team in this regard. Sustainability has been at the heart of the company since it was established, and is installed within the workers and in all our processes. We have continually and gradually developed social responsibility and environmental initiatives as well as quality organic and biodynamic production. The number of initiatives being developed and their importance to the company meant it was necessary to strengthen our human resources in this area.

Currently, we have a Sustainability Area which consists of 4 people who are responsible for developing corporate sustainability and community plans and projects. In addition, this team is responsible for supervising the organic and biodynamic certifications and for supporting and coordinating Research and Development initiatives.



2.4 ECONOMIC SUSTAINABILITY

Products

The high quality obtained as a result of the inspiration for the origin of things, consistent with the natural rhythms and activities of the planet, as well as concern for energy efficiency and climate change, have resulted in Emiliana's organic portfolio being one of the most complete in both Chile and the world. In this way, Emiliana seeks to satisfy the demand of the new global consumer who values the natural, the pure, the dignity of workers and the respect for the environment without sacrificing quality. This is reflected in the important awards we have received at both national and international levels.



BIODYNAMIC WINES

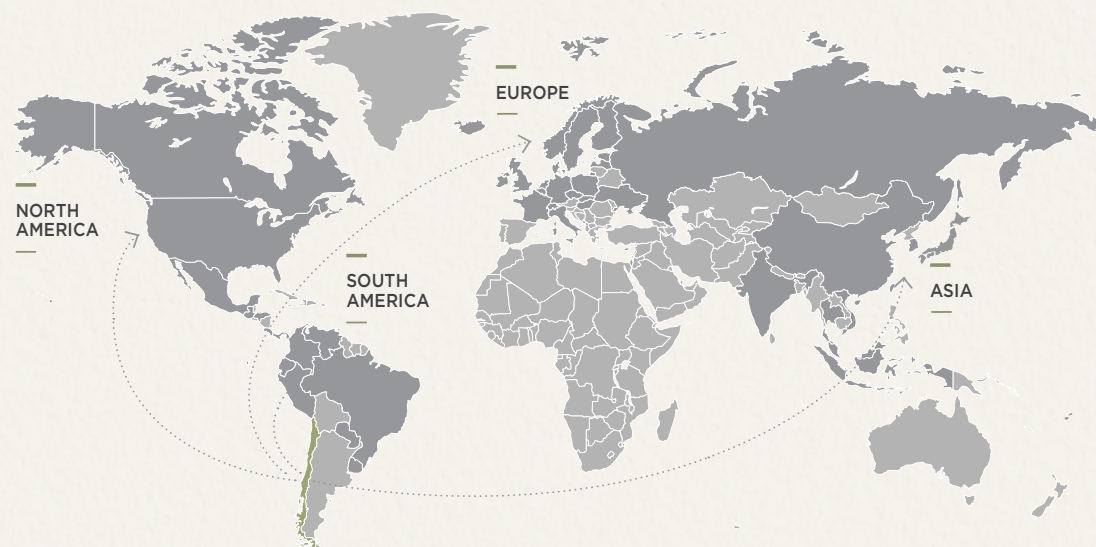
Emiliana's Iconos and Super Premium lines, are the result of careful selection of our best grapes and expression of terroir, leading to elegant, sophisticated, authentic and internationally recognised wines. These wines are certified by Demeter (Germany), the only certifier in the world validated for organic products with a biodynamic character. Here we find our iconic wine Gê and our internationally recognised Coyam.



ORGANIC WINES

Line of wines certified as organic by the Swiss certifying agency, IMO. They are wines of great character and personality, made with great respect for the environment. No agrochemicals are used in the vineyards from which the wine grapes originate, instead production is done in such a way as to enhance biodiversity. Amongst this group are the lines Signos de Origen, Novas Gran Reserva, Adobe and Natura (USA).





Markets

Emiliana operates in Chile and more than 50 other countries, commercialising its products in: Aruba, Belgium, Bermuda, Brazil, Canada, Chile, China, Colombia, Costa Rica, Czech Republic, Denmark, Ecuador, Estonia, Finland, France, Germany, Guatemala, Holland, Honduras, Hong Kong, Hungary, Iceland, India, Ireland, Israel, Italy, Japan, Latvia, Malaysia, Maldives, Mexico, Norway, Paraguay, Peru, Poland, Puerto Rico, Russian Federation, Singapore, Slovakia, South Korea, Sweden, Switzerland, Taiwan, Turkey & Caicos, Ukraine, United Kingdom, United States, Uruguay, Venezuela, Vietnam, Virgin Islands. New markets were opened in Fiji and Panama.

SALES BY DESTINATION WERE:

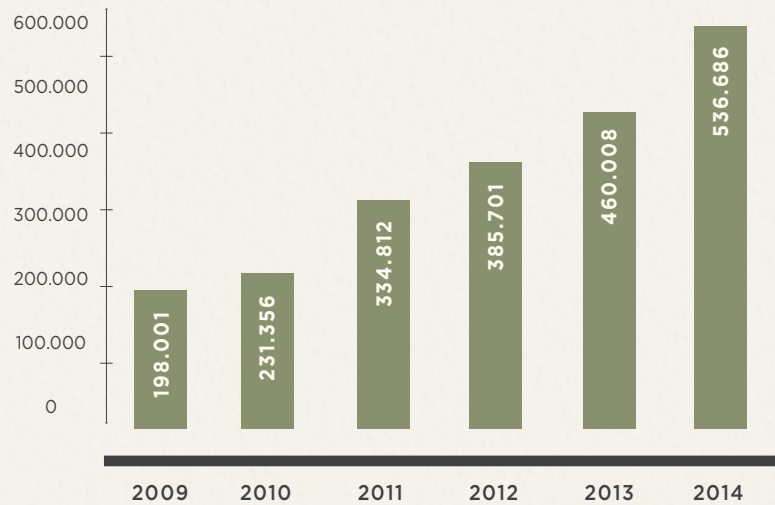
COUNTRY	2013		2014	
	Case Units 9 L	Total USD	Case Units 9 L	Total USD
USA	227.702	6.285.223	243.527	7.158.958
NETHERLANDS	172.650	4.945.139	137.648	4.083.105
UNITED KINGDOM	77.958	1.981.798	66.637	1.808.890
CHILE	61.627	2.278.260	70.661	2.295.980
BRAZIL	43.876	1.438.389	38.345	1.233.650
GERMANY	35.342	1.240.386	31.442	995.432
DENMARK	33.156	1.393.798	39.888	1.698.712
IRELAND	27.372	706.069	21.720	545.326
JAPAN	25.492	960.608	30.487	1.160.627
CANADA	24.835	1.395.277	29.413	1.656.040
FINLAND	22.844	852.138	24.053	893.923
BELGUIM	20.414	648.146	20.435	643.139
SOUTH KOREA	14.905	512.240	10.160	342.980
SWEDEN	14.630	557.771	37.894	1.437.137
CHINA	11.250	676.798	32.836	1.798.301
MEXICO	8.707	237.753	9.720	272.609
URUGUAY	8.244	235.290	9.954	280.622
ITALY	6.075	172.003	4.041	121.715
ECUADOR	5.750	134.170	3.450	92.405
RUSSIAN FEDERATION	5.375	141.065	5.845	144.230
OTHERS	45.903	1.415.374	41.635	1.266.436
TOTAL	894.107	28.207.695	909.791	29.930.217



Sales & Finances

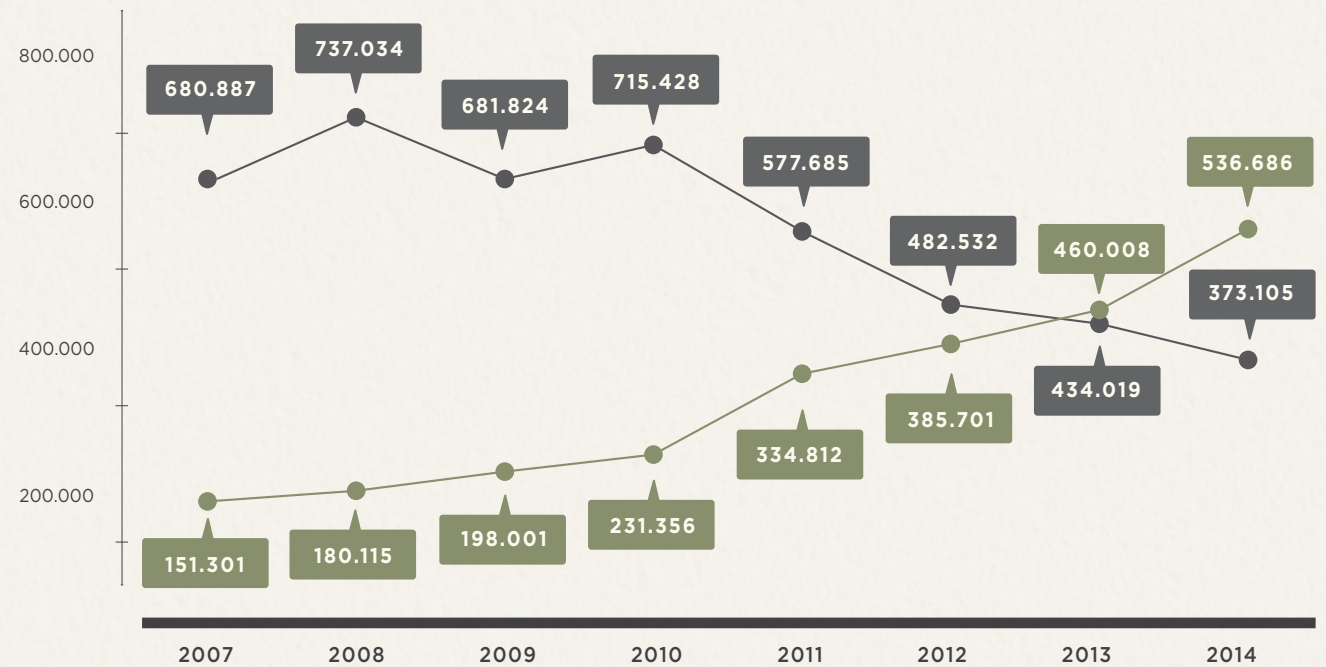
Since 2009 Emiliana has maintained an increasing trend in the sale of organic wine. The consolidation in 2014 of the largest volume and price of organic sales, above that of conventional wines should be highlighted.

SALE OF 9 LITRE CASES OF ORGANIC WINE



■ 9L cases of Organic Wine

EVOLUTION IN THE SALES MIX



● Sale of 9L cases of Organic Wine

● Sale of 9L cases of Conventional Wine

Sales & Finances

This trend is also reflected in the 9,60% increase in sales revenue in 2014 compared to 2013, which can be seen in the following tables:

SALES ACCORDING TO PRODUCT LINE

TYPE	2013		2014	
	Litres	USD	Litres	USD
BOTTLED	8.188.119	29.930.217	8.046.963	28.134.913
PACKAGE	408.231	789.731		
IN BULK	2.936.825	4.424.864	1.658.104	2.575.866
TOTAL	11.533.175	35.144.812	9.705.067	30.710.779

SALES ACCORDING TO PRODUCT TYPE

TYPE	2013		2014	
	Case Units 9 L	Sales USD	Case Units 9 L	Sales USD
ORGANICS	460.088	18.534.864	536.686	21.643.069
RESERVES	62.677	1.816.668	57.003	1.509.860
VARIETIES	371.342	7.856.163	316.102	6.777.288
TOTAL	894.107	28.207.695	909.791	29.930.217

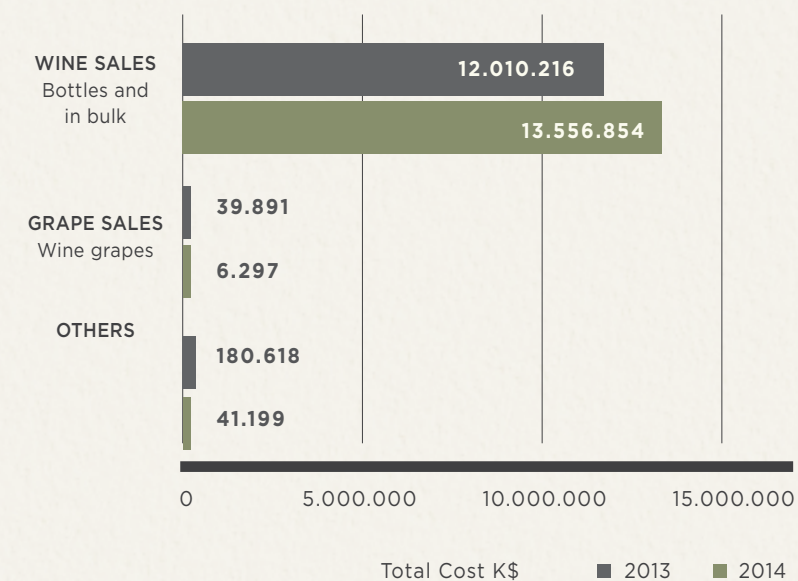
ANNUAL RESULTS

2013	2014
K\$ 37.503	K\$ 671.488

In December 2014, Viñedos Emiliana S.A. obtained a nett consolidated profit of 671.488 KCLP, representing an increase from the profit obtained for the same period in 2013, of 37.503 KCLP.

With regards to operational costs, an increase of 12,8% can be seen in the following graph:

OPERATIONAL COSTS 2013-2014





LIQUIDITY, INDEBTEDNESS AND SOLVENCY DATA ARE SHOWN IN THE FOLLOWING TABLE:



ITEM	DECEMBER 2013	DECEMBER 2014	
CURRENT LIQUIDITY (Times)	3,04	2,27	A decrease is shown with respect to December 2013, due to an increase in the company's liabilities related to the credit obtained for the purchase of land and water rights in the Casablanca Valley. Additionally it is related to the more than proportional increase in various supplier accounts with respect to accounts receivable due to the increase in production and the higher sales for the period.
DEBT TO CAPITAL RATIO (Times)	0,34	0,52	This indicator shows an increase in comparison to December 2013 due mainly to an increase in Other Financial Liabilities, given the credit obtained to buy land in the Casablanca Valley as well as the financing of capital support by Emiliana in the company Wine Packaging & Logistics S.A. In addition, the effect of the tax reform should be considered, which produced an increase in our Liabilities for Deferred Taxes and a decrease in our Assets.
FINANCIAL EXPENSES COVERAGE (Times)	-0,88	7,88	An increase is seen in this rate in comparison to 2013 due to higher profits in December 2014.



TAXES PAID DURING THE 2013 AND 2014 PERIOD ARE SHOWN IN THE FOLLOWING TABLE:

TYPE	2013 K\$	2014 K\$
SINGLE TAX	137.337	142.802
FEE RETENTION	20.664	21.201
PPM	224.637	255.160
ILA	171.377	218.740
VAT RETAINED FROM THIRD PARTIES	756	365
FOREIGN SHAREHOLDERS	973	1.455
TOTAL	555.744	639.723



3



OUR
PEOPLE

EMILIANA

ORGANIC  VINEYARDS



WE HAD
 **387**
 workers
 in December 2014

 **111**
 (29%)
 **276**
 (71%)

70%
 of the **labour force**
 is permanent

and of these permanent workers

ARE UNIONISED

 **5680**
 HOURS
 of training

IN 2014
34 
WORKER'S CHILDREN
 received scholarships

 for universities and
 technical institutes


102
 WORKERS
& 51 
 people from
 the community
 participated in our

BIO-INTENSIVE
 VEGETABLE GARDENS

 **10** 
 workers
HONEY
 PRODUCTION

 **2** 
 workers
ALPACA &
SHEEPS WOOL

IN 2014
 **34**
 FAMILIES
 received
 housing
 solutions

VITAL HEALTH
 EXAMS
 were done on
100% 
 of the workers

The
JOSÉ
GUILISASTI 
 RECREATIONAL CENTRE
 was inaugurated in
 Casablanca commune

29% of sales
 IN 2014
 went to Fair Trade,
 generating a
 premium for the
 Committee of 

\$132.996.170
 With this support the
 Committee invested
 **40%**
 more than in 2013

With Fair Trade funds, **5**
 projects were developed
 in the communities to
 promote a healthy
 lifestyle & sustainable
 transport 

293 
 bicycles
 were given to workers in
 the Committee

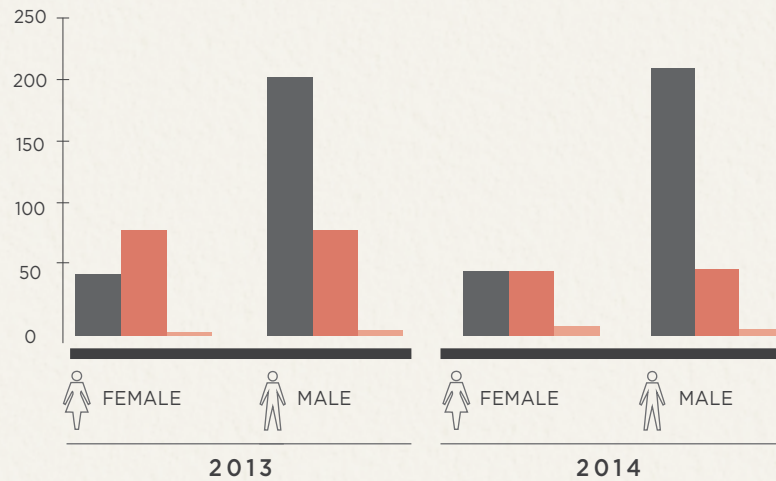
3.1 WHO THEY ARE



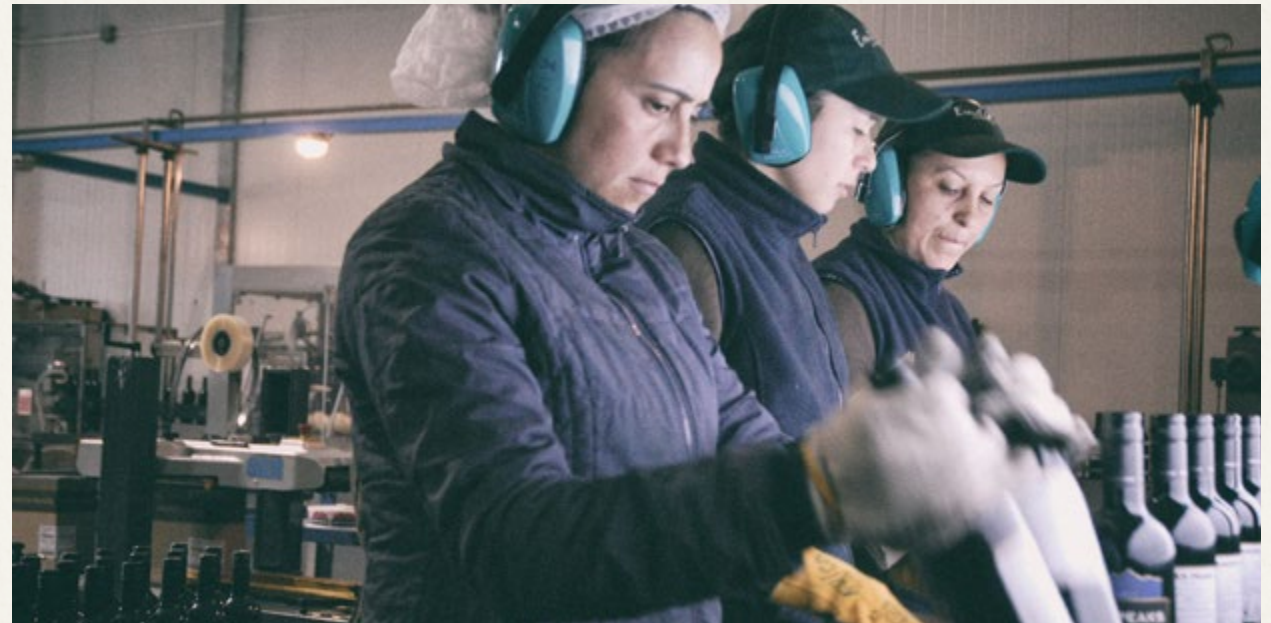
In Emiliana our work is oriented to the people that make the production of our wines possible, by achieving a close relationship between our workers and their management.

We have 387 people working in Emiliana, of which 111 are women and 276 are men. 70% of our labour force is permanent. In 2014 110 people joined Emiliana, while 62 left the company. The majority of our workers (60%) are between the ages of 40 and 78 years.

NUMBER OF WORKERS BY TYPE OF CONTRACT 2013-2014



- Indefinite
- Specific labour
- Fixed term



LABOUR FORCE BY REGION AND GENDER



REGION	2013		2014	
	FEMALE	MALE	FEMALE	MALE
VALPARAISO REGION (V)	10	53	14	49
METROPOLITAN REGION (RM)	37	48	26	46
LIBERATOR GENERAL BERNARDO O'HIGGINS REGION (VI)	90	201	71	181

PERSONNEL TURNOVER

In 2014 Emiliana had a turnover rate of 0,18%, which when compared to the previous year, is much lower, since there was no large hiring of labour due to better control and management of existing personnel.

Emiliana has 4 workers unions which in total represent 170 workers (62,7%). This is an increase of 6% compared to 2013. The Unions meet periodically with the Company's management and these meetings are moments in which workers and management's concerns are addressed. In addition, in Emiliana we have Joint Committees, Bipartite Committees and the Fair Trade Committee, which are all opportunities which allow workers and the company to come together to improve labour conditions. This closeness has allowed for improvements in communication channels and conflict resolution.

In Emiliana we are also concerned with the working conditions in companies that provide us with external services. This means that we require commitment from our contractors to comply with national legislation as well as additional commitments associated with human rights such as the prohibition of forced and child labour.

		2013		2014	
		ENTRIES	EXITS	ENTRIES	EXITS
GENDER	 MALE	101	22	57	25
	 FEMALE	97	54	53	37
AGE	LESS THAN 30 YEARS	51	22	31	16
	BETWEEN 30 AND 50 YEARS	90	36	44	26
	MORE THAN 50 YEARS	57	18	35	20
TOTAL		198	76	110	62

AVERAGE TURNOVER	2013	2014
NETT EMPLOYMENT CREATION	122	48
TURNOVER RATE (%)	0,47 %	0,18 %

NOTE: To calculate turnover, all personnel are taken into consideration ((No of entries - No of exits)/Total Permanent Staff).

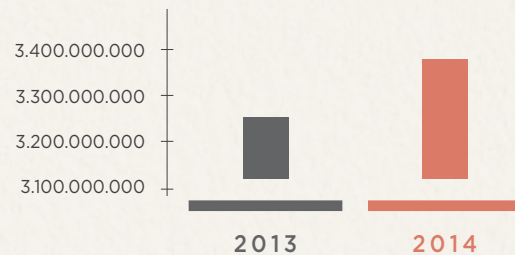


3.2 QUALITY OF LIFE

In Emiliana, the quality of life of our workers and their families is a constant concern, and thus we have remuneration, social responsibility and Fair Trade Policies which contribute to improving the conditions for worker's development. We are proud that none of our workers earn the minimum wage established by Chilean legislation, with the lowest salary in the Company being 5,74% above the minimum, on top of which the following benefits need to be added.

During the period of this report, Emiliana had a total of 3.368.269 KCLP in remunerations, which includes the base salary, bonuses and scholarships received by the workers. In addition, as in previous years, the company provides an entertaining Christmas Party for the workers to share with their families and for 18 September, there is the celebration for the whole company.

TOTAL COMPENSATIONS







Health

The People and Sustainability Areas of the company develop multiple initiatives to improve quality of life, which are complementary to the collective bargaining agreements and benefits of the Company. This concern and commitment to improve worker's conditions is reflected in the **social responsibility certifications** (For Life, IMO) and **Fair Trade** (Fair Trade International and Fair for Life). These initiatives are implemented by the company to cover the main necessities which have been detected: **Health, Education and Housing**.

In the **health** area, Emiliana bought specialists to rural areas which are difficult to access, and in 2014 the following operations were carried out::

OPERATIONS 2014:

3



ORTHODONTIC
Operation

ATTENTION IN THE WORKPLACE

directed to workers and their families, the company paid 50% of the costs depending on the cost of the program, and the rest was discounted in quotas from salaries.



HEARING
Operation

DONE BY CAJA DE COMPENSACIÓN LOS ANDES

to workers in Las Palmeras Estate and Winery.



VITAL SIGNS
Operation

ACHS measured Glycaemia, Cholesterol, weight and height vital signs*

***ALL WORKERS RECEIVED THIS BENEFIT.**





Social Responsibility Initiatives

Linked to the promotion of a **healthy lifestyle**, since **2009** Emiliana has been working on producing organic vegetables for its workers, their families and the community. The aim of this initiative is to contribute to healthy eating and the family economy by providing them with tools and advice on vegetable gardening both for domestic consumption and for sale to others. This initiative is being developed at three scales: bio-intensive within Emiliana's farms and wineries, community vegetable gardens and community sowing.

Currently Emiliana has 6 bio-intensive vegetable gardens, in which 102 workers participate with 10m² individual patches. Under optimum working conditions, each vegetable patch should supply vegetables to a family of four people (a total of 1400 vegetable units annually). The community vegetable gardens are developed in the city of Nancagua and in Totihue, with a participation of 51 members of the community. The objective is to promote sustainable production and healthy eating in the communities where Emiliana has operations. The community sowing initiative consists mainly of sowing potatoes and in 2014 a total of 109 people in 9 different areas participated, with an estimated harvest of 44.000 kg in 2015. In this initiative, Emiliana provides the land and for each bag of seeds bought by the workers, the company contributes another bag.

In relation to the promotion of a healthy lifestyle and support for the community, in 2014 Emiliana inaugurated the "José Guilisasti Gana" Community and Sports Centre in La Vinilla sector of Casablanca. This initiative is in addition to that developed previously in Lo Moscoso where Emiliana loaned land to the Municipalities to construct community sport and recreational spaces. The aim is that all workers have access to infrastructure for recreational activities.

With regards to **housing**, Emiliana continues its support for workers to obtain their own homes in the commune of Nancagua, La Calvina and work began in Lo Moscoso. Overall, Emiliana is working to find a housing solution for 34 families in the company.

In **education**, Emiliana continues to work together with the Eduardo Guilisasti Tagle Foundation. In 2014, 27 children of the company's workers were awarded higher education scholarships which cover 100% of the professional and technical degree costs.





ENTREPRENEURSHIP & SKILLS GENERATION

In Emiliana we also work to support **entrepreneurship and skills generation**. We have trained and assessed workers in beekeeping and also in the production of olive oil. In 2014, 10 workers continued the work which began in 2008 and produced natural honey inside Emiliana's farms. The aim of the initiative is to support personal entrepreneurship by contributing with assessment and initial materials needed, and then purchasing part of the produce to be sold in the Wineshop and as gifts for visitors to the vineyard.

We also support local development through the purchase of wool produced by Emiliana's workers from the vineyards alpacas and sheep. Emiliana also buys traditional horseman hats called Chupallas from the La Lajuela sector which are then sold in the Wineshop to tourists. The profits from the sales are given to the makers of the hats.





**N° OF
BENEFICIARIES**

**STRATEGIC
LINES OF WORK**

PROJECT

DESCRIPTION



**Promotion and
encouragement of
healthy eating using
ecological agriculture**



**Organic,
bio-intensive
vegetable gardens
for our workers**

We provide areas of our productive land to vegetable gardens for our workers. Each worker is responsible for 10-12m2 where they can sow different species according to their preferences, in accordance with the Bio-Intensive Sowing Calendar. In addition, on a monthly basis we provide them with seeds and training. With the monthly production of their vegetable patch, the basic vegetable needs of a family of four people can be met.

102



**Organic,
bio-intensive
vegetable gardens
for the community**

In the same way that we provide vegetable gardens for our workers, we do the same for our neighbouring communities in Totihue and Nancagua. To do this we work in collaboration with the Rural Life Foundation from the Catholic University of Chile, who provide land with easy access for the community. the monthly production from the vegetable garden supplies the basic vegetable needs for a family of four people.

51









**Annual seed
collections**

Our workers organise themselves into groups of 10 to 20 people, who are then given a plot of Emiliana's own or rented land to cultivate potatoes and green beans, according to the season. In addition to the plot of land, we also provide agriculture machinery, organic fertilizers and seeds. The harvest, like the work needed prior, is distributed equally amongst the participants.

109



STRATEGIC LINES OF WORK	PROJECT	DESCRIPTION	 N° OF BENEFICIARIES
 Promoting Entrepreneurship	 Production of balls of sheep and alpaca wool	<p>The project consists of making artisanal balls of wool, obtained from the sheep and alpacas that live on our farms. One of our workers is in charge of producing the wool, labelling it and providing it to the Wineshop for sale to tourists. All profits are transferred back to her.</p>	1
	 Production of natural honey	<p>We train a group of workers and provide them with beehives on our farms to produce this noble product. The honey is sent to be bottled and sold in our Wineshop with 100% of the profits going to the workers involved in the initiative.</p>	10
 Generating resources to fund CSR projects	 Production of organic olive oil	<p>The project consists of producing oil from the olives harvested on our farms. Our workers are paid for the harvest and receive the profits obtained from the project, which are invested in CSR projects.</p>	All of our workers



STRATEGIC LINES OF WORK	PROJECT	DESCRIPTION	 N° OF BENEFICIARIES
 <p>Helping the community</p>	 Info-centres	<p>Computer rooms available to the community.</p>	<p>All neighbours of our properties in Casablanca, Totihue and Lo Moscoso</p>
 <p>Improving quality of life</p>	 Recreation Centres	<p>Emiliana has loaned two properties; in La Vinilla the José Guilisasti Gana recreational centre was constructed and in Los Robles a football field.</p>	<p>All neighbours of our properties in Casablanca, Totihue and Lo Moscoso</p>
 <p>Improving quality of life</p>	 Own House	<p>We provided approximately 400m2 of land for each beneficiary, for the construction of a subsidised house and green spaces. In this way we aim for our most vulnerable workers to have their own house.</p>	<p>34 families</p>

3.3 FAIR TRADE



Emiliana's workers have a **Fair Trade Committee** which represents their social interests. The concept of Fair Trade centres around fair payment to workers for the production of our wines, in labour, social and environmental dimensions.

Amongst the criteria included we can mention the following:

PROVIDE FAIR AND ADEQUATE TREATMENT TO EACH OF OUR WORKERS IN:

- Complying with Chilean labour laws providing adequate working conditions.
 - Not discriminating due to gender, age, religion, creed, or ethnic origin.
 - Providing job equality between men and women (in both relations and salaries).
- Create cordial relationships with suppliers.
- Care for the environment in which we operate.

It is important to highlight the role of the Fair Trade Committee in improving the quality of life of our workers and support for the communities. As an independent aspect of the company, but made up of workers in the most vulnerable situations, the workers

associated with Fair Trade developed support initiatives for the first time with their communities, investing a total of 8.594.082 CLP in 5 community initiatives:

1. Support for improvements to infrastructure in the Sports Club in La Vinilla, Casablanca.
2. Donation of a container for psychological attention and social assistance in the rural hospital in Los Morros, Buin.
2. Improvements to the bathrooms and showers in the Totihue school in the comuna of Requinoa.
4. Repairs to the church in Lo Moscoso, Placilla.
5. Improvements in infrastructure in the school for children with different capacities in the comuna of Nancagua.

Additionally, these resources benefitted workers with 293 bicycles in order to improve transport conditions in rural areas and to promote a healthy lifestyle amongst workers and their families. This investment was for \$37.883.977.

In 2014, the total investment made in the community and our workers was \$46.478.059, which is 40% more than in 2013.



3.4 TRAINING & OCCUPATIONAL SAFETY



In 2014, Emiliana provided training to its workers on a variety of topics. A total of 13 different types of trainings were carried out, benefitting a total of 510 workers. The training was financed by Emiliana, with the support from the government through the use of the SENCE benefit. This support in 2014 represented a total of 12.000 KCLP, which is less than the previous year because the company decided to make use of the excesses generated in previous years.

TRAINING CONDUCTED IN 2014 INCLUDED THE FOLLOWING TOPICS:

- 376 hours on social training.
- 162 hours on “right to know” training.
- 1059 hours on health and safety.
- 1017 hours on bio-intensive vegetable gardening.
- 74 hours on biodynamic agriculture.
- 357 hours on conservation and native forests.
- 10 hours on Fair Trade.
- 1216 hours on english and computers.
- 240 hours on pest management.
- 121 hours on specialized labour.
- 260 hours on team work.

- 81 hours in emergency management.
- 707 hours in benefits provided to Emiliana's workers and associated entities.

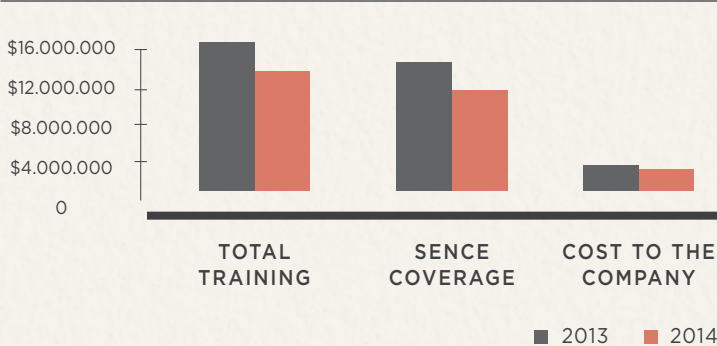
These trainings account for a total of 2.656 SENCE training hours, with an average of 6,86 hours per worker in December 2014. The administration area represents the highest average training hours.

We are aware of the interest our workers have to update their knowledge and skills, and thus we authorise the development of courses that do not have 100% coverage by SENCE and the company is responsible for the costs of these courses.

AVERAGE TRAINING HOURS BY GENDER AND AREA

		AVERAGE HOURS
GENDER	FEMALE	9,9
	MALE	5,6
AREAS	ADMINISTRATION	15,9
	ENOLOGY	12,2
	OPERATIONS	8,8
	AGRICULTURE	1,5

INVESTMENT IN TRAINING 2013-2104





Within the Social Responsibility Program, our workers have the choice to receive training in other areas. The objective of this training is to provide our workers with the opportunity to have the skills necessary to solve a variety of problems and generate an extra income for their families. The company SENCE's authorisation and has invested 798 SENCE hours in this type of training.

THE COURSE WERE:



Training for
workers and
families.



Training for
workers on
**Industrial
Electricity.**



Training for workers
on **Domestic Electrical
Installations.**



Part of the Annual **Occupational Safety** Program which is developed by a specialist in the company, regular trainings are provided to workers, both in the farms and wineries, in order to reduce the accident rate. In addition, Emiliana has **4 Joint Committees**, which **represent 100% of our workers** in terms of occupational safety.

The Joint Committees hold meetings on a monthly basis, in which company and worker representatives participate. These **Safety and Hygiene Joint Committees** represent the safety of **ALL** our workers, regardless of their contract types.

JOINT COMMITTEES



COMPANY REPRESENTATIVES



WORKER REPRESENTATIVES

NANCAGUA COMMITTEE

LUIS RIOS SANDOVAL

FRANCISCO GONZALEZ ALCAINO

BERNARDO VALENZUELA ZUÑIGA

RAUL BECERRA ARAYA

CRISTIAN SALINAS CACERES

BELFOR MUÑOZ VALENZUELA

TOTIHUE COMMITTEE

JOSE OLIVARES CASANGA

MARCELO MALDONADO BARRIOS

ANA RIQUEROS RAMIREZ

ISMAEL RAMIREZ DURAN

RICARDO DONOSO CARO

PEDRO MARTINEZ BRIZUELA

CASABLANCA COMMITTEE

FRANCISCA CERDA TORRES

VICTOR ACEVEDO MUÑOZ

MANUEL OSORIO PEREZ

FRANCISCO ALVEAR CANO

CARLOS VERA ARAYA

MARCOS MOLINA TRUJILLO

LOS ROBLES COMMITTEE

ARMANDO REBOLLEDO BECERRA

NOELIA ORTS AGULLO

DANY CORNEJO FLORES

LUIS BECERRA FARIAS

JUAN MELLA MOLINA

ENRIQUE ALIAGA DUARTE

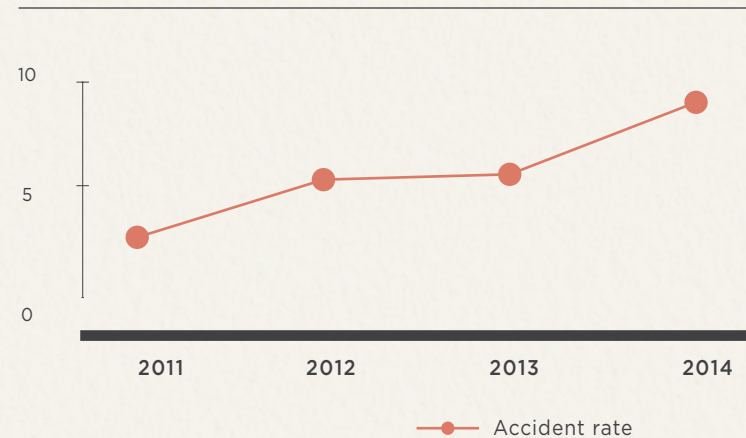
Emiliana is affiliated to the **Chilean Safety Association (ACHS)** which provides medical attention to any workers who suffer an accident related to journeys, work or professional illnesses. Despite all our efforts, the company increased the number of lost days due to accidents by 80,3%, however there have never been any work-related fatalities in the company.

It is important to highlight that due to the type of work in the productive process of the grapes and the wine, there is a low probability of occupational illnesses in Emiliana.

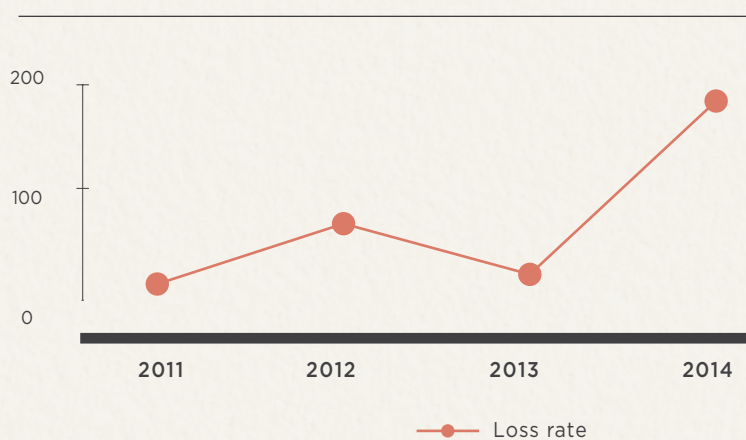
Despite the efforts in prevention and self care, the Accident Rate for 2014 was 8,11, an increase of 40,3% from 2013. The Loss Rate also increased to 164, with an increase in the number of accidents and lost days. Emiliana does not have an Occupational Illness rate since it does not have accidents in this category. The absentee rate for the period was 5,89.

However, Emiliana continues to show accident statistics below the general rate for the industry.

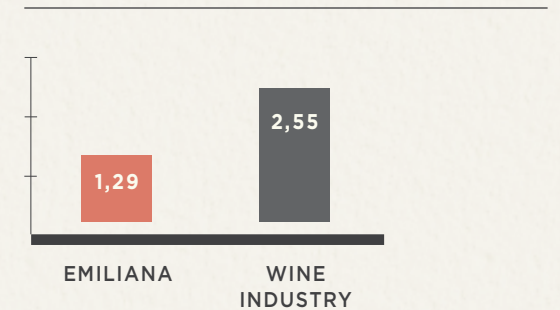
ACCIDENT RATE



LOSS RATE



COMPARISON OF THE CONTRIBUTION RATE



Every year an expert in Risk Prevention is responsible for developing training courses in each operation on the importance of protection from UV rays and talks on Health and Illnesses.

In 2014 Emiliana invested a total of

1242
HOURS

In 2014 Emiliana invested a total of 1242 HOURS in training workers on topics related to **Risk Prevention, Health and Safety.**



4

ENVIRONMENTAL
RESPONSIBILITY

Caring for Nature
Our Water
Our Soils

Carbon Footprint
Energy Efficient Consumption



CARING FOR NATURE



605,9 Hectares

destined for biodiversity conservation which contains mainly

Oaks

(*Nothofagus Glauca*),



a species which has **conservation status.**

For each hectare planted

we have **0,7** Hectares under **conservation.**



During

2014

we began a nursery to propagate

Oaks

(*Nothofagus Glauca*)

and other native species.

10% of each estate is destined to **biodiversity.**



16 MILLION LITRES OF RESIDUAL WATER



were reused in vine irrigation

This is equivalent to the water use of

158.910 | **435**



PEOPLE IN ONE DAY



PEOPLE OVER ONE YEAR

WASTE MANAGEMENT



1.474.420

KG OF ORGANIC ENOLOGY WASTE



are used in **COMPOST** to **fertilize the vineyards.**



WE RECYCLE

4.700

KG OF PAPER AND CARDBOARD equivalent to the conservation of

70 **TREES**

283 KG OF PRINTER TONER

100 % OF GLASS WASTE

CLIMATE CHANGE



WEED CONTROL BY SHEEP

..... generating

534.111

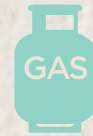
KG OF GUANO



to **fertilize the soil**



BIOMASS USE



reduced CONSUMPTION

by **50%**

avoiding the emission of

120 TONNES OF CO2

in the Los Robles Winery

..... which is equal to



changing **3139** normal lightbulbs for energy saving bulbs



taking **25** cars out of circulation for one year



supply **11** homes with renewable energy



..... produces



of CO2 per bottle



..... produces



of CO2 per bottle

less that the average of

2,2 kg

calculated for wine

4. ENVIRONMENTAL RESPONSIBILITY



In Emiliana, environmental protection, waste management and concern for climate change are considered to be priorities for our operations and the decisions we make.

On the basis of a preventative and resilient strategy, the company guides its work on managing biodiversity and natural resources on its farms, in order to control and reduce the appearance of pests and illnesses in the vines, as well as to reduce the impact of our operations in the area of influence. In this way we also work on studies and projects for sustainable management and optimization in water, energy and soil management. Protection of natural resources and ecosystems are verified annually through the organic and biodynamic certification processes. Both certifications allow us to implement the precautionary approach, since both standards establish the use of natural inputs and demand the sustainable use of water resources, soil and local biodiversity.

With regards to climate change, in 2014 Emiliana for the 5th consecutive year, measured its carbon footprint and compensated the emissions of Greenhouse Gases from the company's two principle wines: Ge and Coyam. In addition, we continued our

efforts to reduce energy consumption as well as the generation of energy from renewable sources.

The final area of focus for Emiliana is waste management, which is based on ways to minimise waste creation and promote reuse and recycling at the end of the lifecycle. This focus applies internally as well as to our relationship with suppliers and is also considered in the design of our products. Thus our management in waste reduction extends across the entire life cycle of our products.

Based on the involvement and development in these areas of work, we developed the commitments in the environmental policy, which is a voluntary policy we have developed. This policy focuses on the following areas: planning the productive processes based on pollution prevention criterias, managing significant environmental aspects, compliance with legal obligations as well as voluntary commitments made by the company, respect for people's health and respect for flora, fauna and other natural resources.



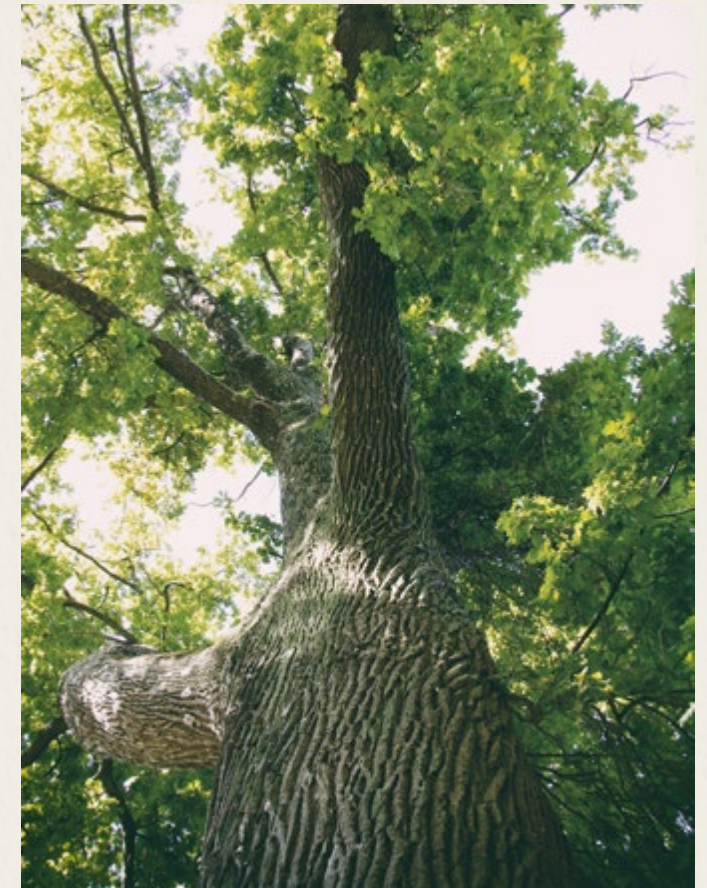
4.1 CARING FOR NATURE



Caring for nature, organic and biodynamic production as well as agro-ecology talk about generating ecological balance and stabilization of the agrosystems through the preservation of the biodiversity of species which interact in an ecosystem. Biodiversity maintenance contributes to preserving healthy ecosystems in which the ecological processes (also called ecosystem services) have a direct influence on the productive zones. Examples of this include the maintenance of soil fertility, pest control, moisture and pollinisation, amongst others.

As part of our commitment to environmental protection and on the basis of the type of agriculture that we practice, Emiliana is concerned with **promoting and maintaining an adequate management of biodiversity in areas directly influenced by its vineyards**. Our operations are based in one of the **35 most important biodiversity areas in the world**, with high levels of endemic species (only occur in a particular area). **Therefore we have assigned 605 hectares to conservation, and 10% to conservation and biodiversity management. The total surface area under conservation is 605,90 hectares**, of which the majority is concentrated in the **Los Robles Estate** where it is possible to find Oak (*Nothofagus Glauca*), a species

classified as “almost threatened” in conservation terms. For this reason, in 2014 we began a project to reproduce this species along with other native species such as Quillay. On each of our farms, we have restored and maintained biological corridors, which in 2014 included planting 786 trees, all of which were native species.





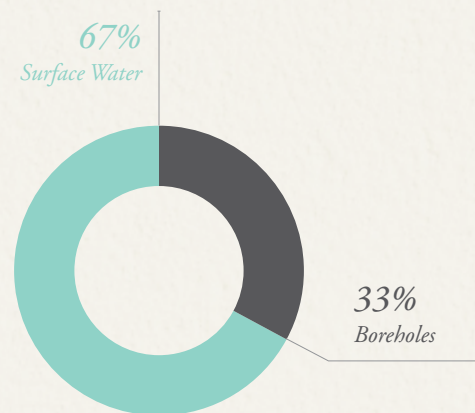


Our Water

Considering the critical situation we face with regards to water resources at both local and global levels, in Emiliana we make an effort to use this valuable resource efficiently. Our water consumption is associated with specific labours in the agricultural and wine making areas, including irrigation of the vineyards, as well as sanitising machinery and wine making equipment. All water extraction for these purposes is based on legal water rights.

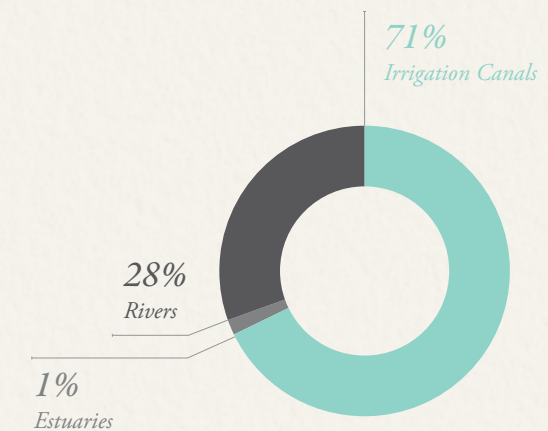
It is important to highlight that **100% of industrial waste water is treated and able to be used on irrigating our vineyards**, thus reducing the consumption of additional water for irrigation purposes. This meant that in **2014** approximately **16 million litres of water were reused for irrigation**, thus reducing the pressure on the water basin. Water consumption in the winery increased slightly (2,5%) in comparison with the previous year. In 2014 we initiated a process to change plant species in green areas to native species with less water requirements, thus contributing to reducing the use of water in these areas.

TYPE OF WATER SOURCE AGRICULTURE AREA



Our water sources are in the **Casablanca, Maipo, Cachapoal and Colchagua valleys** and the distribution is **67% surface water and 33% underground water**.

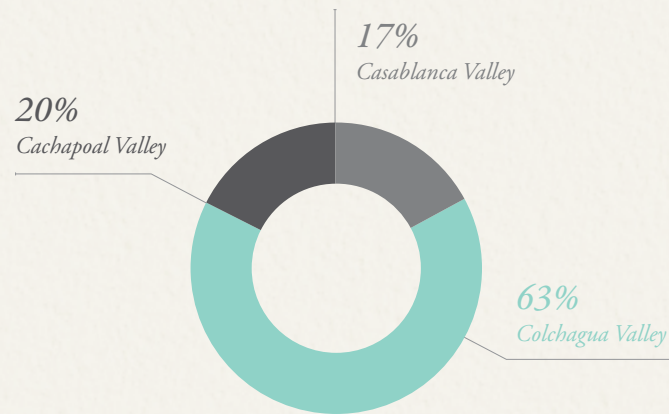
TYPE OF SURFACE WATER EFFLUENT AGRICULTURE AREA



Of the total surface water used, **71% corresponds to irrigation canals, 28% to rivers and only 1% to estuaries**.

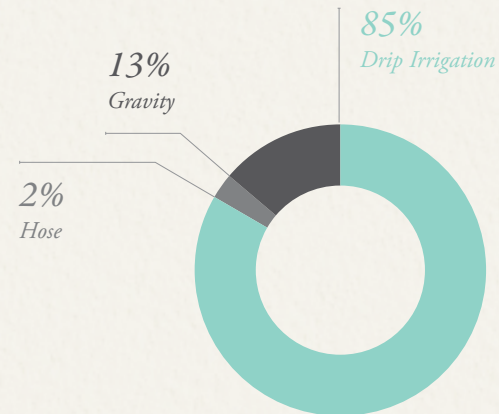
In terms of water rights, Emiliana has approximately **863,1 L/s of constituted rights** for all its farms, on top of which can be added actions related to spills.

PERCENTAGE WATER EXTRACTION BY VALLEY AGRICULTURE AREA

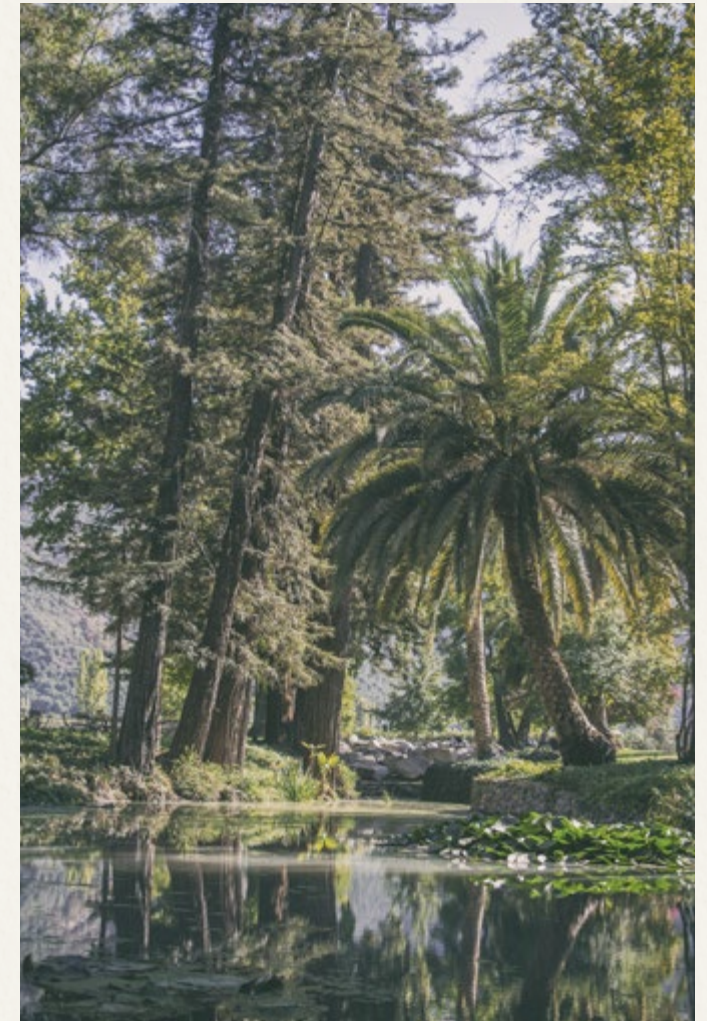


The main water source for Emiliana is in the **Colchagua Valley**, which accounts for **63%** of total water captured, followed by the **Cachapoal Valley** with **20%** and **Casablanca** with **17%**.

DISTRIBUTION OF IRRIGATION HECTARES EMILIANA 2014



In order to improve water consumption efficiency, one of Emiliana's main interests has been to improve irrigation systems in its vineyards. It is thus that in **2014**, **drip irrigation**, with an efficiency of more than **90%**, covered **85%** of the productive surface of the vineyard.





Our Soils

The soil is a pillar in Emiliana's productive process, since it is this resource that gives substance and quality to our wines. In Emiliana we implement a variety of measures to reduce soil degradation. We mainly seek to reduce erosion and nutrient loss, compaction and soil contamination. For this, on an annual basis we plant ground covers between vine rows to reduce water and wind erosion. We also incorporate organic material from the trimmings in addition to compost as a fertiliser and soil improver. To avoid using machinery and the compaction of the soil, during winter weed control is done by the sheep. These animals not only eat the weeds, but also provide **544.311 kilograms of guano** to the soil which is a high quality natural fertilizer.



4.2 CLIMATE CHANGE

We recognise our contribution to Climate Change and the potential impacts of our productive processes. The availability of water resources, variation in local environmental conditions and a higher risk of critical events (droughts, frosts, fires and floods), amongst others, could lead to the necessity to modify productive processes and areas.



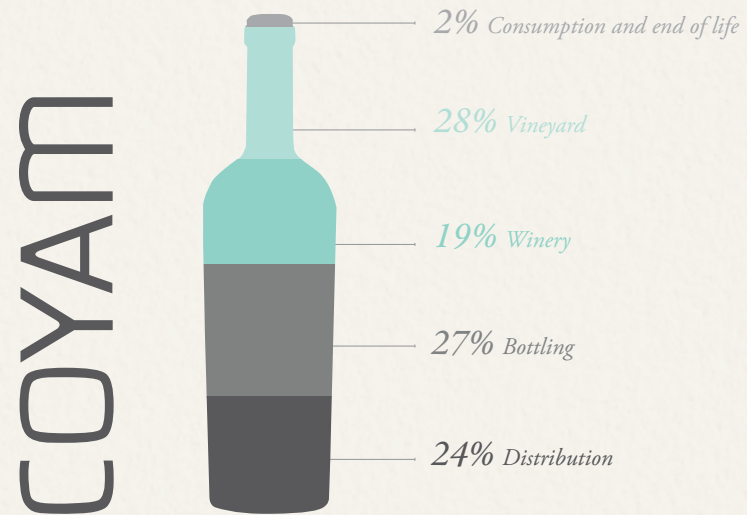
Carbon Footprint

With the objective of measuring and designing actions to reduce the emission of gases that contribute to the greenhouse effect, in Emiliana we have worked since 2009 on measuring and offsetting our carbon footprint. In 2014 we did this for the fifth time and the Gê and Coyam wines from the 2012 harvest were certified carboNZero (carbon neutral). This certification was done for the first time by the New Zealand company Enviro Mark Solutions. This year the concept of "cradle to grave" was used to measure the emissions from the production of inputs until the final consumer of our wines. Through the application of a methodology based on PAS2050 and ISO 14064, results showed that emissions for each bottle of Gê wine produced was 2,13 kg of CO2-e and for Coyam, it was 1,81 kg of CO2-e. These results place us below the average emissions produced per bottle of wine which is 2,2 kg of CO2-e. In total, the emissions associated with the production of both wines produced 306 tons of CO2-e.

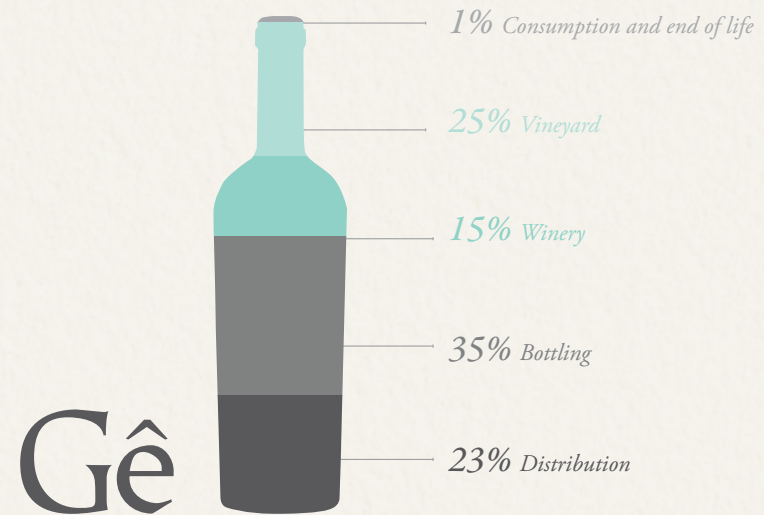


EMISSIONS WERE DISTRIBUTED IN THE FOLLOWING WAY:

PERCENTAGE DISTRIBUTION OF CO2 EMISSIONS PER STAGE OF PRODUCTION - COYAM 2012

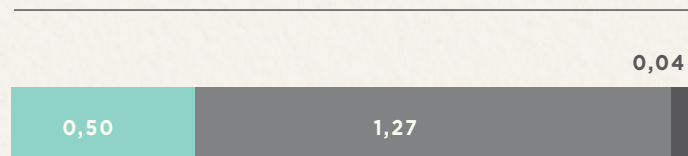


PERCENTAGE DISTRIBUTION OF CO2 EMISSIONS PER STAGE OF PRODUCTION - Gê 2012



The following graphs illustrate the volume of emissions per bottle of wine produced.

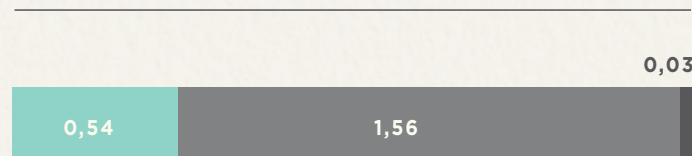
CO2 EMISSIONS OF THE PRODUCTION CHAIN COYAM 2012 (kg CO2e/bottle)



- Primary materials and inputs
- Production process
- Distribution, Consumption and End of Life

The main difference that can be seen between the emissions from both wines is the bottling process, in which Gê generates approximately 54% more emissions than Coyam. This is mainly due to the impact generated by the weight of the bottle.

CO2 EMISSIONS OF THE PRODUCTION CHAIN Gê 2012 (kg CO2e/bottle)



- Primary materials and inputs (Pre-process)
- Production process
- Distribution, Consumption and End of Life

In addition to the emission reduction measures implemented by Emiliana, we offset our emissions through the purchase of carbon credits approved by the Gold Standard (established by WWF). These credits contribute to initiatives in developing countries, and Emiliana supported the substitution of fossil fuels in a family tile business in Brazil.

	TOTAL COYAM (KgCO2e)	Percentage contribution in relation to total emissions
VINEYARD	0,5	28%
WINERY	0,35	19%
BOTTLING	0,48	27%
DISTRIBUTION	0,44	24%
CONSUMPTION AND END OF LIFE	0,04	2%
TOTAL	1,81	100%

	TOTAL Gê (KgCO2e)	Percentage contribution in relation to total emissions
VINEYARD	0,54	25%
WINERY	0,33	15%
BOTTLING	0,74	35%
DISTRIBUTION	0,49	23%
CONSUMPTION AND END OF LIFE	0,03	1%
TOTAL	2,13	100%



Energy Consumption & Efficiency

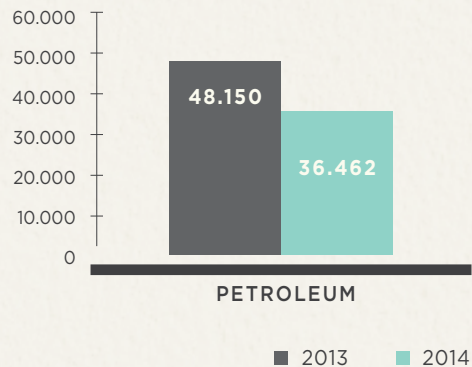
Emiliana has implemented various measures to reduce greenhouse gas emissions, such as a biomass boiler which replaced a gas boiler, thus reducing a total of 120 tons of emissions annually. In addition, we have solar panels for heating domestic water in 4 of our facilities. The use of sheep to control weeds reduces the use of petrol in machinery, which is estimated to produce a saving of 15,5 tons of CO₂ annually.

During 2014 we developed projects aimed at improving the management of aspects related to energy consumption. Through a co-financed project from AChEE (Chilean Energy Efficiency Agency), during the first trimestre an energy audit was conducted in 2 of our wineries. The objective of this project was to know the baseline situation of the wineries, identify opportunities to improve efficiency in the consumption of energy, establish energy indicators and provide technical and management requirements for the correct development of the proposed measures. Based on this audit the need to establish an action plan was identified, with the aim of having an energy management system with strategic planning and energy objectives. This will be developed during 2015.



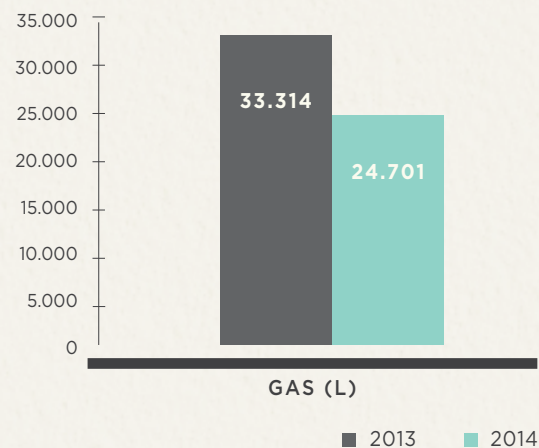
In this way, management initiatives have provided examples for minimisation in some of our main areas of consumption. For example, in the wine making area we achieved a reduction of approximately 11.600 litres, which accounts for 24% of petroleum consumption in 2014. This translates to a reduction of 8% in consumption per litre of wine produced.

PETROLEUM CONSUMPTION - ENOLOGY AREA 2013-2014



Another example to highlight is the reduction of approximately 25% in gas consumption in this same area, which is shown in the following graph.

GAS CONSUMPTION - ENOLOGY AREA 2013-2014



BIOMASS BOILER

Emiliana has a biomass boiler which generates hot water in one of its wineries. This measure has allowed the company to reduce its gas consumption by more than 50% between 2011 and 2014. The fuel source for the boiler is wood from a species that is considered invasive and exotic for local biodiversity.

**USE OF BIODIESEL 2014:
830 LITRES**

Biodiesel is an alternative fuel created by vegetable oils and animal fats. It has the advantage of being highly biodegradable and does not contain sulphur. It is used in catalysts to improve combustion and minimise exhaust fumes.






4.3 POLLUTION PREVENTION

Since Emiliana was established, we have applied the concept of the 3 “R’s” in waste management. This has led to the reuse of 100% of the organic wastes produced by the wineries and the vineyards. The 1.474.420kg of organic waste produced in the wineries is transported to compost fields, one of which was approved in 2014, where it is treated to become fertiliser for the soil in our farms. The trimmings from the farms are left in the vineyards in order to increase the amount of organic matter in the soil. 100% of liquid industrial waste is treated and reused in irrigation of our vineyards.

All our vineyards and wineries have recycling points where waste is classified and stored before being sent for recycling. Materials recycled include 4700kg of cardboard and paper, and 100% of broken glass is recycled. In addition, 283kg of printer toners are recycled, which avoids their disposal in landfills.

In relation to our products we also work to reduce contamination by designing our wine packaging in a sustainable way according to available technology. The packing cases, bottles and corks are 100% recyclable by the end consumers. The quantity of inputs used in packaging our wines in 2014 was the following:



				
USE OF GLASS CONTAINERS (Un)	CARDBOARD BOXES (Un)	WOODEN CASES (Un)	CORKS (Un)	SCREW TOPS (Un)
10.612.344	1.225.920	2.840	4.465.080	6.147.254

In relation to sustainability, the following was highlighted with regards to the products used in the bottling process:

INPUTS	DESCRIPTION
 <p>Bottles</p>	<p>For its lines of wines with the greatest production volumes, Emiliana uses Ecoglass 2 bottles, which are 5% lighter than the previous version, with a bottle weight of only 400g. This helps to minimise the environmental impact associated with the use of primary materials and inputs for the production of the bottles, thus reducing the GHG emissions associated with transport of the products.</p>
 <p>Corks</p>	<p>For the Ge and Coyam wines, we have privileged the use of FSC certified corks, which guarantees that production is in line with responsible forest management standards which ensure adequate conservation.</p>
 <p>Cardboard boxes</p>	<p>The largest percentage of boxes is purchased from a company whose products are guaranteed to be produced with a certain percentage of recycled raw materials and are 100% recyclable. The origin of their composition is certified by the FSI, an independent, non-profit organisation responsible for maintenance, supervision and improvement of the sustainable forest certification program. In addition, the cases used for Coyam wine, are manufactured with 88% recycled materials and are 100% recyclable.</p>
 <p>Wooden cases</p>	<p>The wooden cases used for Ge and Coyam wines are manufactured with Chilean pine wood, which is certified by the PEFC (Programme for the Endorsement of Forest Certification). This is an international non-governmental and non-profit organisation whose objective is to “promote appropriate environmental, socially beneficial and economically viable management of the world’s forests”.</p>
 <p>Labels</p>	<p>The labels used in the Novas and Ge lines are made from Estate 10 paper, which has the characteristics of being made from 30% recycled materials and 70% normal fibres, FSC certified and backed by PET to recycle the material. For the Adobe line, the label on the front has the same characteristic of being made from 30% recycled material.</p>

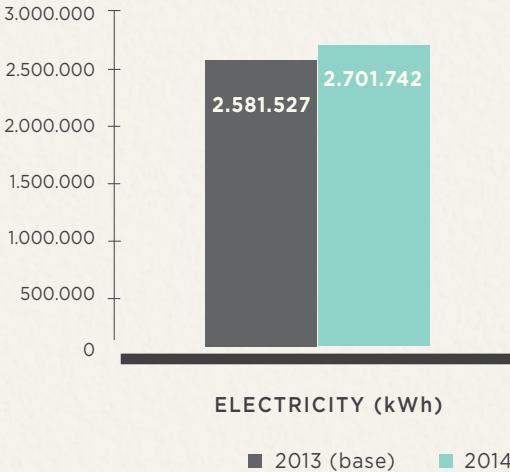


4.4 KEY PERFORMANCE INDICATORS

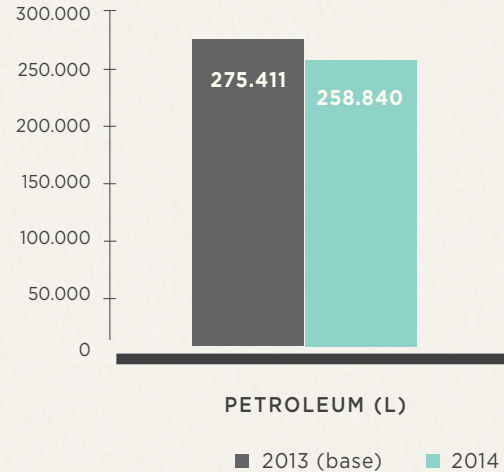
This section provides details on the key performance indicators at the corporate level for the 2014 harvest, specifically the period from June 2013 to May 2014. The total harvest production was 6,2 million kilograms, with a total of 7,4 million litres of wine produced in our wineries.

The following graphs show a comparison of Emiliana's energy consumption between 2013 and 2014:

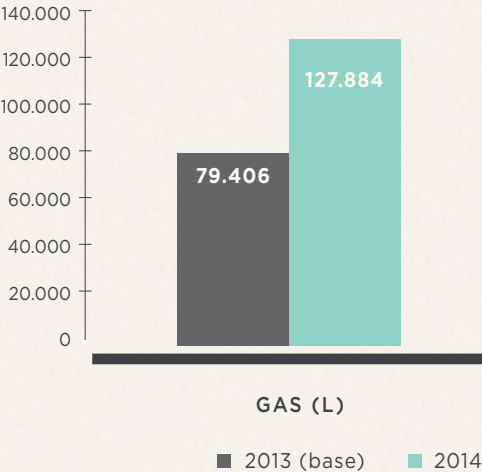
COMPARISON OF ELECTRICITY CONSUMPTION 2013-2014



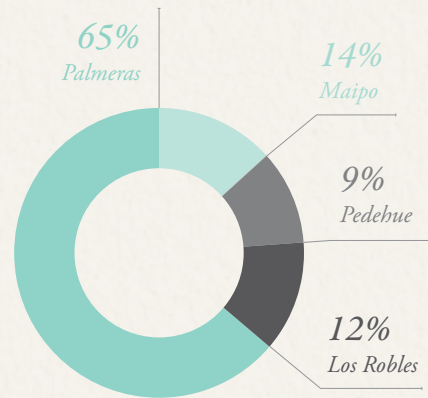
COMPARISON OF PETROLEUM CONSUMPTION 2013-2014



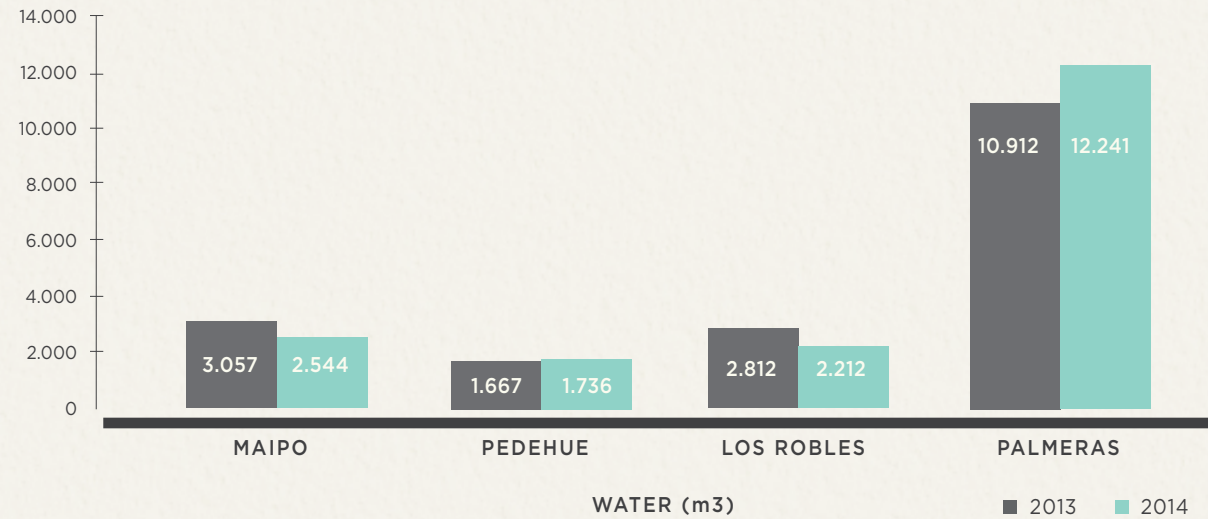
COMPARISON OF GAS CONSUMPTION 2013-2014



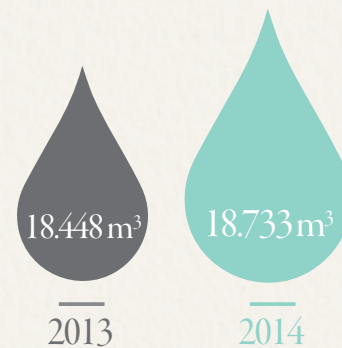
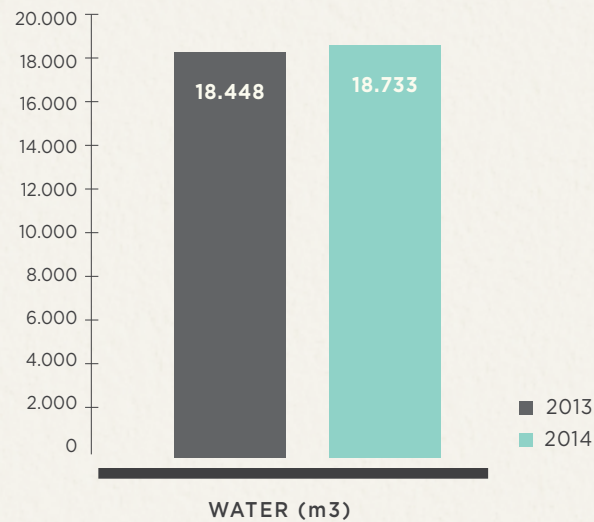
WATER CONSUMPTION ENOLOGY AREA 2014



COMPARISON OF THE WATER CONSUMPTION - ENOLOGY AREA 2013-2014



COMPARISON OF WATER CONSUMPTION - ENOLOGY AREA 2013-2014



Water consumption in the wine making area is based on the need to sanitise the different equipment used in the productive process. In 2014 the water consumption indicator in this area was 2,5 litres of water/litre of wine produced.

In 2014, Emiliana's energy intensity was the following:

CORPORATE INDICATORS 2014

	2014		
WINE PRODUCTION (L)	7.419.000		
	Petroleum L	Gas L	Electricity (kWh)
CONSUMPTION	258.840	127.884	2.701.742
CONSUMPTION/LITRE OF WINE	0,03	0,02	0,36







ABOUT THIS REPORT

CERTIFICATIONS EMILIANA



EMILIANA

ORGANIC  VINEYARDS



2001

1st wine in Chile and 7th in the world to receive the ISO 14001 certification (environmental management). Certification of the grapes and the organic production systems, by IMO Switzerland.



2006

Ge 2003 is the first Chilean and Latin American wine to receive the biodynamic certification, Demeter from Germany.



2007

IMO certified Emiliana in Social Responsibility (For Life), for its good working conditions and its fair and transparent operations.



2009

Ge and Coyam wines certified Carbon Neutral as well as the Los Robles Estate, TUV SUD Certifiers, Germany.



2011

Emiliana certified its practices as Fair Trade.



2012

Certification of the Wines of Chile Sustainability Code.



2014

Certified CarboNZero.



Certified China Organic.



ABOUT THIS REPORT

*In Emiliana we have International Certifications,
which certify our commitment to Sustainable Production,
respect for our workers, the environment and the community.*

Organic and Biodynamic Certifications

In 1998 Emiliana began the process of converting to **organic production**, which is now practiced in **100% of our vineyards**. We have **organic certifications** for the **USA and Canada (NOP)**, **Brazil**, **Chile**, **Japan**, **South Korea**, **China** and **European standards**, which provide us with international level endorsement. being organic means we produce our grapes and wines without using synthetic inputs (pesticides and fertilizers) as well as a sustainable management of natural resources and the integration of surrounding biodiversity.



NOP



BRAZIL



CHILE



JAPAN



KOREA



CHINA



EUROPE



DEMETER

Emiliana was the first Latin American Winery to produce wine with a **biodynamic certification** in 2006. From this year onwards we have accredited the use of biodynamic practices in our farms and wineries, and currently **100% of our estates are certified**. Biodynamic agriculture contemplates the application of biodynamic preparations, consideration of the farm as an autonomous sustainable productive system (reducing the use of external inputs), recognition of the importance of cosmic forces in agricultural management and visualisation of the soil as a living entity, where visible and invisible forces of nature relate to create healthy ecosystems.





Social Responsibility and Fair Trade Certifications



FAIRTRADE / FOR LIFE / FAIR FOR LIFE

Fair Trade is a commercial relationship based on dialogue, transparency and respect, which seeks equality in international trade. It contributes to sustainable development by offering improved commercial conditions while protecting the rights of small producers and workers. It is an alternative trade form where the consumer, conscious of how their purchasing power contributes to improving the quality of life of producers and workers, choose products from socially, environmentally and economically ethical businesses.

Since 2011, Emiliana has been certified Fair Trade by FLO International from Germany and Fair for Life from the Institute of Marketekology (IMO) in Switzerland. It is the First Use Committee, made up of worker and company representatives, which is responsible for managing the resources received from the sale of Fair Trade wines. These resources are invested in projects which improve the quality of life of our workers.





Environmental Certifications



ISO 14001 ENVIRONMENTAL MANAGEMENT SYSTEM

In **2001** Emiliana became the first Chilean winery to voluntarily adopt international standards for the implementation of an management system to protect and care for the environment. We were pioneers in obtaining the **ISO 14.001 certification**. We use this management system as a complement to the organic, biodynamic and emission offset standards we have in place, thus managing to minimise the environmental impact of our productive processes.



CARBON FOOTPRINT MEASUREMENT AND NUETRALIZATION OF EMISSIONS

With the aim of knowing our greenhouse gas emissions, since **2007** we have measured the carbon footprint of our Ge and Coyam wines as well as the Los Robles Estate. Currently, the Ge and Coyam products from the 2012 harvest are certified **CarboNZero** by the New Zealand company **EnviroMark**, based in the **PAS 2050** and **ISO 14064-1** methodologies. This certification considers the wine production process from the “cradle to the grave”, incorporating emissions associated with inputs until transport to the final consumer. The first years (2007-2011 harvests) were certified by the German company **TUV SUD**, using the **GHG Protocol methodology**. In addition to the emission reduction measures, since 2007 Emiliana has offset its GHG emissions through the purchase of carbon credits from projects which avoid new emissions. To date we have offset more than 2000 tons of CO2.



WINES OF CHILE CERTIFICATION OF THE NATIONAL SUSTAINABILITY CODE

Emiliana was a pioneer in the implementation of this certification in **2012**. This standard was developed specifically for the Chilean wine sector, which provides a recognition for Emiliana’s sustainable practices in social and environmental responsibility at a national level.





ABOUT THIS REPORT

MATERIALITY MATRIX

EMILIANA
ORGANIC ❖ VINEYARDS

ABOUT THIS REPORT

Materiality

The contents of this report were defined on the basis of the materiality process, which considered the internal and external sustainability context of the company. This process allowed us to identify the issues which reflect the main economic, social and environmental impacts of the company and those which are important for our stakeholders.

The first stage of this analysis was the identification of the stakeholders within our value chain. For this, each department identified internal and external stakeholders with whom they interact in different levels of intensity and frequency.

THE RESULT WAS THE FOLLOWING:

- Suppliers of goods and services (Agricultural, Enology, others).
- Shareholders
- Directors
- Workers
- The media
- Local Communities
- Clients (Importers, Distributors, Final Consumers).

The materiality analysis was done through discussions with the stakeholders on the most relevant issues associated with Emiliana's value chain.

THE ANALYSIS INCLUDED THE FOLLOWING ACTIVITIES:

- Analysis of secondary information.
- Press Analysis.
- Analysis of Annual and Sustainability Reports.
- A survey of 17 clients.
- Interviews with 4 suppliers.
- Interviews with 7 managers.
- Interviews with 7 administrative staff members.
- Interviews with 16 workers.
- A materiality workshop with the Management Committee.

A total of

29

RELEVANT ISSUES

were identified

which were evaluated in terms of their importance to the company as well as to relevant stakeholders.

List of Material Issues Emiliana 2014



CLIENTS

- 1. Quality of relations
- 2. Innovation in products
- 3. Certifications
- 4. Logistics
- 5. Consumer education



WORKERS

- 6. Closeness
- 7. Scarcity of qualified labour
- 8. Quality of life
- 9. Training / Development
- 10. Performance evaluation
- 11. Labour relations
- 12. Occupational Health and Safety
- 13. Temporary workers
- 14. Support for Fair Trade
- 15. Emblematic programs



SUPPLIERS

- 16. Grape producers
- 17. General suppliers
- 18. Logistics



ECONOMIC

- 19. Efficiency
- 20. Growth
- 21. Brand



CORPORATE GOVERNANCE

- 22. Board commitment
- 23. Public policies

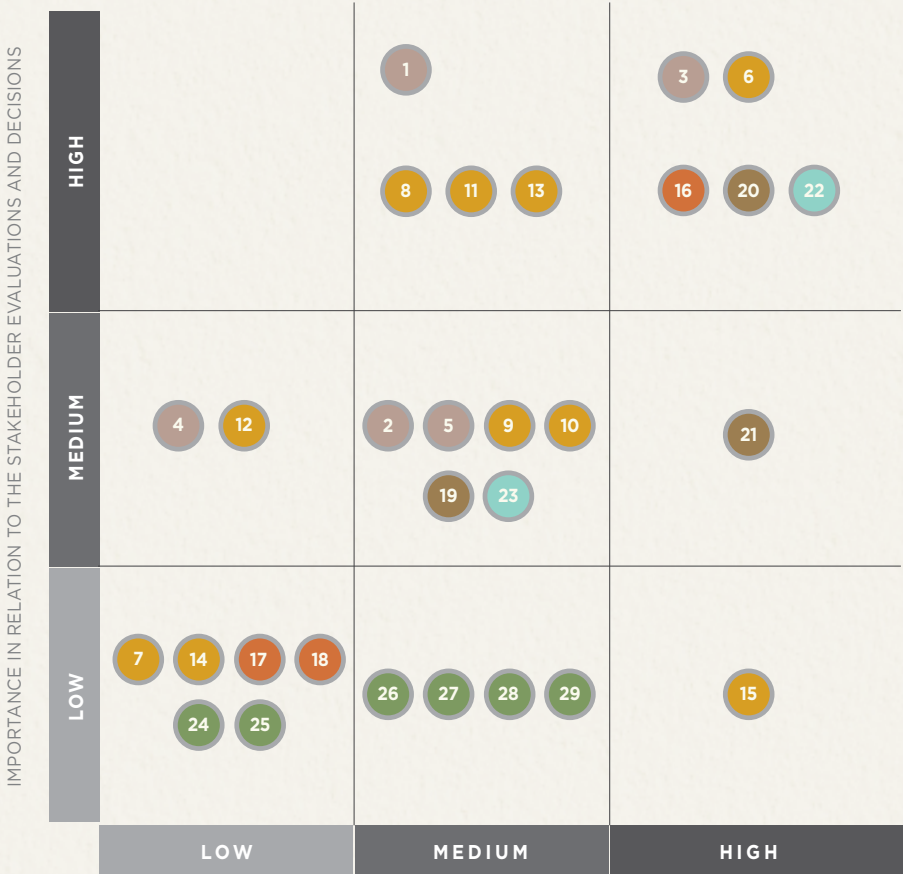


ENVIRONMENT

- 24. Resource use
- 25. Pollution prevention
- 26. Soils
- 27. Climate change
- 28. Vine production
- 29. New land

EVALUATION OF THE IMPORTANCE OF THE ISSUES RESULTED IN THE FOLLOWING PRIORITIZATION

- Clients
- Workers
- Suppliers
- Economic
- Corporate Governance
- Environment



ECONOMIC, SOCIAL AND ENVIRONMENTAL IMPACTS FOR THE COMPANY



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EMILIANA

ORGANIC ❖ VINEYARDS

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CATEGORY: SOCIAL		Page
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