



Sustainability Report

2022



Material Topics

The second Chilean Grape Group Sustainability Report has been prepared in agreement with GRI Standards. This report includes the Company's consolidated management and business results from January 1 to December 31, 2022. When data are not consolidated, the report expressly states the unit the data corresponds to.

One of the methodologies used to define Chilean Grape Group's material topics included several elements to understand the organizational context, namely: purpose, strategic vision, market presence, competitors and stakeholders, as well as reviewing GRI's 2022 sector programs: Agriculture, Aquiculture and Fishing, although their indicators are not included in this report.

To identify the impacts, Chilean Grape Group revised other industry reports and interviewed of the Company's senior managers. In order to prioritize the subjects, we conducted online interviews with our workers and a group of key stakeholders, after which the managers posted the subjects of highest impact in a template. The results were validated by the Company sustainability team.

According to this exercise, the material topics for Chilean Grape Group are the following:

CUSTOMER HEALTH AND SAFETY IMPACTS

- > Customer health and safety
- > Food safety and product quality
- > Innovation and excellence of food products
- > Stability of supply and logistic services.

ENVIRONMENTAL IMPACTS

- > Waste and industrial liquid waste management
- > Water management and use
- > Regulatory compliance
- > Energy consumption.

COMPANY/ EMPLOYEE IMPACTS

- > Employee safety, health and wellbeing
- > Diversity and inclusion
- > Training and development
- > Health and safety.

COMMUNITY/ENVIRONMENTAL IMPACTS

- > Water stewardship
- > Odor control
- > Environmental care promotion
- > Job creation and economic growth.



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A profile portrait of Diego Swinburn, a man with grey hair, wearing a striped shirt and a dark jacket. The text 'Message from our CEO' is overlaid on the top left of the image.

Message from our CEO

Diego Swinburn
Chief Executive Officer
Chilean Grape Group

We are very proud to present you with our second Chilean Grape Group 2022 Sustainability Report, made up of Morandé Wine Group, Agromorandé and Empresas Lourdes.

Beyond any doubt we were faced with a challenging year; we had set out to establish a closer relationship with our clients and consumers by offering our brands more directly, while gradually changing our packaging and integrating brand name criteria to facilitate identification.

The respected “*Descorchados*” Wine Guide recognized Viña Morandé as Winery of the Year 2022, which fills us with satisfaction. We shared this moment with many others on a multimedia platform. To reinforce our presence in international markets, we invited a group of specialized journalists from Brazil to an immersive experience in Morandé; in addition, we participated in prestigious international winemaking fairs.

We reinforced our safety management by introducing more innovative, empirical methodologies. We conducted a 2-week preventative campaign before the grape harvest season, where the workers were confronted with different safety scenarios. In addition, we adopted measures to encourage a clean and safe grape harvest season.

Together with our employees, we have carried out great work, improving our performance assessments and associated compensation. Our work environment has also improved significantly, which is vital for the growth of our business and the comprehensive development of our team members.

In environmental matters, in 2022 we started working with a Copec subsidiary, Emoac, which is a leading energy consulting group, for a comprehensive diagnosis of Viña Morandé’s facilities to establish an energy efficiency policy that will be implemented across all our plants.

At the level of community relations, we have strengthened our participation with local stakeholders, sports clubs, the fire department, neighborhood associations, different schools and Isla de Maipo Municipality, focusing on tourism and environmental protection programs.

Our team’s passion and exceptional performance continue to endorse our commitment to sustainably producing the best products to be enjoyed by our customers in a sustainable way. We encourage you to learn about the progress we have made so far.

2022 Highlights

No1

Recognized as the
Vineyard of the Year

We reached

85%

of worker's satisfaction

We recycle

97.9%

of our waste

We process
more than

15 grape
varieties

More than

1,000

hectares of vineyards

We have customers
in more than:

50
countries

We are
top

4

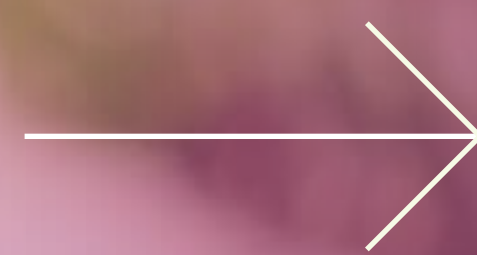
in wine exports
from Chile

We produce one liter of
wine with

550 liters of
water

* The global average ranges between
660 and 1,00 liters of water.

*We are Chilean
Grape Group*



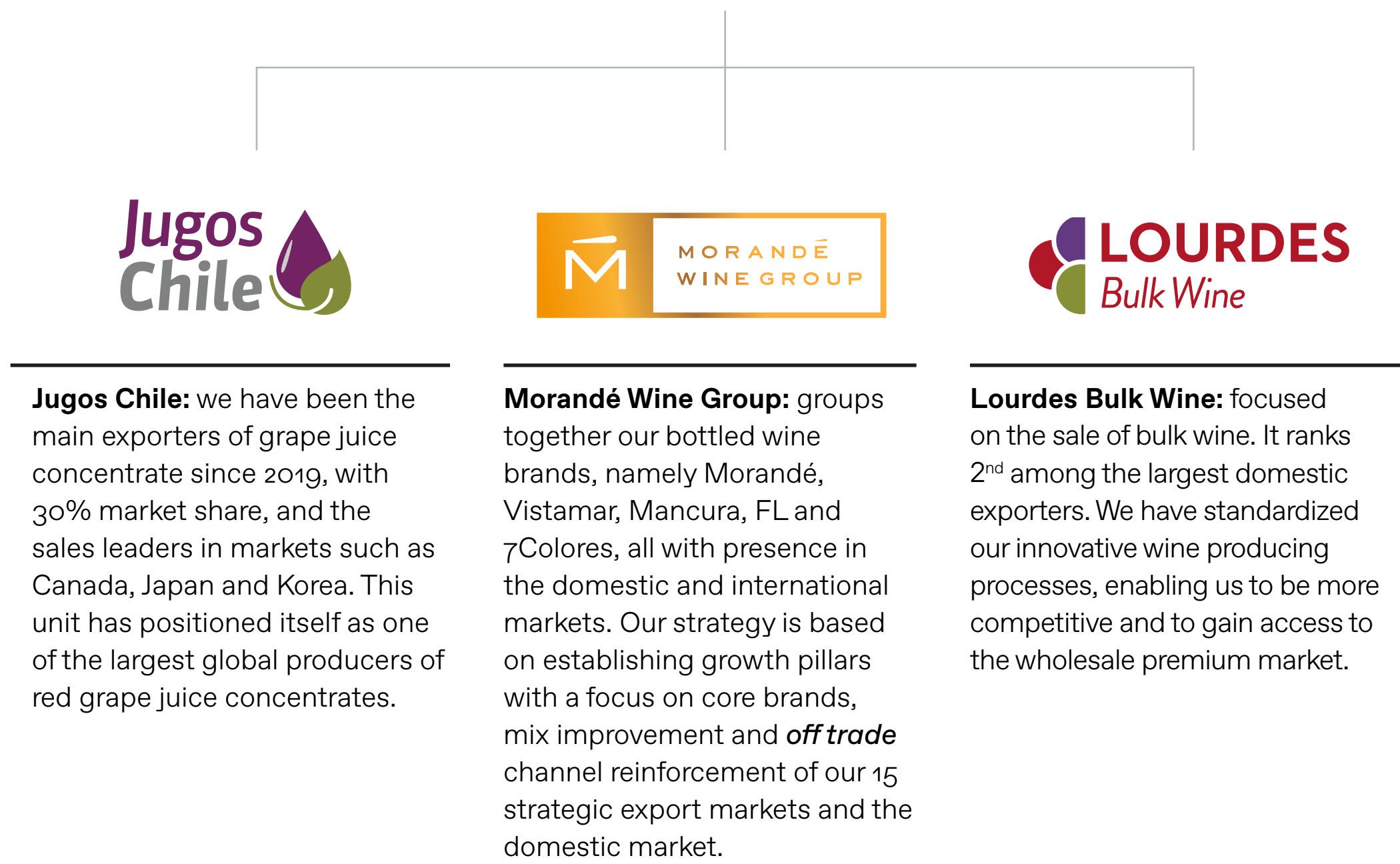
Pioneers in the
Chilean winemaking
industry

A platform for *Wine producers*

In April 2019, we concluded the merger between Morandé Wine Group and Empresas Lourdes to create a platform that brings together winemakers that offer products and services on three supplementary units, a unique model in Chile and abroad.

CHILEAN GRAPE GROUP

Innovation Knowledge Technology



Our business units offer:

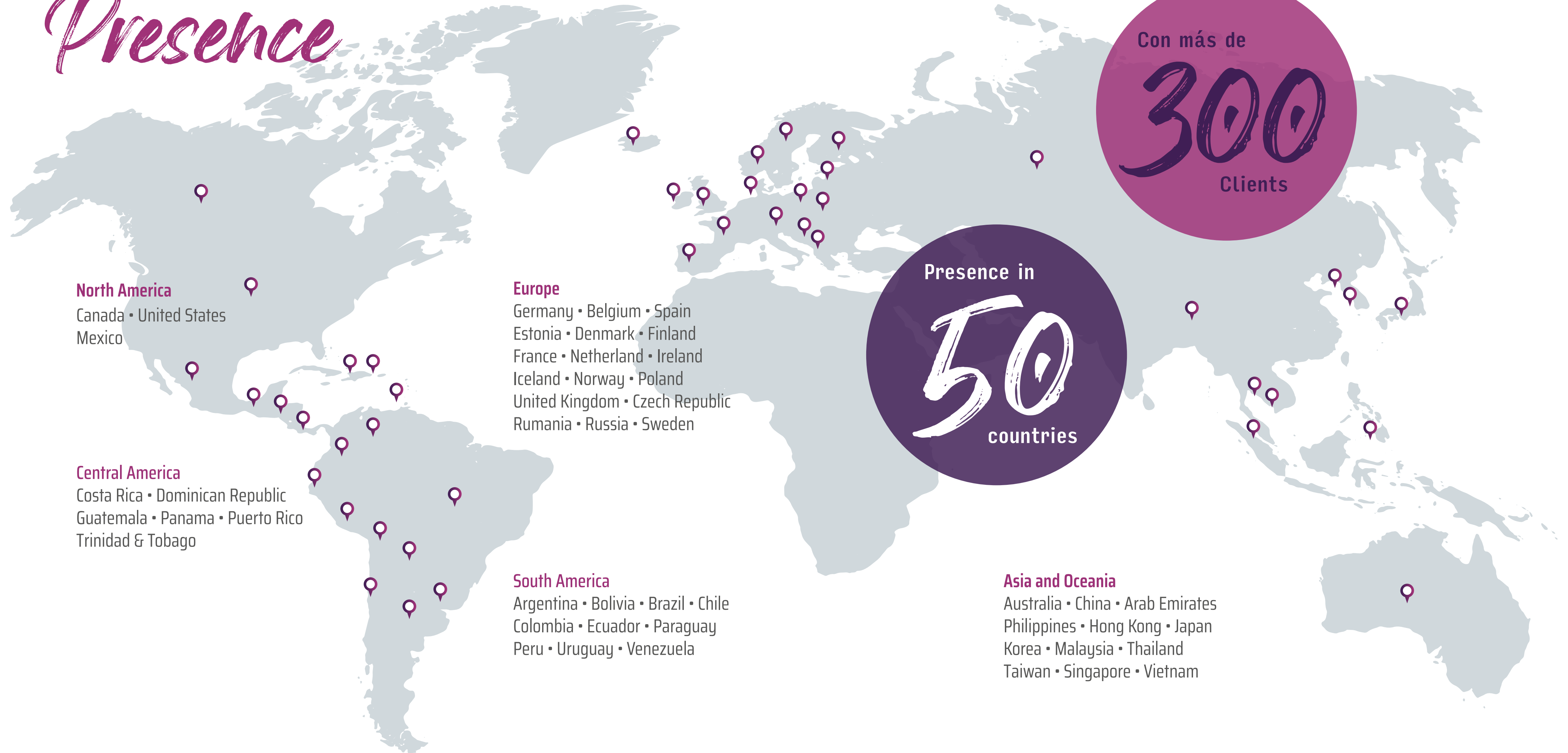
- Concentrated juices
- Bulk wines
- Bottled wine.

Comparative advantages:

- Standardizing our goals, vision, strategy and values.
- Cost savings and production efficiencies.
- Shared experience and *know how* (industrial, commercial, operational, productive, etc.).
- → Supplementing products, production plants, vineyards and the supply of wines and grapes.



International *Presence*



North America

Canada • United States
Mexico

Central America

Costa Rica • Dominican Republic
Guatemala • Panama • Puerto Rico
Trinidad & Tobago

Europe

Germany • Belgium • Spain
Estonia • Denmark • Finland
France • Netherland • Ireland
Iceland • Norway • Poland
United Kingdom • Czech Republic
Rumania • Russia • Sweden

South America

Argentina • Bolivia • Brazil • Chile
Colombia • Ecuador • Paraguay
Peru • Uruguay • Venezuela

Asia and Oceania

Australia • China • Arab Emirates
Philippines • Hong Kong • Japan
Korea • Malaysia • Thailand
Taiwan • Singapore • Vietnam

Con más de

300

Clients

Presence in

50

countries



Our *Goal*

“We want to share our passion for crafting the best wines to make people’s lives more enjoyable”.





Our Sustainability Strategy

Chilean Grape Group abides by the United Nations' Sustainable Development Goals; therefore, we have selected the objectives that match our business strategy to guide our sustainability efforts.



Good Health and Wellbeing: we have agreements and benefits programs in place to help our collaborators, sustainably producing complementary health insurance, employee wellness programs, Wine in Moderation, which promotes responsible alcohol consumption, in addition to more innovative programs such as Betterfly.



Gender equality: under its people's management policy, the organization ensures that no gender-based salary gaps exist, promoting gender equality and the progressive incorporation of women to the company.



Affordable and clean energy: we have two clean power generation plants (PV plants). Our future projects contemplate expanding both power generation plants, and adding new plants to our production portfolio.



Decent work and economic growth: our collaborators comply with the legal regulations in force, and our wage floor is above Chile's statutory minimum salary. We provide support to local entrepreneurs to foster economic growth in the areas where we operate.



Industry, innovation and infrastructure: we inaugurated an experimental warehouse for our unique and innovative wines in Pelequén. We acquired state-of-the-art machines for wine packaging and labeling, and improved the aerobic system of our industrial wastewater treatment plant through cutting-edge technology, which has enabled us to save energy and improve the quality of our industrial wastewaters.

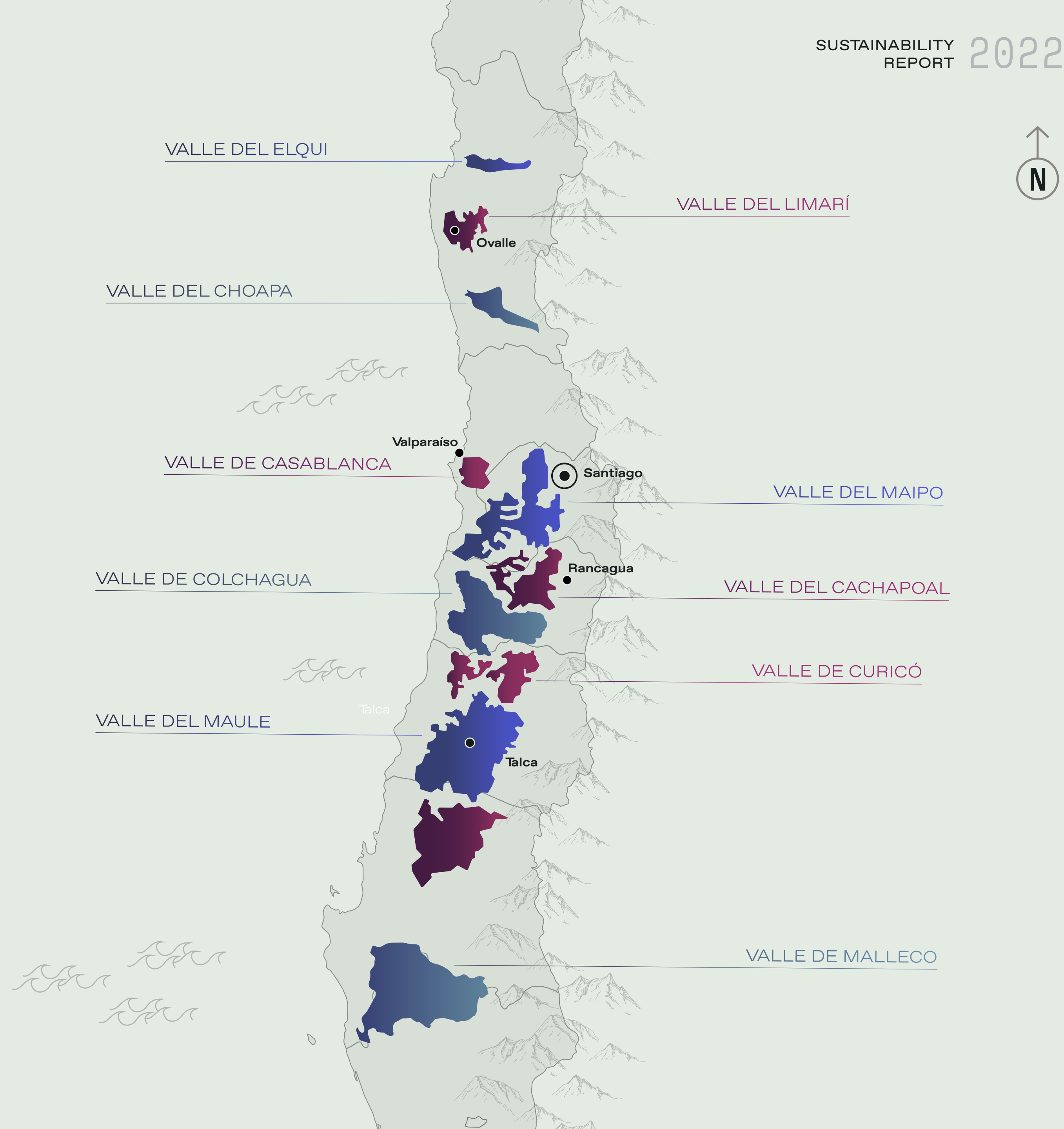


Our Valleys

We are present throughout Chile, we have more than

3,000

hectares of vineyards from the dry northern desert down to the drylands of Maule and Itata.





Economic Performance

2022 was a good year for Chilean Grape Group in terms of billing and turnover, which grew by 10% compared to 2021, in spite of stock shortages in the supply chain, logistic problems, and inflationary pressures. This resulted in increased operational costs that affected our business margins.

The effects of the pandemic and the changing consumption patterns will pose a challenge to our industry in 2023. Some of the key questions are: How much can we buy and store to prevent supply problems? What alliances can we establish with local suppliers to get to foreign markets on time? The search for new solutions allows us to approach 2023 with stronger cost controls, and an adequate management of the current uncertainties.

2022 VS 2021


	Empresas Lourdes S.A.	Morandé Wine Group
Net sales	↑10%	↑16%
Gross margin	↑35%	↑17%
Operating expenses	↑6%	↑19%
Operational income	↑148%	↓21%
Profit for the year	↑5.993%	↓203%



*Soundness
and Integrity*



Guide our ethical
principles

A wide-angle landscape photograph of a vineyard at sunrise. The sun is low on the horizon, creating a golden glow and long shadows across the rows of grapevines. In the background, there are rolling hills and mountains under a clear sky. A small pond is visible in the middle ground. The overall scene is peaceful and scenic.

We want to be the role model of good industry practices and ethical behavior for other winemaking companies. For this we have drafted a Code of Business Conduct and Ethics that governs our relationships with shareholders, customers, collaborators, suppliers and the community.





Governance *Structure*

The Board of Directors is our highest governance body.

Chilean Grape Group is led by an exceptional Board of Directors:

BOARD OF DIRECTORS:

Roberto Belloni Pechini
Chairman of the Board

Diego Swinburn Larraín
Secretary / Chief Executive Officer

Carlos Spoerer Urrutia
Director

Pablo Morandé Lavín
Director

Luis Enrique Yarur Rey
Director

Gonzalo Yarur Ready
Director

Diego Yarur Arrasate
Director

Rodrigo Yarur Chamy
Director





MANAGEMENT

Our internal structure is composed of 10 management units that address the corporate administrative challenges to be addressed by each business unit, and those stemming from productive and enological requirements.



Code of Business Conduct and Ethics

The Code of Business Conduct and Ethics establishes the basic principles and behaviors. Every and each worker is responsible for knowing and meeting the provisions of the Code, which includes seven basic principles: compliance with the applicable regulations, the Group's vision, mission and values, the corporate competencies, human dignity and the essential principles that guide our activities.

In addition, the code provides for the compliance with Law No.20,393, which establishes the criminal responsibility of corporations for crimes such as asset laundering, financing of terrorism and bribery of national or foreign public officials.

INSIDER TRADING

Chilean Grape Group believes that information is fundamental for the continuity of the business; therefore, it must be treated in a timely, faithful and confidential manner. Insider trading laws prohibit CGG's officers or workers from using confidential corporate information to obtain a profit for themselves or third parties.

CONFLICT OF INTEREST

Integrity is one of the Group's core values; hence, every worker shall report of and avoid situations where his/her private interests may interfere with the interests of the Company. However, we recognize that our workers are entitled to conduct other business activities to the extent that these do not affect their job at Chilean Grape Group. For situations where a worker's private interest may interfere with Chilean Grape Group's interests, the Company shall have the instances necessary to determine whether the worker may or may not participate in a particular process.

CORRUPTION

Our Group rejects any situation relating to corruption, bribery, asset laundering, financing of terrorism, fraud, abuse of power, among others; any information in this regard shall be communicated promptly to the Ethics Committee, which will conduct the corresponding investigation and file a claim with the courts of justice, if it deemed applicable.

UNDUE PRESSURE AND HARASSMENT

Harassment is any repeated action threatening a worker's dignity, integrity, or health. Sexual harassment shall be understood as any repeated action incurred by an individual by any means, including unwelcome physical, verbal, or non-verbal requests of a sexual nature that threaten or impair the victim's labor situation or his/her opportunities at work. Workers are encouraged to promptly report these situations to the Ethics Committee, which will conduct the investigation.



CHILD LABOR

The Group categorically rejects any form of forced labor or child exploitation across its operations and value chain and has implemented strict control and prevention protocols for this purpose.

SHAREHOLDER RELATIONS

Chilean Grape Group seeks to deliver maximum profitability to its shareholders. Therefore, we will always protect their interests in agreement with the instructions of our Board of Directors. We will provide them with clear, transparent, faithful and timely information, and strive to preserve the Company's financial soundness.

SUPPLIER RELATIONS

We maintain respectful and transparent relationships with our suppliers and contractors, and provide them fair and equitable treatment since we view them as our strategic partners. Similarly, we will ensure our suppliers meet the applicable regulations and our stringent quality standards.

COMPETITORS RELATIONS

Chilean Grape Group is committed to free competition. We encourage loyal competition as it will benefit our consumers and the development of our industry.

We vouch for the reliability and truthfulness of our marketing campaigns and promotional strategies by developing proprietary and innovative concepts that will by no means be aggressive or harmful to our competitor's public image.

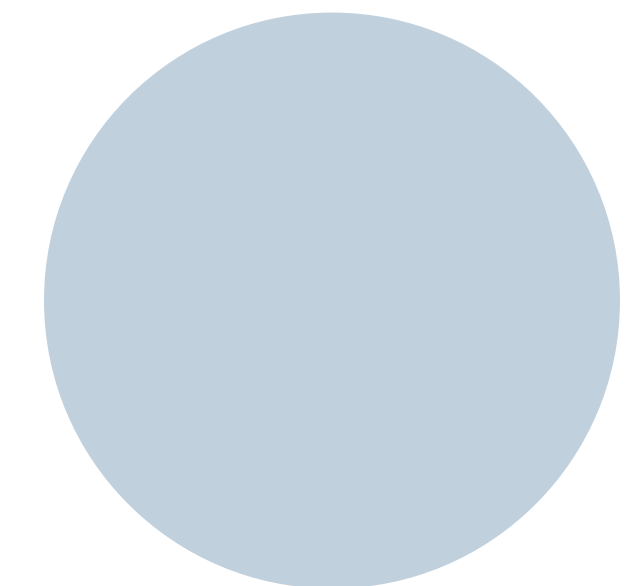
COMMUNITY RELATIONS

We are committed to leading our business by the highest standards of ethics and the laws that rule third-party rights and interests. To the extent possible,

we shall help increase the social, cultural, and economic value of our society to be a real contributor to the communities where we operate.

ENVIRONMENTAL CARE

Environmental care is a priority for the Chilean Grape Group. Our raw materials come from nature, so we must protect it. We look for efficiencies in using water, land, energy, fuels, and others. We try to recycle and reuse our consumables as much as possible to reduce our waste. In addition, in 2022, we started working to set up an Energy Management Policy to ensure an increasingly effective use of our primary energy resources (electricity, oil and gas).





Ethics *Committee*

The purpose of this Committee is to establish general compensation policies, including salaries, employee benefits, and bonuses, and to ensure compliance with the Code of Business Ethics and Conduct.

The Ethics Committee is made up of three members elected by the Board of Directors and the Chief Executive Officer, managers and assistant managers duly appointed by the Committee. The members are designated by the Board of Directors.

The Committee meets every quarter to discuss and propose solutions to upper management in connection with allegations and conflicts stemming from alleged violations of the Code and to recommend, in each case, corrective actions or measures, which, in some extreme cases may imply the worker's dismissal.

This Committee also plays a consulting role for the workers to raise any ethics-related concerns.



Regulatory Compliance

Empresas Lourdes and Viña Morandé are subject to the following legal requirements on water use and consumption:

Empresas Lourdes S.A.

→ General Water Directorate (DGA)

Our consumption of well water is governed by RM Resolution No. 1,853 published in the Official Gazette on December 2, 2019. It forces the Company to install monitoring equipment to report the amount of well water extracted directly to the General Water Directorate (DGA, per its Spanish acronym).

→ Superintendency of the Environment (SMA)

RCA 249/2019: in effect.
Industrial wastewaters: 100% of monthly declarations according to the applicable RCA 249/2019.

Viña Morandé

→ General Water Directorate (DGA)

The DGA has not yet issued a resolution on authorized water sources; however, in a preventive and proactive effort, the Company is evaluating the installation of controlled metering equipment, since all water basins will soon be regulated in the same manner in order to establish an inventory and ensure that well water is extracted in an effective and controlled manner.

→ One-stop RETC window (MMA)

In compliance with Supreme Decree No. 1 of Environmental Law 19,300, Viña Morandé has filed the following declarations by sector:
Industrial wastewaters: 100% of monthly declarations according to the applicable RCA 135/1999.

→ Superintendency of the Environment (SMA):

RCA No.135/1999: in process related to improvement works of the industrial wastewater treatment plant.

*Products of
Excellence*

→ We have created a
daring and innovative
portfolio

Leadership and quality in the *wine industry*



Chilean Grape Group's sales have grown steadily, hand-in-hand with our clients; we have become their strategic business ally, since they know they can rely on our quality and innovative products and our ability to identify their needs through a closer relationship.



Exceptional and innovative products

We are passionate about the grape world: we produce and sell bottled wine, sell several bulk-wine varieties, and produce concentrated juice for different food industries through our specialized lines of business.



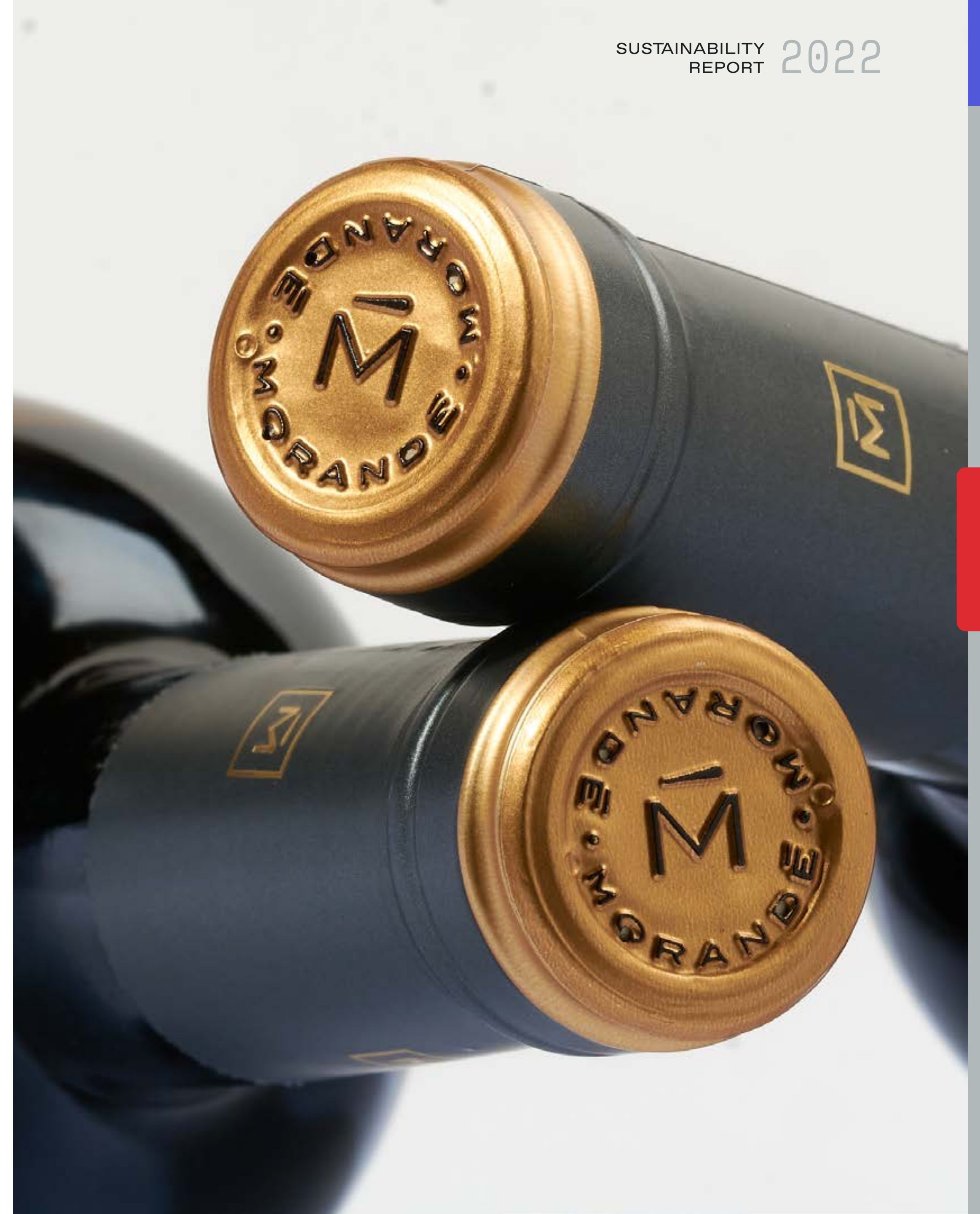
Morandé Wine Group and its *Visionary spirit*

Since its inception, Viña Morandé has held an innovative vision surrounding its wine production, reflecting the experimentation and boldness of its portfolio and the continued search for eco-friendly solutions.

Pablo Morandé pioneered the planting of vines in the Casablanca Valley. In 1996, he founded the Morandé winery, and shortly after that, he decided to create a groundbreaking line of wines called "Aventuras," which quickly became one of the Company's milestones.

With this line, Pablo Morandé sought to feature the largely unknown diversity of Chile's terroirs and highlight the value of the old vines in the vineyards of the interior drylands of the Maule and Itata regions. He used the little-known varieties grown traditionally in those areas, where very few knew of them, and banked on them.

This distinctive seal can be found on all brands: Morandé and Morandé Adventure, Vistamar, in addition to Mancura and 7Colores.





Morandé Adventure has become the winery's flagship line. On the one hand, it represents the innovative and pioneering spirit in terms of oenological products. On the other, the line is produced in an exclusive winery -Bodega Aventura- which integrates the three cornerstones of the winery: Quality, innovation, and sustainability.





MORANDÉ ADVENTURE PORTFOLIO

Daniela Salinas, Ricardo Baettig and Jorge Martínez were responsible for the creation of a 9-label portfolio which makes up the proud Morandé Adventure showcase.



Tirazis

Vigno

Despechado

Creole

*Colinas de
Ranquil*

Aterciopelado

Bestiario

El padre

El gran petit

V I S T M A R

Enjoy slower life

The name reflects the project's goal: to offer wines from the cool, coastal Casablanca valley with a sea view. Early on, Vistamar sought other vineyards to provide a quality source for more traditional red varieties.

That is how La Moralina estate was discovered in the Andean foothills of the Cachapoal valley. The decision to add this origin validated the commitment to freshness as the main characteristic of the wines and incorporated the Cachapoal appellation. This second Andean origin rivals Casablanca's fresh identity.

With a philosophy that respects natural cycles, since 1997 Viña Vistamar has studied the cycle of grapes, and has specialized in slow-ripening wines.

For years now, Vistamar has studied the terroirs where its wines are produced; the vineyard has specialized in cold-climate terroirs, areas that deliver wines with greater balance and verticality

The winery is in more than 42 countries, receiving over 500 90+ scores in important national and international specialized media.





MANCURA
guard of the andes

It is a tribute to Chilean roots, traditions and origins that seeks to preserve the wine heritage of our country. Its name pays homage to the mythological figure of the condor in the Andes Mountains.

Legend has it that Mancura, the Andean condor, appears in the sky, bringing with him the sun that provides the strength, warmth, and energy our valleys need. At night, in its majestic flight, Mancura brings the freshness of the sea, allowing us to enjoy one of the best conditions around the world for producing high-quality wines.



Committed to Sustainability

Mancura adheres to the Wines of Chile sustainability code in all three areas. In addition, it is committed to efficiently using water and power resources, reducing its consumption by 5% in 2022.

It has been awarded multiple 90+ scores, thus establishing itself as a wine brand for young, expressive, and high-quality wines.



A winery with a completely different proposal in the traditional world of wine. Creativity without limits or paradigms and an unusual way of breaking the codes of competition and disobeying the rules reveal the winery's innovative and irreverent essence.

Since its launch, the winery has stood out for its unusual proposal, far removed from the usual formality of the wine world, due to an attractive design and blends of red and white varieties with total freedom, resulting in well-rounded and very attractive wines with outstanding balance.

Provocative blends of heritage varieties

Winemaker Rodrigo Moletto created this line inspired by a small endemic Chilean bird, the only bird in the world with seven-color plumage. Among the most acclaimed blends are Gran Reserva Pinot Noir/Semillon, Limited Edition Chardonnay/Viognier, and Single Vineyard Red Blend, composed of Cabernet Sauvignon, Carmenère, Cabernet Franc, Syrah and Carignan.

Non-traditional image and sensory experience

The labels for all lines have been designed for younger consumers who value new experiences, the authenticity of an innovative and free proposal, and a portfolio of wines that blends varieties with no regard for the rules.

Closeness to consumers

The essence of 7Colores is that it is a brand close to the consumer, with communication and packaging focused on its customers and varietal wines with excellent value for money.





LOURDES

Bulk Wine

Our bulk wine business line has been growing steadily, marked by short and long-term relationships with the best grape producers in Chile. In addition, the Company has developed state-of-the-art technology to help our production partners provide a stable, top-of-the-line "Grape Sourcing".

Our plant produces 55 million liters of different wine qualities and varieties.

Jugos Chile

CGG's grape juice concentrate unit was created in 1992 for the production and export of juice concentrates from red, white and varietal grapes. Currently, "Jugos Chile" is the leading producer and exporter of grape juice concentrates in Chile, with a market share of almost one-third in 23 countries.

These products are marketed in the food and fermentation industries, which use them to produce natural juices, fruit cocktails, jams and ice cream, among other products. Fermentation companies use the concentrate mainly for winemaking in Asian countries.



Recognition of our *Trajectory*

Twenty-five years of constant search for quality and innovation have translated into a sound portfolio that led Viña Morandé to be recognized as the “Vineyard of the Year” in July 2022 by the Chilean wine guide Descorchados.

A recognition to our constant experimentation with wines, the exploration of new denominations of origin and diverse methods to produce wine have consolidated a path that started in 1996 and has remained consistent over the years.





Aventura Wine Cellar *inauguration*

In September 2022, we opened the new Viña Morande Aventura wine cellar, located in Pelequén, at the heart of the Cachapoal valley. Designed by architect Samuel Claro, it is a perfect blend of architectonic beauty and local landscape. The wine cellar was built as part of the vineyard, nestled in the depth of the subsoil, thus protecting the environment and minimizing the intervention of the landscape by using gravity to improve the quality of the wines. This gravitational wine cellar not only protects the grapes, but also allows for significant energy savings. Its open areas, large windows and glass walls maximize the use of natural light.

The wine cellar features key instruments for oenologists to test new varieties, fermentation, storage tanks and new techniques.



Certifications as proof of *Quality and Safety*

Chilean Grape Group is highly committed to the quality of its products. This commitment is reflected in the way it works, where it is highly trained supervisors have helped the Group earn necessary international food safety certifications.

Our quality control systems cover all processes, from vineyard to destination, and all the stages in between, including all required supplies and co-adjuvants. Our most significant certifications include, but are not limited to, the following:

BRC Global Standards

The BRC standard is one of the most widely used systems worldwide. It enables distributors and producers to qualify their private label suppliers, ensuring they meet requirements to guarantee their food products' safety, quality, and legality..

IFS Certification

Ensures compliance with food safety and quality requirements of European distributors.

FDA Certification

Document certifying that the food product has been inspected and meets the FDA requirements.





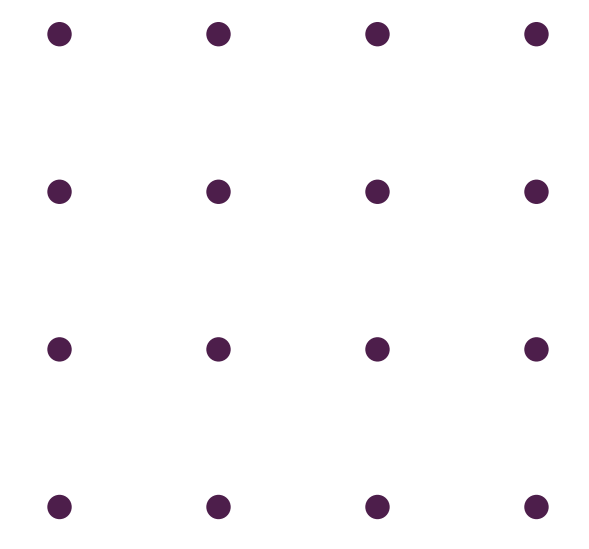
Customer Satisfaction

Every year, Jugos Chile and Morandé Wine Group survey to measure customer satisfaction with the quality of the product and their sales and logistic services.

Morandé Wine Group surveys its customers from Europe, Asia, Brazil and Latin America. The pillars that obtain the highest scores are those relating to product quality and where it is regarded as a strategic partner. Less positive are the pillars relating to lead times and issue resolution, although this is an aspect that has been gradually improving.

The main challenges resulting from the survey indicate that we should be closer to the customer to respond to their requests in a timely manner, and strengthen the logistic work that has been affected by external variables hindering the export processes.

At Jugos de Chile approximately 80% of the Company's customers are located in Asia and North America, and they show high customer satisfaction levels in almost all pillars assessed, with a 5% increase over the previous year in the product and logistic service categories.





Responsible Alcohol Consumption

At CGG, we firmly encourage responsible drinking, by educating our collaborators, customers and suppliers through information posted on printed and digital media. We also participate in safe drinking campaigns through Wines of Chile, Vinos de Chile and Asociación Ruta and Vinos del Cachapoal.



Environmental Care






→ Nature is our wines'
best ally





We depend on nature, and that means our commitment to environmental care is both ethical and strategic. For the Chilean Grape Group, environmental care and the efficient use of natural resources are fundamental components of its management strategy, as stated in its Corporate Sustainability Policy.

We have set the following objectives and goals for the 2021-2022 period:

		Aspects	Objectives	Goals
Environment Actions		Water	Resource efficiency	5% less water used per wine bottle
		Energy	Energy efficiency	5% reduction of energy consumption
		Waste	Liability for the waste generated	25% recycling of organic waste
		Climate change	Emission reduction	5% reduction of our scope 1 and 2 emission
		Flora & fauna	Protection of biodiversity	Establishment of protection zones

Sustainability Code

Since 2019, CGG has adhered to the Wines of Chile initiative, known as the Sustainability Code of Chile's winemaking industry¹.

This is a voluntary standard that encourages winemaking companies to work in a sustainable manner based on requirements of three complementary areas: vineyard, warehouse- bottling plant and social area.

¹ <http://www.sustentavid.org/>

The Sustainability Code encompasses three large areas:



→ GREEN AREA

The requirements imposed on the Company's vineyards: pest and disease control methods, waste management, water management, plant material, occupational safety and health and protection of biodiversity.



→ RED AREA

The requirements imposed on the warehouse from the reception of raw material to the delivery of the final product, including: waste, water and energy management, and occupational health and safety.



→ ORANGE AREA

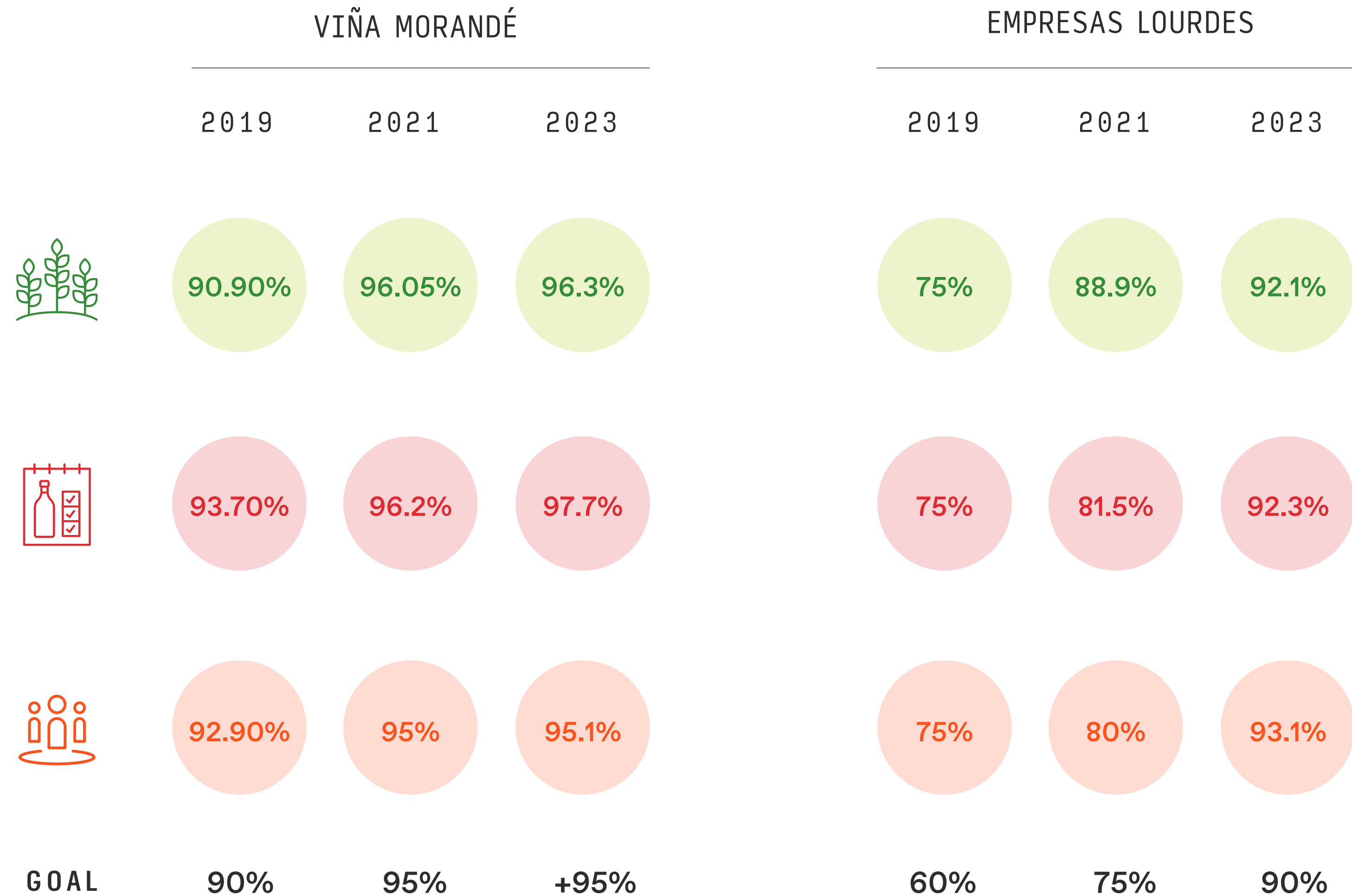
Corresponds to the revision personnel management requirements, including the whole cycle, i.e., benefits and others. In turn, it provides a detail of the company's responsibility for the community and the environment.

Empresas Lourdes is undergoing its third certification cycle and Viña Morandé is in its fourth cycle. Requirement satisfaction (in percentages) is stated below:

- **1st certification cycle:**
60% compliance with the requirements
- **2nd certification cycle:**
75% compliance with the requirements.
- **3rd certification cycle:**
90% compliance with the requirements.
- **4th certification cycle and beyond:**
95%+ compliance with the requirements.



Both companies obtained the scores required for their certification cycles.



Carbon Footprint

We measure and verify our carbon footprint to identify the largest source of emission generation in our process, thus enabling us to take measures to reduce environmental impact.

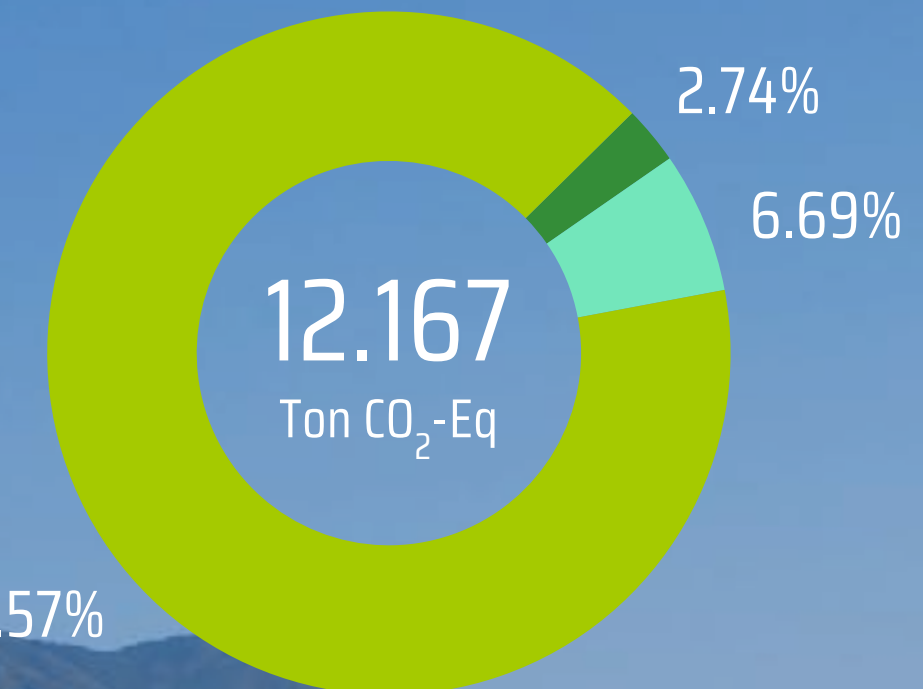
Our main emissions come from the reception of raw materials and the purchase of dry supplies.

Carbon footprint is measured through the Huella Chile program, a tool that measures corporate Greenhouse Gas (GHG) emissions, developed in agreement with Chilean standards NCh-ISO 14064:2019 (part 1) and the 2006 IPCC Guidelines for the Preparation of National GHG Inventories, which increases the credibility, consistency, and transparency of GHG emissions quantification, standardizing the accounting and reporting specifications.

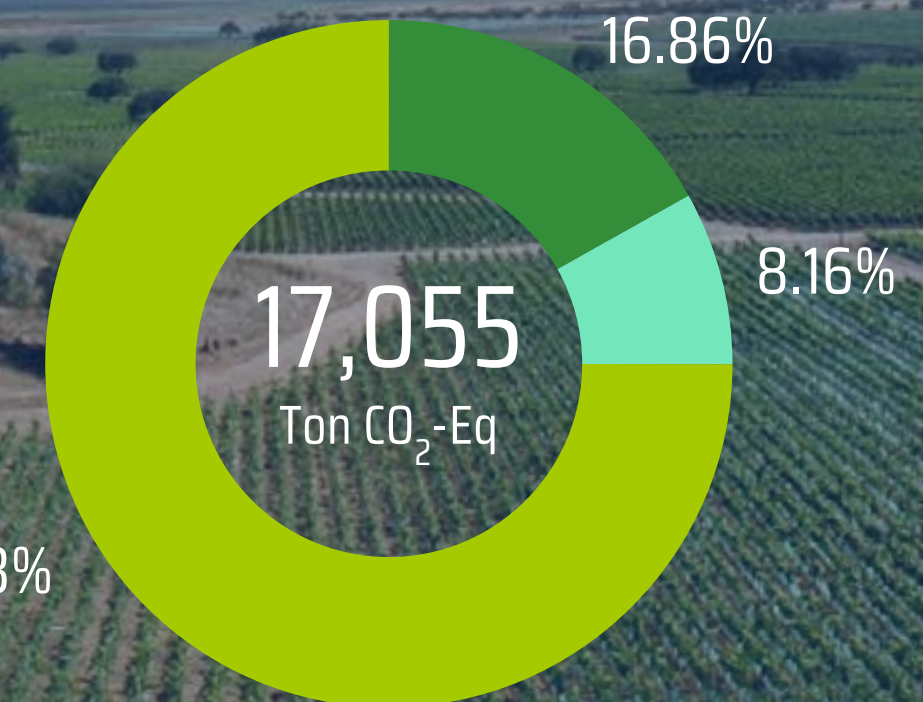
Morandé increased its carbon footprint by 8% due to the purchase of dry supplies and wines, which is part of scope No. 3, thus reflecting greater emissions from transport. In turn, Empresas Lourdes reduced its carbon footprint by 4%.

CORPORATE CARBON FOOTPRINT

VIÑA MORANDE



EMPRESAS LOURDES



● Scope 1 Direct
 ● Scope 2 Indirect
 ● Scope 3 Others

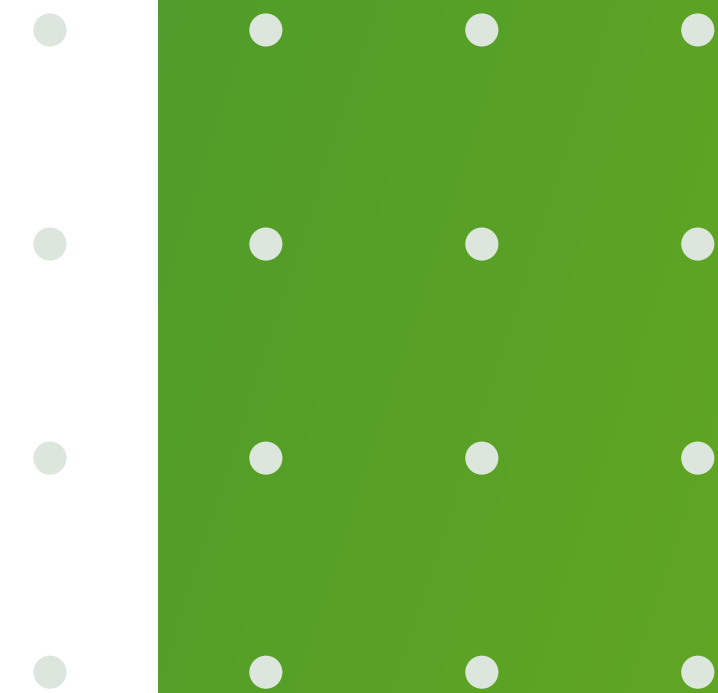


LOWER EMISSIONS FROM TRANSPORT

Lourdes Bulk Wine is the Group's bulk wine business line that has recorded a remarkable growth in markets such as the United States, China, Germany, England, Belgium, Bulgaria, Finland, the Netherlands, Japan, Poland and Thailand.

Its distribution offers a significant environmental advantage, allowing for the transportation of a greater amount of containerized liters per m2, as compared to bottled wine, which translates into lower CO2 emissions.

Considering that we sell 35 million liters of bulk wine, this option offers a significant advantage which, according to the logistics analysis, would mean saving 2 kg. of CO2 per kilometer traveled.



One 20" container with 13,200 bottles (75cl)

9,900
liters of wine



Lower GGE emissions per liter of wine exported.



One 20" container with Flexitank

24,000
liters of wine

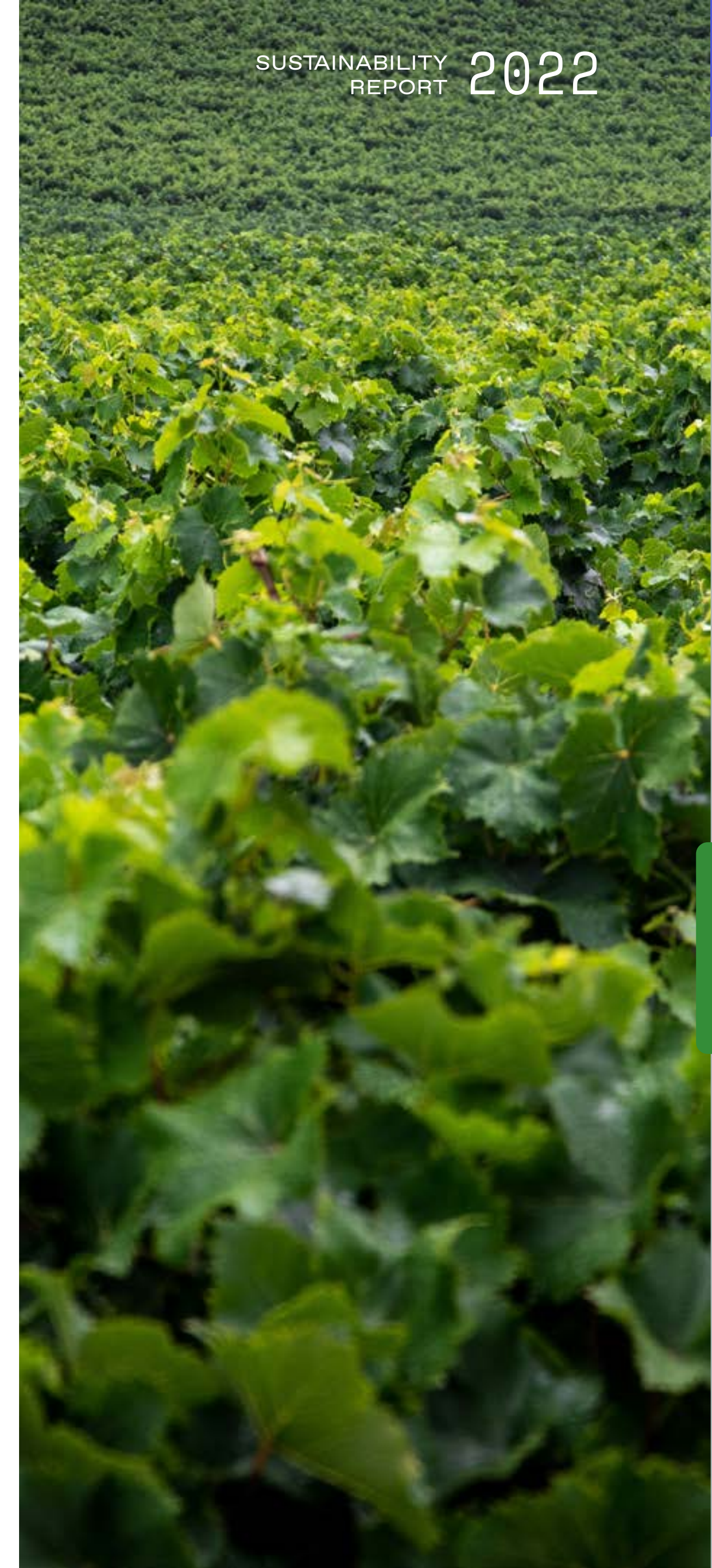
Energy Management

Our objective of reducing energy consumption by 5% as of 2022, generating the same amount or more products with less energy and lower costs, was achieved by incorporating new technologies and more efficient equipment at different stages of our production processes.

We want to raise awareness among our team, which is fundamental to achieving these results; therefore, we will continue to reinforce environmental training and education.

Energy consumption

		 ENERGY (kWh)	 GAS (liters)	 OIL (liters)	 NCRE (kWh)
Viña Morandé	2022	1,082,152	120,726	63,903	5,933
	2021	2,403,515	140,982	24,748	7,807
Empresas Lourdes	2022	4,628,602	1,458,274	80,000	420,657
	2021	5,208,902	1,310,995	25,000	357,673





Biodiversity

We get our main raw material, the grapes, from nature; therefore, we have controlled conservation areas, and our agricultural techniques preserve biodiversity.

Natural resources, such as land, water, flora and fauna shall only be disturbed in such way as to preserve their sustainable usage, not to compromise their integrity or balance.



NUTRITIONAL MANAGEMENT

To ensure good soil nutritional management, there are procedures for applying fertilizers and soil alterations to achieve sustainable production and consistent quality over time, protecting workers' health and taking care of the environment. This program includes plant monitoring and assessment to provide the necessary nutrients in the right proportion that enabling to obtain a high-quality raw material.

SOIL MANAGEMENT

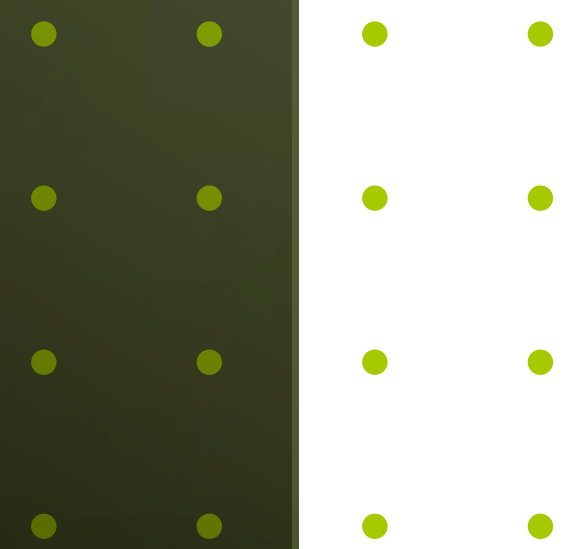
We have established a soil conservation plan that ensures a profitable and sustainable agricultural practice. Such plan includes handling soil erosion, protecting water streams, using plant coverage and soil amendments, and the responsible use of pesticides. These tasks are overseen by personnel trained in assessing the soil structure through test pits, establishing its degree of compaction and other factors.

CONSERVATION AREAS

Our vineyards maintain conservation areas to protect biodiversity in the crops. Hunting, applying phytosanitary products, and disturbing flora and fauna species by third parties are prohibited in those areas. To such end, our staff is duly educated and trained to identify the native species and to ensure their protection in compliance with best practices.

CONSCIOUS, RESPONSIBLE AND RATIONAL USE OF PHYTOSANITARY PRODUCTS

We have adopted a stringent phytosanitary plan, which is reviewed season after season. This program establishes the quantity and the type of products to be applied in each phenological stage of the plant; in turn, it regulates the degree of product toxicity, which in most cases have the green seal, assuring low traces of active ingredients in our grapes.



Waste Management

In consolidated numbers, 97.9% of Chilean Grape Group's waste, including Morandé, Agromorandé and Empresas Lourdes is recycled. Most of the waste generated in our industry is organic (pomace, marc, stalk), glass and cardboard.

Among the actions adopted to achieve such a high recycling percentage are training all our personnel in waste management at our plants, in addition to improving waste management areas, signaling and trash containers, incorporating a stacking machine to the process.



Viña Morandé

Total waste generated in 2021-2022 (kg)

Type of waste	2021	2022
Plastic	26,390	23,240
Glass	98,900	125,420
Cardboard	47,130	73,790
Pomace and stalk	940,875	1,466,150
Waste	93,570	91,500
Sludge	60,620	49,470
RESPEL	980	813

Empresas Lourdes

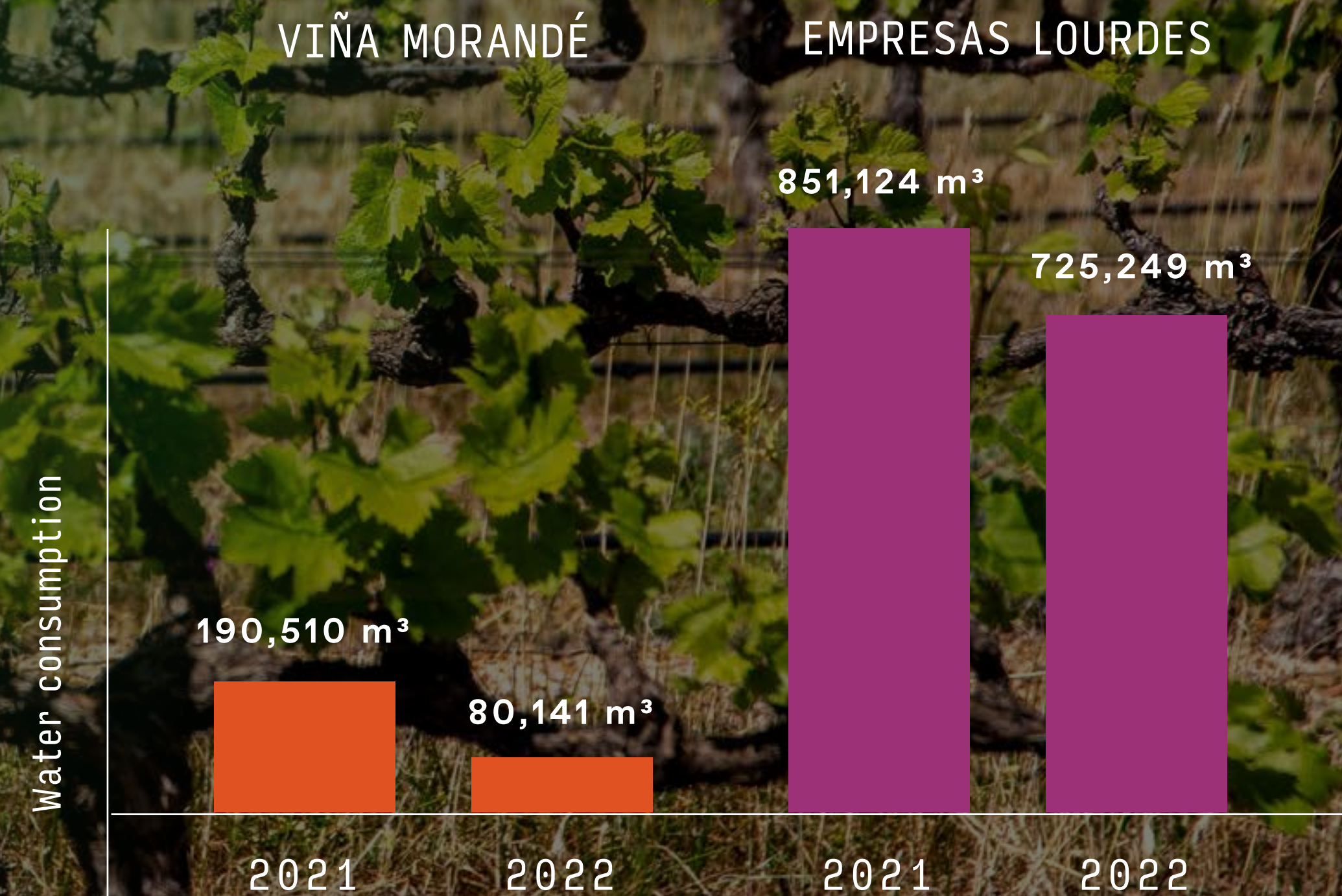
Type of waste	2021	2022
Plastic	0	323
Glass	96,170	18,680
Cardboard	1,400	20,673
Pomace and stalk	4,096,660	4,048,250
Waste	122,920	168,590
Sludge	803,060	2,144,320
RESPEL	7,299	2,800



Water Management

We are adapting our processes and procedures, and incorporating new technologies to ensure the efficient use of water, a critical resource for our industry. We estimate that the average volume used to produce one liter of wine varies between 660 and 1,000 liters of water, from vine growing up to wine bottling. Chilean Grape Group has managed to bring this number down to 530 liters of water, in average.

We have been able to reduce water consumption by implementing several control points at our plants, and through the permanent monitoring of daily information to be managed by the leaders of the productive areas who check any deviation or over-consumption, detect the causes and adopt the measures required to solve these problems.



Team Commitment

Workers bringing passion and leadership to their jobs




Team Commitment



We pride ourselves for generating respectful, trustworthy, and enriching relationships for making agreements, meeting commitments, and being passionate in the pursuit of success.

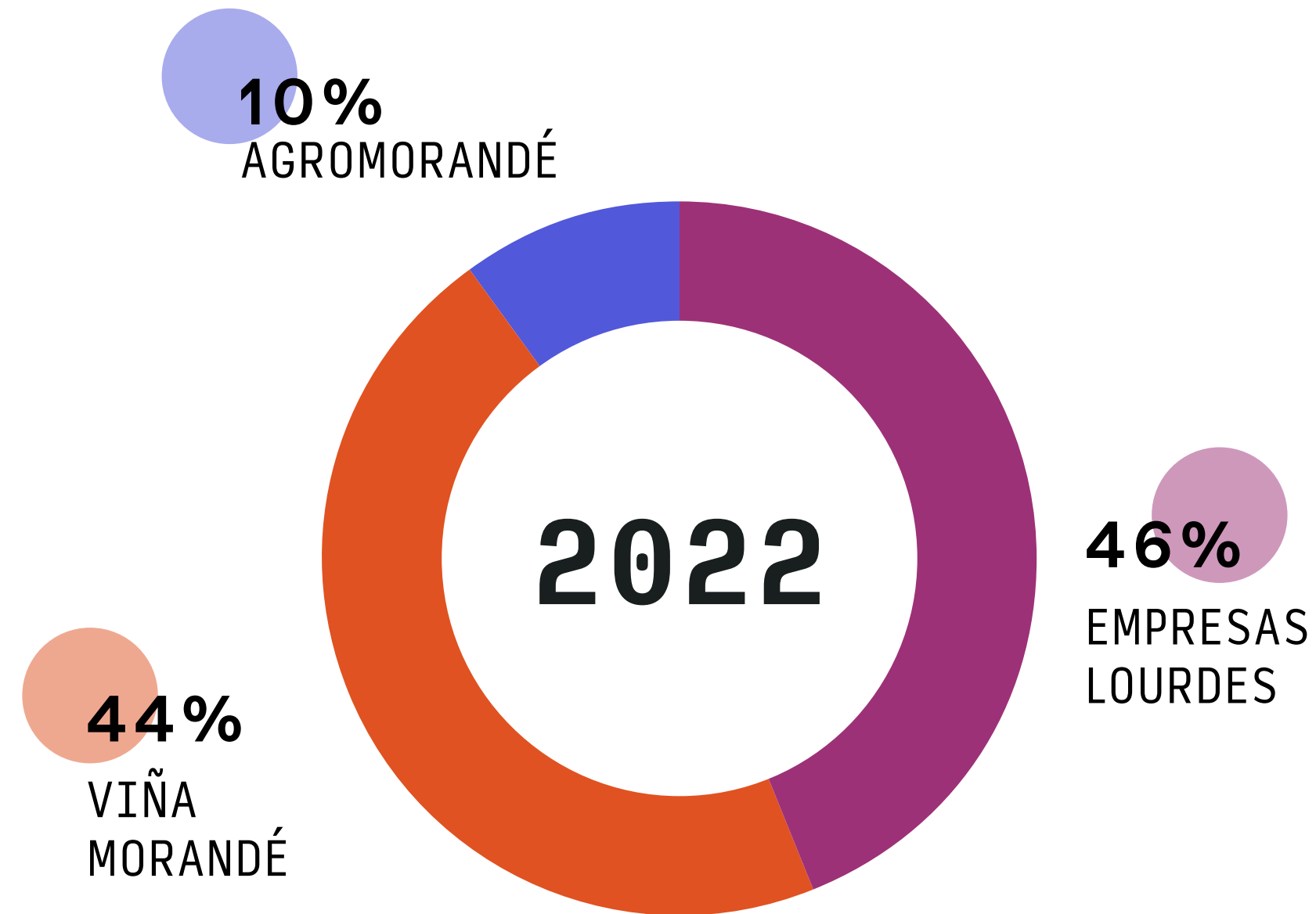
At the close of 2022, our team comprised 474 people with indefinite contracts, down 3% from 2021 (484 workers). During the harvest season, the headcount grows by approximately 60 people.

Our Headcount

	 Women	 Men	 Total
Agromorandé	10	40	50
Viña Morandé	90	127	217
Empresas Lourdes	47	160	207
Total	147	327	474

Team Structure

Workers by Company



Of the total CGG headcount, 44% corresponds to Viña Morandé, 46% to Empresas Lourdes and 10% to Agromorandé. With respect to gender distribution, Morandé shows greater parity, with 41% women and 59% men, while in Lourdes and Agromorandé, women only represent 23% and 20%, of the workforce, respectively.

Workers by Age

	Agromorandé	Empresas Lourdes	Viña Morandé
Under 30	9%	22%	15%
From 30 to 50	45%	57%	67%
Over 50	46%	21%	18%

A better place *to work*

We are committed to our collaborators and generating the best possible work climate in every area. For this reason, the Personnel and Sustainability Management Unit conducts an annual Organizational Climate Survey to identify workplace satisfaction levels and close gaps here reinforcement and improvement are needed.

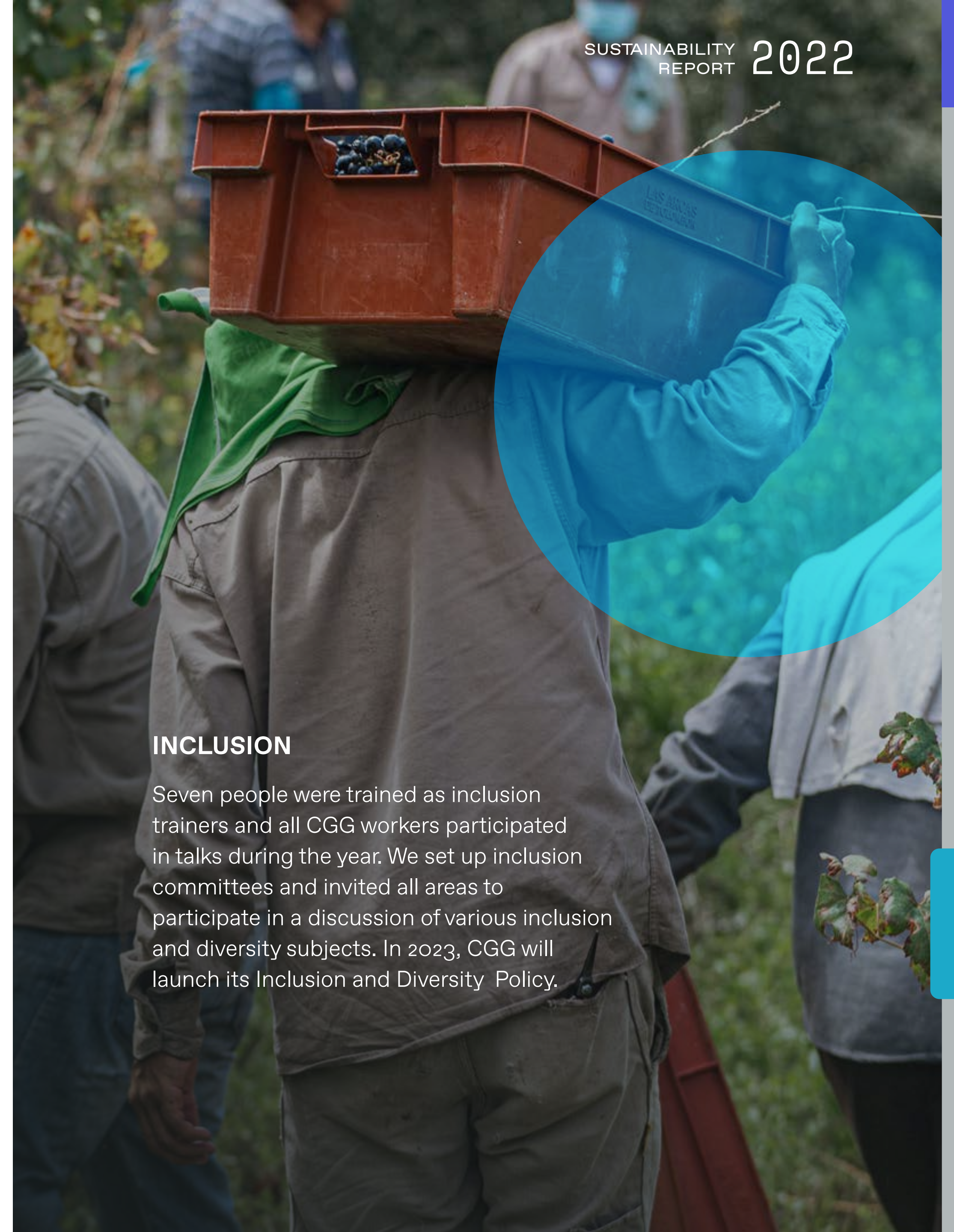
We have our own assessment tool that has been internally validated. The survey includes 96 questions that cover 23 broad dimensions, which are analyzed in agreement with reliability and validity criteria.

The results obtained over the last three years since the merger that created the Chilean Grape Group show that our efforts have been successful, as the organizational climate survey scored 72% in 2020, while in 2021, we exceeded our expectations, achieving 81%.

In 2022, we achieved 85% positive answers. In addition, we increased participation from 50% to more than 70%.

INCLUSION

Seven people were trained as inclusion trainers and all CGG workers participated in talks during the year. We set up inclusion committees and invited all areas to participate in a discussion of various inclusion and diversity subjects. In 2023, CGG will launch its Inclusion and Diversity Policy.



Talent to *continue growing*

We want all our collaborators to grow professionally. For this purpose, we have established two performance assessments. The first evaluation occurs in July when each collaborator receives information from their peers and managers; this is the right time to review behaviors to improve his work performance. The second process that takes place in December is a critical assessment that allows for decisions to be made regarding the worker's annual performance.

We developed our own assessment methodology, which includes several competencies based on the worker's position and level of responsibility; it features a list of approximately 40 questions in line with CGG's strategic values and objectives.

Empresas Lourdes delivered a total of 8,739 training hours, with an average of 43.9 training hours per employee. The main subjects included: food safety, security, sustainability, technical training and soft skills.

At Morandé, we completed 4,490 training hours, of which 1,834 were delivered to women and 2,656 to men, averaging 20 hours per worker. The main training subjects included worker's safety and wine varieties.



Compensations and benefits

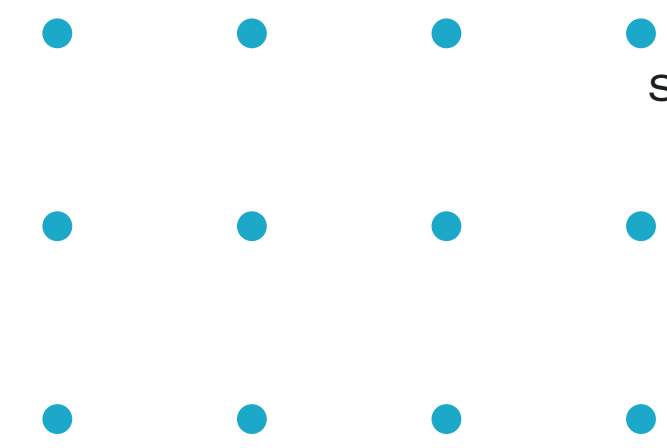
Our compensation policy is aligned with CGG's strategy and values.

The compensation of each CGG worker is made up of at least two of the following components:

- Fixed compensation
- Variable compensation
- Benefits and agreements

In turn, the Compensations Policy is based on three principles: internal equity, external equity and a minimum gross salary of \$500,000 (12% above the current legal requirement).

Every year, the Company will establish a compensations review period, where each collaborator may request a salary review and obtain a formal answer from CGG on whether or not they may be granted a raise. This requires a revision of the whole Company's compensation structure. Approximately 20% of our headcount receives a positive answer to their request.



BENEFITS

In order to improve the quality of life of our workers and their families, we have signed agreements to provide them with additional benefits that will increase their economic stability, wellbeing and loyalty to the company.

One of the benefits that we included this 2022 is Butterfly life insurance, which policy increases as the person performs physical activity. The system works on a mobile or intelligent watch that counts steps; each team member has a goal. Thus, on the one hand, the collaborator is entitled to a higher policy; on the other, he donates to different NGOs. The plan also included a platform for free telemedicine and therapy. Both plants engaged in a plan so that personnel may add some steps to their daily objectives during their free time.



Other benefits provided by the Company:

- National holiday and year-end bonuses, with higher amounts for workers with children under 18.
- Additional subsidy: we supplement medical leaves for workers whose compensations are above the maximum taxable amount.
- Time off: wedding, seven business days off (two above the legal requirement), half day off on the employee's birthday. In the case of father/mother or sibling death, five paid time off.
- Food allowance and food tickets.
- Discounts on wine prices and other products.
- Insurance: complementary health insurance funded 50% by CGG and 50% by the worker. Medical and dental coverage, in addition to Life Insurance fully paid by the Company.
- Cancer insurance policy with Fundación Arturo López Pérez has no age restrictions; it allows for the incorporation of beneficiaries with no deductible or copay.



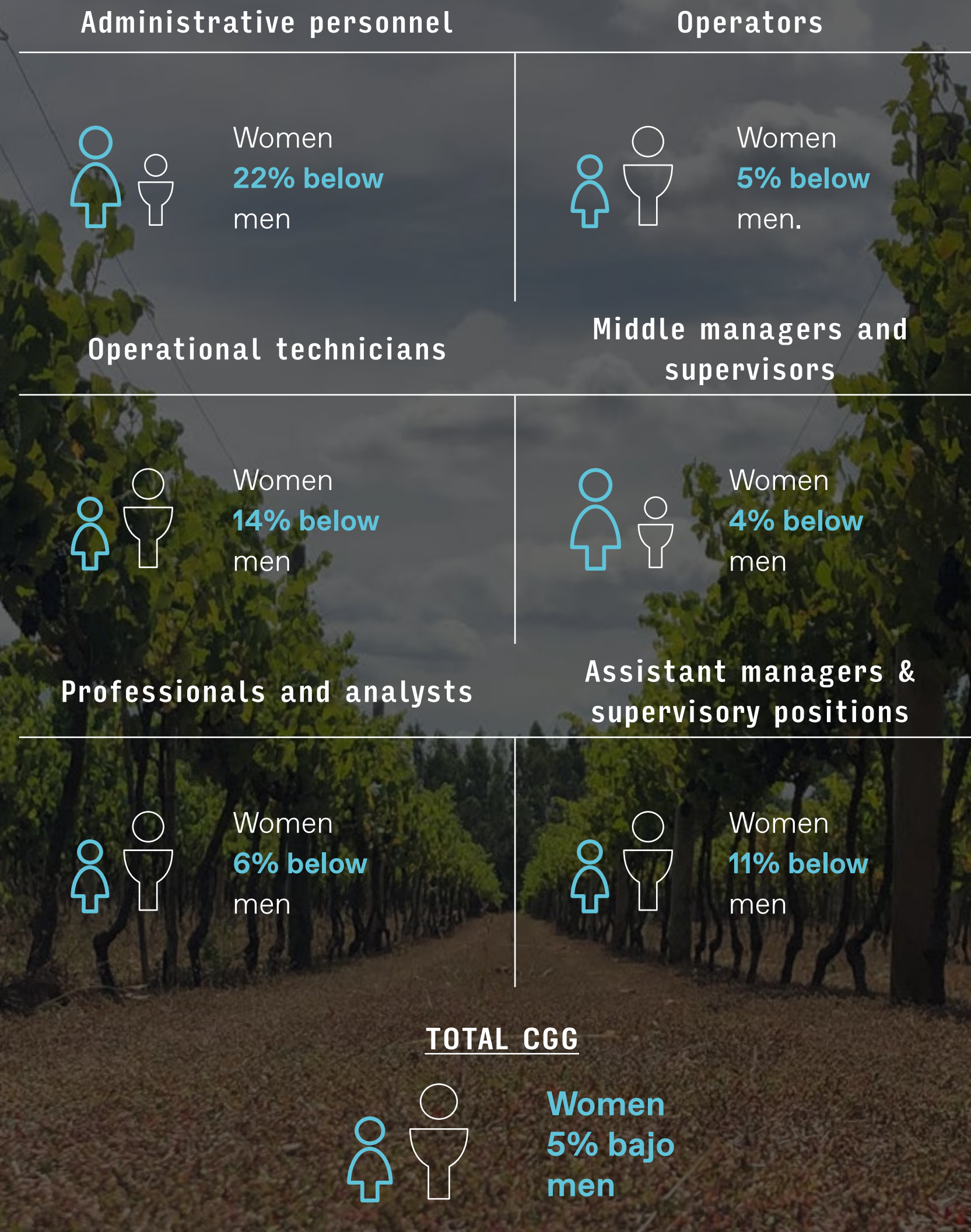


Equal Pay for men and women

Concerning salary equity per job family, the gap between men and women working in our industry has shrunk progressively, and the current CGG salary gap is 5%, far below the 27% observed nationally.

It should be noted that CGG has implemented a policy of equal jobs and equal pay, and any difference in compensation is generally due to seniority.

Salary Equity per Job Family



Safety and health



At Chilean Grape Group, we seek to provide our collaborators and contractors with a safe work environment, focusing at all times on protecting their lives, and their physical and emotional health.

- > As established in our Occupational and Safety Policy (SSO), we develop and encourage continuous improvement based on the following commitments:
- > Maintaining a visible, effective, and permanent leadership in Health and Safety matters.
- > Identifying the hazards, assessing and managing the risks relating to each activity developed in our facilities, and taking preventive actions to minimize the risks and mitigate the impacts.
- > Permanently review and assess OHS System objectives and goals.
- > Generating a culture of risk prevention through our four key pillars: Management commitment, preventative campaigns, safety dialogues, and supervision and control.
- > Assuring that no production goal compromises a worker's physical integrity.
- > Fulfilling applicable OHS legal, auditing, and contractual commitments and the requirements of the pertinent authorities fulfilling appropriate OHS legal, auditing, contractual obligations, and the requirements of the relevant authorities.
- > Ensuring the active participation of our Parity Committee and Risk Prevention Department in fulfilling our work plan.
- > Implement the workplace protocols from the Health Ministry and ensure compliance with its requirements.
- > Training, educating, and raising our personnel and contractors' awareness of the importance of OHS, internally and jointly with the Managing Agency or other related entities.
- > Establishing preparedness and response mechanisms before potential accidents and emergencies.

SAFETY MANAGEMENT

Our 2022 health and safety performance indicators excelled, with no near-misses or fatalities. The main occupational incidents were ankle twists, superficial skin cuts and falls on pedestrian pathways. The accident rate was 7.77 and our accident rate with days lost amounted to 37.87 for the period. Additionally, our subcontracting companies did not report any incidents.

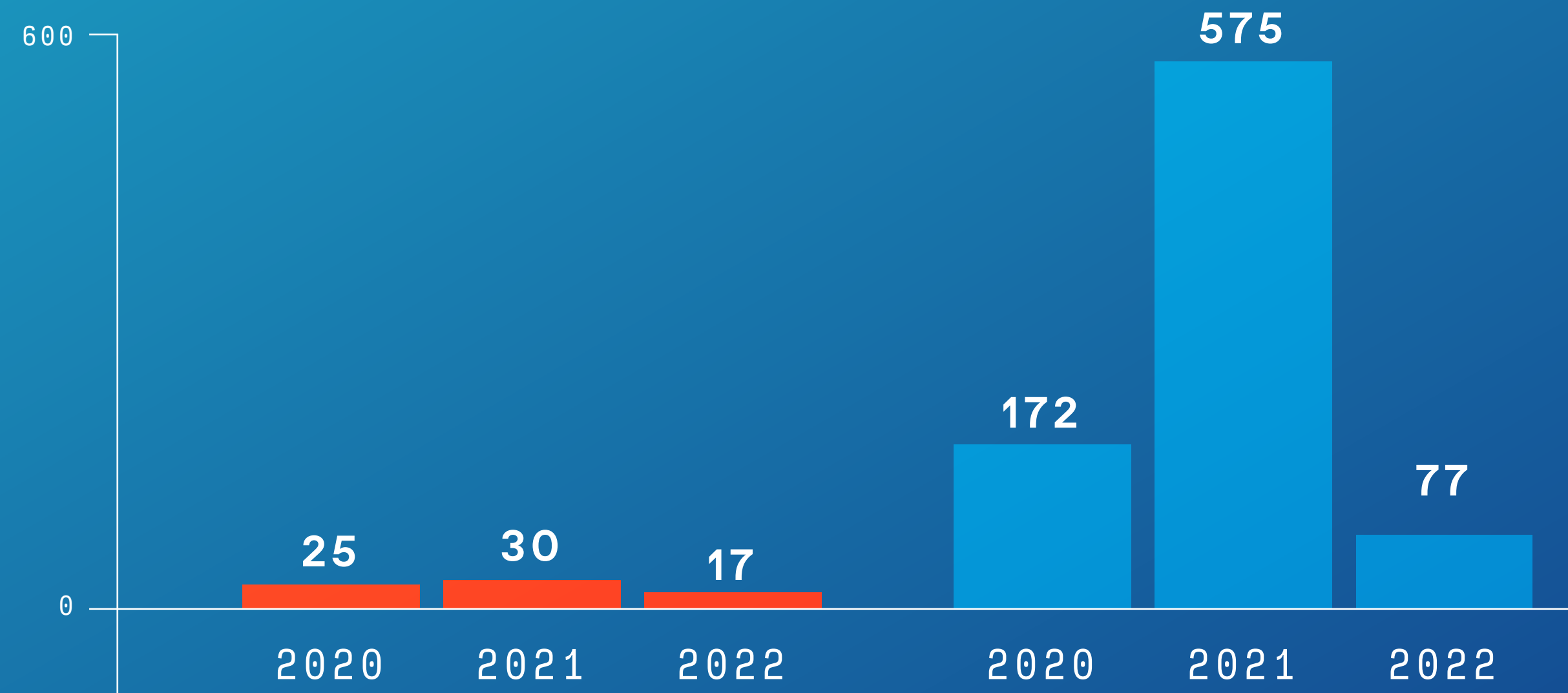
Our workplace Health and Safety System has been in place for many years; it started with SGI 9001, 14001 and 18001 (from 2010 to 2018), and maintains the same structure, but is now supplemented by Safety and Health regulations (Law 16,744, DS. 594, DS 40 and related decrees)

Our management system is based on Ohsas 18,001 and applies to all Viña Morandé's outsourced personnel, and permanent and temporary subcontractors.



TOTAL ACCIDENTS

LOST DAYS



In 2022, we approached safety from a more empirical viewpoint. We retained a consulting firm and designed different stations to teach our collaborators the necessary precautions. In addition, we offered incentives for a clean and safe grape harvesting, where each area was given environmental and safety and health indicators they should follow.

*Shared
value*

→ Patrimonial, cultural
value and local
entrepreneurship



We have committed to increasing society's social, cultural, and economic heritage. We perform the following activities in conjunction with our community.

Noteworthy initiatives:

SUPPORT TO LOCAL ENTREPRENEURS

To raise the visibility of local tourism and food Catering businesses and providing them with growth opportunities. We install tables and shelves at their stores and supplement their food-tasting activities with our wines to improve the customer experience.

SOCIAL ASSISTANCE TO OTHER ORGANIZATIONS

We provide constant support to local sports clubs, Fire Departments, neighborhood associations and other institutions, expanding our reach as compared to previous years.



We have maintained a close relationship with the schools of Isla de Maipo and the Municipality of Isla de Maipo with the aim of implementing collaborative projects to develop tourism and environmental initiatives.



In 2022, we contributed infrastructure for the first Environmental Education Center administered by the Municipality, whose purpose is to educate and promote environmental care among community members.

We are also constantly contributing to an alcohol and drug prevention organization that operates in Isla de Maipo. We delivered materials for a workshop dedicated to the elaboration of worm composting containers. We donated the raw materials to build these close containers that use worms to produce compost. As the compost containers are delivered to the

community, we help with rehabilitating young people and with generating tools for a more sustainable life in Isla de Maipo.

Although our efforts have been focused mainly on Isla de Maipo, we have maintained a close relationship with the Municipality of Malloa and the school of Pelequén, which we have sponsored for almost 10 years. This year, our support focused on our communities and the Red Cross, and during the winter holidays we delivered afternoon snacks to children who would otherwise have their meals at school.



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